



AL-NOOR SUGAR MILLS LIMITED

Half Yearly Results for the period
1st October 2015 to 31st March, 2016

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. YUSUF AYOOB
MR. ISMAIL H. ZAKARIA
MR. SULEMAN AYOOB
MR. A. AZIZ AYOOB
MR. NOOR MOHAMMAD ZAKARIA
MR. ZIA ZAKARIA
MR. SALIM AYOOB
MR. ZOHAIR ZAKARIA
MR. SHAMIM AHMAD
MR. MUHAMMAD ASIF

Chairman
Managing Director
Resident Director

Independent Director
(N.I.T. Nominee)

BOARD AUDIT COMMITTEE

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

Chairman
Member
Independent Director
Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

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

Chairman
Member
Member

CHIEF FINANCIAL OFFICER

MR. ZOHAIR ZAKARIA

COMPANY SECRETARY

MR. MOHAMMAD YASIN MUGHAL
FCMA

AUDITORS

KRESTON HYDER BHIMJI & CO.
Chartered Accountants

LEGAL ADVISOR

MR. ABDUL SATTAR PINGAR

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

DIRECTORS' REPORT

Dear Members - Assalam-o-Alaikum:

On behalf of the Board of Directors, it is my privilege to present to you the Un-audited Financial Statements of your Company for the period ended March 31, 2016.

Salient features of the Financial Statements are as under:

PRODUCTION DATA	March 31, 2016	March 31, 2015
Crushing commenced on	27-11-2015	09-12-2014
Crushing completed on	07-03-2016	29-03-2015
Duration of crushing (days)	102	110
Sugarcane crushed (M. Tons)	907,287	1,013,118
Sugar produced (M. Tons)	92,501	104,283
Sugar recovery rate	10.20%	10.30%
Molasses produced (M. Tons)	39,405	47,925
MDF Production (C. Meters)	25,558	29,016

FINANCIAL DATA	(Rupees in thousands)	
Sales	3,315,849	2,471,588
Cost of sales	(2,840,506)	(1,785,527)
Gross profit	475,343	686,061
Distribution cost	(17,505)	(16,552)
Administrative expenses	(217,315)	(198,461)
Financial cost	(135,262)	(178,703)
Other income net of expenses	10,012	31,976
Profit before taxation	115,273	324,321
Provision for taxation	(38,659)	(127,166)
Profit after taxation	76,614	197,155
Earnings per share	Rs.3.74	Rs.9.63

SUGAR DIVISION

During the period under review, the sugarcane crop was not abundant as was last year and as a result the volume of crushing reduced by 105,831 metric tons or 10.45 percent. In 102 days of crushing, your mills crushed 907,287 metric tons of sugarcane as against 1,013,118 metric tons crushed in 110 days of crushing last year. The per day crushing reduced to 8,895 metric tons as against 9,210 metric tons crushed last year. The decrease in volume of crushing was due to non-availability of raw material.

The sugar produced was 92,501 metric tons as against 104,283 metric tons produced during the same period of last year posting a reduction of 11.30 percent. Crop condition deteriorated during the period under review due to non availability of water in the desired level. The recovery percentage also reduced to 10.20 percent as against 10.30 percent achieved last year.

AL-NOOR SUGAR MILLS LTD.

As per latest data available the country wide crushing of sugarcane 2015-16 is 49.902 million metric tons as against 50.795 million metric tons crushed during the previous year. The production of sugar is 5.080 million metric tons as compared to 5.162 million metric tons produced during 2014-15 inclusive of production from beet. The recovery percentage of the country is 10.12 which also coincide with the percentage of previous year. Production of sugar for the current season plus carry over stock available with the sugar mills is in excess of the requirement of the country. Keeping in view the excess availability of sugar in the country the Government has allowed the export of sugar but unfortunately the international price of sugar remained under pressure due to large global stocks and export quota could not be achieved. The above factors have kept significant pressure on the price of sugar in local market also.

MDF BOARD DIVISION:

During the period under review the MDF Board Division produced 25,558 cubic meters of final products in various thicknesses / sizes as against 29,016 cubic meters produced in the same period of last year. The production is lower than the last year's output and it is expected that the same would be made good during the remaining period of the year.

