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## CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. K. Iqbal Talib	Chairman
	Lt Col Abdul Khaliq Khan (Retd)	Chief Executive
	Malik Adnan Hayat Noon	(Non-Executive Director)
	Mr. Salman Hayat Noon	(Non-Executive Director)
	Muhammad Sohail Khokhar	Executive Director
	Muhammad Tariq Mir	(Non- Executive / Independent Director)
	Syed Ali Raza	(Non- Executive / Independent Director)
AUDIT COMMITTEE	Muhammad Tariq Mir	Chairman
	Mr. Salman Hayat Noon	Member
	Syed Ali Raza	Member
HRR COMMITTEE	Syed Ali Raza	Chairman
	Malik Adnan Hayat Noon	Member
	Mr. Salman Hayat Noon	Member
	Lt Col Abdul Khaliq Khan (Retd)	Member
TECHNICAL COMMITTEE	Muhammad Tariq Mir	Chairman
	Mr. Salman Hayat Noon	Member
	Lt Col Abdul Khaliq Khan (Retd)	Member
	Syed Ali Raza	Member
MANAGEMENT	Lt Col Abdul Khaliq Khan (Retd)	Chief Executive
	Muhammad Sohail Khokhar	Executive Director
	Mr. Rizwan Sohail	Chief Financial Officer
SECRETARY	Syed Anwar Ali	
AUDITORS	Shinewing Hameed Chaudhri & Co., (formerly: Hameed Chaudhri & Co.) Chartered Accountants	
HEAD INTERNAL AUDIT	Muhammad Shafiq	

LEGAL ADVISERS	Hassan & Hassan (Advocates)
BANKERS	Al Baraka Bank (Pakistan) Limited Askari Bank Limited Bank Alfalah Limited – Islamic Banking Bank Islami Pakistan Limited 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	<a href="http://www.noonsugar.com">www.noonsugar.com</a>

## CHAIRMAN'S REVIEW

It gives me immense pleasure to present the review of performance and financial information for the half year ending the 31<sup>st</sup> March, 2018.

Considering the tough competition in the area for cane procurement in particular, with two old and expanded sugar mills coming into operation after a gap of several years, the commendable efforts of the management in achieving the targets of both sugar, ethanol, need the Board's recognition.

The economic slowdown and consistent over production of sugar however, did not enable the company to achieve the desired results of profitability.

The Board held three well attended meeting during this financial year & fully utilized the expertise and experience of all directors in their respective fields, to evaluate the requirements of the prevailing situation for a short term & strategic planning and to give directions to the management for an integrated effort towards better utilization of capacity & cost reduction, while improving the quality of both main products to compliment the marketing efforts of the company.

Various committees of the Board met periodically to assist the management in improving the performance in their respective areas, keeping in view the company's values and vision. I wish to acknowledge the valuable contribution of my fellow directors in this regard.

The Board has developed an adequate system of internal controls & transparency, in compliance of CCG, to achieve the best possible results of corporate governance.

A review of the Board's performance will be presented after the evaluation of the performance of all directors in the annual financial report of the company, Inshallah.

On behalf of the Board, I appreciate the cooperation & support of the financial institutions & our local as well as international customers, who have complimented the dedication and diligence of all officers & employees towards growth of the company.



**K.Iqbal Talib**  
Chairman

## DIRECTORS' REVIEW

### DEAR MEMBERS

On behalf of the board of directors of your company, I am pleased to present the condensed unaudited interim financial information of the company for the half year ended on March 31<sup>st</sup>, 2018.

### FINANCIAL RESULTS

A comparison of the financial results for the half year ended March 31<sup>st</sup>, 2018, as against March 31<sup>st</sup>, 2017, is as follow:

	Half year ended March 31 <sup>st</sup>	
	2018	2017
	(Rs. in millions)	
Net sales	3,550	2,663
Gross profit	232	420
<b>Earnings before tax</b>	<b>70</b>	264
Taxation	(45)	(24)
<b>Earnings after tax</b>	<b>25</b>	240
<b>Basic earnings per share – Rupees</b>	<b>1.49</b>	14.53

During the reporting period, the sales revenue of the Company increased to Rs. 3,550 million as compared to Rs. 2,663 million for the corresponding period of last year. Gross profit is Rs. 232 million as compared to Rs. 420 million in corresponding period. Profit after taxation, for the period, is Rs. 25 million against Rs. 240 million of same period last year and earnings per share of Rs. 1.49 per share, as compared to earnings of Rs. 14.53 per share in the corresponding period of last year.

