

#### TANDLIANWALA SUGAR MILLS LTD.

#### BRIEF REVIEW

#### **Dear Shareholders**,

On behalf of the Board of Directors of the Company, I am pleased to present the company's unaudited condensed financial statements for the 1st Quarter of 2020, ending on December 31, 2019.

The financial position of the 1<sup>st</sup> quarter is never representation of a true picture of the yearly financial results of a Company, but can give an idea of the position developing at the start of season, which may or may not persist due to various factors by year end.

The crushing season 2019-2020 started in the last week of November 2019, with a reasonable level of crushing & production, but in subsequent months things got very tough due to a severe shortage of cane.

The minimum notified support price of sugarcane for crushing season 2019-20 has been increased to Rs 190 against the last year support price of Rs 180 per 40 KG. However due to shortage of crop across the country, the cane is being bought at exorbitantly higher prices, resulting in much higher cost of production, which can effect profitability of the company in remaining quarters of the year. In comparison to last corresponding period, the turnover was much better. Though the selling prices of sugar increased, but did not increased proptionately with the increase in rate of sales tax from 8%

to 17%, coupled with the enormous increase in sugarcane prices.

The Company still managed to earn a net profit of Rs 147 million during this period,

The performance of our allied products (Ethanol & CO2) was again reasonably good and their results of first quarter are satisfactory. The prices/cost of raw material for ethanol has shown a continuous upward trend, which will affect the profitability of this sector this 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) دائر يكٹرز كاجائزہ February 29, 2020 کمپنی کے بورڈ آف ڈائر یکٹرز کی جانب سے کمپنی کی 31 دسمبر 2019ء کے اختیام کی پر غیر آڈٹ شدہ مجموعی فنانش شیٹمنٹ برائے پہلی سہ ماہی 2020ء کی فراہمی میرے لئے باعث مسرت ہے۔ ل 9 کی پر سے بعد کر ہے۔ پہلی سہادی کی فائنٹل یوزیش کمپنی کے سالا نہ مالی نتائج کی حقیقی تصویر کی نمائندہ تو نہیں ہوسکتی ،لیکن یہ سیزن کے آغاز میں در پیش صورتحال کو سمجھتے ہوئے باقی سال میں مختلف عوال کی بناء پر فعال رہنے یاندر بنے کے بارے میں انداز ہلگانے کی مددفرا ہم کر تکتی ہے۔ کرشنگ سیزن 2020-2019 کا آغاز نومبر کے آخری ہفتے میں کرشنگ اور پردڈکشن کی موز وں سطح سے ہوا،کیکن الطیم بینوں میں گئے کی شدید کو یہ جہ سے بہت صورتحال پیچیدہ ہوگئی۔ کرشک سیزن 2010-2019ء کیلئے گئے کی کم از کم نامزد قیمت برائے فی 40 کلوگرام کو گزشتہ سال مبلغ-180/ روپے کے مقابلہ میں مبلغ-190/ رویے کے اضافہ کے ساتھ بڑھادیا گیا۔ تاہم ملک میں فصل کی قلت کی وجہ سے گنا اضافی نرخوں میں خریدا گیا جس کی وجہ سے پیداداری لاگت میں اضافہ ہواجس کی دجہ سے اگلی سہ ماہی میں کمپنی کے مجموعی منافع میں منفی اثرات مرتب ہو سکتے ہیں۔ گزشته دستادیز پی عرصہ کے مقابلہ میں ٹرن اودرزیادہ بہتر تھا۔ اگر چہ گنے کی قیت میں اُضافہ ہوالیکن سکڑ کیکس میں 8 فیصد سے 17 فیصد اضافہ کے علادہ گنے کی قیتموں میں بےحداضا فے کی وجہ سے تناسب میں اضافہ نہیں ہوا۔ لیے کی بیموں میں بےحداصاف کی وجہ سے تناسب نیں اصافہ یں ہوا۔ کمپنی اس عرصہ کے دوران میل 147 ملین کے نقد منافع کی آمدن کے حصول کیلئے پرعزم ہے۔ ہماری الا ئیڈ منصوعات (اختول اوری او2) کی کارکردگی ایک دفعہ چربہتر رہی اور پہلی سہ ماہی کے بہتر نتائج سا منے آرہے ہیں۔انتخاف کیلئے خام مال کی ر میان سب بحکم بورڈ آف ڈائر یکٹر ز اکبرخان قیمت کار جحان سلسل بڑھتار ہاہے جواس سال اس سیٹر کے منافع پراثر انداز ہوسکتا ہے۔ بورڈ سٹاف اور مینجہنٹ ٹیم کی انتقاب محنت اورکگن کا اُن کا تہہ دل سے مشکور دمنون ہے ۔ (چف ایگزیکٹوآ فیسر )29 فروری 2020ء Quarterly Report December 31, 2019

