

**QUARTERLY
REPORT**



**30 June
2023**

Tandlianwala
Sugar Mills Limited

DIRECTORS' REVIEW

Dear Shareholders,

The Board of Directors of the Company are pleased to present the Company's unaudited condensed interim financial statements for the 3rd quarter ending June 30, 2023, of the financial year 2022-23.

As mentioned in our review report to March 31, 2023, the Government did not allow further quota for the export of sugar to the mills. However the local sugar prices witnessed an increase due to unprecedented inflation hitting all sectors of the country's economy.

The prices of ethanol also showed a declining trend during the period under review, while the rupee also temporarily strengthened during this quarter. Though we made profits during this quarter also, but the discussed factors, somewhat slowed down the momentum of achieving higher numbers.

The Company continues to focus towards maximizing the productivity of ethanol for increasing the export of our rectified ethanol during the remaining quarter of the financial year and to generate maximum foreign exchange for the country, as well as to further enhance profitability of the Company.

During these nine months period, we achieved profits before tax of Rs1.667 Billion in comparison to the profit before tax of Rs1.142 Billion for the same corresponding nine months period, of the last year.

The Board would like to record its appreciation for the hard work of the staff and members of the management team.

On behalf of Board of Directors

Akbar Khan
(Chief Executive Officer)
July 26, 2023

ڈائریکٹرز کی رپورٹ

پیارے شیئر ہولڈرز،

تاندلیانوالہ شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے مجھے مالی سال 2022-23 کی 30 جون کو ختم ہونے والی تیسری سہ ماہی کے لئے کمپنی کے غیر آڈٹ شدہ کنڈنسنڈ عبوری مالیاتی گوشوارے پیش کرنے پر خوشی ہو رہی ہے۔ جیسا کہ ہماری 31 مارچ 2023 کی جائزہ رپورٹ میں ذکر کیا گیا ہے، حکومت نے ملوں کو چینی کی برآمد کے لئے مزید کوٹے کی اجازت نہیں دی۔ تاہم چینی کی مقامی قیمتوں میں غیر معمولی اضافہ افراط زر کی وجہ سے ملکی معیشت کے تمام شعبوں کو متاثر کرنے کی وجہ سے دیکھا گیا۔

انتھنول کی قیمتوں میں بھی زبردست مدت کے دوران کمی کارحاجان دیکھا گیا، جبکہ اس سہ ماہی کے دوران روپیہ بھی عارضی طور پر مضبوط ہوا۔ اگرچہ ہم نے اس سہ ماہی کے دوران بھی منافع کمایا، لیکن زیر بحث عوامل نے زیادہ نبرہ حاصل کرنے کی رفتار کو کسی حد تک سست کر دیا۔

کمپنی مالی سال کی بقیہ سہ ماہی کے دوران ہمارے تصحیح شدہ انتھنول کی برآمدات کو بڑھانے اور ملک کے لئے زیادہ سے زیادہ زرمبادلہ پیدا کرنے کے ساتھ ساتھ کمپنی کے منافع میں مزید اضافہ کرنے کے لئے انتھنول کی پیداواری صلاحیت کو زیادہ سے زیادہ کرنے پر توجہ مرکوز کئے ہوئے ہے۔

ان نو ماہ کی مدت کے دوران ہم نے گزشتہ اسی نو ماہ کی مدت کے لئے 1.142 ارب روپے کے ٹیکس سے پہلے منافع کے مقابلے میں 1.667 بلین روپے کے ٹیکس سے پہلے منافع حاصل کیا۔ بورڈ، نعملہ اور انتظامی ٹیم کے اراکین کی محنت کے لئے اپنی تعریف ریکارڈ کرنا چاہے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے:

