



**AL-NOOR SUGAR MILLS LIMITED**

1st Quarterly Results for the period  
1st October 2019 to 31st December, 2019

## COMPANY INFORMATION

### BOARD OF DIRECTORS

MR. YUSUF AYOOB	Chairman
MR. ISMAIL H. ZAKARIA	Chief Executive Officer
MR. SULEMAN AYOOB	Resident Director
MR. A. AZIZ AYOOB	
MR. NOOR MOHAMMAD ZAKARIA	
MR. ZIA ZAKARIA	
MR. SALIM AYOOB	
MS. MUNIFA	
MR. SHAMIM AHMAD	Independent Director
MR. MUHAMMAD ASIF	(N.I.T. Nominee)

### BOARD AUDIT COMMITTEE

MR. SHAMIM AHMAD	Chairman
MR. A. AZIZ AYOOB	Member
MR. ZIA ZAKARIA	Member
MR. MUHAMMAD ASIF	Member

### HUMAN RESOURCE AND REMUNERATION COMMITTEE

MR. NOOR MOHAMMAD ZAKARIA	Chairman
MR. ISMAIL H. ZAKARIA	Member
MR. ZIA ZAKARIA	Member

### CHIEF FINANCIAL OFFICER

MR. MUHAMMAD HANIF CHAMDIA

### COMPANY SECRETARY

MR. MOHAMMAD YASIN MUGHAL  
FCMA

### AUDITORS

KRESTON HYDER BHIMJI & CO.  
Chartered Accountants

### LEGAL ADVISOR

MR. IRFAN  
Advocate

### REGISTERED OFFICE

96-A, SINDHI MUSLIM SOCIETY,  
KARACHI-74400  
Tel: 34550161-63 Fax: 34556675

### FACTORY

SHAHPUR JAHANIA, P.O. NOOR JAHANIA, TALUKA MORO,  
DISTRICT SHAHEED BENAZIR BHUTTO ABAD (NAWABSHAH)

### REGISTRAR & SHARE REGISTRATION OFFICE

C & K MANAGEMENT ASSOCIATES (PVT) LTD.  
404-TRADE TOWER,  
ABDULLAH HAROON ROAD,  
NEAR METROPOLE HOTEL,  
KARACHI - 75530

### WEBSITE

[www.alnoorsugar.co](http://www.alnoorsugar.co)

## DIRECTORS' REPORT

Dear members Asslamu-o-Alaikum

I am pleased to place before you the un-audited financial statements of your company for the first quarter ended December 31st 2019. Segment position is briefed as under:

### SUGAR DIVISION:

Crushing operation of sugarcane commenced on November 29th 2019 and up to December 31st 2019 the mill crushed 192,412 metric tons of sugarcane as against 160,694 metric tons crushed during the same period last year. The production of sugar was 15,665 metric tons as against 13,835 metric tons produced last year. The recovery percentage was 8.93 percent as against 9.41 percent achieved during the same period last year. For the current season crushing the Government of Sindh notified price of sugarcane at Rs.192/= per forty kgs whereas the same was Rs.182/= per forty kgs of cane during the previous year. In view of the high price of sugarcane the production cost of sugar will increase. The area under sugarcane cultivation reduced by approximately 15% - 20% resulting in lower crushing quantum and production and is likely to affect the profitability of the division. It appears that production of sugar on over all country basis would be sufficient to meet the requirement of the country. In the recent past price of sugar in the domestic market registered some increase and it is expected that this trend would continue in the remaining period of the year which is essential for the improvement of the bottom line.

### MDF BOARD DIVISION:

During the period under consideration the production of MDF Board division was 20,184 cubic meters as against 14,096 cubic meters produced in the same period of last year. Production is higher than last period by 43.26 percent as the plant operated at optimal capacity. It is expected that the production would increase in the remaining period of the year as during the crushing season there is no shortage of power as internal generation of electricity is sufficient to meet the requirement of sugar division and board division.

The Board of Directors also wish to place on record their appreciation to the dedicated work and commitment of all officers, employees and workers who contributed their services to sustain all operations of the company.

