



## **CONTENTS**

Corporate Information	2-3
Directors' Review	4-6
Auditors' Report	7
Condensed Interim Balance Sheet	8-9
Condensed Interim Profit and Loss Account	10
Condensed Interim Cash Flow Statement	11
Condensed Interim Statement of Changes in Equity	12
Notes to the Condensed Interim Financial Information	13-18

## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	Mr. K. Iqbal Talib Malik Adnan Hayat Noon Mr. Salman Hayat Noon Lt Col Abdul Khaliq Khan (Retd) Mr. Muhammad Tariq Mir Syed Ali Raza Mr. Muhammad Sohail Khokhar	Chairman Chief Executive Non-Executive Director Non-Executive Director Non-Executive Independent Director Non-Executive Independent Director Executive Director
<b>AUDIT COMMITTEE</b>	Mr. Muhammad Tariq Mir Mr. Salman Hayat Noon Syed Ali Raza	Chairman Member Member
<b>HR &amp; R COMMITTEE</b>	Syed Ali Raza Malik Adnan Hayat Noon Mr. Salman Hayat Noon Lt Col Abdul Khaliq Khan (Retd)	Member Member Member Member
<b>TECHNICAL COMMITTEE</b>	Mr. Muhammad Tariq Mir Mr. Salman Hayat Noon Lt Col Abdul Khaliq Khan (Retd) Syed Ali Raza	Member Member Member Member
<b>MANAGEMENT</b>	Malik Adnan Hayat Noon Mr. Muhammad Sohail Khokhar Mr. Kamran Zahoor	Chief Executive Executive Director Chief Financial Officer
<b>COMPANY SECRETARY</b>	Syed Anwar Ali	
<b>AUDITORS</b>	Shinewing Hameed Chaudhri & Co., (formerly: Hameed Chaudhri & Co.) Chartered Accountants	
<b>HEAD INTERNAL AUDIT</b>	Mr. Muhammad Shafiq	
<b>LEGAL ADVISERS</b>	Hassan & Hassan (Advocates)	
<b>BANKERS</b>	Al Baraka Bank (Pakistan) Limited Askari Bank Limited Bank Alfalah Limited – Islamic Banking Dubai Islamic Bank Pakistan Limited JS Bank Limited MCB Bank Limited Meezan Bank Limited Standard Chartered Bank (Pakistan) Limited United Bank Limited	

**HEAD OFFICE**

4- Sarwar Road,  
Lahore Cantt.  
Tel. # (042) 36655777  
Fax # (042) 36662244

**REGISTERED OFFICE**

66-Garden Block,  
New Garden Town,  
Lahore.  
Tel. (042) 35831462 -3, E-mail: noonshr@brain.net.pk

**SHARES REGISTRAR**

Corplink (Pvt.) Limited  
Wings Arcade, 1-K Commercial,  
Model Town, Lahore.  
Tel. # (042) 35839182, 35916714, 35916719  
Fax # (042) 35869037, E - mail: shares@corplink.com.pk  
Website: www.corplink.com.pk

**MILLS**

Bhalwal, District Sargodha.

**WEBSITE**

[www.noonsugar.com](http://www.noonsugar.com)

## **DIRECTORS' REVIEW**

### **DEAR MEMBERS**

Your directors are pleased to present the condensed un-audited interim financial information of the company for the half year ended on 31 March 2017.

### **FINANCIAL RESULTS**

The sales revenue of the Company, during the period under review, improved by 91% and has reached Rs. 2,663 million as compared to Rs. 1,392 million, for the same period of last year. Gross profit is Rs. 420 million as compared to Rs. 100 million of last year. Profit after taxation, for the period, is Rs. 240 million (March 2016: After tax loss Rs. 16 million), resulting in earnings per share of Rs. 14.53 per share, as compared to loss of Rs. 0.96 per share in the corresponding period of last year.

The increase in gross profit was mainly due to improved selling price of sugar and improved sucrose recovery. A marked increase in the financial charges of the company, as compared to the corresponding period of last year, is mainly due to increase in the short term borrowings from the Banks to ensure prompt payment to the cane suppliers for maintaining a consistently high rate of cane crushing through out the season. However, owing to better financial results during the period under review, all the key financial indicators, including current ratio, debt equity ratio, interest coverage ratio, have shown a marked improvement. This has enabled the Company to fulfill all its financial obligations and has further strengthened the confidence of the financing institutions.

