COST AUDIT REPORT

THE THAL INDUSTRIES CORPORATION LIMITED

YEAR ENDED SEPTEMBER 30, 2015

Submitted By:

Ashiq & Company

Chartered Accountants

Office No-9, First Floor Liberty Center, LMQ Road, Multan

Tel: +92-61-4518015

Fax: +92-61-4515031

ASHIQ & COMPANY

Chartered Accountants

Office No-9, First Floor Liberty Center, LMQ Road, Multan
Tel: +92-61-451-8015 Fax: +92-61-451-5031

COST AUDITOR'S REPORT TO THE DIRECTORS

We, Ashiq & Company, Chartered Accountants, having been appointed to conduct an Audit of Cost Accounts of M/S The Thal Industries Corporation Limited, have examined the books of account and the statements prescribed under clause (e) of sub-section (1) of section 230 of the Companies Ordinance, 1984 and other relevant record for the year ended on September 30, 2015 and report that-

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

2. In our opinion:

   a. Proper cost accounting records as required by clause (e) of sub-section (1) of section 230 of the Companies Ordinance, 1984 (XLVII of 1984) and as required by these rules, 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;

   c. The said books and records give the information required by the rules in the manner so required; and

3. In our opinion and subject to 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 and marketing of the under mentioned products of the company, namely:-

White Refined Sugar

The matter contained in the ANNEX forms part of this report.

Ashiq Hussain
Chartered Accountant
Place: Multan
Dated: January 15, 2016

Ashiq & Co. MULTAN Chartered Accountants

THE THAL INDUSTRIES CORPORATION LIMITED
Cost Audit
For the Year Ended 30th September-2015

STATEMENT OF CAPACITY UTILIZATION UNDER RULE 4 (1) (a)

CAPACITY UTILIZATION IN PRODUCTION UNITS

CRUSHING	2015		2014	
UNITS	Installed Capacity M.Ton	Utilized Capacity M.Ton	Installed Capacity M.Ton	Utilized Capacity M.Ton
Sugar Cane Crushed	1,966,900	1,808,462	2,073,700	1,814,123

CAPACITY UTILIZATION IN MACHINE HOURS

CRUSHING	2015		2014	
HOURS	Installed Capacity Machine Hours	Utilized Capacity Machine Hours	Installed Capacity Machine Hours	Utilized Capacity Machine Hours
Sugar Cane Crushed	2,628	2,388	2,772	2,637

Reason:

The under utilization of the capacity is mainly due to non availability of better quality sugarcane.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

Cost Audit
For the Year Ended 30th September-2015

STATEMENT OF STOCK IN TRADE UNDER RULE 4 (1) (b)

Particulars	2015		2014	
	Quantity (M. Ton)	Cost Rupees	Quantity (M. Ton)	Cost Rupees
Raw Material				
Sugar Cane	NIL	NIL	NIL	NIL
Work In Process				
Sugar	116.885	5,167,361	136.613	5,219,403
Molasses	76.405	515,734	78.426	823,473
Finished Goods				
Sugar	25,357.850	1,245,052,503	51,864.050	2,318,750,277
Others				
Molasses	463.390	3,127,883	1,000.160	10,501,680
Total		1,253,863,481		2,335,294,833

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED

COST AUDIT FOR THE YEAR ENDED 30TH SEPTEMBER-2015

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SCOPE OF COST AUDIT

We have been appointed as cost auditor of M/S The Thal Industries Corporation Limited under rule 3 of Companies (Audit of Cost Accounts) Rules, 1998 to carry out the cost audit of the company for the year ended September 30, 2015.

Our scope of audit is determined by Companies (Audit of Cost Accounts) Rules, 1998 under which we have to issue a report as cost auditors of the company, in the prescribed format, along with the following two statements, duly signed by the Chief Executive and Chief Financial Officer of the company, which form part of our report.

1. Statement of capacity utilization of the plant:

The installed capacity, its actual utilization and reasons of variance between the two.

2. Statement of stock in trade:

The statement of quantity and cost of each item included in stock at the year end distinguishing between;

i. Stock of raw material and components.
ii. Stock of work in process
iii. Stock of finished products, and
iv. Other stocks.

3. PARTICULARS TO BE INCLUDED IN THE REPORT:

1) Capacity:

a. Licensed installed and utilized capacities of the factory for the products under reference.
b. If the company is engaged in other activities besides the manufacture of the product under reference, give a brief note on the nature of such other activities.

2) Cost accounting system:

Brief comments on the cost accounting system and its adequacy or otherwise to determine correctly the cost of products under reference.

3) Production:

i. Production in quantities of each type of product under reference.

ii. Percentage of production of the product under reference in relation to installed capacity. If there is any shortfall in production as compared to capacity, brief comments as to the reasons for shortfall.

iii. If there is any addition to the production capacity during the year under review or in the immediately preceding two years this may also be mentioned.

4) Raw materials:

a. The cost of major raw material consumed in terms of both quantity and value. Where the cost of transport etc. of raw material is significant, specify the same separately.
b. Consumption of major raw material per unit of production compared with the standard requirement, if any.
c. Explanation for variances, if any, in the consumption of major raw material per unit of production as compared to the preceding two years, and with standard requirement, if any.
d. Comments on method of accounting followed for recording the quantities and values of the receipts, issues and balances of all material directly used in production.

5) Wages and salaries:

a. Total wages and salaries paid for all categories of employees, separately in respect of each of the following namely:

i. Direct labour cost on production;
ii. Indirect employees' cost on production;
iii. Employees' cost on administration;
iv. Employees' cost on selling and distribution;
v. Bonus to workers and employees;
vi. Other employees' cost, if any (including taxes and levies); and
vii. Total employees' cost {total of items (i) to (iv) above}

b. Salaries and perquisites of directors and Chief Executive.
c. Total man-days of direct labour available and actually worked for the year.
d. Average number of workers employed for the year.
e. Direct labour cost per ton of output of product (give information in respect of each).

f. Brief explanations for variance in item (e) above, if any, as compared to the previous two years.
g. Comments on incentives schemes, if any, with particular reference to its contributions towards increasing productivity and its effect of cost of production.

6) Stores and spare parts:

a. The expenditure per unit of output on stores, etc.
b. Comments on the system of stores accounting for recording receipts, issues and balances, both in quantities and values.
c. If practicable, the proportion of closing inventory of stores representing items, which have not moved for over twenty four months.

7) Depreciation:

a. The method of depreciation adopted by the company, e.g., straight line or diminishing balance, etc.
b. The basis of allocation of depreciation on common assets to the different departments.
c. The basis of charging depreciation to the cost of products.

8) Overheads:

a. The total amount of the following overheads and a break-up of items (i), (ii) and (iii) below:
   i. Factory overheads.
   ii. Administration overheads.
   iii. Selling and distribution overheads.
   iv. Financial charges.

b. Reasons for any significant variances in the expenditure incurred against the item, included in the overheads as compared with previous two years.
c. The basis of allocation of overheads to cost centers and absorption to products with brief comments, if any, on the basis of allocation adopted by the company.
d. Cost of packing, if any, of the products under reference to be shown separately with details to the extent possible.

