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COST AUDITORS' REPORT ON COST STATEMENTS OF THE THAL INDUSTRIES CORPORATION LIMITED FOR THE YEAR ENDED SEPTEMBER 30, 2023

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COST AUDITORS' REPORT TO THE DIRECTORS

We **BDO EBRAHIM & CO., Chartered Accountants** having been appointed to conduct an audit of cost accounts of **The Thal Industries Corporation Limited** ("the Company"), have examined the books of account and the statements specified under the first proviso to sub-section (1) of section 220 of the Companies Act, 2017 and other relevant record for the year ended on September 30, 2023 and report that:

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

In our opinion:

(a) proper cost accounting records as required by first proviso to sub-section (1) of section 220 of the Companies Act, 2017 (XIX of 2017), and as required by these regulations, 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; and

(c) the said books and records give the information required by the regulations in the manner so required.

In our opinion and, subject to the 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, marketing, cost of sales, profit margin on indigenous and export sales and any other information of the product of the Company, namely White Refined Sugar.

The matter contained in the Appendix III forms part of this report and approved by the Board on March 26, 2024.

BDO Ebrahim & Co.

LAHORE

DATE: MARCH 26, 2024

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Muhammad Imran

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COST AUDITORS' REPORT (APPENDIX III)
TO THE DIRECTORS OF THE THAL INDUSTRIES CORPORATION LIMITED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

1. CAPACITY:

		2023	2022
(a) Licensed, installed and utilized capacity:			
Designed crushing capacity:			
Layyah Sugar Mills	Metric Tons / Day	18,000.000	15,000.000
Safina Sugar Mills	Metric Tons / Day	12,000.000	8,000.000
		30,000.000	23,000.000

(b) Percentage utilization

Capacity on the basis of operating days	Metric Tons	3,228,000.000	3,190,000.000
Capacity utilized by the mill (tonnes per day)	Metric Tons	24,072.577	22,170.036
No. of days worked	Days	107.000	138.000
Actual crushing (utilized capacity)	Metric Tons	2,575,765.773	3,059,465.013
Percentage of capacity attained	%	79.794%	95.908%
Sugar production from cane	Metric Tons	277,663.950	305,521.000
Recovery of sugarcane	%	10.780	9.986

Normal installed capacity is mentioned above. The capacity has been mentioned after adjusting number of shifts, holidays, normal shut downs days and normal idle time, loss in efficiency due to ageing of the equipment/plant or any other factor (where applicable and relevant).

During the year, there is a decrease in actual crushing compared to last year because of the decrease in crushing days to 107.00 days from (2022:138.00 days) and less supply of sugarcane as compared to last year.

(c) The Company is not engaged in any other activity except manufacturing and sale of white sugar, molasses and allied by-products.

(d) The Company owned this capacity. The Company has not engaged any leasing arrangements/loan/outsourcing in this regard.

(e) Addition to the licensed and installed capacity represents regularization of the Capacity by the Government of Punjab as detailed in note 3 (e) to this Report.

2. COST ACCOUNTING SYSTEM:

Manufacturing of sugar is a continuous process. The Company uses financial and cost integrated accounting system which shows overall cost of production.

The Company is using integrated accounting software, whereby the cost accounts are integrated with the financial accounting records. The 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. All transactions related to costs of production are incorporated in the books of accounts and their effect is reflected in the costing reports. According to the Company's practice, the actual costs incurred during the year are allocated to the sugar manufactured during the year on actual basis.

There was no change in the cost accounting policy for goods under audit during the current financial year as compared to previous financial year.

The existing system can generate various cost reports some of which are as follows:

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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.

We have assessed the functionality of the cost accounting system and found it adequate to determine the cost of Company's products correctly. 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.

3. PRODUCTION :

		2023 (Metric tons)	2022 (Metric tons)
(a) Installed Capacity in metric tons			
Main product:			
White refined sugar		347,973.888	318,556.344
By products:			
Molasses		131,679.226	139,113.450
Bagasse		923,772.900	915,992.550
Press Mud / Filter Cake		96,840.000	95,700.000
(b) Production in metric tons			
White refined sugar		277,663.950	305,521.000
By products:			
Molasses		105,072.752	133,420.919
Bagasse		737,119.770	878,510.081
Press Mud / Filter Cake		77,272.973	91,783.950
(c) Percentage utilization			
Main product:			
White refined sugar	%	79.794%	95.908%
By products:			
Molasses	%	79.794%	95.908%
Bagasse	%	79.794%	95.908%
Press Mud / Filter Cake	%	79.794%	95.908%
(d) Actual Recovery			
White sugar	%	10.780%	9.986%
Molasses	%	4.079%	4.361%
Bagasse	%	28.618%	28.715%
Filter Cake	%	3.000%	3.000%

Percentage of sugarcane crushed compared with installed capacity

The mills of the Company have crushed 2,575,765.77 (2022: 3,059,465.01) tonnes of sugarcane in comparison with the licensed /installed capacity of 3,228,000 (2022: 3,190,000) tonnes available based on the total number of days 107.00 (2022: 138.00 days) of the crushing season. This is 79.79% (2022: 95.91%) utilization of available capacity.

Explanation for shortfall

Non-availability of sugarcane in sufficient quantity and quality was the limiting factor due to which the capacity utilization is 79.79% (2022: 95.91%) as compared to installed capacity.

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Explanation of variances

In current year, 9.118 % decrease in sugar production can be attributed to 15.810 % decrease in crushing of sugarcane as compared to last year. Sugarcane crushing was lower this year because of decrease in number of crushing days and less supply of sugarcane as compared to last year.

(e) Addition to production capacity

Layyah Sugar Mill:

We have noted that installed capacity of the Layyah Sugar Mill has been increased over the periods. We understand from management that an amendment in section 11 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance, 1963 (the Ordinance) was made by the government and as per notification "The Government may exempt an industrial undertaking or class of industrial undertaking dully established under this Ordinance from all or any of the provisions of this Ordinance or the rules and may regularize contravention of any of the provision of this Ordinance committed till the commencement of the Punjab Industries (Control on Establishment and Enlargement) (Amendment) Act, 2022 (the Act), subject to payment of such requitals as the Government may determine.

In pursuance of the amendment in section 11 of the Ordinance, the Company has submitted an application dated December 08, 2022 for regularization of its enhanced crushing capacity up to 24,000 TCD for Layyah Sugar Mill. As per the decision, the application in hand was forwarded to the Technical Sub-Committee for scrutiny, evaluation and recommendation. The Technical Sub-Committee visited the Layyah Sugar Mills and submitted its report vide letter dated 6 January 2023 for further deliberation and consideration. Accordingly, in the Order No. PPS/Thal Industries/Layyah/S.M/2023 dated February 16, 2023, the Committee unanimously recommended the maximum upper limit of 18000 TCD for Layyah Sugar Mills for regularization, subject to submission of Rs 180 million for Layyah Unit as requital amount, which was paid to Director General (industries, prices, weights and measures) Punjab on April 18, 2023.

Safina Sugar Mills:

We have noted that installed capacity of the Safina Sugar Mill has been increased over the periods as well. In pursuance of the amendment in section 11 of the Ordinance as detailed above, the Company has submitted an application dated December 08, 2022 for regularization of its enhanced crushing capacity up to 18,000 TCD for Safina Sugar Mill. As per the decision, the application in hand was forwarded to the Technical Sub-Committee for scrutiny, evaluation and recommendation.

The Technical Sub-Committee visited the Safina Sugar Mills and submitted its report vide letter dated December 31, 2022, for further deliberation and consideration. Accordingly, in the Order no. PPS/Thal Industries/Safina/S.M/2023 dated February 16, 2023, the Committee unanimously recommended the maximum upper limit of 12000 TCD for Safina Sugar Mills for regularization, subject to submission of Rs 120 million for Safina Unit as requital amount, which was paid to Director General (industries, prices, weights and measures) Punjab on April 18, 2023.

Capacity utilization based on regularized capacity

			2022 As per Cost Accounts	2022 As per Regularized
Percentage utilization				
Layyah Sugar Mills	Metric Tons / Day		15,000.000	18,000.000
Safina Sugar Mills	Metric Tons / Day		8,000.000	12,000.000
			23,000.000	30,000.000
Capacity on the basis of operating days		Metric Tons	3,190,000.000	4,140,000.000
Capacity utilized by the mill (tonnes per day)		Metric Tons	22,170.036	22,170.036
No. of days worked		Days	138.000	138.000
Actual crushing (utilized capacity)		Metric Tons	3,059,465.013	3,059,465.013
Percentage of capacity attained		%	95.91%	73.900%
Sugar production from cane		Metric Tons	305,521.000	305,521.000
Recovery of sugar cane		%	9.986	9.986

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(f) Comparison of machine hours utilization (during crushing season)

	2023	2022	2021
	Audited	Audited	Audited
Available hours	2,560.895	3,320.525	2,699.925
Utilized hours	2,381.795	3,083.265	2,564.135
% age	93.006%	92.855%	94.971%

Explanation of variances

Available hours is dependent upon no of working days i.e. 107.00 days (2022: 138.00 days). Decrease in available hours is due to decrease in number of crushing days. Increase in percentage of utilization during current year is due to effective use of available hours. This year plant stopped for less period i.e. 7.46 days (2022: 9.89 days) thus increasing the percentage of utilization in relation to installed capacity by 0.15 %.

Available hours is dependent upon no of working days i.e. 107.00 days (2021: 113.50 days). Decrease in available hours is due to decrease in number of crushing days. Decrease in percentage of utilization during current year is due to ineffective use of available hours. This year plant stopped for more period i.e. 7.46 days (2021: 5.56 days) thus decreasing the percentage of utilization in relation to installed capacity by 1.96 %.

4. RAW MATERIALS:

(a) Consumption of major raw materials in terms of quantity and value:

Raw Materials	2023		2022	
	Quantity Consumed (metric tons)	Amount (Rupees)	Quantity Consumed (metric tons)	Amount (Rupees)
Sugarcane (See annexure – 3)	2,575,766	19,891,832,865	3,059,465	18,256,814,440
Process material (See annexure - 5)		306,048,379		270,320,613

(b) Consumption of major materials per unit of production:

Raw Materials	Actual Consumption Per Unit (per metric ton of Sugar)		
	2023	2022	2021
Sugarcane (See annexure – 3)	10.78%	9.99%	9.61%

Consumption of raw material per unit of production is dependent on many factors, such as sucrose contents/sugar recovery percentage, quality of sugarcane, elapsed time between sugarcane harvesting and crushing, distance from sugarcane field and factory site and un-interrupted milling/crushing etc.

Although no standard has been fixed for cane procured and consumed, company strives to consume fresh and clean cane. Since, the Company did not operate a 'Standard Costing System' ; comparison of actual raw material consumption with standard could not be made. Therefore, variances could not be worked out.

All the raw material used in production is domestic. There is no imported raw material is used in production. However, some chemicals (i.e. hard coke, decolorizer, sugar press oil, etc.) are being imported and used as other materials.

The raw material consumption for 2022 has been restated to 9.99%. It was previously reported as 10.014% in last year's report, which has now been corrected.

The raw material consumption for 2021 has been restated to 9.61%. It was previously reported as 10.410% in last year's report, which has now been corrected.

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(c) Explanation of variances

Sugarcane yield depends upon the quality of sugarcane; and the quality varies with the maturity of the crop and quality of seed implanted in crop. Good quality of seed combined with higher maturity of crop means higher quality of sugar cane and higher yield of sugar. Raw material consumption of cane has decreased by 483,699 metric tons as compared to 2022 due to decrease in availability of sugar cane. However, in comparison with 2021 raw material consumption has been increased by 201,165 metric tons.

Consumption of sugarcane per tonne of sugar has decreased by 7.33% to 9.28 per tonne of production (2022: 10.01) because of higher recovery during the year i.e., 10.78% as compared to last year's recovery 9.99%.

Consumption of sugarcane per tonne of sugar has decreased by 10.89% to 9.28 per tonne of production (2021: 10.41) because of higher recovery during the year i.e., 10.78% as compared to 2021 recovery 9.61%.

(d) Comments on the method of accounting followed for recording the quantities and value of receipts, issues and balances of all material directly used in production

Sugarcane is procured mainly at the mills directly and partially at depots situated at a number of locations. 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. The raw material is valued by applying the average cost / weighted average method.