FUTURE OUTLOOK:

In spite of the severe climate change in the country the water situation has improved in the system and it is expected that the cane crop would improve in respect of yield per acre. It is expected that during the next crushing season the recovery percentage would enhance.

CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS:

There was no change in the composition of the Board of Directors during the period under consideration.

Board of Directors wish to assure to respectable stakeholders for dedicated efforts to achieve the success with better planning to overcome, Insha Allah, the difficult situation presently being faced by the sugar industry. Please pray to Almighty Allah to guide / help us to achieve the desired goals (Ameen).

Karachi:
Dated: May 26, 2016


ISMAIL H ZAKARIA
MANAGING DIRECTOR



AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim balance sheet of **AL-NOOR SUGAR MILLS LIMITED** ("the Company") as of March 31, 2016, and 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 notes forming part thereof (here-in-after referred to as the "condensed interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures for the quarters ended March 31, 2016 and March 31, 2015 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed, as we are required to review only cumulative figures for the half year ended March 31, 2016.

Scope of Review

We conducted our review in accordance with the International Standard on Review engagements 2410, "Review of condensed interim financial information performed by the independent auditor of the entity". A review of condensed 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 condensed interim financial information as of and for the half year ended March 31, 2016 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

Karachi:
Dated: May 26, 2016

Engagement Partner: Shaikh Mohammad Tanvir

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AL-NOOR SUGAR MILLS LTD.

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2016**

	Note	Un-Audited March 2016 (Rupees in '000)	Audited September 2015 (Rupees in '000)
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	4	3,958,585	3,639,629
Long term investments	5	253,445	260,215
Long term loans		2,803	6,022
Long term deposits		3,567	3,552
		4,218,400	3,909,418
CURRENT ASSETS			
Stores, spare parts and loose tools		344,980	313,986
Stock in trade		5,114,675	2,495,964
Trade debts		208,612	120,106
Loans and advances		111,391	83,115
Trade deposit and short term prepayments		46,670	38,946
Other receivables		39,254	74,208
Income tax refund due from Government		7,037	7,037
Income tax refundable-net of provision		25,556	8,416
Cash and bank balances		216,738	98,173
		6,114,913	3,239,951
		10,333,313	7,149,369
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
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
General reserve		1,000,000	1,000,000
Share of associate's unrealised loss on remeasurement of investments		(1,998)	(1,998)
Unappropriated profit		271,908	234,725
		1,474,647	1,437,464
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
		1,156,473	1,184,605
		2,631,120	2,622,069
NON-CURRENT LIABILITIES			
Long term financing		1,804,282	1,120,111
Deferred liabilities -			
Deferred taxation		618,202	613,863
Excise duty		35,120	35,120
		653,322	648,983
		2,457,604	1,769,094
CURRENT LIABILITIES			
Trade and other payables		1,748,544	1,067,464
Accrued markup/profit/financial charges		62,788	48,114
Short term borrowings		2,979,864	1,173,087
Current portion of long term financing		409,156	407,447
Liabilities against assets subject to finance lease		44,237	62,094
		5,244,589	2,758,206
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		10,333,313	7,149,369

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.


ISMAIL H ZAKARIA
Managing Director


SULEMAN AYOB
Director

AL-NOOR SUGAR MILLS LTD.

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2016**

	Note	For the half year		For the quarter	
		October-March		Jan-March	
		2016	2015	2016	2015
(Rupees in '000)					
Sales		3,315,849	2,471,588	883,323	778,302
Cost of sales	7	(2,840,506)	(1,785,527)	(549,421)	(318)
Gross profit		475,343	686,061	333,902	777,984
Profit from trading activities		630	904	471	886
		475,973	686,965	334,373	778,870
Distribution Cost		(17,505)	(16,552)	(9,699)	(12,679)
Administration expenses		(217,315)	(198,461)	(109,185)	(103,404)
Other operating expenses		(12,893)	(24,782)	(12,893)	(24,782)
		(247,713)	(239,795)	(131,777)	(140,865)
		228,260	447,170	202,596	638,005
Other income		17,496	30,882	11,722	10,474
		245,756	478,052	214,318	648,479
Finance cost		(135,262)	(178,703)	(89,814)	(94,626)
		110,494	299,349	124,504	553,853
Share of profit from associate		4,779	24,972	2,244	41,032
Profit before taxation		115,273	324,321	126,748	594,885
Taxation		(38,659)	(127,166)	(601)	(127,535)
Profit after taxation		76,614	197,155	126,147	467,350
Earnings per share					
- Basic and diluted- (Rupees)		3.74	9.63	6.16	22.83

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.