9) Royalty / technical aid payments:

The total amount of royalty / technical aid fees payable for the year and the amount chargeable per unit of the product.

10) Abnormal non-recurring features:

a. If there were any abnormal features affecting production during the year, e.g. strikes, lockouts, major breakdown in the plant, substantial power cuts, serious accidents, they shall, wherever practicable, be briefly mentioned indicating their impact on the cost of production.
b. If there are special expenses which have been directly allocated to products under reference, the total amount as also incidence per unit of product shall be shown.

11) Cost of production:

The cost per unit of different categories, or qualities of each of the products under reference with comparative figures for the previous year and comments on the reasons of difference.

12) Sales:

a. The sales in quantities and net sales realization of the different categories, varieties or quantities of product under reference showing the average sales realization per unit.
b. If product under reference is exported, quantity exported, net realization per unit, countries to which exported, indicating the profit or loss incurred in export.

13) Profitability:

The profit per unit earned on each category, variety or quantity of the products, comments on the comparative profits of different categories of the products per unit as well as in term of per machine hour etc. and comments on the adequacy or otherwise of product for maximization of profit.

14) Cost auditors' observations and conclusions:

a. Matters which appear to him to be clearly wrong in principal or apparently unjustifiable.
b. Cases where the company funds have been used in a negligent or inefficient manner.
c. Factors which could have been controlled but have not been done resulting in increase in the cost of production.
    i. *The adequacy or otherwise of budgetary control system, if any, in vogue in the company.*
    ii. *Scope and performance of internal audit, if any*

d. **Suggestion for improvements in performance by**:

i. Rectification of general imbalance in production facilities.
ii. Fuller utilization of installed capacity.
iii. Comments on areas offering scope for:

a. Cost reduction;
b. Increased productivity;
c. Key limiting factors causing production bottle-necks;
d. Improved inventory policies; or
e. Energy conservancy.

iv. State of technology, whether modern or obsolete.
v. Plant, whether new or second hand when installed.

BRIEF HISTORY OF THE COMPANY

The Thal Industries Corporation Limited was incorporated on 7th September 1953 under the Companies Act, 1913 (Now Companies Ordinance, 1984) as public company, limited by shares. Its shares are quoted on Karachi and Lahore Stock Exchanges in Pakistan. 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 17,800 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 30th September 2015.

CAPACITY

Scope:

a. Licensed, installed and utilized capacities of the factory for the products under reference.

b. If the company is engaged in other activities besides the manufacture of the product under reference, brief note on the nature of such other activities.

a. Capacity

	Year	Production Unit	Installed Capacity	Utilized Capacity	% of Installed Capacity
Crushing	2015	M.TONS	1,966,900	1,808,462	91.94
Crushing	2014	M.TONS	2,073,700	1,814,123	87.48

b. Other Activities:

The company is not engaged in any other activity besides the manufacture of the product under reference.

COST ACCOUNTING SYSTEM

Scope:

Brief comments on the cost accounting system and its adequacy or otherwise to determine correctly the cost of the products under reference.

COST ACCOUNTING SYSTEM

The Cost Accounting System was discussed with the management of the company and reviewed in order to assess the adequacy of the system. The Company is using an integrated Accounting System in which 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.

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.

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.

PRODUCTION

Scope:

a. Production in quantities of each type of product under reference.
b. Percentage of production of the product under reference in relation to installed capacity. If there is any shortfall in production as compared to installed capacity, brief comments as to the reasons for shortfall.
c. If there is any addition to the production capacity during the year under review or in the immediately preceding two years this may also be mentioned.

a. Production:

Sugar	Production (Metric Tons)	
	2015	2014
White Refined Sugar	175,909.500	178,629.600

b. Percentage of production to installed capacity:

Sugar	% To Total Installed Capacity	
	2015	2014
White Refined Sugar	91.94	87.48

Comments on variance

The under utilization of the capacity is mainly due to non availability of better quality sugarcane.

c. Addition to production capacity

No addition has been made in the production capacity during the year.

RAW MATERIAL

Scope:

a. The cost of major raw material consumed in terms of both quantity and value. Where the cost of the transport, etc., of raw material is significant, specify the same separately.
b. Consumption of major raw material per unit of production compared with the standard requirements, if any.
c. Explanations for variances, if any, in the consumption of major raw material per unit of production as compared to the preceding two years, and with standard requirement, if any.
d. Comments on the method of accounting followed for recording the quantities and values of the receipts, issues and balances of all material directly used in production.

a. **Major raw material consumed**:

Sugarcane

Year	Quantity In M.Ton	Value Rupees	Rs. Per M.Ton
2015	1,808,481	8,126,020,496	4,493.29
2014	1,814,144	7,702,484,994	4,245.80
2013	1,661,939	7,037,777,425	4,234.68
2012	1,668,548	6,389,569,908	3,829.42

Transportation expenses during the year were Rs. 5,967,095/-(2014: 7,477,880/-)

b. Consumption of major raw material per unit of production compared with the standard requirements.

As the company does not have a standard costing system in practice, so, no comparison could be made.

c. **Variance in Major Raw Materials Consumption**:

	Material Consumption per ton of sugar produced			**Increased / (Decrease) as compared with last years**	
Years	**2015**	**2014**	**2013**	**2015**	**2014**
Sugarcane	10.281	10.16	10.28	0.12	(0.12)

Explanation of variances:

The un-favorable variance in material consumption per M. Ton is due to low recovery in the current year i.e., 9.727% as compared to last year's recovery 9.847% due to better quality of sugarcane.

b. **Method of accounting**:

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.

SALARIES AND WAGES

Scope:

a. Total wages and salaries paid for all categories of employees, separately in respect of each of the following namely:

   i. Direct labour cost on production;
   ii. Indirect employees' cost on production;
   iii. Employees' cost on administration;
   iv. Employees' cost on selling and distribution;
   v. Bonus to workers and employees;
   vi. Other employees cost, if any (including taxes and levies); and
   vii. Total employees cost [total of items (i) to (iv) above].

b. Salaries and perquisites of directors and Chief Executive.
c. Total man-days of direct labour available and actually worked for the year.
d. Average number of workers employed for the year.
e. Direct labour cost per unit of output of the product. (give information in respect of each)
f. Brief explanations for variance in items (e) above, if any, as compared to the previous two years.
g. Comments on the incentive schemes, if any, with particular reference to its contributions towards increasing productivity and its effect on cost of production.

a. Total Wages and Salaries paid:

Table 1

S.#	PARTICULARS	2015 RUPEES	2014 RUPEES	2013 RUPEES
I	Direct Labour Cost of Production	149,234,027	130,086,925	118,994,940
II	Indirect Labour Cost of Production	104,743,651	87,541,795	76,289,872
III	Employees Cost on Administration	163,682,485	136,412,566	121,828,776
IV	Employees Cost on selling & distribution	7,371,782	6,871,200	6,404,451
V	Other Employees Cost	-	-	-
	Total Employees Cost	**425,031,945**	**360,912,486**	**323,518,039**
VI*	Bonus to workers & employees	26,470,415	23,160,664	19,238,762

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

b. Salaries and Perquisites of Directors and Chief Executive.