Sugarcane receipt at mills

The Company is using its in house developed Software Module named as Crop Management System (CMS) for recording the purchase Sugarcane at its mills. Sugarcane is brought to the factory using different modes of transportation e.g. trolleys, trucks, carts and trailers. Whatever the haulage is, a computerized token and gate pass is given to the haulage. At the weighing post the gross weight of the haulage is measured. The gross weight (Sugar Cane + Haulage) is entered into the database by an online weighing machine into the system. The haulage is then unloaded and at the weighing post the tare weight of the haulage is entered into the database by the same online weighing machine into the system. The net weight is automatically calculated by the software. After measuring the net weight, a computerized Cane Purchase Receipt (CPR) is generated. It is a document which acknowledges the supply of cane made by the grower and contains the net weight procured and amount payable to the grower. Upon the generation of CPR, an automated Purchase order is created in the CMS application with the net weight and amount payable to the grower based on the CPR. The purchase is recorded at the market value as already defined in system time to time. An automated receipt of the cane is recorded by the system based on the purchase order. The receipt is recorded at a value which is a sum of the cost of cane at PO and the direct procurement costs per unit like cane development cess, market committee fee, unloading charges etc.

The cane is issued to consumption as raw material consumed at cost.

Sugarcane receipt at depots

The depot is a purchase center where the Company purchases Cane and brings it to the factory using the transport of the contractor. The Company has opened depots at various places in order to increase and facilitate the sugar cane growers. A weigh bridge has been installed at each depot where a net weight of cane received is measured through laden and un-laden weight of haulage. Manual CPRs are then issued on weighing the sugarcane received at depots. The details of CPRs are entered in Cane Purchase Sheet of respective depots. Cane is then sent to the mills where it is weighed again and recorded in the system and a computerized CPR is generated against Cane received from respective depots. Thereafter the PO, receipt, issuance and accounting process takes place similar to the process of purchase at mills mentioned above.

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(e) Other direct material used in production

Other direct material used includes unslaked lime, soda caustic flakes, phosphoric acid, decolorizing agent etc. The Company has computerized inventory system in which all the material purchased is recorded at the respective rates in separate accounts and consumption is charged on daily basis at the moving average rate calculated by the system. The purchases are recorded by Product Receipts (PRs) while consumption is recorded on the basis of approved Internal Purchase Requisition (IPRs).

Transportation expenses during the year were Rs. 4.869 million (2022: Rs. 11.879 million).

All the raw material used in production is domestic. There is no imported raw material used in production.

5. WAGES AND SALARIES:

(a) Wages and salaries paid to different categories of employees are as follows:

	2023 (Rupees)	2022 (Rupees)
i. Direct labour cost on production	592,693,423	448,457,359
ii. Indirect employees cost on production	84,240,090	113,194,744
iii. Employees cost on administration	554,948,404	425,563,359
iv. Employees cost on selling and distribution	23,326,507	14,343,030
v. Other employees cost	-	-
Total wages and salaries	1,255,208,424	1,001,558,492
* vi. Bonus to workers and employees	125,450,192	55,245,098

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

(b) Salary and perquisites of directors and chief executive are as under:

	Chief Executive		Directors		Executives	
	2023	2022	2023	2022	2023	2022
	Rupees					
Managerial remuneration	2,040,000	2,040,000	2,040,000	2,040,000	157,668,211	104,254,989
Meeting fee	100,000	80,000	580,000	520,000	-	-
Utilities	-	-	-	-	6,823,051	4,434,035
Bonus	-	-	-	-	34,039,753	14,858,880
Gratuity expense	-	-	-	-	14,152,166	11,418,899
Total	2,140,000	2,120,000	2,620,000	2,560,000	212,683,180	134,966,803
Number of persons	1	1	6	6	47	33

The executives have been provided free unfurnished accommodation with maintained car for the Company's affairs only.

Chief executive, directors and executives are not entitled for any benefit other than disclosed as above.

(c) **Total man-days of direct labour for the year :**

During the crushing season	**2023 (Days)**	**2022 (Days)**	**Increase / (decrease)**	**Percentage%**
Total man-days of labour available - average	272,893	376,850	(103,958)	-27.59%
Total man-days of labour actually worked - average	253,105	350,824	-97,719	-27.85%
Percentage worked	92.75%	93.09%		
Other than crushing season				
Total man-days of labour available - average	393,303	353,212	40,091	11%
Total man-days of labour actually worked - average	393,303	353,212	40,091	11%
Percentage worked	100%	100%		
Average number of workers employed				
During the crushing season				
Direct and in-direct labour (including contract staff)	2,550	2,731	(180)	-7%
Other than crushing season				
Direct and in-direct labour (including contract staff)	1,524	1556	(31.57)	-2%

(d) **Direct labour cost per unit of output of the product**

		2023	**2022**	**2021**
		Audited	**Audited**	**Audited**
Total labour cost on production	(Rupees)	676,933,513	561,652,103	412,291,807
Direct labour cost on production	(Rupees)	592,693,423	448,457,359	313,567,480
Indirect labour cost on production	(Rupees)	84,240,090	113,194,744	98,724,327
Production of White Refined Sugar	(Metric tons)	277,664	305,521	228,107
Total labour cost per unit of output	(Rupees)	2,437.96	1,838.34	1,807.45
Direct labour cost per unit of output	(Rupees)	2,134.57	1,467.84	1,374.65
Indirect labour cost per unit of output	(Rupees)	303.39	370.50	432.80

(e) **Explanation for variances**

Comparison with 2022

- Direct labour cost

The increase in direct labour cost by Rs. 144.236 million as compared to 2022 is mainly due to increase in minimum wage as compared to 2022. Direct labour cost per tonne of production has increased by Rs. 667 per tonne from 2022 due to increase in minimum wage.

- Indirect labour cost

Indirect labour cost has decreased by Rs. 28.955 million as compared to last year due to higher employee turnover this year as compared to last year. Indirect labour cost per tonne of production has decreased by Rs. 67.11 per tonne from 2022.

Comparison with 2021

- Direct labour cost

The increase in direct labour cost by Rs. 279.126 million as compared to 2021 is mainly due to increase in minimum wage as compared to 2021. Direct labour cost per tonne of production has decreased by Rs.760 per tonne from 2021 due to increase in production.

- Indirect labour cost

Indirect labour cost has decreased by Rs. 14.484 million as compared to last year due to higher employee turnover this year as compared to last year. Indirect labour cost per tonne of production has decreased by Rs. 129.41 per tonne from 2021.

(f) Comments on Incentive scheme, with particular reference to its contribution towards increasing productivity and its effect on cost of production

Bonus scheme is in place which is based on the discretion of the Board of Directors and covers the permanent employees of the Company. Three bonuses has been provided/recognized during the year 2023. However, in prior year 2022, two bonuses were given. There is also an increment in salaries of all of the employees of the company in 2023 and 2022.

Due to more bonuses and increments during the year, total direct labour costs have increased as compared to last year. Also increased average no. of workers employed during the year has an impact.

		2023	2022	2021
		Audited	Audited	Audited
Cost of bonus per metric ton of output (Annexure-6)	(Rupees)	451.81	180.82	0.72

6. STORES AND SPARE PARTS:

(a) Expenditure per unit of output on stores and spare parts:

		2023	2022	Variance %
Process material (Annexure 5)	(Rupees)	306,048,379	270,320,613	13.22%
Consumable stores	(Rupees)	22,063,137	17,447,999	26.45%
Packing material	(Rupees)	252,175,911	225,757,515	11.70%
Printing and stationery	(Rupees)	1,432,606	1,134,176	26.31%
Total store and spares consumed	(Rupees)	581,720,032	514,660,303	13.03%
Production of sugar	(Metric tons)	277,663.95	305,521.00	-9.12%
Stores and spares per unit of production	(Rupees)	2,095.05	1,684.53	24.37%

Explanation of variances

Consumption of chemicals and stores including packing material and oil and lubricants has increased by Rs. 67.060 million (13.03%) as compared to the last year, this increase is due to linkage of imported chemical prices with exchange rate fluctuations, packing materials prices with the petroleum products prices and increase in handling cost of bagasse. Further, increase in store consumption has also the effect of issuance of store items to mechanical, electrical and general departments.

(b) Comments on the system of stores accounting for recording receipts, issues and balances, both in quantities and values

Receipt recording

The Company follows perpetual method of accounting for stores and spares. These are valued at moving average cost except stores in transit which are stated at cost comprising invoice value plus other charges paid thereon. 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.

Consumption recording

Stores and spares consumption is recorded on the basis of Internal Purchase Requisitions (IPRs) valued on the basis of weighted average rate having separate code for each type of material in stores. The store department receives the IPRs and then by properly authorizing the issue, the store item is issued to the relevant department.

Allocation

Stores and spare consumption is based on actual consumption towards various cost centers.

(c) Proportion which have not moved for over twenty four months:

	2023 (Rupees)	2022 (Rupees)
Total stores and spares	1,041,215,105	920,997,193
Slow moving stores	29,318,999	17,491,101
% age	3%	2%
Not moved for over twelve / (2022 twenty four) months	29,318,999	17,491,101

No provision have been made against the above given items which have not been moved for over one to two years. According to management these items can be utilized in plant's normal course of operation during its useful life and are not technically obsolete.

7. DEPRECIATION:

(a) Method of depreciation

Depreciation on operating fixed assets except freehold land are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at cost. Depreciation is charged by applying reducing balance method over the estimated useful life of an asset at the rates specified in financial statements. Depreciation is charged on additions during the year from the month in which property, plant, and equipment become available for use while no depreciation is charged from the month of deletion/ disposal. The useful life and depreciation method are reviewed to ensure that the method and period of depreciation charged during the year are consistent with the expected pattern of economic benefits from items of operating fixed assets. Appropriate adjustments are made if the impact of depreciation is significant.

(b) Basis of allocation of depreciation on common assets

Depreciation on assets identifiable to various cost centers is charged on actual basis while deprecation for assets under common use is charged to cost centers on the basis of services rendered to the respective departments i.e. 10% Admin and 90% Cost of sales.

(c) Basis of charging depreciation to cost of products

The depreciation of depreciable assets relating to units involved in the manufacturing of product is charged to the cost of production.

(d) There is no change in the accounting policy for depreciation during the year as compared to last year.

8. OVERHEADS

(a) Total amount of overheads

		2023 Audited	2022 Audited	2021 Audited
		----------Rs. '000'----------		
i.	Factory overheads	332,029	200,511	118,360
ii.	Administrative overheads	1,257,825	653,181	602,186
iii.	Selling and distribution overheads	301,910	204,876	213,060
iv.	Financial charges	1,232,285	785,003	462,856
		3,124,049	**1,843,571**	**1,396,462**

For break-up of the items (i), (ii) and (iii), please refer to the 'Statement showing Other Factory Overhead' (Annexure-9), the 'Statement showing Administration Expenses, (Annexure-10) and the 'Statement showing Selling Expenses, (Annexure-11) respectively. There is a difference under these heads as compared to audited financial statements for which reconciliations have been prepared and annexed to this Report.

	2023 Audited	2022 Audited	2021 Audited	Increase / (decrease) 2022	Increase / (decrease) 2021
	----------Rs. '000'----------				
(aa) Factory overheads					
Printing and stationery	1,433	1,134	1,205	298	227
Postage and telegram	69	55	46	14	23
Telephone fax and telex	1,760	1,565	1,663	196	98
Traveling and conveyance	2,196	2,759	2,107	(563)	89
Entertainment	1,628	1,669	1,385	(42)	242
Vehicle running expenses	257,240	166,308	97,489	90,932	159,751
Repair and maintenance buildings	62,440	24,408	11,992	38,033	50,449
Fire fighting	2,090	177	1,089	1,913	1,001
Other expenses	3,173	2,436	1,385	737	1,788
	332,029	**200,511**	**118,360**	**131,518**	**213,668**
(ab) Administrative overheads					
Salaries, wages and benefits	554,948	425,563	314,400	129,385	240,549
Director's remuneration	4,760	4,680	4,080	80	680
Rent, rates and taxes	4,864	10,574	3,491	(5,710)	1,373
Insurance	221	234	459	(13)	(238)
Water, gas and electricity	3,434	5,056	4,462	(1,622)	(1,028)
Printing and stationery	6,647	5,699	5,469	948	1,178
Postage and telegram	276	220	183	56	93
Telephone fax and telex	7,041	6,259	6,651	783	391
Repair and maintenance	28,367	17,079	13,978	11,288	14,390
Traveling and conveyance	18,935	6,287	3,239	12,648	15,696
Books and periodicals	88	67	64	22	25
Entertainment	26,478	13,331	2,559	13,147	23,918
Advertising	529	732	1,675	(203)	(1,145)
Legal and professional expenditure	147,968	23,105	50,810	124,863	97,159

