

**Tandlianwala Sugar Mills Ltd.**

# **QUARTERLY** *Report*



**DECEMBER**

**31,**  
**2021**

DIRECTORS' REVIEW

Dear Shareholders,

The directors of your company have pleasure in submitting their report and the unaudited condensed interim financial statements of the company for the first quarter ended 31 December 2021.

The first quarter is always very crucial as crushing starts by around last week of November each year, while the financial & production results of the company can only be forecasted by the end of crushing season, but at times the first quarter can also give a reasonable idea of the overall direction and trend of the performance during remaining part of the year.

This year too, the crushing season started with numerous challenges. The support prices fixed by the governments of Punjab & KPK were Rs 225 per 40 kg. Even though there was a considerable increase in sugarcane crop, the cane war amongst the Millers started immediately, but we started our sugar division with a positive mindset.

We are proud of our ethanol division, which as always delivers best of the financial results amongst the various divisions of the company & contributes substantially to the overall financial results.

In the period under review, the company was able to earn a reasonable profit before taxation amounting to Rs 307 million.

The management of our company is always proactive to look for best possible measures to run the procedures efficiently and effectively, in order to maintain the quality of all our products, as well as to achieve targeted production levels

The board will also like to appreciate its staff and members of the management team for their hard work and contributing in producing best possible results.

On behalf of Board of Directors.

Akbar Khan  
(Chief Executive Officer)  
September 01, 2022

ڈائریکٹرز کا جائزہ

کمپنی کے ڈائریکٹرز کیلئے 31 دسمبر 2021ء کو ختم ہونے والی پہلی سہ ماہی کی رپورٹ اور کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی بیانات دائر کرنا خوش آئند ہے۔

پہلی سہ ماہی ہمیشہ بہت اہم ہوتی ہے کیونکہ کرشنگ ہر سال نومبر کے آخری ہفتے سے شروع ہوتی ہے، جب کہ کمپنی کے مالیاتی اور پیداواری نتائج کا اندازہ کرشنگ سیزن کے اختتام تک ہی لگایا جاسکتا ہے، لیکن بعض اوقات سال کے بقیہ حصے کے دوران کارکردگی کی مجموعی سمت اور رجحانات کا خیال رکھنے سے پہلی سہ ماہی بھی معقول نتائج دے سکتی ہے۔

اس سال بھی کرشنگ سیزن کا آغاز متعدد چیلنجوں کے ساتھ ہوا۔ پنجاب اور کے پی کے کی حکومتوں کی طرف سے مقرر کردہ امدادی قیمتیں 225 روپے فی 40 کلوگرام تھیں۔ اگرچہ گنے کی فصل میں خاطر خواہ اضافہ ہوا تو فوری طور پر مل مالکان کے درمیان گنے کی جنگ شروع ہوگئی، لیکن ہم نے اپنی شوگر کی تقسیم کا آغاز مثبت سوچ کے ساتھ کیا۔

ہمیں اپنے انتہوں ڈویژن پر فخر ہے، جو ہمیشہ کی طرح کمپنی کے مختلف ڈویژنوں میں بہترین مالیاتی نتائج فراہم اور مجموعی مالیاتی نتائج میں خاطر خواہ تعاون فراہم کرتا ہے۔

زیر نظر مدت میں، کمپنی ٹیکس سے پہلے 307 ملین روپے کا معقول منافع کمانے میں کامیاب رہی۔ ہماری کمپنی کی انتظامیہ ہماری تمام مصنوعات کے معیار کو برقرار رکھنے کے ساتھ ساتھ پیداواری سطح کے ہدف کو حاصل کرنے کے طریقہ کار کو مؤثر طریقے سے چلانے کیلئے بہترین ممکنہ اقدامات کی تلاش میں ہمیشہ متحرک رہتی ہے۔

بورڈ اپنے عملے اور انتظامی ٹیم کے ارکان کو ان کی محنت اور بہترین ممکنہ نتائج پیدا کرنے میں تعاون کرنے پر بھی سراہتا ہے۔