Directors	2015	2014	Increase / (Decrease)	
	Rs.	Rs.	Rs.	%
Managerial remuneration	2,040,000	2,210,000	(170,000)	(7.69)
	2,040,000	2,210,000	(170,000)	(7.69)

Chief Executive	2015	2014	Increase / (Decrease)	
	Rs.	Rs.	Rs.	%
Managerial remuneration	2,040,000	2,040,000	-	-
Traveling/Daily Allowances.	-	-	-	-
	2,040,000	2,040,000	-	-

c. Total man days of direct labour available and actual worked.

Plant	**Worked**	**Available**
Man days	100	110

d. Average Number of Workers Employed:

2015	**2014**
1,481	1,654

e. Direct Labour Cost Per M. Ton:

Description	**2015**	**2014**	**2013**	**Increase / (Decrease) 2015**	**Increase / (Decrease) 2014**
Direct labour cost per M. ton	848.36	728.25	735.74	120.11	(7.49)

f. Explanation for Variance in Items (e)

The increase in cost per M. Ton is due to minimum wages increase from Rs. 10,000/- to Rs. 12,000/- upto June, 2015 & from Rs.12,000/- to Rs. 13,000/- in July, 2015 to onward.

g. No Comments on Incentives Schemes

STORE AND SPARES

Scope:

a. The expenditure per unit of output on stores, etc.
b. Comments on the system of stores accounting for recording receipts, issues and balances, both in quantities and values.
c. The proportion of closing inventory of stores representing items which have not moved for over twenty-four months.

a. **Expenditure Per M. Ton of Output**:

2015		**2014**	
Total Store Consumed	Cost Per M. Ton of Output	Total Store Consumed	Cost Per M. Ton of Output
Rs.	Rs.	Rs.	Rs.
178,557,297	1,015.51	185,710,506	1,039.64

b. **System of Stores Accounting**:

Store receipts are recorded on the basis of receiving report/goods inspection note, gate inward passes, purchase order, demand notes etc. Issuances of stores are made on the basis of issue requisitions received from the relevant department.

Receipts of Stores and Spares:

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.

Issues and Balance of stores and Spares:

Stores and Spares are valued on moving average cost.

c. **Slow Moving Items**:

Slow moving items amounted to Rs. 83,250,497 that is 46 % of closing inventory.

DEPRECIATION

Scope:

a. The method of depreciation adopted by the company, e.g. straight line or diminishing balance, etc.
b. The basis of allocation of depreciation on common assets to the different departments.
c. The basis of charging depreciation to the cost of products.

a. **Method of Depreciation**:

Depreciation on all operating fixed Assets, except land is charged on reducing balance method. Depreciation on addition is charged from the month the asset is used. No depreciation is charged on disposal from the month the asset is disposed off.

b. **Basis of Allocation of Depreciation**:

The depreciation of common assets is allocated to various departments on the basis of proportion of services rendered to the respective departments.

c. **Basis of Charging Depreciation to Cost of Product**:

Depreciation of assets in use of production department is charged to cost of production.

OVERHEADS

Scope:

a. The Total amount of the following overheads and a break-up of items (i), (ii) and (iii) below:

   i. Factory overheads.
   ii. Administration overheads.
   iii. Selling and distribution overheads.
   iv. Financial charges.

b. Reasons for any significant variances in the expenditure incurred against the items, included in the overheads as compared with previous two years.
c. The basis of allocation of overheads to cost centers and absorption to products with brief comments, if any, on the basis of allocation adopted by the company.
d. Cost of packing, if any, of the products under reference to be shown separately with details to the extent possible.

a. Total Amounts of the Overheads:

Sr.#	Overheads	2015 RUPEES	2014 RUPEES	2013 RUPEES
i.	Factory	123,141,439	102,656,413	87,602,151
ii.	Administration	239,929,777	240,656,400	198,406,832
iii.	Selling & Distribution	110,575,309	108,132,187	105,037,889
iv.	Financial	424,528,870	511,932,394	369,175,598
TOTAL		**898,175,395**	**963,377,394**	**760,222,470**

1. Factory Overheads:

S.No	Particulars	Amount in Rupees	
		This Year 2015	**Previous Year 2014**
		Amount Rs.	Amount Rs.
1	Indirect Labour	104,743,651	87,541,795
2	Rent, Rate and Taxes.	1,793,300	1,092,193
3	Printing and Stationery.	1,248,733	1,062,200
4	Postage and Telegram	31,027	46,095
5	Telephone Fax and Telex.	298,019	312,935
6	Traveling and Conveyance.	872,563	475,906
7	Books and Periodicals	-	-
8	Entertainment.	576,178	550,973
9	Vehicle Running Expenses.	9,535,435	8,065,433
10	Repair and Maintenance	2,917,663	3,173,754
11	Fire Fighting	1,124,870	335,129
12	Legal and professional charges	-	-
13	Advertisement	-	-
14	Water and electricity	-	-
15	Insurance	-	-
TOTAL		**123,141,439**	**102,656,413**

ii. Administrative Overheads:

S.No	Particulars	Amount in Rupees	
		This Year 2015	**Previous Year 2014**
		Amount Rs.	Amount Rs.
1	Salaries wages and benefits	167,762,485	140,662,566
2	Rent, Rates and Taxes.	6,297,155	5,399,362
3	Insurance.	81,960	37,658
4	Water, Gas and Electricity.	873,716	711,086
5	Printing and Stationery	1,829,719	2,026,874
6	Postage and Telegram.	199,905	310,867
7	Telephone Fax and Telex.	1,890,280	2,099,758
8	Repair and Maintenance. Building	4,295,906	5,176,774
9	Traveling and Conveyance.	4,613,072	2,182,861
10	Books and Periodicals.	40,922	75,115
11	Entertainment.	5,063,022	3,899,219
12	Advertising.	275,374	506,598
13	Legal and Professional Expenditure.	2,525,542	2,174,501
14	Auditor's Remuneration.	1,289,979	1,010,955
15	Vehicle Running Expenses.	13,854,940	12,250,716
16	Ijarah Rentals	199,654	5,510,800
17	Charity and Donation.	1,950,416	33,024,611
18	Fee and Subscription	5,144,992	3,667,112
19	Depreciation	12,981,992	10,627,000
20	Others.	8,758,746	9,301,967
TOTAL		**239,929,777**	**240,656,400**

iii. Selling and Distribution Overheads:

S.No	Particulars	Amount in Rupees	
		This Year 2015	**Previous Year 2014**
		Amount Rs.	Amount Rs.
1	Salaries, Wages and Benefits (Annex 6).	7,371,782	6,871,200
2	Traveling and Conveyance.	-	-
3	Commission.	6,050,859	4,193,475
4	Freight outward.	68,289,861	70,422,109
5	Stacking / Restacking.	15,544,474	12,628,704
6	Loading / Unloading.	6,518,914	6,564,708
7	Numbering Expenses.	418,167	439,734
8	Vehicle Running Expenses.	-	-
9	Advertising for Sales Promotion	-	-
10	Insurance	4,205,954	3,089,012
11	Other Expenses.	2,175,298	3,923,245
TOTAL		**110,575,309**	**108,132,187**

v. Financial Charges:

Particulars		2015	2014	2013
		Rupees	Rupees	Rupees
1	Financial Charges	424,528,870	511,932,394	369,175,598

b. Reasons for Significant Variances:

Increase in factory overhead as compared to previous year is mainly due to increase in indirect labour cost, rent rates & taxes, vehicle running expenses, fire fighting expense and printing & stationery.