For & on behalf of the Board of Directors



**SULEMAN AYOOB**  
DIRECTOR



**ISMAIL H. ZAKARIA**  
MANAGING DIRECTOR / CEO

Date: January 27<sup>th</sup>, 2020

**AL-NOOR SUGAR MILLS LTD.**

**CONDENSED INTERIM BALANCE SHEET  
AS AT 31ST DECEMBER, 2019**

	Note	Un-Audited December 2019	Audited September 2019
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	4	4,750,648	4,771,459
Intangible asset		4,540	5,681
Long term investments	5	733,442	685,385
Long term loans		4,360	2,912
Long term deposits		4,238	4,238
		<b>5,497,228</b>	<b>5,469,675</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		386,162	361,664
Stock in trade		1,547,617	2,153,047
Trade debts		534,585	506,807
Loans and advances		97,919	65,993
Trade deposits and short term prepayments		21,515	11,721
Other receivables		440,907	439,994
Taxation-Net		153,121	151,607
Income tax refundable - net of provision			
Cash and bank balances		293,031	93,221
		<b>3,474,857</b>	<b>3,784,054</b>
		<b>8,972,085</b>	<b>9,253,729</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised Capital 50,000,000 ordinary shares of Rs.10 each		500,000	500,000
Issued, subscribed and paid-up capital		204,737	204,737
Revenue Reserve			
General reserve		1,000,000	1,000,000
Unappropriated profit		572,196	499,808
Share of associate's unrealised loss on remeasurement of associate's investments		(2,655)	(2,655)
Capital Reserve			
Surplus on revaluation of Property, plant and equipment		1,413,051	1,429,316
		<b>3,187,329</b>	<b>3,131,206</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term financing		2,472,500	2,136,875
Deferred liabilities		464,438	460,851
		<b>2,936,938</b>	<b>2,597,726</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,574,174	1,113,557
Accrued finance cost		50,193	111,499
Short term borrowings		720,290	1,529,219
Unclaimed dividend		5,661	5,661
Current portion of long term financing		497,500	764,861
		<b>2,847,818</b>	<b>3,524,797</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6	-	-
		<b>8,972,085</b>	<b>9,253,729</b>

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

  
**ISMAIL H. ZAKARIA**  
Chief Executive Officer

  
**SULEMAN AYOOB**  
Director

  
**MUHAMMAD HANIF CHAMDIA**  
Chief Finance Officer

AL-NOOR SUGAR MILLS LTD.

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2019**

	Note	For Three Month October to December	
		2019	2018
(Rupees in thousand)			
Sales		3,157,773	2,228,280
Cost of sales	7	(2,794,561)	(2,199,663)
Gross profit		363,212	28,617
Distribution Cost		(21,659)	(14,392)
Administration expenses		(163,543)	(135,379)
Other operating expenses		(4,059)	(11,142)
		(189,261)	(160,913)
		173,951	(132,296)
Other income		1,047	76
		174,998	(132,220)
Finance cost		(120,700)	(81,981)
		54,298	(214,201)
Share of profit from associate		48,057	61,190
<b>Profit/(Loss) before taxation</b>		<b>102,355</b>	<b>(153,011)</b>
Taxation		(46,232)	86
<b>Profit/(Loss) after taxation</b>		<b>56,123</b>	<b>(152,925)</b>
Earning/(Loss) per share - Basic and diluted- (Rupees)		<b>2.74</b>	<b>(7.47)</b>

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



ISMAIL H. ZAKARIA  
Chief Executive Officer



SULEMAN AYOORB  
Director



MUHAMMAD HANIF CHAMDIA  
Chief Finance Officer

AL-NOOR SUGAR MILLS LTD.

**CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2019**

	<b>For Three Month October to December 2019                      2018</b>	
	<b>(Rupees in thousand)</b>	
<b>Profit/(Loss) after taxation</b>	<b>56,123</b>	<b>(152,925)</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income/ (loss)</b>	<b>56,123</b>	<b>(152,925)</b>

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



**ISMAIL H. ZAKARIA**  
Chief Executive Officer



**SULEMAN AYOOB**  
Director



**MUHAMMAD HANIF CHAMDIA**  
Chief Finance Officer

AL-NOOR SUGAR MILLS LTD.