ISMAIL H ZAKARIA
Managing Director


SULEMAN AYOB
Director

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2016**

	<u>For the half year</u>		<u>For the quarter</u>	
	<u>October-March</u>		<u>Jan-March</u>	
	2016	2015	2016	2015
	----- (Rupees in '000) -----			
Profit after taxation	76,614	197,155	126,147	467,350
Other Comprehensive Income				
Items that shall not be reclassified subsequently to profit and loss				
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:				
Company's revaluation surplus	25,997	26,659	13,476	13,833
Shares of associate's incremental depreciation of revaluation surplus	2,135	2,244	1,068	1,522
Transfer from surplus on revaluation of property, plant and equipment on account of disposal of plant and machinery		509	-	509
	28,132	29,412	14,544	15,864
Total Comprehensive Income	104,746	226,567	140,691	483,214

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.


ISMAIL H ZAKARIA
Managing Director


SULEMAN AYOB
Director

AL-NOOR SUGAR MILLS LTD.

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2016

	Note	March 31, 2016	March 31, 2015
		Rupees in '000	
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		115,273	324,321
Adjustments for:			
Depreciation of property, plant and equipment	4.1	116,022	118,210
Gain on disposal of property, plant and equipment		(877)	(3,783)
Provision for obsolescence and slow moving items		4,926	2,596
Finance cost		135,262	178,703
Share of profit from associate		(4,779)	(24,972)
		250,554	270,754
Cash generated before working capital changes		365,827	595,075
(Increase)/decrease in current assets			
Stores, spare parts and loose tools		(35,920)	(107,098)
Stock in trade		(2,618,711)	(3,540,543)
Trade debts		(88,506)	(238,269)
Loans and advances		(28,276)	(17,051)
Trade deposits and short term prepayments		(7,724)	(9,780)
Other receivables		34,954	(320,807)
		(2,744,183)	(4,233,548)
Increase in current liabilities			
Trade and other payables		681,081	2,323,401
Short term bank borrowings		1,806,777	1,477,585
		2,487,858	3,800,986
		109,502	162,513
Income tax paid		(51,460)	(34,131)
Finance cost paid		(120,588)	(169,336)
Decrease/(Increase) in long term loans		3,219	(1,584)
(Increase)/Decrease in long term deposits - assets		(15)	8,697
Increase in long term deposits - liability		-	48
		(168,844)	(196,306)
Net cash used in operating activities		(59,342)	(33,793)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in Property, Plant & Equipment		(435,442)	(69,369)
Sale proceeds from disposal of property, plant and equipment		1,340	11,081
Dividend received		11,549	6,600
Net cash used in investing activities		(422,553)	(51,688)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		944,000	285,000
Repayment of liabilities against assets subject to finance lease		(17,857)	(15,794)
Repayment of long term financing		(258,120)	(183,583)
Dividend paid		(67,563)	(20,474)
Net cash in-flow from financing activities		600,460	65,149
Net increase / (decrease) in cash and cash equivalents (A+B+C)		118,565	(20,332)
Cash and cash equivalents at the beginning of the period		98,173	148,509
Cash and cash equivalents at the end of the period		216,738	128,177

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.