Decrease in admin overhead as compared to previous year is mainly due to decrease in telephone & telex, repair & maintenance, charity & donations and printing & stationery.

Increase in selling & distribution expenses is due to salaries & wages, commission and stacking/restacking expenses.

c. Basis of Allocation of Overheads:

Overheads directly related to various departments are charged to concerned department. Telephone, Postage & telegram are allocated on the basis 20% to production and 80 % to Administration.

Building repair & maintenance is allocated 80% to Production & 20 % to administration.

d. Cost of Packing Material:

Particulars	2015	2014	Increase / (Decrease)	
	Rupees	Rupees	Rupees	Percentage %
Cost of Packing Material	**84,092,692**	84,795,765	(703,073)	(0.829)

ROYALTY / TECHNICAL AID PAYMENT

Scope:

The Total amount of Royalty / Technical aid fees payable for the year and the amount chargeable per unit of the product.

Royalty Payment:

No Royalty is paid or payable.

Technical aid payment:

No Technical aid is paid or payable.

Comments on Variance:

Not applicable

ABNORMAL NON-RECURRING FEATURES

Scope:

a. If there were any abnormal features affecting production during the year, e.g. strikes, lockouts, major breakdowns in the plant, substantial power cuts, serious accidents, etc., they shall, wherever practicable, be briefly mentioned indicating their impact on the cost of production.

b. If there are special expenses, which have been directly allocated to products under reference, the total amount as also incidence per unit of product shall be shown.

a. **Features Affecting Production**

NIL

b. **Special Expenses**

NIL

COST OF PRODUCTION

Scope:

The Cost per unit of different categories, varieties or qualities of each of the products under reference with comparative figures for the previous year and comments on the reasons of difference.

Cost per unit of different varieties:

Product	2015	2014	2013	Increase / (Decrease)	
	Rupees/M. ton	Rupees/M. ton	Rupees/M. ton	Rupees	Percentage %
White Refined Sugar	63,092	46,180	56,930	16,912	36.62%

The increase in cost per M. Ton as compared to previous year is mainly due to sugarcane minimum price increased by the Government of Punjab from Rs. 4,250/- per Ton to 4,500/- per Ton and minimum wages increase from Rs. 10,000/- to Rs. 12,000/- upto June, 2015 & from Rs.12,000/- to Rs. 13,000/- in July, 2015 to onward.

SALES

Scope:

a. The sale in quantities and net sales realization of the different categories, varieties or quantities of product under reference showing the average sales realization per unit.

b. If product under reference is exported, quantity exported, net realization per unit, countries to which exported, indicating the profit or loss incurred in export.

a. Sale of different varieties:

White Refined Sugar	**Quantity M. Tons**	**Value**	**Avg. Sales Realization**
	M. Ton	Rupees	Rupees / M.Ton
2013	174,701.550	9,282,150,632	53,132
2014	146,952.950	7,963,695,053	54,192
2015	183,282.400	10,367,320,493	56,565

b. Export sales to Afghanistan& Tajikistan:

White Refined Sugar	**Quantity M. Tons**	**Value**	**Avg. Sales Realization**	**Cost**	**Profit/(Loss)**
	M. Ton	Rupees	Rupees / M.Ton		
2013	4,238	238,163,077	56,197	223,251,325	14,911,752
2014	6,755	325,928,538	48,250	311,943,378	13,985,160
2015	20,429	961,166,149	47,049	1,288,905,446	(327,739,298)

PROFITABILITY

Scope:

The profit per unit earned on each category, variety or quantity of the products, comments on the comparative profits of different categories of the products per units as well as in term of per machine hours, etc. and comments on the adequacy or otherwise of product for maximization of profit.

Profit per unit earned:

Sales:	**2015**	**2014**	**2013**
White Refined Sugar (M.Ton)	203,711.400	153,707.950	178,939.550
Profit/(Loss) Rs.	314,723,884	83,513,259	314,921,058
Profit/(Loss) Rs./ M. Ton	1,544.950	543.324	1,759.930

Comments:

As there is only one product therefore comments on comparative profits of different categories and comments on the adequacy or otherwise of product for maximization of profits can not be made

COST AUDITORS' OBSERVATIONS AND CONCLUSIONS

Scope:

a. Matters which appear to us to be clearly wrong in principal or apparently un-justifiable.

NIL

b. Cases where the Company Funds have been used in a negligent or inefficient manner.

NIL

c. Factors which could have been controlled but have not been done resulting in increase in the cost of production.

NIL

i. ***The adequacy or otherwise of budgetary Control System, if any, in vogue in the company.***

The company is properly maintaing the budgetary control system to meet its day to day working capital requirements.

ii. ***The Scope and Performance of Internal Audit, if any.***

The management has established an independent internal audit department. The department is properly functioning to achieve its goals and the findings are being brought to the knowledge of management for their corrective actions/measures.

d. **Suggestion for Improvements in Performance:**

i. Rectification of general imbalance in production facilities

There is no imbalance in production facilities.

ii. Fuller utilization of installed capacity.

Full utilization of installed capacity was restricted due to shortage of sugar cane supply. Steps should be taken to increase sugar cane supply by giving incentives to farmers for more cultivation.

iii. **Comments on areas offering scope for**

a. Cost reduction

Cost may be reduced by improving the efficiency of mills and taking steps for encouraging cultivation of high quality sugarcane.

b. Increased productivity

Productivity may be increased by full utilization of installed capacity.

c. Key limiting factors causing production bottle-necks

Shortage of sugarcanes

d. Improved inventory policies: or

NIL

e. Energy conservancy

NIL

iv. State of technology, whether modern or obsolete.

10,300 T.C.D. plant is old and 7,500 T.C.D. is modern.

v. Plant, whether new or second hand when installed.

The Plant when installed was new.

