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COST AUDITORS' REPORT ON COST STATEMENTS OF THE THAL INDUSTRIES CORPORATION LIMITED FOR THE YEAR ENDED SEPTEMBER 30, 2022

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COST AUDITORS' REPORT TO THE DIRECTORS

We **BDO EBRAHIM & CO., Chartered Accountants** having been appointed to conduct an audit of cost accounts of **The Thal Industries Corporation Limited ("the Company"),** have examined the books of account and the statements specified under the first proviso to sub-section (1) of section 220 of the Companies Act, 2017 and other relevant record for the year ended on September 30, 2022 and report that:

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of this audit.

In our opinion:

(a) proper cost accounting records as required by first proviso to sub-section (1) of section 220 of the Companies Act, 2017 (XIX of 2017), and as required by these regulations, have been kept by the Company;

(b) proper returns, statements and schedules for the purpose of audit of cost accounts have been received from branches not visited by us; and

(c) the said books and records give the information required by the regulations in the manner so required.

In our opinion and, subject to the best of our information:

(a) the annexed statement of capacity utilization and stock-in-trade are in agreement with the books of account of the Company and exhibit true and fair view of the Company's affairs; and

(b) cost accounting records have been properly kept so as to give a true and fair view of the cost of production, processing, manufacturing, marketing, cost of sales, profit margin on indigenous and export sales and any other information of the product of the Company, namely White Refined Sugar.

The matter contained in the Appendix III forms part of this report and approved by the Board on March 29, 2023.

LAHORE

DATE: 29 MAR 2023

BDO Ebrahim & Co.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Muhammad Imran

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COST AUDITORS' REPORT (APPENDIX III)
TO THE DIRECTORS OF THE THAL INDUSTRIES CORPORATION LIMITED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

1. CAPACITY:

		2022	2021
(a) Licensed, installed and utilized capacity:			
Designed crushing capacity:			
Layyah Sugar Mills	Metric Tons / Day	15,000.000	15,000.000
Safina Sugar Mills	Metric Tons / Day	8,000.000	8,000.000
		23,000.000	23,000.000

(b) Percentage utilization

Capacity on the basis of operating days	Metric Tons	3,190,000.000	2,610,500.000
Capacity utilized by the mill (tonnes per day)	Metric Tons	22,170.036	20,921.591
No. of days worked	Days	138.000	113.500
Actual crushing (utilized capacity)	Metric Tons	3,059,465.013	2,374,600.590
Percentage of capacity attained	%	95.908%	90.963%
Sugar production from cane	Metric Tons	305,521.000	228,107.000
Recovery of sugarcane	%	9.986	9.606

Normal installed capacity is mentioned above. The capacity has been mentioned after adjusting number of shits, holidays, normal shut downs days and normal idle time, loss in efficiency due to ageing of the equipment/plant or any other factor (where applicable and relevant).

During the year, there is an increase in actual crushing compared to last year because of the increase in crushing days and better supply of sugarcane as compared to last year.

(c) The Company is not engaged in any other activity except manufacturing and sale of white sugar, molasses and allied by-products.

(d) The Company owned this capacity. The Company has not engaged any leasing arrangements/loan/outsourcing in this regard.

2. COST ACCOUNTING SYSTEM:

Manufacturing of sugar is a continuous process. The Company uses financial and cost integrated accounting system which shows overall cost of production.

The Company is using integrated accounting software, whereby the cost accounts are integrated with the financial accounting records. The cost accounting functions and financial accounting functions are combined in one system of ledger accounts. This enables the company to get information regarding cost records at any point of time. All transactions related to costs of production are incorporated in the books of accounts and their effect is reflected in the costing reports. According to the Company's practice, the actual costs incurred during the year are allocated to the sugar manufactured during the year on actual basis.

There was no change in the cost accounting policy for goods under audit during the current financial year as compared to previous financial year.

The existing system can generate various cost reports some of which are as follows:

Direct department cost.
Distribution of total production cost into raw material and other manufacturing cost.
Detail of direct cost of sugar.
Detail of total cost of sugar.
Direct and indirect cost of salaries and wages.
The cost of each service department.
Stock valuation of stores, spares and loose tools.
Direct cost of production departments.
Total cost of production departments.

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We have assessed the functionality of the cost accounting system and found it adequate to determine the cost of Company's products correctly. Our review of the system and procedures adopted by the Company reveal that the adequate information and analysis regarding cost of product is generated for the management.

3. PRODUCTION :		2022 (Metric tons)	2021 (Metric tons)
(a) Installed Capacity in metric tons			
Main product:			
White refined sugar		318,556.344	250,767.782
By products:			
Molasses		139,113.450	114,767.684
Bagasse		915,992.550	748,558.161
Press Mud / Filter Cake		95,700.000	78,315.000
(b) Production in metric tons			
White refined sugar		305,521.000	228,107.000
By products:			
Molasses		133,420.919	104,396.633
Bagasse		878,510.081	680,914.250
Press Mud / Filter Cake		91,783.950	71,238.018
(c) Percentage utilization			
Main product:			
White refined sugar	%	95.908%	90.963%
By products:			
Molasses	%	95.908%	90.963%
Bagasse	%	95.908%	90.963%
Press Mud / Filter Cake	%	95.908%	90.963%
(d) Actual Recovery			
White sugar	%	9.986%	9.606%
Molasses	%	4.361%	4.396%
Bagasse	%	28.715%	28.675%
Filter Cake	%	3.000%	3.000%

The mills of the Company have crushed 3,059,465 (2021: 2,374,600) tonnes of sugarcane in comparison with the licensed /installed capacity of 3,190,000 (2021: 2,610,000) tonnes available based on the total number of days 138.00 (2021: 113.50 days) of the crushing season. This is 95.91% (2021: 90.96%) utilization of available capacity.

Explanation for shortfall

Non-availability of sugarcane in sufficient quantity and quality was the limiting factor due to which the capacity utilization is 95.91% (2021: 90.96%) as compared to installed capacity.

Explanation of variances

In current year, 33.938 % increase in sugar production can be attributed to 28.841 % increase in crushing as compared to last year. Sugarcane crushing was higher this year because of increase in number of crushing days and better supply of sugarcane as compared to last year.

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(e) Addition to production capacity

Layyah Sugar Mill:

We have noted that installed capacity of the Layyah Sugar Mill has been increased over the periods. We understand from management that an amendment in section 11 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance, 1963 (the Ordinance) was made by the government and as per notification "The Government may exempt an industrial undertaking or class of industrial undertaking dully established under this Ordinance from all or any of the provisions of this Ordinance or the rules and may regularize contravention of any of the provision of this Ordinance committed till the commencement of the Punjab Industries (Control on Establishment and Enlargement) (Amendment) Act, 2022 (the Act), subject to payment of such requitals as the Government may determine.

In pursuance of the amendment in section 11 of the Ordinance, the Company has submitted an application dated December 08, 2022 for regularization of its enhanced crushing capacity upto 24,000 TCD for Layyah Sugar Mill. As per the decision, the application in hand was forwarded to the Technical Sub-Committee for scrutiny, evaluation and recommendation. The Technical Sub-Committee visited the Company and submitted its report vide letter dated January 03, 2023, for further deliberation and consideration. Accordingly, the Committee unanimously recommended that the initial capacity of the Company is considered zero TCD as per NOC/permission letter of the Government and recommended and regularized that the crushing capacity to the maximum upper limit of 18,000 TCD of the Company, subject to submission of the requital amount (Rs. 180 million) and fulfillment of all legal/local formalities.

Safina Sugar Mills:

We have noted that installed capacity of the Safina Sugar Mill has been increased over the periods as well. In pursuance of the amendment in section 11 of the Ordinance as detailed above, the Company has submitted an application dated December 08, 2022 for regularization of its enhanced crushing capacity upto 18,000 TCD for Safina Sugar Mill. As per the decision, the application in hand was forwarded to the Technical Sub-Committee for scrutiny, evaluation and recommendation.

The Technical Sub-Committee visited the Company and submitted its report vide letter dated December 23, 2022, for further deliberation and consideration. Accordingly, the Committee unanimously recommended that the initial capacity of the Company is considered zero TCD as per NOC/permission letter of the Government and recommended and regularized that the crushing capacity to the maximum upper limit of 12,000 TCD of the Company, subject to submission of the requital amount (Rs. 120 million) and fulfillment of all legal/local formalities.

Percentage utilization			**As per Cost Accounts**	**As per Regularized**
Layyah Sugar Mills	Metric Tons / Day		15,000.000	18,000.000
Safina Sugar Mills	Metric Tons / Day		8,000.000	12,000.000
			23,000.000	30,000.000
Capacity on the basis of operating days		Metric Tons	3,190,000.000	4,140,000.000
Capacity utilized by the mill (tonnes per day)		Metric Tons	22,170.036	22,170.036
No. of days worked		Days	138.000	138.000
Actual crushing (utilized capacity)		Metric Tons	3,059,465.013	3,059,465.013
Percentage of capacity attained		%	95.91%	73.900%
Sugar production from cane		Metric Tons	305,521.000	305,521.000
Recovery of sugar cane		%	9.986	9.986

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(f) Comparison of machine hours utilization (during crushing season)

	2022	2021	2020
	Audited	Audited	Un-audited
Available hours	3,320.525	2,699.925	2,594.375
Utilized hours	3,083.265	2,564.135	2,109.510
% age	92.855%	94.971%	81.311%

Explanation of variances

Available hours is dependent upon no of working days i.e. 138 days (2021: 113.50 days). Increase in available hours is due to increase in number of crushing days. Decrease in percentage of utilization during current year is due to ineffective use of available hours. This year plant stops for more period i.e. 9.89 days (2021: 5.66 days) thus decreasing the percentage of utilization in relation to installed capacity by 2.12 %.

Available hours is dependent upon no of working days i.e. 138 days (2020: 109.50 days). Increase in available hours is due to increase in number of crushing days. Increase in percentage of utilization during current year is due to effective use of available hours. This year plant stops for lesser period i.e. 9.89 days (2020: 20.20 days) thus increasing the percentage of utilization in relation to installed capacity by 11.54 %. Main reason for more lost hours in 2020 was less supply of sugar cane in that financial year (FY).

4. RAW MATERIALS:

(a) Consumption of major raw materials in terms of quantity and value:

Raw Materials	2022		2021	
	Quantity Consumed (metric tons)	Amount (Rupees)	Quantity Consumed (metric tons)	Amount (Rupees)
Sugarcane (See annexure – 3)	3,059,465	18,256,814,440	2,374,601	15,397,609,187
Process material (See annexure - 5)		270,320,613		131,389,762

(b) Consumption of major materials per unit of production:

Raw Materials	Actual Consumption Per Unit (per metric ton of Sugar)		
	2022	2021	2020
	Audited	Audited	Un-audited
Sugarcane (See annexure – 3)	10.014	10.410	10.397

Consumption of raw material per unit of production is dependent on many factors, such as sucrose contents/sugar recovery percentage, quality of sugarcane, elapsed time between sugarcane harvesting and crushing, distance from sugarcane field and factory site and un-interrupted milling/crushing etc.

Although no standard has been fixed for cane procured and consumed, company strives to consume fresh and clean cane. Since, the Company did not operate a 'Standard Costing System' ; comparison of actual raw material consumption with standard could not be made. Therefore, variances could not be worked out.

All the raw material used in production is domestic. There is no imported raw material is used in production. However, some chemicals (i.e. hard coke, decolorizer, sugar press oil, etc.) are being imported and used as other materials.

(c) Explanation of variances

Sugarcane yield depends upon the quality of sugarcane; and the quality varies with the maturity of the crop and quality of seed implanted in crop. Good quality of seed combined with higher maturity of crop means higher quality of sugar cane and higher yield of sugar. Raw material consumption of cane has increased by 684,864 and 1,085,710 metric tons as compared to 2021 and 2020 respectively due to increased availability of sugarcane.

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Consumption of sugarcane per tonne of sugar has decrease by 3.81% to 10.01 per tonne of production (2021: 10.41) because of higher recovery during the year i.e., 9.99% as compared to last year's recovery 9.60%.

Consumption of sugarcane per tonne of sugar has decrease by 3.68% to 10.01 per tonne of production (2020: 10.39) because of higher recovery during the year i.e., 9.99% as compared to last year's recovery 9.61%.

(d) Comments on the method of accounting followed for recording the quantities and value of receipts, issues and balances of all material directly used in production

Sugarcane is procured mainly at the mills directly and partially at depots situated at a number of locations. Cost of purchase of raw material comprises of transport, government levies, handling and other costs directly attributable to the acquisition of materials. Purchases of sugarcane are accounted for when they are received at mill / purchase centers. Value of material consumed is taken on actual basis. The raw material is valued by applying the average cost / weighted average method

Sugarcane receipt at mills

The Company is using its in house developed Software Module named as Crop Management System (CMS) for recording the purchase Sugarcane at its mills. Sugarcane is brought to the factory using different modes of transportation e.g. trolleys, trucks, carts and trailers. Whatever the haulage is, a computerized token and gate pass is given to the haulage. At the weighing post the gross weight of the haulage is measured. The gross weight (Sugar Cane + Haulage) is entered into the database by an online weighing machine into the system. The haulage is then unloaded and at the weighing post the tare weight of the haulage is entered into the database by the same online weighing machine into the system. The net weight is automatically calculated by the software. After measuring the net weight, a computerized Cane Purchase Receipt (CPR) is generated. It is a document which acknowledges the supply of cane made by the grower and contains the net weight procured and amount payable to the grower. Upon the generation of CPR, an automated Purchase order is created in the CMS application with the net weight and amount payable to the grower based on the CPR. The purchase is recorded at the market value as already defined in system time to time. An automated receipt of the cane is recorded by the system based on the purchase order. The receipt is recorded at a value which is a sum of the cost of cane at PO and the direct procurement costs per unit like cane development cess, market committee fee, unloading charges etc.

