



## **TANDLIANWALA SUGAR MILLS LTD.**

### **BRIEF REVIEW**

#### **Dear Shareholders,**

On behalf of the Board, I am pleased to present half yearly interim condensed financial information of the Company for the period ended on March 31, 2014, which has been duly reviewed by the external Auditors. Salient features of the Financial Statements are as under:

The crop, this season was bumper as compared to the last year and we managed to crush more cane at all our 3 units due to better availability of sugarcane & our capacity enhancement during current season, which resulted in a record production of refined white sugar. The crushing of sugarcane at all our 3 sugar producing units commenced in November 2013.

During the current period under review, the Company has successfully managed to earn an operational profit of Rs. 301.873 million and a net profit after taxation amounting to Rs. 47.563 million as compared to last comparative half year operational profit of Rs 194.329 million and net loss after taxation of Rs 132.149 million respectively, due to better sugarcane procurement arrangements.

For the crushing season 2013-2014, the minimum support price of sugarcane remained unchanged as compared to the last crushing season. Sugar prices remained low at previous year's level whereas exports allowed by the Government marginally helped the industry to reduce/enhance their losses/profits respectively. Brought forward sugar stocks along with surplus sugar production has resulted in the oversupply situation, which now is the main hurdle in improving the sugar prices domestically.

#### **ETHANOL DIVISION**

During the period under review, we started construction of our second Distillery (D-II), while our existing Distillery (D-I) produced 11,163 metric tons; and we exported 20,665 metric tons, which results in an Operating profit amounting to Rs. 213.931 million.

Our D-II Distillery shall start production operations from December 2014.

#### **CO<sub>2</sub> DIVISION**

Our Carbon Dioxide (CO<sub>2</sub>) division has also operated efficiently during the period and contributed an operating profit amounting to Rs 59.005 million, to make the Company's financial position suitably profitable.

On behalf of Board of Directors

**HAROON KHAN**

*(Chief Executive)*

June 13, 2014

## **TANDLIANWALA SUGAR MILLS LTD.**

### **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS OF TANDLIANWALA SUGAR MILLS LIMITED**

#### ***Introduction***

We have reviewed the accompanying condensed interim balance sheet of **Tandlianwala Sugar Mills Limited** ("the Company") as at 31 March 2014 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the condensed interim financial information for the six months period then ended (here-in-after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

#### ***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the three months period ended 31 March 2014 and 31 March 2013, in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

Lahore  
June 13, 2014

KPMG Taseer Hadi & Co.  
Chartered Accountants  
(Kamran Iqbal Yousafi)

## TANDLIANWALA SUGAR MILLS LTD.

### CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

<b>EQUITY AND LIABILITIES</b>	<i>Note</i>	<b>31 March 2014 (Un-audited) Rupees</b>	<b>30 September 2013 (Audited) Rupees</b>
<b>Share capital and reserves</b>			
Authorized capital			
120,000,000 (2013: 120,000,000) ordinary shares of Rs. 10 each		<b>1,200,000,000</b>	1,200,000,000
Issued, subscribed and paid-up capital			
117,706,300 (2013: 117,706,300) ordinary shares of Rs. 10 each fully paid in cash		<b>1,177,063,000</b>	1,177,063,000
Equity portion of directors' loan	6	<b>1,270,524,772</b>	1,337,169,540
Reserves		<b>926,864,790</b>	879,302,049
		<b>3,374,452,562</b>	3,393,534,589
<b><u>Non current liabilities</u></b>			
Long term loans - secured	7	<b>801,849,556</b>	135,799,408
Loans from Directors - unsecured	6	<b>1,071,847,566</b>	1,025,014,048
Liabilities against assets subject to finance lease		<b>51,899,267</b>	66,525,544
Advances from customers		<b>1,296,971,375</b>	1,054,646,732
Deferred liabilities		<b>222,313,138</b>	334,157,508
		<b>3,444,880,902</b>	2,616,143,240
<b><u>Current liabilities</u></b>			
Short term borrowings - secured		<b>8,752,072,766</b>	3,609,662,545
Current portion of long term liabilities		<b>100,460,655</b>	102,762,520
Trade and other payables		<b>3,912,866,439</b>	2,060,281,305
Accrued mark-up		<b>245,764,646</b>	114,162,759
		<b>13,011,164,506</b>	5,886,869,129
<b>Contingencies and commitments</b>	8	-	-
		<b>19,830,497,970</b>	11,896,546,958