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2019**

	Issued, subscribed & paid up capital	General Reserve	Unappropriated Profit	Capital Reserve Surplus on revaluation of Property, Plant & Equipment	Shares of associate's unrealized (loss)/gain on remeasurement	Total
----- (Rupees in thousand) -----						
Balance as at October 1, 2018	204,737	1,000,000	271,708	1,527,935	(2,714)	3,001,666
During the three months ended December 31,2018						
Total Comprehensive (Loss) for the three months ended Dec 31,2018	-	-	(152,925)	-	-	(152,925)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:						
Company's Revaluation Surplus	-	-	14,071	(14,071)	-	-
Shares of associates incremental depreciation of revaluation surplus	-	-	3,663	(3,663)	-	-
	-	-	17,734	(17,734)	-	-
<b>Balance as at December 31, 2018</b>	<b>204,737</b>	<b>1,000,000</b>	<b>136,517</b>	<b>1,510,201</b>	<b>(2,714)</b>	<b>2,848,741</b>
Balance as at October 01, 2019	204,737	1,000,000	499,808	1,429,316	(2,655)	3,131,206
During the three months ended December 31,2019						
Total Comprehensive Income for the three months ended Dec 31,2019	-	-	56,123	-	-	56,123
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:						
Company's Revaluation Surplus	-	-	12,884	(12,884)	-	-
Shares of associates incremental depreciation of revaluation surplus and on account of disposal of property, plant and equipment	-	-	3,381	(3,381)	-	-
	-	-	16,265	(16,265)	-	-
<b>Balance as at December 31, 2018</b>	<b>204,737</b>	<b>1,000,000</b>	<b>572,196</b>	<b>1,413,051</b>	<b>(2,655)</b>	<b>3,187,329</b>

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

  
ISMAIL H. ZAKARIA  
Chief Executive Officer

  
SULEMAN AYOOB  
Director

  
MUHAMMAD HANIF CHAMDIA  
Chief Finance Officer

**AL-NOOR SUGAR MILLS LTD.**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2019**

	Note	December 31, 2019	December 31, 2018
<b>(Rupees in thousand)</b>			
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before taxation		102,355	(153,011)
Adjustments for:			
Depreciation of property, plant and equipment	4.1	70,489	66,076
Amortization of intangible assets		1,142	256
Gain on disposal of property, plant and equipment		(97)	-
Provision for leave encashment		-	40
Finance cost		120,700	81,981
Share of profit from associates		(48,057)	(61,190)
		144,177	87,163
<b>Cash generated before working capital changes</b>		<b>246,532</b>	<b>(65,848)</b>
<b>(Increase) / decrease in current assets</b>			
Stores, spare parts and loose tools		(24,498)	(7,473)
Stock in trade		605,430	509,142
Trade debts		(27,778)	97,939
Loans and advances		(31,926)	(16,067)
Trade deposits and short term prepayments		(9,794)	(10,870)
Other receivables		(913)	63,051
		510,521	635,722
<b>Increase/(decrease) in current liabilities</b>			
Trade and other payables		460,634	792,598
Short term bank borrowings		(808,929)	(976,299)
		(348,295)	(183,701)
		408,758	386,173
<b>(Payments to)/Receipts from</b>			
Income tax paid -net		(44,177)	(28,558)
Finance cost paid		(182,006)	(104,975)
Long term loans-net		(1,448)	(313)
Long term deposits -net		-	(151)
		(227,631)	(133,997)
<b>Net cash inflows from operating activities</b>		<b>181,127</b>	<b>252,176</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition in Property, Plant & Equipment		(49,772)	(15,182)
Sale proceeds from disposal of property, plant and equipment		191	-
<b>Net cash used in investing activities</b>		<b>(49,581)</b>	<b>(15,182)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from long term financing		500,000	-
Repayment of long term financing		(431,736)	(79,862)
<b>Net cash increased in financing activities</b>		<b>68,264</b>	<b>(79,862)</b>
Net increase in cash and cash equivalents		199,810	157,132
Cash and cash equivalents at the beginning of the period		93,221	92,508
<b>Cash and cash equivalents at the end of the period</b>		<b>293,031</b>	<b>249,640</b>

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



**ISMAIL H. ZAKARIA**  
Chief Executive Officer



**SULEMAN AYOOB**  
Director



**MUHAMMAD HANIF CHAMDIA**  
Chief Finance Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED DECEMBER 31, 2019**

**1 The Company and its Operations**

The Company was incorporated in Pakistan as a public limited company on August 08, 1969 and its shares are quoted at the Pakistan Stock Exchange Limited. The Company owns and operates sugar, medium density fiber (MDF) board and generation of power units which are located at Shahpur Jahania, District Shaheed Benazirabad in the Province of Sindh. The registered office of the Company is located at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, Sindh.

