



**AL-NOOR SUGAR MILLS LIMITED**

1st Quarterly Results for the period  
1st October 2020 to 31st December, 2020

# Company Information

## BOARD OF DIRECTORS

MR. ZIA ZAKARIA  
MR. YUSUF AYOOB  
MR. SULEMAN AYOOB  
MR. NOOR MOHAMMAD ZAKARIA  
MS. MUNIFA  
MR. SHAMIM AHMAD  
MR. FARRUKH YASEEN

### BOARD AUDIT COMMITTEE

MR. SHAMIM AHMAD  
MR. ZIA ZAKARIA  
MS. MUNIFA

### HUMAN RESOURCE AND REMUNERATION COMMITTEE

MR. FARRUKH YASEEN  
MR. SULEMAN AYOOB  
MS. MUNIFA

### CHIEF FINANCIAL OFFICER

MR. MUHAMMAD HANIF CHAMDIA

### COMPANY SECRETARY

MR. MOHAMMAD YASIN MUGHAL  
FCMA

### AUDITORS

M/S 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

### REGISTRAR & SHARES REGISTRATION OFFICE

C & K Management Associates (Pvt) Ltd.  
404-Trade Tower,  
Abdullah Haroon Road,  
Near Metropole Hotel, Karachi - 75530  
[www.alnoorsugar.co](http://www.alnoorsugar.co)

### FACTORY

Shahpur Jahania, P.O. Noor Jahania,  
Taluka Moro,  
District Shaheed Benazir Bhutto Abad  
(Nawabshah)

## DIRECTORS' REPORT

Dear members Asslamu-o-Alaikum

On behalf of the Board I am pleased to place before you the un-audited financial statements of your company for the first quarter ended December 31st 2020. Segment position is briefed as under:

### SUGAR DIVISION

The Mill commenced Crushing of sugarcane on November 30, 2020 and up to December 31, 2020 the volume of crushing was 209,974 metric tons as against 192,412 metric tons crushed during the same period last year. The production of sugar was 18,285 metric tons as against 15,665 metric tons produced last year. For the current season crushing season the Government of Sindh notified price of sugarcane at Rs. 202/= whereas the same was Rs.192/= per forty kgs of cane during the previous year. The raw material cost has been increased but the growers are reluctant to sell their produce at notified price. The Company has no option but to purchase raw material at higher cost. In addition to the higher cost of raw material transportation cost has to be paid as the material is being procured from far area in order to run the mill economically without interruption. Due to higher cost of raw material the production cost of sugar will increase considerably. It appears that production of sugar on over all country basis would be sufficient to meet the requirement of the country. The recovery percentage was 9.38 percent as against 8.93 achieved during the same period last year. It is expected that the recovery percentage would increase during the remaining period of crushing.

### MDF BOARD DIVISION

During the period under review the production of MDF Board division products was 19,564 cubic meters as against 20,184 cubic meters produced in the same period of last year. Production is slightly lower than last period by 3.07 percent as due to corona virus the plant could not be 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



**YUSUF AYOOB**  
CHIEF EXECUTIVE OFFICER

Date: January 26, 2021

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

	Note	Un-Audited December 2020	Audited September 2020
(Rupees in thousand)			
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	4	4,885,007	4,906,966
Right-of-use assets		15,987	17,781
Intangible asset		2,129	2,839
Long term investments	5	769,667	747,755
Long term loans		4,411	1,737
Long term deposits		4,268	4,268
		<b>5,681,469</b>	<b>5,681,346</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		463,118	424,564
Stock in trade		1,740,887	1,181,207
Trade debts		613,248	461,688
Loans and advances		100,533	71,382
Trade deposits and short term prepayments		23,813	9,811
Other receivables		336,332	335,921
Short Term Investment		100,000	-
Taxation-Net		158,135	153,633
Cash and bank balances		487,310	387,058
		<b>4,023,376</b>	<b>3,025,264</b>
		<b>9,704,845</b>	<b>8,706,610</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised Capital		500,000	500,000
50,000,000 ordinary shares of Rs.10 each			
Issued, subscribed and paid-up capital		204,737	204,737
Revenue Reserve			
General reserve		1,000,000	1,000,000
Unappropriated profit		799,949	705,809
Share of associate's unrealised loss on remeasurement of associate's investments		(2,714)	(2,714)
<b>Capital Reserve</b>			
Surplus on revaluation of Property, plant and equipment		1,349,141	1,364,357
		<b>3,351,113</b>	<b>3,272,189</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term financing		2,518,333	2,685,000
Lease liability against right-of-use asset		5,245	5,245
Deferred liabilities		547,631	516,129
		<b>3,071,209</b>	<b>3,206,374</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,339,587	1,355,959
Accrued finance cost		24,618	46,454
Short term borrowings		1,381,141	402,138
Unclaimed dividend		6,413	6,413
Current portion of long term financing		526,667	406,875
Current portion of lease liability against right-of-use asset		4,097	10,208
		<b>3,282,523</b>	<b>2,228,047</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6	-	-
		<b>9,704,845</b>	<b>8,706,610</b>