Depressed Sugar Price, coupled with the reduced sucrose recovery has caused shrinkage in results of your company. However, we have witnessed an increasing trend in the Ethanol price in the international markets, which together with the Rupee devaluation has mitigating impact on overall performance of your company.

### OPERATIONAL RESULTS

#### Sugar Division

The operational performance of Sugar segment for the year under review with comparative statistics of last year are tabulated below:

		Half year ended March 31 <sup>st</sup>	
		2018	2017
Operating period	Days	121	137
Cane crushed	M.Tons	1,008,945	1,108,800
Sugar produced	M.Tons	98,655	112,030
Average sucrose recovery	%age	9.77	10.15
Molasses recovery	% age	4.51	4.41
Molasses Produced	M. Tons	45,500	48,247

The current crushing season commenced on November 29, 2017. Your mills crushed 1,008,945 M.Tons of sugarcane and produced 98,655 M.Tons sugar, with an average sucrose recovery of 9.77% in 121 days operation as compared to 1,108,800 M.Tons of sugarcane crushing and 112,030 M.Tons of sugar production with 10.15% recovery in 137 days' operation in the corresponding period of last year. Major factor for less crushing and production is the start of two surrounding sugar mills after long time.

### Distillery Division

The operational performance of Distillery segment for the period under review with comparative statistics of comparative period is tabulated below:

		Half year ended March 31 <sup>st</sup>	
		2018	2017
Operating period	Days	141	121
Molasses Processed	M.Tons	39,367	37,787
Ethanol produced	M.Tons	8,105	7,445
Average yield	Ltrs./ M.Ton	257	246

Distillery plants processed 39,367 M.Tons of molasses and produced 8,105 M.Tons of ethanol with an average yield of 257 liters of ethanol per M.Ton of molasses in 141 days operation, as compared with 37,787 M.Tons of molasses processed and 7,445 M.Tons production of ethanol at an average yield of 246 liters of ethanol per ton of molasses, in 121 days operation, during the corresponding period of last year.

### FUTURE OUTLOOK

Sucrose recovery in Central region remained low which has increased the sugar production cost. The Government has taken strong measures to ensure timely payment to grower, which compelled the mills towards panic selling to comply with regulators requirement in true spirit.

We are hopeful that increasing sugar price trend will be witnessed shortly, as the sugar production is almost equal to the estimated annual local consumption and export of 1.50 Million M.Tons of sugar has balanced out the carry forwarded stocks from the previous crushing season.

We are religiously focusing on our Distillation segment and foresee improved value addition, due to judicious management in purchase of raw material, and sale of product. Your management's timely measures result in increased efficiency, which coupled with rupee devaluation, will further improve return of the distillation segment.

### ACKNOWLEDGEMENT

The Board is thankful to all of its stakeholders for their invaluable continued 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.

For and on behalf of the Board

**Lt Col Abdul Khaliq Khan (Retd)**

Chief Executive

Lahore: 25 May 2018

## 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, 2018 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, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the Six-months period ended March 31, 2018.

### 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, 2018 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.*

SHINEWING HAMEED CHAUDHRI & CO.,  
CHARTERED ACCOUNTANTS

Engagement Partner: Nafees ud din

Lahore: 25 May 2018

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Un-Audited March 31, 2018 -- Rupees in '000 --	Audited September 30, 2017
<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>144,357</u>	<u>177,541</u>
		<b>558,749</b>	<b>591,933</b>
<b>Non-current Liabilities</b>			
Long term finances		262,500	300,000
Liabilities against assets subject to finance lease		5,986	6,951
Staff retirement benefits - gratuity		41,163	38,668
		<b>309,649</b>	<b>345,619</b>
<b>Current Liabilities</b>			
Trade and other payables	6	1,495,382	558,230
Unclaimed Dividend		8,728	5,323
Accrued mark-up		49,047	56,942
Short term finances	7	3,483,523	2,333,655
Current portion of non current liabilities		54,390	64,743
Provision for taxation		90,676	45,680
		<u>5,181,746</u>	<u>3,064,573</u>
		<b>5,491,395</b>	<b>3,410,192</b>
<b>Contingencies and commitments</b>	<b>8</b>	<u>6,050,144</u>	<u>4,002,125</u>

