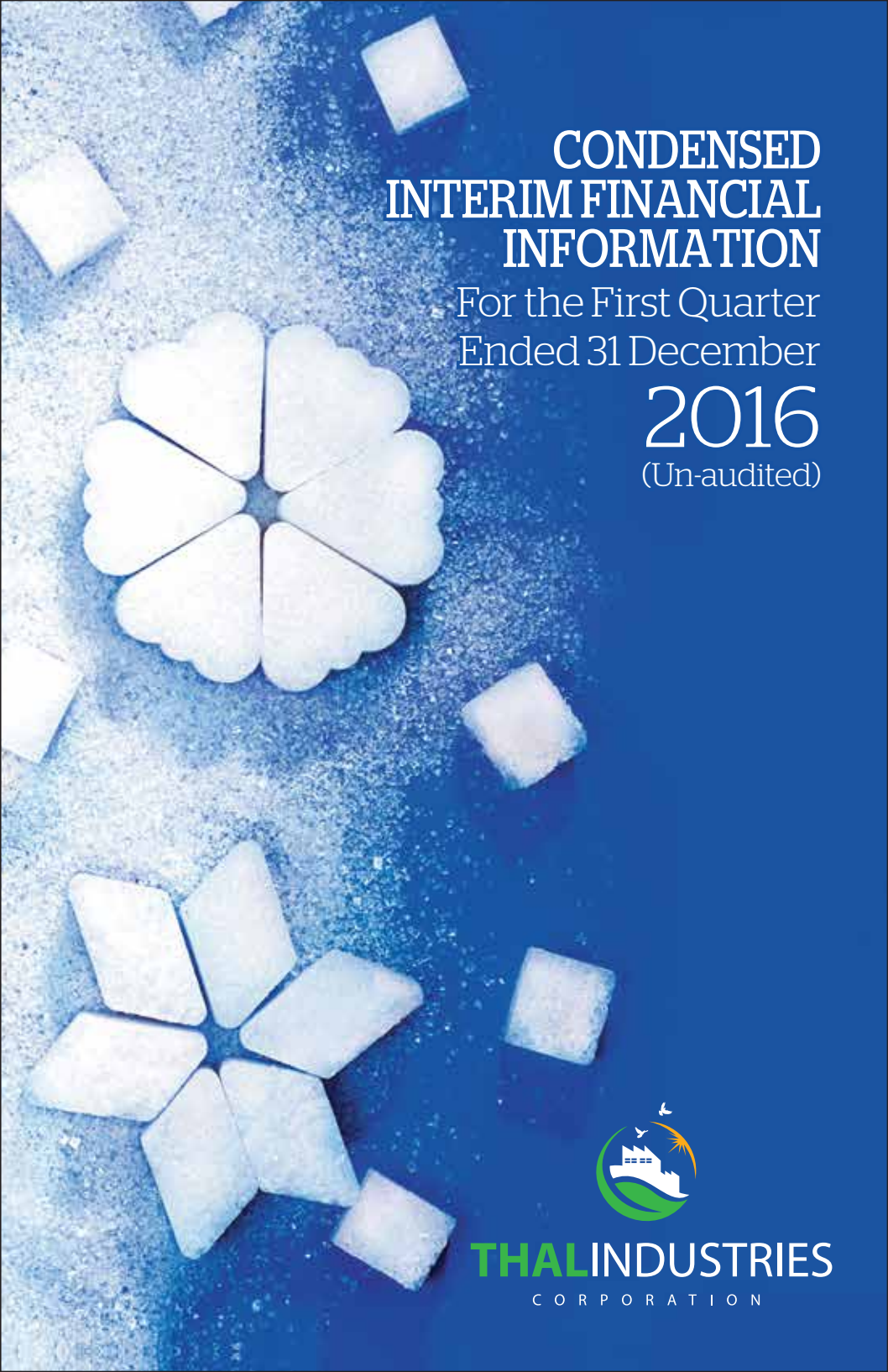


CONDENSED INTERIM FINANCIAL INFORMATION

For the First Quarter Ended 31 December

2016

(Un-audited)

THAL INDUSTRIES CORPORATION

Contents

CompanyInformation	2
Directors'Review	4
CondensedInterimBalanceSheet	8
Condensed Interim Profit and Loss Account	10
CondensedInterimStatementofotherComprehensiveIncome	11
CondensedInterimCashFlowStatement	12
Condensed Interim Statement of Changes in Equity	13
SelectedNotestotheCondensedInterimFinancialInformation	14

Company Information

BOARDOFDIRECTORS	**CHAIRMAN/CHIEFEXECUTIVE**	
	Mr. Muhammad Shamim Khan	
	MANAGINGDIRECTOR	
	Mr. Nauman Ahmed Khan	
	DIRECTORS	
	Mrs. Qaiser Shamim Khan	
	Mr. Adnan Ahmed Khan	
	Ms. Farrah Khan	
	Mr. Muhammad Khan	
	Mr. Muhammad Ashraf Khan Durani	(Independent Director)
AUDITCOMMITTEE	Mr. Muhammad Ashraf Khan Durani	(Chairman)
	Mrs. Qaiser Shamim Khan	(Member)
	Mr. Adnan Ahmed Khan	(Member)
HUMANRESOURCE& REMUNERATION COMMITTEE	Mr. Muhammad Ashraf Khan Durani	(Chairman)
	Mr. Muhammad Shamim Khan	(Member)
	Mr. Adnan Ahmed Khan	(Member)
CHIEFFINANCIALOFFICER	Mr. Hafiz Muhammad Arif	
COMPANYSECRETARY	Mr.WasifMahmood	
AUDITORS	M/s. Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants, Lahore	
LEGALADVISOR	Mr. Shehzad Ata Elahi, Advocate Ch. Altaf Hussain Advocate	
BANKERS	Albaraka Bank Pakistan Limited Allied Bank Limited Askari Bank Limited Bank Al-Habib Limited Bank Alfalah Limited DubaiIslamic Bank (Pakistan) Limited Faysal Bank Limited Habib Bank Limited MCB Bank Limited Meezan Bank Limited NIB Bank Limited Standard Chartered Bank (Pakistan) Limited Soneri Bank Limited United Bank Limited	