اکبر خان  
حکیم بورڈ آف ڈائریکٹرز  
(چیف ایگزیکٹو آفیسر)  
01 ستمبر 2022ء

## TANGLIANWALA SUGAR MILLS LTD.

### STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

	(Un-Audited) 31 December 2021 Rupees	(Audited) 30 September 2021 Rupees
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorised share capital 120,000,000 (September 2021: 120,000,000) ordinary shares of Rs. 10 each	1,200,000,000	1,200,000,000
Issued, subscribed and paid-up share capital	1,177,063,000	1,177,063,000
Share Premium	290,741,640	290,741,640
Un-appropriated profits	5,666,905,544	5,458,558,557
Loan from sponsors - <i>unsecured</i>	3,635,214,057	3,635,214,057
<b>TOTAL EQUITY</b>	<b>10,769,924,241</b>	<b>10,561,577,254</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Long term finances - <i>secured</i>	1,007,033,098	1,236,921,131
Lease Liability	245,073,964	237,400,367
Deferred liabilities	656,268,123	657,248,153
Deferred Income - Government grant	-	822,248
	1,908,375,185	2,132,391,899
<b>CURRENT LIABILITIES</b>		
Short term borrowings - <i>secured</i>	7,427,910,912	8,758,069,179
Current portion of non-current liabilities	1,727,518,298	1,475,925,325
Trade and other payables	5,637,082,399	4,002,580,744
Mark-up accrued	323,415,050	237,684,069
Provision for taxation	98,980,736	321,862,481
	15,214,907,395	14,796,121,798
<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>27,893,206,821</b>	<b>27,490,090,951</b>

The annexed notes from 1 to 7 form an integral part of these condensed interim financial statements.

Lahore  
September 01, 2022

Chief Financial Officer

Chief Executive

**TANGLIANWALA SUGAR MILLS LTD.****AS AT DECEMBER 31, 2021**

	(Un-Audited) 31 December 2021 Rupees	(Audited) 30 September 2021 Rupees
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	15,757,503,218	15,935,896,090
Long term deposits	231,034,023	174,653,829
	<u>15,988,537,241</u>	<u>16,110,549,919</u>
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	1,251,096,867	1,124,652,184
Stock-in-trade	5,599,805,772	6,260,943,955
Trade debts - considered good	9,234,213	14,243,716
Advances, deposits, prepayments and other receivables	4,550,130,546	3,488,447,950
Tax refunds due from Government	402,243,748	389,504,748
Cash and bank balances	92,158,434	101,748,479
	<u>11,904,669,580</u>	<u>11,379,541,032</u>
<b>TOTAL ASSETS</b>	<u><u>27,893,206,821</u></u>	<u><u>27,490,090,951</u></u>

Director

## TANGLIANWALA SUGAR MILLS LTD.

### STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

For the quarter ended December 31, 2021

	31 December 2021 Rupees	31 December 2020 Rupees
Sales - net	7,003,919,259	4,126,433,602
Cost of sales	<u>(6,277,270,549)</u>	<u>(3,361,657,119)</u>
<b>Gross profit</b>	726,648,710	764,776,483
Administrative expenses	(134,180,869)	(118,705,446)
Distribution expenses	(17,642,913)	(41,823,158)
Other income	<u>2,168,988</u>	<u>2,744,276</u>
<b>Profit from operations</b>	576,993,916	606,992,155
Finance cost	(250,434,132)	(140,579,311)
Other expenses	<u>(19,232,061)</u>	<u>(3,459,208)</u>
<b>Profit before taxation</b>	307,327,723	462,953,636
Taxation	<u>(98,980,736)</u>	<u>(61,896,504)</u>
<b>Profit after taxation</b>	<u>208,346,987</u>	<u>401,057,132</u>
<b>Earnings per share - basic and diluted</b>	<u>1.77</u>	<u>3.41</u>

The annexed notes from 1 to 7 form an integral part of these condensed interim financial statements.

Lahore  
September 01, 2022

\_\_\_\_\_  
Chief Financial Officer

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Chief Executive

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Director

Quarterly Report December 31, 2021

## TANGLIANWALA SUGAR MILLS LTD.

### STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)

For the quarter ended December 31, 2021

	31 December 2021 Rupees	31 December 2020 Rupees
<b>Profit after taxation for the quarter</b>	208,346,987	401,057,132
Other comprehensive income for the quarter	-	-
<b>Total comprehensive income for the quarter</b>	<u>208,346,987</u>	<u>401,057,132</u>

The annexed notes from 1 to 7 form an integral part of these condensed interim financial statements.

### STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the quarter ended December 31, 2021

	RESERVES					Total
	Share capital	Capital Share premium	Revenue Un- appropriated profits	Total Reserves	Loan from Sponsors	
	-----Rupees-----					
	All Units					
Balance as at October 01, 2020	1,177,063,000	290,741,640	4,743,215,795	5,033,957,435	3,635,214,057	9,846,234,492
<i>Transactions with owners of the Company:</i>						
Loan received / (repaid) during the period	-	-	-	-	(27,127,565)	(27,127,565)
<i>Total comprehensive income for the quarter:</i>						
Profit for the quarter ended December 31, 2020	-	-	401,057,132	401,057,132	-	401,057,132
Balance as at December 31, 2020	<u>1,177,063,000</u>	<u>290,741,640</u>	<u>5,144,272,927</u>	<u>5,426,431,561</u>	<u>3,608,086,492</u>	<u>10,220,164,059</u>
Balance as at October 01, 2021	1,177,063,000	290,741,640	5,458,558,557	5,749,300,197	3,635,214,057	10,561,577,254
<i>Transactions with owners of the Company:</i>						
Loan received / (repaid) during the period	-	-	-	-	-	-
<i>Total comprehensive income for the quarter:</i>						
Profit for the quarter ended December 31, 2021	-	-	208,346,987	208,346,987	-	208,346,987
Balance as at December 31, 2021	<u>1,177,063,000</u>	<u>90,741,640</u>	<u>5,666,905,544</u>	<u>5,957,647,184</u>	<u>3,635,214,057</u>	<u>10,769,924,241</u>

The annexed notes from 1 to 7 form an integral part of these condensed interim financial statements.

Lahore  
September 01, 2021

Chief Financial Officer      Chief Executive      Director

## TANGLIANWALA SUGAR MILLS LTD.

### STATEMENT OF CASH FLOWS (UN-AUDITED)

For the quarter ended December 31, 2021

	October-21 to December-21 Rupees	October-20 to December-20 Rupees
<b><u>Cash flows from operating activities</u></b>		
Profit before taxation	307,327,723	462,953,636
<i>Adjustments for non-cash and other items:</i>		
Depreciation on property, plant and equipment	214,448,040	203,771,750
(Gain) / loss on disposal of property, plant and equipment	17,698	(66,398)
Finance cost	250,434,132	140,579,311
Return on bank deposits	(528,051)	(2,628,491)
Worker's Profit Participation Fund	16,175,143	23,320,642
	480,546,962	364,976,814
<b>Operating profit before working capital changes</b>	787,874,685	827,930,450
<i>(Increase) / decrease in current assets:</i>		
Stores, spare parts and loose tools	(126,444,683)	(51,307,569)
Stock-in-trade	661,138,183	(5,377,726,331)
Advances, deposits, prepayments and other receivables	(1,061,682,596)	(257,489,569)
Trade debts - <i>considered good</i>	5,009,503	3,257,641
	(521,979,593)	(5,683,265,828)
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	1,618,326,511	3,571,333,309
<b>Cash (used in) / generated from operations</b>	1,884,221,603	(1,284,002,069)
Finance cost paid	(164,703,151)	(148,279,470)
Staff retirement benefits paid	(980,031)	(1,364,627)
Taxes paid	(334,601,481)	(13,658,413)
	(500,284,663)	(163,302,510)
<b>Net cash (used in) / generated from operating activities</b>	1,383,936,940	(1,447,304,579)
<b><u>Cash flows from investing activities</u></b>		
Capital expenditure	(36,895,113)	(45,933,938)
Proceeds from disposal of property, plant and equipment	-	859,045
Long term deposits	(56,380,194)	(14,112,766)
Income received from bank deposits	528,051	2,628,491
<b>Net cash (used in) investing activities</b>	(92,747,256)	(56,559,168)
<b><u>Cash flows from financing activities</u></b>		
Long term finances	(229,888,033)	(29,422,399)
Long term finances obtained	251,592,974	-
Loan from sponsors	-	(27,127,565)
Lease liabilities - <i>net</i>	7,673,597	148,267,472
Short term borrowings - <i>net</i>	(1,330,158,267)	1,578,793,523
<b>Net cash (used in) / generated from financing activities</b>	(1,300,779,729)	1,670,511,032
<b>Net increase / (decrease) in cash and cash equivalents</b>	(9,590,045)	166,647,285
<b>Cash and cash equivalents at the beginning of the period</b>	101,748,479	283,684,625
<b>Cash and cash equivalents at the end of the period</b>	92,158,434	450,331,910

The annexed notes from 1 to 7 form an integral part of these condensed interim financial statements.