### **OPERATIONAL RESULTS**

#### **Sugar Division**

The current crushing season commenced on 15 November 2016. Your mills crushed 1,108,800 MT of sugarcane and produced 112,030 MT sugar, with an average sucrose recovery of 10.15% in 137 days operation as compared to 401,083 MT of sugarcane crushing and 39,015 MT of sugar production with 9.75% recovery in 86 days operation in the corresponding period of last year.

The operational and financial results, for the period under review, reflect a marked improvement in the performance of the Company, Alhamdulillah. The mills operated consistently, at 90% of its rated capacity through out the crushing season and both cane crushing and sugar production for the season under review, increased three folds as compared to the previous season. The cane department was successful in ensuring a sustained supply of sugarcane which they procured at competitive rates.

Due to the optimal operation at its designed capacity, the Falling Film Evaporator achieved better efficiency, resulting in a significant reduction in steam consumption of the process house and saving a considerable quantity of disposable bagasse, after export of surplus power to FESCO, through out the season. These measures have created two additional sources of revenue for the Company.

## **Distillery Division**

Distillery plants processed 37,787 MT of molasses and produced 9,306,316 liters of ethanol with an average yield of 246 liters of ethanol per MT of molasses in 121 days operation, as compared with 30,279 MT of molasses processed and 7,263,690 liters production of ethanol at an average yield of 240 liters of ethanol per ton of molasses, in 113 days operation, during the corresponding period of last year. The plant is still in operation and we intend to run it for 300 days, Inshallah.

## **Future Outlook**

According to the recent survey, duly supported by both, timely winter rains, quick disposal of crop and relatively prompt cane payment, an active interest by the growers was witnessed for spring sowing of cane, which promises a bigger crop and more consistent supply of sugarcane in the next crushing season. Consistent efforts for replacement of poor varieties with those having good yield and sucrose content, has already shown improving trend in quality of cane, which will Inshallah be maintained.

The extended crushing season resulted in national production of around 7.00 million tons sugar and after meeting the domestic requirement, a surplus of about 2.00 million tons of sugar is projected. The sugar market therefore, continues to remain under pressure since the close of the crushing season. The Government has already allowed export of 225,000 MT sugar and further approved 200,000 MT of export. It is expected that the government will take a timely decision to allow the export of an additional quantity of 1.50 million MT sugar, which will hopefully help in stabilizing the sugar market in the coming months.

Due to competition between some distilleries for the purchase of molasses, the molasses prices remained high during the season. However, the extended volume and period of crushing is likely to rationalize the molasses prices in the later part of this year. Your mill was able to produce 49,142 MT of molasses which has significantly reduced its dependence on outside sources. The ethanol prices in the international market, during the period under review, have shown an increase as compared to the previous financial year. Your mill management has planned to operate the distillery at a higher capacity than last year and to achieve the target of increasing ethanol export quantity by 140% as compared to last year, Inshallah. The outlook of return from distillery segment is therefore expected to remain positive, despite some erosion of margin due to higher prices of externally procured molasses.

In order to further improve the efficiency and operation of the plants and to meet the future challenges, your management has decided to undertake a limited balancing and modernization of the plant to ensure a trouble free operation with an improved throughput and overall efficiency in order to achieve the desired targets of all profit centers of the Company.

### **Acknowledgement**

The Board is thankful to the valuable members and Bankers for their trust and persistent support to the Company. The Board would also like to place on record its appreciation to all the employees of the Company for their dedication, diligence and hard work in setting the new trends in achieving ever highest production.

For and on behalf of the Board



**Malik Adnan Hayat Noon**  
Chief Executive

**Lahore: 25 May 2017**

## **AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

### **Introduction**

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

The figures of the condensed interim profit and loss account for the quarters ended March 31, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the Six-months period ended March 31, 2017.