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

**Lt Col ABDUL KHALIQ KHAN (Retd)**  
Chief Executive



## AS AT MARCH 31, 2018

		Un-Audited March 31, 2018	Audited September 30, 2017
	Note	-- Rupees in '000 --	
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	9	1,272,533	1,114,884
Investment property		7,904	7,934
Loans and advances		374	292
Deposits		10,961	13,975
		1,291,772	1,137,085
<b>Current Assets</b>			
Stores, spares and loose tools		62,891	66,994
Stock-in-trade	10	3,863,679	2,152,748
Trade debts		77,955	132,266
Loans and advances		244,750	65,537
Short term prepayments		3,615	1,402
Other receivables	11	207,186	56,386
Income tax refundable, advance income tax and tax deducted at source		107,229	80,092
Cash and bank balances		191,067	309,615
		4,758,372	2,865,040
		6,050,144	4,002,125

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



**SALMAN HAYAT NOON**  
Director



**RIZWAN SOHAIL**  
Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER AND SIX MONTHS PERIOD ENDED MARCH 31, 2018

	Note	Quarter ended		Six months period ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
----- Rupees in '000 -----					
Sales - net		1,439,145	1,416,299	3,550,216	2,662,894
Cost of sales		(1,314,413)	(1,144,835)	(3,317,886)	(2,242,652)
<b>Gross profit</b>		<b>124,732</b>	271,464	<b>232,330</b>	420,242
Distribution and marketing expenses		(34,247)	(31,583)	(50,565)	(40,271)
Administrative expenses		(36,427)	(36,629)	(68,993)	(66,193)
Other income	12	53,017	44,072	62,010	44,662
Other expenses		(1,413)	(21,387)	(1,428)	(21,404)
<b>Profit from operations</b>		<b>105,662</b>	225,937	<b>173,354</b>	337,036
Finance cost		(64,776)	(51,435)	(103,732)	(72,951)
<b>Profit before taxation</b>		<b>40,886</b>	174,502	<b>69,622</b>	264,085
Taxation	13	(25,509)	(13,024)	(44,995)	(24,018)
<b>Profit for the period</b>		<b>15,377</b>	161,478	<b>24,627</b>	240,067
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>15,377</b>	161,478	<b>24,627</b>	240,067
----- Rupees -----					
<b>Earnings per share</b>					
- basic and diluted		0.93	9.78	1.49	14.53