The Company owns and operate Sugar and medium density fiber(MDF) board manufacturing units which are located at District Shaheed Benazirabad and Noushero Feroz in the Province of Sindh. The total area of industry land which includes the main factory is spread over 220.58 Acres.

**2 Basis of Preparation**

**2.1** These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2018; and
- Provisions of and directives issued under the Companies Act, 2018.

Where the provisions of and directives issued under the Companies Act, 2018 differ with the requirements of IFRS Standards, the provisions of and directives issued under the Companies Act, 2018 have been followed.

**3 Significant accounting policies and disclosures**

**3.1** The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are consistent with those followed in the preparation of the company's annual financial statements for the year ended September 30, 2019, except revaluation surplus on Property Plant & Equipment as stated below in 3.2.

**3.2** Certain new IFRSs and amendments to existing IFRSs, effective for periods beginning on or after October 1, 2019 do not have any impact on the condensed interim financial information, and are therefore not disclosed.

**3.3** The preparation of this condensed interim financial information requires management to make estimates, assumptions and use of judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. Judgements and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended September 30, 2019.

**AL-NOOR SUGAR MILLS LTD.**

	Unaudited December 31, 2019	Audited September 30, 2019
	----- (Rupees in thousand) -----	
<b>4. PROPERTY PLANT AND EQUIPMENT</b>		
Operating fixed Assets	4,653,251	4,687,656
Capital Work in Progress	97,397	83,803
	<u>4,750,648</u>	<u>4,771,459</u>
<b>4.1 Operating Fixed Assets:</b>		
<b>Opening Net Book Value (NBV)</b>	4,687,656	4,570,047
<b>Direct Additions during the period/year</b>	171	-
Plant and Machinery	8,308	66,399
Furniture, Fixture and Fittings	-	421
Office Equipment	1,306	7,091
Vehicles	9,903	22,669
	19,688	96,580
<b>Transfer from CWIP during the period/year</b>		
Factory Building	759	28,637
Non-Factory Building	-	5,065
Power Plant	-	11,762
Plant and Machinery	15,731	265,972
	16,490	311,436
<b>Net Book Value of Asset disposed off during the period/year</b>		
Vehicles	(94)	(3,352)
<b>Depreciation Charged for the period/year</b>	(70,489)	(287,055)
<b>Closing Net Book Value</b>	<u>4,653,251</u>	<u>4,687,656</u>
<b>4.2 Capital Work in Progress</b>		
<b>Opening Balance</b>	83,803	271,614
<b>Addition during the period/year</b>		
Civil Work	4,752	26,655
Plant & Machinery	25,332	96,970
	30,084	123,625
<b>Capitalization during the period/year</b>		
Civil Work	(759)	(33,702)
Plant & Machinery	(15,731)	(277,734)
	(16,490)	(311,436)
<b>Closing Balance</b>	<u>97,397</u>	<u>83,803</u>

4.2.1 Additions to plant and machinery under installation includes borrowing cost of Rs.Nil (2018:Rs.Nil ) capitalized at the effective rate nil (2018:Nil)

## AL-NOOR SUGAR MILLS LTD.

### 5. Long Term Investment

Investment in associated undertakings:-

	Shahmurad Sugar Mills Limited	Al Noor Management Modaraba (Pvt) Limited	Total December 31, 2019	Total September 31, 2019
Opening balance	684,033	1,352	685,385	522,710
Share of profit of associate for the period / year	48,057	-	48,057	187,843
Shares of associate's unrealized gain on remeasurement of associate's available for sale of investment	-	-	-	69
Share of associate's share in reversal of its associate's incremental depreciation on account of revaluation of property plant and equipment	-	-	-	-
Share of associate's surplus on fresh revaluation of property, plant and equipment net of deferred tax	-	-	-	-
Share of associate's tax rate impact related to its surplus on revaluation of property, plant and equipment	-	-	-	(2,139)
Dividend received during the period / year	-	-	-	(23,098)
	48,057	-	48,057	162,675
	<b>732,090</b>	<b>1,352</b>	<b>733,442</b>	<b>685,385</b>

The company holds 14.285% (September 2018:14.285%) interest in Al-Noor Modaraba Management (Pvt) Ltd, and holds 15.625% (September 2018:15.625%) interest in Shahmurad Sugar Mills Limited. Since the financial statements of Al Noor Modaraba Management (Pvt) Limited are not prepared except on year end June 30; and are not material hence no effect of results of Al-Noor Modaraba Management (Pvt) Ltd has been taken in this condensed interim financial information, however in the case of Shahmurad Sugar Mills Ltd, the share of profit and other comprehensive income has been taken on the basis of its reviewed condensed interim financial information for the nine months period ended December 31, 2019.

