

Half Yearly Report | 2025 31 March

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Noon Sugar Mills Limited
66-67-A, Garden Block, New Garden Town, Lahore.



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CORPORATE INFORMATION

BOARD OF DIRECTORS	<p>Mr. K. Iqbal Talib Lt Col Abdul Khaliq Khan (Retd) Mr. Saif Ullah Khan Noon Mr. Irfan Ahmed Syed Ali Raza Mr. Atta Ali Malik Ms. Maryam Mamdot</p>	<p>Chairman Chief Executive / Director (Executive Director) (Non- Executive Director) (Non- Executive / Independent Director) (Non- Executive / Independent Director) (Non- Executive / Independent Director)</p>
AUDIT COMMITTEE	<p>Mr. Atta Ali Malik Syed Ali Raza Ms. Maryam Mamdot</p>	<p>Chairman Member Member</p>
HR & R COMMITTEE	<p>Syed Ali Raza Mr. Saif Ullah Khan Noon Lt Col Abdul Khaliq Khan (Retd)</p>	<p>Chairman Member Member</p>
TECHNICAL COMMITTEE	<p>Mr. Irfan Ahmed Mr. Saif Ullah Khan Noon Lt Col Abdul Khaliq Khan (Retd)</p>	<p>Chairman Member Member</p>
MANAGEMENT	<p>Lt Col Abdul Khaliq Khan (Retd) Mr. Saif Ullah Khan Noon Syed Adeel Ahmed Mr. Rizwan Sohail (FCA)</p>	<p>Chief Executive Executive Director Chief Operating Officer Chief Financial Officer</p>
COMPANY SECRETARY	Mr. Nasir Iqbal Ansari	
HEAD INTERNAL AUDIT	Muhammad Ashfaq (FCMA)	
AUDITORS	Shinewing Hameed Chaudhri & Co., Chartered Accountants	
LEGAL ADVISERS	Hassan & Hassan (Advocates)	
BANKERS	<p>Al Baraka Bank (Pakistan) Limited Askari Bank Limited Bank Alfalah Limited – Islamic Banking Bank Islami Pakistan Limited Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Bank Limited – Islamic Banking MCB Bank Limited Meezan Bank Limited Mobilink Microfinance Bank National Bank of Pakistan Samba Bank Limited The Bank of Punjab United Bank Limited</p>	

REGISTERED OFFICE

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SHARES REGISTRAR

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

MILLS

Bhalwal, District Sargodha.

WEBSITE

www.noonsugar.com

DIRECTORS' REVIEW

DEAR MEMBERS

The Directors of Noon Sugar Mills Limited are pleased to present the condensed interim financial statements of the Company for the half year ended on March 31st, 2025.

FINANCIAL RESULTS

A comparison of the financial results for the half year ended March 31st, 2025, as against March 31st, 2024, is as follows:

	Half Year Ended March 31st	
	2025	2024
	---Rupees in million---	
Net Sales	5,879	5,072
Gross profit	344	1,079
Earnings before tax	207	395
Taxation	(74)	(113)
Earnings after tax	134	282
	----Rupees----	
Basic - Earnings per share	8.08	17.07

During the reporting period, the sales revenue of the Company was Rs.5,879 million, as compared to Rs.5,072 million for the corresponding period of last year. Gross profit was Rs.344 million as compared to Rs.1,079 million in the corresponding period; the profit after taxation was Rs.134 million against Rs.282 million in the same period last year, resulting in earnings per share of Rs.8.08, as compared to Rs.17.07 per share in the corresponding period last year.

OPERATIONAL RESULTS

Sugar Division

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

		Half Year Ended March 31st	
		2025	2024
Operating Period	Days	104	98
Cane Crushed	M. Tons	638,503	712,164
Sugar Produced	M. Tons	63,810	73,597
Average Sucrose Recovery	%age	10.00	10.30
Molasses Recovery	%age	4.44	3.95
Molasses Produced	M. Tons	28,369	28,303

The current crushing season commenced on November 21, 2024. Your mills crushed 638,503 M.Tons of the sugarcane and produced 63,810 M. Tons sugar, with an average sucrose recovery of 10.00% in 104 days operation as compared to 712,164 M.Tons of the sugarcane crushed and 73,597 M.Tons of the sugar produced, with 10.30% sucrose recovery in 98 days operation till March 31, 2024, in the corresponding period of the last year.

Distillery Division:

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

		Half Year Ended March 31st	
		2025	2024
Operating Period	Days	90	105
Molasses Processed	M. Tons	41,051	34,509
Ethanol Produced	M. Tons	8,094	6,740
Average Yield	Ltrs./ M .Ton	246	244

The Distillery plants processed 41,051 M.Tons of the molasses and produced 8,094 M.Tons of the ethanol with an average yield of 246 liters of the ethanol per M.Ton of the molasses in 90 days operation, as compared to 34,509 M.Tons of the molasses processed and 6,740 M.Tons production of the ethanol at an average yield of 244 liters of the ethanol per M.Ton of the molasses, in 105 days operation, during the corresponding period of the last year.