The Thal Industries Corporation Ltd
For The Year Ended 30th. September 2015

A. COMPANY INFORMATION

1.	Name Of The Company	The Thal Industries Corporation Ltd.
2.	Date Of Incorporation	September 7, 1953
3.	Location Of Registered Office	23-Peer Khurshid Colony, Multan
4.	Location Of Factory:	
	Unit-I	Layyah Sugar Mills, Layyah
	Unit-II	Safina Sugar Mills, Lalian District Chinniot
5.	Products Other Than Sugar Being Manufactured	Nil
6.	Installed Cane Crushing Capacity In Tonnes	17,800 M.Tons per day.

B. PRODUCTION DATA :

S.No.	Particulars	Current Year 2015	Previous Year 2014
1	2	3	4
1 (A)	**CANE CRUSHED**		
	Date of Start	30.11.2014	23.11.2013
	Date of Finish	25.03.2015	28.03.2014
	Duration of run days	110	116
	Total number of hours in duration	2,628.025	2,772.400
	Total number of hours of actual crushing	2,388.175	2,637.300
	Total number of hours lost	239.850	135.100
	Total cane milled (tonnes)	1,808,462.207	1,814,123.064
	Converted maunds	45,211,555.175	45,353,076.600
	Total mixed juice obtained (tonnes)	1,695,856.140	1,693,923.660
(B)	**RAW SUGAR**		
	Raw Sugar Processed-M.Ton	1,295.700	Nil
	Sugar Made-M.Ton	1,295.700	Nil
	Recovery%	100	Nil
	Molasses Sent Out-M.Ton	Nil	Nil
	Molasses %	Nil	Nil
2	JUICE & ADDED WATER		
	Average mixed juice % cane	93.773	93.374
	Average added water % cane	24.292	24.244

C.E

S.No.	Particulars	Current Year 2015	Previous Year 2014
1	2	3	4
3	SUGAR MADE-Cane		
	Total sugar bagged of all grade (100 kg)	Nil	Nil
	(50 kg)	3,518,190.000	3,572,592.000
	Sugar bagged (tonnes)	175,909.500	178,629.600
	Sugar in process (tonnes)	116.885	136.613
4	MOLASSES EXTRACTED		
	Total molasses sent out (tonnes)	78,318.015	79,312.649
	Molasses in process (tonnes)	76.405	78.426
5	RECOVERY %		
	Laboratory test percentage recovery of sugarcane		
	Average recovery of marketable white sugar % cane	9.727	9.847
	Average production of final mollasses % cane	4.331	4.372
6	BY-PRODUCTS		
	Bagasses % cane (calculated) (tonnes)	29.706	30.140
	V.F.Cake % cane (tonnes)	3.000	3.000
7	CLARIFICATION PROCESS		
	Specify the process used by the mill	Defecation Remelt Phosphitation	

C.E

S.No	Particulars	2015		Previous Year 2014	
		Amount (Rs.)	Cost per ton of sugar	Amount (Rs.)	Cost per ton of sugar
16	Less. Realizable value of By-Products:				
	Molasses	(639,518,521)	(3,608.92)	(875,197,272)	(4,899.51)
	Bagasse	(1,561,130,976)	(8,809.74)	(640,545,413)	(3,585.89)
	Others.(Press Mud)	(2,794,002)	(15.77)	(3,016,099)	(16.88)
17	**Net Cost of Goods Manufacturing:**	**8,430,132,138**	**47,572.71**	**7,722,808,830**	**43,233.65**
18	Add :Packing Material	84,092,692	474.55	84,795,765	474.70
19	**Net Cost of Bagged Sugar.**	**8,514,224,830**	**48,047.26**	**7,807,604,595**	**43,708.35**
20	Add :Excise duty / Sales Tax.	809,890,422	4,570.35	654,915,137	3,666.33
21	**Total Cost of Bagged Sugar**	**9,324,115,252**	**52,617.62**	**8,462,519,732**	**47,374.68**
22	Add: Opening stocks	2,329,251,957	13,144.38	1,255,059,492	7,026.04
23	Less: Closing Stocks	(1,248,180,386)	(7,043.70)	(2,329,251,957)	(13,039.56)
24	**Cost of Sales.**	**10,405,186,823**	**58,718.29**	**7,388,327,267**	**41,361.16**
25	Administrative Expenses (Annex 10).	239,929,777	1,353.97	240,656,400	1,347.24
26	Selling and Distribution Expenses (A. 11).	110,575,309	624.00	108,132,187	605.34
27	Financial Expenses.	424,528,870	2,395.69	511,932,394	2,865.89
28	Other Charges.	-	-	-	-
	Total Cost to Make and Sell.	**11,180,220,780**	**63,091.95**	**8,249,048,248**	**46,179.63**

* *This includes Rs. 741,196,746/- Credit for exhaust steam Annex-8.*

** *This consist of cost as per Annex-8 less Water cost of Rs. 84,074,138 Annex-7.*

Annexure - 1

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF PRODUCTION AND SALE OF WHITE BAGGED SUGAR
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

Quantitative Data - Bagged Sugar

	2015	2014
	M.TON	
Opening Stock	51,864.050	26,942.400
Production	177,205.200	178,629.600
Sales	(203,711.400)	(153,707.950)
Closing Stock	**25,357.850**	**51,864.050**

S.No	Particulars	2015		Previous Year 2014	
		Amount (Rs.)	Cost per ton of sugar	Amount (Rs.)	Cost per ton of sugar
1	Raw Materials:				
	(a) Sugar Cane (Annex 3).	8,275,088,280	46,697.77	7,836,069,422	43,867.70
	(b) Beet (Annex 4).	-	-	-	-
	(c) Gur.	-	-	-	-
	(d) Raw Sugar.	49,368,641	278.60	-	-
	(e) Process Material (Annex 5).	84,340,077	475.95	90,108,739	504.44
2	Salaries / Wages and benefits (Annex 6).	144,482,448	815.34	122,461,945	685.56
3	Consumable Stores.	10,124,528	57.13	10,806,003	60.49
4	Repair and Maintenance	195,115,000	1,101.07	246,514,043	1,380.03
5	Utilities:	-	-	-	-
6	Steam (Annex 7) *	1,628,403,837	9,189.37	714,525,757	4,000.04
7	Electric Power (Annex 8). **	91,690,704	517.43	55,860,646	312.72
8	Water and Gas.	-	-	-	-
9	Insurance.	2,189,478	12.36	2,138,037	11.97
10	Depreciation.	134,015,076	756.27	149,170,835	835.08
11	Other Factory Overheads (Annex 9)	18,397,788	103.82	15,114,618	84.61
12	**Total Cost**	**10,633,215,856**	**60,005.10**	**9,242,770,045**	**51,742.66**
13	Add: Opening Stock of W.I.P.	6,042,876	34.10	4,840,446	27.10
14	Less: Closing Stock of W.I.P.	(5,683,095)	(32.07)	(6,042,876)	(33.83)
15	**Total Cost of goods Manufacturing**	**10,633,575,637**	**60,007.13**	**9,241,567,615**	**51,735.93**

