



## **CONTENTS**

Corporate Information	2-3
Directors' Review	4-5
Condensed Interim Statement of Financial Position	6-7
Condensed Interim Statement of Profit or Loss and Other Comprehensive Income	8
Condensed Interim Statement of Cash Flows	9
Condensed Interim Statement of Changes in Equity	10
Notes to the Condensed Interim Financial Statements	11-20
Directors' Review (Urdu)	21-22

**CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	Mr. K. Iqbal Talib Lt Col Abdul Khaliq Khan (Retd) Mr. Salman Hayat Noon Mr. Saif Ullah Khan Noon Muhammad Sohail Khokhar* Syed Ali Raza Ms. Maryam Mamdot	Chairman Chief Executive / Director (Non- Executive Director) (Non- Executive Director) (Executive Director) * Expired on 25-12-2020 (Non- Executive / Independent Director) (Non- Executive / Independent Director)
<b>AUDIT COMMITTEE</b>	Syed Ali Raza Mr. Salman Hayat Noon Mr. Saif Ullah Khan Noon Ms. Maryam Mamdot	Chairman Member Member Member
<b>HR &amp; R COMMITTEE</b>	Syed Ali Raza Mr. Salman Hayat Noon Mr. Saif Ullah Khan Noon Lt Col Abdul Khaliq Khan (Retd)	Chairman Member Member Member
<b>TECHNICAL COMMITTEE</b>	Mr. Salman Hayat Noon Mr. Saif Ullah Khan Noon Lt Col Abdul Khaliq Khan (Retd) Muhammad Sohail Khokhar*	Chairman Member Member Member (* Expired on 25-12-2020)
<b>MANAGEMENT</b>	Lt Col Abdul Khaliq Khan (Retd) Muhammad Sohail Khokhar Mr. Rizwan Sohail (FCA)	Chief Executive Executive Director (* Expired on 25-12-2020) Chief Financial Officer
<b>COMPANY SECRETARY</b>	Mr. Nasir Iqbal Ansari	
<b>HEAD INTERNAL AUDIT</b>	Muhammad Ashfaq (FCMA)	
<b>AUDITORS</b>	Shinewing Hameed Chaudhri & Co., Chartered Accountants	
<b>LEGAL ADVISERS</b>	Hassan & Hassan (Advocates)	
<b>BANKERS</b>	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	

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**REGISTERED /  
HEAD OFFICE**

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New Garden Town, Lahore.  
Tel. (042) 35831462-3,  
E-mail: noonshr@brain.net.pk  
noonshr66@gmail.com**

**SHARE 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

The Directors of Noon Sugar Mills Limited are pleased to present the condensed unaudited interim financial information of the Company for the first quarter ended on December 31, 2020.

### FINANCIAL RESULTS

A comparison of the un-audited financial results for the first quarter ended December 31, 2020, as against December 31, 2019, is as follows:

	<b>October - December 2020</b>	<b>October - December 2019</b>
	<b>(Rupees in millions)</b>	
Net sales	<b>1,268</b>	1,364
Gross profit	<b>188</b>	232
<b>Earnings before tax</b>	<b>76</b>	72
Taxation	<b>(18)</b>	(20)
<b>Earnings after tax</b>	<b>58</b>	52
<b>Basic earnings per share – Rupees</b>	<b>3.50</b>	3.14

The sales revenue for the reporting period was Rs. 1,268 million against Rs. 1,364 million in the corresponding period of the last year. Profit after tax for the reporting period was Rs.58 million as compared to Rs.52 million, yielding an EPS of Rs.3.50, against Rs.3.14 in the corresponding period of last year.

### OPERATIONAL RESULTS

#### Sugar Division

The current crushing season commenced on 15<sup>th</sup> November 2020. Your mills crushed 300,066 M.Tons of sugarcane and produced 26,440 M.Tons sugar, with an average sucrose recovery of 9.07% in 47 days of operation as compared to 156,861 M.Tons of sugarcane crushing and 13,698 M.Tons of sugar production with 8.93% recovery in 33 days of operation in the corresponding period of last year.