### **Scope of Review**

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the Six-months period ended March 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



**SHINEWING HAMEED CHAUDHRI & CO.,**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Abdul Hameed Chaudhri

Lahore: 25 May 2017

## CONDENSED INTERIM BALANCE SHEET

	Note	Un-Audited March 31, 2017	Audited September 30, 2016
<b>Equity and Liabilities</b>			
<b>Share Capital and Reserves</b>			
Authorised capital 20,000,000 ordinary shares of Rs.10 each		<u>200,000</u>	<u>200,000</u>
Issued, subscribed and paid-up capital 16,517,453 ordinary shares of Rs.10 each		165,175	165,175
Reserves		249,217	249,217
Accumulated profit		<u>274,981</u>	<u>51,432</u>
		<b>689,373</b>	<b>465,824</b>
<b>Non-current Liabilities</b>			
Long term finances		31,467	62,112
Liabilities against assets subject to finance lease		7,876	-
Long term deposits		-	1,167
Staff retirement benefits - gratuity		37,567	35,626
		<b>76,910</b>	<b>98,905</b>
<b>Current Liabilities</b>			
Trade and other payables	6	1,172,656	464,294
Accrued mark-up		50,418	22,088
Short term finances	7	3,345,861	582,742
Current portion of non current liabilities		64,662	63,320
Provision for taxation		34,498	10,480
		<b>4,668,095</b>	<b>1,142,924</b>
<b>Contingencies and commitments</b>	<b>8</b>	<b>4,745,005</b>	<b>1,241,829</b>
		<u><b>5,434,378</b></u>	<u><b>1,707,653</b></u>

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



**Malik Adnan Hayat Noon**  
Chief Executive



## AS AT MARCH 31, 2017

		<b>Un-Audited March 31, 2017</b>	<b>Audited September 30, 2016</b>
	<b>Note</b>	<b>-- Rupees in '000 --</b>	
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	9	983,385	999,582
Investment property		7,966	7,997
Loans and advances		235	432
Deposits		12,360	12,360
		1,003,946	1,020,371
<b>Current Assets</b>			
Stores, spares and loose tools		65,536	68,158
Stock-in-trade	10	3,884,812	385,265
Trade debts		144,214	74,253
Loans and advances		33,596	44,381
Short term prepayments		1,346	1,188
Other receivables		27,082	29,504
Income tax refundable, advance income tax and tax deducted at source		76,026	57,809
Cash and bank balances		197,820	26,724
		4,430,432	687,282
		5,434,378	1,707,653

  
**Salman Hayat Noon**  
 Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED MARCH 31, 2017

	Quarter ended		Six months period ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	----- Rupees in '000 -----			
Sales - net	<b>1,416,299</b>	918,636	<b>2,662,894</b>	1,391,681
Cost of sales	<b>(1,144,835)</b>	(825,222)	<b>(2,242,652)</b>	(1,291,820)
<b>Gross profit</b>	<b>271,464</b>	93,414	<b>420,242</b>	99,861
Distribution and marketing expenses	<b>(31,583)</b>	(19,897)	<b>(40,271)</b>	(23,171)
Administrative expenses	<b>(36,629)</b>	(27,593)	<b>(66,193)</b>	(52,762)
Other income	<b>44,072</b>	2,684	<b>44,662</b>	3,499
Other expenses	<b>(21,387)</b>	(536)	<b>(21,404)</b>	(713)
<b>Profit from operations</b>	<b>225,937</b>	48,072	<b>337,036</b>	26,714
Finance cost	<b>(51,435)</b>	(28,497)	<b>(72,951)</b>	(41,877)
<b>Profit / (loss) before taxation</b>	<b>174,502</b>	<b>19,575</b>	<b>264,085</b>	<b>(15,163)</b>
Taxation	<b>(13,024)</b>	3,989	<b>(24,018)</b>	(741)
<b>Profit / (loss) for the period</b>	<b>161,478</b>	23,564	<b>240,067</b>	(15,904)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>161,478</b>	23,564	<b>240,067</b>	(15,904)
	----- Rupees -----			
<b>Earnings / (loss) per share</b>				
- basic and diluted	<b>9.78</b>	1.43	<b>14.53</b>	(0.96)