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Lahore  
June 13, 2014

Chief Executive

# TANDLIANWALA SUGAR MILLS LTD.

## AS AT 31 MARCH 2014

	Note	31 March 2014 (Un-audited) Rupees	30 September 2013 (Audited) Rupees
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment	9	7,373,382,156	7,310,029,997
Capital work in progress		1,532,312,262	470,465,585
Long term deposits		66,600,682	65,943,232
		<b>8,972,295,100</b>	<b>7,846,438,814</b>
<b>Current assets</b>			
Stores, spares and loose tools		588,422,157	628,139,722
Stock in trade		9,258,475,661	2,136,242,304
Trade debts		307,428,773	33,232,863
Advances, deposits, prepayments and other receivables		413,722,421	349,604,774
Advance income tax		205,078,486	137,528,423
Cash and bank balances		85,075,372	765,360,058
		<b>10,858,202,870</b>	<b>4,050,108,144</b>
		<b>19,830,497,970</b>	<b>11,896,546,958</b>

Director

# TANDLIANWALA SUGAR MILLS LTD.

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the six months period ended 31 March 2014

	Note	Half year ended		Quarter ended	
		31 March 2014 Rupees	31 March 2013 Rupees	31 March 2014 Rupees	31 March 2013 Rupees
<b>Sales - net</b>	10	<b>6,667,209,861</b>	4,141,510,076	<b>3,634,426,442</b>	3,080,419,353
Cost of sales		<b>(6,100,838,296)</b>	(3,688,699,869)	<b>(3,436,235,622)</b>	(3,064,369,065)
<b>Gross profit</b>		<b>566,371,565</b>	452,810,207	<b>198,190,820</b>	16,050,288
Administrative expenses		<b>(172,968,396)</b>	(144,056,940)	<b>(106,216,723)</b>	(87,526,918)
Distribution and marketing expenses		<b>(123,845,015)</b>	(118,328,494)	<b>(79,675,591)</b>	(72,965,477)
Other expenses		<b>-</b>	-	<b>-</b>	11,407,225
Other income		<b>32,314,485</b>	3,904,009	<b>12,528,035</b>	2,413,607
		<b>(264,498,926)</b>	(258,481,425)	<b>(173,364,279)</b>	(146,671,563)
<b>Profit / (loss) from operations</b>		<b>301,872,639</b>	194,328,782	<b>24,826,541</b>	(130,621,275)
Finance cost		<b>(365,509,533)</b>	(301,844,706)	<b>(271,076,156)</b>	(193,631,929)
<b>Loss before taxation</b>		<b>(63,636,894)</b>	(107,515,924)	<b>(246,249,615)</b>	(324,253,204)
Taxation		<b>111,199,635</b>	(24,632,747)	<b>141,527,469</b>	(19,327,293)
<b>Profit / (loss) after taxation</b>		<b>47,562,741</b>	(132,148,671)	<b>(104,722,146)</b>	(343,580,497)
<b>Earnings / (loss) per share</b>		<b>0.40</b>	(1.12)	<b>(0.89)</b>	(2.92)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Lahore  
June 13, 2014

Chief Executive

Director

## TANDLIANWALA SUGAR MILLS LTD.

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the six months period ended 31 March 2014

	Half year ended		Quarter ended	
	31 March 2014 Rupees	31 March 2013 Rupees	31 March 2014 Rupees	31 March 2013 Rupees
Profit / (loss) after tax for the period	47,562,741	(132,148,671)	(104,722,146)	(343,580,497)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>47,562,741</u>	<u>(132,148,671)</u>	<u>(104,722,146)</u>	<u>(343,580,497)</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Lahore  
June 13, 2014