#### Distillery Division:

Distillery plants processed 13,427 M.Tons of molasses and produced 3,277,349 liters of ethanol with an average yield of 244 liters of ethanol per M.Ton of molasses in 29 days of operation, as compared with 12,036 M.Tons of molasses and 2,945,754 liters production of ethanol at an average yield of 245 liters of ethanol per M.Ton of molasses, in 64 days of operation, during the corresponding period of last year.

## FUTURE OUTLOOK

### Sugar Division

Increased sugarcane price in past years has motivated the growers towards this cash crop. According to initial cane fields survey reports, there is a 7-8 percent increase in the cane crop in our surrounding areas.

A minor reduction in sucrose recovery in being witnessed due to climate changes and premature harvesting of sugarcane, which coupled with high sugarcane prices will increase the sugar production cost. It is however hoped that the projected total production of the sugar during the current year will not exceed the country's consumption and the sugar market will remain stable to largely absorb the above increase in the cost of production.

Your management is aggressively working on the sugarcane development area and has taken various measures to provide agricultural inputs and on field training to cane growers.

### Distillery Division:

Driven by the demand of molasses by some fresh production facilities, the production cost of Ethanol has increased substantially due to a continuous rise in molasses prices in recent years. On the other hand, the ethanol demand in the international market has remained depressed, owing to a marked reduction in the use of Ethanol blended fuel due Covid 19 related lockdowns. A lack of industrial demand of ethanol for the above reason has also put further pressure on international prices.

The local market of Ethanol has however shown a healthy trend and your management is working to develop this market to offset the erosion in margins of this division.

The promising results of several Covid 19 vaccines also indicate that the commercial activities and the International market of ethanol will bounce back soon, Inshallah

## 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 of Directors



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



**Salman Hayat Noon**  
Director

Lahore: January 29, 2021

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		Un-Audited December 31, 2020	Audited September 30, 2020
- - Rupees in thousand - -			
<b>Equity and Liabilities</b>	<b>Note</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
Unappropriated profit		<u>776,488</u>	<u>718,618</u>
		<b>1,190,880</b>	<b>1,133,010</b>
<b>Non-current Liabilities</b>			
Long term finances		150,000	150,000
Lease liabilities		2,331	3,258
Staff retirement benefits - gratuity		58,297	55,582
		<b>210,628</b>	<b>208,840</b>
<b>Current Liabilities</b>			
Trade and other payables	5	384,591	318,282
Contract liabilities		261,975	122,445
Accrued mark-up		26,415	46,673
Short term finances	6	3,546,152	2,277,596
Current portion of non current liabilities		43,381	43,991
Unclaimed dividends		5,100	5,100
Unpaid dividends		3,658	3,658
Provision for taxation		131,493	113,796
		<b>4,402,765</b>	<b>2,931,541</b>
		<b>4,613,393</b>	<b>3,140,381</b>
<b>Contingencies and commitments</b>	<b>7</b>	<u>5,804,273</u>	<u>4,273,391</u>

The annexed notes form an integral part of these condensed interim financial statements.



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

## AS AT DECEMBER 31, 2020

<b>Assets</b>	<b>Note</b>	<b>Un-Audited December 31, 2020</b>	<b>Audited September 30, 2020</b>
		<b>-- Rupees in thousand --</b>	
<b>Non-current Assets</b>			
Property, plant and equipment	8	1,502,779	1,521,246
Investment property		16,270	7,763
Loans and advances		830	1,856
Deposits		3,654	3,654
		<b>1,523,533</b>	<b>1,534,519</b>
<b>Current Assets</b>			
Stores, spares and loose tools		80,512	76,203
Stock-in-trade	9	2,429,538	1,006,162
Trade debts		266,511	677,173
Loans and advances		602,146	587,660
Short term prepayments		4,207	5,314
Other receivables		322,805	194,778
Income tax refundable, advance income tax and tax deducted at source		163,532	140,056
Cash and bank balances		411,489	51,526
		<b>4,280,740</b>	<b>2,738,872</b>
		<b>5,804,273</b>	<b>4,273,391</b>

The annexed notes form an integral part of these condensed interim financial statements.