ISMAIL H ZAKARIA
Managing Director


SULEMAN AYOB
Director

AL-NOOR SUGAR MILLS LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2016

	Issued, Subscribed & paid up capital	General reserves	Unrealised (loss) on remeasurement of investments	Unappro- priated profit	Total
	-----Rupees in '000-----				
Balance as at October 1, 2014 (Audited)	204,737	1,000,000	(1,005)	29,814	1,233,546
Total Comprehensive Income for the half year ended 31-March-2015					
Profit after taxation	-	-	-	197,155	197,155
Other Comprehensive Income					
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:					
Company's Revaluation Surplus	-	-	-	26,659	26,659
Shares of associates incremental depreciation of revaluation surplus	-	-	-	2,244	2,244
	-	-	-	28,903	28,903
Transfer from surplus on revaluation of property, plant and equipment on account of disposal of plant and machinery				509	509
Transactions with owners					
Final dividend for the year ended September 30, 2014 @ Re. 1 per share	-	-	-	(20,474)	(20,474)
Balance as at March-2015	204,737	1,000,000	(1,005)	235,907	1,439,639
Balance as at October 01, 2015 (Audited)	204,737	1,000,000	(1,998)	234,725	1,437,464
Total Comprehensive Income for the half year ended 31-March-2016					
Profit after taxation	-	-	-	76,614	76,614
Other Comprehensive Income					
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:					
Company's Revaluation Surplus	-	-	-	25,997	25,997
Shares of associates incremental depreciation of revaluation surplus	-	-	-	2,135	2,135
	-	-	-	28,132	28,132
Transactions with owners					
Final dividend for the year ended September 30, 2015 @ Rs. 3.30 per share	-	-	-	(67,563)	(67,563)
Balance as at March 31, 2016	204,737	1,000,000	(1,998)	271,908	1,474,647

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.


ISMAIL H ZAKARIA
Managing Director


SULEMAN AYOB
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED MARCH 31, 2016

1 SELECTED EXPLANATORY NOTES TO THE ACCOUNTS

1.1 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 operate 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.

2 Basis of Preparation

2.1 This condensed interim financial information is being submitted to the shareholders as required under section 245 of Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard-34 "Interim Financial Reporting" as applicable in Pakistan and provision of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of and directives issued under the Companies Ordinance 1984 have been followed. These condensed interim financial information do not include all the information and disclosure 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, 2015.

2.2 This condensed interim financial information comprises of the condensed interim balance sheet as at March 31, 2016 and the condensed interim profit & loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and the condensed interim cash flow statement together with explanatory notes forming part thereof for the half year then ended which have been subjected to review and are not audited. This also includes the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarter ended March 31, 2016. The comparative balance sheet presented in these condensed interim financial information has been extracted from the audited financial statements of the company for the year ended September 30, 2015, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement figures have been extracted from the condensed interim financial information for the half year ended March 31, 2015.

2.3 The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarter ended March 31, 2016 and 2015 are not subject to review.

3 Significant accounting policies and disclosures

3.1 The accounting policies and methods of computation followed for the preparation of these 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, 2015.

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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 The following standards, amendments and interpretations of approved accounting standards have become effective for the current accounting period, however these are either irrelevant or do not have any material effect on this condensed interim financial information.

Standard or Interpretation	Effective date (accounting periods beginning on or after)
IFRS-9 Financial Instruments: Classification and Measurement	01 January 2015
IFRS-10 Consolidated Financial Statements	01 January 2015
IFRS-11 Joint Arrangements	01 January 2015
IFRS-12 Disclosure of Interest in Other Entities	01 January 2015
IFRS-13 Fair Value Measurement	01 January 2015

There have been certain other revision/amendments during the period which are also either irrelevant or immaterial to the Company hence not presented here.

	Unaudited March 31, 2016	Audited September 30, 2015
	Rupees in '000	
4. Property Plant and Equipment		
Operating fixed Assets	3,570,168	3,549,052
Capital Work in Progress	388,417	90,577
	<u>3,958,585</u>	<u>3,639,629</u>
4.1 Operating Fixed Assets:		
Opening Net Book Value (NBV)	3,549,052	3,662,694
Direct Additions during the period/year		
Land	16,400	-
Plant and Machinery	5,720	8,141
Furniture, Fixture and Fittings	199	6,131
Office Equipment	1,948	6,219
Vehicles	7,739	29,044
	32,006	49,535
Transfer from CWIP during the period/year		
Factory Building	10,032	3,533
Non-Factory Building	-	13,629
Plant and Machinery	95,563	71,966
	105,595	89,128
Net Book Value of Asset disposed off during the period/year		
Plant & Machinery	(463)	(4,673)
Furniture & Fixtures	-	(2,504)
Office Equipment	-	(259)
Vehicles	(463)	(3,944)
	(463)	(11,380)
Depreciation Charged for the period/year	(116,022)	(240,925)
Closing Net Book Value	<u>3,570,168</u>	<u>3,549,052</u>