SHAREREGISTRAR	M/s.CORPLINK (Pvt) Ltd Wings Arcade, 1-K- Commercial Model Town, Lahore Tel: 042-35839182, 35887262 Fax: 042-35869037
REGISTEREDOFFICE	23- Pir Khurshid Colony Gulgasht, Multan Tel: 061-6524621, 6524675 Fax: 061-6524675
LAHOREOFFICE	2-D-1 Gulberg-III, Lahore – 54600 Tel: 042-35771066-71 Fax: 042-35771175
FACTORYADDRESSES	**Unit1:** Layyah Sugar Mills, Layyah Tel: 0606-411981-4, 410014 Fax: 0606-411284 **Unit2:** Safina Sugar Mills, Lalian District Chinniot. Tel: 047-6610011-6 Fax: 047-6610010
WEBSITE	www.thalindustries.com

Directors' Review

The Directors of your Company are pleased to present the Un-Audited Accounts of the Company for the 1st Quarter Ended 31 December 2016 in compliance with the section 245 of the Companies Ordinance, 1984.

INDUSTRYOVERVIEW

Sugarcane crop acreage is expected higher as compared to last year generally over the country level and in our area chiefly due to increase loaning facilities to our farmers to overcome last year's flood effect and introduction of better verities of sugarcane. Resultantly per acre yield is expected to be on higher side. It is therefore expected that the levels of cane crushing and sugar production in the province of Punjab would be slightly higher as compared to the last crushing season.

Despite expectation of surplus sugar production in the local and international markets, the sugarcane minimum price was maintained by the Punjab Government at Rs. 180/- per mound for the crushing season 2016-17, sugarcane minimum price notified by the Sindh Government at Rs. 182/- per mound. Estimating the higher availability of cane compared to last year there should also be price stabilization over cane purchase among sugar mills in Punjab.

OPERATINGHIGHLIGHTS

The Company was able to crush 798,420 M. Tons sugarcane and produced 71,704 M. Tons white refined sugar at an average recovery of 9.349% during the first quarter ending December 31, 2016 as compared to last year sugarcane crushing of 554,373 M. Tons and production of 49,954 M. Tons white refined sugar at an average recovery of 9.502%. The increased volume of crushing is attained due to the BMR completed last year where slight drop in sugar recovery is due to overall drop in the province due to low rains.

Net sales of sugar and molasses was recorded at Rs. 2,772.599 million during the first quarter from 1st October-2016 to 31 Dec-2016 as compared to Rs. 1,362.513 million against the corresponding period of last year, mainly due to increased sales volume.

The Company earned pretax profit of Rs. 307.563 million during the quarter under review as compared to pretax profit of Rs. 21.052 million in the corresponding period of last year and after tax profit of Rs. 279.409 million against after tax profit of Rs. 7.205 million over the same period of last year. Increase in profitability was partially due to higher sales volume of sugar and molasses and partially due to improved sugar prices in the local market. These factors cumulatively contributed to the substantial increase in the profitability of company.

All out efforts are being made to increase the production and profitability of the company through process efficiency, installing modern, latest technology equipments, reducing production cost due to close supervision, developing good quality cane, by providing the latest improved seed varieties, fertilizer, pesticides etc. and facilitating the cane growers constantly, which ultimately will result in higher sugar recovery and also financial benefit to the cane growers.

FUTUREOUTLOOK

It is expected that sugarcane supply for the current crushing season 2016-17 will be higher as compared to the last year due to increased loaning facilities to our farmers to overcome last year's crop damage due to flood and to introduce better varieties of sugarcane. This will help to increase better yield & sucrose content in the crop thus expecting higher sugar production as comparedtolastyear.

Keeping in view of the expected increased cane crop in the current crushing season 2016-17, there will be an oversupply situation vis-a-vis consumption in Pakistan and as a result sugar prices may remain under pressure. This would ultimately affect the profitability of the sugar industry. On the pre-emption of oversupply situation, the Government has recently approved 225,000 ton sugar export with restrictive terms & conditions to have control on local sugar prices. The outlook for the industry and your company is very much hinges on the timely export of surplus stocks of sugar from the country. Only if this overhang is cleared, sugar can maintain an acceptable level of sugar price in the local market giving positive financial outcomes from the current situation.

Your company is making all the efforts on timely completion of its 20 MW power export project at Layyah. Commercial Operation Date is expected in the off-season and power export from the saved bagasse is expected to have a material impact on the company's profitability, which will strengthen our ability to prosper in this tough competitive environment.

ACKNOWLEDGEMENT

The Board would like to record their appreciation for the efforts and devotion of all the company's employees and hope they will continue their contribution towards the enhancement of productivity and well being of the company in the future as well. The board also wishes to thank the financial institutions associated with the company for their support which they made to pull the company through this very tough competitive environment.