The cane is issued to consumption as raw material consumed at cost.

Sugarcane receipt at depots

The depot is a purchase center where the Company purchases Cane and brings it to the factory using the transport of the contractor. The Company has opened depots at various places in order to increase and facilitate the sugar cane growers. A weigh bridge has been installed at each depot where a net weight of cane received is measured through laden and un-laden weight of haulage. Manual CPRs are then issued on weighing the sugarcane received at depots. The details of CPRs are entered in Cane Purchase Sheet of respective depots. Cane is then sent to the mills where it is weighed again and recorded in the system and a computerized CPR is generated against Cane received from respective depots. Thereafter the PO, receipt, issuance and accounting process takes place similar to the process of purchase at mills mentioned above.

(e) Other direct material used in production

Other direct material used includes unslaked lime, soda caustic flakes, phosphoric acid, decolorizing agent etc. The Company has computerized inventory system in which all the material purchased is recorded at the respective rates in separate accounts and consumption is charged on daily basis at the moving average rate calculated by the system. The purchases are recorded by Product Receipts (PRs) while consumption is recorded on the basis of approved Internal Purchase Requisition (IPRs).

Transportation expenses during the year were Rs. 11.879 million (2021: Rs. 6.250 million).

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5. WAGES AND SALARIES:

(a) Wages and salaries paid to different categories of employees are as follows:

	2022 (Rupees)	2021 (Rupees)
i. Direct labour cost on production	448,457,359	313,567,480
ii. Indirect employees cost on production	113,194,744	98,724,327
iii. Employees cost on administration	425,563,359	314,399,809
iv. Employees cost on selling and distribution	14,343,030	11,067,814
v. Other employees cost	-	-
Total wages and salaries	1,001,558,492	737,759,430
* vi. Bonus to workers and employees	55,245,098	165,140

* It is included in items (i) to (iv) above.

(b) Salary and perquisites of directors and chief executive are as under:

	Chief Executive		Directors		Executives	
	2022	2021	2022	2021	2022	2021
	Rupees					
Managerial remuneration	2,040,000	2,040,000	2,040,000	2,040,000	104,254,989	106,135,180
Meetiing Fee	80,000	-	520,000	-	-	-
Utilities	-	-	-	-	4,434,035	3,537,839
Bonus	-	-	-	-	14,858,880	15,265,085
Gratuity expense	-	-	-	-	11,418,899	9,537,288
	2,120,000	2,040,000	2,560,000	2,040,000	134,966,803	134,475,392
Number of persons	1	1	1	1	33	31

The executives have been provided free unfurnished accommodation with maintained car for the Company's affairs only.

Chief executive, directors and executives are not entitled for any benefit other than disclosed as above.

(c) Total man-days of direct labour for the year :

During the crushing season	2022 (Days)	2021 (Days)	Increase / (decrease)	Percentage%
Total man-days of labour available - average	376,850	288,574	88,277	30.59%
Total man-days of labour actually worked - average	350,824	271,638	79,186	29.15%
Percentage worked	93.09%	94.13%		
Other than crushing season				
Total man-days of labour available - average	353,212	376,590	(23,378)	-6%
Total man-days of labour actually worked - average	353,212	376,590	(23,378)	-6%
Percentage worked	100%	100%		
Average number of workers employed				
During the crushing season				
Direct and in-direct labour (including contract staff)	2,731	2,543	188	7%
Other than crushing season				
Direct and in-direct labour (including contract staff)	1,556	1497	58.63	4%

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(d) Direct labour cost per unit of output of the product

		2022	2021	2020
		Audited	**Audited**	**Un-audited**
Total labour cost on production	(Rupees)	561,652,103	412,291,807	497,519,545
Direct labour cost on production	(Rupees)	448,457,359	313,567,480	410,009,606
Indirect labour cost on production	(Rupees)	113,194,744	98,724,327	87,509,939
Production of White Refined Sugar	(Metric tons)	305,521	228,107	189,843
Total labour cost per unit of output	(Rupees)	1,838.34	1,807.45	2,620.69
Direct labour cost per unit of output	(Rupees)	1,467.84	1,374.65	2,159.73
Indirect labour cost per unit of output	(Rupees)	370.50	432.80	460.96

(e) Explanation for variances

Comparison with 2021

- Direct labour cost

The increase in direct labour cost by Rs. 134.889 million as compared to 2021 is mainly due to increase in crushing days and increase in minimum wage as compared to 2021. Direct labour cost per tonne of production has increased by Rs. 93.19 per tonne from 2021 due to increase in minimum wage.

- Indirect labour cost

Indirect labour cost has increased by Rs. 14.470 million as compared to last year due to salary increments and bonuses. Indirect labour cost per tonne of production has decreased by Rs. 62.30 per tonne from 2021 due to increase in production.

Comparison with 2020

- Direct labour cost

The increase in direct labour cost by Rs. 38.447 million as compared to 2020 is mainly due to increase in crushing days and increase in minimum wage as compared to 2020. Direct labour cost per tonne of production has decreased by Rs. 691.89 per tonne from 2020 due to increase in production.

- Indirect labour cost

Indirect labour cost has increased by Rs. 25.684 million as compared to last year due to salary increments and bonuses. Indirect labour cost per tonne of production has decreased by Rs. 90.46 per tonne from 2020 due to increase in production.

(f) Comments on Incentive scheme, with particular reference to its contribution towards increasing productivity and its effect on cost of production

Bonus scheme is in place which is based on the discretion of the Board of Directors and covers the permanent employees of the Company. Two bonuses has been provided/recognized during the year 2022. However, in prior year 2021, no bonus was given. There is also an increment in salaries of all of the employees of the company in 2022.

Due to more bonuses and increments during the year, total direct and indirect labour costs have increased as compared to last year. Also increased average no. of workers employed during the year has an impact.

		2022	2021	2020
		Audited	**Audited**	**Un-audited**
Cost of bonus per metric ton of output (Annexure-6)	(Rupees)	180.82	0.72	735.93

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6. STORES AND SPARE PARTS:

(a) Expenditure per unit of output on stores and spare parts:

		2022	2021	Variance %
Process material (Annexure 5)	(Rupees)	270,320,613	131,389,762	105.74%
Consumable stores	(Rupees)	17,447,999	11,427,481	52.68%
Packing material	(Rupees)	225,757,515	120,904,345	86.72%
Printing and stationery	(Rupees)	1,134,176	1,205,391	-5.91%
Total store and spares consumed	(Rupees)	514,660,303	264,926,980	94.26%
Production of sugar	(Metric tons)	305,521.00	228,107.00	33.94%
Stores and spares per unit of production	(Rupees)	1,684.53	1,161.42	45.04%

Explanation of variances

Consumption of chemicals and stores including packing material and oil and lubricants has increased by Rs. 249.733 million (94%) as compared to the last year, this increase is due to increase in production during the year, linkage of imported chemical prices with exchange rate fluctuations, packing materials prices with the petroleum products prices and increase in handling cost of bagasse. Further, increase in store consumption also has the effect of issuance of mechanical, electrical and general store items to consumption.

(b) Comments on the system of stores accounting for recording receipts, issues and balances, both in quantities and values

Receipt recording

The Company follows perpetual method of accounting for stores and spares. These are valued at moving average cost except stores in transit which are stated at cost comprising invoice value plus other charges paid thereon. These are valued at cost comprising of purchase price, import duties, other taxes, and other costs directly attributable to the acquisition of stores and spares except transportation and handling cost which is separately charged to production.

Consumption recording

Stores and spares consumption is recorded on the basis of Internal Purchase Requisitions (IPRs) valued on the basis of weighted average rate having separate code for each type of material in stores. The store department receives the IPRs and then by properly authorizing the issue, the store item is issued to the relevant department.

Allocation

Stores and spare consumption is based on actual consumption towards various cost centers.

(c) Proportion which have not moved for over twenty four months:

	2022 (Rupees)	2021 (Rupees)
Total stores and spares	920,997,193	752,263,119
Slow moving stores	17,491,101	23,180,874
% age	2%	3%
Not moved for over twelve / (2021 twenty four) months	17,491,101	23,180,874

No provision have been made against the above given items which have not been moved for over one to two years. According to management these items can be utilized in plant's normal course of operation during its useful life and are not technically obsolete.

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7. DEPRECIATION:

(a) Method of depreciation

Depreciation on operating fixed assets except freehold land are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at cost. Depreciation is charged by applying reducing balance method over the estimated useful life of an asset at the rates specified in financial statements. Depreciation is charged on additions during the year from the month in which property, plant, and equipment become available for use while no depreciation is charged from the month of deletion/ disposal. The useful life and depreciation method are reviewed to ensure that the method and period of depreciation charged during the year are consistent with the expected pattern of economic benefits from items of operating fixed assets. Appropriate adjustments are made if the impact of depreciation is significant.

(b) Basis of allocation of depreciation on common assets

Depreciation on assets identifiable to various cost centers is charged on actual basis while deprecation for assets under common use is charged to cost centers on the basis of services rendered to the respective departments i.e. 10% Admin and 90% Cost of sales.

(c) Basis of charging depreciation to cost of products

The depreciation of depreciable assets relating to units involved in the manufacturing of product is charged to the cost of production.

(d) There is no change in the accounting policy for depreciation during the year as compared to last year.

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8. OVERHEADS

(a) Total amount of overheads

		2022 Audited	2021 Audited	2020 Un-audited
		----------Rs. '000'----------		
i.	Factory overheads	313,705	217,085	160,978
ii.	Administrative overheads	653,181	602,186	620,932
iii.	Selling and distribution overheads	204,876	213,060	145,211
iv.	Financial charges	785,003	462,855	774,018
		1,956,766	**1,495,186**	**1,701,140**

For break-up of the items (i), (ii) and (iii), please refer to the 'Statement showing Other Factory Overhead' (Annexure-9), the 'Statement showing Administration Expenses, (Annexure-10) and the 'Statement showing Selling Expenses, (Annexure-11) respectively.

	2022 Audited	2021 Audited	2020 Un-audited	Increase / (decrease) 2021	Increase / (decrease) 2020
	----------Rs. '000'----------				
(aa) Factory overheads					
Indirect labour	113,195	98,724	87,510	14,470	25,685
Printing and stationery	1,134	1,205	419	(71)	715
Postage and telegram	55	46	45	9	10
Telephone fax and telex	1,565	1,663	1,352	(98)	212
Traveling and conveyance	2,759	2,107	1,427	652	1,332
Entertainment	1,669	1,385	1,269	284	400
Vehicle running expenses	166,308	97,489	59,204	68,819	107,104
Repair and maintenance buildings	24,408	11,992	4,919	12,416	19,488
Fire fighting	177	1,089	4,067	(911)	(3,889)
Other expenses	2,436	1,385	766	1,051	1,669
	313,705	**217,085**	**160,978**	**96,621**	**152,727**
(ab) Administrative overheads					
Director remuneration	4,680	4,080	4,080	600	600
Salaries, wages and benefits	425,563	314,400	323,810	111,164	101,753
Rent, rates and taxes	10,574	3,491	5,654	7,083	4,921
Insurance	234	459	381	(226)	(148)
Water, gas and electricity	5,056	4,462	5,058	594	(2)
Printing and stationery	5,699	5,469	4,156	230	1,543
Postage and telegram	220	183	179	37	41
Telephone fax and telex	6,259	6,651	5,409	(392)	849
Repair and maintenance	17,079	13,978	7,867	3,101	9,212
Traveling and conveyance	6,287	3,239	5,838	3,048	449
Books and periodicals	67	64	53	3	13
Entertainment	13,331	2,559	9,853	10,771	3,477
Advertising	732	1,675	299	(942)	433
Legal and professional expenditure	23,105	50,810	87,389	(27,705)	(64,284)

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	2022 Audited	2021 Audited	2020 Un-audited	Increase / (decrease) 2021	2020
	----------Rs. '000'----------				
Auditor's remuneration	2,275	2,069	1,881	207	395
Vehicle running expenses	39,339	29,284	27,793	10,054	11,546
Charity and donation	-	5,750	50,370	(5,750)	(50,370)
Fee and subscription	20,252	10,136	8,625	10,116	11,627
Depreciation and Amortization	51,574	54,261	51,401	(2,687)	173
Others	20,855	89,167	20,835	(68,312)	20
	653,181	**602,186**	**620,932**	**50,995**	**32,249**

(ac) Selling and distribution overheads

Salaries, wages and benefits	14,343	11,068	11,866	3,275	2,477
Commission	15,580	14,023	9,459	1,557	6,121
Freight outward	91,800	136,922	87,248	(45,122)	4,552
Stacking / restacking	59,050	30,824	19,650.23	28,227	39,400
Loading / unloading	14,025	11,290	9,910.03	2,735	4,115
Numbering expenses	1,011	699	625.17	313	386
Insurance	5,692	5,041	4,828.49	651	864
Other expenses	3,374	3,194	1,624.13	180	1,750
	204,876	**213,060**	**145,211**	**(8,184)**	**59,664**

(ad) Financial charges

Profit on:					
- Deposit Account	(89,254)	(8,374)	(1,906)	(80,879)	(87,347)
- Government grant amortization	(1,803)	(4,172)	-	2,369	(1,803)
Markup on:				-	-
- Short term borrowings	745,547	364,363	587,315	381,184	158,232
- Lease finance	10,960	11,905	13,038	(945)	(2,078)
- Long term borrowings	90,046	78,582	153,165	11,464	(63,119)
Interest on workers' (profit)				-	-
participation fund	6,528	6,038	2,829	490	3,699
SBP salary loan	1,850	4,125	-	(2,275)	1,850
Bank and other charges	21,129	10,389	19,578	10,740	1,551
	785,003	**462,855**	**774,018**	**322,148**	**10,985**

(b) Reasons for variances

Factory overheads

The factory overheads in current year have been increase by Rs. 98.833 million (45.53%) as compared to 2021. The increase is mainly due to increase in vehicle running expenses by Rs. 68.819 million, repair and maintenance expenses by Rs. 12.415 million and indirect labour cost by Rs. 14.470 million.