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

  
**YUSUF AYOOB**  
Chief Executive Officer

  
**SULEMAN AYOOB**  
Director

  
**MUHAMMAD HANIF CHAMDIA**  
Chief Finance Officer

**CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2020**

	Note	For the three months October to December	
		2020	2019
		(Rupees in thousand)	
Sales		2,374,170	3,157,773
Cost of sales	7	(2,000,077)	(2,794,561)
Gross profit		374,093	363,212
Profit from trading activities		981	-
		<b>375,074</b>	363,212
Distribution Cost		(17,238)	(21,659)
Administration expenses		(170,510)	(163,543)
Other operating expenses		(9,528)	(4,059)
		<b>(197,276)</b>	(189,261)
		177,798	173,951
Other income		12,686	1,047
		<b>190,484</b>	174,998
Finance cost		(66,870)	(120,700)
		<b>123,614</b>	54,298
Share of profit from associates		21,912	48,057
<b>Profit before taxation</b>		<b>145,526</b>	102,355
Taxation		(66,602)	(46,232)
<b>Profit after taxation</b>		<b>78,924</b>	56,123
Earning per share - Basic and diluted- (Rupees)		<b>3.85</b>	2.74

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

  
YUSUF AYOOB  
Chief Executive Officer

  
SULEMAN AYOOB  
Director

  
MUHAMMAD HANIF CHAMDIA  
Chief Finance Officer

**CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2020**

For the three months October to December	
2020	2019

(Rupees in thousand)

<b>Profit after taxation</b>	<b>78,924</b>	56,123
<b>Other comprehensive income</b>	-	-
<b>Total Comprehensive profit</b>	<b>78,924</b>	56,123

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



**YUSUF AYOOB**  
Chief Executive Officer



**SULEMAN AYOOB**  
Director



**MUHAMMAD HANIF CHAMDIA**  
Chief Finance Officer

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2020

	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) -----						
<b>Balance as at October 1, 2019</b>	204,737	1,000,000	499,808	1,429,316	(2,655)	3,131,206
<b>During the three months ended Dec 31, 2019</b>						
<b>Total Comprehensive Income for the three months ended Dec 31, 2019</b>	-	-	56,123	-	-	56,123
<b>Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:</b>						
Company's Revaluation Surplus	-	-	12,884	(12,884)	-	-
Shares of associates incremental depreciation of revaluation surplus	-	-	3,381	(3,381)	-	-
	-	-	16,265	(16,265)	-	-
<b>Balance as at December 31, 2019</b>	<u>204,737</u>	<u>1,000,000</u>	<u>572,196</u>	<u>1,413,051</u>	<u>(2,655)</u>	<u>3,187,329</u>
<b>Balance as at October 01, 2020</b>	204,737	1,000,000	705,809	1,364,357	(2,714)	3,272,189
<b>During the three months ended Dec 31, 2020</b>						
<b>Total Comprehensive Income for the three months ended Dec 31, 2020</b>	-	-	78,924	-	-	78,924
<b>Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:</b>						
Company's Revaluation Surplus	-	-	12,072	(12,072)	-	-
Shares of associates incremental depreciation of revaluation surplus and on account of disposal of property, plant and equipment	-	-	3,144	(3,144)	-	-
	-	-	15,216	(15,216)	-	-
<b>Balance as at December 31, 2020</b>	<u>204,737</u>	<u>1,000,000</u>	<u>799,949</u>	<u>1,349,141</u>	<u>(2,714)</u>	<u>3,351,113</u>