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

  
**Lt Col ABDUL KHALIQ KHAN (Retd)**  
 Chief Executive

  
**SALMAN HAYAT NOON**  
 Director

  
**RIZWAN SOHAIL**  
 Chief Financial Officer

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

FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2018

	<b>Six months period ended</b>	
	<b>March 31, 2018</b>	<b>March 31, 2017</b>
	<b>-- Rupees in '000 --</b>	
<b>Cash flow from operating activities</b>		
Profit for the period	69,622	264,085
Adjustments for non-cash charges and other items:		
Depreciation on property, plant & equipment and investment property	50,375	52,868
Gain on sale of operating fixed assets	(11)	(880)
Operating fixed assets written-off	-	2,426
Provision for staff retirement benefits - gratuity	3,880	3,103
Interest / mark-up income	(530)	(368)
Reversal of provision for slow moving stores and spares inventory	(308)	(725)
Finance cost	88,817	61,545
<b>Profit before working capital changes</b>	<b>211,845</b>	<b>382,054</b>
(Increase) / decrease in current assets:		
Stores, spares and loose tools	4,411	3,347
Stock-in-trade	(1,710,931)	(3,499,547)
Trade debts	54,311	(69,961)
Loans and advances	(179,213)	10,785
Prepayments	(2,213)	(158)
Other receivables	(150,800)	2,422
Increase in trade and other payables	<b>937,152</b>	<b>707,733</b>
	<b>(1,047,283)</b>	<b>(2,845,379)</b>
<b>Cash used in operating activities</b>	<b>(835,438)</b>	<b>(2,463,325)</b>
Income tax paid	(27,136)	(18,217)
Staff retirement benefits (gratuity) - paid	(1,385)	(1,162)
<b>Net cash used in operating activities</b>	<b>(863,959)</b>	<b>(2,482,704)</b>
<b>Cash flow from investing activities</b>		
Additions to property, plant and equipment	(208,270)	(39,151)
Sale proceeds of operating fixed assets	287	965
Long term deposits - net	3,014	(1,167)
Interest / mark-up received	530	368
Loans and advances - net	(82)	197
<b>Net cash used in investing activities</b>	<b>(204,521)</b>	<b>(38,788)</b>
<b>Cash flow from financing activities</b>		
Long term finances repaid	(47,853)	(31,029)
Short term finances - net	1,149,868	2,763,119
Liabilities against assets subject to finance lease - net	(965)	9,603
Finance cost paid	(96,712)	(33,215)
Dividend paid	(54,406)	(15,890)
<b>Net cash generated from financing activities</b>	<b>949,932</b>	<b>2,692,588</b>
<b>Net (decrease) / increase in cash and cash equivalent</b>	<b>(118,548)</b>	<b>171,096</b>
<b>Cash and cash equivalents</b> - at beginning of the period	<b>309,615</b>	<b>26,724</b>
<b>Cash and cash equivalents</b> - at end of the period	<b>191,067</b>	<b>197,820</b>

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



**Lt Col ABDUL KHALIQ KHAN (Retd)**  
Chief Executive



**SALMAN HAYAT NOON**  
Director



**RIZWAN SOHAIL**  
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2018

	Share Capital	Share premium	Revenue reserves	Accumulated profit	Total
----- Rupees in '000 -----					
Balance as at October 01, 2016 (Audited)	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 (Un-Audited)</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>
Balance as at October 01, 2017 (Audited)	165,175	119,217	130,000	177,541	591,933
Cash dividend at the rate of Rs.3.5 per ordinary share for the year ended September 30, 2017	-	-	-	(57,811)	(57,811)
Total comprehensive income for the period	-	-	-	24,627	24,627
<b>Balance as at March 31, 2018 (Un-Audited)</b>	<b><u>165,175</u></b>	<b><u>119,217</u></b>	<b><u>130,000</u></b>	<b><u>144,357</u></b>	<b><u>558,749</u></b>

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

  
**Lt Col ABDUL KHALIQ KHAN (Retd)**  
Chief Executive

  
**SALMAN HAYAT NOON**  
Director

  
**RIZWAN SOHAIL**  
Chief Financial Officer

**NOTES TO THE CONDENSED  
INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2018**

**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 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 34 - 'Interim Financial Reporting' issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- provisions of or directives issued under the Act.

Where the provisions of and directives issued under the Act differs with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed. Further, this condensed interim financial information is being submitted to the shareholders as required by the section 237 of the Act.

**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, 2017.

**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, 2017.

**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, 2018 mainly includes trade creditors aggregating Rs.921.124 million (September 30, 2017: Rs.167.837 million) and advance payments received against future supply of sugar aggregating Rs.523.123 million (September 30, 2017: Rs.281.995 million)

## 7. SHORT TERM FINANCES - Secured

Short term finance facilities available from various commercial banks under mark-up arrangements aggregate to Rs.4.000 billion (September 30, 2017: Rs.4.495 billion). These finance facilities, during the current period, carried mark-up at the rates ranging from 3.00% to 9.14% (September 30, 2017: 3.00% to 9.14%) 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 December, 2018.

## 8. CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies set out in note 15 to the Company's annual audited financial statements for the year ended September 30, 2017.