## AL-NOOR SUGAR MILLS LTD.

### 6. CONTINGENCIES AND COMMITMENTS

#### 6.1 Contingencies

There is no material change in status of contingencies as disclosed in note No.23 (a) of the annual financial statement for the year ended September 30, 2019.

Unaudited December 31, 2019	Audited September 30, 2019
----- (Rupees in thousand) -----	

#### 6.2 Commitments as on the balance sheet date

Letters of credit		
Stores	22,901	20,166
Raw Material	276,449	203,552
Plant and Machinery	27,680	27,360
	<u>327,030</u>	<u>251,078</u>

<b>For the three Months October to December 2019                      2018</b>
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----- (Rupees in thousand) -----

### 7. COST OF SALES

Opening stock of finished goods	1,758,560	1,864,499
Cost of goods manufactured	1,992,544	1,469,568
	<u>3,751,104</u>	<u>3,334,067</u>
Closing stock of finished goods	(956,543)	(1,134,404)
	<u>2,794,561</u>	<u>2,199,663</u>

**7.1** Stock of refined sugar amounting of Rs. Million 700 (2018:Rs.624.99 million) has been pledged against cash finance facilities and Murabaha/Istisna arrangements.

**7.2** Stock in trade includes stocks costing Rs.204.875 million (2018: Rs. 346.795 million) written down to their net realizable value of Rs.170.450 million 333.165 (2018: million 333.165). This includes stock of molasses and bagasse valued at net realizable value of Rs.46.357 million. (2018: Rs.35.388)

## AL-NOOR SUGAR MILLS LTD.

### 8. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated entities, staff retirement funds, directors and key management personnel. The transaction and balances of related parties during the period/as at period end are given below:

		December 31, 2019	December 31, 2018
		(Rupees in thousand)	
<b>Transactions:</b>			
<u>Relationship with the company</u>	<u>Nature of Transactions</u>		
<b>Associates</b>			
Shahmurad Sugar Mills Ltd	Sale of goods	91,573	5,861
	Share of profit/(Loss) in associates	48,057	61,190
Reliance Insurance Company Ltd	Insurance premium	17,736	16,752
	Insurance claim received	-	3,765
	Insurance claim receivable	91	22
<b>Other Related Parties</b>			
Directors' and key management personnel	Director's remuneration	6,406	6,895
	Executives remuneration	30,216	18,651
	Directors meeting fee	110	50
Staff provident fund	Contribution made during period excluding directors	5,069	4,123
		December 31, 2019	September 30, 2019
		(Rupees in thousand)	
<b>Balances:</b>			
<u>Relationship with the Company</u>	<u>Nature of Transactions</u>		
<b>Associates</b>			
Shahmurad Sugar Mills Ltd	Trade & other payables	114,136	104,969
Reliance Insurance Company Ltd	Trade & other payables	18,839	-
Staff provident fund	Trade & other payables	3,233	777

### 9. RELATIONSHIP WITH THE ISLAMIC AND CONVENTIONAL FINANCIAL INSTITUTION

The Company in the normal course of business deals with sole Islamic financial institutions as well as the financial institution who operate both the conventional side and Islamic window. The details of segregation between Shariah complaints and conventional assets/liabilities and income/expenditure are given below:

	December 2019 Rupees in thousand			September 2019 Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Long term financing-Musharka and others finance	1,672,500	800,000	2,472,500	1,321,250	815,625	2,136,875
Current portion of long term finance	435,000	62,500	497,500	685,000	79,861	764,861
	2,107,500	862,500	2,970,000	2,006,250	895,486	2,901,736
Accrued finance cost	20,764	29,429	50,193	50,747	60,752	111,499
Short term borrowings	-	720,290	720,290	-	1,529,219	1,529,219
Cash at bank accounts	(18,044)	(199,299)	(217,343)	(13,264)	(77,786)	(91,050)
	<u>2,110,220</u>	<u>1,412,920</u>	<u>3,523,140</u>	<u>2,043,733</u>	<u>2,407,671</u>	<u>4,451,404</u>