FUTURE OUTLOOK

Sugar Division

The overall agricultural economy of Pakistan remained subdued during the reporting period. Growers faced considerable challenges in selling their product at reasonable prices in most crops. This situation has however, indirectly benefited the sugar industry, as it led to an increase in sugarcane cultivation. Timely payments at high market driven procurement prices, due to competition among the regional mills, combined with prompt payment encouraged the growers to prioritize sugarcane cultivation over other crops.

The Punjab Government had not announced a minimum support price for sugarcane and has allowed market forces to operate freely. This deregulation is expected to incentivize growers to focus on cultivating high-quality sugarcane, fostering a mutually beneficial relationship between growers and millers, provided the same policy is adopted by the government in sale of sugar by the mills, which is subject to administrative intervention, often initiated by the corporate consumers., to maintain their fat margins

Following the reporting period, sugar prices in local markets have shown an upward trend. This price increase is expected to help offset operational losses incurred earlier and will contribute positively to the financial performance of the Sugar Division. We remain optimistic that this segment will deliver a fair and significant value addition to shareholders' equity in the coming months.

Distillery Division

Global inflation and a downward trend in fuel prices have led to reduced international demand for ethanol, resulting in a decline in its prices.

The profitability of the Distillery Division was however, affected during the reporting period due to a substantial increase in raw material costs, due to further addition of ethanol production capacity, higher taxation, and broader inflationary pressures.

Your management is fully cognizant of these challenges and has formulated strategic measures aimed at enhancing operational efficiency and safeguarding profitability. We remain committed to maximizing shareholder value from this segment, despite the prevailing market conditions.

ACKNOWLEDGEMENT

The Board is thankful to all of its stakeholders for their invaluable and consistent 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 Officer / Director

Date: May 29, 2025



Saif Ullah Khan Noon
Director

INDEPENDENT AUDITORS' REVIEW REPORT

To the Members of Noon Sugar Mills Limited
Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Noon Sugar Mills Limited** as at March 31, 2025 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended March 31, 2025 and 2024 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended March 31, 2025.

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 statements 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 interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is Nafees ud din

*ShineWing Hameed Chaudhri & Co.***SHINEWING HAMEED CHAUDHRI & CO.,**

Chartered Accountants

Lahore: May 30, 2025

UDIN: RR202510195KiL029xEk

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CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		Un-audited March 31, 2025	Audited September 30, 2024
	Note	--- Rupees in '000 ---	
Equity and Liabilities			
Share Capital and Reserves			
Authorised capital		500,000	500,000
Issued, subscribed and paid-up capital		165,175	165,175
Reserves		249,217	249,217
Unappropriated profit		1,120,095	986,589
		1,534,487	1,400,981
Non-current Liabilities			
Long term finances	7	1,304,881	250,000
Staff retirement benefits - gratuity		94,354	87,168
		1,399,235	337,168
Current Liabilities			
Trade and other payables	8	2,941,876	1,562,010
Contract liabilities		108,037	121,605
Accrued mark-up		162,220	371,757
Short term finances	9	6,231,415	5,071,266
Current portion of long term finances	7	194,369	0
Unclaimed dividends		5,014	5,015
Unpaid dividends		6,696	6,698
Provision for tax levies		273,709	199,472
		9,923,336	7,337,823
		11,322,571	7,674,991
Contingencies and Commitments			
	10		
		12,857,058	9,075,972

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.


Lt Col Abdul Khaliq Khan (Retd)
 Chief Executive


Siaz Ullah Khan Noon
 Director


Rizwan Sohail
 Chief Financial Officer

AS AT MARCH 31, 2025

		Un-audited March 31, 2025	Audited September 30, 2024
	Note	--- Rupees in '000 ---	
Assets			
Non-current Assets			
Property, plant and equipment	11	4,381,399	3,824,035
Loans and advances	12	6,624	8,822
Security deposits		14,546	14,546
		<u>4,402,569</u>	<u>3,847,403</u>
Current Assets			
Stores, spares and loose tools		163,548	185,302
Stock-in-trade	13	6,471,204	3,161,743
Trade debts		131,175	618,814
Loans and advances	14	939,831	775,912
Short term prepayments		14,848	3,601
Other receivables	15	148,153	133,857
Prepaid tax levies		74,274	32,549
Tax refunds due from Government	16	329,945	245,566
Bank balances		181,511	71,225
		<u>8,454,489</u>	<u>5,228,569</u>
		<u>12,857,058</u>	<u>9,075,972</u>

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.