	(Un-Audited) 31 December 2019 Rupees	(Audited) 30 September 2019 Rupees
EQUITY AND LIABILITIES SHARE CAPITAL AND RESERVES Authorized capital	Кирсся	Rupees
120,000,000 ordinary shares of Rs. 10 each	1,200,000,000	1,200,000,000
Issued, subscribed and paid-up capital		
117,706,300 ordinary shares of Rs. 10 each		
fully paid in cash	1,177,063,000	1,177,063,000
Reserves	5,426,431,561	5,278,965,217
Loan from sponsors - unsecured	3,541,050,170	3,541,050,170
	10,144,544,731	9,997,078,387
NON CURRENT LIABILITIES		
Long term finances - secured	1,750,086,608	1,926,794,717
Liabilities against assets subject to finance lease-secured	354,689,190	385,913,905
Deferred liabilities		
- Staff retirement benefits	507,480,559	508,436,982
	2,612,256,357	2,821,145,604
CURRENT LIABILITIES		
Short term borrowings - secured	4,885,153,515	5,513,273,317
Current portion of non-current liabilities	1,224,790,375	1,366,249,595
Trade and other payables	5,092,414,392	3,374,669,386
Interest and mark-up accrued	208,294,219	246,377,102
Provision for taxation	-	273,819,231
CONTINGENCIES AND COMMITMENTS	11,410,652,501	10,774,388,631
TOTAL EQUITY AND LIABILITIES	24 167 453 580	23,592,612,622
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TANDLIANWALA SUGAR MILLS LTD.

# AS AT DECEMBER 31, 2019

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	(Un-Audited) 31 December	(Audited) 30 September
	2019 Rupees	2019 Rupees
ASSETS	Rupees	Rupees
NON CURRENT ASSETS		
Property, plant and equipment	15,983,588,779	16,155,428,659
Long term deposits	80,468,152	82,429,286
	16,064,056,931	16,237,857,945
CURRENT ASSETS		
Stores, spare parts and loose tools	1,398,474,966	1,042,085,028
Stock-in-trade	3,630,525,414	3,022,242,477
Trade debts-considered good	5,039,063	314,759,460
Advances, deposits, prepayments and other receivables	2,257,663,412	2,016,746,177
Tax refunds due from government - net	483,213,403	782,707,494
Cash and bank balances	328,480,400	176,214,041
	8,103,396,658	7,354,754,677
	24,167,453,589	23,592,612,622
		Director
Quarterly Report	t December 31, 2019	

TANDLIANWALA SUGAR MILI			+
STATEMENT OF PROFIL			
For the period end	ed December 3	1, 2019	
	31 December 2019 (Rupees)	31 December 2018 (Rupees)	
Sales - net	4,903,019,773	5,494,232,288	
Cost of sales	(4,286,645,008)	(4,179,485,093)	
Gross profit	616,374,765	1,314,747,195	
Administrative expenses	(139,265,359)	(122,009,193)	
Distribution expenses	(53,964,631)	(53,461,779)	
Other operating expenses	(7,100,996)	(42,395,714)	
Other income	6,461,607	3,342,310	
	(193,869,379)	(214,524,376)	
Profit from operations	422,505,386	1,100,222,819	
Finance cost	(275,039,042)	(294,704,250)	
Profit before taxation	147,466,344	805,518,569	
Taxation	•	-	
Profit after taxation	147,466,344	805,518,569	
Earning per share	1.25	6.84	
Lahore February 29, 2020 Chief Financial Of Quarterly Rep	ficer Chief E	xecutive Director	

## TANDLIANWALA SUGAR MILLS LTD.

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

For the period ended December 31, 2019

	31 December 2019 (Rupees)	31 December 2018 (Rupees)
Profit after tax for the period	147,466,344	805,518,569
Other comprehensive income	-	-
Total comprehensive income for the period	147,466,344	805,518,569

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

RESERVES Share Un-appropriated profit Loan from Sub total Total Share premium directors capital ----- Rupees -----Balance as at 01 October 2018 1,177,063,000 3,550,399,707 3,841,141,347 1,935,050,170 290,741,640 6,953,254,517 Transactions with owners of the Company: ----Repayments made during the period --Total comprehensive income for the period: . Other comprehensive income for the period --805,518,569 805,518,569 -805,518,569 805,518,569 805,518,569 805,518,569 --Balance as at 31 December 2018 290,741,640 7,758,773,086 1,177,063,000 4,355,918,276 4,646,659,916 1,935,050,170 Balance as at 01 October 2019 1,177,063,000 290,741,640 4,988,223,577 5,278,965,217 3,541,050,170 9,997,078,387 Transactions with owners of the Company: Repayment made during the period ------Total comprehensive income for the period: Other comprehensive income for the period ended 31 December 2019 - net of tax 147,466,344 147,466,344 147,466,344 -----147,466,344 147,466,344 -147,466,344 Balance as at 31 December 2019 1,177,063,000 290,741,640 5,135,689,921 5,426,431,561 3,541,050,170 10,144,544,731 Lahore February 29, 2020 **Chief Financial Officer** Chief Executive Director Quarterly Report December 31, 2019  $\bigcirc$ 