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	2023 Audited	2022 Audited	2021 Audited	Increase / (decrease) 2022	Increase / (decrease) 2021
	----------Rs. '000'----------				
Auditor's remuneration	2,505	2,275	2,069	230	436
Vehicle running expenses	58,370	39,339	29,284	19,031	29,086
Charity and donation	-	-	5,750	-	(5,750)
Fee and subscription	320,015	20,252	10,136	299,763	309,879
Depreciation and Amortization	49,214	51,574	54,261	(2,360)	(5,047)
Others	23,163	20,855	89,167	2,308	(66,004)
	1,257,825	**653,181**	**602,186**	**604,644**	**655,641**

(ac) Selling and distribution overheads

Salaries, wages and benefits	23,327	14,343	11,068	8,983	12,259
Commission	23,260	15,580	14,023	7,679	9,236
Freight outward	131,637	91,800	136,922	39,837	(5,285)
Stacking / restacking	91,778	59,050	30,823.77	32,728	60,955
Loading / unloading	21,126	14,025	11,289.57	7,101	9,837
Numbering expenses	864	1,011	698.63	(148)	165
Insurance	5,559	5,692	5,041.01	(133)	518
Other expenses	4,360	3,374	3,193.65	986	1,166
	301,910	**204,876**	**213,060**	**97,031**	**88,850**

(ad) Financial charges

Profit on:					
- Deposit Account	(129,899)	(89,254)	(8,374)	(40,645)	(121,524)
- Government grant amortizatior	-	(1,803)	(4,172)	1,803	4,172
Markup on:					
- Short term borrowings	1,153,419	745,547	364,363	407,871	789,056
- Lease finance	15,962	10,960	11,905	5,002	4,057
- Long term borrowings	165,128	90,046	78,582	75,082	86,546
Interest on workers' (profit) participation fund	8,836	6,528	6,038	2,308	2,798
SBP salary loan	-	1,850	4,125	(1,850)	(4,125)
Bank and other charges	18,839	21,129	10,389	(2,289)	8,450
	1,232,285	**785,003**	**462,856**	**447,282**	**769,429**

(b) Reasons for variances

Factory overheads

The factory overheads in current year have been increased by Rs. 131.518 million (65.59%) as compared to 2022. The increase is mainly due to increase in vehicle running expenses by Rs. 90.932 million and repair and maintenance expenses by Rs. 38.033 million.

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The factory overheads in current year have been increased by Rs. 213.668 million (181.52 %) as compared to 2021. The increase is mainly due to increase in vehicle running expenses by Rs. 159.751 million and repair and maintenance expenses by Rs. 50.449 million.

The increase in vehicle running expense is represented by fluctuations in fuel prices, increase in repair and maintenance is due to increase in plant wear and tear.

Administrative overheads

The administrative expenses in current year have been increased by Rs. 604.644 million (93%) as compared to 2022. The increase is mainly due to increase in salaries, wages and other benefits by Rs. 129.385 million, vehicle running expenses by Rs. 19.031 million, entertainment expenses by Rs. 13.147 million and fee and subscription expenses by Rs. 299.763 million. Conversely, there is decrease in rent ,rates and taxes by Rs. 5.71 million and Water, electricity and gas by Rs. 1.62 million.

The administrative expenses in current year have been increased by Rs. 655.639 million (108.88 %) as compared to 2021. The increase is mainly due to increase in salaries, wages and other benefits by Rs. 240.549 million, rent, rates and taxes by Rs. 1.373 million, vehicle running expenses by Rs. 29.086 million, entertainment expenses by Rs. 23.918 million and fee and subscription expenses by Rs. 309.879 million. Conversely, there is a decrease in other administrative overheads by 66.004 million.

The increase in salaries, wages and other benefits is due to annual increment, bonus and increase in average number of employees, increase in repair and maintenance is due to increase wear and tears, Increase in rent, rates and taxes is due to fluctuations in rent prices, increase in vehicle running expenses is due to increase in fuel prices. Increase in fee and subscription is due to payment of 300 million fee for increasing liscensed capacity of mill. Legal expenses is increased due to professional fee paid to different lawyers against representing the Company on CIR(A) and ATIR forum for sales tax & income tax cases

Selling and distribution overheads

The selling and distribution expenses in current year have been increased by Rs. 97.034 million (47.36%) as compared to 2022. The increase is because of increase in Freight outward expenses by Rs. 39.837 million due to increase in sale volume by 43.17%. During the period 8,723 tons of sugar was exported by the company. There is an increase in stacking/restacking and loading/unloading expenses by Rs. 32.728 million and 7.101 million respectively because of increase in volume of sugar bags produced (43.17%) also due to increase in wages of labour involved in loading/unloading of sugar bags.

The selling and distribution expenses in current year have been increased by Rs. 88.850 million (41.70%) as compared to 2021. The increase is mainly due to increase in stacking/restacking expenses by 60.955 million due to increase in wages of workers. Increase in loading/unloading expenses by 9.837 million because of increase in volume of sugar bags produced also due to increase in wages of labour involved in loading/unloading of sugar bags. While there is a decrease in fright outward by 5.285 million.

Financial charges

Financial Charges: The finance cost has increased by Rs. 447.281 million i.e. 56.98% as compared to 2022. This increase is mainly because of the increase in finance cost on short term borrowings by 54.71% as the company's Cash Finance facility has increased by 23% to finance the cane procurement cost. The mark-up rates are also increased to average of 18.515% p.a (2022: average 12.46% p.a) during the year. Furthermore, finance cost on Long term borrowing increased because of increase in average mark-up rates to 19.88% (2022: 12.45%).

Financial Charges: The finance cost has increased by Rs. 769.429 million i.e. 166.24% as compared to 2021. This increase is mainly because of the increase in finance cost of short term borrowing amounting to Rs 407.871 million (217%) as the company's Cash Finance facility has increased by 33.12%. The increase in short term borrowing during the year is to finance the cane procurement cost. Furthermore, finance cost on Long term borrowing increased because of increase in markup rate upto 23.91%.

(c) Basis of allocation

Identifiable costs are separately allocated to each cost center, while common costs are allocated on some rational basis like telephone, postage and telegram are allocated on the basis 20% to production and 80% to administration and building repair and maintenance is allocated 80% to production and 20% to administration.

(d) **Cost of packing**

	2023	2022	2021
	Audited	Audited	Audited
Total Sugar produced (metric tons)	277,664	305,521	228,107
Packing materials/number of bags consumed (rupees)	252,175,911	225,757,515	120,904,345
Cost per metric ton of sugar (rupees per metric ton)	908.21	738.93	530.03

Explanation for variances

Packing cost comprises of cost of polypropylene bags, thread cones, polythene bags etc. The increase in packing material cost is approx. 11.70% as compared to 2022 and 108.57% as compared to 2021. This increase is due to increase in production in 2022 and increase in rate per bag of packing material purchased as compared to previous years.

9. ROYALTY PAYMENTS:

No royalty or technical aid payments have been made during the year.

10. ABNORMAL AND NON-RECURRING FEATURES:

(i) There were no abnormal features like strikes, lockouts, major breakdowns in the plant and serious accidents affecting production during the year.

(ii) We have noted that the company has paid one time regularization fee amounting to Rs. 300 million for regularization of its capacity. Detailed note 3 (e) is added to this report. Per unit production cost has not been mentioned, as this is not directly allocated to the product.

11. COST OF PRODUCTION:

Exclusive of sales tax

	2023 (Rupees)	2022 (Rupees)	Increase/ (Decrease)
Cost of goods manufactured	18,735,350,908	17,018,970,800	10.09%
Cost per metric ton of goods manufactured	67,474.91	55,622.82	21.31%
Cost to make and sell	22,564,633,321	13,965,862,716	61.57%
Cost per metric ton of sold sugar	73,221.56	64,883.67	12.85%

Comments on the reasons for differences in cost of production (as per cost statements)

The total cost of production has increased by Rs. 1,716.380 million (10.09 %) as compared to last year. This increase is mainly due to increase in sugarcane prices, the average sugarcane price per mound has increased by 28.48% up to Rs.304 per mound (2022:237 per mound). The sugarcane crushed has decreased by 483,699 tons (15.81%) as compared to last year.

The cost per ton of production of white bagged sugar has increased by Rs. 12.336 per ton as compared to last year. This increase in cost per ton is mainly due to an decrease in production, less supply of sugar cane, less recovery, Increase in average purchase price of cane and attain less efficiency during the year as compared to last year.

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	2023 (Metric tons)	2022 (Metric tons)

12. SALES:

(a) Net sales realization

Sales white sugar (own manufactured)	299,446.25	215,244.65
Export of white sugar (own manufactured)	8,723.00	-
Total Sales	308,169.25	215,244.65

	2023		2022	
	Rupees	Rupees per metric ton	Rupees	Rupees per metric ton
Local sales white sugar (own manufactured)	29,741,126,962	99,320	18,687,709,096	86,821
Export sales white sugar (own manufactured)	1,182,626,004	135,576	-	-
Less: Sales tax / Special Excise duty	(4,487,555,818)	(14,562)	(2,764,001,613)	(12,841)
Net Sales	26,436,197,148	85,785	15,923,707,483	73,980

	Increase/ (Decrease)	Percentage
	Rupees per metric ton	
Local Sales white sugar (own manufactured)	12,500	14.40%
Export of white sugar (own manufactured)	135,576	100.00%
Less: Sales tax/ Special Excise Duty	1,721	-13.40%
Net sales	11,805	15.96%

The company sold 6,163,385 bags of 50 kg each (2022: 4,304,893 bags) of White Refined Sugar during the year. The selling price of sugar has been increased as compared to last year due to government intervention in sugar prices for the mills.

The above does not include sales of by products and related sales tax amounting to Rs. 4,672.008 million and Rs. 300.442 million, respectively.

It has been observed that there is only one category, variety or quality of the product under reference.

Exported products

The Company exported 8,723 metric tons of white sugar with an average sale price of Rs. 135,576 per metric ton, costing Rs. 67,475 per metric ton resulting in earning average profit of Rs. 68,101 per ton of sugar. Exports were made to these countries; Kyrgyzstan, Afghanistan, UAE, and Singapore contributing Rs. 1.183 billion rupees in total sales.

13. PROFITABILITY:

Exclusive of sales Tax

	2023		2022	
	Rupees	Rs. per metric ton	Rupees	Rs. per metric ton
Gross Sugar Sales (own manufactured)	26,436,197,148	85,785	15,923,707,483	73,980
Total Cost to make & sell (Annexure - 1)	(22,564,633,321)	(73,222)	(13,965,862,716)	(64,884)
Profitability (owned manufactured)	3,871,563,827	12,563	1,957,844,767	9,096

Inclusive of sales Tax

	2023		2022	
	Rupees	Rs. per metric ton	Rupees	Rs. per metric ton
Gross Sugar Sales (own manufactured)	30,923,752,966	100,347	18,687,709,096	86,821
Total Cost to make & sell (Annexure - 1)	(27,052,189,139)	(87,784)	(16,729,864,329)	(77,725)
Profitability (owned manufactured)	3,871,563,827	12,563	1,957,844,767	9,096

The above does not include profitability of by products.

(a) Profit per machine hour

	2023 (Rupees)	2022 (Rupees)
Gross profit (Rupees)	3,871,563,827	1,957,844,766
Machine hours of actual crushing	2,381.80	3,083.27
Profit per machine hour (Rupees)	1,625,481.55	634,990.75

(b) Comments on the profitability of different categories of the products per unit as well as in terms of per machine hour, etc. and comments on the adequacy or otherwise of product for maximization of profits

The profitability of the Company depends on the price of sugar in the market and support prices of sugarcane notified by the Government. During the year, the average selling price/metric ton of sugar has increased by 15.96 % and sales volume increased by 43.17 % as compared to last year. In the current year average selling price is Rs. 85,785 per metric ton while in the previous year, it was Rs. 73,980 per metric ton. During the year, the gross sales have increased by 66.02 % for the year 2023 and accordingly, the cost of goods sold per metric ton of sugar sold has also increased by 61.57 % due to less supply of sugarcane and an increase in the average purchase cost of sugarcane. Gross profit has increased by 4.48 % as compared to the last year. The gross profit margin to sales has decreased from 34.06 % to 25.21 %.

It has been observed that there is only one category, variety or quality of the product under reference. As per cost order under Regulation 1(2) "Every Company engaged in the production, processing and manufacturing of sugar in any form except liquid, is required to maintain particulars of cost accounting record and prepare cost statements.

14. RELATED PARTY TRANSACTIONS

The related parties comprise of associated companies, directors of the Company and entities under common directorship, key management personnel and post employment retirement plan. The Company has entered into transactions with the following related parties for the year ended September 30, 2023.