**SALMAN HAYAT NOON**  
Director



**RIZWAN SOHAIL**  
Chief Financial Officer

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

FOR THE FIRST QUARTER ENDED DECEMBER 31, 2020

	Note	Quarter ended	
		December 31, 2020	December 31, 2019
		- - Rupees in thousand - -	
Sales - net	10	1,267,883	1,364,017
Cost of sales		(1,080,102)	(1,132,441)
<b>Gross profit</b>		<b>187,781</b>	<b>231,576</b>
Distribution and marketing expenses		(29,701)	(49,972)
Administrative expenses		(51,297)	(42,975)
Other income		1,196	217
Other expenses		(3,911)	(3,676)
		<b>(83,713)</b>	<b>(96,406)</b>
<b>Profit from operations</b>		<b>104,068</b>	<b>135,170</b>
Finance cost		(28,501)	(63,455)
<b>Profit before taxation</b>		<b>75,567</b>	<b>71,715</b>
Taxation	11	(17,697)	(19,890)
<b>Profit after taxation</b>		<b>57,870</b>	<b>51,825</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>57,870</b>	<b>51,825</b>
		----- Rupees -----	
<b>Earnings per share - basic and diluted</b>		<b>3.50</b>	<b>3.14</b>

The annexed notes form an integral part of these condensed interim financial statements.

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

  
**SALMAN HAYAT NOON**  
Director

  
**RIZWAN SOHAIL**  
Chief Financial Officer



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

FOR THE FIRST QUARTER ENDED DECEMBER 31, 2020

	Quarter ended	
	December 31, 2020	December 31, 2019
	- - Rupees in thousand - -	
<b>Cash flows from operating activities</b>		
Profit before taxation	75,567	71,715
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation on property, plant & equipment, right-of-use assets and investment property	28,691	38,975
Gain on disposal of operating fixed assets	(726)	-
Provision for staff retirement benefits - gratuity	4,500	2,500
Interest / mark-up income	(400)	(212)
Finance cost	28,501	63,455
<b>Profit before working capital changes</b>	136,133	176,433
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(4,309)	8,036
Stock-in-trade	(1,423,376)	49,877
Trade debts	410,662	323,286
Loans and advances	(14,486)	(151,521)
Short term prepayments	1,107	1,189
Other receivables	(128,027)	415
Increase in trade and other payables and contract liabilities	205,839	241,818
	(952,590)	473,100
<b>Cash (used in) / generated from operating activities</b>	(816,457)	649,533
Income tax paid	(23,476)	(23,054)
Staff retirement benefits (gratuity) - paid	(1,785)	(163)
<b>Net cash (used in) / generated from operating activities</b>	(841,718)	626,316
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(19,542)	(48,069)
Sale proceeds of operating fixed assets	1,537	-
Long term deposits - net	-	161
Interest / mark-up received	400	212
Loans and advances - net	1,026	1,327
<b>Net cash used in investing activities</b>	(16,579)	(46,369)
<b>Cash flows from financing activities</b>		
Long term finances repaid	-	(37,500)
Lease liabilities	(1,537)	(1,407)
Short term finances - net	1,268,556	(150,056)
Finance cost paid	(48,759)	(86,343)
<b>Net cash generated from / (used in) financing activities</b>	1,218,260	(275,306)
<b>Net increase in cash and cash equivalent</b>	359,963	304,641
<b>Cash and cash equivalents - at beginning of the period</b>	51,526	58,606
<b>Cash and cash equivalents - at end of the period</b>	411,489	363,247

The annexed notes form an integral part of these condensed interim financial statements.