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



**Malik Adnan Hayat Noon**  
Chief Executive



**Salman Hayat Noon**  
Director

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

### FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2017

	Six months period ended	
	March 31, 2017	March 31, 2016
	-- Rupees in '000 --	
<b>Cash flow from operating activities</b>		
Profit / (loss) for the period	264,085	(15,163)
Adjustments for non-cash charges and other items:		
Depreciation on property, plant & equipment and investment property	52,868	48,885
Gain on sale of operating fixed assets	(880)	-
Operating fixed assets written-off	2,426	-
Provision for staff retirement benefits - gratuity	3,103	3,460
Interest / mark-up income (Reversal) / provision made for slow moving stores and spares inventory	(368)	(298)
Finance cost	(725)	598
	61,545	40,229
<b>Profit before working capital changes</b>	382,054	77,711
(Increase) / decrease in current assets:		
Stores, spares and loose tools	3,347	2,226
Stock-in-trade	(3,499,547)	(962,096)
Trade debts	(69,961)	6,355
Loans and advances	10,785	(18,982)
Prepayments	(158)	(8)
Other receivables	2,422	130
Increase in trade and other payables	707,733	327,299
	(2,845,379)	(645,076)
<b>Cash used in operating activities</b>	(2,463,325)	(567,365)
Income tax paid	(18,217)	(8,333)
Staff retirement benefits (gratuity) - paid	(1,162)	(3,095)
<b>Net cash used in operating activities</b>	(2,482,704)	(578,793)
<b>Cash flow from investing activities</b>		
Additions to property, plant and equipment	(39,151)	(134,503)
Sale proceeds of operating fixed assets	965	-
Long term deposits - net	(1,167)	(15,321)
Interest / mark-up received	368	298
Loans and advances - net	197	15
<b>Net cash used in investing activities</b>	(38,788)	(149,511)
<b>Cash flow from financing activities</b>		
Long term finances repaid	(31,029)	(15,000)
Short term finances - net	2,763,119	820,937
Liabilities against assets subject to finance lease - net	9,603	-
Finance cost paid	(33,215)	(28,193)
Dividend paid	(15,890)	-
<b>Net cash generated from financing activities</b>	2,692,588	777,744
<b>Net increase in cash and cash equivalent</b>	171,096	49,440
<b>Cash and cash equivalents - at beginning of the period</b>	26,724	71,765
<b>Cash and cash equivalents - at end of the period</b>	197,820	121,205

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



**Malik Adnan Hayat Noon**  
Chief Executive



**Salman Hayat Noon**  
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2017

	Share Capital	Share premium	Revenue reserves	Accumul- ated (loss) / Profit	Total
----- Rupees in '000 -----					
Balance as at October 01, 2015 ( <i>Audited</i> )	165,175	119,217	430,000	(287,636)	426,756
Total comprehensive loss for the period	-	-	-	(15,904)	(15,904)
<b>Balance as at March 31, 2016 (<i>Un-Audited</i>)</b>	<b><u>165,175</u></b>	<b><u>119,217</u></b>	<b><u>430,000</u></b>	<b><u>(303,540)</u></b>	<b><u>410,852</u></b>
Balance as at October 01, 2016	165,175	119,217	130,000	51,432	465,824
Cash dividend at the rate of Re.1 per ordinary share for the year ended September 30, 2016	-	-	-	(16,518)	(16,518)
Total comprehensive income for the period	-	-	-	240,067	240,067
<b>Balance as at March 31, 2017 (<i>Un-Audited</i>)</b>	<b><u>165,175</u></b>	<b><u>119,217</u></b>	<b><u>130,000</u></b>	<b><u>274,981</u></b>	<b><u>689,373</u></b>

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



**Malik Adnan Hayat Noon**  
Chief Executive



**Salman Hayat Noon**  
Director

## **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**

FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2017

### **1. LEGAL STATUS AND NATURE OF BUSINESS**

Noon Sugar Mills Limited (the Company) was incorporated in the year 1964 as a Public Company and its shares are quoted on Pakistan Stock Exchange. It is principally engaged in production and sale of white sugar and spirit. The Company's Mills are located at Bhalwal, District Sargodha and its Head Office at 4-Sarwar Road, Lahore Cantt.

### **2. BASIS OF PREPARATION**

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. The figures for the six months period ended March 31, 2017 have, however, been subjected to limited scope review by the external Auditors as required by the Code of Corporate Governance. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual audited financial statements for the year ended September 30, 2016.

### **3. ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended September 30, 2016.

### **4. ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the annual audited financial statements of the Company for the year ended September 30, 2016.

### **5. SEASONALITY OF OPERATIONS**

The Company is inter-alia engaged in manufacturing of sugar for which the season begins in October / November and ends in March / April. Therefore, majority of expenses are incurred and production activities are undertaken in the first half of the Company's financial year thus increasing volume of inventories, trade payables and borrowings at the end of first half.

## 6. TRADE AND OTHER PAYABLES

Balance as at March 31, 2017 mainly includes trade creditors aggregating Rs.731.411 million (September 30, 2016: Rs. 164.997 million) and advance payments received against future supply of sugar aggregating Rs.292.834 million (September 30, 2016: Rs.232.014 million).