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

  
**YUSUF AYOOB**  
Chief Executive Officer

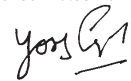
  
**SULEMAN AYOOB**  
Director

  
**MUHAMMAD HANIF CHAMDIA**  
Chief Finance Officer

## CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2020

	Note	December 31, 2020	December 31, 2019
<b>(Rupees in thousand)</b>			
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		145,526	102,355
Adjustments for:			
Depreciation of property, plant and equipment	4.1	66,818	70,489
Depreciation on right-of-use assets		1,794	-
Amortization of intangible assets		711	1,142
Gain on disposal of property, plant and equipment		(3,124)	(97)
Finance cost		66,870	120,700
Share of profit from associates		(21,912)	(48,057)
		<u>111,157</u>	<u>144,177</u>
Cash generated before working capital changes		256,683	246,532
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(38,554)	(24,498)
Stock in trade		(559,680)	605,430
Trade debts		(151,560)	(27,778)
Loans and advances		(29,151)	(31,926)
Trade deposits and short term prepayments		(14,002)	(9,794)
Other receivables		(411)	(913)
		<u>(793,358)</u>	<u>510,521</u>
Increase in current liabilities			
Trade and other payables		(16,375)	460,634
Short term bank borrowings		979,003	(808,929)
		<u>962,628</u>	<u>(348,295)</u>
(Payments to)/Receipts from			
Income tax paid		(39,606)	(44,177)
Finance cost paid		(88,706)	(182,006)
Long term loans		(2,674)	(1,448)
Long term deposits		-	-
		<u>(130,986)</u>	<u>(227,631)</u>
Net cash inflows from operating activities		294,967	181,127
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition in Property, Plant & Equipment		(46,898)	(49,772)
Sale proceeds from disposal of property, plant and equipment		5,169	191
Net cash used in investing activities		(41,729)	(49,581)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from long term financing		-	500,000
Repayment of long term financing		(46,875)	(431,736)
Payments for lease liability against right-of-use asset		(6,111)	-
Net cash used in financing activities		(52,986)	68,264
Net increase in cash and cash equivalents		200,252	199,810
Cash and cash equivalents at the beginning of the period		387,058	93,221
Cash and cash equivalents at the end of the period		<u>587,310</u>	<u>293,031</u>
Cash and cash equivalent			
Short term investment		100,000	-
Cash and bank balances		487,310	293,031
		<u>587,310</u>	<u>293,031</u>

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

  
**YUSUF AYOOB**  
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, 2020

### 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 207.25 Acres.

### 2 Basis of Preparation

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed. The condensed interim financial statements does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the company's annual financial statements for the year ended September 30,2020.

### 3 Significant accounting policies and disclosures

- 3.1 The accounting policies and methods of computation followed for the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the company's annual financial statements for the year ended September 30, 2020.
- 3.2 Due to the seasonal availability of sugarcane, the manufacture of sugar is carried out during the period of availability of sugarcane and costs incurred/accrued upto the reporting date have been accounted for. Accordingly, the costs incurred/accrued after the reporting date will be reported in the subsequent interim and annual financial statements.
- 3.3 Certain new IFRSs and amendments to existing IFRSs, effective for periods beginning on or after January 1, 2019, do not have any impact on the condensed interim financial information, and are therefore not disclosed.

**3.4** The preparation of these condensed interim financial statements 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 these condensed interim financial statements are the same as those that were applied to financial statements as at and for the year ended September 30, 2020.

	<b>Unaudited December 31, 2020</b>	<b>Audited September 30, 2020</b>
	----- (Rupees in thousand) -----	
<b>4. PROPERTY PLANT AND EQUIPMENT</b>		
Operating fixed Assets	<b>4,486,022</b>	4,523,350
Capital Work in Progress	<b>398,985</b>	383,616
	<b>4,885,007</b>	4,906,966
<b>4.1 Operating Fixed Assets:</b>		
Opening Net Book Value (NBV)	<b>4,523,350</b>	4,687,656
Direct Additions during the period/year		
Non-Factory Building	-	171
Plant and Machinery	<b>27,299</b>	53,076
Office Equipment	<b>2,418</b>	9,533
Vehicles	<b>1,812</b>	14,698
	<b>31,529</b>	77,479
<b>Right-of-use asset against immovable property</b>		
<b>Transfer from CWIP during the period/year</b>		
Factory Building	-	31,941
Plant and Machinery	-	15,731
	-	47,672
<b>Net Book Value of Asset disposed off during the period/year</b>		
Vehicles	<b>(2,039)</b>	(1,608)
<b>Depreciation Charged for the period/year</b>	<b>(66,818)</b>	(287,849)
<b>Closing Net Book Value</b>	<b>4,486,022</b>	4,523,350