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Name and address of related parties :

Name of the related party	Address
Naubahar Bottling Co. (Private) Limited	38-40 Grand Trunk Road Industrial State Model Town Gujranwala Punjab.
Baba Farid Sugar Mills Limited	2D-1 off MM Alam Road , Block D1, Gulberg III, Lahore Punjab.
Almoiz Industries Limited	2D-1 off MM Alam Road , Block D1, Gulberg III, Lahore Punjab.

The name of the directors and their shareholding percentages has been disclosed in the annual financial statements of the Company for the year ended September 30, 2023.

All the related party transactions for the year ended September 30, 2023 has been disclosed in the annexure B-1 attached to this report.

The transfer prices taken in related party transactions for the year ended September 30, 2023 is inclusive of sales tax .

The normal price charged for the white refined sugar is based on the average market price which is Rs. 4,966.02 per bag (2022: Rs. 4,341.04 per bag) market prices for bagasse and some of the stores, spares, scrap and other machinery items that are available has been mentioned in annexure B-1. Other prices have been taken on purchases basis.

Key management personnel :	2023 (Rupees)	2022 (Rupees)
Advances received from / (returned to) directors during the year	(45,300,000)	(50,000,000)
Repayment of loan from directors	56,200,000	40,000,000
Dividend paid	52,024,205	47,623,326
Lease Commitments	10,200,000	10,200,000

15. DISTRIBUTION OF EARNINGS:

The earnings were distributed to the following parties :		
Employees as salaries and wages, retirement benefits etc.	1,255,208,424	1,001,558,491
Shareholders as dividends	52,581,312	45,069,696
Company as retained earnings	1,949,081,690	1,774,962,253
Governments as taxes	985,710,022	626,179,595
Extra ordinary expenses	-	-

16. ADJUSTMENT OF COST VARIANCES :

The Company maintains cost records on actual basis and do not follow standard costing method to determine the cost of its goods and services. Hence no variances has identified and adjusted.

17. OBSERVATIONS AND CONCLUSIONS:

In the course of our examination of the cost accounts of **THE THAL INDUSTRIES CORPORATION LIMITED** for the year ended September 30, 2023, certain weaknesses in the procedures, internal controls and accounting methods came to our notice. We are giving below our observations and conclusions to draw attention to these matters. The responsibility for maintenance of an adequate system of internal controls as well as for prevention and detection of irregularities and frauds rests with the management.

Our audit involves evaluating only those systems and internal controls in the organization upon which we rely for the purpose of determining our audit procedures. Accordingly, our audit may not have identified, and the comments in this report may not be a comprehensive record of all the weaknesses that may exist. However, our audit was planned so that we would have a reasonable expectation of detecting material misstatements in the accounts.

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(a) ***Matters which appear clearly wrong in principle***

(i) There is none noted. However, we have noted certain opportunities for improvement which are reported in suggestion for improvements in performance.

(ii) We refer to detail comments on addition to production capacity at note 3 (e) to this Report.

(b) ***Usage of company's funds***

There were no cases where the company's funds were used in a negligent or inefficient manner.

(c) ***Controlling factors***

No instances were observed where factors which could have been controlled, but were not done, resulting in increase in cost of production. There is an adequate budgeting and control system.

The Company has an effective internal audit and control function. The Board of Directors has constituted an audit committee, the meetings of which are held on regular basis.

(d) ***Suggestions for improvements in performance***

(i) No significant instances were found of general imbalances in production facilities.

(ii) Cost reduction and increased productivity; key limiting factors causing production bottlenecks; improved inventory policies are important areas to be considered.

Cost reduction and increased productivity:

The Company may make efforts towards optimum utilization of production capacity by promoting pre-season relationship with the growers, thereby ensuring regular supply of improved quality sugarcane.

key limiting factors:

The utilization of installed capacity is dependent upon availability of sugarcane of desired quantity and quality. As a part of long term planning, the Company should start increasing its relationship with growers to ensure regular supply of desired quality sugarcane to fully utilize the production capacity. During the current year 2023, the Company has utilized its installed capacity up to 79.79% (2022: 95.91%).

Improved inventory policies:

Policies relating to inventory are found satisfactory except that return in stores, spares and loose tools are booked at nil value.

Energy conservancy:

The Company is currently producing the electricity through the steam by using mainly bagasse as input. The production of electricity using the steam is the cheapest way so there are no further opportunities for energy conservancy.

(iii) Study should be conducted to segregate the total production cost into fixed and variable cost, as it would help the management to monitor and control the cost of production.

(iv) The Company is applying allocation of overheads consistently over the years. However, we recommend that proper survey should be conducted to determine the percentages of allocation of overheads according to their basis of utilization.

(v) We have observed that fixed assets are not completely coded and tagged. Further, the Company does not have any practice of periodic physical verification of fixed assets. Though, we have been informed by management that random physical verification is being done. We recommend that all the assets should be properly coded and tagged for effective control.

(vi) We noted cost of products has been calculated manually instead of using an automated system. We recommend automated system should be used for cost calculation. In absence of an automated system errors and inaccuracy may result due to the use of manual working where formulas are manually inserted and manual working may result in inefficiency as well.

(e) ***State of technology***

The Company has installed up to date plants (Mill max and Mill roller shaft) for the main production facility. In year 2020 the company has installed 165 ton high pressure boiler which results in increase in productivity.

		Layyah Sugar Mills	Safina Sugar Mills	Total Capacity
Plant Crushing Capacity	Metric Tons/day	18,000	12,000	30,000

(f) ***Plant Condition when installed***

The old plants were new when installed.

18. RECONCILIATION WITH FINANCIAL ACCOUNTS

Reconciliation statements of cost of sales, raw material consumed, administrative expenses, distribution and selling expenses and financial charges with audited financial statements for the year ended September 30, 2023 are enclosed herewith.

19. COST STATEMENTS

Copies of all cost statements on the formats prescribed by Securities and Exchange Commission of Pakistan under SRO 1336 (I)/2020 Companies (Audit of Cost Accounts) Regulations, 2020, duly authenticated by the Chief Executive and Chief Financial Officer of the Company, and verified by us are appended to the report.

20. MISCELLANEOUS

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the year.

The company has developed appropriate standards for use as a basis to evaluate performance. A team of technical experts and other staff has been employed on permanent basis to monitor and check the plant performance in terms of its economy and maintenance of high quality standards of its product.

Production reports are prepared on daily basis to evaluate the plant performance giving and explaining details of various consumption ratios. The reports not only give these details for the day but also cumulative data for every month and the year ended.

The daily production report also gives number of breakdowns, breakdowns hours, reasons for breakdowns, material consumed per metric ton of sugar produced.

21. GENERAL

21.1 The Thal Industries Corporation Limited was incorporated on September 07, 1953 under the Companies Act, 1913 (Now Companies Act, 2017) as public company, limited by shares. Its shares are quoted on Pakistan Stock Exchange. 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-Pir Khursid Colony Gulgasht , Multan. The total crushing capacity of the company is 30,000 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 September 30, 2023.

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21.2 All figures have been rounded off to nearest Rupee.