For the period ended December 31, 2019

TANDLIANWALA SUGAR MILLS LTD.	).
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## **STATEMENT OF CASH FLOW (UN-AUDITED)** For the period ended December 31, 2019

,	, ,	
	October-19	October-18
	to December-19	to December-18
	Rupees	Rupees
Cash flow from operating activities	Kupees	Kupees
Profit before taxation	147,466,344	805,518,569
	147,400,544	805,518,509
Adjustments for non cash and other items:	275 020 042	204 704 250
Finance cost	275,039,042	294,704,250
Depreciation on property, plant and equipment	205,504,676	200,209,897
Return on bank deposits	(6,413,009)	(3,254,855)
Workers' Profit Participation Fund	7,100,996	42,395,714
	481,231,705	534,055,006
Operating profit before working capital changes	628,698,049	1,339,573,575
(Increase)/decrease in current assets:		
Stores, spare parts and loose tools	(356,389,938)	(248,537,574)
Stock-in-trade	(608,282,937)	843,941,368
Advances, deposits, prepayments and other receivables	59,172,854	(448,651,965)
Trade debts - considered good	309,720,397	9,776,151
	(595,779,624)	156,527,980
(Decrease)/Increase in current liabilities:		
Trade and other payables	1,710,644,016	(1,015,090,513)
Cash generated from operations	1,743,562,441	481,011,042
Finance cost paid	(313,121,925)	(334,360,907)
Taxes Paid	(273,819,231)	
Staff retirement benefits paid	(956,423)	(605,301)
1	(587,897,579)	(334,966,208)
Net cash generated (used) / from in operating activities	1,155,664,862	146,044,834
Cash flow from investing activities	_,,	- , - ,
Capital expenditure	(33,664,795)	(251,560,199)
Income received from bank deposits	6,413,009	3,254,855
*		
Long term deposits	1,365,134	23,206,425
Net cash used in investing activities	(25,886,652)	(225,098,919)
Cash flow from financing activities		
Finance lease liabilities - <i>net</i>	(59,143,061)	160,358,969
Short term borrowings - <i>net</i>	(628,119,802)	210,497,616
Long term loans	(290,248,988)	(343,352,610)
Net cash generated (used in) from financing activities	(977,511,851)	27,503,975
Net (decrease) / increase in cash and cash equivalents	152,266,359	(51,550,110)
Cash and cash equivalents at the beginning of the period	176,214,041	83,068,317
Cash and cash equivalents at the segment of the period	328,480,400	31,518,207
Labora		
Lahore	Chief Evenutive	Director
February 29, 2020 Chief Financial Officer	Chief Executive	Director
Quarterly Report Decembe	er 31, 2019	
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	,	NOTES TO THE ACCOUNTS (UN-AUDITED)
		For the period ended December 31, 2019
1.	require	financial statements have been prepared in accordance with the ments of International Accounting Standard-34 (IAS-34) "Interin ial Reporting."
2.		counting policies adopted for the preparation of these accounts are same e applied in the preceding year ended 30th September 2019.
3.		on in respect of taxation and workers profit participation fund are ed only and financial liabilities will be determined on the basis of annua
4.	Sugar o	cane crushing season commences from November till March each year.
5.	Contin	gencies and commitments
	5.1	Contingencies
		There are no other significant changes, other those already reported in contingencies as at September 30, 2019, which require disclosure in the condensed interim financial statements.
	5.2	Commitments
		The Company has capital commitments of Rs.210.7 Millior (September 30 2019: Rs. 3.5 Million) on account of import of machinery and its related components.
6.		financial statements were authorized for issue by the Board of Directors Company on February 29, 2020.
7.	Figures	s in these accounts have been rounded off to the nearest rupee.
Lahore Februa		2020 Chief Financial Officer Chief Executive Director

# TANDLIANWALA SUGAR MILLS LTD.

# COMPANY 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	<u>Islamic</u> Dubai Islamic Bank Al-Baraka Bank (Pakistan Limited)
Legal Advisors	<ol> <li>Bandial &amp; Associates 35-A, Luqman Street, Zahoor Afridi Road, Lahore Cantt.</li> </ol>	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 1-K, Commercial Model Town, Laho	ore
<u>Sugar Mills:</u> Unit 1	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
Unit 2	Taunsa Road, Indus Highway, Dera Ismail Khan	
Unit 3	Shah Jamal Road, Muzaffargarh	
<u>Distillery:</u> Unit 1	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
Unit 2	Shah Jamal Road, Muzaffargarh	
Top Gas:	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
Registered Office:	66-L, Gulberg-II, Lahore	
	Quarterly Report Decemb	oor 21 2010