  
**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 FIRST QUARTER ENDED DECEMBER 31, 2020

	Reserves					Total
	Capital		Revenue		Sub-total	
	Share Capital	Share premium	General	Un-appropriated profits		
----- Rupees in thousand -----						
Balance as at September 30, 2019 (Audited)	165,175	119,217	130,000	514,449	763,666	928,841
Total comprehensive income for the period ended December 31, 2019	-	-	-	51,825	51,825	51,825
<b>Balance as at December 31, 2019 (Un-Audited)</b>	<b>165,175</b>	<b>119,217</b>	<b>130,000</b>	<b>566,274</b>	<b>815,491</b>	<b>980,666</b>
Balance as at September 30, 2020 (Audited)	165,175	119,217	130,000	718,618	967,835	1,133,010
Total comprehensive income for the period ended December 31, 2020	-	-	-	57,870	57,870	57,870
<b>Balance as at December 31, 2020 (Un-Audited)</b>	<b>165,175</b>	<b>119,217</b>	<b>130,000</b>	<b>776,488</b>	<b>1,025,705</b>	<b>1,190,880</b>

The annexed notes form an integral part of these condensed interim financial statements.



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



**SALMAN HAYAT NOON**  
Director



**RIZWAN SOHAIL**  
Chief Financial Officer

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

FOR THE FIRST QUARTER ENDED DECEMBER 31, 2020

### I. 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 the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of white sugar and spirit.

I.1 Geographical location and addresses of major business units including mills / plant of the Company are as under:

<b>Sargodha</b>	<b>Purpose</b>
Bhalwal	Mills / Production plant
<b>Lahore</b> 66-Garden Block, New Garden Town, Lahore.	Head office
<b>Karachi</b> 1st Floor, P.I.I.A Building, Mulana Deen Muhammad Wafai Road,	Marketing office

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

- International Accounting Standards (IAS) 34-'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year

ended September 30, 2020. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

### **2.3 Basis of measurement**

These condensed interim financial statements have been prepared under the historical cost convention except for staff retirement benefits (gratuity) which is stated at their present value.

### **2.4 Functional and presentation currency**

These condensed interim financial statements are presented in Pak Rupees, which is the functional currency of the Company. All financial information presented in Pak Rupees has been rounded-off to the nearest thousand, unless otherwise stated.

### **2.5 New standards, amendments to approved accounting standards and interpretations that are effective during the period and are relevant to the Company**

- (a) There are certain new standards and amendments to approved accounting standards which are mandatory for the Company's annual period beginning on October 01, 2020. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.
- (b) The International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallise. The Companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, Companies should review those policies and apply the new guidance retrospectively as of January 01, 2020, unless the new guidance contains specific scope outs. The adoption of the revised Conceptual Framework did not have any material effect on the Company's condensed interim financial statements.

### **2.6 Accounting policies**

All the accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of annual financial statements for the year ended September 30, 2020.

## **3. ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use

judgments that affect the application of policies and the 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 recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended September 30, 2020.

#### 4. SEASONALITY OF OPERATIONS

The Company is inter-alia engaged in manufacturing of sugar for which the season begins in November / December 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.

#### 5. TRADE AND OTHER PAYABLES

Balance as at December 31, 2020 mainly includes trade creditors aggregating Rs.273.112 million (September 30, 2020: Rs.173.042 million).

		<b>Un-Audited December 31, 2020</b>	<b>Audited September 30, 2020</b>
<b>- - Rupees in thousand - -</b>			
<b>6. SHORT TERM FINANCES - Secured</b>	<b>Note</b>		
Running / cash finances - secured	<b>6.1</b>	<b>3,109,853</b>	1,831,549
From a related party - unsecured	<b>6.2</b>	<b>433,500</b>	433,500
Temporary bank overdraft - unsecured	<b>6.3</b>	<b>2,799</b>	12,547
		<b><u>3,546,152</u></b>	<b><u>2,277,596</u></b>