Annexure B1

	2021								2022							
	Quantity	Unit	Normal price	Transfer price	Rupees	Purchase Rate	Cost	Profit earned	Quantity	Unit	Normal price	Transfer price	Rupees	Purchase Rate	Cost	Profit earned
	Audited								Audited							
Almoiz Industries Limited																
Sales																
Sale Of Sugarcane	3,017.19	M. Tons	4,271.59	3,000.00	23,083,950.00	-	-	23,083,950.00	9,171.34	M. Tons	4,520.18	4,638.27	42,537,351.56	-	-	42,537,351.56
Sale Of Transparents Cards	160,000.00	Nos	2.75	2.75	990,000.00	2.75	990,000.00	-	230,000.00	Nos	2.75	2.75	687,500.00	2.25	562,500.00	125,000.00
Sale Of Seem- Dee Fertilizer Granular 10Kg	3,000.00	Bags	950.00	950.00	4,750,000.00	950.00	4,750,000.00	-	1,000.00	Bags	950.00	950.00	950,000.00	931.00	931,000.00	19,000.00
Sale Of Heavy Melting Scrap (D. M 3) Local	890,510.00	Kgs	131.59	131.59	118,852,934.00	-	-	118,852,934.00	765,160.00	Kgs	130.23	141.37	84,436,483.00	-	-	84,436,483.00
Squeezing Of Equipments Travelling Bill	-	Kgs	-	-	-	-	-	-	1.00	Kgs	7,790.00	8,000.00	8,000.00	7,790.00	7,790.00	210.00
S.S Nickle Working Screw K-1100-30*0.09 Min Top + Bottom	2.00	Set	151,161.00	201,970.00	605,940.00	171,579.08	514,737.25	91,172.75	-	Set	-	-	-	-	-	-
S.S Nickle Working Screw For Refine Machine 1100 X 0.3 Min	1.00	Set	78,080.00	92,040.00	92,040.00	88,400.00	88,400.00	3,640.00	-	Set	-	-	-	-	-	-
S.S Nickle Working Screw K-1100-30*0.06 Min Top + Bottom	5.00	Set	171,161.00	201,970.00	605,910.00	154,274.86	692,824.39	115,085.41	-	Set	-	-	-	-	-	-
S.S Nickle Working Screw K-1100-30*0.09 Min Top + Bottom	2.00	Set	171,725.00	203,813.50	407,631.00	171,579.08	343,158.16	64,472.84	-	Set	-	-	-	-	-	-
S.S Nickle Working Screw K-1100-30*0.09 Min Top + Bottom	1.00	Set	172,725.00	203,815.00	203,815.00	164,274.86	164,274.86	39,540.14	-	Set	-	-	-	-	-	-
S.S Nickle Working Screw K-1100-30*0.06 Min Top Vace Flec	1.00	Set	172,725.00	203,815.00	203,815.00	154,155.68	372,465.23	138,179.77	-	Set	-	-	-	-	-	-
S.S Nickle Working Screw 12/34 0.04 Min Bottle (Pr-04.1409)	3.00	Set	144,250.00	170,235.00	510,645.00	160,662.50	482,437.50	28,207.50	-	Set	-	-	-	-	-	-
Ss Nickle Screw 8 058hn	2.00	Set	78,080.00	92,040.00	184,080.00	54,466.50	108,933.00	75,147.00	-	Set	-	-	-	-	-	-
Ss Nickle Screw 8 068hn	2.00	Set	171,161.00	201,970.00	403,940.00	160,662.50	642,650.00	161,290.00	-	Set	-	-	-	-	-	-
Ss Nickle Screw 8 068hn	4.00	Set	171,161.00	201,970.00	807,880.00	160,662.50	642,650.00	165,230.00	-	Set	-	-	-	-	-	-
Ss Nickle Screw 8 068hn	2.00	Set	171,161.00	201,970.00	403,940.00	160,313.00	320,626.00	83,314.00	-	Set	-	-	-	-	-	-
Ss Nickle Screw 8 058hn	4.00	Set	172,725.00	203,815.50	815,262.00	160,662.50	642,650.00	172,612.00	-	Set	-	-	-	-	-	-
Ss Nickle Screw 8 068hn	2.00	Set	172,725.00	203,816.00	203,816.00	160,313.00	160,313.00	43,503.00	-	Set	-	-	-	-	-	-
Ss Nickle Screw 8 058hn	1.00	Set	172,725.00	203,816.00	203,816.00	984.87	5,170,362.25	1,643,937.75	3,600.00	Kgs	850.00	848.25	4,750,200.00	744.00	4,166,400.00	583,800.00
Decolorizer Arpani (Drill -83)	5,250.00	Kgs	1,108.00	1,298.00	6,814,500.00	-	-	-	1,400.00	Kgs	720.00	848.25	1,187,550.00	744.00	1,041,600.00	145,950.00
Store Sale-Decolorizer 268-80	-	Kgs	-	-	-	-	-	-	2.00	Nos	93,600.00	93,600.00	187,200.00	93,600.00	187,200.00	-
Sale Controller	-	Nos	-	-	-	-	-	-	960.00	M. Tons	290.00	339.50	325,728.00	125.00	216,000.00	109,728.00
Store Sale-Bostik Sib	-	M. Tons	-	-	-	-	-	-	137.00	Mounds	230.00	230.00	31,510.00	230.00	31,510.00	-
Seed Cane Charges	-	Mounds	-	-	-	-	-	-	137.00	Mounds	22.00	22.00	3,014.00	22.00	2,814.00	-
Labour Charges Seed	-	Mounds	-	-	-	-	-	-	137.00	Mounds	22.00	22.00	3,014.00	22.00	900,000.00	26,080.00
Store Sale-Polythene Liner	1,000.00	Kgs	640.00	733.29	733,290.00	434.71	434,714.00	320,486.00	2,500.00	Kgs	374.40	374.40	936,000.00	360.00	44,500.00	19,060.00
Store Sale-Ss Screen	-	-	-	-	-	-	-	-	1.00	-	79,360.00	79,360.00	79,360.00	68,300.00	216,000.00	35,780.00
Store Sale-Polyethelenevie 2125, A-110	-	Kgs	-	-	-	-	-	-	300.00	Kgs	720.00	819.00	245,700.00	700.00	298,410.00	(13,223.00)
Formic Acid	1,470.00	Kgs	292.64	292.64	430,180.00	208.19	307,334.00	122,866.00	1,013.00	Kgs	258.00	292.50	296,897.00	294.00	21,315.00	1,628.00
Marker Ink	-	Nos	-	-	-	-	-	-	680.00	Nos	35.36	41.63	34,865.00	35.36	-	-
Tube Cleaning Flexible Shaft (15329 Mm X 65") (Pr-04.1409)	2.00	ea	85,000.00	108,300.00	200,600.00	101,700.67	203,401.23	(2,801.23)	-	ea	-	-	-	-	-	-
Sale Of Store Items (Sensor For Beet Harvester (Bait Unloading Bucket)	2.00	ea	8,792.00	10,374.56	31,123.68	7,259.90	21,779.70	9,343.98	-	ea	-	-	-	-	-	-
Sale Of Store Items (Remote Control Complete For Beet Harvester Note)	2.00	ea	74,039.00	87,366.02	174,732.04	63,323.25	127,046.49	47,685.55	-	ea	-	-	-	-	-	-
Sale Of Store Items Sensor For Beet Har-vester (Line Follow Up) P483997	6.00	ea	9,718.00	11,467.24	68,803.44	6,767.16	40,602.96	28,198.48	-	ea	-	-	-	-	-	-
Sale Of Store Items (Touch Panel For Remote Control For Beet Harvester)	2.00	ea	13,569.00	16,011.42	40,954.26	9,511.64	28,634.91	12,299.35	-	ea	-	-	-	-	-	-
Slurry Material	20.00	Kgs	960.00	1,132.80	22,656.01	860.00	25,200.00	3,456.01	-	Kgs	-	-	-	-	-	-
Decolorizer-Food Grade	1,750.00	Kgs	895.75	1,298.00	2,271,499.67	1,462.36	2,559,630.00	(287,710.93)	-	Kgs	-	-	-	-	-	-
Wheel Co- Tube Expander	5.00	ea	137,208.80	187,096.00	927,480.00	157,200.00	786,000.00	141,480.00	-	ea	-	-	-	-	-	-
	1,269,864.19	-	2,031,360.14	2,396,995.13	166,357,542.50	1,931,687.06	19,289,138.11	146,968,421.39	1,017,304.34	-	198,824.76	199,676.58	134,687,650.56	101,177.81	8,637,261.00	126,050,389.56
Al- Moiz Industries Limited																
Purchases																
White Refined Sugar	-	Bags	-	-	-	-	-	-	5,000.00	Bags	4,753.00	3,607.23	59,468,625.00	-	-	-
Sugar Packets (From Ali Foods)	-	Bags	-	-	-	-	-	-	529.00	Bags	2,551.50	2,551.50	1,350,000.00	-	-	-
Laspea Sugarpress Br 15000 Premium	28,085.00	Ltr	1,750.00	2,027.51	56,942,666.00	-	-	-	20,805.00	Ltr	1,111.11	1,300.00	32,246,494.00	-	-	-
Laspea Sugarpress Br 12000 Premium	16,400.00	Ltr	1,750.00	2,024.10	33,195,240.00	-	-	-	-	Ltr	-	-	-	-	-	-
Laspea Sugarpress Br 32000 Premium	1,025.00	Ltr	1,750.00	3,750.00	3,771,250.00	-	-	-	-	Ltr	-	-	-	-	-	-
Fertilizer-Urea	137.00	Bags	2,950.00	2,950.00	404,150.00	-	-	-	-	Bags	-	-	-	-	-	-
Mv Deform Bar-Moiz Steel Grade-60	5,000.00	Kgs	179.49	209.22	1,046,089.24	-	-	-	60,000.00	Kgs	222.99	223.61	13,536,749.00	-	-	-
Mv Deform Bar-Moiz Steel Grade-60	11,900.00	Kgs	228.75	271.75	3,980,159.11	-	-	-	4,800.00	Kgs	222.99	261.68	1,256,076.00	-	-	-
Mv Deform Bar-Moiz Steel Grade-60	22,000.00	Kgs	218.17	248.90	6,232,580.00	-	-	-	26.00	Kgs	92.50	109.50	2,847.00	-	-	-
Mv Deform Bar-Moiz Steel Grade-60	77,000.00	Kgs	229.41	272.50	20,982,780.96	-	-	-	16,040.00	Kgs	217.00	268.00	3,045,120.00	-	-	-
Mv Deform Bar-Moiz Steel Grade-60	22,000.00	Kgs	243.75	289.91	9,567,109.31	-	-	-	-	Kgs	-	-	-	-	-	-
Mv Deform Bar-Moiz Steel Grade-60	18,940.00	Kgs	211.86	212.50	4,024,750.00	-	-	-	-	Kgs	-	-	-	-	-	-
Mv Deform Bar-Moiz Steel Grade-60	14,940.00	Kgs	225.07	272.50	4,070,320.00	-	-	-	-	Kgs	-	2,580.00	2,580.00	-	-	-
Purchase Of Oil Seed	-	Kgs	-	-	-	-	-	-	2,650.00	Carton	1,111.11	1,300.00	2,603,000.00	-	-	-
Purchase Of Almoiz Gur	11.00	Carton	2,961.09	2,961.09	105,111.00	-	-	-	-	Carton	-	-	-	-	-	-
Purchase Of Almoiz Gur	11.00	Carton	801.08	801.08	48,855.00	-	-	-	-	-	-	-	69,360.44	-	-	-
Freight Charges Of Dec Foam Bar	-	-	-	-	-	-	-	-	11,000.00	M. Tons	208.89	208.89	3,320,000.04	-	-	-
Purchases Fertilizers	-	M. Tons	-	-	-	-	-	-	4,920.00	M. Tons	208.89	208.89	1,027,360.91	-	-	-
Sealer Assessories 80 Tph	-	M. Tons	-	-	-	-	-	-	80.00	-	1,719.00	1,719.00	137,520.00	-	-	-
Kraft Paper Bag With Polythene	-	-	-	-	-	-	-	-	-	ea	-	-	-	-	-	-
Hy Core Valve Class-900 6"	2.00	ea	291,892.00	344,423.50	688,847.00	-	-	-	-	ea	-	-	-	-	-	-
Ms Rubber Tie Sch-120 10000" Sch-80 P13	1.00	ea	69,104.00	70,028.00	70,028.00	-	-	-	-	ea	-	-	-	-	-	-
Squal Tee 4X6 Sch-80	1.00	ea	2,660.00	3,159.00	3,159.00	-	-	-	-	ea	-	-	-	-	-	-
Ms Seed Sch-120 6" P13	2.00	ea	32,133.00	37,917.00	75,834.00	-	-	-	-	ea	-	-	-	-	-	-
Hp Core Valve Class-1500 12"	1.00	ea	953,911.00	1,125,023.00	1,125,023.00	-	-	-	-	ea	-	-	-	-	-	-
Turbine Rotor Hs Turbine (164hv)	1.00	ea	87,142,766.00	101,957,034.22	101,957,034.22	-	-	-	-	ea	-	-	-	-	-	-
Fiber Optic Cable 12-Core	630.00	Meter	76.74	89.79	58,366.77	-	-	-	-	Meter	-	-	-	-	-	-
Globe Valve	10.00	Nos	1,102.23	6,021.81	134,414.40	-	-	-	-	Nos	-	-	-	-	-	-
Echo Slurry	950.00	Kgs	1,008.79	3,529.28	3,493,078.91	-	-	-	-	Kgs	-	-	-	-	-	-
	232,336.00	-	88,561,930.20	103,360,991.18	240,947,833.34	-	-	-	145,390.00	-	12,495.36	16,277.32	110,915,231.49	-	-	-

1Bm

Baba Farid Sugar Mills Limited

Sales

Sale Of Trolleygrams Cards	120,000.00	Nos	2.75	2.75	330,000.00	2.75	330,000.00	-	120,000.00	Nos	2.75	2.75	330,000.00	2.25	270,000.00
Sale Of Store Item (Dosing Pump With Motor)	-	Nos	-	-	-	-	-	-	4.00	Nos	N/A	451,035.00	1,804,140.00	451,035.00	1,804,140.00
Sale Of Store Item Semi Synthetic Oil	-	Kgs	-	-	-	-	-	-	615.00	Kgs	500.00	1,300.00	799,500.00	600.00	369,000.00
Sale Of Store Item Semi Synthetic Oil	-	Nos	-	-	-	-	-	-	720.00	Nos	500.00	702.00	505,440.00	500.00	360,000.00
Sale Of Store- Bio Fertilizer Granular 50Kg	1,500.00	Bags	950.00	950.00	1,425,000.00	950.00	1,425,000.00	-	1,000.00	Bags	931.00	950.00	950,000.00	931.00	931,000.00
Steel Shell	-	Unit	-	-	-	-	-	-	1.00	Unit	3,000,000.00	3,009,313.00	3,009,313.00	3,000,000.00	3,000,000.00
Deodorizer Aropad 248-83	-	Kgs	-	-	-	-	-	-	15,855.00	Kgs	-	812.99	11,097,262.00	744.00	10,155,600.00
Sale Of Tube Expander	2.00	Nos	60,000.00	70,000.00	141,600.00	60,000.00	120,000.00	23,600.00	-	Nos	-	-	-	-	-
Boiler Stroker Hmc Design	300.00	Nos	850.00	1,003.00	300,900.00	850.00	255,000.00	45,900.00	-	Nos	-	-	-	-	-
SS Expansion Bellow 12"	1.00	no	95,000.00	112,100.00	112,100.00	-	-	112,100.00	-	no	-	-	-	-	-
SS Expansion Bellow 6"	1.00	no	50,000.00	59,000.00	59,000.00	-	-	59,000.00	-	no	-	-	-	-	-
SS Expansion Bellow 8"	1.00	no	70,000.00	82,600.00	82,600.00	28,000.00	28,000.00	54,600.00	-	no	-	-	-	-	-
	121,805.00	-	276,802.75	326,453.75	2,451,200.00	89,802.75	2,158,000.00	293,200.00	135,990.00	-	3,001,935.75	3,464,115.74	18,497,655.00	3,453,813.25	16,889,740.00

Baba Farid Sugar Mills Limited

Purchases

Purchase: Local Light Melting Scrap	-	-	-	-	-	-	-	-	3,420.00	-	100.00	117.00	400,140.00	-	-	-
Purchase Vs Drive Unit	-	-	-	-	-	-	-	-	1.00	-	117,000.00	117,000.00	117,000.00	-	-	-
Ac Regenerative System For Refine Machine	1.00	Nos	6,500,000.00	7,371,000.00	7,371,000.00	-	-	-	-	Nos	-	-	-	-	-	-
	1.00	-	6,500,000.00	7,371,000.00	7,371,000.00	-	-	-	3,421.00	-	117,100.00	117,117.00	517,140.00	-	-	-

Nasheker Bottling Co. (Pvt) Ltd

Sale

White Bagged Sugar	1,250,430.00	Bags	4,966.82	4,943.24	6,181,174,338.00	3,661.08	4,577,921,792.10	1,603,252,755.90	600,840.00	Bags	4,500.00	4,224.17	2,582,880,541.00	2,658.23	1,833,752,548.93	-
Load Seal Sale	5,000.00	Nos	4.54	4.54	22,817.00	6.08	30,409.00	(7,592.00)	9,000.00	Nos	-	4.54	41,067.00	-	-	-
	1,255,430.00	-	4,970.58	4,947.80	6,181,197,553.00	3,667.16	4,577,952,192.10	1,603,245,170.90	609,840.00	-	4,500.00	4,228.74	2,582,879,608.00	2,658.23	1,833,752,548.93	-

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF STOCK IN TRADE
AS AT SEPTEMBER 30, 2023

Particulars	2023		2022	
	Quantity (Metric ton)	Amount (Rupees)	Quantity (Metric ton)	Amount (Rupees)
Raw material	-	-	-	-
Work in process				
Sugar	98.751	4,613,690	75.809	3,375,353
Molasses	62.890	2,073,420	54.832	1,123,478
	161.641	6,687,110	130.641	4,498,831
Finished goods				
Sugar:				
Own manufactured	66,528.350	4,549,416,047	97,033.650	5,468,880,814
Trading activity	-	-	-	-
In transit	-	-	-	-
	66,528.350	4,549,416,047	97,033.650	5,468,880,814
Molasses				
At mills	5,385.784	177,563,913	2,107.712	43,185,864
Stock in trade	72,076	4,733,667,070	99,272	5,516,565,509
Store, spares and loose tools				
Store		535,511,241		420,568,116
Spare parts		494,762,612		485,075,745
Loose tools		10,941,252		15,353,332
Less: Provision for obsolescence		-		-
		1,041,215,105		920,997,193

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF PRODUCTION CAPACITY
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Capacity utilization in Production Units

Particulars	2023 Sugarcane crushed	2022 Sugarcane crushed
	Metric ton	
Installed capacity	3,228,000.00	3,190,000.00
Actual utilization	2,575,765.77	3,059,465.01
Percentage of utilization	79.79%	95.91%

Reasons for variances:

Crushing capacity of plants has increased to 30,000 MT/day as compared to last year(23,000 MT/day) . In current year, mill's lost hours were 24.57 % less than those of in last year due to decrease in number of crushing days. Due to decreases in crushing days, Company has attained 79.79% utilization as compared to 95.91% utilization in last year. Sugar production in 2023 is 9.12% less than that of last year due to less availability of sugarcane.