Chief Executive

Director

## TANDLIANWALA SUGAR MILLS LTD.

### CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the six months period ended 31 March 2014

	Half year ended	
	31 March 2014 Rupees	31 March 2013 Rupees
<b>Cash flow from operating activities</b>		
Loss for the period	(63,636,894)	(107,515,924)
Adjustments for:		
Finance cost	365,509,533	301,844,706
Depreciation	188,978,453	142,643,282
Gain on disposal of fixed assets	(744,060)	(3,096)
	553,743,926	444,484,892
<b>Operating profit before working capital changes</b>	490,107,032	336,968,968
Change in working capital:		
Stores, spares and loose tools	39,717,565	(12,760,121)
Stock in trade	(7,122,233,357)	(6,433,155,331)
Trade debts	(274,195,910)	-
Advances, deposits, prepayments and other receivables	(64,117,647)	(486,141,030)
Trade and other payables	1,852,585,134	2,857,757,593
	(5,568,244,215)	(4,074,298,889)
<b>Cash utilized in operating activities</b>	(5,078,137,183)	(3,737,329,921)
Finance cost paid	(233,745,477)	(262,708,129)
Staff retirement benefits paid	(644,735)	(262,626)
Income tax paid	(67,550,063)	(38,121,744)
	(301,940,275)	(301,092,499)
<b>Net cash used in operating activities</b>	(5,380,077,458)	(4,038,422,420)
<b>Cash flow from investing activities</b>		
Fixed capital expenditure	(252,681,198)	(108,441,643)
Proceeds from disposal of property, plant and equipment	932,477	1,461,743
Lease deposit paid	(657,450)	(24,578,898)
Capital work in progress	(1,061,846,677)	(407,773,159)
<b>Net cash used in investing activities</b>	(1,314,252,848)	(539,331,957)
<b>Cash flow from financing activities</b>		
Liabilities against assets subject to finance lease	(16,928,142)	(20,726,708)
Short term borrowings	5,142,410,221	3,817,979,007
Long term loans received	666,050,148	(14,870,589)
Loan repaid to directors	(19,811,250)	(50,042,783)
Advance received from customers	242,324,643	495,648,316
<b>Net cash generated from financing activities</b>	6,014,045,620	4,227,987,243
<b>Net decrease in cash and cash equivalents</b>	(680,284,686)	(349,767,134)
<b>Cash and cash equivalents at the beginning of the period</b>	765,360,058	445,297,029
<b>Cash and cash equivalents at the end of the period</b>	85,075,372	95,529,895

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Lahore  
June 13, 2014

Chief Executive

Director



# TANDLIANWALA SUGAR MILLS LTD.

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

For the six months period ended 31 March 2014

	R E S E R V E S					Equity portion of Directors' loan	Total
	Share capital	Share premium	Un-appropriated profit	Sub-total			
	Rupees	Rupees	Rupees	Rupees	Rupees		
Balance as at 01 October 2012	1,177,063,000	290,741,640	971,279,459	1,262,021,099	1,491,597,576	3,930,681,675	
Equity portion of directors' loan for the period	-	-	-	-	(29,403,857)	(29,403,857)	
Imputed interest on directors' loan	-	-	-	-	(52,651,106)	(52,651,106)	
Total comprehensive loss for the period	-	-	(132,148,671)	(132,148,671)	-	(132,148,671)	
Balance as at 31 March 2013	1,177,063,000	290,741,640	839,130,788	1,129,872,428	1,409,542,613	3,716,478,041	
Balance as at 01 October 2013	1,177,063,000	290,741,640	588,560,409	879,302,049	1,337,169,540	3,393,534,589	
Equity portion of directors' loan for the period	-	-	-	-	(10,268,995)	(10,268,995)	
Imputed interest on directors' loan	-	-	-	-	(56,375,773)	(56,375,773)	
Total comprehensive income for the period	-	-	47,562,741	47,562,741	-	47,562,741	
Balance as at 31 March 2014	1,177,063,000	290,741,640	636,123,150	926,864,790	1,270,524,772	3,374,452,562	

Lahore  
June 13, 2014

Chief Executive

Director

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

## **TANDLIANWALA SUGAR MILLS LTD.**

### **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**

*For the six months period ended 31 March 2014*

#### **1. Reporting entity**

Tandlianwala Sugar Mills Limited ("the Company") was incorporated in Pakistan on 01 November 1988 as a public limited company under the Companies Ordinance, 1984. The shares of the Company are quoted on Karachi and Lahore stock exchanges. The principal activity of the Company is production of white crystalline sugar, ethanol and top gas (carbon dioxide). The registered office of the Company is situated at 32-N, Gulberg - II, Industrial Area, Lahore. The manufacturing facilities of the Company are located at Kanjwani (Unit I), Dera Ismail Khan (Unit II) and Muzaffar Garh (Unit III).