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	Unaudited March 31, 2016	Audited September 30, 2015
	Rupees in '000	
4.2 CAPITAL WORK IN PROGRESS		
Opening Balance	90,577	44,257
Addition during the half year/year		
Civil Work	12,124	24,454
Plant & Machinery	407,711	110,994
	419,835	135,448
Capitalization during the half-year/year		
Civil Work	(10,032)	(17,162)
Plant & Machinery	(95,563)	(71,966)
	(105,595)	(89,128)
Adjustment	(16,400)	-
Closing Balance	388,417	90,577

4.2.1 This includes borrowing cost of Rs. 5.723 million capitalized during the period at the rates 6M Kibor+2%

5. Long Term Investments

Investment in associated undertakings:-

	Shahmurad Sugar Mills Limited	Al Noor Management Modaraba (Pvt) Limited	Total March 31, 2016	Total September 30, 2015
Opening balance	256,456	3,759	260,215	246,884
Share of profit of associate for the half year / year	4,779	-	4,779	28,497
Share of unrealised gain on remeasurement of associates' securities for the half year / year	-	-	-	(993)
Shares of associate's surplus on fresh revaluation of its property, plant and equipment net of deferred tax	-	-	-	(7)
Shares of associate's share in its associate's incremental depreciation on account of revaluation of property plant and equipment				24
Dividend received during the half year / year	(11,549)	-	(11,549)	(14,190)
	(6,770)	-	(6,770)	13,331
	249,686	3,759	253,445	260,215

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The company holds 14.285% (September 2015:14.285%) interest in Al-Noor Modaraba Management (Pvt) Ltd, and holds 15.625% (September 2015:15.625%) 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 shares of profit and other comprehensive income has been taken on the basis of its reviewed condensed interim financial information for the half year ended March 31, 2016.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no material change in the status of contingencies as disclosed in the published annual audited financial statements for the year ended September 30, 2015, except that as claim for the loss due to fire as disclosed in note no.25.10 of financial statement for the year ended September 30,2015 have been finalized settled at Rs.11.049 million.

Unaudited March 31, 2016	Audited September 30, 2015
--------------------------------	----------------------------------

Rupees in '000

6.2 Commitments as on the balance sheet date

Letters of credit		
Stores	17,508	25,881
Raw Material	32,357	94,889
Plant and Machinery	216,828	106,624
	266,693	227,394

For the half year October-March 2016	2015	For the quarter Jan-March 2016	2015
----- (Rupees in '000) -----			

7. COST OF SALES

Opening stock of finished goods	2,120,074	1,620,785	1,582,611	1,262,676
Cost of goods manufactured	5,581,950	5,276,245	3,828,328	3,849,145
	7,702,024	6,897,030	5,410,939	5,111,821
Closing stock of finished goods	(4,861,518)	(5,111,503)	(4,861,518)	(5,111,503)
	2,840,506	1,785,527	549,421	318

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7.1 Certain stock of finished goods and molasses as at the half year ended valued at net realisable value amounting of Rs. 163.821 million (2015: Rs. 134.612 million).