## 7. SHORT TERM FINANCES - Secured

Short term finance facilities available from various commercial banks under mark-up arrangements aggregate to Rs.3.495 billion (September 30, 2016: Rs.1.545 billion). These finance facilities, during the current period, carried mark-up at the rates ranging from 3.00% to 8.96% (September 30, 2016: 3.00% to 8.57%) per annum. The aggregate finance facility are secured against charge over plant & machinery, pledge of refined sugar in bags, charge over current assets, equitable mortgage over land & building of the Company, lien over import & export documents and pledge of shares of an Associated Company held by the Directors. These facilities are expiring on various dates by November, 2017.

## 8. CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies set out in note 13 to the Company's annual audited financial statements for the year ended September 30, 2016.

## 9. PROPERTY, PLANT AND EQUIPMENT

		Un-Audited March 31, 2017	Audited September 30, 2016
	Note	-- Rupees in '000 --	
Operating fixed assets	9.1	976,803	964,178
Capital work-in-progress - at cost		6,582	35,404
		<b>983,385</b>	<b>999,582</b>

### 9.1 Operating fixed assets

<b>Book value at the beginning of the period / year</b>		<b>964,178</b>	906,036
Additions during the period / year	9.1.1	67,973	160,268
Disposal of assets costing Rs.1.892 million (September 30, 2016: Rs.1.316 million) - at book value		(85)	(47)
Assets written-off costing Rs.5.627 million (September 30, 2016: Rs.Nil) - at book value		(2,426)	-
Depreciation charge for the period / year		(52,837)	(102,079)
<b>Book value at the end of the period / year</b>		<b>976,803</b>	<b>964,178</b>

	<b>Un-Audited</b>	<b>Audited</b>
	<b>March 31,</b>	<b>September 30,</b>
	<b>2017</b>	<b>2016</b>
	<b>-- Rupees in '000 --</b>	
<b>9.1.1 Additions during the period / year:</b>	<b>Note</b>	
Buildings on freehold land:		
- colony	-	320
- factory	4,809	232
Plant and machinery	16,731	155,794
Other equipment	10	-
Electric installations and fittings	28,223	799
Office equipment	68	574
Furniture and fixtures	42	-
Vehicles:		
- owned	5,207	2,549
- leased	12,883	-
	<u>67,973</u>	<u>160,268</u>

#### 10. STOCK-IN-TRADE

Raw material - molasses		337,158	1,502
Work-in-process		43,455	9,940
Finished goods	10.1	3,503,041	373,641
Other stocks - (Fair Price Shop and Depot)		1,158	182
		<u>3,884,812</u>	<u>385,265</u>

**10.1** Finished goods inventory mainly includes sugar stock costing Rs.3,381 million (September 30, 2016: Rs.356.747 million).

#### 11. OTHER INCOME

This mainly includes sale of electricity amounting Rs.23.781 million (March 31, 2016: Rs.Nil) to Faisalabad Electric Supply Company and sale of bagasse amounting Rs.17.832 million (March 31, 2016: Rs.Nil).

#### 12. TAXATION

The provision for the current and preceding period represents minimum tax payable under section 113 and final tax deducted at source on realisation of foreign exchange proceeds under section 154 after adjusting tax credit available under section 65B, of the income Tax Ordinance, 2001.

#### 13. SEGMENT INFORMATION

The Company's reportable segments are Sugar and Distillery.