Lt Col Abdul Khaliq Khan (Retd)
 Chief Executive


Siaz Ullah Khan Noon
 Director


Rizwan Sohail
 Chief Financial Officer

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

FOR THE QUARTER AND SIX MONTHS PERIOD ENDED MARCH 31, 2025

		Quarter ended		Six months period ended	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Note		----- Rupees in '000 -----			
Sales - net	17	2,813,593	2,273,931	5,879,253	5,072,179
Cost of sales		(2,598,869)	(1,629,732)	(5,535,426)	(3,993,155)
Gross profit		214,724	644,199	343,827	1,079,024
Distribution and marketing expenses		(57,621)	(83,068)	(84,193)	(104,168)
Administrative expenses		(97,573)	(101,449)	(196,755)	(189,952)
Other income	18	76,822	22,117	399,967	37,536
Other expenses		(4,020)	(9,367)	(16,065)	(27,550)
Profit from operations		132,332	472,432	446,781	794,890
Finance cost		(84,617)	(317,928)	(239,038)	(399,804)
Profit before minimum and final tax levies		47,715	154,504	207,743	395,086
Minimum and final tax levies		(35,916)	(27,027)	(74,237)	(62,160)
Profit before income tax		11,799	127,477	133,506	332,926
Income tax expense		-	(51,029)	-	(51,029)
Profit after income tax		11,799	76,448	133,506	281,897
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		11,799	76,448	133,506	281,897
----- Rupees -----					
Earnings per share - basic and diluted		0.71	4.63	8.08	17.07


Lt Col Abdul Khaliq Khan (Retd)
Chief Executive


Siaz Ullah Khan Noon
Director



Rizwan Sohail
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2025

	Six months period ended	
	March 31, 2025	March 31, 2024
	-- Rupees in '000 --	
Cash flows from operating activities		
Profit for the period before minimum and final tax levies	207,743	395,086
Adjustments for non-cash charges and other items:		
Depreciation on property, plant & equipment	91,772	98,835
Gain on sale of operating fixed assets	(315,714)	(2,927)
Provision for staff retirement benefits - gratuity	11,217	14,079
Provision against slow moving stores and spares inventory written-back	(1,283)	-
Finance cost	239,038	399,804
Profit before working capital changes	232,773	904,877
Effect on cash flows due to working capital changes		
Decrease / (increase) in current assets:		
Stores, spares and loose tools	23,037	(81,771)
Stock-in-trade	(3,309,461)	(5,806,758)
Trade debts	487,639	(26,618)
Loans and advances	(163,919)	192,388
Short term prepayments	(11,247)	(6,772)
Other receivables	(14,296)	34,462
Increase in current liabilities:		
Trade and other payables and contract liabilities	1,366,298	703,343
	(1,621,949)	(4,991,726)
Cash used in operations	(1,389,176)	(4,086,849)
Minimum and final tax levies paid	(76,418)	(129,070)
Sales tax refundable - net	(49,686)	-
Staff retirement benefits (gratuity) - paid	(4,031)	(5,543)
Net cash used in operating activities	(1,519,311)	(4,221,462)
Cash flows from investing activities		
Additions to property, plant and equipment	(652,522)	(1,071,992)
Sale proceeds of operating fixed assets	319,100	8,172
Long term security deposits - net	-	(225)
Loans and advances - net	2,198	2,687
Net cash used in investing activities	(331,224)	(1,061,358)
Cash flows from financing activities		
Long term finances obtained	1,249,250	-
Short term finances - net	1,160,149	5,472,834
Lease liabilities - net	-	(581)
Finance cost paid	(448,575)	(164,511)
Dividends paid	(3)	(65,065)
Net cash generated from financing activities	1,960,821	5,242,677
Net increase / (decrease) in cash and cash equivalents	110,286	(40,143)
Cash and cash equivalents - at beginning of the period	71,225	109,877
Cash and cash equivalents - at end of the period	181,511	69,734

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.


Lt Col Abdul Khaliq Khan (Retd)
 Chief Executive


Siaz Ullah Khan Noon
 Director


Rizwan Sohail
 Chief Financial Officer

**CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2025

			Reserves			Total
	Share capital	Capital	Revenue			
		Share premium	General	Un-appropriated profit	Sub- total	
----- Rupees in '000 -----						
Balance as at September 30, 2023 (audited)	165,175	119,217	130,000	1,671,259	1,920,476	2,085,651
Transaction with owners - distributions						
Cash dividend at the rate of Rs.4 per ordinary share for the year ended September 30, 2023	0	0	0	(66,070)	(66,070)	(66,070)
Total comprehensive income for the period	0	0	0	281,897	281,897	281,897
Balance as at March 31, 2024 (un-audited)	165,175	119,217	130,000	1,887,086	2,136,303	2,301,478
Balance as at September 30, 2024 (audited)	165,175	119,217	130,000	986,589	1,235,806	1,400,981
Total comprehensive income for the period	0	0	0	133,506	133,506	133,506
Balance as at March 31, 2025 (un-audited)	165,175	119,217	130,000	1,120,095	1,369,312	1,534,487

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.