**Unaudited                      Audited**  
**December 31,                  September 30,**  
**2020                                      2020**  
**----- (Rupees in thousand) -----**

#### 4.2 Capital Work in Progress

Opening Balance		<b>383,616</b>	83,803
Addition during the period/year			
Civil Work		<b>8,428</b>	22,325
Plant & Machinery	4.2.1	<b>6,941</b>	325,160
		<b>15,369</b>	347,485
<b>Capitalization during the period/year</b>			
Civil Work		-	(31,941)
Plant & Machinery		-	(15,731)
		-	(47,672)
Closing Balance		<b>398,985</b>	383,616

4.2.1 Additions to plant and machinery under installation includes borrowing cost of Rs.nil (2019:Nil).

#### 5. Long Term Investment

##### *Investment in associated undertakings:-*

	<b>Shahmurad Sugar Mills Limited</b>	<b>Al Noor Management Modaraba (Pvt) Limited</b>	<b>Total December 31, 2020</b>	<b>Total September 30, 2020</b>
Opening balance	746,748	1,007	<b>747,755</b>	685,385
Share of profit of associate for the period / year	21,912	-	<b>21,912</b>	118,535
Shares of associate's unrealized gain on remeasurement of associate's available for sale of investment	-	-	-	(69)
Share of associate's tax rate impact related to its surplus on revaluation of property, plant and equipment				-
Dividend received during the period/year	-	-	-	(56,096)
	21,912	-	<b>21,912</b>	62,370
	<b>768,660</b>	<b>1,007</b>	<b>769,667</b>	<b>747,755</b>

The company holds 14.285% (September 2020:14.285%) interest in Al-Noor Modaraba Management (Pvt) Ltd, and holds 15.625% (September 2020:15.625%) 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 three months ended December 31, 2020.

## 6. CONTINGENCIES AND COMMITMENTS

### 6.1 Contingencies

There is no material change in status of contingencies as disclosed in note No.25 (a) of the annual financial statement for the year ended September 30, 2020.

<b>Unaudited December 31, 2020</b>	<b>Audited September 30, 2020</b>
----- (Rupees in thousand) -----	

### 6.2 Commitments as on the balance sheet date

Letters of credit	<b>31,411</b>	50,199
Stores	<b>224,094</b>	191,194
Raw Material	<b>69,345</b>	52,991
Machinery	<b>324,850</b>	294,384

<b>For the three months October to December 2020</b>	<b>2019</b>
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----- (Rupees in thousand) -----

## 7. COST OF SALES

Opening stock of finished goods	<b>776,628</b>	1,758,560
Cost of goods manufactured	<b>2,407,992</b>	1,992,544
	<b>3,184,620</b>	3,751,104
Closing stock of finished goods	<b>(1,184,543)</b>	(956,543)
	<b>2,000,077</b>	2,794,561

**7.1** Stock of refined sugar amounting of Rs.900 Million ( 2019:Rs.700 million) has been pledged against cash finance facilities and Murabaha/Istisna arrangements.

**7.2** Stock in trade includes stocks costing Rs. 1,563.920 million (Dec 2019: Rs.204.875 million) written down to their net realizable value of Rs.1,4131.875 million (Dec 2019: 170.450). This includes stock of molasses and bagasse valued at net realizable value of Rs.73.618 million. (Dec 2019: Rs.46.357 million)

## 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, 2020	December 31, 2019
		(Rupees in thousand)	
<u>Transactions:</u>	<u>Nature of Transactions</u>		
<u>Relationship with the company</u>			
<b>Associates</b>			
Shahmurad Sugar Mills Ltd	Sale of goods	50,083	91,573
	Dividend received	-	-
	Share of profit in associates	21,912	48,057
Reliance Insurance Company Ltd	Insurance premium paid	10,157	17,736
	Insurance claim received	6,124	-
	Insurance claim receivable	41	91
<b>Other Related Parties</b>			
Directors' and key management personnel	Director's remuneration	7,589	6,406
	Executives remuneration	25,198	30,216
	Directors meeting fee	96	110
Staff provident fund	Contribution made during period excluding directors	5,702	5,069
		December 31, 2020	September 30, 2020
		(Rupees in thousand)	
<u>Balances:</u>	<u>Nature of Transactions</u>		
<u>Relationship with the Company</u>			
<b>Associates</b>			
Shahmurad Sugar Mills Ltd	Trade & other payables	99,917	150,000
Reliance Insurance Company Ltd	Trade & other payables	13,568	4,193
Staff provident fund	Trade & other payables	1,937	794