BDO

The factory overheads in current year have been increased by Rs. 154.940 million (96.25%) as compared to 2020. The increase is mainly due to increase in vehicle running expenses by Rs. 107.104 million, repair and maintenance expenses by Rs. 19.488 million and indirect labour cost by Rs. 25.684 million.

The increase in vehicle running expense is represented by fluctuations in fuel prices, increase in repair and maintenance is due to increase in number of operating days and repairing charges, increase in indirect labour is due to bonus and increase in actual crushing labour hours.

Administrative overheads

The administrative expenses in current year have been increased by Rs. 50.995 million (8%) as compared to 2021. The increase is mainly due to increase in salaries, wages and other benefits by Rs. 111.164 million, rent, rates and taxes by Rs. 7.083 million, vehicle running expenses by Rs. 10.054 million, entertainment expenses by Rs. 10.771 million and fee and subscription expenses by Rs. 10.116 million. Conversely, there is decrease in provision for doubtful debts and legal and professional expenses amounting to Rs 70.170 million and 27.750 million respectively (other expenses).

The administrative expenses in current year have been increased by Rs. 32.249 million (5%) as compared to 2020. The increase is mainly due to increase in salaries, wages and other benefits by Rs. 101.753 million, rent, rates and taxes by Rs. 4.920 million, vehicle running expenses by Rs. 11.546 million, entertainment expenses by Rs. 3.477 million and fee and subscription expenses by Rs. 11.627 million. Conversely, there is decrease in legal and professional amounting to Rs 64.284 million.

The increase in salaries, wages and other benefits is due to annual increment, bonus and increase in average number of employees, increase in repair and maintenance is due to increase in number of crushing days, Increase in rent, rates and taxes is due to fluctuations in rent prices, increase in vehicle running expenses is due to increase in fuel prices. The decrease in legal and professional expenses is due to decrease in number of legal cases against Company.

Selling and distribution overheads

The selling and distribution expenses in current year have been decreased by Rs. 8.814 million (3.84%) as compared to 2021. The decrease is only because of decrease in Freight outward expenses by Rs. 45.122 million due to decrease in sale. There is an increase in stacking/restacking and loading/unloading expenses by Rs. 28.227 million and 2.735 million respectively because of increase in production of sugar bags and molasses.

The selling and distribution expenses in current year have been increased by Rs. 59.664 million (41.09%) as compared to 2020. The increase is mainly due to increase in stacking/restacking expenses by 39.400 million due to increase in production od sugar bags and molasses. Increase in freight outward and loading/unloading expenses by Rs. 4.552 million and 4.115 million respectively is due to increase in sale.

Financial charges

Financial Charges: The finance cost has increased by Rs. 322.148 million i.e. 69.60% as compared to 2021. This increase is mainly because of the increase in finance cost on short term and long term borrowing due to increase in mark-up rates. There is also increase in short term borrowing during the year to finance the cane procurement cost.

Financial Charges: The finance cost has increased by Rs. 10.984 million i.e. 1.42% as compared to 2020. This increase is mainly because of the increase in finance cost of short term borrowing amounting to Rs 158.232 million due to increase in mark-up rates. There is also increase in short term borrowing during the year to finance the cane procurement cost. Conversely, there is decrease in finance cost of long term borrowings due to reduction in number of long term borrowings.

(c) Basis of allocation

Identifiable costs are separately allocated to each cost center, while common costs are allocated on some rational basis like telephone, postage and telegram are allocated on the basis 20% to production and 80% to administration and building repair and maintenance is allocated 80% to production and 20% to administration.

BDO

(d) **Cost of packing**

	2022	2021	2020
	Audited	**Audited**	**Un-audited**
Total Sugar produced (metric tons)	305,521	228,107	189,843
Packing materials/number of bags consumed (rupees)	225,757,515	120,904,345	99,548,372
Cost per metric ton of sugar (rupees per metric ton)	738.93	530.03	524.37

Explanation for variances

Packing cost comprises of cost of polypropylene bags, thread cones, polythene bags etc. The increase in packing material cost is approx. 86.72% as compared to 2021 and 126.78% as compared to 2020. This increase is due to increase in production and increase in rate per bag of packing material purchased as compared to previous years.

9. ROYALTY PAYMENTS:

No royalty or technical aid payments have been made during the year.

10. ABNORMAL AND NON-RECURRING FEATURES:

(i) There were no abnormal features like strikes, lockouts, major breakdowns in the plant and serious accidents affecting production during the year.

(ii) There were no abnormal expenses incurred during the year that have been charged to the products.

11. COST OF PRODUCTION:

Exclusive of sales tax

	2022 (Rupees)	2021 (Rupees)	Increase/ (Decrease)
Cost of goods manufactured	17,018,970,800	14,727,474,065	15.56%
Cost per metric ton of goods manufactured	55,622.82	63,735.35	-12.73%
Cost to make and sell	13,965,862,716	16,507,813,175	-15.40%
Cost per metric ton of sold sugar	64,883.67	68,703.87	-5.56%
Inclusive of sales tax			
Cost of goods manufactured	17,018,970,800	14,727,474,065	15.56%
Cost per metric ton of goods manufactured	55,622.82	63,735.35	-12.73%
Cost to make and sell	18,687,709,096	21,721,318,336	-13.97%
Cost per metric ton of sold sugar	86,820.78	90,401.96	-3.96%

Both inclusive and exclusive cost analysis for cost to make and sell have been provided, with the inclusion of sales tax being a part of the cost in the previous year. This year, both types of analysis have been presented.

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Comments on the reasons for differences in cost of production (as per cost statements)

The total cost of production has increased by Rs. 2,291.496 million (15.56 %) as compared to last year. This increase is mainly due to increase in sugarcane crushed by 684,864 tons (28.841%) as compared to the previous year.

The cost per ton of production of white bagged sugar has decreased by Rs. 8.113 per ton as compared to last year. This decrease in cost per ton is mainly due to an increase in production, a better supply of sugar cane, better recovery, decrease in average purchase price of cane and attain better efficiency during the year as compared to last year.

It has been observed that there is only one category, variety or quality of the product under reference. As per cost order under Regulation 1(2) "Every Company engaged in the production, processing and manufacturing of sugar in any form except liquid, is required to maintain particulars of cost accounting record and prepare cost statements."

The cost per metric ton of sold sugar has been revised for comparative year due to over valuation adjustment of stocks.

	2022 (Metric tons)	2021 (Metric tons)
12. SALES:		
(a) Net sales realization		
Sales white sugar (own manufactured)	215,244.65	240,274.85
Export of white sugar (own manufactured)	-	-
Total Sales	215,244.65	240,274.85

	2022		2021	
	Rupees	Rupees per metric ton	Rupees	Rupees per metric ton
Local sales white sugar (own manufactured)	18,687,709,096	86,821	21,721,318,336	90,402
Less: Sales Tax / Special Excise duty	(2,764,001,613)	(12,841)	(3,150,484,795)	(13,112)
Net Sales	15,923,707,483	73,980	18,570,833,541	77,290

	Increase/ (Decrease)	Percentage
	Rupees per metric ton	
Local Sales white sugar (own manufactured)	(3,581)	-3.96%
Export of white sugar (own manufactured)	-	0.00%
Less: Sales tax/ Special Excise Duty	(271)	2.07%
Net sales	(3,310)	-4.28%

The company sold 4,304,893 bags of 50 kg each (2021: 4,805,497 bags) of White Refined Sugar during the year. The selling price of sugar has been decreased as compared to last year due to government intervention in maximum sugar prices for the mills.

The above does not include sales of by products and related sales tax amounting to Rs. 4,183.009 million and Rs. 306.245 million, respectively.

It has been observed that there is only one category, variety or quality of the product under reference.

13. PROFITABILITY:

Exclusive of sales Tax

	2022		2021	
	Rupees	**Rs. per metric ton**	**Rupees**	**Rs. per metric ton**
Gross Sugar Sales (own manufactured)	15,923,707,483	73,980	18,570,833,541	77,290
Total Cost to make & sell (Annexure - 1)	13,965,862,716	64,884	16,507,813,175	68,704
Profitability (owned manufactured)	1,957,844,766	9,096	2,063,020,367	8,586

Inclusive of sales Tax

	2022		2021	
	Rupees	**Rs. per metric ton**	**Rupees**	**Rs. per metric ton**
Gross Sugar Sales (own manufactured)	18,687,709,096	86,821	21,721,318,336	90,402
Total Cost to make & sell (Annexure - 1)	16,729,864,330	77,725	19,658,297,970	81,816
Profitability (owned manufactured)	1,957,844,766	9,096	2,063,020,367	8,586

The above does not include profitability of by products.

(a) Profit per machine hour

	2022 (Rupees)	2021 (Rupees)
Gross profit (Rupees)	1,957,844,766	2,063,020,367
Machine hours of actual crushing	3,083	2,564
Profit per machine hour (Rupees)	634,990.75	804,567.77

(b) Comments on the profitability of different categories of the products per unit as well as in terms of per machine hour, etc. and comments on the adequacy or otherwise of product for maximization of profits

Profitability of the Company depends on the price of sugar in the market and support prices of sugarcane notified by the Government. During the year, the average selling price/metric ton of sugar has decreased by 4.28 % and sales volume decreased by 10.42 % as compared to last year. In current year average selling price is Rs. 73,980 per metric ton while in previous year it was Rs. 77,290 per metric ton. During the year, the gross sales has been decreased by 14.25 % for the year 2022 and accordingly cost of goods sold per metric ton of sugar sold has also decreased by 5.56 % due to better supply of sugarcane, better recovery, decrease in average purchase cost of sugarcane and increase in sugarcane recovery. Gross profit has increased by 7.78 % as compared to the last year. The gross profit margin to sales has increased from 17.99 % to 22.61 %.

It has been observed that there is only one category, variety or quality of the product under reference. As per cost order under Regulation 1(2) "Every Company engaged in the production, processing and manufacturing of sugar in any form except liquid, is required to maintain particulars of cost accounting record and prepare cost statements.

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14. RELATED PARTY TRANSACTIONS

The related parties comprise of associated companies, directors of the Company and entities under common directorship, key management personnel and post employment retirement plan. The Company has entered into transactions with the following related parties for the year ended September 30, 2022.

Name and address of related parties :

Name of the related party	Address
Naubahar Bottling Co. (Private) Limited	38-40 Grand Trunk Road Industrial State Model Town Gujranwala Punjab.
Baba Farid Sugar Mills Limited	2D-1 off MM Alam Road , Block D1, Gulberg III, Lahore Punjab.
Almoiz Industries Limited	2D-1 off MM Alam Road , Block D1, Gulberg III, Lahore Punjab.

The name of the directors and their shareholding percentages has been disclosed in the annual financial statements of the Company for the year ended September 30, 2022.

All the related party transactions for the year ended September 30, 2022 has been disclosed in the annexure B-1 attached to this report.

The transfer prices taken in related party transactions for the year ended September 30, 2022 is inclusive of sales tax .

The normal price charged for the white refined sugar is based on the average market price which is Rs. 4,341.04 per bag (2021: Rs. 4520.10 per bag) and Rs. 4,075.29 per metric ton (2021: Rs. 4,644.36 per metric ton) for bagasse while the market prices for some of the stores, spares, scrap and other machinery items that are available has been mentioned in annexure B-1. Other prices have been taken on purchases basis.

Key management personnel :	2022 (Rupees)	2021 (Rupees)
Advances received from / (returned to) directors during the year	(50,000,000)	(170,000,000)
Repayment of loan from directors	40,000,000	-
Dividend paid	47,623,326	35,993,251
Disposal of vehicle	-	507,132
Lease Commitments	10,200,000	9,750,000

15. DISTRIBUTION OF EARNINGS :

The earnings were distributed to the following parties :

Employees as salaries and wages, retirement benefits etc.	1,001,558,492	737,759,430
Shareholders as dividends	45,069,696	45,069,696
Company as retained earnings	1,774,962,253	1,626,613,317
Governments as taxes	626,179,595	396,709,187
Extra ordinary expenses	-	-

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16. ADJUSTMENT OF COST VARIANCES :

The Company maintains cost records on actual basis and do not follow standard costing method to determine the cost of its goods and services. Hence no variances has identified and adjusted.