For and on behalf of the Board

MUHAMMADSHAMIMKHAN
Chairman/Chief Executive

LAHORE: 26 January 2017

ڈائریکٹرز کی جائزہ رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کمپنیز آرڈیننس 1984 کی دفعہ 245 کے تحت 31 دسمبر 2016ء کو ختم ہونے والی پہلی سہ ماہی کیلئے کمپنی کے غیر تنقیح شدہ حسابات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

صنعت کا مجموعی جائزہ

گذشتہ سال سیلاب کے اثرات پر قابو پانے کیلئے کسانوں کو قرض کی سہولیات میں اضافہ اور گنے کی بہتر اقسام متعارف کروانے کی بدولت ملکی سطح پر اور خاص طور پر ہمارے علاقے میں گزشتہ سال کے مقابلے گنے کی فصل رقبے کے لحاظ سے زیادہ پیدا ہونے کی توقع ہے۔ نتیجتاً فی ایکڑ پیداوار زیادہ ہونے کی امید ہے۔ اس لئے امید کی جاتی ہے کہ گزشتہ کرشنگ سیزن کے مقابلے میں اس سال صوبہ پنجاب میں گنے کی کرشنگ اور چینی کی پیداوار کی سطح تھوڑی زیادہ ہوگی۔

مقامی اور بین الاقوامی منڈیوں میں وافر مقدار میں چینی کی پیداوار کی توقعات کے باوجود، حکومت پنجاب کی طرف سے گنے کی کم سے کم قیمت کرشنگ سیزن 17-2016 کیلئے -/180 روپے فی من برقرار رکھی گئی، سندھ حکومت کی طرف سے گنے کی کم سے کم قیمت -/182 روپے فی من کا اعلان کیا گیا۔ گزشتہ سال کے مقابلے میں گنے کی زیادہ دستیابی کے اندازہ کی وجہ سے امید کی جاتی ہے کہ پنجاب میں شوگر ملوں کے درمیان گنے کی خریداری پر قیمت کا بھی استحکام ہوگا۔

کمپنی کی سہ ماہی کارکردگی

31 دسمبر 2016 کو ختم ہونے والی پہلی سہ ماہی کے دوران کمپنی نے 798,420 میٹرک ٹن کرشنگ کی اور 9.349 فیصد اوسط ریکوری کے ساتھ 71,704 میٹرک ٹن سفید ریفائنڈ چینی بنائی۔ جبکہ اس کے مقابلے میں گذشتہ سال 554,373 میٹرک ٹن کرشنگ کی اور 9.502 فیصد اوسط ریکوری کے ساتھ 49,954 میٹرک ٹن سفید ریفائنڈ چینی بنائی۔ کرشنگ میں نمایاں اضافہ گزشتہ سال BMR مکمل ہونے کی وجہ سے تھا، لیکن صوبہ میں کم بارشوں کی وجہ سے چینی کی ریکوری میں معمولی کمی واقع ہوئی۔

31 دسمبر 2016 کو ختم ہونے والی پہلی سہ ماہی میں چینی اور مولاسس کی فروخت کی مقدار میں اضافہ کے ساتھ 2,772.599 ملین روپے کے مقابلے میں گذشتہ سال 1,362.513 ملین روپے ریکارڈ کی گئی۔

زیر جائزہ سہ ماہی کے دوران آپ کی کمپنی نے قبل از ٹیکس منافع 307.563 ملین روپے اور بعد از ٹیکس منافع 279.409 ملین روپے حاصل کیا جبکہ گزشتہ سال قبل از ٹیکس منافع 21.052 ملین روپے اور بعد از ٹیکس منافع 7.205 ملین روپے حاصل کیا۔ منافع میں اضافہ جزوی طور پر چینی اور مولاسس کے فروختی حجم میں اضافہ اور کلی طور پر مقامی مارکیٹ میں چینی کی قیمتوں میں بہتری کی وجہ سے تھا۔ ان عوامل نے مل کر کمپنی کے مجموعی منافع بڑھانے میں اہم کردار ادا کیا ہے۔

تمام تر کوششیں، گنے کے کاشتکاروں کو مسلسل نئی اور بہتر بیج کی اقسام، کھادیں، کیڑے مار ادویات اور باہم سہولیات پہنچا کر عمل کارکردگی بہتر بنانے کے ساتھ ساتھ، جدت طرازی، جدید ترین ٹیکنالوجی آلات کی تنصیب، کڑی نگرانی سے پیداواری

اخراجات کو کم کر کے گنے کے معیار کو بہتر بنانے کے ذریعے کمپنی کی پیداوار اور منافع کو بڑھانے کے لئے کی جارہی ہیں۔جس کے نتیجہ میں چینی کی ریکوری زیادہ اور گنے کے کاشتکاروں کو بھی مالی فوائد حاصل ہوں گے۔

مستقبل کا نقطہءنظر

توقع ہے کہ رواں کرشنگ سیزن 17-2016 میں کمپنی نے گزشتہ سال سیلاب کے نقصان کو پورا کرنے کیلئے کسانوں کو قرضہ کی سہولیات میں اضافہ اور گنے کی بہتر قسموں کو متعارف کرانے کی وجہ سے گزشتہ سال کے مقابلے گنے کی سپلائی زیادہ ہوگی۔اس سے گزشتہ سال کے مقابلے فصل کی فی ایکڑ پیداوار اور بہتر سکروز مواد اور چینی کی پیداوار میں اضافہ کرنے میں مدد ملے گی۔

رواں کرشنگ سیزن 17-2016 میں گنے کی فصل میں متوقع اضافہ کو پیش نظر رکھتے ہوئے، پاکستان میں کھپت کے مقابلے وافر رسد کی صورت حال ہوگی اور اس کے نتیجے میں چینی کی قیمتیں دباؤ میں رہ سکتی ہیں، بالآخر چینی کی صنعت کے منافع پر اثر پڑے گا۔ وافر رسد کی صورت حال سے بچنے کے لئے حکومت نے مقامی شوگر کی قیمتوں پر قابو پاتے ہوئے حال ہی میں قواعد وضوابط کے ساتھ 225,000 میٹرک ٹن چینی برآمد کرنے کی منظوری دے دی ہے۔ملکی صنعت اور آپ کی کمپنی کے مستقبل کا انحصار ملک سے چینی کے سرپلس اسٹاک کی بروقت برآمد پر ہے۔اور پھر اسی صورت میں مقامی منڈی میں چینی کی قیمت کو ایک قابل قبول سطح پر برقرار رکھتے ہوئے موجودہ صورت حال مثبت مالیاتی نتائج دے سکتی ہے۔

آپ کی کمپنی لیہ والی فیکٹری میں اپنے 20 میگاواٹ بجلی برآمد (پاور ایکسپورٹ) کے منصوبے کی تکمیل کیلئے ہر ممکن کوشش میں لگی ہوئی ہے۔تجارتی آپریشن (کمرشل آپریشن ڈیٹ) کی تاریخ گنے کے سیزن کے اختتام میں متوقع ہے اور محفوظ بگاس سے بجلی کی برآمد سے کمپنی کے منافع پر مثبت اثرات پڑیں گے، جو اس سخت مسابقتی ماحول میں کامیاب ہونے کی ہماری صلاحیت کو مضبوط کریں گے۔

اظہار تشکر

ڈائریکٹرز کمپنی کے تمام ملازمین کی کوششوں اور لگن کو سراہتے ہیں اور امید کرتے ہیں کہ وہ پیداوار میں اضافہ اور کمپنی کی بھلائی کی خاطر مستقبل میں بھی اپنی کاوشوں کو جاری رکھیں گے۔ڈائریکٹرز کمپنی کے ساتھ شریک مالی اداروں جنہوں نے اس بہت ہی کٹھن مسابقتی ماحول سے کمپنی کو باہر نکالا، کے تعاون کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

محمد شمیم خان

چیئرمین/ چیف ایگزیکٹو

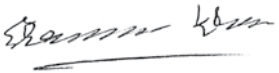
لاہور: 26 جنوری 2017

Condensed Interim Balance Sheet

As at 31 December 2016 (Un-Audited)

	Note	(Un-Audited) 31December 2016	(Audited) 30 September 2016
		.....(Rupees)	
EQUITY&LIABILITIES			
ShareCapitalandReserves			
Share capital	5	150,232,320	150,232,320
Revenue reserves	6	93,800,000	93,800,000
Accumulated profit		1,925,298,347	1,645,889,094
		2,169,330,667	1,889,921,414
NonCurrentLiabilities			
Long term finance	7	1,113,537,189	884,641,139
Loans from directors	7	574,800,000	574,800,000
Liabilities against assets subject to finance lease	8	6,741,294	7,517,935
Deferred liabilities		275,160,923	276,700,267
		1,970,239,406	1,743,659,341
CurrentLiabilities			
Trade and other payables		2,284,504,931	469,460,605
Finance cost payable		79,790,823	139,459,088
Short term borrowings-secured	9	1,562,589,688	1,767,921,046
Advances from directors		349,300,000	375,300,000
Current portion of long term liabilities		290,767,277	333,563,071
Provision for taxation		54,845,555	69,400,368
		4,621,798,273	3,155,104,178
ContingenciesandCommitments	10		
		8,761,368,346	6,788,684,933

The annexed notes form an integral part of these condensed interim financial information.



ChiefExecutive

	Note	(Un-Audited) 31December 2016	(Audited) 30 September 2016
		.....(Rupees)	
PROPERTYANDASSETS			
NonCurrentAssets			
Property, plant & equipment	11	3,200,793,501	3,179,407,334
Long term deposits		464,500	464,500
Long term advances		44,045,112	44,045,112
		3,245,303,113	3,223,916,946
CurrentAssets			
Stores, spare parts and loose tools		490,717,253	423,426,940
Stock-in-trade		3,114,528,761	1,508,711,664
Trade debts		649,422,821	625,127,111
Loans and advances		534,439,140	452,539,177
Trade deposits, prepayments and other receivables		126,589,554	40,221,850
Taxes recoverable / adjustable		404,313,368	456,167,384
Cash and bank balances		196,054,336	58,573,861
		5,516,065,233	3,564,767,987
		8,761,368,346	6,788,684,933

Director

Condensed Interim Profit and Loss Account

For the 1st Quarter Ended 31 December 2016 (Un-Audited)

	Note	31 December 2016	31 December 2015
		.....(Rupees)	
Sales - net		2,799,026,921	1,384,708,624
Cost of Sales	12	(2,338,751,890)	(1,247,760,992)
Gross profit		460,275,031	136,947,632
Operatingexpenses			
Distribution and selling expenses		(19,805,876)	(18,006,577)
Administrative Expenses		(81,084,764)	(63,458,695)
		(100,890,640)	(81,465,272)
Operating profit		359,384,391	55,482,360
Other Operating Income	13	16,376,899	5,388,140
		375,761,290	60,870,500
Finance Cost		(45,535,441)	(38,267,006)
Other Expenses		(22,662,558)	(1,551,220)
		(68,197,999)	(39,818,226)
Profit before taxation		307,563,291	21,052,274
Taxation - Current		(28,154,038)	(13,847,086)
Profit after taxation		279,409,253	7,205,188
Earnings Per Share - Basic and diluted	14	18.60	0.48

The annexed notes form an integral part of these condensed interim financial information.

ChiefExecutive

Director

Condensed Interim Statement of Other Comprehensive Income

For the 1st Quarter Ended 31 December 2016 (Un-Audited)

	31December 2016	31 December 2015
	.....(Rupees)	
Profit after taxation	279,409,253	7,205,188
OtherComprehensiveIncome-NetofT ax		
Items that will be reclassified to profit or loss	-	-
Items that will never be reclassified to profit or loss	-	-
Total comprehensive income for the period	279,409,253	7,205,188

The annexed notes form an integral part of these condensed interim financial information.

ChiefExecutive **Director**

Condensed Interim Cash Flow Statement

For the 1st Quarter Ended 31 December 2016 (Un-Audited)

	Note	31 December 2016	31 December 2015
		(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		307,563,291	21,052,274
Adjustment for:-			
- Depreciation		67,740,916	76,163,591
- Finance cost		45,535,441	38,267,006
- Workers' profit participation fund		16,511,292	1,130,175
- Workers' welfare fund		6,151,266	421,045
		135,938,915	115,981,817
Operating cash flows before changes in working capital		443,502,206	137,034,091
Changes in working capital	15	(6,605,333)	(62,327,806)
Cash generated from operations		436,896,873	74,706,285
Gratuity paid		(1,539,344)	(2,962,981)
Finance cost paid		(105,203,707)	(32,435,933)
Workers' profit participation fund paid		-	-
Workers' welfare fund paid		(8,731,854)	(2,075,555)
Income tax paid		(42,708,851)	(87,403,571)
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		278,713,117	(50,171,755)
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(89,127,083)	(170,584,833)
NET CASH USED IN INVESTING ACTIVITIES		(89,127,083)	(170,584,833)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term finance		185,562,717	429,379,043
Lease and security deposits payments		(3,371,602)	(3,823,190)
Short term borrowings - net		(205,331,358)	8,063,011
Advances from directors		(26,000,000)	-
Dividend paid		(2,965,317)	(7,298,521)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES		(52,105,561)	426,320,343
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		137,480,474	205,563,755
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		58,573,861	32,876,689
CASH AND CASH EQUIVALENTS AT THE END OF THE QUARTER		196,054,335	238,440,444

The annexed notes form an integral part of these condensed interim financial information.

Chief Executive **Director**

Condensed Interim Statement of Changes in Equity

For the 1st Quarter Ended 31 December 2016 (Un-Audited)

Particular	Share Capital	General Reserves	Accumulated Profit	Total
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Balance as on 01 October 2015	150,232,320	93,800,000	1,060,676,077	1,304,708,397
Total Comprehensive Income for the 1st Quarter Ended 31 December 2015	-	-	7,205,188	7,205,188
Balance as on 31 December 2015	150,232,320	93,800,000	1,067,881,265	1,311,913,585
Cash dividend @ 50.00% i.e. Re. 5.00 per share for the year ended 30 September 2015	-	-	(75,116,160)	(75,116,160)
Profit for the nine months	-	-	653,123,989	653,123,989
Balance as on 30 September 2016	150,232,320	93,800,000	1,645,889,094	1,889,921,414
Total Comprehensive Income for the 1st Quarter Ended 31 December 2016	-	-	279,409,253	279,409,253
Balance as on 31 December 2016	150,232,320	93,800,000	1,925,298,347	2,169,330,667

The annexed notes form an integral part of these condensed interim financial information.

Chief Executive **Director**

Selected Notes to the Condensed Interim Financial Information

For the 1st Quarter Ended 31 December 2016 (Un-Audited)

1. STATUSANDACTIVITIES

The Thal Industries Corporation Limited (Company) was incorporated on 07 September 1953 under The Companies Act, 1913 (Now Companies Ordinance, 1984) as public company limited by shares. Its shares are quoted on Pakistan Stock Exchange in Pakistan. Its registered office is situated at 23-Pir Khurshid Colony, Gulgusht, Multan. The Company is principally engaged in production and sale of refined sugar and its by-products.

2. BASISOFPREPARATION

The condensed interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the company for the year ended 30 September 2016.

There are certain new international financial reporting standards, amendments to published standards and interpretations that are mandatory for the accounting periods beginning on or after 01 January 2015. These are considered not to be relevant or to have any significant effect on the company's reporting and operations and are therefore not disclosed in this condensed interim financial information except for IFRS 13 "Fair Value Measurement", which the company has adopted during the period which became effective for financial periods beginning on or after 01 January 2015. The effect of IFRS 13 "Fair Value Measurement" is disclosed in note 18 to this condensed interim financial information.

The comparative figures as at 30 September 2016 in the condensed interim balance sheet and the related notes to the condensed interim financial information are based on audited financial statements. The comparative condensed interim profit & loss account, condensed interim cash flow statement, condensed interim statement of changes in equity and related notes to the condensed interim financial information for the three months period ended 31 December 2016 are based on un-audited/un-reviewed condensed interim financial information. The condensed interim profit & loss account and condensed interim statement of other comprehensive income for the quarters ended 31 December 2016 and 31 December 2015 are neither audited nor reviewed.

3. STATEMENTOFCOMPLIANCE

This condensed interim financial information of the company for the three months period ended 31 December 2016 has been prepared in accordance with the requirements of the International Accounting Standard -34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

4. ACCOUNTINGPOLICIES

4.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 30 September 2016.

4.2 Previous period's figures are re-arranged / re-classified where necessary to facilitate comparison and are rounded off to the nearest rupee; appropriate disclosure is given in relevant note in case ofmaterialrearrangement.

			Note	(Un-Audited) 31December 2016	(Audited) 30 September 2016
5. SHARE CAPITAL				..... (Rupees)	
NumberofShares					
31-12-16	30-09-16				
AuthorizedCapital:					
20,000,000	20,000,000	Ordinary shares of Rs. 10/- each		200,000,000	200,000,000
Issued,subscribedandpaidupcapital:					
8,368,846	8,368,846	Ordinary shares of Rs. 10/- each fully paid in cash		83,688,460	83,688,460
142,770	142,770	Ordinary shares of Rs. 10/- each issued as fully paid for consideration otherwise than cash		1,427,700	1,427,700
6,511,616	6,511,616	Ordinary shares of Rs. 10/- each issued as bonus shares		65,116,160	65,116,160
15,023,232	15,023,232			150,232,320	150,232,320
6 REVENUERESERVES					
General reserves				93,800,000	93,800,000

It represents distributable profits transferred and utilizable at the discretion of the board of directors.

7. LONGTERMFINANCE			
Loans from banking companies-Secured	7.1	1,113,537,189	884,641,139
Loans from directors-Unsecured	7.2	574,800,000	574,800,000
		1,688,337,189	1,459,441,139

7.1 Demand finance / Diminishing musharaka facilities of Rs. 1,300 million (2016: Rs. 1,300 million) and term finance facilities of Rs. 600 million (2016: 600 million) have been obtained from various banking companies. These loans are secured against first pari passu / hypothecation charge of Rs. 2,535 million over all present and future fixed assets of the Company, personal guarantees of directors of the Company and subordination of directors' loan. The facilities are being repaid in quarterly / biannually instalments beginning from 18 September 2012 and ending on 22 September 2022. These carry mark up @ 3 to 6 month KIBOR + 0.75 % to 1.25% (2016: 3 to 6 month KIBOR + 0.75 % to 1.25%) p.a.

7.2 These unsecured loans have been obtained from directors of the company, and will be paid as and when convenient to the company. These loans carry markup @ 3 month KIBOR + 1% p.a. prevailing at the year end (2016: 3 month KIBOR +1 % p.a.). The management for the time being does not intend to repay any amount against these loans until the end of next financial year and hence no current maturity has been provided. These loans are subordinated to bank loans.

		(Un-Audited) 31December 2016	(Audited) 30 September 2015
		.....(Rupees).....	
8.	**LIABILITIESAGAINSTASSETSSUBJECTTOFINANCELEASE**		
	Opening balance	24,092,817	26,803,668
	Obtained during the year	3,132,500	11,029,500
	Payments/adjustments during the year	(3,058,352)	(13,740,351)
		24,166,965	24,092,817
	Less: Security deposits adjustable on expiry of lease term	(5,585,050)	(5,271,800)
		18,581,915	18,821,017
	Less: Current portion grouped under current liabilities	(11,840,621)	(11,303,082)
		6,741,294	7,517,935
8.1	Reconciliation between minimum lease payments and present value of minimum lease payments is as follows:		
	Not later than one year	12,952,537	12,322,851
	Later than one year but not later than five years	7,085,451	7,967,840
	Gross Minimum lease payments	20,037,988	20,290,691
	Less: Finance cost allocable to future periods	(1,456,073)	(1,469,674)
	Present value of minimum lease payments	18,581,915	18,821,017
	Less: Current Portion of liabilities against assets subject to finance lease	(11,840,621)	(11,303,082)
		6,741,294	7,517,935

8.2 The Company has a finance lease agreement of Rs. 65 million for vehicles with Bank Al-Habib Limited. Rentals are payable in 12 quarterly installments commencing from September 2013 and ending on September 2019. The mark up rate implicit in the lease is 3 months KIBOR + 1.00% to 1.25% p.a. (2016: 3 months KIBOR + 1.00% to 1.25% p.a.). The lease is secured by way of vehicle registered in the name of Bank Al-Habib Limited with 10% of vehicle value held as security.

8.3 The company intends to exercise its option to purchase the leased assets upon the maturity of lease term. Taxes, repairs and insurance cost is to be borne by the company. In case of termination of the agreement, the company has to pay the entire rentals for the unexpired period for the lease agreement.

	Note	(Un-Audited) 31December 2016	(Audited) 30 September 2015
		.....(Rupees).....	
9. SHORTTERMBORROWINGS-SECURED FROMBANKINGCOMPANIES			
Running Finance	9.1	162,607,520	402,940,648
Cash Finance	9.2	1,399,982,167	1,364,980,398
		1,562,589,688	1,767,921,046

9.1 These loans have been obtained from various banks to meet the working capital requirements and are secured against first pari passu hypothecation / registered ranking charge over current assets of the Company and personal guarantees of directors. These are subject to mark up at the rate of 1 year KIBOR minus 1.00% & 1 to 3 month KIBOR + 0.75 to 1.00% (2016: 1 year KIBOR minus 1.00% & 1 to 3 month KIBOR + 0.75 to 1.00%) p.a. The limits will expire on various dates by 31 March 2017 but are renewable.

9.2 These loans have been obtained from various banks to meet the working capital requirements and are secured against pledge over sugar bags of equivalent value with 10% to 25% margin and personal guarantees of directors. These are subject to mark up at the rate of 1 to 3 months KIBOR plus 0.25% to 1.00% (2016: 1 to 3 months KIBOR plus 0.25% to 1.00%) p.a. The limits will expire on various dates by 30 April 2017 but are renewable.

10. CONTINGENCIESANDCOMMITMENTS

Contingencies		
Various claims against the company not acknowledged as debts which are pending in the court for decision	1,568,000	1,568,000
Sales tax on molasses	1,217,508	1,217,508
Income tax cases	11,955,520	11,955,520
Additional tax u/s 87 of Income Tax Ordinance, 1979	4,500,353	4,500,353
Bank guarantees	231,084,153	231,084,153
	250,325,534	250,325,534
Commitments		
Contracts for capital expenditure	21,783,747	21,783,747
Letters of credit for capital expenditure	46,981,631	46,981,631
Letters of credit for other than capital expenditure	13,027,088	13,027,088
	81,792,466	81,792,466

	Note	(Un-Audited) 31December 2016	(Audited) 30 September 2016
		.....(Rupees).....	
11. PROPERTY ,PLANT&EQUIPMENT			
Operating fixed assets	11.1	2,917,698,001	2,967,583,810
Capital work in progress - Tangible Assets		261,802,527	190,530,551
Capital work in progress - Intangible Assets		21,292,973	21,292,973
		3,200,793,501	3,179,407,334

11.1 OperatingFixedAssets

Opening book value		2,967,583,810	2,482,514,983
Addition during the period		17,855,107	737,749,657
Deletion during the period		-	(640,480)
Depreciation charged		(67,740,916)	(252,040,350)
		2,917,698,001	2,967,583,810

11.2 Addition-AtCost/Disposal-AtWDV

	(Un-Audited) 31December2016		(Audited) 30 September 2016	
	Additions	Deletions	Additions	Deletions
	Rupees	Rupees	Rupees	Rupees
Owned Assets				
Freehold land	-	-	34,843,910	-
Building on free hold land	-	-	29,755,535	-
Plant and machinery	5,676,104	-	637,290,603	(508,853)
Tools, implements and other factory equipments	68,359	-	4,847,872	-
Computer and other office equipments	664,944	-	6,806,562	-
Electric Installations	11,445,700	-	316,423	-
Vehicles	-	-	12,784,252	(131,627)
	17,855,107	-	726,645,157	(640,480)
LeasedAssets				
Vehicles	-	-	11,104,500	-
	-	-	11,104,500	-
	17,855,107	-	737,749,657	(640,480)

	Note	(Un-Audited) 31December 2016	(Un-Audited) 31 December 2016
		.....(Rupees).....	
12. COSTOFSALES			
Finished goods - opening		1,503,090,759	1,248,180,386
Add: Cost of goods manufactured	12.1	3,783,495,003	2,665,490,871
		5,286,585,762	3,913,671,257
Finished goods - closing		(2,947,833,872)	(2,665,910,265)
		2,338,751,890	1,247,760,992
12.1 Costofgoodsmanufactured:			
Work in process - opening		5,620,905	5,683,095
Raw material consumed		3,628,249,839	2,520,487,749
Salaries, wages and other benefits		76,275,513	60,973,722
Fuel and power		9,439,348	8,538,183
Stores, spares and loose tools		55,346,687	43,287,752
Repairs and maintenance		104,189,123	101,074,410
Insurance		1,079,340	895,761
Depreciation		64,551,165	73,133,763
Miscellaneous		5,437,972	5,203,083
		3,950,189,892	2,819,277,518
Work in process - closing		(166,694,889)	(153,786,647)
		3,783,495,003	2,665,490,871
13. OTHEROPERATINGINCOME			
FinancialAssets			
Profit on deposit accounts		246,516	80,503
Others			
Sale of scrap		11,722,654	1,752,334
Rental Income		82,875	181,193
Miscellaneous		4,324,854	3,374,110
		16,376,899	5,388,140

14. EARNINGSPERSHARE-BASICANDDILUTED

Earnings per share is calculated by dividing the profit after tax for the year by the weighted average number of shares outstanding during the period as follows:

	(Un-Audited) 31December 2016	(Un-Audited) 31 December 2015
	.....(Rupees).....	
Profit after tax	279,409,253	7,205,188
Weighted average number of ordinary shares in issue during the period	15,023,232	15,023,232
Earnings per share	18.60	0.48

15. CHANGESINWORKINGCAPITAL

(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(67,290,313)	(392,253,944)
Stock-in-trade	(1,605,817,097)	(1,565,833,431)
Trade debts	(24,295,710)	5,650,894
Loans and advances	(78,767,463)	20,953,316
Trade deposits, prepayments and other receivables	(86,367,704)	42,753,049
Taxes recoverable/adjustable	51,854,015	34,093,825
Increase / (decrease) in current liabilities:		
Trade and other payables	1,804,078,938	1,792,308,485
	(6,605,333)	(62,327,806)