## AL-NOOR SUGAR MILLS LTD.

	December 2019 Rupees in thousand			December 2018 Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Finance cost	62,823	57,877	120,700	54,839	27,142	81,981
Income on saving account	(141)	-	(141)	(76)	-	(76)
	<u>62,682</u>	<u>57,877</u>	<u>120,559</u>	<u>54,763</u>	<u>27,142</u>	<u>81,905</u>

### 10. SEGMENT INFORMATION

The Company's operations are organized and managed separately according to the nature of products produced with each segment representing a strategic business unit that offers different products and serves different markets. The sugar segment is the manufacturer of sugar and board segment is a manufacturer of Medium Density Fiber (MDF) board. The following tables represent revenue and profit information regarding business segment for the period ended December 31, 2019 and December 31, 2018 and assets and liabilities information regarding business segments as at December 31, 2019 and September 30, 2019:

	Sugar		MDF Board		Total	
	For Three Months October-December 2019	2018	For Three Months October-December 2019	2018	For Three Months October-December 2019	2018
	----- (Rupees in thousand) -----					
<b>Revenue</b>						
Sales	1,761,333	1,301,516	1,396,440	926,764	3,157,773	2,228,280
Sales of By-product & electricity						
External Sales	90,914	15,622	3,095	1,119	94,009	16,741
Inter segment transfer	33,749	16,407	-	-	33,749	16,407
	<u>1,885,996</u>	<u>1,333,545</u>	<u>1,399,535</u>	<u>927,883</u>	<u>3,285,531</u>	<u>2,261,428</u>
<b>RESULTS</b>						
Profit/(Loss) from operation	91,481	(187,959)	86,530	66,805	178,011	(121,154)
Other income	289,000	-	757	76	1,046	76
	<u>91,770</u>	<u>(187,959)</u>	<u>87,287</u>	<u>66,881</u>	<u>179,057</u>	<u>(121,078)</u>
Other operating expenses					(4,059)	(11,142)
Finance cost					(120,700)	(81,981)
Share of profit from associate					48,057	61,190
(Loss) / Profit before tax					102,355	(153,011)
Taxation					(46,232)	86
Profit after taxation					56,123	(152,925)
Other Comprehensive Income					-	-
Total Comprehensive Income for the period					<u>56,123</u>	<u>(152,925)</u>
Other Comprehensive Income / (loss)						
<b>OTHER INFORMATION</b>						
Capital expenditures	23,110	3,686	26,662	11,496	49,772	15,182
Depreciation	36,198	35,476	34,291	30,600	70,489	66,076
Amortization	860	213	282	43	1,142	256

## AL-NOOR SUGAR MILLS LTD.

	Sugar		MDF Board		Total	
	December 31, 2019	September 30, 2019	December 31, 2019	September 30, 2019	December 31, 2019	September 30, 2019
	----- (Rupees in thousand) -----					
<b>BALANCE SHEET</b>						
<b>Assets</b>						
Segment assets	5,270,144	5,622,951	2,815,378	2,793,786	8,085,522	8,416,737
Investment in associates	733,442	685,385	-	-	733,442	685,385
Unallocated assets			-	-	153,121	151,607
<b>Total assets</b>					<b>8,972,085</b>	<b>9,253,729</b>
<b>Liabilities</b>						
Segment liabilities	5,238,771	5,536,128	515,727	560,757	5,754,498	6,096,885
Unallocated liabilities					30,258	25,638
					<b>5,784,756</b>	<b>6,122,523</b>

### Geographical Information

All non-current assets of the Company are located in Pakistan. Company's local sales represent sales to various external customers in Pakistan whereas export sales of Rs.1,223.890 million(2018: 206.167 million) represent sales to customers in various countries of Asia as follows:

	December 31, 2019	December 31, 2018
	----- (Rupees in thousand) -----	
Pakistan	1,933,888	2,022,113
Afghanistan	1,223,885	206,167
	<b>3,157,773</b>	<b>2,228,280</b>

### 11. WORKER'S PROFIT PARTICIPATION FUND, WORKERS WELFARE FUND AND TAXATION

Allocation to the Worker's Profit participation Fund, Worker's Welfare Fund and provision for taxation are provisional, final liability would be determined on the basis of annual results.

### 12. FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Company while assessing fair values uses calculation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques:

Level 1: Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3: Inputs are unobservable inputs for the asset or liability. Inputs for the asset or liability that are not based on observation market data (that is, unobservable inputs).

Financial assets and liabilities of the Company are either short term in nature or are repriced periodically therefore; their carrying amounts approximate their fair values.