Capacity utilization in Machine Hours

Particulars	2023 Sugarcane crushed	2022 Sugarcane crushed
	Machine hours	
Installed capacity (Standard hours)	2,560.90	3,320.53
Actual utilization (Actual hours)	2,381.80	3,083.27
Percentage of utilization	93.01%	92.85%

Reasons for variances:

Standard hours is dependent upon no of working days i.e. 107 days (2022: 138 days). The comparative increase in utilization in current year is due to effective use of available hours. Sugar mills temporarily shutdowns for maintenance purposes in the mid of manufacturing season . During the year company stops for less period i.e.7.56 days (2022: 9.89 days) thus increasing the percentage of utilization in relation to installed capacity by 0.15%.

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER**

THE THAL INDUSTRIES CORPORATION LIMITED
THE COMPANY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

COMPANY INFORMATION

1.	Name of the company	The Thal Industries Corporation Limited
2.	Date of incorporation	September 07, 1953
3.	Location of registered office	23-Pir Khursid Colony Gulgasht , Multan
4.	Location of factory Unit 1	Layyah Sugar Mills, Layyah
5.	Location of factory Unit 2	Safina Sugar Mills, Lalian District Chinniot
6.	Products other than sugar being manufactured	None
7.	Installed cane crushing capacity in metric tons	30,000 metric tons per day.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF PRODUCTION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S. #	Particulars	2023	2022
1.	**Production data**		
(a)	**Cane crushed**		
	Date of start	November 25, 2022	November 15, 2021
	Date of finish	March 12, 2023	April 3, 2022
	Duration of run days	107.00	138.00
	Total number of hours in duration	2,560.895	3,320.525
	Total number of hours of actual crushing	2,381.795	3,083.265
	Total numbers of hour lost	179.100	237.260
	Total cane milled (metric tons)	2,575,765.773	3,059,465.013
	Converted maunds	64,394,144.325	76,486,625.33
	Total mixed juice obtained (metric tons)	2,592,923.850	3,080,676.060
(b)	**Gur melted**		
2.	**Raw Sugar**		
	Raw Sugar Processed	-	-
	Sugar made (metric ton)	-	-
	Recovery%	-	-
	Molasses sent out (metric ton)	-	-
	Molasses %	-	-
3.	**Juice and added water**		
	Average mixed juice % cane	100.666	100.693
	Average added water % cane	29.104	28.933
4.	**Sugar made**		
	Total sugar bagged of all grade (100 kg)	-	-
	Total sugar bagged of all grade (50 kg)	5,553,279.000	6,110,420.000
	Sugar bagged (metric tons)	277,663.950	305,521.000
	Sugar in process (metric tons)	98.751	75.809
5.	**Molasses extracted**		
	Total molasses sent out (metric tons)	105,072.752	133,420.919
	Molasses in process (metric tons)	62.890	54.832
6.	**Recovery %**		
	Average recovery of marketable white sugar % cane	10.780	9.986
	Average production of final molasses % cane	4.079	4.361
7.	**By- products**		
	Bagasse % cane (metric tons)	28.618	28.715
	Filter Cake % cane (metric tons)	3.000	3.000
8.	**Clarification process**		
	Specify the process used by the mill	**Defecation Remelt Phosphatation**	**Defecation Remelt Phosphatation**

Figures in Production Data have been rounded to nearest three decimals.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF CAPACITY UTILIZATION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S. #	Particulars	2023	2022
1.	Licensed cane crushing capacity metric tons per day	30,000.000	23,000.000
2.	Installed cane crushing capacity metric tons per day	30,000.000	23,000.000
3.	Utilized cane crushing capacity metric tons per day	24,072.577	22,170.036
4.	Percentage of utilization in relation to installed capacity	79.79%	95.911%

Figures in statement of capacity utilization have rounded to three decimals.

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER**

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF PRODUCTION CAPACITY
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S. #	Particulars	2023 (Metric ton)	2022 (Metric ton)
1.	**Installed production**		
a)	Capacity of white sugar	347,973.888	318,556.344
b)	Molasses	131,679.23	139,113.45
c)	Bagasse	923,772.90	915,992.55
d)	Filter Cake	96,840.00	95,700.00
2.	**Actual production**		
a)	Actual capacity of sugar(sugarcane)	277,663.950	305,521.000
b)	Molasses	105,072.752	133,420.919
c)	Bagasse	737,119.770	878,510.081
d)	Filter Cake	77,272.973	91,783.950
3.	**Percentage of production in relation to installed capacity**		
a)	Sugar	79.79%	95.91%
b)	Molasses	79.79%	95.91%
c)	Bagasse	79.79%	95.91%
d)	Filter Cake	79.79%	95.91%

Figures in Statement of Production Capacity have rounded to three decimals.

Note: Molasses and bagasse are by-products therefore installed and utilized capacities are nil.

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER**

Annexure-1

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF PRODUCTION AND SALE OF WHITE BAGGED SUGAR
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Quantitative Data - Bagged Sugar

	2023 Metric tons	2022 Metric tons
Opening Stock	97,033.65	6,307.30
Production & Purchased	277,663.95	305,971.00
	374,697.60	312,278.30
Sales	(308,169.25)	(215,244.65)
Closing Stock	**66,528.35**	**97,033.65**

S.No	Particulars		2023 Rupees	2023 Per metric ton	2022 Rupees	2022 Per metric ton
1	**Raw materials**					
	(a) Sugarcane (Annexure-3)		20,294,424,602	73,089.88	18,569,379,449	60,690.00
	(b) Beet (Annexure-4)		-	-	-	-
	(c) Gur		-	-	-	-
	(d) Raw / Refined sugar		-	-	43,135,576	140.98
	(e) Process material (Annexure-5)		306,048,379	1,102.23	270,320,613	883.48
2	**Salaries / wages and benefits (Annexure-6)**		413,287,721	1,488.45	349,876,398	1,143.50
3	**Consumable stores**		22,063,137	79.46	17,447,999	57.03
4	**Repair and maintenance**		911,275,266	3,281.94	561,413,297	1,834.86
5	**Steam (Annexure-7)**	*	3,287,811,535	11,840.97	3,446,435,012	11,263.93
6	**Electric power (Annexure-8)**	**	(354,227,512)	(1,275.74)	(470,923,088)	(1,539.11)
7	**Water and gas**		-	-	-	-
8	**Insurance**		4,024,244	14.49	4,048,830	13.23
9	**Depreciation**		281,213,311	1,012.78	286,622,326	936.76
10	**Other factory overheads (Annexure-9)**		332,028,703	1,195.79	200,510,704	655.33
11	**Total cost**		25,497,949,385	91,830.25	23,278,267,117	76,079.98
12	Add: Opening stock of W.I.P.		4,498,831	14.70	5,188,121	16.96
13	Less: Closing stock of W.I.P.		(6,687,110)	(24.08)	(4,498,831)	(14.70)
14	**Total cost of goods manufacturing**		25,495,761,106	91,822.37	23,278,956,407	76,082.23
15	**Less: Realizable value of By-Products:**					
	Molasses		(3,039,469,004)	(10,946.57)	(2,630,155,137)	(8,596.09)
	Bagasse		(3,671,630,709)	(13,223.29)	(3,580,179,350)	(11,701.04)
	Others(Press Mud)		(49,310,485)	(177.59)	(49,651,120)	(162.27)
16	**Net Cost of goods manufacturing**		18,735,350,908	67,474.91	17,018,970,800	55,622.82
17	Add : Packing material		252,175,911	908.21	225,757,515	737.84
18	**Net cost of bagged sugar**		18,987,526,819	68,383.12	17,244,728,314	56,360.66
19	Add :Excise duty / Sales tax.		-	-	-	-
20	**Total cost of bagged sugar**		18,987,526,819	68,383.12	17,244,728,314	56,360.66
	Add: Opening stock of sugar		5,468,880,814	17,873.85	405,298,156	1,324.63
	Add: Opening stock of molasses		43,185,864	141.14	184,842,861	604.12
	Less: Closing stock of sugar		(4,549,416,047)	(16,384.61)	(5,468,880,814)	(17,873.85)
	Less: Closing stock of molasses		(177,563,913)	(639.49)	(43,185,864)	(141.14)
21	**Cost of sales**		19,772,613,537	64,161.54	12,322,802,653	57,250.22
22	Administrative expenses (Annexure-10)		1,257,825,063	4,081.60	653,180,818	3,034.60
23	Selling and distribution expenses (Annexure-11)		301,910,157	979.69	204,875,792	951.83
24	Financial expenses		1,232,284,565	3,998.73	785,003,453	3,647.03
25	Other charges		-	-	-	-
	Total cost to make and sell		22,564,633,321	73,221.56	13,965,862,716	64,883.67

* This includes Rs. 2,330,467,428 /- Credit for exhaust steam Annexure-8.

** This consists of cost as per Annexure-8 less water Cost of Rs. 150,977,311/- Annexure-7.

From serial number 21 onward all cost per metric ton has been calculated based on the quantity sold.

CHIEF EXECUTIVE OFFICER **CHIEF FINANCIAL OFFICER**

Annexure-2

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF SUGAR CANE PRODUCED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S. No	Particulars	2023		2022	
		Rupees	Per metric ton	Rupees	Per metric ton
1	**Seeds & other inputs:**				
	Seed				
	Fertilizers, herbicides etc.				
	Insecticides				
	Abiana/water charges				
	Total cost of inputs				
2	**Labour cost:**				
	Land preparation	NOT APPLICABLE			
	Plantation				
	Maintenance of cane crop/rations				
	Operation of tractors				
	Harvesting				
	Total labour cost				
3	**Other cost:**				
	Fuel for tractors operation				
	Maintenance and 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				

1300

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

S.No	Particulars	2023			2022		
		Metric tons	Per metric ton	Rupees	Metric tons	Per metric ton	Rupees
1	Total sugarcane purchased at Government fixed rate	2,575,768.258	7,722.69	19,891,852,056	3,059,472.006	5,967.32	18,256,856,169
	Sugarcane produced from own farm (Annexure-2)	-	-	-	-	-	-
	Less: Loss in transit	2.485	7,722.69	19,191	6.993	5,967.32	41,729.49
	Sugarcane received at factory gate	2,575,765.773	7,722.69	19,891,832,865	3,059,465.013	5,967.32	18,256,814,440
2	Commission	2,575,765.773		-	3,059,465.013	-	-
3	Quality premium	2,575,765.773		-	3,059,465.013	-	-
4	Unloading and feeding of cane	2,575,765.773	0.33	845,775	3,059,465.013	0.23	718,224
5	Cane development expenses	2,575,765.773	9.43	24,294,172	3,059,465.013	5.49	16,786,157
	(a) Salaries and wages of supply and development Staff	2,575,765.773	43.28	111,474,032	3,059,465.013	25.38	77,658,072
	(c) Supply staff and transportation expenses	2,575,765.773	11.56	29,773,255	3,059,465.013	5.78	17,672,482
	(d) Other expenditure (misc. procurement expenses)	2,575,765.773	4.41	11,348,529	3,059,465.013	1.82	5,576,718
6	Taxes and Levies:						
	(a) Cane cess / purchase tax	2,575,765.773	62.50	160,987,387	3,059,465.013	37.50	114,732,587
	(b) Market Committee fee	2,575,765.773	10.00	25,757,683	3,059,465.013	10.00	30,594,720
	(c) Road cess	2,575,765.773	-	-	3,059,465.013	-	-
	(d) Octroi (toll Tax)	2,575,765.773	-	-	3,059,465.013	-	-
	(e) Other levies	2,575,765.773	-	-	3,059,465.013	-	-
7	Transportation Charges:						
	(a) Delivery expenses	2,575,765.773	1.89	4,869,161	3,059,465.013	3.88	11,879,112
	(b) Transport subsidy	2,575,765.773	-	-	3,059,465.013	-	-
	(c) Others	2,575,765.773	-	-	3,059,465.013	-	-
8	Other Expenditure at Cane Collection Centers:						
	(a) Salaries and wages	2,575,765.773	12.90	33,222,552	3,059,465.013	12.06	36,905,209
	(b) Stores	2,575,765.773	-	-	3,059,465.013	-	-
	(c) Repairs and maintenance	2,575,765.773	-	-	3,059,465.013	-	-
	(d)Others	2,575,765.773	-	-	3,059,465.013	-	-
	Total cost of sugarcane transferred to production process (Annexure-1)	**2,575,765.773**	**7,878.99**	**20,294,424,602**	**3,059,465.013**	**6,069.49**	**18,569,379,449**