17. OBSERVATIONS AND CONCLUSIONS:

In the course of our examination of the cost accounts of **THE THAL INDUSTRIES CORPORATION LIMITED** for the year ended September 30, 2022, certain weaknesses in the procedures, internal controls and accounting methods came to our notice. We are giving below our observations and conclusions to draw attention to these matters. The responsibility for maintenance of an adequate system of internal controls as well as for prevention and detection of irregularities and frauds rests with the management.

Our audit involves evaluating only those systems and internal controls in the organization upon which we rely for the purpose of determining our audit procedures. Accordingly, our audit may not have identified, and the comments in this report may not be a comprehensive record of all the weaknesses that may exist. However, our audit was planned so that we would have a reasonable expectation of detecting material misstatements in the accounts.

(a) Matters which appear clearly wrong in principle

(i) There is none noted. However, we have noted certain opportunities for improvement which are reported in suggestion for improvements in performance.

(ii) We refer to detail comments on addition to production capacity at note 3 (e) to this report.

(b) ***Usage of company's funds***

There were no cases where the company's funds were used in a negligent or inefficient manner.

(c) ***Controlling factors***

No instances were observed where factors which could have been controlled, but were not done, resulting in increase in cost of production. There is an adequate budgeting and control system.

The Company has an effective internal audit and control function. The Board of Directors has constituted an audit committee, the meetings of which are held on regular basis.

(d) ***Suggestions for improvements in performance***

(i) No significant instances were found of general imbalances in production facilities.

(ii) Cost reduction and increased productivity; key limiting factors causing production bottlenecks; improved inventory policies are important areas to be considered.

Cost reduction and increased productivity:

The Company may make efforts towards optimum utilization of production capacity by promoting pre-season relationship with the growers, thereby ensuring regular supply of improved quality sugarcane.

key limiting factors:

The utilization of installed capacity is dependent upon availability of sugarcane of desired quantity and quality. As a part of long term planning, the Company should started increasing its relationship with growers to ensure regular supply of desired quality sugarcane to fully utilize the production capacity. During the current year 2021-2022, the Company has utilized its installed capacity up to 95.91% (2021: 90.96%).

BDO

Improved inventory policies:

Policies relating to inventory are found satisfactory except that return in stores, spares and loose tools are booked at nil value.

Energy conservancy:

The Company is currently producing the electricity through the steam by using mainly bagasse as input. The production of electricity using the steam is the cheapest way so there are no further opportunities for energy conservancy.

(iii) Study should be conducted to segregate the total production cost into fixed and variable cost, as it would help the management to monitor and control the cost of production.

(iv) The company is applying allocation of overheads consistently over the years. However, we recommend that proper survey should be conducted to determine the percentages of allocation of overheads according to their basis of utilization.

(v) We have observed that fixed assets are not completely coded and tagged. Further, the Company does not have any practice of periodic physical verification of fixed assets. Though, we have been informed by management that random physical verification is being done. We recommend that all the assets should be properly coded and tagged for effective control.

(vi) We noted cost of products has been calculated manually instead of using an automated system. We recommend automated system should be used for cost calculation. In absence of an automated system errors and inaccuracy may result due to the use of manual working where formulas are manually inserted and manual working may result in inefficiency as well.

(e) ***State of technology***

The company has installed up to date plants (Mill max and Mill roller shaft) for the main production facility. In year 2020 the company has installed 165 ton high pressure boiler which results in increase in productivity.

	Layyah Sugar Mills	Safina Sugar Mills	Total Capacity
Plant Crushing Capacity Metric Tons/day	15,000	8,000	23,000

(f) ***Plant Condition when installed***

The old plants were new when installed.

18. RECONCILIATION WITH FINANCIAL ACCOUNTS

Reconciliation statements of cost of sales, raw material consumed, administrative expenses, distribution and selling expenses and financial charges with audited financial statements for the year ended September 30, 2022 are enclosed herewith.

19. COST STATEMENTS

Copies of all cost statements on the formats prescribed by Securities and Exchange Commission of Pakistan under SRO 1363 (I)/2020 Companies (Audit of Cost Accounts) Regulations, 2020, duly authenticated by the Chief Executive and Chief Financial Officer of the Company, and verified by us are appended to the report. 1300

20. MISCELLANEOUS

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the year.

The company has developed appropriate standards for use as a basis to evaluate performance. A team of technical experts and other staff has been employed on permanent basis to monitor and check the plant performance in terms of its economy and maintenance of high quality standards of its product.

Production reports are prepared on daily basis to evaluate the plant performance giving and explaining details of various consumption ratios. The reports not only give these details for the day but also cumulative data for every month and the year ended.

The daily production report also gives number of breakdowns, breakdowns hours, reasons for breakdowns, material consumed per metric ton of sugar produced.

21. GENERAL

21.1 The Thal Industries Corporation Limited was incorporated on September 07, 1953 under the Companies Act, 1913 (Now Companies Act, 2017) as public company, limited by shares. Its shares are quoted on Pakistan Stock Exchange. Its main business activity is manufacturing and sale of white refined sugar and its by product. The company's sugar producing plants are located at Distt: Layyah and Lalian Distt. Chiniot, Pakistan. The registered office of the company situated at 23 Peer Khurshid Colony Gulgasht, Multan. The total crushing capacity of the company is 23,000 TCD.

Rahman Sarfaraz Rahim Iqbal Rafiq & Co., Chartered Accountants are the statutory auditors of the company. The Company's financial statements have been audited up to September 30, 2022.

21.2 All figures have been rounded off to nearest Rupee.

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THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF STOCK IN TRADE
AS AT SEPTEMBER 30, 2022

Particulars	2022		2021	
	Quantity (Metric ton)	Amount (Rupees)	Quantity (Metric ton)	Amount (Rupees)
Raw material	-	-	-	-
Work in process				
Sugar	75.809	3,375,353	77.895	4,234,824
Molasses	54.832	1,123,478	51.906	953,297
	130.641	4,498,831	129.801	5,188,121
Finished goods				
Sugar:				
Own manufactured	97,033.650	5,468,880,814	6,307.300	405,298,156
Trading activity	-	-	-	-
In transit	-	-	-	-
	97,033.650	5,468,880,814	6,307.300	405,298,156
Molasses				
At mills	2,107.712	43,185,864	10,064.493	184,842,861
Stock in trade	99,272	5,516,565,509	16,502	595,329,138
Store, spares and loose tools				
Store		420,568,116		378,532,122
Spare parts		485,075,745		356,218,427
Loose tools		15,353,332		17,512,570
Less: Provision for obsolescence		-		-
		920,997,193		752,263,119

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

	2022							
	Quantity	Unit	Normal price	Transfer price	Rupees	Purchase Rate	Cost	Profit earned
					Audited			
Almoiz Industries Limited								
Sales								
Sugar								
White Refined Sugar	-	-	-	-	-	-	-	-
Bagasse								
Sale Of Bagasse	9,171.14	Mtons	4,520.10	4,638.17	42,537,352	-	-	-
Tricogramma Cards								
Tricogramma Cards	150,000.00	Nos	2.75	2.75	412,500	2.25	412,500	-
Tricogramma Cards	50,000.00	Nos	2.75	2.75	137,500	2.25	137,500	-
Triacograma Card	50,000.00	Nos	2.75	2.75	137,500	2.25	137,500	-
Tricogramma Cards	-	-	-	-	-	-	-	-
Bio Fertilizer Granular								
Fertilizer Bio Fertilizer Granular	-	-	-	-	-	-	-	-
Bio Fertilizer Granular	-	-	-	-	-	-	-	-
Soda Caustic Flaks	-	-	-	-	-	-	-	-
Scrap Items								
Heavy Melting Scrap (H.M.S) Local	317,010.00	KG	89.00	104.13	33,010,247	89.00	28,213,890	4,796,357
Heavy Melting Scrap (H.M.S) Local	-	-	-	-	-	-	-	-
Balancing of Equipment Travelling Bill	1.00	KG	7,790	8,000	8,000	7,790	7,790	210
Stores and spares								
Phosphoric Acid	-	-	-	-	-	-	-	-
Polythene Liner 30-35 Gram 24'x40"	-	-	-	-	-	-	-	-
S.S. Nickle working screen K-1100-30 0.09MM	-	-	-	-	-	-	-	-
Sulphuric Acid	-	-	-	-	-	-	-	-
Decolorizer Arquad 268-85	5,600.00	Kg	850.00	848.25	4,750,200	744.00	4,166,400	583,800
Decolorizer Arquad 268-85	-	-	-	-	-	-	-	-
Phosphoric Acid	-	-	-	-	-	-	-	-
Decolorizer Arquad 268-85	-	-	-	-	-	-	-	-
Accofloc Poly Electrolyte 2125	-	-	-	-	-	-	-	-
Phosphoric Acid	-	-	-	-	-	-	-	-
Phosphoric Acid	-	-	-	-	-	-	-	-
Decolorizer Arquad 268-85	-	-	-	-	-	-	-	-
Accofloc Poly Electrolyte A-11	-	-	-	-	-	-	-	-
Soda Caustic Flaks	-	-	-	-	-	-	-	-
Mobile Phone	-	-	-	-	-	-	-	-
Accofloc Poly Electrolyte 2125	-	-	-	-	-	-	-	-
Accofloc Poly Electrolyte 2125	-	-	-	-	-	-	-	-
Sale of Store- Bio Fertilizer Granular 50kg	500.00	Bags	931.00	950.00	475,000	931.00	465,500	9,500
Sale of Store- Bio Fertilizer Granular 50kg	500.00	Bags	931.00	950.00	475,000	931.00	465,500	9,500
Sale of Scrap HMS (Steel)	448,150.00	Mtons	105.00	114.75	51,426,239	105.00	47,055,750	4,370,489
Sale Controller	2.00	Nos	93,600.00	93,600.00	187,200	93,600.00	187,200	-
Store Sale-Biocide SDS	960.00	M.TON	290.00	339.30	325,728	225.00	216,000	109,728
Seed Cane Charges	137.00	Mounds	230.00	230.00	31,510	230.00	31,510	-
Labour Charges Seed	137.00	Mounds	22.00	22.00	3,014	22.00	3,014	-
Store Sale-Polythene liner	2,500.00	EACH	374.00	374.40	936,000	360.00	900,000	36,000
Store Sale-SS Screen	1.00	0.00	79,560	79,560.00	79,560	60,500	60,500	19,060
Store Sale-Polyelectrolyte 2125	180.00	Kg	720.00	819.00	147,420	700.00	126,000	21,420
Store Sale-Polyelectrolyte A-110	120.00	Kg	720.00	819.00	98,280	700.00	84,000	14,280
Store Sale-Decolorizer 268-86	1,400.00	Kg	720.00	848.25	1,187,550	744.00	1,041,600	145,950
FORMIC ACID (PR-057035)	1,000.00	Kg	250.00	292.50	292,500	294.00	294,000	(1,500
FORMIC ACID (PR-059370)	15.00	Kg	250.00	292.47	4,387	294.00	4,410	(23
Marker Ink	600.00	Nos	35.56	41.61	24,965	35.56	21,337	3,628
ISO Propyl Alcohl	-	-	-	-	-	-	-	-
Decolorizer Arquad 268-85	-	-	-	-	-	-	-	-
Mills Hydraulic Bucket 320 x 276 x 31 APD	-	-	-	-	-	-	-	-
	1,037,984.14	**-**	**191,995.91**	**192,852.08**	**136,687,651.50**	**168,301.31**	**84,031,901.00**	**10,118,399.00**
Al- Moiz Industries Limited								
Purchases								
Sugar								
White Refined Sugar	9,000.00	BAG	4,793.00	5,607.63	50,468,625	2,784.88	25,063,904.09	25,404,720.91
Sugar Packets (From AIL Foods)	529.00	BAG	4,500.00	2,551.98	1,350,000	2,551.98	1,350,000.00	-
Store Items								
Kebo Slurry	-	-	-	-	-	-	-	-
MS Deformed Bar Grade - 60	-	-	-	-	-	-	-	-
Wrapped Gurr Jar 300 gm	-	-	-	-	-	-	-	-
Controller MOOG, D634-1005	-	-	-	-	-	-	-	-
MS Deform Bar Grade - 60	69.50	M.TON	222,900.00	223,428.04	15,528,249	190,000.00	13,205,000.00	2,323,249.00
Wrapped Gurr Jar	-	-	-	-	-	-	-	-
Controller MOOG, D634-1005	-	-	-	-	-	-	-	-
Purchase of Seed	-	-	-	2,580	2,580	2,580	-	-
Purchase of Gurr	2,050.00	Ltr	1,111.11	1,300.00	2,665,000	1,111.11	2,277,777.76	387,222.25
Purchase of Deo Foam Bar 3/4	480.00	KG	2,236.60	2,616.83	1,256,076	2,236.60	1,073,569.01	182,506.99
Purchase of Deo Foam Bar 1	26.00	gm	93.59	109.50	2,847	94.00	2,444.00	403.00
Purchase of Deo Foam Bar 3/4	660.00	M.Ton	213.00	208.00	137,280	190.64	125,819.32	11,460.68
Purchase of Deo Foam Bar 1/2	1,980.00	M.Ton	213.00	208.00	411,840	190.64	377,457.96	34,382.05
Purchase of Deo Foam Bar 3/8	12,000.00	M.Ton	213.00	208.00	2,496,000	190.56	2,286,668.12	209,331.92
Freight Charges of Deo Foam Bar	-	-	-	-	69,360	-	-	69,360.40
Purchases Fertilizers	15,000.00	M.Ton	208.00	208.00	3,120,000	208.00	3,120,000.04	-
Boiler Complete 80 TPH	4,920.00	M.Ton	208.00	208.00	1,023,360	208.00	1,023,360.01	-
Kraft paper Bag with polythene	80.00	-	1,719.00	1,719.00	137,520	1,719.00	137,520.00	-
Cylinder repair kit	-	-	-	-	-	-	-	-
Water washing device	-	-	-	-	-	-	-	-
Sugar press Oil	24,805.00	LTR	1,111.11	1,300.00	32,246,494	1,111.11	27,561,083.55	4,685,410.45
Beeta Bottles 500gm Original	-	-	-	-	-	-	-	-
Beeta Bottles 250gm Choco Hazelnut	-	-	-	-	-	-	-	-
Beeta Bottles	-	-	-	-	-	-	-	-