## 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 2020 Rupees in thousand			September 2020 Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Long term financing-Musharka and others finance	1,485,000	1,033,333	2,518,333	1,976,250	708,750	2,685,000
Current portion of long term finance	460,000	66,667	526,667	391,250	15,625	406,875
	1,945,000	1,100,000	3,045,000	2,367,500	724,375	3,091,875
Accrued finance cost	10,460	14,158	24,618	25,612	20,842	46,454
Short term borrowings	-	1,381,141	1,381,141	-	402,138	402,138
Cash at bank accounts	(262,493)	(14,813)	(277,306)	(244,820)	(77,786)	(322,606)
	<u>1,692,967</u>	<u>2,480,486</u>	<u>4,173,453</u>	<u>2,148,292</u>	<u>1,069,569</u>	<u>3,217,861</u>

	December 2020 Rupees in thousand			December 2019 Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Finance cost	40,796	26,074	66,870	62,823	57,877	120,700
Borrowing cost capitalized	-	-	-	-	-	-
Income on saving account	(7,305)	-	(7,305)	(141)	-	(141)
	<u>33,491</u>	<u>26,074</u>	<u>59,565</u>	<u>62,682</u>	<u>57,877</u>	<u>120,559</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, 2020 and December 31, 2019 and assets and liabilities information regarding business segments as at December 31, 2020 and September 30, 2020:

	Sugar		MDF Board		Total	
	For the three months October-December 2020	2019	For the three months October-December 2020	2019	For the three months October-December 2020	2019
----- (Rupees in thousand) -----						
<b>Revenue</b>						
External Sales	877,772	1,761,333	1,496,398	1,396,440	2,374,170	3,157,773
External Sales of by-product	50,083	90,914	3,290	3,095	53,373	94,009
Inter-segment transfer- Electricity	33,532	33,749	-	-	33,532	33,749
Inter-segment transfer- Bagasse	21,500	-	-	-	21,500	-
	<u>982,887</u>	<u>1,885,996</u>	<u>1,499,688</u>	<u>1,399,535</u>	<u>2,482,575</u>	<u>3,285,531</u>
<b>RESULTS</b>						
Profit from operation	89,438	91,481	96,907	86,530	186,345	178,011
Profit from trading activities	-	-	981	-	981	-
Other Income	7,012	289	5,674	757	12,686	1,046
	<u>96,450</u>	<u>91,770</u>	<u>103,562</u>	<u>87,287</u>	<u>200,012</u>	<u>179,057</u>
Other operating expenses	-	-	-	-	(9,528)	(4,059)
Finance cost	-	-	-	-	(66,870)	(120,700)
Share of profit from associates	-	-	-	-	21,912	48,057
Profit before tax	-	-	-	-	145,526	102,355
Taxation	-	-	-	-	(66,602)	(46,232)
Net profit after taxation for the period	-	-	-	-	<u>78,924</u>	<u>56,123</u>
Other Comprehensive Income / (loss)						
<b>OTHER INFORMATION</b>						
Capital expenditures	1,101	23,110	45,797	26,662	46,898	49,772
Depreciation	34,189	36,198	32,629	34,291	66,818	70,489
Depreciation on right-of-use assets	-	-	1,794	-	1,794	-
Amortization	314	860	397	282	711	1,142

	Sugar		MDF Board		Total	
	December 31, 2020	September 30, 2020	December 31, 2020	September 30, 2020	December 31, 2020	September 30, 2020
----- (Rupees in thousand) -----						
<b>Statement of financial position</b>						
<b>Assets</b>						
Segment assets	5,460,496	4,507,912	3,316,547	3,297,310	8,777,043	7,805,222
Investment in associates	769,667	747,755	-	-	769,667	747,755
Unallocated assets	-	-	-	-	158,135	153,633
<b>Total assets</b>					<b>9,704,845</b>	<b>8,706,610</b>
<b>Liabilities</b>						
Segment liabilities	5,677,749	4,704,636	631,145	694,597	6,308,894	5,399,233
Unallocated liabilities	-	-	-	-	44,838	35,188
					<b>6,353,732</b>	<b>5,434,421</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.285.254 million(2019: 1,223.890 million) represent sales to customers in various countries of Asia as follows:

	December 31, 2020	December 31, 2019
----- (Rupees in thousand) -----		
Pakistan	2,088,916	1,933,888
Afghanistan	285,254	1,223,885
	<b>2,374,170</b>	<b>3,157,773</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

These condensed interim financial statements was authorized for issue by the Board of Directors of the Company in their meeting held on January 26, 2021.