1300

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

	Types of steam boilers used (Water Tubes)				
1	No. of days worked		107.00	138.00	(31)
2	Installed capacity (steam in metric tons)	Metric Tons	1,579,320	1,920,960	(341,640)
3	Utilized capacity (steam in metric tons)	Metric Tons	1,304,776	1,575,365	(270,589)
	.				-
4	Production:	Metric Tons	854,392	831,109	23,283
	(a) High pressure steam	Metric Tons	450,384	744,256	(293,872)
	(b) Medium pressure steam	Metric Tons	-	-	-
	(c) Low pressure steam	Metric Tons	65,239	78,768	(13,529)
	(d) Less: Transit losses	Metric Tons	1,239,537	1,496,597	(257,060)
	(e) Total		82.62	82.01	0.61
5	Percentage of capacity utilization (3/2 * 100)				

S.No	Particulars	2023			2022		
		Metric tons	Per metric ton	Amount (Rs.)	Metric tons	Per metric ton	Amount (Rs.)
1	Water	-	-	150,977,311	-	-	96,971,552
2	Fuels:						
	(a) Bagasse						
	(i) Own (including handling expenses)	630,626.97	5,027.18	3,170,272,563	852,015.77	4,087.48	3,482,593,675
	(ii) Purchased	-	-	-	-	-	-
	(b) Pith	-	-	-	-	-	-
	(c) Coal purchased	-	-	-	-	-	-
	(d) Furnace oil	0.20	110,491.05	21,601	0.94	45,913.43	42.981
	(e) Fire wood	-	-	-	-	-	-
	(f) Gas	-	-	-	-	-	-
	(g) Other fuels (cane carrier, cleaning etc.)	-	-	-	-	-	-
3	Quantity of waste heat from the plant, if any	-	-	-	-	-	-
4	Consumable stores	-	-	55,025,080	-	-	47,020,735
5	Direct salaries, wages and benefits	-	-	69,292,778	-	-	56,752,275
6	Repair and maintenance	-	-	-	-	-	-
7	Other direct expenses (e.g. Boiler inspection fee etc.)	-	-	-	-	-	-
8	Insurance	-	-	146,376,851	-	-	89,638,559
9	Depreciation	-	-				

S.No	Particulars	2023			2022		
		Metric tons	Per metric ton	Amount (Rs.)	Metric tons	Per metric ton	Amount (Rs.)
10	**Total cost of steam raised (After Loss)**	**1,239,537.20**	**2,897.83**	**3,591,966,185**	**1,496,596.75**	**2,521.07**	**3,773,019,776**
	Less: Outside sale	-	-	-	-	-	-
	Add: Cost of steam purchased	-	-	-	-	-	-
11	**Total Cost of Steam Consumed**	**1,239,537.20**	**2,897.83**	**3,591,966,185**	**1,496,596.75**	**2,521.07**	**3,773,019,776**
12	**Allocation**						
	Total of item 11 allocated to						
	(i) White Bagged Sugar	364,874.64	2,897.83	1,057,344,107	417,077.50	2,521.07	1,051,480,079
	(ii) Electric powerhouse (Annexure-8)	874,662.56	2,897.83	2,534,622,078	1,079,519.25	2,521.07	2,721,539,698
	(iii) Others						
	(a) Staff colony	-	-	-	-	-	-
	(b) Office building, etc.	-	-	-	-	-	-
	Total	**1,239,537.20**	**2,897.83**	**3,591,966,185**	**1,496,596.75**	**2,521.07**	**3,773,019,776**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-4

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF BEAT CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S.No	Particulars	2023			2022		
		Metric tons	Per metric ton	Rupees	Metric tons	Per metric ton	Rupees
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 and wages of supply and development Staff						
	b. Sugar development research						
	c. Supply staff and transportation expenses						
	d. Other expenditures						
5	**Taxes and Levies (if any)**						
	a. Purchase tax						
	b. Market committee fee						
	c. Road cess						
	d. Octroi						
	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 and wages						
	b. Stores						
	c. Repair and maintenance						
	d. Others						
	Total cost of "beet" transferred to production process (Annexure-1)						

NOT APPLICABLE

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-5

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF PROCESS MATERIAL CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S.No	Particulars	2023		2022	
		Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
	Total Sugar Produced 2022 - 305,521.000 metric tons Total Sugar Produced 2023 - 277,663.950 metric tons	M. Tons	277,663.95	M. Tons	305,521.00
1	Phosphoric Acid	44,584,842	160.57	72,404,121	236.99
2	Filter Acid.(HCL)	450,325	1.62	441,708	1.45
3	Acid Inhibitor (Kafzol RN)	24,871,780	89.58	27,678,341	90.59
4	Bleaching Powder	431,665	1.55	594,938	1.95
5	BIO CIDE (Preventol ZL)	4,959,880	17.86	4,299,721	14.07
6	Chemfloc 57/56 HP/ Accofloc(Poly Electrolyte)	11,974,751	43.13	9,844,121	32.22
7	Colour Quest 55(Decolorizer)	69,780,835	251.31	49,738,570	162.80
8	Chem Float - 100 (Floatation Aid)	-	-	-	-
9	Accofloc A-110PWG	1,402,209	5.05	1,653,430	5.41
10	SLURY Material	4,631,692	16.68	2,940,319	9.62
11	Anti Foam	253,434	0.91	633,862	2.07
12	Formalin.	73,829	0.27	102,172	0.33
13	Unslaked Lime	23,352,102	84.10	21,873,913	71.60
14	Soda Ash	5,046,660	18.18	4,002,301	13.10
15	Solid Caustic Soda.	21,439,033	77.21	16,399,982	53.68
16	Common Salt	-	-	10,260	0.03
17	Tri Sodium Phosphate(Chem Float A 100)	2,527	0.01	12,634	0.04
18	Others	5,540,620	19.95	8,629,465	28.25
19	Laboratory Chemicals.	5,984,316	21.55	2,850,049	9.33
20	Lubricants and Grease.	79,681,350	286.97	46,165,776	151.11
21	Filter Cloth	1,586,530	5.71	44,930	0.15
22	Sulphur	-	-	-	-
23	Sewing Thread	-	-	-	-
24	Cleaning Brushes	-	-	-	-
	Total	**306,048,379**	**1,102.23**	**270,320,613**	**884.79**
	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 (Annexure-1)	**306,048,379**	**1,102.23**	**270,320,613**	**884.79**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-6

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING COST OF SALARIES, WAGES AND BENEFITS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S.No	Particulars	2023		2022	
		Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
	Total Sugar Produced 2022 - 305,521.000 metric tons Total Sugar Produced 2023 - 277,663.950 metric tons	M. Tons	277,663.95	M. Tons	305,521.00
	Cost				
1	**Salaries / Wages:**				
(i)	Officers and permanent staff	516,277,689	1,859.36	420,005,994	1,372.70
(ii)	Seasonal staff	17,491,004	62.99	17,472,217	57.10
(iii)	Daily rated and contract labour	434,413,897	1,564.53	355,246,149	1,161.05
(iv)	Bonuses	125,450,192	451.81	55,245,098	180.56
2	**Benefits:**				
(i)	Medical expenses	2,992,363	10.78	3,144,824	10.28
(ii)	Canteen expenses	-	-	-	-
(iii)	Welfare , recreation	22,309,680	80.35	19,264,746	62.96
(iv)	Allowances	1,807,482	6.51	1,052,354	3.44
(v)	Education cess / expenses	175,150	0.63	199,250	0.65
(vi)	Group insurance / workmen	8,589,342	30.93	10,107,436	33.03
(vii)	Haj expenses	12,691,800	45.71	5,106,521	16.69
(viii)	Gratuity / pension	61,703,029	222.22	48,110,434	157.24
(ix)	Other benefits (E.O.B.I)	14,141,707	50.93	10,238,900	33.46
(x)	Earned leave	8,308,283	29.92	7,491,254	24.48
(xi)	Social security contribution	28,856,806	103.93	48,873,314	159.73
	Total	**1,255,208,424**	**4,520.60**	**1,001,558,491**	**3,273.38**
	Less allocated to				
	(a) Raw material	144,696,584	521.12	114,563,281	374.43
	(b) Electricity generation	63,924,128	230.22	50,191,688	164.04
	(c) Steam generation	55,025,080	198.17	47,020,735	153.68
	(d) Admin expenses	554,948,404	1,998.63	425,563,359	1,390.86
	(e) Selling and distribution expenses	23,326,507	84.01	14,343,030	46.88
	(f) Any Other specify	-	-	-	-
	Total	**841,920,703**	**3,032.16**	**651,682,093**	**2,129.88**
	Balance transferred to production process (Annexure-1)	**413,287,721**	**1,488.45**	**349,876,398**	**1,143.50**

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT OF COST OF ELECTRIC POWER PURCHASED/GENERATED AND CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

		2023	2022	Variance
1	Installed capacity (79,000KW) (2022: 79,000KW)	202,310,705	262,321,475	(60,010,770)
2	No. of units generated (KWH)	124,204,982	147,207,170	(23,002,188)
3	No. of units purchased (KWH)	3,077,608	2,574,481	503,127
4	Total (2+3)	127,282,590	149,781,651	(22,499,061)
5	Consumption in Power House including other losses	12,420,498	14,720,717	(2,300,219)
6	Net units consumed (4-5)	114,862,092	135,060,934	(20,198,842)
7	Percentage of consumption and losses to total units available 5/4 * 100	9.76	9.83	(0.07)
8	Percentage of power generated to installed capacity 2/1 * 100	61.39	56.12	5.28

S.No	Particulars	2023			2022		
		Metric tons	Per metric ton	Amount (Rs.)	Metric tons	Per metric ton	Amount (Rs.)
1	Steam (Annexure-7)	874,662.56	2,897.83	2,534,622,078	1,079,519.25	2,521.07	2,721,539,698
2	Consumable stores	-	-	63,924,128	-	-	50,191,689
3	Salaries and wages.(Annexure-6)	-	-	20,436,748	-	-	17,229,165
4	Other direct expenses (diesel for generator)	-	-	148,199,681	-	-	30,058,772
5	Repair and maintenance	-	-	-	-	-	-
6	Duty on electricity	-	-	47,107,180	-	-	52,341,311
7	Depreciation			**2,814,289,815**			**2,871,360,635**
	Total			(2,230,467,427)			(2,394,954,934)
8	Less: (a) Credit for exhaust steam used in process etc.88%			-			-
	(b) Other credits ,if any			583,822,388			476,405,701
9	Cost of power generated	(61,220,580)	14.80	(905,765,140)	(73,680,030.00)	12.86	(947,328,631)
10	Less: Cost of power sold	-	-	118,692,552	-	-	96,971,394
11	Add: Cost of power purchased			**(203,250,200)**			**(373,951,536)**
12	**Total net cost of power consumed**						
13	Cost per unit average	66,062,010	(3.08)	(203,250,200)	76,101,621	(4.91)	(373,951,536)
14	Total at item 13 allocated to						
	(i) White bagged sugar	63,770,481.90	(3.08)	(196,199,955)	73,852,853.79	(4.91)	(362,901,443)
	(ii) Self - consumption.	-	-	-	-	-	-
	(iii) Others	-	-	-	-	-	-
	(a) Staff colony	1,463,447	(3.08)	(4,502,526)	1,337,751	(4.91)	(6,573,500)
	(b) Office building	660,620	(3.08)	(2,032,502)	761,016	(4.91)	(3,739,515)
	(c) Other (Tube well)	167,461	(3.08)	(515,221)	150,000	(4.91)	(737,077)
	Total	**66,062,010**	**(3.08)**	**(203,250,200)**	**76,101,621**	**(4.91)**	**(373,951,536)**