اکبر خان
چیف ایگزیکٹو آفیسر
26 جولائی 2023

TANGLIANWALA SUGAR MILLS LTD.**CONDENSED INTERIM STATEMENT OF
FINANCIAL POSITION (UN-AUDITED)**

EQUITY AND LIABILITIES	(Un-Audited) 30 June 2023 Rupees	(Audited) 30 September 2022 Rupees
SHARE CAPITAL AND RESERVES		
Authorized share capital 120,000,000 (September 2022: 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	7,216,152,606	5,963,048,710
Loan from sponsors - <i>unsecured</i>	3,732,086,464	3,635,214,057
TOTAL EQUITY	12,416,043,710	11,066,067,407
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term finances - <i>secured</i>	31,428,568	393,529,554
Liabilities against assets subject to finance lease - <i>secured</i>	221,894,707	2,412,260
Deferred liabilities		
- <i>Staff retirement benefits</i>	770,051,704	776,438,046
- <i>Deferred taxation</i>	-	-
	1,023,374,979	1,172,379,860
CURRENT LIABILITIES		
Short term borrowings - <i>secured</i>	11,253,332,067	9,997,040,575
Current portion of non-current liabilities	756,034,210	1,307,230,534
Trade and other payables	9,494,516,304	7,457,575,122
Interest and mark-up accrued	624,898,613	431,127,753
Provision for taxation	414,071,473	467,065,454
	22,542,852,667	19,660,039,438
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	35,982,271,356	31,898,486,705
The annexed notes 1 to 8 from an integral part of these financial statements		
Chief Financial Officer		Chief Executive Officer

Quarterly Report June 30, 2023

TANDLIANWALA SUGAR MILLS LTD.**AS AT JUNE 30, 2023**

ASSETS	(Un-Audited) 30 June 2023 Rupees	(Audited) 30 September 2022 Rupees
NON-CURRENT ASSETS		
Property, plant and equipment	15,023,982,926	15,385,603,599
Long term deposits	216,984,552	154,606,251
	15,240,967,478	15,540,209,850
CURRENT ASSETS		
Stores, spare parts and loose tools	1,336,954,077	1,282,815,097
Stock-in-trade	11,315,888,125	7,959,386,723
Trade debts - considered good	24,880,610	18,486,272
Advances, deposits, prepayments and other receivables	6,885,255,732	5,798,251,593
Tax refunds due from Government - net	914,406,067	654,559,825
Cash and bank balances	263,919,267	644,777,345
	20,741,303,878	16,358,276,855
TOTAL ASSETS	<u>35,982,271,356</u>	<u>31,898,486,705</u>

Director

Quarterly Report June 30, 2023

TANGLIANWALA SUGAR MILLS LTD.**CONDENSED INTERIM STATEMENT OF
PROFIT OR LOSS (UN-AUDITED)***For the nine months period and quarter ended June 30, 2023*

	Nine months ended		Three months ended	
	30 June 2023 Rupees	30 June 2022 Rupees	30 June 2023 Rupees	30 June 2022 Rupees
Sales - net	35,288,243,665	26,591,223,620	9,203,557,105	6,260,400,430
Cost of sales	<u>(30,843,669,264)</u>	<u>(23,336,804,268)</u>	<u>(7,905,144,247)</u>	<u>(5,292,019,483)</u>
Gross profit	4,444,574,401	3,254,419,352	1,298,412,858	968,380,947
Administrative expenses	(523,222,303)	(499,016,948)	(161,370,347)	(148,291,384)
Distribution expenses	(522,570,292)	(427,661,094)	(235,729,035)	(196,531,399)
Other income	<u>284,289,221</u>	<u>40,336,895</u>	<u>9,874,935</u>	<u>(23,942,847)</u>
Profit from operations	3,683,071,027	2,368,078,205	911,188,411	599,615,317
Finance cost	(1,915,962,191)	(1,154,615,348)	(799,010,480)	(460,572,525)
Other expenses	<u>(99,933,467)</u>	<u>(71,276,517)</u>	<u>10,117,463</u>	<u>(8,645,141)</u>
Profit before taxation	1,667,175,369	1,142,186,340	122,295,394	130,397,651
Taxation	(414,071,473)	(363,048,909)	(21,693,283)	(26,647,230)
Profit after taxation	<u>1,253,103,896</u>	<u>779,137,431</u>	<u>100,602,111</u>	<u>103,750,421</u>
Earning Per Share-basic and diluted	<u>10.65</u>	<u>6.62</u>	<u>0.85</u>	<u>0.88</u>

The annexed notes 1 to 8 from an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Quarterly Report June 30, 2023

TANDLIANWALA SUGAR MILLS LTD.