Annexure-B

Quantity	Unit	Normal price	2021 Transfer price	Rupees Audited	Purchase Rate	Cost	Profit earned
9,731.35	Bags	4,520.10	5,485.52	53,381,493	4,249.79	41,356,184	12,025,309
43,361.15	M.ton	4,644.36	5,891.45	255,460,108	4,665.79	202,314,003	53,146,105
200,000.00	Nos	N/A	2.75	550,000	1.25	250,000	300,000
460,000.00	Nos	N/A	2.75	1,265,000	1.25	575,000	690,000
-	-	-	-	-	-	-	-
400,000.00	Nos	N/A	2.75	1,100,000	1.25	500,000	600,000
350.00	BAG	735.29	750.00	262,500	650.00	227,500	35,000
4,250.00	BAG	735.29	750.00	3,187,494	650.00	2,762,500	424,994
1,250.00	Kg	79.03	90.68	113,344	78.20	97,750	15,594
310,330.00	KG	N/A	63.66	19,755,992	-	-	19,755,992
62,090.00	KG	N/A	66.69	4,140,782	-	-	4,140,782
-	-	-	-	-	-	-	-
3,500.00	KG	221.46	210.60	737,100	168.54	589,890	147,210
2,000.00	KG	225.64	274.95	549,900	230.00	460,000	89,900
7.00	SET	106,365.54	98,718.75	691,031	108,000.00	756,000	(64,969)
1,400.00	KG	N/A	17.55	24,570	30.00	42,000	(17,430)
6,500.00	Kg	423.32	496.08	3,224,520	423.32	2,751,567	472,953
1,550.00	Kg	423.32	496.08	768,924	423.32	656,143	112,781
1,680.00	Kg	212.33	210.60	353,808	169.00	283,920	69,888
1,750.00	Kg	423.32	496.08	868,140	423.32	740,807	127,334
105.00	Kg	687.84	789.75	82,924	675.00	70,875	12,049
1,820.00	Kg	212.33	210.60	383,292	169.00	307,580	75,712
1,435.00	Kg	212.33	210.60	302,211	169.00	242,515	59,696
5,950.00	Kg	423.32	496.08	2,951,676	423.32	2,518,742	432,934
140.00	Kg	690.51	789.75	110,565	675.00	94,500	16,065
8,475.00	Kg	79.01	90.68	768,471	78.20	662,745	105,726
1.00	Nos	N/A	20,767.50	20,768	17,750.00	17,750	3,018
35.00	Kg	686.28	789.75	27,641	675.00	23,625	4,016
400.00	Kg	686.28	789.75	315,900	675.00	270,000	45,900
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
840.00	Ltr	230.00	255.01	214,206	217.90	183,036	31,170
5,075.00	Kg	423.32	496.08	2,517,606	423.32	2,148,339	369,267
5.00	Set	N/A	4,564.20	22,821	3,900.00	19,500	3,321
1,534,030.49	-	**123,340.19**	**144,276.68**	**354,152,786**	**145,995.76**	**260,922,470**	**93,230,316**
58,542.11	BAG	4,520.10	5,283.53	309,309,038	-	-	-
-	-	-	-	-	-	-	-
60.00	Kg	1,987.00	2,324.79	139,487	-	-	-
59.62	M. Ton	126,496.00	135,838.98	8,098,720	-	-	-
8,750.00	Each	100.00	110.00	962,500	-	-	-
1.00	Nos	582,308.37	626,066.00	626,066	-	-	-
93.91	M.TON	126,496.00	145,592.48	13,672,590	-	-	-
11,746.00	EACH	100.00	110.00	1,292,063	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

	2022								
	Quantity	Unit	Normal price	Transfer price	Rupees	Purchase Rate	Cost	Profit earned	Quantity
					Audited				
Beeta Bottles 250gm Original	-	-	-	-	-	-	-	-	-
Beeta Bottles 250gm Strawberry	-	-	-	-	-	-	-	-	-
Beeta (Bottles) :250 gm :Original :	-	-	-	-	-	-	-	-	-
	71,599.50	**-**	**239,519.41**	**242,252.98**	**110,915,231.49**	**205,176.51**	**77,604,603.85**	**33,308,047.64**	**79,252.64**
Baba Farid Sugar Mills Limited									
Sales									
Biofertilizer									
Granular Bio Fertilizer	-	-	-	-	-	-	-	-	400.00
Granular Bio Fertilizer	-	-	-	-	-	-	-	-	600.00
Trichograma Cards									
Sale of Trichograma Cards	60,000.00	Nos	3.00	2.75	165,000	2.25	135,000	30,000	60,000.00
Sale of Trichograma Cards	60,000.00	Nos	3.00	2.75	165,000	2.25	135,000	30,000	40,000.00
Sale of Trichograma Cards	-	-	-	-	-	-	-	-	20,000.00
Store items									
Sale Of Juice Heater Pressure Filter	-	-	-	-	-	-	-	-	2.00
Squirrel Cage Induction Moter 3-Ph, 315Kw, 990Rpm, 415Vac, 50Hz, Inverter Duty, Tefc Foot Mounted, Forced Cooling Fan	-	-	-	-	-	-	-	-	01
Decolorizer Arquad 268-85	-	-	-	-	-	-	-	-	7,175.00
Cylinder Repair Kit For Horizontal Cylinder None (Part # P-Cp68-100, Konan)	-	-	-	-	-	-	-	-	01
Cylinder Repair Kit None Vertical Air Cylinder (For 1300 & 1750, Centrifugal Machine)	-	-	-	-	-	-	-	-	01
Cylinder Repair Kit Break K-80-Ps (For Brake Cylinder, Kuroda)	-	-	-	-	-	-	-	-	01
Cylinder Repair Kit None Basket Value Air Cylinder (Part # Sp66-125-280, Konan)	-	-	-	-	-	-	-	-	01
Rubber Seat Tsk Refine Machine Vp-1300 For Charge Valve No.2 Upper Side (Size: 350A, 14B)	-	-	-	-	-	-	-	-	01
Rubber Seat Tsk Refine Machine Vp-1300 For Charge Valve No.1 Lower Side (Size: 250A, 10B)	-	-	-	-	-	-	-	-	01
Fuse Hrc 400 A Link Type None (Model: A50P400-4, Voltage: 500Vac, 100Ka)	-	-	-	-	-	-	-	-	01
Link Fuse H.R.C 500 Amp (Model: Sp_A70Qs500-4K, Voltage :700V)	-	-	-	-	-	-	-	-	01
Fuse Hrc 5 Amp Hrc Fuse (Type: Pa 30, 300V)	-	-	-	-	-	-	-	-	01
Fuse Hrc 550 Amp Link Type (Model: Sp_6.9Urd32Ttf0550, Voltage: 690V)	-	-	-	-	-	-	-	-	01
On/Off Valve 3/4" None (Sov 3/48 For Steam, Type : Ap11-20A-C4M, Ckd)	-	-	-	-	-	-	-	-	01
On/Off Valve 3/4" None (Hot Water Ball Valve With Actuator 20Nb, 3/4)	-	-	-	-	-	-	-	-	01
Dsc With All Accessories, Distributed, Control System For 80 Tph Boiler	-	-	-	-	-	-	-	-	01
Sugar Mill Oil (Semi Synthetic Oil)	-	-	-	-	-	-	-	-	205.00
Sale of Store item (Dozin Pump with Motor)	4.00	Nos	N/A	451,035.00	1,804,140	451,035.00	1,804,140	-	-
Sale of Store		-	-	-	-	-	-	-	-
Sale of Store item Semi Synthetic Oil	615.00	Kgs	500.00	1,300.00	799,500	600.00	369,000	430,500	-
Sale of Store item Semi Synthetic Oil	720.00	Nos	500.00	702.00	505,440	500.00	360,000	145,440	-
Sale of Store- Bio Fertilizer Granular 50kg	500.00	Bags	931.00	950.00	475,000	931.00	465,500	9,500	-
Sale of Store- Bio Fertilizer Granular 50kg	500.00	Bags	931.00	950.00	475,000	931.00	465,500	9,500	-
Steel Shaft	1.00	Unit	3,000,000.00	3,009,313.00	3,009,313	3,000,000.00	3,000,000	9,313	-
Sugar Mill Oil 3800	-	-	-	-	-	-	-	-	-
Decolorizer Arquad 268-85	13,650.00	-	-	812.99	11,097,262	744.00	10,155,600	941,662	-
Quick Lime	-	-	-	-	-	-	-	-	-
	15,990.00	**-**	**3,002,862.00**	**3,465,062.99**	**18,495,655.00**	**3,454,741.00**	**16,619,740.00**	**1,605,915**	**128,382.00**
						-			
Sale of machinery						-			
Machinery						-			
Electric Slipring Moter, 375 KW, 380-415 VAC, 50 HZ, 600 RPM, TEFC, Foot Mounted.	-	-	-	-	-	-	-	-	01
	-	-	-	-	-	-	-	-	-
Baba Farid Sugar Mills Limited									
Purchases									
Store Items									
DAP FERTILIZERS	-	-	-	-	-	-	-	-	3,425.00
Purchase: local Light melting scrap	3,420.00	-	100.00	117.00	400,140	100.00	342,000	58,140	-
Purchase:VS Drive Unit	1.00	-	117,000.00	117,000.00	117,000	117,000	117,000	-	-
	3,421.00	**-**	**117,100.00**	**117,117.00**	**517,140**	**117,100.00**	**459,000**	**58,140**	**3,425.00**
Naubahar Bottling Co. (Pvt) Ltd									
Sale									
White Bagged Sugar	689,840	Bags	4,500	4,324	2,982,988,541	2,658.23	1,833,752,549	1,149,235,992	978,910.00
Lead Seal Sale	9,000	Nos	-	-	41,067	-	-	41,067	-
	698,840	**-**	**4,500**	**4,324**	**2,983,029,608**	**2,658.23**	**1,833,752,548.93**	**1,149,277,059.07**	**978,910.00**

Annexure-B

	Profit earned	2021 Quantity	Unit	Normal price	Transfer price	Rupees	Purchase Rate	Cost	Profit earned
						Audited			
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
603.85	33,308,047.64	79,252.64	-	842,007.47	915,325.78	334,100,464	-	-	-
-	-	400.00	50kg Bag	735.29	750.00	300,000	650.00	260,000	40,000
-	-	600.00	50kg Bag	735.29	750.00	450,000	650.00	390,000	60,000
								-	-
35,000	30,000	60,000.00	Nos	N/A	2.75	165,000	1.25	75,000	90,000
35,000	30,000	40,000.00	Nos	N/A	2.75	110,000	1.25	50,000	60,000
-	-	20,000.00	Nos	N/A	2.75	55,000	1.25	25,000	30,000
								-	-
-	-	2.00	Nos	N/A	3,568,500.00	3,568,500	508,853.00	1,017,706	2,550,794
-	-	01	Nos	N/A	1,491,464.52	1,491,465	1,274,756.00	1,274,756	216,709
-	-	7,175.00	Kgs	423.32	496.08	3,559,374	423.00	3,035,025	524,349
-	-	01	Nos	18,165.91	24,090.34	24,090	24,050.00	24,050	40
-	-	01	Nos	80,165.59	80,301.07	80,301	80,166.00	80,166	135
-	-	01	Nos	28,057.95	28,105.37	28,105	28,058.00	28,058	47
-	-	01	Nos	33,031.25	40,150.54	40,151	40,083.00	40,083	68
-	-	01	Nos	N/A	306,953.50	306,954	248,513.00	248,513	58,441
-	-	01	Nos	N/A	148,525.88	148,526	120,248.00	120,248	28,278
-	-	01	Nos	N/A	48,385.65	48,386	6,853.00	6,853	41,533
-	-	01	Nos	N/A	169,349.79	169,350	140,289.00	140,289	29,061
-	-	01	Nos	N/A	2,903.13	2,903	2,404.00	2,404	499
-	-	01	Nos	N/A	106,448.48	106,448	88,182.00	88,182	18,266
-	-	01	Nos	N/A	105,260.41	105,260	92,190.00	92,190	13,070
-	-	01	Nos	N/A	100,683.86	100,684	88,182.00	88,182	12,502
-	-	01	Nos	N/A	4,123,737.54	4,123,738	3,524,562.00	3,524,562	599,176
-	-	205.00	Ltrs	500.00	854.10	175,091	730.00	149,650	25,441
04,140	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
69,000	430,500	-	-	-	-	-	-	-	-
60,000	145,440	-	-	-	-	-	-	-	-
65,500	9,500	-	-	-	-	-	-	-	-
65,500	9,500	-	-	-	-	-	-	-	-
00,000	9,313	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
55,600	941,662	-	-	-		-	-	-	-
-	-	-	-	-		-	-	-	-
,740.00	1,605,915	128,382.00	-	161,814.60	10,347,718.51	15,159,325	6,269,845.75	10,760,917	4,398,408
-	-	01	Unit	N/A	585,000.00	585,000	350,751.00	350,751	234,249
-	-	-	-	-	585,000.00	585,000	350,751.00	350,751	234,249
-	-	3,425.00	bags	5,577.72	4,452.00	15,248,100	-	-	-
42,000	58,140	-	-	-	-	-	-	-	-
17,000	-	-	-	-	-	-	-	-	-
59,000	58,140	3,425.00	-	5,577.72	4,452.00	15,248,100	-	-	-
752,549	1,149,235,992	978,910.00	Bags	4,520.10	4,342.35	4,250,768,015	4,249.79	4,160,159,066	90,608,949
-	41,067	-	-	-	-	-	-	-	-
,548.93	1,149,277,059.07	978,910.00	-	4,520.10	4,342.35	4,250,768,015.00	4,249.79	4,160,159,066.05	90,608,948.95