Lt Col Abdul Khaliq Khan (Retd)
Chief Executive


Siaz Ullah Khan Noon
Director


Rizwan Sohail
Chief Financial Officer

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

FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

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

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

Sargodha Bhalwal	Purpose Mills / Production plant
Lahore 66-Garden Block, New Garden Town, Lahore.	Head Office
Karachi 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 (the interim financial statements) have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

- 2.2** These interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended September 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.
- 2.3** These interim financial statements are un-audited and are being submitted to the members as required by section 237 of the Act. The figures for the six months period ended March 31, 2025 have, however, been subjected to limited scope review by the external Auditors.

2.4 Basis of measurement

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

2.5 Functional and presentation currency

These interim financial statements are presented in Pak Rupees, which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3. Material accounting policy information

The material accounting policies applied in the preparation of these interim financial statements are the same as those applied in the preparation of financial statements of the Company for the year ended September 30, 2024.

4. Changes In accounting standards, interpretations and pronouncements

4.1 Standards and amendments to approved accounting and reporting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards, which are mandatory for the Company's annual accounting periods which began on October 01, 2024. However, these do not have any significant impact on the Company's financial reporting.

4.2 Standards and amendments to approved accounting and reporting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after October 01, 2025. However, these will not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these interim financial statements.

5. Accounting estimates and judgements

The preparation of these interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended September 30, 2024.

6. 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.

		Un-audited March 31, 2025	Audited September 30, 2024
7. Long term finances- secured	Note	- - Rupees in '000 - -	
MCB Bank Ltd. (MCB)	7.1	499,250	250,000
United Bank Ltd. (UBL)	7.2	1,000,000	0
		<u>1,499,250</u>	<u>250,000</u>
Less: current portion grouped under current liabilities		<u>(194,369)</u>	<u>0</u>
		<u>1,304,881</u>	<u>250,000</u>

7.1 These finances have been obtained against a demand finance facility of Rs.500 million from MCB to finance BMR activity pertaining to installation of boiler and turbine for the sugar division. This finance facility carries mark-up at the rate of 1 month KIBOR + 1.75% per annum; effective mark-up rates charged by MCB, during the current period, ranged from 13.45% to 19.47% (September 30, 2024:19.47%) per annum. This finance facility is secured against first pari passu charge of Rs.685 million over present and future plant and machinery of the Company and personal guarantees of two sponsoring directors of the Company. The finance facility tenor is six years including one year grace period.

7.2 The Company, during the period, has obtained a term finance facility of Rs.1,000 million from UBL to partially refinance the capital expenditure incurred during the financial years 2023 and 2024. This finance facility carries mark-up at the rate of 3 months KIBOR + 2.5% per annum; effective mark-up rates charged by UBL, during the current period, ranged from 14.45% to 14.73% per annum. This finance facility is secured against ranking charge by way of hypothecation over all present and future plant and machinery of the Company and personal guarantees of Mr. Saifullah Khan Noon and Mr. Adnan Hayat Noon. The finance facility tenor is five years including 6 months grace period.

	Un-audited March 31, 2025	Audited September 30, 2024
8. Trade and other payables	- - Rupees in '000 - -	
Creditors	2,746,000	1,214,146
Retention money	5,742	6,556
Sales tax payable	2,832	171,361
Accrued expenses	72,941	107,442
Income tax deducted at source	60,251	24,635
Workers' (profit) participation fund	11,379	157
Payable against workers' welfare fund obligations	39,475	36,004
Others	3,256	1,709
	<u>2,941,876</u>	<u>1,562,010</u>

		Un-audited March 31, 2025	Audited September 30, 2024
	Note	- - Rupees in '000 - -	
9. Short term finances			
Running / cash finances - secured	9.1	6,231,415	4,765,132
From a related party - unsecured	9.2	0	305,000
Temporary bank overdraft - unsecured		0	1,134
		<u>6,231,415</u>	<u>5,071,266</u>

9.1 (a) Short term finance facilities available from various commercial banks under mark-up arrangements aggregate to Rs.9.390 billion (September 30, 2024: Rs.8.046 billion). These finance facilities, during the period, carried mark-up at the rates ranging from 10.00% to 23.71% (September 30, 2024: 14.50% to 26.11%) per annum. Facilities available for opening letters of credit and guarantees aggregate to Rs.397.305 million (September 30, 2024: Rs.630.820 million) of which facilities aggregating Rs.381.593 million (September 30, 2024: Rs.381.595 million) remained unutilised at the reporting date. The aggregate facilities are secured against charge over plant & machinery, pledge of refined sugar in bags and molasses, charge over current assets of the Company and lien over import & export documents. These facilities are expiring on various dates by December, 2025.

9.1 (b) Certain financial covenants for short term finance facilities were not complied with during the current period. The management, however, has taken a number of steps in this regard and is confident that necessary compliances will be ensured in the foreseeable future.

9.2 The balance of an interest free loan amounting Rs.305 million, which was obtained from one of the related parties (Mr. Adnan Hayat Noon) to meet working capital requirements during September 2024, was fully repaid during the current period.

10. Contingencies and commitments

Contingencies

10.1 There has been no significant change during the current period in the contingencies reported in the audited financial statements of the Company for the year ended September 30, 2024.