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-9

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING OTHER FACTORY OVERHEADS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S.No	Particulars	2023		2022	
		Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
	Total Sugar Produced 2022 - 305,521.000 metric tons Total Sugar Produced 2023 - 277,663.950 metric tons	M. Tons	277,663.95	M. Tons	305,521.00
	Cost				
1	Rent, rate and taxes	-	-	-	-
2	Printing and stationery	1,432,606	5.16	1,134,176	3.71
3	Postage and telegram	69,107	0.25	55,060	0.18
4	Telephone fax and telex	1,760,287	6.34	1,564,637	5.12
5	Traveling and conveyance	2,196,146	7.91	2,759,315	9.03
6	Entertainment	1,627,602	5.86	1,669,104	5.46
7	Vehicle running expenses	257,239,593	926.44	166,307,744	544.34
8	Repair and maintenance buildings	62,440,333	224.88	24,407,509	79.89
9	Fire fighting	2,090,293	7.53	177,379	0.58
10	Other expenses	3,172,736	11.43	2,435,779	7.97
	Total	**332,028,703**	**1,195.79**	**200,510,704**	**656.29**
	Allocated to				
	(i) White bagged sugar	332,028,703	1,195.79	200,510,704	656.29
	(ii) Electric power house	-	-	-	-
	(iii) Steam generation	-	-	-	-
	(iv) Others:				
	(a) Staff colony	-	-	-	-
	(b) Office building etc.	-	-	-	-
	Total as per item 12 above	**332,028,703**	**1,195.79**	**200,510,704**	**656.29**

BNO

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-10

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S.No	Particulars	2023		2022	
		Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
1	Total Sugar Sold 2022 - 215,244.650 metric tons Total Sugar Sold 2023 - 308,169.250 metric tons	30,938,325,531	100,393.94	18,687,709,096	86,820.78
2	**Cost:**				
	Director remuneration	4,760,000	15.45	4,680,000	21.74
	Salaries, wages and benefits (A- 6).	554,948,404	1,800.79	425,563,359	1,977.11
	Rent, rates and taxes.	4,864,381	15.78	10,574,377	49.13
	Insurance	220,886	0.72	233,623	1.09
	Water, gas and electricity	3,433,749	11.14	5,055,971	23.49
	Printing and stationery	6,646,791	21.57	5,698,767	26.48
	Postage and telegram.	276,430	0.90	220,241	1.02
	Telephone fax and telex	7,041,149	22.85	6,258,548	29.08
	Repair and maintenance	28,367,452	92.05	17,079,163	79.35
	Traveling and conveyance	18,935,089	61.44	6,287,321	29.21
	Books and periodicals	88,260	0.29	66,620	0.31
	Entertainment.	26,477,633	85.92	13,330,790	61.93
	Advertising	529,250	1.72	732,118	3.40
	Legal and professional expenditure	147,968,340	480.15	23,104,957	107.34
	Auditor's remuneration.	2,505,000	8.13	2,275,441	10.57
	Vehicle running expenses	58,369,968	189.41	39,338,544	182.76
	Charity and donation.	-	-	-	-
	Fee and Subscription	320,015,496	1,038.44	20,252,406	94.09
	Depreciation and amortization	49,213,781	159.70	51,573,538	239.60
	Others.	23,163,004	75.16	20,855,034	96.89
	Total	**1,257,825,063**	**4,081.60**	**653,180,818**	**3,034.60**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Annexure-11

THE THAL INDUSTRIES CORPORATION LIMITED
STATEMENT SHOWING SELLING EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

S.No	Particulars	2023		2022	
		Amount (Rs)	Cost per ton of sugar	Amount (Rs)	Cost per ton of sugar
1	Total Sugar Sold 2022 -215,244.650 metric tons Total Sugar Sold 2023 - 308,169.250 metric tons	30,938,325,531	100,393.94	18,687,709,096	86,820.78
2	**Cost:**				
	Salaries, wages and benefits (Annex 6).	23,326,507	75.69	14,343,030	66.64
	Commission.	23,259,645	75.48	15,580,303	72.38
	Freight outward.	131,637,320	427.16	91,799,968	426.49
	Stacking / Restacking.	91,778,456	297.82	59,050,293	274.34
	Loading / Unloading.	21,126,108	68.55	14,024,714	65.16
	Numbering Expenses	863,620	2.80	1,011,395	4.70
	Insurance	5,558,780	18.04	5,692,087	26.44
	Other Expenses.	4,359,721	14.15	3,374,001	15.68
	Total	**301,910,157**	**979.69**	**204,875,792**	**951.83**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	2023 Rupees	2022 Rupees
Profit as per cost accounting records	3,871,563,827	1,957,844,767
Add: Incomes not considered in cost records:		
Sales other products	4,371,565,437	3,876,763,762
Other income		
Reversal of impairment allowance under expected credit loss	31,493,243	13,084,740
Gain on disposal of stores and PPE	911,113	2,774,076
Gain on redemption of investments	-	2,971,660
Exchange Gain	63,531,784	
Sale of scrap	110,428,422	89,701,724
Gain on agriculture inputs to growers	70,469,060	40,384,251
Other income	12,615,108	12,214,484
Bagasse charged to production (Annex 7)	3,160,231,852	3,472,207,474
Less: Expenses not considered in cost accounts		
Other expenses (WPPF, WWF)	(218,925,681)	(178,469,910)
Prior Sales Tax Recovered by FBR	(490,425,997)	
Net Loss on Disposal of Short Term Investments	(251,308)	
Charity and donation.	(19,500,547)	(17,188,240)
Cost of sale (related to other products)	(905,765,140)	(947,328,631)
Net-Realizable value of by products (Molasses, Mud and Beet Pulp) - adjusted in sugar cost	(6,760,410,198)	(6,259,985,607)
Taxation	(985,710,022)	(626,179,595)
Profit after taxation	2,311,820,954	1,438,794,954
Overvaluation of closing stock in financial accounts	-	361,212,462
Undervaluation of opening stock in financial account	-	-
Overvaluation of opening stocks in financial accounts	(361,212,462)	(18,136,488)
Undervaluation of closing stocks in financial accounts	15,458,637	-
Adjustment for other, if any (specify)	-	-
Profit as per financial accounting records	1,966,067,129	1,781,870,927

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF COST TO MAKE & SELLS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	COST ACCOUNTS (RUPEES)	FINANCIAL ACCOUNTS (RUPEES)	DIFFERENCE (RUPEES)
Raw material consumed	20,294,424,602	20,149,728,018	144,696,584
Salaries, wages and other benefits	413,287,721	743,129,784	(329,842,063)
Fuel and power	2,933,584,023	149,191,612	2,784,392,411
Stores, spare parts and loose tools	328,111,516	582,529,300	(254,417,784)
Repairs and maintenance	911,275,266	1,191,208,058	(279,932,792)
Insurance	4,024,244	4,024,244	-
Depreciation	281,213,311	474,697,341	(193,484,030)
Vehicle running	-	257,239,593	(257,239,593)
Miscellaneous	-	8,429,089	(8,429,089)
Factory Overheads	332,028,703	-	332,028,703
Total cost	25,497,949,386	23,560,177,039	1,937,772,347
Work in process-opening inventory	4,498,831	4,498,831	-
Work in process-closing inventory	(6,687,110)	(6,687,110)	-
	(2,188,279)	(2,188,279)	-
Total cost of goods manufactured	25,495,761,107	23,557,988,760	1,937,772,347
Less: Realizable value of By-Products:			
Molasses	(3,039,469,004)	-	(3,039,469,004)
Bagasse	(3,671,630,709)	-	(3,671,630,709)
Power sold	-		-
Others (Press mud)	(49,310,485)	-	(49,310,485)
	(6,760,410,198)	-	(6,760,410,198)
Net cost of goods manufacturing	18,735,350,909	23,557,988,760	(4,822,637,851)
Add: Packing material	252,175,911	-	252,175,911
Net cost of bagged sugar	18,987,526,820	23,557,988,760	(4,570,461,940)
Add: Excise duty / Sales Tax	-	-	-
Total cost of bagged sugar	18,987,526,820	23,557,988,760	(4,570,461,940)
Finished goods-opening inventory	5,512,066,678	5,873,279,140	(361,212,462)
Finished goods-closing inventory	(4,726,979,960)	(4,742,438,597)	15,458,637
	785,086,718	1,130,840,543	(345,753,825)
Cost of sales	19,772,613,538	24,688,829,303	(4,916,215,765)
Administrative expenses	1,257,825,063	1,214,324,397	43,500,666
Distribution and selling expenses	301,910,157	300,392,913	1,517,244
Financial expenses	1,232,284,564	1,362,183,091	(129,898,527)
Total cost to make and sell	22,564,633,321	27,565,729,704	(5,001,096,383)

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Schedule 1

Contents

Reconciliation of administrative expenses

Reconciliation of distribution and selling expenses

Reconciliation statement of financial charges

Reconciliation of Raw materials consumed

Reconciliation of statement of cost of sales

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Particulars	2023 Rupees	2022 Rupees
Administrative expenses as per financial statements	**1,214,324,397**	**620,945,174**
Less:		
Firefighting (Annexure-10)	(2,090,293)	(177,404)
Postage and telegram (Annexure-10)	(69,107)	(55,060)
Charity and donation.	(19,500,547)	(17,188,240)
Telephone and telex (Annexure-10)	(1,760,287)	(1,564,637)
	(23,420,234)	(18,985,341)
Add:		
Others (Annexure-10)	2,241,874	-
Salaries and wages (Annexure-6)	64,679,027	51,220,985
	66,920,901	51,220,985
Administrative expenses as per cost accounts	**1,257,825,063**	**653,180,818**

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF DISTRIBUTION AND SELLING EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Particulars	2023 Rupees	2022 Rupees
Distribution and selling expenses as per financial statements	**300,392,913**	**204,161,308**
Add:		
Canteen expenses (Annexure-6)	-	-
Group Insurance (Annexure -6)	79,072	-
Gratuity (Annexure -6)	1,210,498	697,101
Worker welfare expenses	85,248	81,002
Welfare and recreation expenses (Annexure-6)	352,426	198,137
	1,727,244	976,240
Less:		
Group Insurance (Annexure -6)	-	(43,253)
Salaries and wages (Annexure-6)	(210,000)	(218,503)
	(210,000)	(261,756)
Distribution and selling expenses as per cost accounts	**301,910,157**	**204,875,792**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION STATEMENT OF FINANCIAL CHARGES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Particulars	2023 Rupees	2022 Rupees
Financial charges as per financial statements	**1,362,183,091**	**874,257,082**
Less :		
Profit on deposit account (Annexure-1)	(129,898,526)	(89,253,629)
	(129,898,526)	(89,253,629)
Financial Charges as per cost accounts	**1,232,284,565**	**785,003,453**

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION OF RAW MATERIAL CONSUMED
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Particulars	2023 Rupees	2022 Rupees
Raw material as per financial statements	**20,149,728,018**	**18,454,816,168**
Add:		
Salaries & Wages cane department (Annexure-3)	144,696,584	114,563,281
	144,696,584	114,563,281
Raw material as per cost accounts	**20,294,424,602**	**18,569,379,449**

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CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

THE THAL INDUSTRIES CORPORATION LIMITED
RECONCILIATION STATEMENT OF COST OF SALE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Particulars	2023 Rupees	2022 Rupees
Cost of goods sold as per financial statements	24,688,829,303	15,764,971,813
Add:		
Overvaluation of closing stock in financial accounts	-	361,212,462
Admin Expenses as per Financial Accounts	1,214,324,397	620,945,174
Undervaluation of closing stocks in financial accounts	15,458,637	
Selling Expenses as per Financial Accounts	300,392,913	204,161,308
	1,530,175,947	1,186,318,943
Less:		
Realizable value of molasses (Annexure A-1)	(3,039,469,004)	(2,630,155,138)
Realizable value of bagasse (Annexure A-1)	(511,398,857)	(107,971,876)
Charity and donation.	(19,500,547)	(17,188,240)
Overvaluation of opening stock in financial accounts	(361,212,462)	(18,136,488)
Realizable value of Muds (Annexure A-1)	(49,310,485)	(49,651,120)
Realizable value of Electricity (Annexure A-8)	(905,765,140)	(947,328,631)
Admin Expenses as per Cost Accounts (A-10)	(1,257,825,063)	(653,180,818)
Selling Expenses as per Cost Accounts (A-11)	(301,910,157)	(204,875,792)
	(6,446,391,714)	(4,628,488,103)
Cost of goods sold as per cost accounts	**19,772,613,536**	**12,322,802,654**

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER