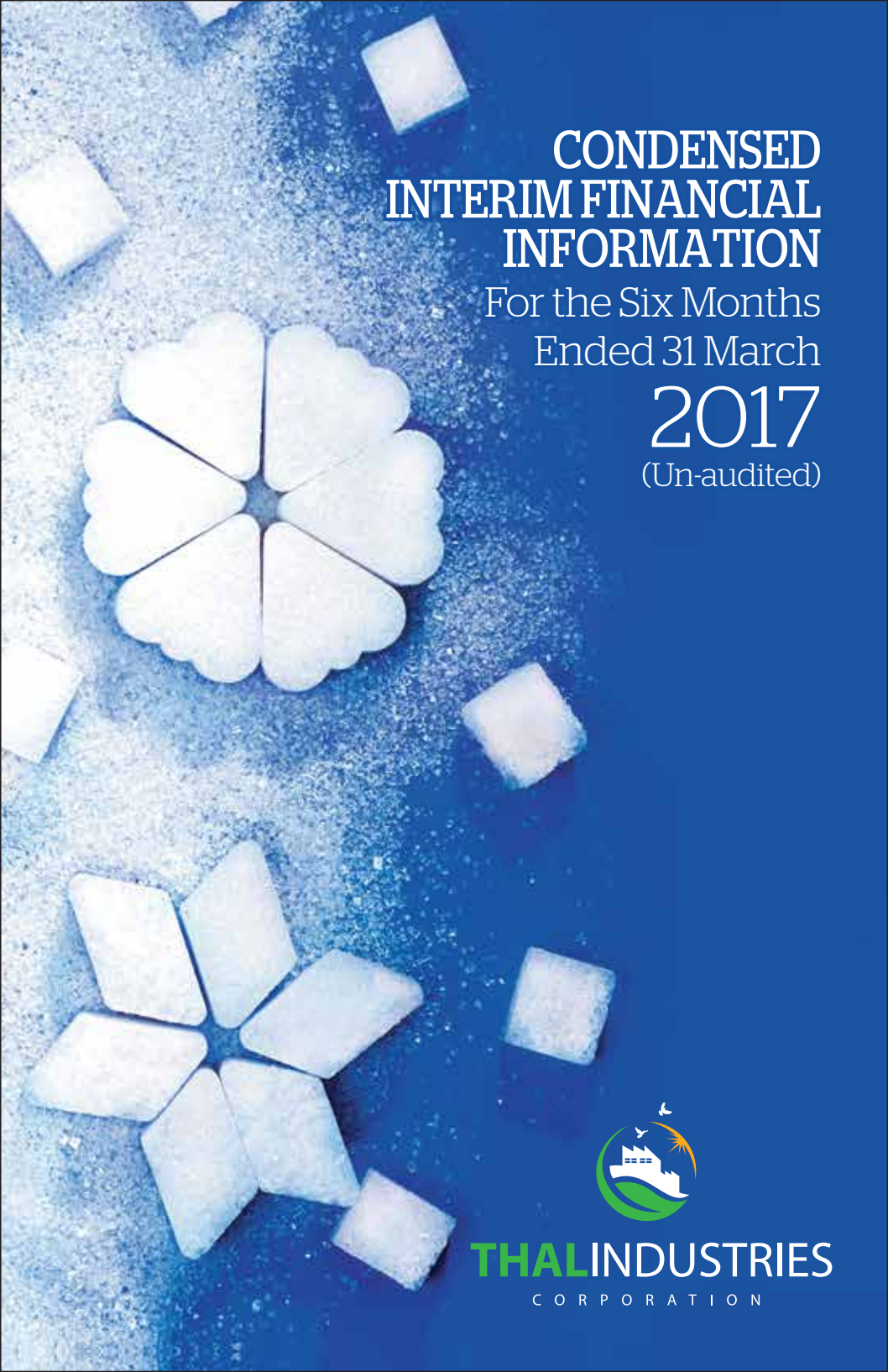


CONDENSED INTERIM FINANCIAL INFORMATION

For the Six Months Ended 31 March

2017

(Un-audited)

THAL INDUSTRIES CORPORATION

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Company Information

BOARDOFDIRECTORS	**CHAIRMAN/CHIEFEXECUTIVE**	
	Mr.MuhammadShamimKhan	
	MANAGINGDIRECTOR	
	Mr.NaumanAhmedKhan	
	DIRECTORS	
	Mrs.QaiserShamimKhan	
	Mr.AdnanAhmedKhan	
	Mrs.FarrahKhan	
	Mr.MuhammadKhan	
	Mr.MuhammadAshrafKhanDurani	(IndependentDirector)
AUDITCOMMITTEE	Mr.MuhammadAshrafKhanDurani	(Chairman)
	Mrs.QaiserShamimKhan	(Member)
	Mr.AdnanAhmedKhan	(Member)
HUMANRESOURCE& REMUNERATION COMMITTEE	Mr.MuhammadAshrafKhanDurani	(Chairman)
	Mr.MuhammadShamimKhan	(Member)
	Mr.AdnanAhmedKhan	(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.AltafHussainAdvocate	
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 WingsArcade,1-K-Commercial Model Town, Lahore Tel:042-35839182,35887262 Fax:042-35869037
REGISTEREDOFFICE	23-PirKhurshidColonyGulgasht,Multan Tel:061-6524621,6524675 Fax:061-6524675
LAHOREOFFICE	2-D-1Gulberg-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 Half Year Ended 31 March 2017 in compliance with the section 245 of the Companies Ordinance, 1984.

INDUSTRY OVERVIEW

Sugarcane crop acreage has been higher compared to last year all over the country but particularly in our areas due to interest free credit given to our farmers so they could replant the crop destroyed in the 2015 floods. It is our pleasure to note that per acre yield has also improved significantly this year, perhaps as a result of better fertilization by farmers and more favorable weather. As this yield increase is being seen all across the Punjab and KPK, at a country level we expect to have a bumper cane crop and highest ever sugar production in the country's history.

Despite the expectation of surplus sugar production in the local and international markets, the sugarcane minimum price was maintained by the Punjab Government at Rs. 180/mound for the crushing season 2016-17 and price notified by Sindh Government Rs. 182/mound. While the big increase in per acre yield was not anticipated, there was higher sugarcane acreage compared to last year and so cane purchase price competition remained minimal from the start of the crushing season amongst sugar mills of Punjab & KPK.

OPERATING HIGHLIGHTS

Your company was able to crush 2,562,502 M. Tons sugarcane and produced 250,155.500 M. Tons white refined sugar at an average recovery of 9.877% during the first half ending March 31, 2017 as compared to last year sugarcane crushing of 1,839,916 M. Tons and production of 178,912.150 M. Tons white refined sugar at an average recovery of 9.724%. The increased volume of crushing is attained mainly due to longer season, bumper cane crop and uninterrupted operation of the mills. The new installation of energy efficient FFEs (Falling Film Evaporators) at both our plants helped imrove the throughput of mixed juice, which resulted in better utilization of our milling capacity.

Net sales of sugar and molasses were recorded at Rs. 6,655.5 million during the first half of the financial year as compared to Rs. 4,304.2 million against the corresponding period of last year. The sales figure was higher because the company management was proactive in selling its stocks due to unusually supportive sugar prices prevailing in the first three months of the crushing campaign.

The Company earned pretax profit of Rs. 859.3 million during the first half under review as compared to pretax profit of Rs. 125.0 million in the corresponding period of last year and after tax profit of Rs. 635.3 million against after tax profit of Rs. 120.8 million over the same period of last year. As mentioned above, this was mainly due to higher sales volume of sugar and molasses at favorable prices which cumulatively contributed to the substantial increase in profitability of the 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 through 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 bring financial benefit to the cane growers.

FUTUREOUTLOOK

Itisevidentthatduetothebumpercrop,sugarcanesupplyforthecurrentcrushingseason2016-17willbemuchhigheronanationallevelascomparedtolastyear.Despitereportsofslightly lowersugarrecoveriesfrommillsacrossthecountry,thereisnodoubtthatPakistanwillachieve the highest production figure for sugar in its entire history.

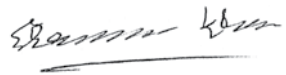
WebelievethatahugeoversupplysituationofsugarversusconsumptioninPakistanhasalready resulted.Thelocalpriceofsugarhasstartedtoshowthisstrainwithadownwardtrend.The situationwouldnothavelookedsodireiftheGovernmentofPakistanhadnotbeenslowtoreact and had allowed more export quantities and with less restrictions for the first six months of the financial year. On top of that, the disruptions to trade due to border closures with Afghanistan forextendedperiodsfurthercomplicatedtheproblemofmeetingexporttimelinesgivenbythe government. Finally and most detrimental has been the significant reduction in international sugar prices by about a $100 per ton in this period. This scenario is ultimately bound to affect the profitability of the Pakistani sugar industry, which will only be able to get suitable financial outcomesifitcanexportthebulkofthissurplusatviableinternationalprices.Byallindications, acreage for the 2017-18 season could be equal to or higher than this year and unless the supply overhang is cleared before then, the financial situation for sugar mills could remain very challenging well into the next financial year.

In this challenging environment, the management is making all possible efforts to ensure positive financial outcomes for your company. A big push is being made for the earliest completion of the 20 MW power export project at Layyah. Commercial Operation Date is expected in the off-seasonandpowerexportfromtheincreasedbagassesaving(madepossiblebyinstallationof FFEs and higher crushing) is expected to have a material impact on the company's profitability, whichwillstrengthenourabilitytoprosperintheupcomingtougheconomicclimate.

ACKNOWLEDGEMENT

The Board would like to record their appreciation for the efforts and devotion of all the company's employeesandhopetheywillcontinuetheircontributiontowardstheenhancementofproductivity and well being of the company in the future as well. The board also wishes to thank the financial institutions, farmers and all stakeholders associated with the company for their support and cooperation.

ForandonbehalfoftheBoard



MUHAMMADSHAMIMKHAN
Chairman/Chief Executive

LAHORE: 25 May 2017

ڈائریکٹرز کی جائزہ رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کمپنیز آرڈیننس 1984 کی دفعہ 245 کے تحت 31 مارچ 2017ء کو ختم ہونے والی ششماہی کیلئے کمپنی کے غیر تنقیح شدہ حسابات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

صنعت کا مجموعی جائزہ

2015 کے سیلاب سے تباہ ہونے والی فصلوں کو دوبارہ اگانے کے لئے کسانوں کو بلاسود قرضے دیئے جانے کی وجہ سے پورے ملک میں لیکن خاص طور پر ہمارے علاقہ میں گزشتہ سال کے مقابلے گنے کی فی ایکڑ پیداوار زیادہ ہوئی۔ ہم یہ بیان کرتے ہوئے بھی خوشی محسوس کرتے ہیں کہ اس سال فی ایکڑ پیداوار، غالباً کسانوں کی طرف سے کھادوں کے بہتر استعمال اور زیادہ موزوں موسم کے نتیجہ میں نمایاں طور پر بہتر ہوئی ہے۔ جیسا کہ پورے پنجاب اور خیبر پختونخواہ میں فصلوں کی پیداوار زیادہ دیکھی جارہی ہے، ملکی سطح پر ہم گنے کی فصل میں اضافہ اور ملک کی تاریخ میں چینی کی پیداوار سب سے زیادہ ہونے کی توقع کرتے ہیں۔

مقامی اور بین الاقوامی منڈیوں میں وافر چینی کی پیداوار کی توقعات کے باوجود، گنے کی کم سے کم قیمت خرید کرشنگ سیزن 17-2016 کیلئے حکومت پنجاب کی طرف سے -/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۔ فی ایکڑ پیداوار میں زیادہ اضافہ ہونے کی توقع نہیں تھی، گزشتہ سال کے مقابلے میں رقبے کے لحاظ سے چینی کی پیداوار زیادہ رہی اور اس لیے گنے کی قیمت خرید میں مقابلے کا رجحان پنجاب اور خیبر پختونخواہ کی ملوں میں کرشنگ سیزن کے آغاز سے ہی کم رہا۔

جائزہ کارکردگی

31 مارچ 2017 کو ختم ہونے والی ششماہی کے دوران کمپنی نے 2,562,502 میٹرک ٹن کرشنگ کی اور 9.877 فیصد اوسط ریکوری کے ساتھ 250,155.500 میٹرک ٹن سفید ریفائنڈ چینی بنائی۔ جبکہ اس کے مقابلے میں گزشتہ سال 1,839,916 میٹرک ٹن کرشنگ کی اور 9.724 فیصد اوسط ریکوری کے ساتھ 178,912.150 میٹرک ٹن سفید ریفائنڈ چینی بنائی۔ کرشنگ کے حجم میں اضافہ بنیادی طور پر طویل سیزن، گنے کی بڑی فصل اور ملوں کے بلاتعطل آپریشن کی بدولت ہوا۔ ہمارے دونوں پلانٹس پر انرجی بچانے والے FFEs (Falling Film Evaporators) کی نئی تنصیب نے مکسڈ جوس کے ماحصل کو بہتر بنانے میں مدد کی جس کے نتیجہ میں ہماری ملنگ صلاحیت کا بہتر استعمال کیا گیا۔

چینی اور مولاسس کی خالص فروخت گذشتہ سال اسی مدت میں 4,304.2 ملین روپے کے مقابلے موجودہ مالی سال کی پہلی ششماہی کے دوران 6,655.5 ملین روپے درج کی گئی۔ فروخت کے اعداد و شمار زیادہ تھے کیونکہ کمپنی انتظامیہ کرشنگ کمپین کی پہلی سہ ماہی میں موجودہ چینی کی غیر معمولی بہتر قیمتوں کی وجہ سے اپنا اسٹاک فروخت کرنے میں فعال تھی۔

کمپنی نے گذشتہ سال کی اسی مدت میں قبل از ٹیکس منافع 125.0 ملین روپے کے مقابلے زیر جائزہ سہ ماہی کے دوران 859.3 ملین روپے قبل از ٹیکس منافع اور گزشتہ سال کی اسی مدت میں 120.8 ملین روپے بعد از ٹیکس منافع کے برعکس 635.3 ملین روپے بعد از ٹیکس منافع کمایا۔ منافع میں اضافہ بنیادی طور پر موزوں قیمتوں پر چینی اور مولاسس کے فروختی حجم میں اضافہ کی وجہ سے تھا، ان عوامل نے کمپنی کا مجموعی منافع بڑھانے میں اہم کردار ادا کیا ہے۔

تمام تر کوششیں گنے کے کاشتکاروں کو مسلسل جدید بہتر بیج کی اقسام، کھادیں، کیڑے مار ادویات اور باہم سہولیات پہنچا کر عمل کارکردگی بہتر بنانے، جدت طرازی، جدید ترین ٹیکنالوجی آلات نصب، 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 مالی فوائد بھی حاصل ہوں گے۔

مستقبل کا نقطہ نظر

توقع ہے کہ رواں کرشنگ سیزن 17-2016 میں گذشتہ سال کے مقابلے قومی سطح پر گنے کی بڑی فصل اور گنے کی سپلائی زیادہ ہوگی۔ پورے ملک میں ملوں سے چینی کی قدرے کم پیداوار کی رپورٹوں کے برعکس، پاکستان چینی کی تاریخی پیداوار کے سب سے زیادہ اعداد و شمار حاصل کرنے میں کامیاب ہو جائے گا۔

ہم یقین رکھتے ہیں کہ پاکستان میں کھپت کے مقابلے وافر رسد کی صورت حال پہلے ہی موجود ہے۔ چینی کی مقامی قیمت نے منفی کا رجحان ظاہر کرنا شروع کر دیا ہے۔ صورت حال اتنی گمبھیر نہیں ہوگی اگر حکومت پاکستان سست روی نہ دکھاتی اور مالی سال کی پہلی ششماہی کے لئے کم پابندیوں کے ساتھ برآمدی مقدار میں مزید اضافہ کی اجازت دے دیتی۔ اس کے علاوہ، افغانستان کی سرحد کی بندش کی وجہ سے تجارت کی رکاوٹوں میں توسیع کی مدت نے حکومت کی طرف سے دی گئی برآمدی ٹائم لائنز کے اطلاق کا مسئلہ بہت پیچیدہ ہو گیا ہے۔ آخر میں اور سب سے زیادہ نقصان دہ اہم بات یہ ہے کہ اس مدت میں بین الاقوامی چینی کی قیمتوں میں تقریباً 100 ڈالر فی ٹن کی کمی ہوئی ہے۔ اس منظر نامے کے پیش نظر بالآخر پاکستانی چینی کی صنعت، کے موثر منافع پر اثر پڑے گا، جو صرف اسی صورت میں مناسب مالیاتی نتائج حاصل کرنے کے قابل ہوگی اگر یہ بین الاقوامی

قیمتوں پر اس سرپلس کا بڑا حصہ برآمد کر سکی۔ ان تمام حالات کے پیش نظر 18-2017 سیزن رقبے کے لحاظ سے پیداوار اس سال کے مقابلے میں اس کے برابر یا اس سے زیادہ ہو سکتی ہے اور جب تک وافر فراہمی کا مسئلہ حل نہیں ہوتا ہے، شوگر ملوں کے لئے مالی صورتحال آئندہ مالی سال میں بھی بہت مشکل ہو سکتی ہے۔

اس چیلنجنگ ماحول میں کمپنی انتظامیہ مثبت مالیاتی نتائج کو یقینی بنانے کی تمام ممکنہ کوششیں کر رہی ہے۔ لیہ میں 20 میگاواٹ بجلی برآمد کے منصوبے کی بروقت تکمیل کے لئے سخت محنت کی جا رہی ہے۔ تجارتی آپریشن کی تاریخ آف سیزن میں متوقع ہے اور اضافی بگاس سیونگز (جو FFEs کی تنصیب اور اعلیٰ کرشنگ سے ممکن ہو سکی) سے بجلی کی برآمد سے کمپنی کے منافع پر مادی اثر پڑنے کی توقع ہے، جو آنے والے سخت اقتصادی ماحول میں ہماری صلاحیت کو مضبوط بنائے گی۔

اظہار تشکر

کمپنی کے ڈائریکٹرز 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 شراکت کو جاری رکھیں گے۔ ڈائریکٹرز کمپنی کے ساتھ شریک مالی اداروں، کسانوں اور تمام شریک اسٹیک ہولڈرز کی مدد اور تعاون کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

محمد شمیم خان

چیئرمین/ چیف ایگزیکٹو

لاہور: 25 مئی 2017

Auditors' Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of The Thal Industries Corporation Limited as at 31 March 2017, the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the selected notes forming part thereof for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Other Matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended 31 March 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 March 2017.



Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS
Engagement Partner: A. Rahman Mir

Lahore: 25 May 2017

Condensed Interim Balance Sheet

As at 31 March 2017 (Un-Audited)

	Note	(Un-Audited) 31March 2017	(Audited) 30September 2016
		.....(Rupees).....	
EQUITY&LIABILITIES			
ShareCapitalandReserves			
Sharecapital	5	150,232,320	150,232,320
Revenuereserves		93,800,000	93,800,000
Accumulated profit		2,206,105,570	1,645,889,094
		2,450,137,890	1,889,921,414
NonCurrentLiabilities			
Long term finance	6	1,365,114,394	884,641,139
Liabilities against assets subject to finance lease	7	11,057,565	7,517,935
Loans from directors	8	574,800,000	574,800,000
Deferredliabilities		297,578,356	276,700,267
		2,248,550,315	1,743,659,341
CurrentLiabilities			
Tradeandotherpayables		3,195,697,809	469,460,605
Financecostpayable		78,737,864	139,459,088
Shorttermborrowings-secured	9	5,894,997,584	1,767,921,046
Advancesfromdirectors		349,300,000	375,300,000
Currentportionoflongtermliabilities		356,755,061	333,563,071
Provisionfortaxation		243,170,548	69,400,368
		10,118,658,866	3,155,104,178
ContingenciesandCommitments	10		
		14,817,347,071	6,788,684,933

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

ChiefExecutive

	Note	(Un-Audited) 31March 2017	(Audited) 30September 2016
		.....(Rupees).....	
PROPERTYANDASSETS			
NonCurrentAssets			
Property,plant&equipment	11	3,449,071,320	3,179,407,334
Long term deposits		464,500	464,500
Long term advances		45,383,093	44,045,112
		3,494,918,913	3,223,916,946
CurrentAssets			
Stores,sparepartsandloosetools		498,123,523	423,426,940
Stock-in-trade		8,502,976,925	1,508,711,664
Tradedebts		671,906,380	625,127,111
Loans and advances		239,771,182	452,539,177
Tradedeposits,prepaymentsandotherreceivables		169,298,686	40,221,850
Taxesrecoverable/adjustable		426,278,889	456,167,384
Cashandbankbalances		814,072,573	58,573,861
		11,322,428,158	3,564,767,987
		14,817,347,071	6,788,684,933

Director

Condensed Interim Profit and Loss Account

For the Half Year Ended 31 March 2017 (Un-Audited)

	Note	HALFYEARENDED 31March		QUARTERENDED 31March	
		2017	2016	2017	2016
		.....(Rupees).....		.....(Rupees).....	
Sales-Net		6,655,466,363	4,304,203,771	3,856,439,442	2,919,495,147
Costofsales	12	(5,368,662,315)	(3,841,488,654)	(3,029,910,425)	(2,593,727,662)
Gross profit		1,286,804,048	462,715,117	826,529,017	325,767,485
Operating expenses					
Distributionandsellingexpenses		(66,255,546)	(48,934,663)	(46,449,670)	(30,928,086)
Administrativeexpenses		(180,755,777)	(152,816,351)	(99,671,013)	(89,357,656)
		(247,011,323)	(201,751,014)	(146,120,683)	(120,285,742)
Operating profit		1,039,792,725	260,964,103	680,408,334	205,481,743
Otherincome	13	28,801,308	6,936,879	12,424,409	1,548,739
		1,068,594,033	267,900,982	692,832,743	207,030,482
Financecost		(146,489,298)	(133,680,220)	(100,953,857)	(95,413,214)
Otherexpenses		(62,788,697)	(9,251,647)	(40,126,139)	(7,700,427)
		(209,277,995)	(142,931,867)	(141,079,996)	(103,113,641)
Profit before taxation		859,316,038	124,969,115	551,752,747	103,916,841
Taxation		(223,983,402)	(4,137,668)	(195,829,364)	9,709,418
Profit after taxation		635,332,636	120,831,447	355,923,383	113,626,259
EarningsPerShare-Basic &Diluted	14	42.29	8.04	23.69	7.56

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

ChiefExecutive

Director

Condensed Interim Statement of Comprehensive Income

For the Half Year Ended 31 March 2017 (Un-Audited)

	HALF YEAR ENDED 31 March		QUARTER ENDED 31 March	
	2017	2016	2017	2016
	.....(Rupees).....		.....(Rupees).....	
Profit after tax	635,332,636	120,831,447	355,923,383	113,626,259
Other Comprehensive Income - Net of Tax				
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	635,332,636	120,831,447	355,923,383	113,626,259

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

Chief Executive

Director

Condensed Interim Cash Flow Statement

For the Half Year Ended 31 March 2017 (Un-Audited)

	Note	31March 2017	31March 2016
		(Rupees)	
CASHFLOWFROMOPERATINGACTIVITIES			
Profit before taxation		859,316,038	124,969,115
Adjustmentfor:			
Depreciation		139,989,542	117,082,402
Provisionforgratuity		16,296,659	17,211,118
Surplusonsettlementofinsuranceclaim		(326,386)	-
Gain on disposal of fixed assets		-	(446,765)
Financecost		146,489,298	133,680,220
Notional Interest on Long Term Advance		(1,337,981)	-
Workers' Profit Participation Fund		46,105,237	6,711,038
WorkersWelfareFund		16,683,460	2,540,609
		363,899,829	276,778,622
Operating cash flows before changes in working capital		1,223,215,867	401,747,737
Changesinworkingcapital	15	(4,293,082,813)	(4,268,767,227)
Cashgeneratedfromoperations		(3,069,866,946)	(3,867,019,490)
Gratuitypaid		(2,922,941)	(4,903,342)
Financecostpaid		(201,607,759)	(61,604,330)
Workers' profit participation fund paid		(41,314,651)	-
WorkersWelfarefundpaid		(8,731,854)	(2,075,555)
Incometaxpaid		(42,708,851)	(87,403,571)
NETCASHFLOWUSEDINOPERATINGACTIVITIES		(3,367,153,002)	(4,023,006,288)
CASHFLOWFROMINVESTINGACTIVITIES			
Fixedcapitalexpenditure		(401,140,641)	(280,054,898)
Proceed from disposal of fixed assets / insurance claim		1,699,999	1,057,563
NETCASHUSEDININVESTINGACTIVITIES		(399,440,642)	(278,997,335)
CASHFLOWFROMFINANCINGACTIVITIES			
Long term finance		505,116,982	398,467,932
Lease payments		(7,798,607)	(7,410,486)
Shorttermborrowings-net		4,127,076,538	4,096,163,393
Advancesfromdirectors		(26,000,000)	-
Dividendpaid		(76,302,557)	(78,613,757)
NETCASHFLOWFROMFINANCINGACTIVITIES		4,522,092,356	4,408,607,082
NETINCREASE/(DECREASE)INCASH&CASHEQUIVALENTS		755,498,712	106,603,459
CASHANDCASHEQUIVALENTSATTHEBEGINNING OFTHEPERIOD		58,573,861	32,876,689
CASHANDCASHEQUIVALENTSATTHEENDOFTHEPERIOD		814,072,573	139,480,148

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

ChiefExecutive **Director**

Condensed Interim Statement of Changes in Equity

For the Half Year Ended 31 March 2017 (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 six months	-	-	120,831,447	120,831,447
Cash dividend declared during the year @ 50 % i.e. Rs. 5.00/- per share for the year ended 30 September 2015	-	-	(75,116,160)	(75,116,160)
Balance as on 31 March 2016	150,232,320	93,800,000	1,106,391,364	1,350,423,684
Total Comprehensive Income for the six months	-	-	539,497,730	539,497,730
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 six months	-	-	635,332,636	635,332,636
Cash dividend declared during the year @ 50 % i.e. Rs. 5.00/- per share for the year ended 30 September 2016	-	-	(75,116,160)	(75,116,160)
Balance as on 31 March 2017	150,232,320	93,800,000	2,206,105,570	2,450,137,890

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

Chief Executive **Director**

Selected Notes to the Condensed Interim Financial Information

For the Half Year Ended 31 March 2017 (Un-Audited)

1. STATUSANDACTIVITIES

TheThal Industries Corporation Limited (Company) was incorporated in Pakistan 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 formanddoesnotincludealltheinformationasisrequiredtobeprovidedinafullsetofannual 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.

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 half year ended 31 March 2016 are based on un-audited/reviewed condensed interim financial information. The condensed interim profit & loss accountandcondensedinterimstatementofothercomprehensiveincomeforthequartersended 31March2017and31March2016areneitherauditednorreviewed.

3. STATEMENTOFCOMPLIANCE

This condensed interim financial information of the company for the six months period ended 31 March 2017 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 directivesissuedunderTheCompaniesOrdinance,1984havebeenfollowed.

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) 31March 2017	(Audited) 30September 2016
5. SHARE CAPITAL				.....(Rupees).....	
NumberofShares					
31-03-17	30-09-16				
AuthorizedCapital:					
20,000,000	20,000,000	OrdinarysharesofRs.10/-each		200,000,000	200,000,000
Issued,subscribedandpaidupcapital:					
8,368,846	8,368,846	OrdinarysharesofRs.10/-eachfullypaidincash		83,688,460	83,688,460
142,770	142,770	OrdinarysharesofRs.10/-eachissuedasfullypaidforconsideration otherwisethancash		1,427,700	1,427,700
6,511,616	6,511,616	OrdinarysharesofRs.10/-eachissuedasbonusshares		65,116,160	65,116,160
15,023,232	15,023,232			150,232,320	150,232,320
6. LONGTERMFINANCE					
Loans from banking companies-secured			6.1	1,365,114,394	884,641,139

6.1 Demand finance / Diminishing musharaka facilities of Rs. 1,300 million (2016: Rs. 1,300 million) and term finance facilities of Rs. 1,100 million (2016: 600 million) have been obtained from various banking companies. These loans are secured against first pari passu / hypothecation charge of Rs. 2,402 million over all present and future fixed assets of the company, subordination of directorsloanandpersonalguaranteesofdirectorsofthecompany.Thefacilitiesarebeingrepaid inquarterlyinstalmentsbeginningfromDecember2012andendingonNovember2023.These carry mark up @ 3 to 6 month KIBOR + 0.50 % to 1.25% (2016: 3 to 6 month KIBOR + 0.75 % to 1.25 %) p.a.

7. LIABILITIESAGAINSTASSETSSUBJECT TOFINANCELEASE		
Openingbalance	24,092,817	26,803,668
Obtainedduringtheyear	9,886,500	11,029,500
Payments/adjustmentsduringtheyear	(7,706,257)	(13,740,351)
	26,273,060	24,092,817
Less: Security deposits adjustable on expiry of lease term	(5,364,150)	(5,271,800)
	20,908,910	18,821,017
Less: Current portion grouped under current liabilities	(9,851,345)	(11,303,082)
	11,057,565	7,517,935

7.1 Reconciliation between minimum lease payments and present value of minimum lease payments is as follows:

	31March2017		
	Rupees		
	Minimum Lease Payments	Less:Future Finance Cost	PresentV alue ofMinimum LeasePayments
Notlaterthanoneyear	10,705,559	(854,214)	9,851,345
Later than one year but not later than five years	11,433,313	(375,748)	11,057,565
	22,138,872	(1,229,962)	20,908,910

	30September2016		
	Rupees		
	Minimum Lease Payments	Less: Future Finance Cost	Present Value of Minimum Lease Payments
Notlaterthanoneyear	12,322,851	(1,019,769)	11,303,082
Later than one year but not later than five years	7,967,840	(449,905)	7,517,935
	20,290,691	(1,469,674)	18,821,017

7.2 The company has a finance lease agreement of Rs. 89.866 million (2016: Rs. 65 million) for vehicles with Bank Al Habib Limited. Rentals are payable in 12 quarterly installments commencing from September2013endingonOctober2019.Themarkupratei mplicitintheleaseis3monthsKIBOR+ 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.

7.3 Thecompanyintendstoexerciseitsoptiontopurchasetheleasedassetsuponthematurityof leaseterm.Taxes,repairsandinsurancecostistobebornebythecompany.Incaseoftermination oftheagreement,thecompanyhastopaytheentirerentalsfortheunexpiredperiodforthelease agreement.

	Note	(Un-Audited) 31March 2017	(Audited) 30September 2016
		.....(Rupees).....	
8. LOANSFROMDIRECTORS			
Loans from directors- unsecured	8.1	574,800,000	574,800,000

8.1 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 hencenocurrentmaturityhasbeenprovided.Theseloansaresubordinatedtobankloans.

	Note	(Un-Audited) 31March 2017	(Audited) 30September 2016
		.....(Rupees).....	
9. SHORTTERMBORROWINGS-SECURED FROMBANKINGCOMPANIES			
RunningFinance	9.1	361,521,147	402,940,648
CashFinance	9.2	5,533,476,437	1,364,980,398
		5,894,997,584	1,767,921,046

9.1 Running finance facilities of Rs. 715 (2016: 915 million) have been obtained from various banks to meet the working capital requirments and are secured against first pari passu hypothecation/ registeredrankingchargeoverpresentandfuturecurrentassetsofthecompanyandpersonal guarantees of the directors. These are subject to mark up @ 1 year KIBOR minus 1% and 1 to 3 month KIBOR plus 0.50% to 1.00% (2016: 1 year KIBOR minus 1.00% and 1 to 3 month KIBOR plus 0.75% to 1%) p.a. The limits will expire on various dates by 31 March 2018 (2016: 31 March 2017)butarerenewable.

9.2 Cash finance facilities of Rs. 8,420 million (2016: 7,260 million) have been obtained from various banks and are secured against pledge over sugar bags of equivalent value with 10% to 20% marginandpersonalguaranteesofthedirectors.Thesearesubjecttomarkup@1yearKIBOR plus 0.20% & 1 to 3 month 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 31 March 2018 (2016: 30 April 2017) but arerenewable.

10. CONTINGENCIESANDCOMMITMENTS

Contingencies		
Various claims against the company not acknowledged asdebtswhicharependinginthecourtfordecision	1,568,000	1,568,000
Salestaxonmolasses	1,217,508	1,217,508
Incometaxcases	11,955,520	11,955,520
Additionaltaxu/s87ofIncomeTaxOrdinance,1979	4,500,353	4,500,353
Bankguarantees	2,198,502,153	231,084,153
	2,217,743,534	250,325,534
Commitments		
Contractsforcapitalexpenditure	-	21,783,747
Letters of credit for capital expenditure	39,939,200	46,981,631
Letters of credit for other than capital expenditure	5,787,600	13,027,088
	45,726,800	81,792,466

	Note	(Un-Audited) 31March 2017	(Audited) 30September 2016
		.....(Rupees).....	
11. PROPERTY ,PLANTANDEQUIPMENT			
OperatingFixedAssets	11.1	3,214,653,836	2,967,583,810
CapitalWorkinProgress-TangibleAssets		212,892,511	190,530,551
CapitalWorkinProgress-IntangibleAssets		21,524,973	21,292,973
		3,449,071,320	3,179,407,334
11.1OperatingFixedAssets			
Openingwrittendownvalue		2,967,583,810	2,482,514,983
Additionsduringtheperiod-atcost	11.1.1	388,433,181	737,749,657
Disposals during the period- at WDV		(1,373,613)	(640,480)
Depreciationcharged		(139,989,542)	(252,040,350)
		3,214,653,836	2,967,583,810

11.1.1AdditionsandDisposalsOperatingFixedAssets

	(Un-Audited) Halfyearended 31March2017		(Audited) Yearended 30September2016	
	Additions AtCost	Disposals AtWDV	Additions At Cost	Disposals At WDV
	Rupees	Rupees	Rupees	Rupees
OwnedAssets				
Freeholdland	-	-	34,843,910	-
Buildingonfreeholdland	45,375,732	-	29,755,535	-
Plantandmachinery	279,042,505	-	637,290,603	(508,853)
Tools,implementsandotherfactoryequipments	434,980	-	4,847,872	-
Computer & other office equipments	3,994,155	-	6,806,562	-
Electricinstallations	20,002,872	-	316,423	-
Vehicles	29,696,437	-	12,784,252	(131,627)
	378,546,681	-	726,645,157	(640,480)
LeasedAssets				
Vehicles	9,886,500	(1,373,613)	11,104,500	-
	9,886,500	(1,373,613)	11,104,500	-
	388,433,181	(1,373,613)	737,749,657	(640,480)

	Note	Halfyearended 31March 2017	31March 2016
		.....(Rupees).....	
12. COSTOFSALES			
Finishedgoods-opening		1,503,090,759	1,248,180,386
Add:Costofgoodsmanufactured	12.1	12,216,470,220	9,141,343,924
		13,719,560,979	10,389,524,310
Finishedgoods-closing		(8,350,898,664)	(6,548,035,656)
		5,368,662,315	3,841,488,654
12.1Costofgoodsmanufactured			
Workinprocess-opening		5,620,905	5,683,095
Rawmaterialconsumed		11,644,440,651	8,537,547,619
Salaries, wages and other benefits		198,534,688	168,948,514
Fuelandpower		16,153,849	14,510,343
Stores,sparesandloosetools		185,826,781	144,377,495
Repairsandmaintenance		169,989,360	152,707,323
Insurance		1,348,786	2,402,281
Depreciation		133,057,615	110,684,969
Vehicles running		5,543,255	6,944,428
Miscellaneous		8,032,591	2,906,821
		12,368,548,481	9,146,712,888
Workinprocess-closing		(152,078,261)	(5,368,964)
		12,216,470,220	9,141,343,924
13. OTHERINCOME/(EXPENSES)			
FinancialAssets			
Profit on deposit accounts		419,926	203,872
NotionalInterestincomeonlongtermadvance		1,337,981	-
Others			
Saleofscrap		20,055,448	1,850,677
Surplusonsettlementofinsuranceclaim		326,386	-
GainonDisposalofFixedAssets		-	446,765
Others		6,661,567	4,435,565
		28,801,308	6,936,879

14. EARNINGSPERSHARE-BASICANDDILUTED

Earnings per share is calculated by dividing the profit after taxation for the period by the weighted averagenumberofsharesoutstandingduringtheperiodasfollows:

	Halfyear ended 31March 2017	Halfyear ended 31March 2016	Quarter ended 31March 2017	Quarter ended 31March 2016
	Rupees	Rupees	Rupees	Rupees
Profit after taxation	635,332,636	120,831,447	355,923,383	113,626,259
Weightedaveragenumberofordinary sharesinissueduringtheperiod	15,023,232	15,023,232	15,023,232	15,023,232
Earningspershare	42.29	8.04	23.69	7.56

No figure for diluted earnings per share has been presented as the company has not issued any instrumentscarryingoptionswhichwouldhaveanimpactonearningspersharewhenexercised.

	Note	Halfyearended 31March 2017	Halfyearended 31March 2016
		.....(Rupees).....	
15. CHANGESINWORKINGCAPITAL			
(Increase)/decreaseincurrentassets:			
Stores,sparepartsandloosetools		(74,696,583)	(338,659,055)
Stock-in-trade		(6,994,265,261)	(5,299,541,139)
Tradedebts		(46,779,269)	(199,946,158)
Loans and advances		212,767,995	42,885,764
Tradedeposits,prepaymentsandotherreceivables		(129,076,836)	77,333,026
Taxesrecoverable/adjustable		29,888,495	7,809,490
Increase/(decrease)incurrentliabilities:			
Tradeandotherpayables		2,709,078,646	1,441,350,845
		(4,293,082,813)	(4,268,767,227)

16. REMUNERATIONOFCHIEFEXECUTIVE,DIRECTORSANDEXECUTIVES

Remuneration of Chief Executive, Directors and Executives charged during the period under reviewisasunder:

	Halfyearended31March2017				Halfyearended31March2016			
	Chief Executive	Directors	Executives	T otal	Chief Executive	Directors	Executives	Total
	.....RUPEES.....				.....			
Managerialremuneration	1,020,000	1,020,000	42,506,468	44,546,468	1,020,000	1,020,000	31,270,920	33,310,920
Utilities	-	-	799,866	799,866	-	-	611,920	611,920
Total	1,020,000	1,020,000	43,306,334	45,346,334	1,020,000	1,020,000	31,882,840	33,922,840
NumberofPersons	1	1	50	52	1	1	41	43

17. TRANSACTIONSWITHRELATEDPARTIES

Remuneration of the key management personnel is disclosed in note 16. Significant transactions withrelatedpartiesareasfollows:

	Halfyearended	
	31March 2017	31March 2016
	.....(Rupees).....	
ASSOCIATEDUNDERTAKINGS:		
Saleofgoods	795,865,355	491,069,777
PurchaseofGoods	707,090	1,350,945
Expensespaidof/(paidby)associates	-	-

The company continues to have a policy whereby all transactions with related parties and associatedundertakingsarepricedatcomparableuncontrolledmarketprice.

KeyManagementPersonnel		
Advancesreceivedfrom/(Returnedto)directorsduringtheperiod	(26,000,000)	-
Markuponloansfromdirectors	20,462,880	21,123,901

	(Un-Audited) 31March 2017	(Audited) 30September 2016
	.....(Rupees).....	
Balancedue from/(dueto)relatedpartiesasat 31march2017areasbelow:		
NaubaharBottlingCompany(Pvt)limited	15,210,387	24,732,806
Al-Moiz Industries Limited	44,766,536	3,275,432
Loans from directors - Long Term	(574,800,000)	(574,800,000)
Advancesfromdirectors-ShortTerm	(349,300,000)	(375,300,000)

18. FINANCIALINSTRUMENTS-FAIRVALUES

	Note	Carrying Amount			Fair V alue		
		Loans and receivables	Other financial liabilities	T otal	Level1	Level2	Level3
		Rupees					
On-balance sheet financial instruments							
31March2017-(Un-audited)							
Financialassetsmeasuredatfairvalue		-	-	-	-	-	-
		-	-	-	-	-	-
Financial assets not measured at fair value	18.1						
Long term Deposits		464,500	-	464,500	-	-	-
Long term advances		45,383,093	-	45,383,093			
Tradedebts		671,906,380	-	671,906,380	-	-	-
Loans and advances		1,943,457	-	1,943,457	-	-	-
Tradedeposits,prepaymentsandotherReceivables		3,531,869	-	3,531,869	-	-	-
Cashandbankbalances		814,072,573	-	814,072,573	-	-	-
		1,537,301,872	-	1,537,301,872	-	-	-
Financialliabilitiesmeasuredatfairvalue		-	-	-	-	-	-
		-	-	-	-	-	-
Financial liabilities not measured at fair value	18.1						
Loans from directors		-	574,800,000	574,800,000	-	-	-
Long term finance		-	1,712,018,110	1,712,018,110	-	-	-
Liabilities against assets subject to finance lease		-	20,908,910	20,908,910	-	-	-
Tradeandotherpayables		-	1,412,648,801	1,412,648,801	-	-	-
Financecostpayable		-	78,737,864	78,737,864	-	-	-
Shorttermborrowings		-	5,894,997,584	5,894,997,584	-	-	-
Advancesfromdirectors		-	349,300,000	349,300,000	-	-	-
		-	10,043,411,269	10,043,411,269	-	-	-
30September2016-(Audited)							
Financialassetsmeasuredatfairvalue		-	-	-	-	-	-
		-	-	-	-	-	-
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			
Tradedebts		625,127,111	-	625,127,111	-	-	-
Loans and advances		1,458,568	-	1,458,568	-	-	-
Tradedeposits,prepaymentsandotherReceivables		7,869,793	-	7,869,793	-	-	-
Cashandbankbalances		58,573,861	-	58,573,861	-	-	-
		737,538,945	-	737,538,945	-	-	-
Financialliabilitiesmeasuredatfairvalue		-	-	-	-	-	-
		-	-	-	-	-	-
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	-	-	-
Tradeandotherpayables		-	210,039,530	210,039,530	-	-	-
Financecostpayable		-	139,459,088	139,459,088	-	-	-
Shorttermborrowings		-	1,767,921,046	1,767,921,046	-	-	-
Advancesfromdirectors		-	375,300,000	375,300,000	-	-	-
		-	4,293,241,809	4,293,241,809	-	-	-

18.1 The management considers the carrying amount of all financial assets and liabilities not measured at fair valueattheendofthereportingperiodtoapproximatetheirfairvalueasatthereportingdate.

19. SEASONALITY

Thecompany'sbusinessisseasonalinnature.Entirecanecrushingandmanufacturingofsugarisdone duringseasonfromNovembertothefollowingMarch.Sugarsalesaremadethroughouttheyear.

20. SUBSEQUENTMATERIALEVENTS

There are no significant activities since 31 March 2017 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 25 May 2017 by the BoardofDirectors.

ChiefExecutive **Director**

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