7.2 Finished goods pledged against short term borrowings as at period end amounted to Rs. 3,494.42 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

		March 31, 2016	March 31, 2015
Relationship with the company	Nature of Transactions	Rupees in '000	
Associates			
Shahmurad Sugar Mills Ltd	Sale of molasses	135,477	228,135
Reliance Insurance Company Ltd	Insurance premium paid	10,842	18,338
	Insurance claim	24,115	49,277
Other Related Parties			
Directors' and key management personnel	Director's remuneration	13,180	11,600
	Executives remuneration	74,347	48,115
	Directors meeting fee	97	119
Staff provident fund	Contribution made during period	6,124	5,542

		March 31, 2016	September 30, 2015
		Rupees in '000	
Balances:			
Relationship with the Company	Nature of Transactions		
Associates			
Shahmurad Sugar Mills Ltd	Advance against sale	17,523	-
	Dividend receivable	-	7,590
Reliance Insurance Compnay Ltd	Trade & other payables	17,438	6,665
	Other receivables	8,076	11,049
Staff provident fund	Trade & other payables	3,409	64

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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. During the period the Company carried out transactions with both the conventional side as well as Islamic window of financial institutions. The details segregation between Shariah complaints and conventional assets/liabilities and income/expenditure are given below:

	March 2016			September 2015		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Long term financing-Musharka and others finance	1,089,375	714,907	1,804,282	518,167	601,944	1,120,111
Current portion of long term finance	270,125	139,031	409,156	218,792	188,655	407,447
	1,359,500	853,938	2,213,438	736,959	790,599	1,527,558
Liabilities against assets subject to finance lease	-	44,237	44,237	-	62,094	62,094
Trade and other payables - Murabaha/Istisna	600,000	-	600,000	300,000	-	300,000
Accrued Mark-up/profit/financial charges	21,738	41,050	62,788	7,774	40,340	48,114
Short term borrowings	-	2,979,864	2,979,864	-	1,173,087	1,173,087
Cash at bank accounts	(28,749)	(183,517)	(212,266)	(21,849)	(75,204)	(97,053)
	1,952,489	3,735,572	5,688,061	1,022,884	1,990,916	3,013,800

	March 2016			March 2015		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Finance cost	59,065	76,197	135,262	89,554	89,149	178,703
Borrowing cost capitalized	-	5,723	5,723	-	-	-
Income on saving account	(1,322)	-	(1,322)	(1,537)	-	(1,537)
	57,743	81,920	139,663	88,017	89,149	177,166

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10. SEGMENT INFORMATION

The Company's operating businesses 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 March 31, 2016 and March 31, 2015 and assets and liabilities information regarding business segments as at March 31, 2016 and September 30, 2015:

	Sugar		Ethanol		Consolidated	
	Half year ended March 31,		Half year ended March 31,		Half year ended March 31,	
	2016	2015	2016	2015	2016	2015
(Rupees in thousand)						
Revenue						
Sales	2,077,057	1,300,988	1,238,792	1,170,600	3,315,849	2,471,588
Sales of By-product & electricity						
External Sales	234,138	329,613	246	353	234,384	329,966
Inter segment transfer	41,605	46,183	-	-	41,605	46,183
	<u>2,352,800</u>	<u>1,676,784</u>	<u>1,239,038</u>	<u>1,170,953</u>	<u>3,591,838</u>	<u>2,847,737</u>
RESULTS						
Profit from operation	147,868	396,437	80,392	50,733	228,260	447,170
Other income					17,496	30,882
Finance cost					(135,262)	(178,703)
Share of profit from associate					4,779	24,972
Profit before tax					115,273	324,321
Taxation					(38,659)	(127,166)
Profit after taxation					76,614	197,155
Other Comprehensive Income					28,132	29,412
Total Comprehensive Income for the period					<u>104,746</u>	<u>226,567</u>
Other Comprehensive Income / (loss)						
OTHER INFORMATION						
Capital expenditures	140,608	21,127	294,834	48,242	435,442	69,369
Depreciation	62,703	63,545	53,319	54,665	116,022	118,210

	Sugar		MDF Board		Total	
	March 31, 2016	September 30, 2015	March 31, 2016	September 30, 2015	March 31, 2016	September 30, 2015
(Rupees in '000)						
BALANCE SHEET						
Assets						
Segment assets	7,430,726	4,526,515	2,616,550	2,347,186	10,047,276	6,873,701
Investment in associates	253,445	260,215	-	-	253,445	260,215
Unallocated assets					32,593	15,453
Total assets					<u>10,333,314</u>	<u>7,149,369</u>
Liabilities						
Segment liabilities	6,725,773	3,770,681	946,481	736,135	7,672,254	4,506,816
Unallocated liabilities					29,940	20,484
					<u>7,702,194</u>	<u>4,527,300</u>

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.282.44 million(2015:154.997 million) represent sales to customers in various countries of Asia.