### 13.1 Segment revenues and results

	Sugar	Distillery	Elimination of inter segment transactions	Total
----- Rupees in '000 -----				
<b>For the Six months period ended March 31, 2017 (Un-Audited)</b>				
Sales - net	2,705,102	365,174	(407,382)	2,662,894
Cost of sales	(2,375,600)	(274,434)	407,382	(2,242,652)
Gross profit	329,502	90,740	-	420,242
Selling and distribution expenses	(15,574)	(24,697)	-	(40,271)
Administrative expenses	(57,995)	(8,198)	-	(66,193)
<b>Profit before taxation and unallocated income and expenses</b>	<b>255,933</b>	<b>57,845</b>	<b>-</b>	<b>313,778</b>
<b>Unallocatable income and expenses:</b>				
Other income				44,662
Other expenses				(21,404)
Finance cost				(72,951)
Taxation				(24,018)
<b>Profit for the period</b>				<b>240,067</b>
	Sugar	Distillery	Elimination of inter segment transactions	Total
----- Rupees in '000 -----				
<b>For the Six months period ended March 31, 2016 (Un-Audited)</b>				
Sales - net	1,200,204	314,269	(122,792)	1,391,681
Cost of sales	(1,189,958)	(224,654)	122,792	(1,291,820)
<b>Gross profit</b>	<b>10,246</b>	<b>89,615</b>	<b>-</b>	<b>99,861</b>
Selling and distribution expenses	(1,752)	(21,419)	-	(23,171)
Administrative expenses	(45,312)	(7,450)	-	(52,762)
<b>(Loss) / profit before taxation and unallocated income and expenses</b>	<b>(36,818)</b>	<b>60,746</b>	<b>-</b>	<b>23,928</b>
<b>Unallocatable income and expenses:</b>				
Other income				3,499
Other expenses				(713)
Finance cost				(41,877)
Taxation				(741)
<b>Loss for the period</b>				<b>(15,904)</b>



### 13.2 Segment assets and liabilities

	Sugar	Distillery	Total
	----- Rupees in '000 -----		
<b>As at March 31, 2017(Un-Audited)</b>			
Segment assets	4,404,321	780,635	5,184,956
Unallocatable assets			249,422
<b>Total assets as per balance sheet</b>			<b>5,434,378</b>
Segment liabilities	1,130,849	32,076	1,162,925
Unallocatable liabilities			3,582,080
<b>Total liabilities as per balance sheet</b>			<b>4,745,005</b>
<b>As at September 30, 2016 (Audited)</b>			
Segment assets	1,414,005	210,027	1,624,032
Unallocatable assets			83,621
<b>Total assets as per balance sheet</b>			<b>1,707,653</b>
Segment liabilities	256,903	14,410	271,313
Unallocatable liabilities			970,516
<b>Total liabilities as per balance sheet</b>			<b>1,241,829</b>

### 13.3 Geographical information

All segments of the Company are managed on nation-wide basis and operate manufacturing facilities and sale offices in Pakistan.

### 14. TRANSACTIONS WITH RELATED PARTIES

The Company has related party relationship with its Associated Companies, employee benefit plan, its directors and key management personnel. Transactions with related parties are carried-out on arm's length basis.

14.1 Aggregate transactions with related parties, during the current period, were as follows:

Relationship	Nature of transactions	Un-Audited	
		Six months period ended	
		March 31, 2017	March 31, 2016
		-- Rupees in '000 --	
Directors and Key management personnel	Remuneration and other benefits	17,872	15,581

## 15. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. There has been no change in the Company's sensitivity to these risks since September 30, 2016, except for the change in exposure from liquidity risks due to increase in short term borrowings. There have been no change in risk management objectives and policies of the Company during the current period.

This condensed interim financial information does not include all financial risk management information and disclosures as required in the audited annual financial statements and should be read in conjunction with the Company's annual audited financial statement as at September 30, 2016.

## 16. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 'Interim Financial Reporting', the condensed interim balance sheet have been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of the immediately preceding financial year.

## 17. GENERAL

17.1 This condensed interim financial information has been authorised for issue by the Board of Directors of the Company on 25 May, 2017.

17.2 Figures have been rounded off to the nearest thousand except stated otherwise.



**Malik Adnan Hayat Noon**  
Chief Executive



**Salman Hayat Noon**  
Director

## مستقبل کی پیش گوئی

ایک حالیہ سروے کے مطابق بروقت بارشوں، بروقت کٹائی اور بروقت ادائیگیوں کی بدولت کسانوں میں گنے کی بہاریہ کاشت کا رجحان پیدا ہوا ہے جو بڑی پیداوار اور آئینہ کرشنگ سیزن میں گنے کی مسلسل فراہمی کا سبب بنے گا۔ گنے کی خراب اقسام کو بہترین پیداواری اقسام سے بدلنے کی مسلسل جدوجہد کی بدولت گنے کی معیاری اقسام کی پیداوار کارجان سامنے آیا ہے جو انشا اللہ برقرار رہے گا۔