## 9. PROPERTY, PLANT AND EQUIPMENT

	Un-Audited March 31, 2018	Audited September 30, 2017
Note	-- Rupees in '000 --	
Operating fixed assets	<b>900,570</b>	939,521
Capital work-in-progress - at cost	<b>371,963</b>	175,363
	<b><u>1,272,533</u></b>	<u>1,114,884</u>
<b>9.1 Operating fixed assets</b>		
<b>Book value at the beginning of the period / year</b>	<b>939,521</b>	964,178
Additions during the period / year	<b>11,670</b>	86,376
Disposal of assets costing Rs.0.580 million (September 30, 2017: Rs.3.754 million) - at book value	<b>(276)</b>	(172)
Assets written-off costing Rs.Nil (September 30, 2017: Rs.5,628 million) - at book value	-	(2,427)
Depreciation charge for the period / year	<b>(50,345)</b>	(108,434)
<b>Book value at the end of the period / year</b>	<b><u>900,570</u></b>	<u>939,521</u>

		Un-Audited March 31, 2018	Audited September 30, 2017
<b>9.1.1 Additions during the period / year:</b>	<b>Note</b>	<b>-- Rupees in '000 --</b>	
Buildings on freehold land:			
- colony		-	-
- factory		-	11,748
Plant and machinery		-	16,732
Scales and weighbridges		42	-
Laboratory equipment		235	-
Other equipment		3,710	155
Electric installations and fittings		5,255	8,772
Office equipment		134	125
Furniture and fixture		43	64
Vehicles:			
- owned		2,251	14,751
- leased		-	12,883
Power project		-	21,146
		<b>11,670</b>	<b>86,376</b>

## 10. STOCK-IN-TRADE

Raw material - molasses		212,147	47,707
Work-in-process		9,590	13,273
Finished goods	10.1	3,641,558	2,091,444
Other stocks - (Fair Price Shop and Depot)		384	324
		<b>3,863,679</b>	<b>2,152,748</b>

10.1 Finished goods inventory mainly includes sugar stock costing Rs.3,573.601 million (September 30, 2017: Rs.1,981.349 million).

## 11. OTHER RECEIVABLES

This mainly includes Rs.100.109 million (September 30, 2017: Rs.Nil) receivable against freight support subsidy on export of sugar and Rs.35.214 (September 30, 2017: Rs.Nil) against sale of electricity to Faisalabad Electric Supply Company (FESCO).

## 12. OTHER INCOME

This mainly includes sale of electricity amounting Rs.27.427 million (March 31, 2017: Rs. 23.781) to FESCO and sale of bagasse amounting Rs.31.694 million (March 31, 2017: Rs.17.832 million).

## 13. 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.

#### 14. SEGMENT INFORMATION

The Company's reportable segments are Sugar and Distillery.

##### 14.1 Segment revenues and results

	Sugar	Distillery	Elimination of inter segment transactions	Total
----- Rupees in '000 -----				
<b>For the Six months period ended March 31, 2018 (Un-Audited)</b>				
Sales - net	3,252,084	586,285	(288,153)	3,550,216
Cost of sales	(3,252,783)	(353,256)	288,153	(3,317,886)
Gross (loss) / profit	(699)	233,029	-	232,330
Selling and distribution expenses	(14,249)	(36,316)	-	(50,565)
Administrative expenses	(50,637)	(18,356)	-	(68,993)
<b>(Loss) / profit before taxation and unallocated income and expenses</b>	<b>(75,719)</b>	<b>178,357</b>	<b>-</b>	<b>112,772</b>
<b>Unallocatable income and expenses:</b>				
Other income				62,010
Other expenses				(1,428)
Finance cost				(103,732)
Taxation				(44,995)
<b>Profit for the period</b>				<b>24,627</b>
----- 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)
<b>Gross profit</b>	<b>329,502</b>	<b>90,740</b>	<b>-</b>	<b>420,242</b>
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>



## 14.2 Segment assets and liabilities

	Sugar	Distillery	Total
----- Rupees in '000 -----			
<b>As at March 31, 2018 (Un-Audited)</b>			
Segment assets	4,924,002	757,335	5,681,337
Unallocatable assets			368,807
<b>Total assets as per balance sheet</b>			<b>6,050,144</b>
Segment liabilities	1,463,764	18,717	1,482,481
Unallocatable liabilities			4,008,914
<b>Total liabilities as per balance sheet</b>			<b>5,491,395</b>
<b>As at September 30, 2017(Audited)</b>			
Segment assets	3,117,847	501,995	3,619,842
Unallocatable assets			382,283
<b>Total assets as per balance sheet</b>			<b>4,002,125</b>
Segment liabilities	559,142	50,032	609,174
Unallocatable liabilities			2,801,018
<b>Total liabilities as per balance sheet</b>			<b>3,410,192</b>