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. GENERAL

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

13. APPROVAL OF FINANCIAL STATEMENTS

This condensed interim financial information was authorized for issue by the Board of Directors of the Company in their meeting held on 26th May 2016.



ISMAIL H ZAKARIA
Managing Director



SULEMAN AYOOB
Director

مستقبل پر نظر

ملک بھر میں زبردست موسمیاتی تبدیلیوں کے باوجود پانی کی دستیابی کی صورتحال میں بہتری آئی ہے، اور اس بات کی امید کی جا سکتی ہے کہ گنے کی فی ایکڑ پیداوار میں اضافہ ہوگا۔ نیز اس بات کی امید بھی کی جاسکتی ہے کہ پسائی کے اگلے سیزن کے دوران شرح بازیابی (ریکوری) میں بھی بہتری آئے گی۔

بورڈ آف ڈائریکٹرز کی ترکیب میں ردوبدل

زیر نظر دورانیے کے دوران بورڈ آف ڈائریکٹرز کی ترکیب میں کسی قسم کا کوئی ردوبدل نہیں کیا گیا۔ بورڈ آف ڈائریکٹرز معزز حصص داران کو اس بات کا یقین دلاتے ہیں کہ شوگر کی صنعت کو درپیش موجود مسائل سے نمٹنے کیلئے اپنی کوششوں اور منصوبہ بندی میں کوئی کسر نہیں اٹھارہیں گے۔ آپ سب سے التماس ہے کہ اللہ رب العزت کے حضور ہمارے حق میں دعا کیجئے کہ خدائے بزرگ و برتر مطلوبہ مقاصد کے حصول کیلئے ہماری رہنمائی اور مدد فرمائیں۔ (آمین)



اسما عیال ایچ ذکریا
مینجنگ ڈائریکٹر

بمقام کراچی
مورخہ 26 مئی 2016

شوگر ڈویژن

زیر نظر دورانیے کے دوران گزشتہ سال کی طرح گنے کی پیداوار خاطر خواہ نہ تھی نتیجتاً پانی کا حجم 105,831 میٹرک ٹن یا 10.45 فیصد کم رہا۔ پانی کے 102 دنوں کے دوران آپکی کی ملوں میں 907,287 میٹرک ٹن گنا پیسا گیا جبکہ گزشتہ سال 110 دنوں کے دورانیے میں 1,013,118 میٹرک ٹن گنا پیسا گیا تھا۔ گزشتہ سال یومیہ پانی 9,210 میٹرک ٹن تھی جو کہ امسال کم ہو کر 8,895 میٹرک ٹن رہ گئی۔ پانی کے حجم میں یہ کمی خام مال کی عدم دستیابی کی وجہ سے ہوئی۔

امسال چینی کی پیداوار 92,501 میٹرک ٹن رہی جبکہ اسی دورانیے میں گزشتہ سال چینی کی یہ پیداوار 104,283 میٹرک ٹن تھی یعنی کہ چینی کی پیداوار میں 11.30 فیصد کمی ریکارڈ کی گئی ہے۔ زیر نظر دورانیے میں پیداوار کی خراب صورتحال کی ذمہ داری پانی کی مطلوبہ مقدار میں عدم دستیابی تھی۔ شرح بازیابی (ریکوری) امسال 10.20 فیصد رہی جبکہ گزشتہ سال شرح بازیابی (ریکوری) 10.30 فیصد تھی۔