BDO

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF PRODUCTION CAPACITY
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Capacity utilization in Production Units

Particulars	2022 Sugarcane crushed	2021 Sugarcane crushed
	Metric ton	
Installed capacity	3,190,000.00	2,610,500.00
Actual utilization	3,059,465.01	2,374,600.59
Percentage of utilization	95.91%	90.96%

Reasons for variances:

Crushing capacity of plants are same i.e. 23,000 MT/day as compared to last year. In current year, mill's lost hours were 74.72% more than those of in last year due to increase in number of crushing days. Due to increases in crushing days, Company has attained 95.91% utilization as compared to 90.96% utilization in last year. Sugar production in 2022 is 33.94% higher than that of last year.

Capacity utilization in Machine Hours

Particulars	2022 Sugar can crushed	2021 Sugar can crushed
	Machine hours	
Installed capacity (Standard hours)	3,321	2,700
Actual utilization (Actual hours)	3,083	2,564
Percentage of utilization	92.85%	94.97%

Reasons for variances:

Standard hours is dependent upon no of working days i.e. 138 days (2021: 113.5 days). The comparative decrease in utilization in current year is due to ineffective use of available hours. Sugar mills temporarily shutdowns for maintenance purposes in the mid of manufacturing season . During the year company stops for more period i.e.9.89 days (2021: 5.66 days) thus decreasing the percentage of utilization in relation to installed capacity by 2.12 %.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
THE COMPANY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

COMPANY INFORMATION

1.	Name of the company	The Thal Industries Corporation Limited
2.	Date of incorporation	September 07, 1953
3.	Location of registered office	23 Peer Khurshid Colony Gulgasht, Multan
4.	Location of factory Unit 1	Layyah Sugar Mills, Layyah
5.	Location of factory Unit 2	Safina Sugar Mills, Lalian District Chinniot
6.	Products other than sugar being manufactur	None
7.	Installed cane crushing capacity in metric tc	23,000 metric tons per day.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF PRODUCTION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S. #	Particulars	2022	2021
1.	**Production data**		
(a)	**Cane crushed**		
	Date of start	November 15, 2021	November 10, 2020
	Date of finish	April 3, 2022	March 10, 2021
	Duration of run days	138.00	113.50
	Total number of hours in duration	3,320.525	2,699.925
	Total number of hours of actual crushing	3,083.265	2,564.135
	Total numbers of hour lost	237.260	135.790
	Total cane milled (metric tons)	3,059,465.013	2,374,600.590
	Converted maunds	76,486,625.325	59,365,014.75
	Total mixed juice obtained (metric tons)	3,080,676.060	2,355,538.680
(b)	**Gur melted**		
2.	**Raw Sugar**		
	Raw Sugar Processed	-	-
	Sugar made (metric ton)	-	-
	Recovery%	-	-
	Molasses sent out (metric ton)	-	-
	Molasses %	-	-
3.	**Juice and added water**		
	Average mixed juice % cane	100.693	99.197
	Average added water % cane	28.933	27.689
4.	**Sugar made**		
	Total sugar bagged of all grade (100 kg)	-	-
	Total sugar bagged of all grade (50 kg)	6,110,420.000	4,562,140.000
	Sugar bagged (metric tons)	305,521.000	228,107.000
	Sugar in process (metric tons)	75.809	77.895
5.	**Molasses extracted**		
	Total molasses sent out (metric tons)	133,420.919	104,396.633
	Molasses in process (metric tons)	54.832	51.906
6.	**Recovery %**		
	Average recovery of marketable white sugar % cane	9.986	9.606
	Average production of final molasses % cane	4.361	4.396
7.	**By- products**		
	Bagasse % cane (metric tons)	28.715	28.675
	Filter Cake % cane (metric tons)	3.000	3.000
8.	**Clarification process**		
	Specify the process used by the mill	**Defecation Remelt Phosphatation**	**Defecation Remelt Phosphatation**

Figures in Production Data have been rounded to nearest three decimals.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

1300

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF CAPACITY UTILIZATION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S. #	Particulars	2022	2021
1.	Licensed cane crushing capacity metric tons per day	23,000.000	23,000.000
2.	Installed cane crushing capacity metric tons per day	23,000.000	23,000.000
3.	Utilized cane crushing capacity metric tons per day	22,170.036	20,921.591
4.	Percentage of utilization in relation to installed capacity	95.91%	90.963%

Figures in statement of capacity utilization have rounded to three decimals.

CHIEF EXECUTIVE OFFICER

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THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF PRODUCTION CAPACITY
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S. #	Particulars	2022 (Metric ton)	2021 (Metric ton)
1.	**Installed production**		
	a) Capacity of white sugar	318,556.344	250,767.782
	b) Molasses	139,113.45	114,767.68
	c) Bagasse	915,992.55	748,558.16
	d) Filter Cake	95,700.00	78,315.00
2.	**Actual production**		
	a) Actual capacity of sugar(sugarcane)	305,521.000	228,107.000
	b) Molasses	133,420.919	104,396.633
	c) Bagasse	878,510.081	680,914.250
	d) Filter Cake	91,783.950	71,238.018
3.	**Percentage of production in relation to installed capacity**		
	a) Sugar	95.91%	90.963%
	b) Molasses	95.91%	90.963%
	c) Bagasse	95.91%	90.963%
	d) Filter Cake	95.91%	90.963%

Figures in Statement of Production Capacity have rounded to three decimals.

Note: Molasses and bagasse are by-products therefore installed and utilized capacities are nil.

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Annexure-1

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF PRODUCTION AND SALE OF WHITE BAGGED SUGAR
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Quantitative Data - Bagged Sugar

	2022 Metric tons	2021 Metric tons
Opening Stock	6,307.30	15,509.85
Production & Purchased	305,971.00	231,072.30
	312,278.30	246,582.15
Sales	(215,244.65)	(240,274.85)
Closing Stock	**97,033.65**	**6,307.30**

S.No	Particulars	2022 Rupees	2022 Per metric ton	2021 Rupees	2021 Per metric ton
1	**Raw materials**				
	(a) Sugarcane (Annexure-3)	18,569,379,449	60,690.00	15,626,000,776	67,623.86
	(b) Beet (Annexure-4)	-	-	-	-
	(c) Gur	-	-	-	-
	(d) Raw / Refined sugar	43,135,576	140.98	264,975,303	1,146.72
	(e) Process material (Annexure-5)	270,320,613	883.48	131,389,762	568.61
2	**Salaries / wages and benefits (Annexure-6)**	349,876,398	1,143.50	261,974,632	1,133.73
3	**Consumable stores**	17,447,999	57.03	11,427,481	49.45
4	**Repair and maintenance**	561,413,297	1,834.86	422,163,595	1,826.98
5	**Steam (Annexure-7)** *	3,446,435,012	11,263.93	2,958,084,559	12,801.55
6	**Electric power (Annexure-8)** **	(470,923,088)	(1,539.11)	(168,395,599)	(728.76)
7	**Water and gas**	-	-	-	-
8	**Insurance**	4,048,830	13.23	5,561,422	24.07
9	**Depreciation**	286,622,326	936.76	296,174,390	1,281.74
10	**Other factory overheads (Annexure-9)**	200,510,704	655.33	118,360,332	512.22
11	**Total cost**	23,278,267,118	76,079.98	19,927,716,652	86,240.18
12	Add: Opening stock of W.I.P.	5,188,121	16.96	12,394,709	53.64
13	Less: Closing stock of W.I.P.	(4,498,831)	(14.70)	(5,188,121)	(22.45)
14	**Total cost of goods manufacturing**	23,278,956,408	76,082.23	19,934,923,240	86,271.37
15	**Less: Realizable value of By-Products:**				
	Molasses	(2,630,155,137)	(8,596.09)	(2,020,739,131)	(8,745.05)
	Bagasse	(3,580,179,350)	(11,701.04)	(3,162,413,705)	(13,685.82)
	Others(Press Mud)	(49,651,120)	(162.27)	(24,296,340)	(105.15)
16	**Net Cost of goods manufacturing**	17,018,970,800	55,622.82	14,727,474,065	63,735.35
17	Add : Packing material	225,757,515	737.84	120,904,345	523.23
18	**Net cost of bagged sugar**	17,244,728,315	56,360.66	14,848,378,410	64,258.58
19	Add :Excise duty / Sales tax.	-	-	-	-
20	**Total cost of bagged sugar**	17,244,728,315	56,360.66	14,848,378,410	64,258.58
	Add: Opening stock of sugar	405,298,156	1,324.63	911,537,969	3,944.82
	Add: Opening stock of molasses	184,842,861	604.12	59,936,624	259.38
	Less: Closing stock of sugar	(5,468,880,814)	(17,873.85)	(405,298,156)	(1,753.99)
	Less: Closing stock of molasses	(43,185,864)	(141.14)	(184,842,861)	(799.94)
21	**Cost of sales**	12,322,802,654	57,250.22	15,229,711,986	63,384.54
22	Administrative expenses (Annexure-10)	653,180,818	3,034.60	602,185,917	2,506.24
23	Selling and distribution expenses (Annexure-11)	204,875,792	951.83	213,060,078	886.73
24	Financial expenses	785,003,453	3,647.03	462,855,194	1,926.36
25	Other charges	-	-	-	-
	Total cost to make and sell	13,965,862,716	64,883.67	16,507,813,175	68,703.87

* This includes Rs. 2,394,954,934 /- Credit for exhaust steam Annexure-8.

** This consists of cost as per Annexure-8 less water Cost of Rs. 96,971,551/- Annexure-7.

From serial number 21 onward all cost per metric ton has been calculated based on the quantity sold.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-2

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF SUGAR CANE PRODUCED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S.No	Particulars	2022		2021	
		Rupees	Per metric ton	Rupees	Per metric ton
1	**Seeds & other inputs:**				
	Seed				
	Fertilizers, herbicides etc.				
	Insecticides				
	Abiana/water charges				
	Total cost of inputs				
2	**Labour cost:**				
	Land preparation	NOT APPLICABLE			
	Plantation				
	Maintenance of cane crop/rations				
	Operation of tractors				
	Harvesting				
	Total labour cost				
3	**Other cost:**				
	Fuel for tractors operation				
	Maintenance and over haul of tractors				
	Insurance				
	Interest expenses				
	Description of equipments				
	Rent of agriculture equipments (if any)				
	Total other costs				
	Total cost of own production (1+2+3)				
	Sales value at controlled price				
	Profit / loss on own production				

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF SUGAR CANE CRUSHED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S.No	Particulars	2022		
		Metric tons	Per metric ton	Rupees
1	Total sugarcane purchased at Government fixed rate	3,059,472.006	5,967.32	18,256,856,16
	Sugarcane produced from own farm (Annexure-2)	-	-	-
	Less: Loss in transit	6.993	5,967.32	41,72
	Sugarcane received at factory gate	3,059,465.013	5,967.32	18,256,814,44
2	Commission	3,059,465.013		-
3	Quality premium	3,059,465.013		-
4	Unloading and feeding of Cane	3,059,465.013	0.23	718,22
5	Cane development expenses	3,059,465.013	5.49	16,786,15
	(a) Salaries and wages of supply and development Staff	3,059,465.013	25.38	77,658,07
	(b) Sugarcane development research	3,059,465.013	-	-
	(c) Supply staff and transportation expenses	3,059,465.013	5.78	17,672,48
	(d) Other expenditure (Misc. Procurement Expenses)	3,059,465.013	1.82	5,576,71
6	Taxes and Levies:			
	(a) Cane cess / Purchase tax	3,059,465.013	37.50	114,732,58
	(b) Market Committee fee	3,059,465.013	10.00	30,594,72
	(c) Road cess	3,059,465.013	-	-
	(d) Octroi (Toll Tax)	3,059,465.013	-	-
	(e) Other levies	3,059,465.013	-	-
7	Transportation Charges:			
	(a) Delivery expenses	3,059,465.013	3.88	11,879,11
	(b) Transport subsidy	3,059,465.013	-	-
	(c) Others	3,059,465.013	-	-
8	Other Expenditure at Cane Collection Centers:			
	(a) Salaries and wages	3,059,465.013	12.06	36,905,20
	(b) Stores	3,059,465.013	-	-
	(c) Repairs and maintenance	3,059,465.013	-	-
	(d)Others	3,059,465.013	-	-
	Total cost of sugarcane transferred to production process (Annexure-1)	**3,059,465.013**	**6,069.49**	**18,569,379,4**