### 14. GENERAL

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



YUSUF AYOOB  
Chief Executive Officer



SULEMAN AYOOB  
Director



MUHAMMAD HANIF CHAMDIA  
Chief Finance Officer



## ڈائریکٹرز رپورٹ

محترم ممبران السلام علیکم

بورڈ کی جانب سے مجھے خوشی ہے کہ آپ کے سامنے 31 دسمبر 2020 کو ختم ہونے والی پہلی سہ ماہی میں آپ کی کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے آپ کے سامنے پیش کر رہا ہوں۔ ہر شعبہ کی کارکردگی درج ذیل ہے۔

### شوگر ڈویژن

مل نے 30 نومبر 2020 کو گنے کی کرشنگ کا آغاز کیا اور 31 دسمبر 2020 تک کرشنگ کا حجم 209,974 میٹرک ٹن تھا جبکہ گذشتہ سال اسی عرصے کے دوران 192,412 میٹرک ٹن کرش کیا۔ چینی کی پیداوار 18,285 میٹرک ٹن تھی جبکہ پچھلے سال 15,665 میٹرک ٹن پیداوار ہوئی۔


موجودہ کرشنگ سیزن میں حکومت سندھ نے گنے کی قیمت کو =/202 روپے فی چالیس کلوگرام مقرر کیا جبکہ گذشتہ سال کے دوران گنے کی قیمت =/192 روپے تھی۔ خام مال کی قیمت میں اضافہ کیا گیا ہے لیکن کاشکار مطلع شدہ قیمت پر اپنی پیداوار فروخت کرنے سے گریزاں ہیں۔ کمپنی کے پاس زیادہ قیمت پر خام مال خریدنے کے سوا کوئی چارہ نہیں ہے۔ خام مال کی اعلیٰ قیمت کے علاوہ نقل و حمل کی لاگت بھی ادا کرنی پڑتی ہے کیونکہ مل کو بغیر کسی مداخلت کے معاشی طور پر چلانے کے لئے دور دراز سے مواد لیا جا رہا ہے۔ خام مال کی اعلیٰ قیمت کی وجہ سے چینی کی پیداواری لاگت میں کافی اضافہ ہوگا۔ ایسا لگتا ہے کہ پورے ملک کی سطح پر چینی کی پیداوار ملک کی ضرورت کو پورا کرنے کے لئے کافی ہوگی۔ ریکوری 9.38 فیصد تھی جبکہ پچھلے سال اسی عرصے کے دوران 8.93 ریکوری حاصل ہوئی تھی۔ توقع کی جا رہی ہے کہ کرشنگ کی باقی مدت کے دوران ریکوری میں اضافہ ہوگا۔


### MDF بورڈ ڈویژن

جائزہ لینے کے دوران ایم ڈی ایف بورڈ ڈویژن مصنوعات کی پیداوار 19,564 کعب میٹر رہی جبکہ گذشتہ سال کے اسی عرصے میں 20,184 کعب میٹر پیدا ہوئی تھی۔ پیداوار گذشتہ دور کی نسبت 3.07 فیصد تھوڑی کم ہے کیونکہ کورونا وائرس کی وجہ سے زیادہ سے زیادہ صلاحیت پر پلانٹ نہیں چل سکا۔ توقع کی جا رہی ہے کہ سال کے باقی عرصے میں پیداوار میں اضافہ ہوگا کیونکہ کرشنگ سیزن کے دوران بجلی کی کوئی کمی نہیں ہے کیونکہ چینی کی تقسیم اور بورڈ ڈویژن کی ضرورت کو پورا کرنے کے لئے بجلی کی داخلی پیداوار کافی 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

  
سلیمان ایوب  
ڈائریکٹر

  
یوسف ایوب  
چیف ایگزیکٹو آفیسر

تاریخ: 26 جنوری، 2021

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