Commitments

10.2 Commitments in respect of capital expenditure, other than for letters of credit, at the period-end were for Rs.0.228 million (September 30, 2024: Rs.417.723 million).

10.3 Guarantees given by commercial banks on behalf of the Company to Sui Northern Gas Pipelines Ltd., Excise and Taxation Department and Faisalabad Electric Supply Company Ltd., outstanding as at March 31, 2025, aggregated Rs.15.712 million (September 30, 2024: Rs.15.712 million).

		Un-audited March 31, 2025	Audited September 30, 2024
11. Property, plant and equipment	Note	- - Rupees in '000 - -	
Operating fixed assets	11.1	1,641,019	1,677,766
Capital work-in-progress	11.4	2,740,380	2,146,269
		<u>4,381,399</u>	<u>3,824,035</u>

11.1 Operating fixed assets

Book value at beginning of the period / year		1,677,766	1,823,960
Additions during the period / year	11.2	58,411	64,120
Transfer from right of use to owned		0	1,316
Disposals of assets costing Rs.5.296 million (September 30, 2024: Rs.61.891 million) - at book value	11.3	(3,386)	(13,984)
Depreciation charge for the period / year		(91,772)	(197,646)
Book value at end of the period / year		<u>1,641,019</u>	<u>1,677,766</u>

11.2 Additions to operating fixed assets, including transfers from capital work-in-progress, during the period / year:

Buildings on freehold land	0	28
Laboratory equipment	2,195	8,512
Other equipment	0	1,100
Electric installations and fittings	37,603	16,928
Office equipment	1,621	2,358
Furniture and fixtures	427	1,200
Vehicles	16,565	31,974
Farm equipment	0	2,020
	<u>58,411</u>	<u>64,120</u>

- 11.3** Disposals, during the current period, include sale of plot of land located at 66-67 Garden Town, Lahore, measuring 8 kanals, 5 marlas and 97 square feet having book value of Rs.1.346 million to Malik Adnan Hayat Noon (Company's advisor and substantial shareholder) against consideration of Rs.315 million, being the highest offer received. The management has engaged M/s KG Traders (independent valuation Consultant) to assess the property's value. The Consultant has determined the fair market value of the said property at Rs.314.317 million with forced sale value of Rs.267.169 million.

	Un-audited March 31, 2025	Audited September 30, 2024
11.4 Capital work-in-progress		
Buildings on freehold land:	- - Rupees in '000 - -	
- colony	385	385
- factory	122,116	99,245
- office	34,935	34,935
Plant and machinery	2,388,518	1,805,483
Electric installations & fittings	190,481	206,221
Advance against vehicle	3,945	0
	2,740,380	2,146,269

11.5 Movement in the account of capital work-in-progress

	Balance as at October 01, 2024	Additions during the period	Transfer back to stores and spares inventory	Balance as at March 31, 2025
----- Rupees in '000 -----				
Buildings on freehold land:				
- colony	385	0	0	385
- factory	99,245	22,871	0	122,116
- office	34,935	0	0	34,935
Plant and machinery (note 11.6)	1,805,483	583,035	0	2,388,518
Electric installations & fittings	206,221	1,801	(17,541)	190,481
Advance against vehicle	0	3,945	0	3,945
	2,146,269	611,652	(17,541)	2,740,380

11.6 During the period, borrowing cost at the rates ranging from 13.45% to 19.47% (September 30, 2024: 19.47%) per annum aggregating Rs.170.367 million (September 30, 2024: Rs.0.800 million) has been included in the cost of plant and machinery.

12. Loans and advances

These include Rs.6.250 million (September 30, 2024: Rs.7.500 million) advanced to Mr. Rizwan Sohail (Chief Financial Officer); out of which Rs.3.000 million (September 30, 2024: Rs.3.000 million) have been classified under current assets as current portion.

13. Stock-in-trade		Un-audited March 31, 2025	Audited September 30, 2024
	Note	- - Rupees in '000 - -	
Raw materials:			
- molasses		810,844	78,791
- bagasse		116,374	0
		927,218	78,791
Work-in-process:			
- sugar		0	6,104
- molasses		51,463	38,640
		51,463	44,744
Finished goods:			
- sugar		4,634,998	3,009,429
- spirit		857,322	27,326
	13.1	5,492,320	3,036,755
Other stocks - fair price shop and depot		203	1,453
		6,471,204	3,161,743

13.1 Short term borrowings of the Company are secured by way of collateral charge on raw materials and finished goods inventory valuing Rs.6,132 million (September 30, 2024: Rs.3,053 million).

14. Loans and advances - considered good

Advances to:			
- employees		8,756	9,063
- suppliers	14.1	682,406	249,375
Recoverable from growers		228,427	497,142
Current portion of long term loans and advances		13,319	11,999
Letters of credit		6,923	8,333
		939,831	775,912

14.1 These mainly represent advances to suppliers in the normal course of business against goods and services to be received in future. These are unsecured and do not carry any return.