**6.1** Short term finance facilities available from various commercial banks under mark-up arrangements aggregate to Rs.4.425 billion (September 30, 2020: Rs.4.250 billion). These finance facilities, during the current period, carried mark-up at the rates ranging from 3.00% to 10.91% (September 30, 2020: 3.00% to 16.80%) per annum. Facilities available for opening letters of credit and guarantees aggregate to Rs.54.078 million (September 30, 2020: Rs.164.19 million) of which facilities aggregating Rs.15 million (September 30, 2020: Rs.95.113 million) remained unutilised at the reporting date. The aggregate finance facilities are secured against charge over plant & machinery, pledge of refined sugar in bags, charge over current assets and lien over import & export documents. These facilities are expiring on various dates by September, 2021.

- 6.2** The Company has obtained a short term loan from one of its related party Mr. Adnan Hayat Noon (sponsor) to meet its working capital requirements. This loan is interest free and is of short term in nature.
- 6.3** This has arisen due to issuance of cheques in excess of balance at bank account at year-end.

## 7. CONTINGENCIES AND COMMITMENTS

- 7.1** There has been no significant change in the status of contingencies as detailed in note 14 to the Company's annual audited financial statements for the year ended September 30, 2020.
- 7.2** Aggregate commitments for rentals under Ijarah arrangement as at reporting date are as follows:

	<b>Note</b>	<b>Un-Audited December 31, 2020</b>	<b>Audited September 30, 2020</b>
<b>-- Rupees in thousand --</b>			
Not later than one year		<b>2,145</b>	3,226
Later than one year but not later than five years		<b>440</b>	1,091
		<b><u>2,585</u></b>	<u>4,317</u>

## 8. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	<b>8.1</b>	<b>1,322,871</b>	1,355,615
Right-of-use assets	<b>8.3</b>	<b>12,491</b>	13,324
Capital work-in-progress - at cost		<b>167,417</b>	152,307
		<b><u>1,502,779</u></b>	<u>1,521,246</u>

### 8.1 Operating fixed assets

Book value at the beginning of the period / year		<b>1,355,615</b>	1,452,618
Additions during the period / year	<b>8.2</b>	<b>4,432</b>	76,004
Disposal during the period / year		<b>(811)</b>	-
Transfer to Right-of-use assets		-	(17,766)
Depreciation charge for the period / year		<b>(36,365)</b>	(155,241)
Book value at the end of the period / year		<b><u>1,322,871</u></b>	<u>1,355,615</u>

	<b>Un-Audited December 31, 2020</b>	<b>Audited September 30, 2020</b>
<b>Note</b>	<b>-- Rupees in thousand --</b>	
<b>8.2 Additions during the period / year:</b>		
Plant and machinery	-	24,812
Laboratory equipment	-	3,307
Other equipment	-	1,480
Electric installations and fittings	<b>83</b>	7,430
Tubewell	-	258
Office equipment	<b>498</b>	1,301
Furniture and fixture	-	150
Vehicles	<b>3,851</b>	13,289
Farm tractors	-	9,379
Farm equipment	-	14,598
	<b>4,432</b>	<b>76,004</b>

### 8.3 Right-of-use assets

Book value at the beginning of the period / year	<b>13,324</b>	17,766
Depreciation charge for the period / year	<b>(833)</b>	(4,442)
Book value at the end of the period / year	<b>12,491</b>	<b>13,324</b>

## 9. STOCK-IN-TRADE

Raw material - molasses		<b>524,145</b>	-
Work-in-process		<b>104,298</b>	34,269
Finished goods	<b>9.1</b>	<b>1,801,095</b>	971,349
Other stocks - (Fair Price Shop and Depot)		-	544
		<b>2,429,538</b>	<b>1,006,162</b>

**9.1** Finished goods inventory mainly includes sugar stock costing Rs.1,485.766 million (September 30,2020:Rs.733.673 million).