CHIEF EXECUTIVE OFFICER

Annexure-3

	2021		
Rupees	Metric tons	Per metric ton	Rupees
18,256,856,169	2,374,629.362	6,484.29	15,397,795,753
-	-	-	-
41,729	28.772	6,484.29	186,566.12
18,256,814,440	2,374,600.590	6,484.29	15,397,609,187
-	2,374,600.590	-	-
-	2,374,600.590	-	-
718,224	2,374,600.590	0.21	508,655
16,786,157	2,374,600.590	9.45	22,447,245
77,658,072	2,374,600.590	28.63	67,991,558
-	2,374,600.590	-	-
17,672,482	2,374,600.590	4.02	9,550,301
5,576,718	2,374,600.590	0.59	1,402,511
114,732,587	2,374,600.590	37.50	89,050,289
30,594,720	2,374,600.590	10.00	23,746,293
-	2,374,600.590	-	-
-	2,374,600.590	-	-
-	2,374,600.590	-	-
11,879,112	2,374,600.590	2.63	6,250,566
-	2,374,600.590	-	-
-	2,374,600.590	-	-
36,905,209	2,374,600.590	3.06	7,257,603
-	2,374,600.590	-	-
-	2,374,600.590	-	-
-	2,374,600.590	-	-
18,569,379,449	**2,374,600.590**	**6,580.48**	**15,626,000,776**

CHIEF FINANCIAL OFFICER

Annexure-4

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF BEAT CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S.No	Particulars	2022			2021		
		Metric tons	Per metric ton	Rupees	Metric tons	Per metric ton	Rupees
1	**Total beet purchased at govt. fixed rate**						
	Less: loss in transit						
	Beet received at factory gate						
2	Commission paid						
3	Loading un-loading						
4	Beet development expenses						
	a. Salaries and wages of supply and development Staff						
	b. Sugar development research						
	c. Supply staff and transportation expenses						
	d. Other expenditures						
5	**Taxes and Levies (if any)**						
	a. Purchase tax						
	b. Market committee fee						
	c. Road cess						
	d. Octroi						
	e. Other levies						
6	**Transportation charges:**						
	a. Delivery expenses/Travelling from purchases center to mill gate						
	b. Transport subsidy						
	c. Others						
7	**Other expenditures at best collection centers:**						
	a. Salaries and wages						
	b. Stores						
	c. Repair and maintenance						
	d. Others						
	Total cost of "beet" transferred to production process (Annexure-1)						

NOT APPLICABLE

CHIEF EXECUTIVE OFFICER

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Annexure-5

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF PROCESS MATERIAL CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S.No	Particulars		2022		2021	
			Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
	Total Sugar Produced 2021 - 228,107 metric tons Produced 2022 - 305,521 metric tons	Total Sugar	M. Tons	305,521.00	M. Tons	228,107.00
1	Phosphoric Acid		72,404,121	236.99	15,583,214	68.32
2	Filter Acid.(HCL)		441,708	1.45	257,026	1.13
3	Acid Inhibitor (Kafzol RN)		27,678,341	90.59	11,780,911	51.65
4	Bleaching Powder		594,938	1.95	366,000	1.60
5	BIO CIDE (Preventol ZL)		4,299,721	14.07	3,122,321	13.69
6	Chemfloc 57/56 HP/ Accofloc(Poly Electrolyte)		9,844,121	32.22	7,012,150	30.74
7	Colour Quest 55(Decolorizer)		49,738,570	162.80	22,219,739	97.41
8	Chem Float - 100 (Floatation Aid)		-	-	-	-
9	Accofloc A-110PWG		1,653,430	5.41	1,340,223	5.88
10	SLURY Material		2,940,319	9.62	705,510	3.09
11	Anti Foam		633,862	2.07	483,937	2.12
12	Formalin.		102,172	0.33	146,220	0.64
13	Unslaked Lime		21,873,913	71.60	16,775,313	73.54
14	Soda Ash		4,002,301	13.10	2,422,069	10.62
15	Solid Caustic Soda.		16,399,982	53.68	9,806,127	42.99
16	Common Salt		10,260	0.03	11,880	0.05
17	Tri Sodium Phosphate(Chem Float A 100)		12,634	0.04	12,578	0.06
18	Others		8,629,465	28.25	6,443,058	28.25
19	Laboratory Chemicals.		2,850,049	9.33	3,131,099	13.73
20	Lubricants and Grease.		46,165,776	151.11	29,728,742	130.33
21	Filter Cloth		44,930	0.15	41,647	0.18
	Total		**270,320,613**	**884.79**	**131,389,762**	**576.00**
	Less allocated to					
	(a) Electric generation		-	-	-	-
	(b) Steam generation		-	-	-	-
	(c) Raw material		-	-	-	-
	(d) Admin expenses		-	-	-	-
	(e) Selling and distribution expenditure		-	-	-	-
	(f) Any other specify		-	-	-	-
	Balance transferred to cost of production (Annexure-1)		**270,320,613**	**884.79**	**131,389,762**	**576.00**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-6

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF SALARIES, WAGES AND BENEFITS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S.No	Particulars	2022		2021	
		Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
	Total Sugar Produced 2021 - 228,107 metric tons Total Sugar Produced 2022 - 305,521 metric tons	M. Tons	305,521.00	M. Tons	228,107.00
	Cost				
1	**Salaries / Wages:**				
(i)	Officers and permanent staff	420,005,994	1,372.70	372,822,190	1,613.44
(ii)	Seasonal staff	17,472,217	57.10	10,636,667	46.03
(iii)	Daily rated and contract labour	355,246,149	1,161.05	265,385,864	1,148.50
(iv)	Bonuses	55,245,098	180.56	165,140	0.71
2	**Benefits:**				
(i)	Medical expenses	3,144,824	10.28	2,971,375	12.86
(ii)	Canteen expenses	-	-	15,334	0.07
(iii)	Welfare , recreation	19,264,746	62.96	9,533,274	41.26
(iv)	Allowances	1,052,354	3.44	5,302,986	22.95
(v)	Education cess / expenses	199,250	0.65	176,175	0.76
(vi)	Group insurance / workmen	10,107,437	33.03	7,544,449	32.65
(vii)	Haj expenses	5,106,521	16.69	-	-
(viii)	Gratuity / pension	48,110,434	157.24	38,211,204	165.36
(ix)	Other benefits (E.O.B.I)	10,238,900	33.46	8,284,256	35.85
(x)	Earned leave	7,491,254	24.48	5,360,400	23.20
(xi)	Social security contribution	48,873,314	159.73	11,350,116	49.12
	Total	**1,001,558,492**	**3,273.38**	**737,759,430**	**3,192.76**
	Less allocated to				
	(a) Raw material	114,563,281	374.43	75,249,161	325.65
	(b) Electricity generation	50,191,689	164.04	40,090,120	173.50
	(c) Steam generation	47,020,735	153.68	34,977,894	151.37
	(d) Admin expenses	425,563,359	1,390.86	314,399,809	1,360.61
	(e) Selling and distribution expenses	14,343,030	46.88	11,067,814	47.90
	(f) Any Other specify	-	-	-	-
	Total	**651,682,094**	**2,129.88**	**475,784,799**	**2,059.03**
Balance transferred to production process (Annexure-1)		**349,876,398**	**1,143.50**	**261,974,632**	**1,133.73**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

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Annexure-7

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF STEAM GENERATED/ CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

		Unit	2022	2021	Variance
	Types of steam boilers used (Water Tubes)				
1	No. of days worked		138.00	113.50	25
2	Installed capacity (steam in metric tons)	Metric Tons	1,920,960	1,579,920	341,040
3	Utilized capacity (steam in metric tons)	Metric Tons	1,575,365	1,211,931	363,434
4	Production:				-
	(a) High pressure steam	Metric Tons	831,109	561,408	269,701
	(b) Medium pressure steam	Metric Tons	744,256	650,523	93,733
	(c) Low pressure steam	Metric Tons	-	-	-
	(d) Less: Transit losses	Metric Tons	78,768	60,597	18,172
	(e) Total	Metric Tons	1,496,597	1,151,334	345,262
5	Percentage of capacity utilization (3/2 * 100)		82.01	76.71	5.30

S.No	Particulars	2022			2021		
		Metric tons	Per metric ton	Amount (Rs.)	Metric tons	Per metric ton	Amount (Rs.)
1	Water	-	-	96,971,552	-	-	116,094,224
2	Fuels:						
	(a) Bagasse						
	(i) Own (including handling expenses)	852,015.77	4,087.48	3,482,593,675	633,478.90	4,665.79	2,955,677,571
	(ii) Purchased	-	-	-	-	-	-
	(b) Pith	-	-	-	-	-	-
	(c) Coal purchased	-	-	-	-	-	-
	(d) Furnace oil	0.94	45,913.43	42,981	1.00	46,799.97	46,800
	(e) Fire wood	-	-	-	53.59	8,000.00	428,720
	(f) Gas	-	-	-	-	-	-
	(g) Other fuels (cane carrier, cleaning etc.)	-	-	-	-	-	-
3	Quantity of waste heat from the plant, if any	-	-	-	-	-	-
4	Consumable stores	-	-	-	-	-	-
5	Direct salaries, wages and benefits	-	-	47,020,735	-	-	34,977,894
6	Repair and maintenance	-	-	56,752,275	-	-	70,232,185

S.No	Particulars	2022			2021		
		Metric tons	Per metric ton	Amount (Rs.)	Metric tons	Per metric ton	Amount (Rs.)
7	Other direct expenses (e.g. Boiler inspection fee etc.)	-	-	-	-	-	-
8	Insurance	-	-	-	-	-	-
9	Depreciation	-	-	89,638,559	-	-	98,317,703
10	**Total cost of steam raised (After Loss)**	**1,496,596.75**	**2,521.07**	**3,773,019,776**	**1,151,334.45**	**2,845.20**	**3,275,775,098**
	Less: Outside sale	-	-	-	-	-	-
	Add: Cost of steam purchased	-	-	-	-	-	-
11	**Total Cost of Steam Consumed**	**1,496,596.75**	**2,521.07**	**3,773,019,776**	**1,151,334.45**	**2,845.20**	**3,275,775,098**
12	**Allocation**						
	Total of item 11 allocated to						
	(i) White Bagged Sugar	417,077.50	2,521.07	1,051,480,079	220,847.16	2,845.20	628,354,009
	(ii) Electric powerhouse (Annexure-8)	1,079,519.25	2,521.07	2,721,539,698	930,487.29	2,845.20	2,647,421,089
	(iii) Others						
	(a) Staff colony	-	-	-	-	-	-
	(b) Office building, etc.	-	-	-	-	-	-
	Total	**1,496,596.75**	**2,521.07**	**3,773,019,776**	**1,151,334.45**	**2,845.20**	**3,275,775,098**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

BDO

Annexure-8

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF COST OF ELECTRIC POWER PURCHASED/GENERATED AND CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

		2022	2021	Variance
1	Installed capacity (79,000KW) (2021: 79,000KW)	262,321,475	213,294,075	49,027,400
2	No. of units generated (KWH)	147,207,170	103,387,477	43,819,693
3	No. of units purchased (KWH)	2,574,481	2,544,853	29,628
4	Total (2+3)	149,781,651	105,932,330	43,849,321
5	Consumption in Power House including other losses	14,720,717	10,338,748	4,381,969
6	Net units consumed (4-5)	135,060,934	95,593,582	39,467,352
7	Percentage of consumption and losses to total units available 5/4 * 100	9.83	9.76	0.07
8	Percentage of power generated to installed capacity 2/1 * 100	56.12	48.47	7.65