		Un-audited March 31, 2025	Audited September 30, 2024
-- Rupees in '000 --			
15. Other receivables			
Claims receivable - considered good		5,564	5,564
Excise duty refundable		120,770	120,770
Others	15.1	74,564	60,268
		<u>200,898</u>	<u>186,602</u>
Less: provision for doubtful receivable balance	15.1	(52,745)	(52,745)
		<u>148,153</u>	<u>133,857</u>

15.1 These mainly include balance of Rs.52.745 million (September 30, 2024: Rs.52.745 million) receivable from Faisalabad Electric Supply Company against sale of electricity made in prior years. As the recoverability of this amount is doubtful; provision for expected loss has been made in these interim financial statements.

		Un-audited March 31, 2025	Audited September 30, 2024
-- Rupees in '000 --			
16. Tax refunds due from Government			
Advance income tax		280,259	245,566
Sales tax refundable		49,686	0
		<u>329,945</u>	<u>245,566</u>

17. Sales - net

17.1 Details of the Company's revenue from contracts with customers are as follows:

	Quarter ended		Six months period ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
----- Rupees in '000 -----				
Local				
Sugar	2,156,643	1,563,519	4,332,969	4,348,681
Spirit	10,482	50,222	18,045	63,308
	<u>2,167,125</u>	<u>1,613,741</u>	<u>4,351,014</u>	<u>4,411,989</u>
Export				
Sugar	0	0	881,771	0
Spirit	646,468	660,190	646,468	660,190
	<u>646,468</u>	<u>660,190</u>	<u>1,528,239</u>	<u>660,190</u>
	<u>2,813,593</u>	<u>2,273,931</u>	<u>5,879,253</u>	<u>5,072,179</u>

17.2 All the contracts were under one performance obligation and revenue was recognised at the point of time when the goods were transferred to the customers.

18. Other income

Other income		Six months period ended	
		March 31, 2025	March 31, 2024
	Note	--- Rupees in '000 ---	
Income from financial assets			
Interest / mark-up on saving accounts		5,812	1,649
Income from other than financial assets			
Bagasse, press mud and fusel oil sales - net		63,265	32,638
Gain on sale of plot	11.3	313,654	0
Gain on sale of other operating fixed assets		2,060	2,927
Provision against slow moving stores and spares written-back		1,283	0
Rental income		167	322
Realised gain due to foreign currency exchange rate fluctuations		6,859	0
Others		6,867	0
		399,967	37,536

19. Segment information

The Company's reportable segments are Sugar and Distillery.

19.1 Segment revenues and results

	Sugar	Distillery	Elimination of inter segment transactions	Total
----- Rupees in '000 -----				
For the six months period ended				
March 31, 2025 (un-audited)				
Sales - net	6,056,865	664,513	(842,125)	5,879,253
Cost of sales	(5,827,461)	(550,090)	842,125	(5,535,426)
Gross profit	229,404	114,423	0	343,827
Distribution and marketing expenses	(18,996)	(65,197)	0	(84,193)
Administrative expenses	(148,916)	(47,839)	0	(196,755)
Profit before minimum and final tax levies and unallocated income and expenses	<u>61,492</u>	<u>1,387</u>	<u>0</u>	<u>62,879</u>

	Sugar	Distillery	Elimination of inter segment transactions	Total
----- Rupees in '000 -----				
Profit before minimum and final tax levies and unallocated income and expenses	61,492	1,387	0	62,879
Unallocatable income and expenses:				
Other income				399,967
Other expenses				(16,065)
Finance cost				(239,038)
Minimum and final tax levies				(74,237)
Profit for the period				133,506
For the six months period ended March 31, 2024 (un-audited)				
Sales - net	5,169,473	723,498	(820,792)	5,072,179
Cost of sales	(4,235,107)	(578,840)	820,792	(3,993,155)
Gross profit	934,366	144,658	0	1,079,024
Distribution and marketing expenses	(15,698)	(88,470)	0	(104,168)
Administrative expenses	(143,935)	(46,017)	0	(189,952)
Profit before minimum and final tax levies and unallocated income and expenses	774,733	10,171	0	784,904
Unallocatable income and expenses:				
Other income				37,536
Other expenses				(27,550)
Finance cost				(399,804)
Minimum and final tax levies				(62,160)
Income tax				(51,029)
Profit for the period				281,897

19.2 Segment assets and liabilities

	Sugar	Distillery	Total
----- Rupees in '000 -----			
As at March 31, 2025 (un-audited)			
Segment assets	9,181,220	3,093,525	12,274,745
Unallocatable assets			582,313
Total assets as per statement of financial position			12,857,058
Segment liabilities	8,122,520	2,661,111	10,783,631
Unallocatable liabilities			538,940
Total liabilities as per statement of financial position			11,322,571
As at September 30, 2024 (audited)			
Segment assets	6,784,428	1,729,933	8,514,361
Unallocatable assets			561,611
Total assets as per statement of financial position			9,075,972
Segment liabilities	4,486,376	2,493,124	6,979,500
Unallocatable liabilities			695,491
Total liabilities as per statement of financial position			7,674,991

19.3 Geographical information

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

20. Related party transactions

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.