Annexure-2

THE THAL INDUSTRIES CORPORATION LIMITED

STATEMENT SHOWING COST OF SUGARCANE PRODUCED FOR THE YEAR ENDED 30th SEPTEMBER-2015

Sr. No.	Particulars	Current Year		Previous Year.	
		Quantity (in M. Tons)	Amount (Rs.)	Quantity (in M. Tons)	Amount (Rs.)
1	2	3	4	5	6
1	**Seeds & Other Inputs:**				
	Seed				
	Fertilizers, herbicides etc.				
	Insecticides				
	Abiana/water charges.				
	Total Cost of Inputs				
2	**Labour Cost:**				
	Land Preparation				
	Plantation				
	Maintenance of Cane Crop/Rations.	NOT APPLICABLE			
	Operation of Tractors				
	Harvesting				
	Total Labour Cost:				
3	**Other Cost:**				
	Fuel for Tractors operation.				
	Maintenance & 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				

C.E

Annexure - 3

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF SUGARCANE CRUSHED
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

S.No	Particulars	Year- 2015			Year- 2014		
		Quantity M.Tons	Rate Rs./M.Ton	Amount Rs.	Quantity M.Tons	Rate Rs./M.Ton	Amount Rs.
1	Total sugarcane purchased at Government fixed rate.	1,808,480.527	4,493.29	8,126,020,496	1,814,143.926	4,245.80	7,702,484,994
	Sugarcane produced from own farm (A-2)		-			-	
	Less: Loss in transit	18.320	4,493.29	82,317	20.862	4,245.80	88,576
	Sugarcane received at factory gate	1,808,462.207	4,493.29	8,125,938,179	1,814,123.064	4,245.80	7,702,396,418
2	Commission.	1,808,462.207	-	-	1,814,123.064	-	-
3	Quality premium	1,808,462.207	-	-	1,814,123.064	-	-
4	Unloading & Feeding of Cane	1,808,462.207	0.39	705,750	1,814,123.064	0.33	593,807
5	Cane development expenses.	1,808,462.207	5.75	10,395,853	1,814,123.064	1.34	2,428,842
	(a) Salaries and wages of Supply and Dev. Staff	1,808,462.207	19.81	35,819,214	1,814,123.064	19.36	35,124,031
	(b) Sugarcane Development Research	1,808,462.207	-	-	1,814,123.064	-	-
	© Supply staff and transportation expenses	1,808,462.207	3.30	5,967,095	1,814,123.064	4.12	7,477,880
	(d) Other expenditure.(Misc Procurement Exp)	1,808,462.207	1.46	2,632,753	1,814,123.064	1.22	2,212,038
6	Taxes and Levies:						
	(a) Cane cess	1,808,462.207	37.50	67,818,020	1,814,123.064	25.00	45,353,600
	(b) Market Committee fee	1,808,462.207	5.00	9,042,403	1,814,123.064	5.00	9,070,719
	© Road cess	1,808,462.207	-	-	1,814,123.064	-	-
	(d) Octroi. (Toll Tax)	1,808,462.207	-	-	1,814,123.064	-	-
	(e) Other levies	1,808,462.207	-	-	1,814,123.064	-	-
7	Transportation Charges.						
	(a) Delivery expenses	1,808,462.207	5.25	9,489,392	1,814,123.064	14.51	26,317,194
	(b) Transport subsidy	1,808,462.207	-	-	1,814,123.064	-	-
	© Others	1,808,462.207	0.20	367,826	1,814,123.064	0.31	569,445
8	Other Expenditure at Cane Collection Centers:						
	(a) Salaries and Wages	1,808,462.207	3.78	6,829,478	1,814,123.064	2.45	4,436,872
	(b) Stores	1,808,462.207	-		1,814,123.064	-	
	© Repairs and Maintenance.	1,808,462.207	-		1,814,123.064	-	
	(d)Others.	1,808,462.207	-		1,814,123.064	-	
	Total cost of sugarcane transferred to production process (Annex -1)	**1,808,462.207**	**4,575.76**	**8,275,088,280**	**1,814,123.064**	**4,319.48**	**7,836,069,422**

C.E

Annexure-4

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF BEET CONSUMED
FOR THE YEAR ENDED 30th SEPTEMBER-2015

Sr. No.	Particulars	Current Year-2015			Previous Year- 2014		
		Quantity (in M. Tons)	Rate (Rs. / M. Tons)	Amount (Rs.)	Quantity (in M. Tons)	Rate (Rs. / M. Tons)	Amount (Rs.)
1	2	3	4	5	6	7	8
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 & Wages of supply and Dev. Staff.						
	b. Sugar Development Research						
	c. Supply Staff and Transportation Expenses.						
	d. Other expenditures.						
5	**Taxes & Levies (if any)**						
	a. Purchase Tax.						
	b. Market Committee Fee.						
	c. Road Cess.						
	d. Octoroi						
	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 & Wages.						
	b. Stores.						
	c. Repair & Maintenance.						
	d. Others.						
	Total Cost of "BEET" Transferred to production process (Annex-1)						

NOT APPLICABLE

C.E

Annexure - 5

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF PROCESS MATERIAL CONSUMED
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

S.No	Particulars	Currant Year-2015		Previous Year-2014	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
	Total Sugar Produced 2014 - 178,629.600 Tons Total Sugar Produced 2015 - 175,909.500Tons				
1	Phosphoric Acid	11,813,497	67.16	12,485,453	69.90
2	Filter Acid.(HCL)	318,212	1.81	219,656	1.23
3	Acid Inhibitor (Kafzol RN)	854,206	4.86	441,099	2.47
4	Bleaching Powder	256,032	1.46	221,670	1.24
5	BIO CIDE (Preventol ZL)	2,351,919	13.37	2,393,600	13.40
6	Chemfloc 57/56 HP/ Accofloc(Poly Electrolyte)	2,742,282	15.59	1,482,191	8.30
7	Colour Quest 55(DeColourizer)	26,620,481	151.33	28,627,784	160.26
8	Chem Float - 100 (Floatation Aid)	-	-	487,551	2.73
9	Polymer A 2125	8,732	0.05	1,057,988	5.92
10	Polymer A 110	930,706	5.29	167,754	0.94
11	Accofloc A-110PWG	1,123,410	6.39	521,498	2.92
12	Chemrite FD 30 DC Antifoam	76,006	0.43	89,829	0.50
13	Formalin.	127,488	0.72	111,856	0.63
14	Unslaked Lime	10,866,530	61.77	11,028,269	61.74
15	Soda Ash	402,423	2.29	464,629	2.60
16	Solid Caustic Soda.	2,930,907	16.66	3,059,550	17.13
17	Sodium Meta Phosphate	304,740	1.73	387,390	2.17
18	Common Salt	3,750	0.02	7,710	0.04
19	Tri Sodium Phosphate(Chem Float A 100)	25,103	0.14	36,307	0.20
20	Visc Aid (Hastapal)	449,330	2.55	455,212	2.55
21	Talo Floate A-100	-	-	391,550	2.19
22	Others	38,255	0.22	163,774	0.92
23	Laboratory Chemicals.	879,507	5.00	2,078,329	11.63
24	Lubricants and Grease.	21,106,344	119.98	23,684,387	132.59
25	Filter Cloth	110,218	0.63	43,704	0.24
	Total.	**84,340,077**	**479.45**	**90,108,739**	**504.44**
	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 (Annex-1)	**84,340,077**	**479.45**	**90,108,739**	**504.44**