Lahore

September 01, 2022

\_\_\_\_\_  
Chief Financial Officer

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Chief Executive

\_\_\_\_\_  
Director

**NOTES TO THE FINANCIAL POSITION (UN-AUDITED)**

*For the quarter ended December 31, 2021*

1. These financial statements have been prepared in accordance with the requirements of International Accounting Standard-34 ( IAS-34) "Interim Financial Reporting."
2. The accounting policies adopted for the preparation of these accounts are same as those applied in the preceding year ended 30th September 2021.
3. Provision in respect of taxation and workers profit participation fund are estimated only and financial liabilities will be determined on the basis of annual results.
4. Sugar cane crushing season commences from November till March each year.
5. **Contingencies and commitments**

**5.1 Contingencies**

There are no other significant changes, other those already reported in contingencies as at September 30, 2021, which require disclosure in the condensed interim financial statements.

**5.2 Commitments**

The Company has capital commitments of Rs.22,022 (M) (September 30 2021: Rs. NIL (M) on account of import of machinery and its related components.

6. These financial statements were authorized for issue by the Board of Directors of the Company on September 01, 2022.
7. Figures in these accounts have been rounded off to the nearest rupee.

Lahore

September 01, 2022

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive

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Director



## TANGLIANWALA SUGAR MILLS LTD.

### COMPANY'S INFORMATION

<b>Board of Directors</b>	Mr. Ghazi Khan Mr. Akbar Khan Mr. Humayun Akhtar Khan Mr. Haroon Khan Mrs. Rasheeda Begum Mrs. Mobina Akbar Khan Mr. Tahir Farooq Malik	<b>(Chairman)</b> <b>(Chief Executive)</b>
<b>Company Secretary and Chief Financial Officer</b>	Mr. Ahmad Jehanzeb Khan	
<b>Bankers</b>	<b>Conventional</b> National Bank of Pakistan Limited MCB Bank Limited United Bank Limited Allied Bank Limited Habib Bank Limited The Bank of Punjab Soneri Bank Limited Sindh Bank Limited Samba Bank Limited The Bank of Khyber Pair Investment Co. Limited Pak Oman Investment Co. Limited Pak Libya Holding Co. (Pvt) Limited	<b>Conventional</b> Bank Alfalah Limited Faysal Bank Limited Meezan Bank Limited Askari Bank Limited Summit Bank Limited  <b>Islamic</b> Dubai Islamic Bank Al-Baraka Bank (Pakistan Limited)
<b>Legal Advisors</b>	1. Bandial & Associates 35-A, Luqman Street, Zahoor Afridi Road, Lahore Cantt.	2. Ali Sibtain Fazli & Associates Mall Mansion 30, The Mall, Lahore.
<b>Audit Committee</b>	Mr. Humayun Akhtar Khan Mr. Ghazi Khan Mr. Tahir Farooq Malik Mr. Khalid Siddique	<b>(Chairman)</b> <b>(Member)</b> <b>(Member)</b> <b>(Secretary)</b>
<b>Auditors</b>	UHY Hassan Naeem & Co. Chartered Accountants	
<b>Share Registrar</b>	Corplink (Private) Limited Wings Arcade, 1-K, Commercial Model Town, Lahore.	
<b>Sugar Mills:</b>		
<b>Unit 1</b>	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
<b>Unit 2</b>	Taunsa Road, Indus Highway, District Dera Ismail Khan.	
<b>Unit 3</b>	Shah Jamal Road, District Muzaffargarh.	
<b>Distilleries:</b>		
<b>Unit 1</b>	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
<b>Unit 2</b>	Shah Jamal Road, District Muzaffargarh.	
<b>Top Gas (CO<sub>2</sub>):</b>	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
<b>Registered &amp; Corporate Office:</b>	66-L, Gulberg-II, Lahore-54000, Pakistan. PABX: 042-35712901, 35763115, 35754701, 35761124 Fax: 042-35710929, 35710605 Email: tsmho@tsmlgroup.com Website: www.tsmlgroup.com	

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66-L, GULBERG II, Lahore.**