## 10. SALES - Net

**10.1** Detail of the Company's revenue from contract with customers is as follows:

	<b>Quarter ended</b>	
	<b>December 31, 2020</b>	<b>December 31, 2019</b>
	<b>-- Rupees in thousand --</b>	
<b>Local</b>		
Sugar	<b>987,704</b>	1,155,496
Spirit	<b>15,834</b>	94,499
	<b>1,003,538</b>	1,249,995
<b>Export - Spirit</b>	<b>264,345</b>	114,022
	<b>1,267,883</b>	1,364,017

10.2 All the contracts were under one performance obligation and revenue has been recognised at the point of time when the goods have been transferred to the customers.

## 11. TAXATION

Provision for taxation, made during the current period, represent minimum tax payable under section 113 and final tax deducted at source on realisation of foreign exchange proceeds under section 154 of the Income Tax Ordinance, 2001.

## 12. SEGMENT INFORMATION

The Company's reportable segments are Sugar and Distillery.

### 12.1 Segment revenues and results

	<b>Sugar</b>	<b>Distillery</b>	<b>Elimination of inter segment transactions</b>	<b>Total</b>
	<b>----- Rupees in thousand -----</b>			
<b>For the first quarter ended December 31, 2020 (Un-Audited)</b>				
Sales - net	1,198,326	280,179	(210,622)	1,267,883
Cost of sales	(854,666)	(436,058)	210,622	(1,080,102)
Gross profit / (loss)	343,660	(155,879)	-	187,781
Selling and distribution expenses	(2,913)	(26,788)	-	(29,701)
Administrative expenses	(37,991)	(13,306)	-	(51,297)
<b>Profit / (loss) before taxation and unallocated income and expenses</b>	<b>302,756</b>	<b>(195,973)</b>	<b>-</b>	<b>106,783</b>
<b>Unallocatable income and expenses:</b>				
Other income				1,196
Other expenses				(3,911)
Finance cost				(28,501)
Taxation				(17,697)
<b>Profit for the period</b>				<b>57,870</b>



	Sugar	Distillery	Elimination of inter segment transactions	Total
----- Rupees in thousand -----				
For the first quarter ended December 31, 2019 <i>(Un-Audited)</i>				
Sales - net	1,255,922	208,521	(100,426)	1,364,017
Cost of sales	(999,508)	(233,359)	100,426	(1,132,441)
Gross profit / (loss)	256,414	(24,838)	-	231,576
Selling and distribution expenses	(14,989)	(34,983)	-	(49,972)
Administrative expenses	(31,628)	(11,347)	-	(42,975)
Profit / (loss) before taxation and unallocated income and expenses	209,797	(71,168)	-	138,629
Unallocatable income and expenses:				
Other income				217
Other expenses				(3,676)
Finance cost				(63,455)
Taxation				(19,890)
Profit for the period				51,825

## 12.2 Segment assets and liabilities

	Sugar	Distillery	Total
----- Rupees in thousand -----			
<b>As at December 31, 2020 <i>(Un-Audited)</i></b>			
Segment assets	2,846,579	1,478,878	4,325,457
Unallocatable assets			1,478,816
<b>Total assets as per statement of financial position</b>			<b>5,804,273</b>
Segment liabilities	443,526	27,456	470,982
Unallocatable liabilities			4,142,411
<b>Total liabilities as per statement of financial position</b>			<b>4,613,393</b>
<b>As at September 30, 2020 <i>(Audited)</i></b>			
Segment assets	2,472,337	1,522,315	3,994,652
Unallocatable assets			278,739
Total assets as per statement of financial position			4,273,391
Segment liabilities	461,861	33,042	494,903
Unallocatable liabilities			2,645,478
Total liabilities as per statement of financial position			3,140,381

### 12.3 Geographical information

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

## 13. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the Associated Companies, directors, relative of directors, major shareholders, key management personnel and entities over which the directors are able to exercise significant influence on financial and operating policy decisions and employees' retirement funds. The Company in the normal course of business carries out transactions with various related parties.