کرشنگ سیزن کی معیاد میں اضافہ کی وجہ سے ملک میں 7 ملین ٹن چینی پیدا ہوئی اور ملکی ضروریات پوری کرنے کے بعد 2 ملین ٹن چینی فاضل رہے گی۔ لہذا کرشنگ سیزن مکمل ہونے کے بعد بھی چینی کا بازار دباؤ میں ہے۔ حکومت پہلے ہی 225,000 میٹرک ٹن چینی ایکسپورٹ کرنے کی اجازت دے چکی ہے جبکہ مزید 200,000 میٹرک ٹن چینی ایکسپورٹ کرنے منظور بھی دے چکی ہے۔ اس بات کی بھی توقع ہے کہ حکومت مزید 1.50 ملین میٹرک ٹن چینی ایکسپورٹ کرنے کا بروقت فیصلہ کرے گی جو آئندہ آنے والے مہینوں میں چینی کے بازار کو مستحکم رکھنے کا سبب بنے گا۔

رواں سیزن میں شیرے کی خریداری کے لیے چند ڈسٹریوٹرز میں مسابقت کی وجہ سے شیرے کی قیمتوں میں اضافے کا رجحان برقرار رہا۔ تاہم کرشنگ کے عرصہ میں اضافہ اور بڑی پیداواری وجہ سے اس سال کے آخر میں شیرے کی قیمت میں توازن برقرار رہنے کا امکان ہے۔

آپ کی ملز نے 49,142 میٹرک ٹن شیرہ پیدا کیا ہے جس نے کمپنی کی ضروریات کے لیے کھلی مارکیٹ سے شیرے کی خریداری پر انحصار کو نمایاں طور پر کم کر دیا ہے۔ سابقہ سال کے مقابلے میں زبرد جائزہ عرصہ کے دوران بین الاقوامی منڈیوں میں اتھنول کی قیمتوں میں اضافہ کا رجحان ہے۔ آپ کی ملز کی انتظامیہ ڈسٹری سے پیداواری گنجائش کے مطابق سابقہ سال کے مقابلے میں امسال اضافی پیداوار کے حصول اور سابقہ سال کے مقابلے میں انشا اللہ 140 فیصد زائد اتھنول ایکسپورٹ کا ہدف حاصل کرنے کی منصوبہ بندی کر چکی ہے۔ چنانچہ شیرے کی بیرونی ذرائع سے تحصیل کی بدولت شرح منافع میں کمی ہونے کے باوجود مستقبل میں ڈسٹری کے شعبے سے منافع کے حصول کی مثبت توقعات ہیں۔

پلانٹ سے بہتر کارکردگی اور پیداوار کے حصول کی خاطر اور مستقبل کے مشکل حالات سے نمٹنے کے لیے آپ کی انتظامیہ نے محدود پیمانے پر پلانٹ کی استعداد کار اور معیار کو جدید اور بہتر بنانے کا فیصلہ کیا ہے تاکہ کمپنی کے تمام منافع بخش شعبہ جات میں معینہ اہداف کو بہتر استعداد کار سے بغیر کسی پریشانی اور مشکل کے حاصل کیا جاسکے۔

## اعتراف

بورڈ کمپنی پر اعتماد اور مسلسل تعاون کے لیے تمام معزز ممبران اور مالیاتی اداروں کا شکر گزار ہے۔ اس کے علاوہ بورڈ کمپنی کے تمام ملازمین کی جانب سے لگن، توجہ اور محنت سے کی گئی ان تمام کاوشوں کو تسلیم کرتا ہے جن کی وجہ سے کمپنی نے اپنی تاریخ کی سب سے بڑی پیداوار کے حصول کے ضمن میں نئے اور بلند درجات کا تعین کیا۔



**ملک عدنان حیات نون**

چیف ایگزیکٹو

مورخہ: 25 مئی 2017

## ڈائریکٹران کی رپورٹ برائے حصص داران

معزز ممبران،

آپ کے ڈائریکٹران 31 مارچ 2017 کو اختتام پزیر ہونے والے عرصہ کے لیے غیر آڈٹ شدہ ششماہی مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