16. REMUNERATIONOFCHIEFEXECUTIVE,DIRECTORSANDEXECUTIVES

The aggregate amount charged in the accounts for the period for remuneration including certain benefits to Chief Executive, Directors and Executives of the Company are as follows:

	31December2016(Un-Audited)				31 December 2015 (Un-Audited)
	Chief Executive	Directors	Executives	T otal	
	----------(RUPEES)----------				
Managerial remuneration	510,000	510,000	19,348,454	20,368,454	15,485,128
Utilities	-	-	394,665	394,665	283,032
Total	510,000	510,000	19,743,119	20,763,119	15,768,160
Number of Persons	1	1	48	50	42

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

16.2 No meeting fee has been paid to Directors during the period.

16.3 Chief Executive and Directors are not entitled for any benefit other than disclosed as above.

17. TRANSACTIONSWITHRELATEDPARTIES

Amounts due from and (due to) related parties are shown in receivables and payables and remuneration of the key management personnel is disclosed in note 16. Other significant transactionswithrelatedpartiesareasfollows:

Relationship	Natureoftransaction	(Un-Audited) 31December 2016	(Un-Audited) 31 December 2015
		.....(Rupees).....	
Associated undertakings:	- Sale of goods	407,682,344	215,110,512
	- Purchase of goods	-	10,989

The company continues to have a policy whereby all transactions with related parties and associated undertakings are priced at comparable uncontrolled market price.

Keymanagementpersonnel:

Advances received from/(returned to) directors during the period	(26,000,000)	-
Mark up on loans from director's	10,231,440	10,763,131

	(Un-Audited) 31December 2016	(Audited) 30 September 2016
	.....(Rupees).....	
Balance due from/(due to) related parties as at 31 December 2016 are as below:		
Naubahar Bottling Company (Pvt) limited	(7,853,262)	24,732,806
Al-Moiz Industries Limited	15,814,605	2,907,400
	7,961,343	27,640,206

18. FINANCIALINSTRUMENTS-FAIRVALUES

The additional disclosures due to the adoption of IFRS 13 - “Fair Value Measurement” are as follows:

		Carrying Amount			Fair V alue		
		Loans and receivables	Other financial liabilities	T otal	Level1	Level2	Level3
	Note	---------- Rupees ----------					
On-balance sheet financial instruments							
30September2016-(Audited)							
Financial assets measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Financial assets not measured at fair value	18.1						
Long term Deposits		464,500	-	464,500	-	-	-
Long term advances		44,045,112		44,045,112			
Trade debts		625,127,111	-	625,127,111	-	-	-
Loans and advances		1,458,568	-	1,458,568	-	-	-
Trade deposits, prepayments and other Receivables		7,869,793	-	7,869,793	-	-	-
Cash and bank balances		58,573,861	-	58,573,861	-	-	-
		737,538,945	-	737,538,945	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Financial liabilities not measured at fair value	18.1						
Loans from directors		-	574,800,000	574,800,000	-	-	-
Long term finance		-	1,206,901,128	1,206,901,128	-	-	-
Liabilities against assets subject to finance lease		-	18,821,017	18,821,017	-	-	-
Trade and other payables		-	210,039,530	210,039,530	-	-	-
Finance cost payable		-	139,459,088	139,459,088	-	-	-
Short term borrowings		-	1,767,921,046	1,767,921,046	-	-	-
Advances from directors		-	375,300,000	375,300,000	-	-	-
		-	4,293,241,809	4,293,241,809	-	-	-
31December2016-(Un-audited)							
Financial assets measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Financial assets not measured at fair value	18.1						
Long term Deposits		464,500	-	464,500	-	-	-
Long term advances		44,045,112		44,045,112			
Trade debts		649,422,821	-	649,422,821	-	-	-
Loans and advances		2,277,855	-	2,277,855	-	-	-
Trade deposits, prepayments and other Receivables		20,376,073	-	20,376,073	-	-	-
Cash and bank balances		196,054,336	-	196,054,336	-	-	-
		912,640,697	-	912,640,697	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Financial liabilities not measured at fair value	18.1						
Loans from directors		-	574,800,000	574,800,000	-	-	-
Long term finance		-	1,392,463,845	1,392,463,845	-	-	-
Liabilities against assets subject to finance lease		-	18,581,915	18,581,915	-	-	-
Trade and other payables		-	155,045,802	155,045,802	-	-	-
Finance cost payable		-	79,790,823	79,790,823	-	-	-
Short term borrowings		-	1,562,589,688	1,562,589,688	-	-	-
Advances from directors		-	349,300,000	349,300,000	-	-	-
		-	4,132,572,073	4,132,572,073	-	-	-

18.1 The management considers the carrying amount of all financial assets and liabilities not measured at fair value at the end of the reporting period to approximate their fair value as at the reporting date.

19. SEASONALITY

The Company's business is seasonal in nature. Entire cane crushing and manufacture of sugar is done during season from November to the following March. Sugar sales are made throughout the year.

20. SUBSEQUENTMATERIALEVENTS

There are no significant activities since 31 December 2016, affecting the condensed interim financial information apart from those disclosed in the condensed interim financial information.

21. DATEOFAUTHORIZATION

This condensed interim financial information has been authorized for issue on 26 January 2017 by theBoardofDirectors.

ChiefExecutive

Director

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THALINDUSTRIES

CORPORATION

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