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

Relationship	Nature of transactions	Un-Audited For the quarter ended	
		December 31, 2020	December 31, 2019
		- - Rupees in thousand - -	
<b>i) Associated Company due to common directorship</b>			
Fauji Foods Limited	Sale of sugar	<b>20,332</b>	9,707
<b>ii) Directors and Key management personnel</b>			
	Salary and other employment benefits	<b>9,615</b>	6,010
	Loan repaid	<b>375</b>	-
<b>iii) Associated Person</b>			
	Interest free loan	-	450,000
	Consultancy fee	<b>2,550</b>	-

## 14. 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, 2020, except for the change in exposure from liquidity risks due to increase in borrowings and general exposure due to fluctuation in foreign currency and interest rates. There have been no change in risk management objectives and policies of the Company during the current period.

These condensed interim financial statements 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, 2020.

## 15. FAIRVALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Fair values categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

There was no transfers amongst the levels and any change in valuation techniques during the current period.

## 16. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements for the year ended September 30, 2020, whereas, the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Company for the period ended December 31, 2019.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no such significant re-arrangements have been made in these condensed interim financial statements.

**17. GENERAL**

**17.1** These condensed interim financial statements were approved by the Board of Directors and authorized for issue on January 29, 2021.

**17.2** 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

### چینی کا شعبہ

پچھلے سالوں میں گنے کی قیمت میں اضافے نے کاشتکاروں کو اس نقد آمد اور فصل کے لیے راغب کیا۔ گنے کے کھیتوں کے ابتدائی سروے کی اطلاعات کے مطابق ہمارے آس پاس کے علاقوں میں گنے کی فصل میں سات سے آٹھ فیصد اضافہ ہوا ہے۔

آب و ہوا میں بدلاؤ اور گنے کی فصل کی قبل از وقت کٹائی کی وجہ سے شرح کشید میں معمولی کمی سامنے آئی جس کی وجہ سے گنے کی قیمت میں اضافے کے ساتھ چینی کی پیداواری لاگت میں اضافہ ہوگا۔ تاہم امید ہے کہ رواں سال کے دوران چینی کی متوقع مجموعی پیداوار ملک کی کھپت سے تجاوز نہیں کرے گی اور چینی کی مارکیٹ مستحکم رہے گی تاکہ پیداواری لاگت میں مذکورہ بالا اضافے کو بڑے پیمانے پر جذب کر سکے۔

آپ کی انتظامیہ گنے کی نشوونما کے شعبے میں جارحانہ انداز میں کام کر رہی ہے اور گنے کے کاشتکاروں کو زرعی معاونت کی فراہمی اور کھیتی باڑی کی تربیت کے لیے مختلف اقدامات کر رہی ہے۔


### ڈسٹلری کا شعبہ


کچھ تازہ پیداواری سہولیات کے ذریعے شیرے کی مانگ سے متاثر، حالیہ برسوں میں شیرے کی قیمتوں میں مسلسل اضافے کی وجہ سے انتھول کی پیداواری لاگت میں کافی حد تک اضافہ ہوا ہے۔ دوسری طرف کووڈ 19 سے متعلق لاک ڈاؤن کی وجہ سے انتھول ملے ایندھن کے استعمال میں واضح کمی کی وجہ سے بین الاقوامی مارکیٹ میں انتھول کی مانگ پر دباؤ رہا۔ مندرجہ بالا وجہ سے انتھول کی صنعتی مانگ کی کمی نے بھی بین الاقوامی قیمتوں پر مزید دباؤ ڈالا ہے۔

تاہم انتھول کی مقامی مارکیٹ نے صحت مندرجہ خانا ظاہر کیا ہے اور آپ کی انتظامیہ اس ڈویژن کے مارجنز میں کٹاؤ کو دور کرنے کے لیے اس مارکیٹ کو تیار کرنے کے لیے کام کر رہی ہے۔ کووڈ 19 کی متعدد ویکسینوں کے مثبت نتائج نے یہ بھی ظاہر کیا ہے کہ تجارتی سرگرمیاں اور انتھول کی بین الاقوامی مارکیٹ جلد واپس آجائے گی، انشاء اللہ!