#### **2. Basis of accounting**

**2.1** This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984 shall prevail.

The disclosures made in this condensed interim financial information has, however, been limited based on the requirements of the International Accounting Standard 34; (Interim Financial Reporting) thus these do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 30 September 2013. The interim financial information is un-audited and is being submitted to the members.

The comparative balance sheet presented in this condensed interim financial information has been extracted from the audited annual separate financial statements of the Company for the year ended 30 September 2013, whereas the comparative condensed interim profit and loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement are extracted from the un-audited condensed interim financial information for the six months period ended 31 March 2013.

#### **2.2 Functional and presentation currency**

This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Company.

#### **3. Use of judgments and estimates**

The preparation of condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the accounting policies and the key sources of estimating uncertainty were the same as those that were applied to the financial statements for the year ended 30 September 2013.

#### **4. Significant accounting policies**

**4.1** Except as described below, accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements as at and for the year ended 30 September 2013.

## TANDLIANWALA SUGAR MILLS LTD.

### 4.2 Change in accounting policy

During the current period, the Company has adopted the amended version of IAS 19 Employee Benefits (amended 2011) and changed its basis for determining the income or expense related to defined benefits plans.

Under IAS 19, the Company determines the net interest expense (income) for the period on the net defined benefit liability (asset) by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset) at the beginning of the annual period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. All the changes in the present value of defined benefit obligation are now recognized in statement of comprehensive income and the past service costs are recognized in profit and loss account, immediately in the period they occur.

Amendments to IAS 19 "Employees Benefits" are applicable to the Company from 01 October 2013, however, the Company has decided to apply the amendment in the annual financial statements for the year ending 30 September 2014 as the impact of application is considered immaterial.

### 5. Seasonality of operations

The sugarcane crushing season starts from November and lasts till April each year.

### 6. Loans from Directors - unsecured

This represents long term, interest free and unsecured loans from Directors of the Company.

		31 March 2014 (Un-audited) Rupees	30 September 2013 (Audited) Rupees
Interest free loan	6.1	2,342,372,338	2,362,183,588
Present value adjustment		(1,270,524,772)	(1,337,169,540)
	6.2	<u>1,071,847,566</u>	<u>1,025,014,048</u>

#### 6.1 Movement in the loans from Directors is as follows:

Opening balance	2,362,183,588	2,448,790,405
Additions during the period	1,000,000,000	-
Repayments during the period	(1,019,811,250)	(86,606,817)
<b>Closing balance</b>	<u>2,342,372,338</u>	<u>2,362,183,588</u>

6.2 These have been recognised at amortised cost using discount rate of 11%. The resulting change has been charged to equity portion of directors' loan. Loan to the extent of Rs. 300 million is subordinated to Bank of Punjab against Term Finance Facility as explained in note 7.

		31 March 2014 (Un-audited) Rupees	30 September 2013 (Audited) Rupees	Mark-up	Principal Repayments
<b>7. Long term loans – secured</b>	Note				
<b>The Bank of Punjab</b>					
Term Finance Loan	7.1	169,749,260	203,699,112	Three month KIBOR plus 3.75% p.a.	12 equal quarterly installments with grace period of nine months commencing from October 2012 and ending in July 2016.
<b>Syndicated loan</b>					
Led by MCB Bank Limited	7.2	700,000,000	-	Three month KIBOR plus 2.75% p.a.	18 equal quarterly installments with grace period of two years commencing from January 2014 and ending in June 2020.
		<u>869,749,260</u>	<u>203,699,112</u>		
Less: Transferred to current maturity		<u>67,899,704</u>	<u>67,899,704</u>		
		<u>801,849,556</u>	<u>135,799,408</u>		

## TANDLIANWALA SUGAR MILLS LTD.

**7.1** This loan is secured by way of 1st pari passu charge of Rs. 320 million over all present and future fixed assets (Land, building and plant & machinery) of Unit-I and ranking charge of Rs. 320 million over all present and future fixed assets of Unit-II & Unit-III (Land, building and plant & machinery) of the Company, specific charge of Rs. 320 million over Carbon Dioxide Recovery Plant and personal guarantees of all sponsor Directors of the Company. Directors loan to the extent of Rs 300 million is subordinated to this loan.

**7.2** This loan is secured by way of ranking charge, pari passu charge and exclusive charge over all the present and future fixed assets (excluding land and building) of Unit - I, Unit - II of sugar and Unit - II of distillery project respectively in the sum of Rs. 1,667 million in favour of security agent. The ranking charge over these assets of Unit - I of sugar shall be upgraded to pari passu charge within 120 days of first drawdown.

This loan is secured by way of ranking mortgage, pari passu mortgage and exclusive mortgage over mortgaged properties of Unit -I, Unit - II of sugar and Unit - II of distillery project respectively in the sum of Rs. 1,667 million in favour of the security agent. The ranking mortgage over mortgaged properties of Unit - I of sugar shall be upgraded to pari passu mortgage within 120 days of first drawdown.

This loan is also secured by way of lien and over the collection account in favour of security agent in terms of collection arrangement agreement entered into between company and security agent and personal guarantees of all the Directors of the Company.

### 8. Contingencies and commitments

#### 8.1 Contingencies

There is no material change in the status of contingencies from the preceding annual published financial statements of the Company for the year ended 30 September 2013.

#### 8.2 Commitments

- (i) Future capital commitments in respect of import of machinery and its related components as at 31 March 2014 amounted to Rs. 247.24 million (2013: Rs 80.56 million).
- (ii) The amount of future Ijarah rentals for Ijarah financing and the period in which these payments will become due are as follows:

	<b>31 March 2014 (Un-audited)</b>	<b>30 September 2013 (Audited)</b>
	<b>Rupees</b>	<b>Rupees</b>
Not later than one year	<b>7,724,276</b>	6,925,848
Later than one year and not later than five years	<b>9,184,544</b>	13,637,442
	<b><u>16,908,820</u></b>	<b><u>20,563,290</u></b>

## TANDLIANWALA SUGAR MILLS LTD.

	Note	31 March 2014 (Un-audited) Rupees	30 September 2013 (Audited) Rupees
<b>9. Property, plant and equipment</b>	<b>9.1</b>	<b>7,373,382,156</b>	<b>7,310,029,997</b>
9.1 Net book value as at beginning of the period		7,310,029,997	5,460,224,848
Additions during the period			
Freehold land		18,033,483	9,507,964
Building and roads on freehold land		58,924,218	348,469,125
Plant and machinery		136,463,737	1,773,004,382
Furniture and fittings		631,937	1,681,080
Telephone installations		1,661	855,754
Vehicles		30,409,524	1,780,409
Office equipment		2,496,000	8,034,335
Electrical equipment		3,612,839	30,839,898
Workshop and agricultural implements		474,969	1,091,140
Tube wells		-	217,350
Arms and ammunitions		1,641,533	-
Laboratory Equipment		-	9,538,713
		<b>252,689,901</b>	<b>2,185,020,150</b>
		<b>7,562,719,898</b>	<b>7,645,244,998</b>
Less: Disposals during the period - WDV		(359,289)	(383,731)
Depreciation charged during the period		(188,978,453)	(334,831,270)
		<b>(189,337,742)</b>	<b>(335,215,001)</b>
<b>Net book value at the end of the period</b>		<b>7,373,382,156</b>	<b>7,310,029,997</b>
		<b>Half year ended</b>	<b>Quarter ended</b>
		<b>31 March 2014</b>	<b>31 March 2013</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>10. Sales - net</b>			
<b>Local</b>			
Sugar		4,483,272,490	2,634,777,775
Ethanol		97,766,968	46,746,759
Top Gas		96,026,407	-
		<b>4,677,065,865</b>	<b>2,681,524,534</b>
<b>Export</b>			
Sugar		1,216,856,353	463,565,361
Ethanol		1,098,866,589	1,198,036,719
		<b>2,315,722,942</b>	<b>1,661,602,080</b>
		<b>6,992,788,807</b>	<b>4,343,126,614</b>
Less:			
Sales tax and federal excise duty		(325,578,946)	(201,616,538)
		<b>6,667,209,861</b>	<b>4,141,510,076</b>
		<b>3,634,426,442</b>	<b>3,080,419,353</b>

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### 11. Business segments information