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

		Un-audited	
		Six months period ended	
		March 31,	March 31,
		2025	2024
		--- Rupees in '000 ---	
(a) Associated Companies due to common directorship			
Noon Industries (Pvt.) Ltd.			
• Dividend paid		<u>0</u>	<u>2,602</u>
(b) Relative of director			
Mr. Adnan Hayat Noon			
• loan repaid during the period		<u>305,000</u>	<u>0</u>
• consultancy fee paid		<u>7,200</u>	<u>7,200</u>
• sale of plot		<u>315,000</u>	<u>0</u>
(c) Key management personnel			
• salary and other employment benefits		<u>15,397</u>	<u>8,581</u>
• loan provided		<u>840</u>	<u>0</u>
• loan recovered		<u>1,250</u>	<u>1,500</u>
Period / year-end balances			
		Un-audited	Audited
		March 31,	September 30,
		2025	2024
(a) Receivable from related party:		--- Rupees in '000 ---	
• loans and advances		<u>6,250</u>	<u>7,500</u>
(b) Payable to related party:			
• short term finances		<u>0</u>	<u>305,000</u>

21. Financial risk management

21.1 Financial risk factors

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. These interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended September 30, 2024.

There have been no changes in the risk management department or in any risk management policies since the year ended September 30, 2024.

21.2 Fair value estimation

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

22. Corresponding figures

In order to comply with the requirements of IAS 34, the condensed interim statement of financial position has been compared with the balances of audited financial statements of the Company for the year ended September 30, 2024, 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 immediately preceding financial year.

23. Date of authorisation for issue

These interim financial statements were authorised for issue on by the Board of Directors of the Company.



Lt Col Abdul Khaliq Khan (Retd)
Chief Executive



Siaz Ullah Khan Noon
Director



Rizwan Sohail
Chief Financial Officer

مستقبل کی پیش گوئی

چینی کاشتہ

رپورٹ کے عرصے کے دوران پاکستان کی مجموعی زریعی معیشت سست روی کا شکار رہی۔ کاشتکاروں کو بیشتر فصلوں میں اپنی پیداوار مناسب قیمتوں پر فروخت کرنے میں کافی مشکلات کا سامنا کرنا پڑا۔ تاہم، اس صورتحال نے بالواسطہ طور پر چینی کی صنعت کو فائدہ پہنچایا، کیونکہ اس کی وجہ سے گنے کی کاشت میں اضافہ ہوا۔ علاقائی ملوں کی درمیان مسابقت کی وجہ سے، مارکیٹ کی زیادہ قیمتوں پر بروقت اور فوری ادائیگیوں نے کاشتکاروں کو دیگر فصلوں کے مقابلے میں گنے کی کاشت کو ترجیح دینے کی ترغیب دی۔

صوبہ پنجاب کی حکومت نے گنے کی کم از کم امدادی قیمت کا اعلان نہیں کیا تھا اور مارکیٹ کی قوتوں کو آزادانہ طور پر کام کرنے کی اجازت دی۔ توقع ہے کہ یہ ضابطہ بندی کاشتکاروں کو اعلیٰ معیار کا گنا کاشت کرنے پر توجہ مرکوز کرنے کی ترغیب دے گی، جس سے کاشتکاروں اور مل مالکان کے درمیان باہمی طور پر فائدہ مند تعلقات استوار ہوں گے، بشرطیکہ حکومت ملوں کے ذریعے کی جانے والی چینی کی فروخت میں بھی یہی پالیسی اپنائے، جس میں انتظامی مداخلت ہوتی ہے، جو اکثر کارپوریٹ صارفین کی جانب سے اپنے بھاری منافع کو برقرار رکھنے کے لیے شروع کی جاتی ہے۔


رپورٹ کے عرصے کے بعد، مقامی منڈیوں میں چینی کی قیمتوں میں اضافہ دیکھے میں آیا ہے۔ توقع ہے کہ قیمتوں میں یہ اضافہ پہلے ہونے والے آپریشنل نقصانات کو پورا کرنے اور شوگر ڈویژن کی مالی کارکردگی میں مثبت کردار ادا کرنے میں مددگار ثابت ہوگا۔ ہم پر امید ہیں کہ یہ شعبہ آنے والے مہینوں میں شیئر ہولڈرز کے حقوق میں نمایاں قدر کا اضافہ کرے گا۔


ڈسٹری کاشتہ

عالمی افراط زر اور ایندھن کی قیمتوں میں کمی کے رجحان کے باعث استھانول کی بین الاقوامی طلب میں کمی واقع ہوئی ہے، جس کے نتیجے میں اس کی قیمتوں میں بھی کمی آئی ہے۔