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF SALARIES ,WAGES AND BENEFITS
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

S.No	Particulars	This Year 2015		Previous Year-2014	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
	Total Sugar Produced 2014 - 178,629.600 Tons Total Sugar Produced 2015 - 177,205.200 Tons				
	Cost:				
1	**Salaries / Wages**				
(i)	Officers and Permanent Staff.	190,084,982	1,072.68	158,984,420	890.02
(ii)	Seasonal Staff.	20,163,837	113.79	21,550,802	120.65
(iii)	Daily rated and Contract Labour.	138,251,214	780.18	118,699,823	664.50
(iv)	Bonuses.	26,470,415	149.38	23,160,664	129.66
	Benefits:				
(i)	Medical Expenses.	2,428,080	13.70	2,651,586	14.84
(ii)	Canteen Expenses.	268,601	1.52	323,760	1.81
(iii)	Welfare , Recreation.	4,236,868	23.91	4,896,290	27.41
(iv)	Transport and Traveling.	-	-	-	-
(v)	Education cess / Expenses.	125,200	0.71	124,575	0.70
(vi)	Group Insurance / Workmen	2,253,935	12.72	1,432,312	8.02
(vii)	Haj Expenses	25,780	0.15	430,097	2.41
(viii)	Gratuity / Pension.	21,713,968	122.54	13,302,273	74.47
(ix)	Other Benefits (E.O.B.I.).	7,219,766	40.74	4,661,133	26.09
(x)	Earned Leave	3,424,424	19.32	3,529,209	19.76
(xi)	Social Security Contribution	8,364,875	47.20	7,165,542	40.11
	Total:	**425,031,945**	**2,398.53**	**360,912,486**	**2,020.45**
	Less allocated to----				
(a)	Raw Material.	42,648,692	240.67	39,560,903	221.47
(b)	Electricity Generation.	45,122,713	254.64	36,707,059	205.49
(C)	Steam Generation.	21,723,825	122.59	18,898,813	105.80
(d)	Admin Expenses.	163,682,485	923.69	136,412,566	763.66
(e)	Selling and Distribution Expenses	7,371,782	41.60	6,871,200	38.47
(f)	Any Other Specify.				
	Total	**280,549,497**	**1,583.19**	**238,450,541**	**1,334.89**
	Balance transferred to production process (Annexure -1)	**144,482,448**	**815.34**	**122,461,945**	**685.56**

Annexure-7

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF STEAM GENERATED / CONSUMED
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

S.No.	Particulars	Unit	Currant Year 2015	2014	Variance
	Types of steam boilers used (Water Tubes)				
1	No. of days worked.		110.00	116.00	(6.00)
2	Installed capacity (steam in tones)	Ton	1,306,800	1,545,120	(238,320.00)
3	Utilised capacity (steam in tones)	Ton	1,043,639	1,045,329	(1,690.00)
4	Production:				-
	(a) High pressure steam.				-
	(b) Medium pressure steam.	Ton	1,043,639	1,045,329	(1,690.00)
	(c) Low pressure steam.				-
	(d) less: transit losses.	Ton	1,043.64	1,045.33	(1.69)
	(e) Total.	Ton	1,042,595.36	1,044,283.67	(1,688.31)
5	Percentage of capacity utilization (3/2 * 100).		79.86	67.65	12.21

S.No	Particulars	This Year 2015			Previous Year-2014		
		Quantity M.Ton	Rate per Unit Rs	Amount Rs.	Quantity M.Ton	Rate per Unit Rs	Amount Rs.
1	Water	-	-	84,074,138	-	-	41,426,695
2	Fuels:	-	-	-	-	-	-
	(a) Bagasse:						
	(i) Own (incl.handling exp.)	531,630.89	2,917.09	1,550,817,149	529,257.58	1,186.70	628,068,192
	(ii) Purchased.			-			-
	(b) Pith.			-			-
	© Coal purchased.			-			-
	(d) Furnace Oil	63.83	6,875.01	438,832	1.00	28,328.00	28,328
	(e) Fire wood	47.10	54,729.31	2,577,586	313.93	6,421.00	2,015,745
	(f) Gas			-			-
	(g) Other fuels, (cane carrier cleaning etc.)			152,216			152,895
3	Quantity of waste heat from the plant, if any.			-			-
4	Consumable Stores.			-			-
5	Direct salaries, Wages and benefits.			21,723,825			18,898,813
6	Repair and maintenance.			34,724,421			27,670,746
7	Other direct expenses (e.g. Boiler insp fee.etc)			72,000			344,000
8	Insurance.						
9	Depreciation.			34,895,953			38,773,281
	Total cost of steam raised. (After Loss)	**1,042,595.36**	**1,658.82**	**1,729,476,121**	**1,044,283.67**	**725.26**	**757,378,695**
10	Less: Outside sale.	-	-	-	-	-	-
	Add: Cost of steam purchased.	-	-	-	-	-	-
	Total Cost of Steam Consumed.	**1,042,595.36**	**1,658.82**	**1,729,476,121**	**1,044,283.67**	**725.26**	**757,378,695**

S.No	Particulars	This Year 2015			Previous Year-2014		
		Quantity M.Ton	Rate per Unit Rs	Amount Rs.	Quantity M.Ton	Rate per Unit Rs	Amount Rs.
12	ALLOCATION						
	Total of item 12 allocated to------						
	(i) White Bagged Sugar.	534,842.89	1,658.82	887,207,092	551,898.73	725.26	400,270,879
	(ii) Electric powerhouse (Annex-8)	507,752.48	1,658.82	842,269,029	492,384.94	725.26	357,107,816
	(iii) Others.			-			-
	(a) Staff colony			-			-
	(b) Office building .etc.			-			-
	Total	**1,042,595.36**		**1,729,476,121**	**1,044,283.67**		**757,378,695**

C.E.