### اعتراف

بورڈ کمپنی کے لیے مسلسل اور اصول تعاون کے لیے تمام وابستگان کا شکر گزار ہے۔ بورڈ کمپنی کے تمام ملازمین کی جانب سے لگن، توجہ اور محنت سے لگتی ان کی تمام کاوشوں کے لیے اپنی ستائش کو بھی ریکارڈ پر لانا پسند کرتا ہے۔

  
لیفٹیننٹ کرمل عبدالخالق خان (ریٹائرڈ)  
چیف ایگزیکٹو

  
سلمان حیات نون  
ڈائریکٹر

## جائزہ ازاں ڈائریکٹران

معزز ممبران،

نون شوگر ملز لمیٹڈ کے ڈائریکٹران 31 دسمبر 2020 کو اختتام پزیر ہونے والے پہلے سہ ماہی عرصہ کے لیے غیر آڈٹ شدہ عبوری مالیاتی معلومات پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

### مالیاتی نتائج

31 دسمبر 2019 کے مقابل 31 دسمبر 2020 کو اختتام پزیر ہونے والے پہلے سہ ماہی عرصہ کے غیر آڈٹ شدہ مالیاتی حسابات کا موازنہ حسب ذیل ہے:

اکتوبر تا دسمبر 2019 (ملین روپے)	اکتوبر تا دسمبر 2020 (ملین روپے)	
1,364	1,268	پیداوار کی فروخت سے حاصل شدہ کل رقم
232	188	خام منافع
72	76	قبل از ٹیکس منافع
(20)	(18)	ٹیکس
52	58	بعد از ٹیکس منافع
3.14	3.50	فی حصص آمدن (روپے)

سابقہ سال کے اسی عرصہ میں مصنوعات کی فروخت سے حاصل شدہ کل رقم 1,364 ملین روپے کے مقابلے میں کمپنی نے زیر جائزہ عرصہ کے دوران 1,268 ملین روپے کا حصول کیا۔ رپورٹنگ کے عرصہ کے دوران بعد از ٹیکس منافع 52 ملین روپے کے مقابلے میں 58 ملین روپے رہا جس کا فی حصص منافع 3.50 روپے رہا جو گزشتہ سال کے اسی عرصہ میں 3.14 روپے فی حصص تھا۔

### پیداواری نتائج

#### چینی کا شعبہ

رواں کرٹنگ سیزن کا آغاز 15 نومبر 2020 کو ہوا۔ آپ کی ملز نے 47 دنوں کے عرصہ میں 9.07 فیصد شرح کشید کے ساتھ 300,066 میٹرک ٹن گنا تیل کر 26,440 میٹرک ٹن چینی پیدا کی جبکہ سابقہ سال 33 دنوں میں 8.93 فیصد شرح کشید کے ساتھ 156,861 میٹرک ٹن گنا تیل کر 13,698 میٹرک ٹن چینی پیدا ہوئی تھی۔

#### ڈسٹلری کا شعبہ

ڈسٹلری پلانٹ نے 29 دنوں میں 244 لیٹرا تھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 13,427 میٹرک ٹن شیرہ پراسس کر کے 3,277,349 لیٹرا تھنول پیدا کی جبکہ سابقہ سال کے اسی عرصہ کے دوران 64 دنوں میں 245 لیٹرا تھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 12,036 میٹرک ٹن شیرہ پراسس کر کے 2,945,754 لیٹرا تھنول پیدا کی گئی تھی۔

31 دسمبر 2020 کو ختم ہونے والی  
پہلی سہ ماہی کے اختتام پر  
غیر آڈٹڈ حسابات کا جائزہ

نون شوگر ملز لمیٹڈ

66 گارڈن بلاک، نیو گارڈن ٹاؤن، لاہور۔