تاہم، رپورٹ کے عرصے کے دوران ڈسٹری ڈویژن کا منافع خام مال کی لاگت میں نمایاں اضافے کی وجہ سے متاثر ہوا جس کی وجوہات استھانول کی پیداواری صلاحیت میں مزید اضافہ، زیادہ ٹیکسیڈیشن اور وسیع تر افراط زر کا دباؤ تھیں۔

آپ کی انتظامیہ ان چیلنجوں سے پوری طرح آگاہ ہے اور اس نے آپریشنل کارکردگی کو بڑھانے اور منافع کے تحفظ کے لیے اسٹریٹجک اقدامات وضع کیے ہیں۔ موجودہ مارکیٹ کی صورتحال کے باوجود، ہم اس حصے سے شیئر ہولڈرز کی قدر کو زیادہ سے زیادہ کرنے کے لیے پرعزم ہیں۔


سیف اللہ خان نون
ڈائریکٹر


لیفٹیننٹ کرنل عبدالخالق خان (ریٹائرڈ)
چیف ایگزیکٹو
مورخہ 29 مئی، 2025

ششماہی عرصہ 31 مارچ، 2024	ششماہی عرصہ 31 مارچ، 2025		
98	104	دن	پیداواری عرصہ
712,164	638,503	میٹرک ٹن	گنا نیلے جانے کی مقدار
73,597	63,810	میٹرک ٹن	چینی کی پیداوار
10.30	10.00	شرح فیصد	رس سے چینی کی پیداواری اوسط
3.95	4.44	شرح فیصد	شیرے کی پیداواری شرح
28,303	28,369	میٹرک ٹن	شیرے کی پیداوار

رواں کرشنک سیزن کا آغاز 21 نومبر 2024 کو ہوا۔ آپ کی ملز نے 104 دنوں کے عرصہ میں 10.00 فیصد شرح کشید کے ساتھ 638,503 میٹرک ٹن گنا نیل کر 63,810 میٹرک ٹن چینی کی پیداوار حاصل کی جبکہ سابقہ سال 31 مارچ 2024 تک کے تقابلی عرصہ میں 98 دنوں میں 10.30 فیصد شرح کشید کے ساتھ 712,164 میٹرک ٹن گنا نیل کر 73,597 میٹرک ٹن چینی کی پیداوار حاصل ہوئی تھی۔

ڈسٹری کا شعبہ

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

ششماہی عرصہ 31 مارچ، 2024	ششماہی عرصہ 31 مارچ، 2025		
105	90	دن	پیداواری عرصہ
34,509	41,051	میٹرک ٹن	شیرے کی کھپت
6,740	8,094	میٹرک ٹن	اتھنول کی پیداوار
244	246	لیٹر فی میٹرک ٹن	پیداواری اوسط

ڈسٹری پلانٹ نے 90 دنوں میں 246 لیٹر اتھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 41,051 میٹرک ٹن شیرہ پراسس کر کے 8,094 میٹرک ٹن اتھنول پیدا کی جبکہ سابقہ سال کے اسی عرصہ کے دوران 105 دنوں میں 244 لیٹر اتھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 34,509 میٹرک ٹن شیرہ پراسس کر کے 6,740 میٹرک ٹن اتھنول پیدا کی گئی تھی۔

جائزہ ازاں ڈائریکٹران

معزز ممبران،

نون شوگر ملز لیمیٹڈ کے ڈائریکٹران 31 مارچ، 2025 کو مکمل ہونے والے ششماہی عرصہ کے لیے عبوری مالیاتی گوشواروں کو پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

مالیاتی نتائج

31 مارچ، 2024 کے مقابل 31 مارچ، 2025 کو مکمل ہونے والے ششماہی عرصہ کے مالیاتی نتائج کا موازنہ حسب ذیل ہے:

ششماہی عرصہ 31 مارچ، 2024 (ملین روپے)	ششماہی عرصہ 31 مارچ، 2025 (ملین روپے)	
5,072	5,879	خالص فروخت
1,079	344	خام منافع
395	207	قبل از ٹیکس آمدنی
(113)	(74)	ٹیکس
282	134	بعد از ٹیکس آمدنی
(روپے)	(روپے)	
17.07	8.08	فی حصہ آمدن

سابقہ سال کے اسی عرصہ میں مصنوعات کی فروخت 5,072 ملین روپے کے مقابلے میں کمپنی نے زیرِ جائزہ عرصہ کے دوران 5,879 ملین روپے کی فروخت کی۔ گزشتہ سال کے تقابلی عرصہ میں حاصل کردہ 1,079 ملین روپے کے مقابلے میں خام منافع 344 ملین روپے رہا۔ بعد از ٹیکس منافع گزشتہ سال کی اسی مدت میں 282 ملین روپے کے مقابلے میں 134 ملین روپے تھا جو گزشتہ سال کی اسی مدت میں 17.07 روپے فی حصہ کے مقابلے میں 8.08 روپے رہا۔

پیداواری نتائج

چینی کا شعبہ

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