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME / (LOSS) (UN-AUDITED)

For the nine months period and quarter ended June 30, 2023

	NINE MONTHS ENDED		THREE MONTHS ENDED	
	30 June 2023 (RUPEES)	30 June 2022 (RUPEES)	30 June 2023 (RUPEES)	30 June 2022 (RUPEES)
Profit/(loss) after tax for the period	1,253,103,896	779,137,431	100,602,111	103,750,421
Other comprehensive income	-	-	-	-
Total comprehensive Income / (loss) for the period	1,253,103,896	779,137,431	100,602,111	103,750,421

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the nine months period ended June 30, 2023

	Reserves					Total
	Share capital	Capital Share Premium	Revenue Un- appropriated Profits	Total reserves	Loan from Sponsors	
	-----Rupees-----					
	All Units					
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
Transactions with owners of the Company						
Loan received during the period	-	-	-	-	-	-
Total comprehensive income for the year:						
Profit for the Period ended June 30, 2022	-	-	779,137,431	779,137,431	-	779,137,431
Other comprehensive loss for the period ended June 30, 2022	-	-	-	-	-	-
	-	-	779,137,431	779,137,431	-	779,137,431
Balance as at June 30, 2022 (un-audited)	1,177,063,000	290,741,640	6,237,695,988	6,528,437,628	3,635,214,057	11,340,714,685
Balance as at October 01, 2022 - (audited)	1,177,063,000	290,741,640	5,963,048,710	6,253,790,350	3,635,214,057	11,066,067,407
Transactions with owners of the Company						
Loan received during the period	-	-	-	-	96,872,407	96,872,407
Total comprehensive income for the year:						
Profit for the period ended June 30, 2023	-	-	1,253,103,896	1,253,103,896	-	1,253,103,896
Other comprehensive loss for the Period ended June 30, 2023	-	-	-	-	-	-
	-	-	1,253,103,896	1,253,103,896	-	1,253,103,896
Balance as at June 30, 2023 - (Un-audited)	1,177,063,000	290,741,640	7,216,152,606	7,506,894,246	3,732,086,464	12,416,043,710

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Quarterly Report June 30, 2023

TANGLIANWALA SUGAR MILLS LTD.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the nine months period ended June 30, 2023

	(Un-Audited) 30 Jun 2023 Rupees	(Un-Audited) 30 Jun 2022 Rupees
<u>Cash flows from operating activities :</u>		
Profit before taxation	1,667,175,369	1,142,186,340
<i>Adjustments for non-cash and other items:</i>		
Depreciation on property, plant and equipment	593,424,096	606,923,216
(Gain) / loss on disposal of property, plant and equipment	-	-
Finance cost	1,915,962,191	1,154,615,348
Provision for staff retirement benefits	-	77,159,619
Return on bank deposits	(14,952,679)	-
Grant Income	-	-
Worker's Profit Participation Fund	87,746,072	60,674,098
	2,582,179,680	1,899,372,281
Operating profit before working capital changes	4,249,355,049	3,041,558,621
<i>(Increase) / decrease in current assets:</i>		
Stores, spare parts and loose tools	(54,138,981)	(84,426,773)
Stock-in-trade	(3,356,501,403)	(5,917,442,976)
Advances, deposits, prepayments and other receivables	(1,087,004,140)	(1,186,769,525)
Trade debts - considered good	(6,394,338)	(2,349,239)
	(4,504,038,862)	(7,190,988,513)
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	2,036,941,184	3,536,746,639
Cash generated from operations	1,782,257,371	(612,683,253)
Finance cost paid	(1,722,191,331)	(998,182,568)
Staff retirement benefits paid	(6,386,342)	(6,693,629)
Taxes paid	(726,911,696)	(517,367,971)
Worker's Profit Participation Fund paid	(87,746,072)	-
	(2,543,235,441)	(1,522,244,168)
Net cash generated from operating activities	(760,978,070)	(2,134,927,421)
<u>Cash flows from investing activities</u>		
Capital expenditure	(231,803,423)	(48,116,413)
Proceeds from disposal of property, plant and equipment	-	-
Long term deposits	(62,378,301)	(13,445,596)
Income received from bank deposits	14,952,679	-
Net cash (used in) investing activities	(279,229,045)	(61,562,009)
<u>Cash flows from financing activities</u>		
Long term finances repaid	(362,100,986)	(912,411,287)
Long term finances obtained	(551,196,324)	-
Loan from sponsors	96,872,407	-
Finance lease liabilities - net	219,482,446	(58,144,028)
Short term borrowings - net	1,256,291,494	3,132,802,230
Net cash (used in) financing activities	659,349,037	2,162,246,915
Net increase / (decrease) in cash and cash equivalents	(380,858,078)	(34,242,515)
Cash and cash equivalents at the beginning of the year	644,777,345	101,748,479
Cash and cash equivalents at the end of the year	263,919,267	67,505,964