دستیاب موجودہ معلومات کے مطابق ملک بھر میں گنے کی پانی کا کل حجم سال 2015-16 کے دوران 49.902 ملین میٹرک ٹن رہا جبکہ گنے کی پانی کا کل حجم گزشتہ سال 50.795 ملین میٹرک ٹن ریکارڈ کیا گیا تھا۔ اسی طرح چینی کی کل پیداوار 5.080 ملین میٹرک ٹن ریکارڈ کی گئی جو کہ سال 2014-15 کے دوران 5.162 ملین میٹرک ٹن تھی جس میں بیٹ کی پیداوار بھی شامل تھی۔ امسال شرح بازیابی (ریکوری) 10.12 فیصد رہی جو کہ گزشتہ برس کی شرح بازیابی (ریکوری) کے قریب قریب ہے۔ موجودہ دورانیے کے دوران چینی کی پیداوار بشمول گزشتہ سال سے بچنے والے ذخیرے کے ملک میں مقامی ضروریات سے بڑھ کر ہے۔ ملک بھر میں ضرورت سے زیادہ چینی کے ذخیرے کو مد نظر رکھتے ہوئے حکومت کی جانب سے چینی کو برآمد کرنے کی اجازت تو دے دی گئی تھی تاہم بد قسمتی سے چینی کی عالمی منڈیوں میں چینی کے نرخوں پر دباؤ اور عالمی منڈیوں میں چینی کے بڑے ذخائر کی وجہ سے برآمدی کوٹے سے بھرپور استفادہ نہ کیا جاسکا۔ مذکورہ بالا حقائق کے پیش نظر مقامی منڈیوں میں بھی چینی کے نرخ زبردست دباؤ کا شکار رہے ہیں۔

ایم ڈی ایف بورڈ ڈویژن

زیر نظر دورانیے کے دوران ایم ڈی ایف بورڈ ڈویژن کی جانب سے حتمی طور پر تیار شدہ مصنوعات کی پیداوار کا حجم 25,558 مکعب میٹر رہا جس میں مختلف موٹائی / سائز کی مصنوعات شامل تھیں، جبکہ گزشتہ سال اسی دورانیے میں ان مصنوعات کا پیداواری حجم 29,016 مکعب میٹر تھا۔ گزشتہ سال کے مقابلے میں امسال پیداوار کم رہی البتہ امید کی جاسکتی ہے کہ اس سلسلے میں دورانیے کے بقیہ ایام کے دوران بہتری آئے گی۔

ڈائریکٹروں کی رپورٹ برائے ممبران

معزز ممبران - السلام علیکم

منجانب بورڈ آف ڈائریکٹرز، میرے لئے یہ بات باعث افتخار ہے کہ آپ کی کمپنی کی غیر آڈٹ شدہ مالیاتی رپورٹس بتاریخ 31 مارچ 2016 آپ کی خدمت میں پیش کر رہا ہوں۔
زیر نظر مالیاتی رپورٹس کی چیدہ چیدہ معلومات درج ذیل ہیں:

معلومات برائے پیداوار	31 مارچ 2016	31 مارچ 2015
آغاز پسائی مورخہ	27-11-2015	09-12-2014
اختتام پسائی مورخہ	07-03-2016	29-03-2015
دورانہ پسائی (دنوں میں)	102	110
گنے کی پسائی (میٹرک ٹن میں)	907,287	1,013,118
چھنی کی پیداوار (میٹرک ٹن میں)	92,501	104,283
چھنی کے بازیابی (ریکوری) نرخ	10.20%	10.30%
راب کی پیداوار (میٹرک ٹن میں)	39,405	47,925
ایم ڈی ایف کی پیداوار (سی میٹر میں)	25,558	29,016
مالیاتی معلومات	(روپے ہزاروں میں)	(روپے ہزاروں میں)
فروختگی	3,315,849	2,471,588
لاگت برائے فروختگی	(2,840,506)	(1,785,527)
خام منافع	475,343	686,061
لاگت برائے تقسیم مال	(17,505)	(16,552)
انتظامی اخراجات	(217,315)	(198,461)
تمویلی اخراجات	(135,262)	(178,703)
دیگر آمدن بعد از اخراجات	10,102	31,976
منافع قبل از ٹیکس	115,273	324,321
پرویشن برائے ٹیکس	(38,659)	(127,116)
منافع بعد از ٹیکس	76,614	197,155
آمدن فی حصص	3.74 روپے	9.63 روپے



If undelivered please return to :

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96-A, SINDHI MUSLIM SOCIETY,
KARACHI-74400.