## 14.3 Geographical information

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

## 15. 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.

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

Relationship	Nature of transactions	<b>Un-Audited</b>	
		<b>Six months period ended</b>	
		March 31, 2018	March 31, 2017
-- Rupees in '000 --			
Directors and Key management personnel	Remuneration and other benefits	18,190	17,872

## 16. 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, 2017, 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, 2017.

## 17. CORRESPONDING FIGURES

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

## 18. GENERAL

**18.1** This condensed interim financial information has been authorised for issue by the Board of Directors of the Company on

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



**Lt Col ABDUL KHALIQ KHAN (Retd)**  
Chief Executive



**SALMAN HAYAT NOON**  
Director



**RIZWAN SOHAIL**  
Chief Financial Officer

## مستقبل کی پیش گوئی

وسطی خطے میں شرح کشید میں کمی کی وجہ سے چینی کی پیداواری لاگت میں اضافہ ہوا ہے۔ حکومت نے گنے کے کاشتکاروں کو بروقت ادائیگی کے لیے سخت اقدامات اٹھائے ہیں جس نے ریگولیز کے مطالبات پر پورا اترنے کے لیے ملوں کو اپنی پیداوار فروخت کرنے پر مجبور کر دیا۔

ہمیں توقع ہے کہ مقامی سالانہ ضروریات کے مطابق چینی کی پیداوار ہونے اور 1.50 ملین میٹرک ٹن چینی ایکسپورٹ کرنے سے گزشتہ کرشنگ ییزن کے بچے ہوئے اسٹاک میں توازن پیدا ہونے کی وجہ سے چینی کی قیمتوں میں اضافے کا رجحان جلد سامنے آئے گا۔

ہم اپنے ڈسٹری کے شعبے پر بھرپور توجہ دے رہے ہیں اور خام مال کی خرید اور مال کی فروخت کے ضمن میں دانشمندانہ اقدامات کے سبب اس شعبے کی قدر میں بہتری دیکھ رہے ہیں۔ آپ کی انتظامیہ اضافی مقدار کا بروقت اندازہ کر رہی ہے، جو روپے کی قدر میں کمی کے اثرات کے تحت ڈسٹری کے شعبے کی مزید بہتری کا سبب بنے گا۔

## اعتراف

بورڈ کمپنی کے لیے مسلسل اور انمول تعاون کے لیے تمام وابستگان کا شکریہ ادا ہے۔ بورڈ کمپنی کے تمام ملازمین کی جانب سے لگن، توجہ اور محنت سے کی گئی ان کی تمام کاوشوں کے لیے اپنی ستائش کو بھی ریکارڈ پر لانا پسند کرتا ہے۔



لیفٹیننٹ کرنل عبدالخالق خان (ریٹائرڈ)

چیف ایگزیکٹو

مورخہ 25 مئی 2018

## پیداواری نتائج

زیر جائزہ سال اور سابقہ سال کے عرصہ میں چینی کے شعبے میں پیداواری نتائج کے اعداد و شمار کا تقابلی گوشوارہ حسب ذیل ہے:

### چینی ڈویژن

2018	2017		
121	137	دن	پیداواری عرصہ
1,008,945	1,108,800	میٹرک ٹن	گنا بیلے جانے کی مقدار
98,655	112,030	میٹرک ٹن	چینی کی پیداوار
9.77	10.15	شرح فیصد	رس سے چینی کی پیداواری اوسط
4.51	4.41	شرح فیصد	شیرے کا پیداواری تناسب
45,500	48,247	میٹرک ٹن	شیرے کی پیداوار