The annexed notes 1 to 8 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Quarterly Report June 30, 2023

TANGLIANWALA SUGAR MILLS LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the nine months period ended June 30, 2023

1. Tandlianwala Sugar Mills Limited (“the Company”) was incorporated in Pakistan on November 01, 1988 as a public limited company. The shares of the Company are listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 66-L-Gulber II, Lahore, Pakistan. The principal activities of the Company is production and sale of crystalline sugar including its by products i.e. molasses, bagasse, Ethanol & CO₂.
2. These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:
 - International Accounting Standard (IAS) 34, “Interim Financial Reporting,” issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
 - Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all of the information and disclosures required for full annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended 30 September 2022.

3. These financial statements are un-audited and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and section 237 of the Companies Act, 2017.
4. The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the audited financial statements for the year ended 30 September 2022.
5. Provision in respect of taxation is estimated only and final liabilities will be determined on the basis of annual results.
6. Due to seasonal nature of sugar business and is expected to fluctuate in the second half of the year. The sugarcane crushing season normally starts from November and lasts till April each year.
7. These financial statements were authorized for issue by the Board of Directors of the Company on 26 July 2023.
8. Figures have been rounded off to the nearest rupee.

Chief Financial Officer

Chief Executive Officer

Director

Quarterly Report June 30, 2023

COMPANY'S INFORMATION

Board of Directors	Mr. Ghazi Khan Mr. Akbar Khan Mr. Humayun Akhtar Khan Mr. Haroon Khan Mrs. Rasheeda Begum Mrs. Mobina Akbar Khan Mr. Tahir Farooq Malik	(Chairman) (Chief Executive)
Company Secretary and Chief Financial Officer	Mr. Ahmad Jehanzeb Khan	
Bankers	Conventional 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	Conventional Bank Alfalah Limited Faysal Bank Limited Meezan Bank Limited Askari Bank Limited Summit Bank Limited Islamic Dubai Islamic Bank Al-Baraka Bank (Pakistan Limited)
Legal Advisors	1. Bandial & Associates 35-A, Luqman Street, Zahoor Afridi Road, Lahore Cantt.	2. Ali Sibtain Fazli & Associates Mall Mansion 30, The Mall, Lahore.
Audit Committee	Mr. Humayun Akhtar Khan Mr. Ghazi Khan Mr. Tahir Farooq Malik Mr. Khalid Siddique	(Chairman) (Member) (Member) (Secretary)
Auditors	UHY Hassan Naeem & Co. Chartered Accountants	
Share Registrar	Corplink (Private) Limited Wings Arcade, 1-K, Commercial Model Town, Lahore.	
Sugar Mills:		
Unit 1	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
Unit 2	Taunsa Road, Indus Highway, District Dera Ismail Khan.	
Unit 3	Shah Jamal Road, District Muzaffargarh.	
Distilleries:		
Unit 1	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
Unit 2	Shah Jamal Road, District Muzaffargarh.	
Top Gas (CO₂) :	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
Registered & Corporate Office:	66-L, Gulberg-II, Lahore-54000, Pakistan. Phones: 35763115, 35754701, 35761124 Email: tsmlho@tsmlgroup.com Website: www.tsmlgroup.com	



 by: Arif Sons

**IF UNDELIVERED, PLEASE RETURN TO:
Tandlianwala Sugar Mills Ltd.
66-L, GULBERG II, Lahore.**