	Sugar		Distillery		Top Gas		Total
	31 March 2014 (Un-audited) Rupees	31 March 2013 (Un-audited) Rupees	31 March 2014 (Un-audited) Rupees	31 March 2013 (Un-audited) Rupees	31 March 2014 (Un-audited) Rupees	31 March 2013 (Un-audited) Rupees	
11.1 Segments revenue							
Net external revenue	5,402,707,928	2,903,174,433	1,182,428,106	1,238,335,643	82,073,827	6,667,209,861	4,141,510,076
Inter-segment revenue	1,178,435,934	583,949,190	-	-	-	1,178,435,934	583,949,190
Reportable segment							
Operating (loss) / Profit	(3,378,725)	(31,238,459)	213,931,359	221,663,232	59,005,520	269,558,154	190,424,773
11.2 Reconciliation of reportable segments profit or loss							
Total profit before tax for reportable segments						269,558,154	190,424,773
Unallocated corporate expenses						(333,195,048)	(297,940,697)
Loss before tax						(63,636,894)	(107,515,924)
Taxation						111,199,635	(24,632,747)
Profit / (Loss) after tax						47,562,741	(132,148,671)

### 11.3 Segments assets and liabilities

Segment assets	<u>15,177,154,580</u>	<u>9,187,591,619</u>	<u>4,414,232,786</u>	<u>2,395,750,721</u>	<u>239,110,604</u>	<u>313,204,618</u>	<u>19,830,497,970</u>	<u>11,896,546,958</u>
Segment liabilities	<u>12,735,068,273</u>	<u>6,926,615,516</u>	<u>3,528,770,458</u>	<u>1,255,390,334</u>	<u>192,206,677</u>	<u>321,006,519</u>	<u>16,456,045,408</u>	<u>8,503,012,369</u>

## TANDLIANWALA SUGAR MILLS LTD.

### 12. Transactions with related parties

The related parties comprise of associated company, Directors of the Company and key management personnel. Significant transactions with related parties are as follows:

		<b>31 March 2014 Rupees</b>	<b>31 March 2013 Rupees</b>
<b>Associate Company</b>			
Riaz Bottlers (Private) Limited	Sale of sugar	<b>32,100,000</b>	-
	Sale of top gas	<b>23,535,100</b>	-
Directors of the Company	Repayment of loan	<b>19,811,250</b>	50,042,783

### 13. Date of authorization

This condensed interim financial information for the six months period ended 31 March 2014 was authorized for issue by the Board of Directors on June 13, 2014.

### 14. General

14.1 Figures in this condensed interim financial information have been rounded off to the nearest of rupee.

#### 14.2 Corresponding figures

Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

<b>Nature</b>	<b>Reclassified from</b>	<b>Reclassified to</b>	<b>31 March 2014 Rupees (Un-audited)</b>	<b>31 March 2013 Rupees (Audited)</b>
<b>Assets</b>				
Plant and machinery	Property, plant and equipment	Capital work in progress	-	335,264,509
Advance to contractors	Advances, deposits, pre-payments and other receivables	Capital work in progress	-	25,483,264

Lahore  
June 13, 2014

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

\_\_\_\_\_  
Director

## TANDLIANWALA SUGAR MILLS LTD.

### COMPANY INFORMATION

<b>Board of Directors</b>	Mr. Akbar Khan Mr. Haroon Khan Mr. Ghazi Khan Mrs. Rasheeda Begum Mrs. Mobina Akbar Khan Mr. Saeed Ullah Khan Paracha 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>	Allied Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited National Bank of Pakistan Limited The Bank of Punjab United Bank Limited	
<b>Legal Advisors</b>	1. Bandial & Associates House # 12/A, Block 'H' Gulberg II, Lahore	2. Ali Subtain Fazli & Associates Mall Mansion 30 The Mall, Lahore
<b>Audit Committee</b>	Mr. Saeed Ullah Khan Paracha Mr. Akbar Khan Mr. Ghazi Khan	<b>(Chairman)</b> <b>(Member)</b> <b>(Member / Secretary)</b>
<b>Auditors</b>	KPMG Taseer Hadi & Co. Chartered Accountants	
<b>Share Registrar</b>	Corplink (Private) Limited 1-K, Model Town, Lahore	
<b>Sugar Mills:</b>		
<i>Unit 1</i>	Kanjwani, Tehsil Tandlianwala District, Faisalabad	
<i>Unit 2</i>	Taunsa Road, Indus Highway Dera Ismail Khan	
<i>Unit 3</i>	Shah Jamal Road Muzaffargarh	
<b>Distillery:</b>		
<i>Unit 1</i>	Kanjwani, Tehsil Tandlianwala District, Faisalabad	
<b>Top Gas:</b>	Kanjwani, Tehsil Tandlianwala District, Faisalabad	