**13. AUTHORIZATION**

This condensed interim financial information was authorized for issue by the Board of Directors of the Company in their meeting held on January 27, 2020.

**14. GENERAL**

Amounts have been rounded off to the nearest thousand rupee unless otherwise stated.



**ISMAIL H. ZAKARIA**  
Chief Executive Officer



**SULEMAN AYOOB**  
Director



**MUHAMMAD HANIF CHAMDIA**  
Chief Finance Officer

## ڈائریکٹرز رپورٹ

محترم ممبران.....السلام علیکم!

مجھے خوشی ہے کہ آپ کے سامنے 31 دسمبر 2019 کو ختم ہونے والی پہل سہ ماہی میں آپ کی کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کر رہا ہوں۔ ہر شعبہ کی کارکردگی درج ذیل ہے:

### شوگر ڈویژن:

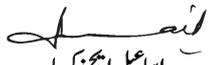
گنے کا کرشنگ آپریشن 29 نومبر 2019 کو شروع کیا گیا تھا اور 31 دسمبر 2019 تک مل نے 192,412 میٹرک ٹن گنے کو کرش کیا جب کہ پچھلے سال اسی عرصے کے دوران 160,694 میٹرک ٹن کرش کیا گیا تھا۔ چینی کی پیداوار 15,665 میٹرک ٹن رہی جبکہ گزشتہ سال اس کی پیداوار 13,835 میٹرک ٹن تھی۔ ریکوری کی شرح 8.93 فیصد رہی جبکہ گزشتہ سال اسی عرصے کے دوران ریکوری 9.41 فیصد رہی تھی۔ موجودہ سیزن کے لئے حکومت سندھ نے گنے کی قیمت = 192 روپے فی چالیس کلوگرام نوٹیفائنڈ کی ہے جبکہ یہ گزشتہ سال کے دوران گنے کی قیمت = 182 روپے فی چالیس کلوگرام تھی۔ گنے کی زیادہ قیمت کے پیش نظر چینی کی پیداوری لاگت میں اضافہ ہوگا۔ گنے کی کاشت کے رقبے میں تقریباً 15% سے 20% کی کمی واقع ہوئی ہے جس کے نتیجے میں کرشنگ کا کم تناسب اور پیداوار کم ہوگی اور اس سے منافع متاثر ہونے کا امکان ہے۔ ایسا لگتا ہے کہ ملک کی سطح پر چینی کی پیداوار ملک کی ضرورت کو پورا کرنے کے لئے کافی ہوگی۔ مقامی مارکیٹ میں چینی کی حالیہ قیمت میں کچھ اضافہ ریکارڈ کیا گیا ہے اور توقع کی جا رہی ہے کہ سال کے باقی عرصے میں بھی یہ رجحان برقرار رہے گا جو بہتری کے لئے ضروری ہے۔

### ایم ڈی ایف بورڈ ڈویژن:

زیر غور مدت کے دوران، MDF بورڈ ڈویژن کی پیداوار 20,184 مکعب میٹر رہی جبکہ پچھلے سال کے اسی عرصے میں 14,096 مکعب میٹر پیدا ہوئی تھی۔ پیداوار گزشتہ مدت کی پیداوار سے 43.26 فیصد زیادہ ہے کیونکہ پلانٹ پوری استواد پر چلا ہے۔ توقع کی جا رہی ہے کہ سال کے باقی عرصے میں پیداوار میں اضافہ ہوگا کیونکہ گزشتہ سیزن کے دوران پمپ کی کوئی کمی نہیں ہے کیونکہ شوگر ڈویژن اور بورڈ ڈویژن کی ضرورت کو پورا کرنے کے لئے پمپ کی داغلی پیداوار کافی ہوتی ہے۔

بورڈ آف ڈائریکٹرز بھی ان تمام افسران، ملازمین اور کارکنوں کے وقف کار اور وابستگی کو پیش کرتے ہیں جنہوں نے کمپنی کے تمام کاموں کو برقرار رکھنے کے لئے اپنی خدمات میں حصہ لیا ہے۔

منجانب بورڈ آف ڈائریکٹرز

  
اسامیل علی ذکریا  
منیجنگ ڈائریکٹر/چیف ایگزیکٹو آفیسر (CEO)

  
سلیمان ایوب  
ڈائریکٹر

تاریخ: 27 جنوری 2020

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