### مالیاتی نتائج

سابقہ نصف سال کے دوران مصنوعات کی فروخت سے حاصل شدہ کل رقم 1,392 ملین روپے کے مقابلے میں کمپنی نے اس سال کی پہلی ششماہی میں 91% اضافی شرح کے ساتھ 2,663 ملین روپے کا حصول کیا۔ سابقہ سال کے ششماہی عرصہ میں حاصل کردہ 100 ملین روپے خام منافع کے مقابلے میں زیر جائزہ عرصہ میں خام منافع 420 ملین روپے رہا۔ ٹیکس کی ادائیگی کے بعد حاصل شدہ منافع 240 ملین روپے ہے (مارچ 2016 میں ٹیکس ادائیگی کے بعد 16 ملین روپے کا نقصان تھا) جس کے نتیجے میں سابقہ سال کی پہلی ششماہی عرصہ کے دوران 0.96 روپے فی حصہ نقصان کے مقابلے میں اس ششماہی میں 14.53 روپے فی حصہ نفع کا حصول ہوا۔

خام منافع میں ہونے والے اضافہ کی بڑی وجوہات میں کمپنی کی قیمت فروخت میں اضافہ اور رس سے کمپنی کی کشیدگی کی شرح میں بہتری شامل ہیں۔ زیر جائزہ عرصہ کے لیے سابقہ سال کے مقابلے میں اسمال بنکوں سے سرمایہ کے حصول پر ہونے والے اخراجات میں نمایاں اضافہ کی وجہ یہ ہے کہ گنے کے کاشتکاروں کو بروقت ادائیگی کے لیے بنکوں سے مختصر عرصہ کے لیے قرضوں کا حصول کیا گیا تاکہ تمام کرشنگ بیزن میں ملز کو گنے کی فراہمی بلا تھقل جاری رہے۔ تاہم زیر جائزہ عرصہ کے لیے بہتر شرح منافع کے حصول کے نتیجے میں تمام مالیاتی اشاریے بشمول کرنٹ ریٹیو، ڈیٹ ایکویٹی ریٹیو، انٹرسٹ کوریج ریٹیو نمایاں بہتری کے مظہر ہیں۔ ان حالات نے کمپنی کو اپنی تمام مالیاتی ذمہ داریاں ادا کرنے قابل بنا دیا ہے اور مالیاتی اداروں کی نظروں میں کمپنی کا اعتبار مضبوط ہوا ہے۔

### پیداواری نتائج

#### چینی کا شعبہ

روان کرشنگ بیزن کا آغاز 15 نومبر 2016 کو ہوا۔ آپ کی ملز نے 137 دنوں تک 10.15 فیصد شرح کشیدگی کے ساتھ 1,108,800 میٹرک ٹن گنا تیل کر 112,030 میٹرک ٹن چینی پیدا کی جبکہ سابقہ سال 86 دنوں تک 9.75 فیصد شرح کشیدگی کے ساتھ 401,083 میٹرک ٹن گنا تیل کر 39,015 میٹرک ٹن چینی پیدا ہوئی تھی۔

زیر جائزہ عرصہ میں الحمد للہ کمپنی کے پیداواری اور مالیاتی نتائج میں نمایاں بہتری عیاں ہے۔ ملز اپنی کل پیداواری گنجائش کی 90 فیصد شرح کے حصول کے ساتھ تمام کرشنگ بیزن میں مسلسل مصروف عمل رہی اور سابقہ بیزن کے مقابلے میں زیر جائزہ عرصہ میں گنا تیلنے اور چینی کی پیداوار میں تین گنا اضافہ ہوا۔

اپنی معیہ گنجائش کے بہترین استعمال کے باعث فالنگ فلم ایوپور بیڑ کی بہتر کارکردگی کی بدولت پروسیس ہاؤس میں بھاپ کے استعمال میں نمایاں کمی ہوئی جس کی وجہ سے FESCO کو فائونڈی مہیا کرنے کے بعد بگاڑ کے مقدار میں کافی بچت ہوئی۔ ان امور نے کمپنی کے لیے مالیت کے حصول کے ضمن میں دو اضافی ذرائع پیدا کیے۔

#### ڈسٹری کا شعبہ

ڈسٹری پلانٹ نے 121 دنوں میں 246 لیٹر اتھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 37,787 میٹرک ٹن شیرہ پراسس کر کے 9,306,316 لیٹر اتھنول پیدا کی جبکہ سابقہ سال کے دوران 113 دنوں میں 240 لیٹر اتھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 30,279 میٹرک ٹن شیرہ پراسس کر کے 7,263,690 لیٹر اتھنول پیدا کی گئی تھی۔ ڈسٹری پلانٹ ابھی تک مصروف عمل ہے اور انشا اللہ ہم اسے 300 دنوں تک چلانے کا ارادہ رکھتے ہیں۔