S.No	Particulars	2022			2021		
		Metric tons	Per metric ton	Amount (Rs.)	Metric tons	Per metric ton	Amount (Rs.)
1	Steam (Annexure-7)	1,079,519.25	2,521.07	2,721,539,698	930,487.29	2,845.20	2,647,421,081
2	Consumable stores						-
3	Salaries and wages.(Annexure-6)	-	-	50,191,689	-	-	66,337,614
4	Other direct expenses (diesel for generator)	-	-	17,229,165	-	-	15,572,800
5	Repair and maintenance	-	-	30,058,772	-	-	46,544,793
6	Duty on electricity	-	-	-	-	-	-
7	Depreciation	-	-	52,341,311	-	-	55,293,117
	Total			**2,871,360,635**			**2,831,169,406**
8	Less: (a) Credit for exhaust steam used in process etc.88%			(2,394,954,934)			(2,329,730,551)
	(b) Other credits ,if any			-			-
9	Cost of power generated			476,405,701			477,566,476
10	Less: Cost of power sold	(73,680,030)	12.86	(947,328,631)	(46,368,290.00)	12.69	(588,205,258)
11	Add: Cost of power purchased	-	-	96,971,393	-	-	58,337,407
12	**Total net cost of power consumed**			**(373,951,536)**			**(52,301,375)**
13	Cost per unit average	76,101,621	(4.91)	(373,951,536)	59,564,040	(0.88)	(52,301,375)
14	Total at item 13 allocated to						
	(i) White bagged sugar	73,852,853.79	(4.91)	(362,901,443)	57,834,386.60	(0.88)	(50,782,619)
	(ii) Self - consumption.	-	-	-	-	-	-
	(iii) Others	-	-	-	-	-	-
	(a) Staff colony	1,337,751	(4.91)	(6,573,500)	1,103,982	(0.88)	(969,373)
	(b) Office building	761,016	(4.91)	(3,739,515)	595,640	(0.88)	(523,014)
	(c) Other (Tube well)	150,000	(4.91)	(737,077)	30,031	(0.88)	(26,369)
	Total	**76,101,621**	**(4.91)**	**(373,951,536)**	**59,564,040**	**(0.88)**	**(52,301,375)**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-9

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING OTHER FACTORY OVERHEADS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S.No	Particulars		2022		2021	
			Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
	Total Sugar Produced 2021 - 228,107 metric tons Sugar Produced 2022 - 305,521 metric tons	Total	M. Tons	305,521.00	M. Tons	228,107.00
	Cost					
1	Rent, rate and taxes		-	-	-	-
2	Printing and stationery		1,134,176	3.71	1,205,391	5.28
3	Postage and telegram		55,060	0.18	45,847	0.20
4	Telephone fax and telex		1,564,637	5.12	1,662,648	7.29
5	Traveling and conveyance		2,759,315	9.03	2,106,889	9.24
6	Entertainment		1,669,104	5.46	1,385,426	6.07
7	Vehicle running expenses		166,307,744	544.34	97,488,703	427.38
8	Repair and maintenance buildings		24,407,509	79.89	11,991,662	52.57
9	Fire fighting		177,379	0.58	1,088,826	4.77
10	Other expenses		2,435,779	7.97	1,384,940	6.07
	Total		**200,510,704**	**656.29**	**118,360,332**	**518.88**
	Allocated to					
	(i) White bagged sugar		200,510,704	656.29	118,360,332	518.88
	(ii) Electric power house		-	-	-	-
	(iii) Steam generation		-	-	-	-
	(iv) Others:					
	(a) Staff colony		-	-	-	-
	(b) Office building etc.		-	-	-	-
	Total as per item 12 above		**200,510,704**	**656.29**	**118,360,332**	**518.88**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-10

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S.No	Particulars	2022		2021	
		Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
1	Total Sugar Sold 2021 - 240,274.85 metric tons Total Sugar Sold 2022 - 215,244.65 metric tons	18,687,709,096	86,820.78	21,721,318,336	90,401.96
2	**Cost:**				
	Director remuneration	4,680,000	21.74	4,080,000	16.98
	Salaries, Wages and Benefits (A- 6).	425,563,359	1,977.11	314,399,809	1,308.50
	Rent, rates and taxes.	10,574,377	49.13	3,491,259	14.53
	Insurance	233,623	1.09	459,290	1.91
	Water, gas and electricity	5,055,971	23.49	4,461,832	18.57
	Printing and stationery	5,698,767	26.48	5,468,613	22.76
	Postage and telegram.	220,241	1.02	183,389	0.76
	Telephone fax and telex	6,258,548	29.08	6,650,594	27.68
	Repair and maintenance	17,079,163	79.35	13,977,845	58.17
	Traveling and conveyance	6,287,321	29.21	3,239,483	13.48
	Books and periodicals	66,620	0.31	63,650	0.26
	Entertainment.	13,330,790	61.93	2,559,330	10.65
	Advertising	732,118	3.40	1,674,533	6.97
	Legal and professional expenditure	23,104,957	107.34	50,809,680	211.46
	Auditor's remuneration.	2,275,441	10.57	2,068,583	8.61
	Vehicle running expenses	39,338,544	182.76	29,284,112	121.88
	Charity and donation.	-	-	5,750,050	23.93
	Fee and Subscription	20,252,406	94.09	10,136,484	42.19
	Depreciation and amortization	51,573,538	239.60	54,260,780	225.83
	Others.	20,855,034	96.89	89,166,602	371.10
	Total	**653,180,818**	**3,034.60**	**602,185,917**	**2,506.24**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-11

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING SELLING EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

S.No	Particulars		2022		2021	
			Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
1	Total Sugar Sold 2021 - 240,274.85 metric tons Sugar Sold 2022 - 215,244.65 metric tons	Total	18,687,709,096	86,820.78	21,721,318,336	90,401.96
2	**Cost:**					
	Salaries, Wages and Benefits (Annex 6).		14,343,030	66.64	11,067,814	46.06
	Commission.		15,580,303	72.38	14,023,425	58.36
	Freight outward.		91,799,968	426.49	136,922,213	569.86
	Stacking / Restacking.		59,050,293	274.34	30,823,768	128.29
	Loading / Unloading.		14,024,714	65.16	11,289,566	46.99
	Numbering Expenses		1,011,395	4.70	698,625	2.91
	Insurance		5,692,087	26.44	5,041,012	20.98
	Other Expenses.		3,374,001	15.68	3,193,655	13.29
	Total		**204,875,792**	**951.83**	**213,060,078**	**886.73**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

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THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	2022 Rupees	2021 Rupees
Profit as per cost accounting records	1,957,844,766	2,063,020,367
Add: Incomes not considered in cost records:		
Sales other products	3,876,763,762	2,853,547,766
Other income		
Reversal of impairment allowance under expected credit	13,084,740	-
Gain on disposal of stores / PPE	2,774,076	5,523,717
Gain on redemption of investments	2,971,660	-
Sale of scrap	89,701,724	33,359,015
Gain on agriculture inputs to growers	40,384,251	24,771,649
Other income	12,214,484	16,325,974
Bagasse charged to production (Annex 7)	3,472,207,474	2,942,106,668
Less: Expenses not considered in cost accounts		
Other expenses (WPPF, WWF)	(178,469,910)	(134,124,333)
Charity and donation.	(17,188,240)	-
Cost of sale (related to other products)	(947,328,631)	(588,205,258)
Net-Realizable value of by products (Molasses, Mud and Beet Pulp) - adjusted in sugar cost	(6,259,985,607)	(5,207,449,176)
Taxation	(626,179,595)	(396,709,187)
Profit after taxation	1,438,794,953	1,612,167,201
Overvaluation of closing stock in financial accounts	361,212,462	18,136,488
Undervaluation of opening stock in financial account	-	-
Overvaluation of opening stocks in financial accounts	(18,136,488)	-
Undervaluation of closing stocks in financial accounts	-	-
Adjustment for other, if any (specify)	-	-
Profit as per financial accounting records	1,781,870,927	1,630,303,690

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF COST OF SALES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	COST ACCOUNTS (RUPEES)	FINANCIAL ACCOUNTS (RUPEES)	DIFFERENCE (RUPEES)
Raw material consumed	18,569,379,449	18,454,816,168	114,563,281
Cost of Refined Sugar purchased	43,135,576	43,135,576	-
Salaries, wages and other benefits	349,876,398	613,777,278	(263,900,880)
Fuel and power	2,975,511,925	122,380,958	2,853,130,967
Stores, spare parts and loose tools	287,768,612	516,032,510	(228,263,898)
Repairs and maintenance	561,413,297	672,631,853	(111,218,556)
Insurance	4,048,830	4,070,493	(21,663)
Depreciation	286,622,326	428,602,197	(141,979,871)
Vehicle running	-	166,307,744	(166,307,744)
Miscellaneous	-	7,529,381	(7,529,381)
Factory Overheads	200,510,704	-	200,510,704
Total cost	23,278,267,118	21,029,284,158	2,248,982,960
Work in process-opening inventory	5,188,121	5,188,121	-
Work in process-closing inventory	(4,498,831)	(4,498,831)	-
	689,290	689,290	-
Total cost of goods manufactured	23,278,956,408	21,029,973,448	2,248,982,960
Less: Realizable value of By-Products:			
Molasses	(2,630,155,137)	-	(2,630,155,137)
Bagasse	(3,580,179,350)	-	(3,580,179,350)
Power sold			-
Others (Press mud)	(49,651,120)	-	(49,651,120)
	(6,259,985,607)	-	(6,259,985,607)
Net cost of goods manufacturing	17,018,970,800	21,029,973,448	(4,011,002,648)
Add: Packing material	225,757,515	-	225,757,515
Net cost of bagged sugar	17,244,728,315	21,029,973,448	(3,785,245,133)
Add: Excise duty / Sales Tax	-	-	-
Total cost of bagged sugar	17,244,728,315	21,029,973,448	(3,785,245,133)
Finished goods-opening inventory	590,141,017	608,277,505	(18,136,488)
Finished goods-closing inventory	(5,512,066,678)	(5,873,279,140)	361,212,462
	(4,921,925,661)	(5,265,001,635)	343,075,974
Cost of sales	12,322,802,654	15,764,971,813	(3,442,169,159)
Administrative expenses	653,180,818	620,945,174	32,235,644
Distribution and selling expenses	204,875,792	204,161,308	714,484
Financial expenses	785,003,453	874,257,082	(89,253,629)
Profit on deposit accounts	-	-	-
Total cost to make and sell	13,965,862,716	17,464,335,377	(3,498,472,661)

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED

FOR THE YEAR ENDED SEPTEMBER 30, 2022

Schedule 1

Contents

Reconciliation of administrative expenses

Reconciliation of distribution and selling expenses

Reconciliation statement of financial charges

Reconciliation of Raw materials consumed

Reconciliation of statement of cost of sales

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THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Particulars	2022 Rupees	2021 Rupees
Administrative expenses as per financial statements	**620,945,174**	**580,452,858**
Less:		
Firefighting (Annexure-10)	(177,404)	(1,088,826)
Postage and telegram (Annexure-10)	(55,060)	(45,847)
Charity and donation.	(17,188,240)	-
Telephone and telex (Annexure-10)	(1,564,637)	(1,662,648)
	(18,985,341)	(2,797,321)
Add:		
Salaries and wages (Annexure-6)	51,220,985	24,530,381
	51,220,985	24,530,381
Administrative expenses as per cost accounts	**653,180,818**	**602,185,917**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF DISTRIBUTION AND SELLING EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Particulars	2022 Rupees	2021 Rupees
Distribution and selling expenses as per financial statements	**204,161,308**	**212,350,069**
Add:		
Canteen expenses (Annexure-6)	-	232
Group Insurance (Annexure -6)	-	114,383
Gratuity (Annexure -6)	697,101	579,327
Worker welfare expenses	81,002	-
Welfare and recreation expenses (Annexure-6)	198,137	16,067
	976,240	710,009
Less:		
Group Insurance (Annexure -6)	(43,253)	-
Salaries and wages (Annexure-6)	(218,503)	-
	(261,756)	-
Distribution and selling expenses as per cost accounts	**204,875,792**	**213,060,078**

CHIEF EXECUTIVE OFFICER

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THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION STATEMENT OF FINANCIAL CHARGES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Particulars	2022 Rupees	2021 Rupees
Financial charges as per financial statements	**874,257,082**	**471,229,634**
Less :		
Profit on deposit account (Annexure-1)	(89,253,629)	(8,374,440)
	(89,253,629)	(8,374,440)
Financial Charges as per cost accounts	**785,003,453**	**462,855,194**

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THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF RAW MATERIAL CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Particulars	2022 Rupees	2021 Rupees
Raw material as per financial statements	**18,454,816,168**	**15,550,751,614**
Add:		
Salaries & Wages Cane Department (Annexure-3)	114,563,281	75,249,161
	114,563,281	75,249,161
Raw material as per cost accounts	**18,569,379,449**	**15,626,000,776**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION STATEMENT OF COST OF SALE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Particulars	2022 Rupees	2021 Rupees
Cost of goods sold as per financial statements	**15,764,971,813**	**18,087,566,332**
Add:		
Overvaluation of closing stock in financial accounts	361,212,462	18,136,488
Admin Expenses as per Financial Accounts	620,945,174	580,452,858
Selling Expenses as per Financial Accounts	204,161,308	212,350,068
	1,186,318,944	810,939,415
Less:		
Realizable value of molasses (Annexure A-1)	(2,630,155,137)	(2,020,739,131)
Realizable value of bagasse (Annexure A-1)	(107,971,876)	(220,307,037)
Charity and donation.	(17,188,240)	-
Overvaluation of opening stock in financial accounts	(18,136,488)	-
Realizable value of Muds (Annexure A-1)	(49,651,120)	(24,296,340)
Realizable value of Electricity (Annexure A-8)	(947,328,631)	(588,205,258)
Admin Expenses as per Cost Accounts (A-10)	(653,180,818)	(602,185,917)
Selling Expenses as per Cost Accounts (A-11)	(204,875,792)	(213,060,078)
	(4,628,488,102)	(3,668,793,762)
Cost of goods sold as per cost accounts	**12,322,802,654**	**15,229,711,985**

CHIEF EXECUTIVE OFFICER

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