Annexure - 8

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF COST OF ELECTRIC POWER PURCHASED / GENERATED AND CONSUMED
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

		Year 2015	Year 2014	Variance.
1	Installed Capacity (39,200KW) (2014: 39,200KW)	103,018,580	108,678,080	(5,659,500)
2	No. of units generated (KWH).	46,159,316	44,762,267	1,397,049
3	No. of units purchased (KWH).	1,632,868	1,365,805	267,063
4	Total (2+3).	47,792,184	46,128,072	1,664,112
5	Consumption in Power House including other losses.	4,615,932	4,476,227	139,705
6	Net units consumed (4-5).	43,176,252	41,651,845	1,524,407
7	Percentage of consumption and losses to total units Available = 5/4 * 100.	9.658	9.704	(0.05)
8	Percentage of power generated to installed capacity 2/1 * 100.	44.81	41.19	3.62

S.No	Particulars	This Year 2015			Previous Year-2014		
		Quantity Units	Rate Rs./Unit	Amount Rs.	Quantity Units	Rate Rs./Unit	Amount Rs.
1	Steam (Annex 7).	507,752.48		842,269,029	492,384.94		357,107,816
2	Consumable Stores.			-			-
3	Salaries and Wages.(A-6)			45,122,713			36,707,059
4	Other direct expenses. (Diesel For Generator)			9,430,375			15,674,728
5	Repair and maintenance.			23,271,971			24,634,111
6	Generator Rental			-			-
7	Duty on electricity			-			6,359
8	Depreciation.			39,003,298			18,137,561
	Total.			**959,097,385**			**452,267,635**
9	* Less: (a) Credit for exhaust steam used in process etc.88%			(741,196,746)			(314,254,878)
	(b) Other credits ,if any.			-			-
10	Cost of power generated.			217,900,640			138,012,757
11	Less: cost of power sold.	(7,534,925)	8.981	(67,669,110)	(6,110,645)	10.208	(62,378,882)
12	Add: cost of power purchased.			25,533,312			21,653,466
	Total net cost of power consumed.			**175,764,842**			**97,287,341**
13	Cost per unit average.	40,257,259	4.366	175,764,842	37,175,618	2.617	97,287,341
	Total at item 12 allocated to-----						
	(i) White bagged sugar	39,272,634	4.366	171,465,931	36,308,000	2.617	95,016,813
	(ii) Self - consumption.	-	-	-	-	-	-
	(iii) Others	-	-	-	-	-	-
	(a) Staff colony	514,740	4.366	2,247,376	428,160	2.617	1,120,480
	(b) Office building	402,573	4.366	1,757,648	371,756	2.617	972,873
	(c) Other (Tubewell)	67,312	4.366	293,887	67,702	2.617	177,174
	Total			175,764,842			97,287,341

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Annexure - 9

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING OTHER FACTORY OVERHEADS
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

S.No	Particulars	Amount in Rupees			
		This Year 2015		Previous Year 2014	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
	Total Sugar Produced 2014 - 178,629.600 Tons Total Sugar Produced 2015 - 175,909.500 Tons				
	Cost:				
1	Rent, Rate and Taxes.	1,793,300	10.19	1,092,193	6.11
2	Printing and Stationery.	1,248,733	7.10	1,062,200	5.95
3	Postage and Telegram	31,027	0.18	46,095	0.26
4	Telephone Fax and Telex.	298,019	1.69	312,935	1.75
5	Traveling and Conveyance.	872,563	4.96	475,906	2.66
6	Subscription, Books and Periodicals	-	-	-	-
7	Entertainment.	576,178	3.28	550,973	3.08
8	Vehicle Running Expenses.	9,535,435	54.21	8,065,433	45.15
9	Repair and Maintenance Buildings	2,917,663	16.59	3,173,754	17.77
10	Fire Fighting	1,124,870	6.39	335,129	1.88
11	Other Expenses	-	-	-	-
	Total	**18,397,788**	**104.59**	**15,114,618**	**84.61**
	Allocated to----				
	(i) white Bagged Sugar.	18,397,788	104.59	15,114,618	84.61
	(ii) Electric Power House.	-	-	-	-
	(iii) Steam Generation.	-	-	-	-
	(iv) Others:	-	-	-	-
	(a) Staff Colony.	-	-	-	-
	(b) Office Building etc.	-	-	-	-
	Total as per item 12 above.	**18,397,788**	**104.59**	**15,114,618**	**84.61**

C.E

Annexure - 10

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

S.No	Particulars	This Year-2015		Previous Year-2014	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
1	Total Sugar Sold 2014 - 153,707.950 Tons Total Sugar Sold 2015 - 203,711.4000 Tons	11,328,486,642	55,610.47	8,289,623,591	53,931.00
2	**Cost:**				
	Director Remuneration	4,080,000	20.03	4,250,000	27.65
	Salaries, Wages and Benefits (A- 6).	163,682,485	803.50	136,412,566	887.48
	Rent, Rates and Taxes.	6,297,155	30.91	5,399,362	35.13
	Insurance.	81,960	0.40	37,658	0.24
	Water, Gas and Electricity.	873,716	4.29	711,086	4.63
	Printing and Stationery	1,829,719	8.98	2,026,874	13.19
	Postage and Telegram.	199,905	0.98	310,867	2.02
	Telephone Fax and Telex.	1,890,280	9.28	2,099,758	13.66
	Repair and Maintenance.	4,295,906	21.09	5,176,774	33.68
	Traveling and Conveyance.	4,613,072	22.65	2,182,861	14.20
	Books and Periodicals.	40,922	0.20	75,115	0.49
	Entertainment.	5,063,022	24.85	3,899,219	25.37
	Advertising.	275,374	1.35	506,598	3.30
	Legal and Professional Expenditure.	2,525,542	12.40	2,174,501	14.15
	Auditor's Remuneration.	1,289,979	6.33	1,010,955	6.58
	Vehicle Running Expenses.	13,854,940	68.01	12,250,716	79.70
	Charity and Donation.	1,950,416	9.57	33,024,611	214.85
	Fee and Subscription	5,144,992	25.26	3,667,112	23.86
	Ijarah Rentals	199,654	0.98	5,510,800	35.85
	Depreciation	12,981,992	63.73	10,627,000	69.14
	Others.	8,758,746	43.00	9,301,967	60.52
	Total	**239,929,777**	**1,177.79**	**240,656,400**	**1,565.67**

Annexure - 11

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING SELLING EXPENSES
FOR THE YEAR ENDED 30th. SEPTEMBER 2015

S.No	Particulars	This Year-2015		Previous Year-2014	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
1	Total Sugar Sold 2014 - 153,707.950 Tons Total Sugar Sold 2015 - 203,711.400 Tons	.11,328,486,642	55,610.47	8,289,623,591	53,931.00
2	**Cost:**				
	Salaries, Wages and Benefits (Annex 6).	7,371,782	36.19	6,871,200	44.70
	Commission.	6,050,859	29.70	4,193,475	27.28
	Traveling & Conveyance	-	-	-	-
	Freight outward.	68,289,861	335.23	70,422,109	458.16
	Stacking / Restacking.	15,544,474	76.31	12,628,704	82.16
	Loading / Unloading.	6,518,914	32.00	6,564,708	42.71
	Numbering Expenses	418,167	2.05	439,734	2.86
	Vehicle Running Expenses	-	-	-	-
	Advertising for sales promotion	-	-	-	-
	Insurance	4,205,954	20.65	3,089,012	20.10
	Other Expenses.	2,175,298	10.68	3,923,245	25.52
	Total .	**110,575,309**	**542.80**	**108,132,187**	**703.49**