رواں کرشنگ سیزن 29 نومبر 2017 کو شروع ہوا۔ گزشتہ سال 137 دنوں میں 1,108,800 میٹرک ٹن گنا بیل کر 10.15 فیصد شرح کشید سے 112,030 میٹرک ٹن چینی کی پیداوار کے مقابلے میں اس سال 121 دنوں میں 1,008,945 میٹرک ٹن گنا بیل کر 9.77 فیصد شرح کشید سے 98,655 میٹرک ٹن چینی کی پیداوار حاصل کی گئی۔ ایک طویل عرصہ کے بعد گردنواں میں دو عدد شوگر ملوں میں کام کی شروعات کم مقدار میں کرشنگ اور پیداوار کی بڑی وجہ رہی۔

### ڈسٹری ڈویژن

زیر جائزہ سال اور سابقہ سال کے عرصہ میں ڈسٹری کے شعبے میں پیداواری نتائج کے اعداد و شمار کا تقابلی گوشوارہ حسب ذیل ہے:

2018	2017		
141	121	دن	پیداواری عرصہ
39,367	37,787	میٹرک ٹن	شیرے کی پیداوار
8,105	7,445	میٹرک ٹن	اتھنول کی پیداوار
257	246	لیٹر فی میٹرک ٹن	پیداواری اوسط

ڈسٹری پلانٹ نے 141 دنوں میں 257 لیٹر اتھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 39,367 میٹرک ٹن شیرہ پراسس کر کے 8,105 میٹرک ٹن اتھنول پیدا کی جبکہ سابقہ سال کے اسی عرصہ کے دوران 121 دنوں میں 246 لیٹر اتھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 37,787 میٹرک ٹن شیرہ پراسس کر کے 7,445 میٹرک ٹن اتھنول پیدا کی گئی تھی۔

## جائزہ ازاں ڈائریکٹران

معزز ممبران،

میں نون شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2018 کو اختتام پزیر ہونے والے ششماہی عرصہ کے لیے غیر آڈٹ شدہ مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔

### مالیاتی نتائج

31 مارچ 2017 کے مقابل 31 مارچ 2018 کو اختتام پزیر ہونے والے ششماہی عرصہ کے غیر آڈٹ شدہ مالیاتی حسابات کا موازنہ حسب ذیل ہے:

ششماہی عرصہ 2018 (ملین روپے)	ششماہی عرصہ 2017 (ملین روپے)	
3,550	2,663	پیداوار کی فروخت سے حاصل شدہ کل رقم
232	420	خام منافع
70	264	قبل از ٹیکس منافع
(45)	(24)	ٹیکس
25	240	بعد از ٹیکس منافع
1.49	14.53	فی حصہ آمدن (روپے)

گزشتہ سال کے تقابلی عرصہ میں مصنوعات کی فروخت سے حاصل شدہ رقم 2,663 ملین روپے کے مقابلے میں زیر جائزہ عرصہ کے دوران 3,550 ملین روپے کا اضافہ ہوا۔ گزشتہ سال کے تقابلی عرصہ میں 420 ملین روپے کے خام منافع کے مقابلے میں زیر جائزہ عرصہ کے دوران خام منافع 232 ملین روپے ہے۔ گزشتہ سال کے تقابلی عرصہ میں ہونے والے 240 ملین روپے بعد از ٹیکس منافع کے مقابلے میں اس عرصہ کے دوران بعد از ٹیکس منافع 25 ملین روپے ہے اور گزشتہ سال کے تقابلی عرصہ کے دوران فی حصہ آمدن 14.53 روپے کے مقابلے میں اس عرصہ کے دوران فی حصہ آمدن 1.49 روپے ہے۔

چینی کی قیمتوں پر دباؤ اور شیرے سے چینی کی کشیدگی کی شرح میں کمی کے سبب کمپنی کے منافع میں کمی واقع ہوئی۔ تاہم بین الاقوامی بازار میں ایتھنول کی قیمتوں میں اضافے کا رجحان سامنے آ رہا ہے جو روپے کی قدر میں کمی کے بعد آپ کی کمپنی کی کارکردگی پر منفی اثرات میں کمی کا سبب بنے گا۔

31 مارچ 2018 کو ختم ہونے والی  
دوسری سہ ماہی کے اختتام پر  
غیر آڈٹڈ حسابات کا جائزہ

نون شوگر ملز لمیٹڈ  
۴۔ سرور روڈ، لاہور۔ کینٹ



