



AL-NOOR SUGAR MILLS LIMITED

Half Yearly Results for the period
1st October 2020 to 31st March, 2021

Company Information

BOARD OF DIRECTORS

MR. ZIA ZAKARIA
MR. YUSUF AYOOB
MR. SULEMAN AYOOB
MR. NOOR MOHAMMAD ZAKARIA
MS. MUNIFA
MR. SHAMIM AHMAD
MR. FARRUKH YASEEN

BOARD AUDIT COMMITTEE

MR. SHAMIM AHMAD
MR. ZIA ZAKARIA
MS. MUNIFA

HUMAN RESOURCE AND REMUNERATION COMMITTEE

MR. FARRUKH YASEEN
MR. SULEMAN AYOOB
MS. MUNIFA

REGISTERED OFFICE

96-A, Sindhi Muslim Society, Karachi-74400 Tel: 34550161-63 Fax: 34556675

CHIEF FINANCIAL OFFICER

MR. MUHAMMAD HANIF CHAMDIA

COMPANY SECRETARY

MR. MOHAMMAD YASIN MUGHAL
FCMA

AUDITORS

M/S KRESTON HYDER BHIMJI & CO.
Chartered Accountants

LEGAL ADVISOR

MR. IRFAN
Advocate

REGISTRAR & SHARES REGISTRATION OFFICE

C & K Management Associates (Pvt) Ltd.
404-Trade Tower,
Abdullah Haroon Road,
Near Metropole Hotel, Karachi - 75530
www.alnoorsugar.co

FACTORY

Shahpur Jahania, P.O. Noor Jahania,
Taluka Moro,
District Shaheed Benazir Bhutto Abad
(Nawabshah)

DIRECTORS' REPORT

Asslamu-o- Alaikum

On behalf of the Board of Director, I am pleased to place before you the un-audited financial statements of your company for the period ended March 31, 2021. These statement have been reviewed by the statutory auditors as required under the Code of Corporate governance.

Salient features of production and Financial Statements are as under:

PRODUCTION DATA	March 31, 2021	March 31, 2020
Sugarcane crushed (M Tons)	677,781	769,428
Sugar produced (M Tons)	68,623	74,665
Sugar recovery percentage	10.12	9.71
Molasses produced (M Tons)	30,800	35,010
MDF Production (Cubic Meters)	44,764	39,641
FINANCIAL DATA	(Rupees in thousands)	
Sales revenue	4,482,342	4,660,984
Cost of sales	(3,654,199)	(4,054,213)
Gross profit	828,143	606,771
Distribution cost	(33,995)	(36,725)
Administrative expenses	(332,046)	(321,800)
Other operating expenses	(32,032)	(16,311)
Other Income	21,349	5,819
Financial cost	(180,588)	(287,990)
Share of profit from associate	20,436	38,832
Profit / (Loss) before taxation	291,267	(11,404)
Provision for taxation	(157,147)	(42,284)
Profit / (Loss) after taxation	134,120	(53,688)
Profit/(Loss) per share	Rs.6.55	Rs.(2.62)

Segment wise performance is elaborated as under:

SUGAR DIVISION

During the period under review the mill crushed 677,781 metric tons of cane and produced 68,623 metric tons of sugar. During the same period last year, the mill crushed 769,428 metric tons of cane and produced 74,665 metric tons of sugar. During the current period the production is slightly lower than last year by 8.09 percent or 4,042 metric tons. The decrease in production of sugar was mainly due to non-availability of raw material in the require quantity as the cane crop was not good in the province. Recovery percentage also slightly improved from 9.71 to 10.12 percent during the period under review. The poor condition of crop in the province was due to non-availability of water in the early stage of cane growing. For the crushing season the Government notified minimum support price of sugarcane at Rs.202/- per forty kgs of cane but the Mill had to pay higher price of cane in order to secure raw-material.

MDF BOARD DIVISION

During the period under review the MDF Board division produced 44,764 cubic meters as against 39,641 cubic meters produced in the same period last year. The production is higher by 5,123 cubic meters and is in various sizes keeping in view the demand of the same in the market segments. Products of MDF board division has established its acceptability in the domestic market and gained the consumer's confidence. It is anticipated that the production during the remaining period of the year would hopefully be maintained keeping in view local market demand.

BOARD OF DIRECTORS

During the period under review there was no change in the composition of the Board of directors of your company.

The Board of directors also wish to place on record their appreciation to the dedicated work and commitment of all stakeholders who contributed their services to sustain all operations of the Company. In Shah Allah, the difficult situation the country is facing due to Covid-19 will be end soon. Please extend your pray to Almighty Allah to guide / help us to achieve the desired goals. (Ameen)



YUSUF AYOOB
Managng Director/CEO



SULEMAN AYOOB
Director

Karachi:
Dated: May 27, 2021



**Independent Auditor's Review Report
To the members of Al-Noor Sugar Mills Limited
Report on Review of Condensed Interim Financial Statements**

INTRODUCTION:

We have reviewed the accompanying condensed interim statement of financial position of **AL-NOOR SUGAR MILLS LIMITED** ("the Company") as of March 31, 2021, and the related condensed interim statement of profit or loss, condensed interim statement of 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 half year ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for quarters ended March 31, 2021 and March 31, 2020 have not been reviewed, as we were required to review only the cumulative figures for the half year ended March 31, 2021.

SCOPE OF REVIEW:

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed 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 condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner of the review resulting in this independent auditor's report is Fahad Ali Shaikh.

Kreston Hyderabad Blue

CHARTERED ACCOUNTANTS

Karachi

Dated: May 27, 2021

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AL-NOOR
SUGAR MILLS LTD.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT MARCH 31, 2021

	Note	Un-Audited March 2021 (Rupees in '000)	Audited September 2020
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	4	4,892,049	4,906,966
Right-of-use assets	5	14,193	17,781
Intangible asset	6	1,418	2,839
Long term investments	7	728,594	747,755
Long term loans		3,572	1,737
Long term deposits		4,268	4,268
		5,644,094	5,681,346
CURRENT ASSETS			
Stores, spare parts and loose tools		494,699	424,564
Stock in trade		4,461,990	1,181,207
Trade debts		538,071	461,688
Loans and advances		97,579	71,382
Trade deposits and short term prepayments		21,117	9,811
Other receivables		332,918	335,921
Taxation-net		181,099	153,633
Cash and bank balances		557,174	387,058
		6,684,647	3,025,264
		12,328,741	8,706,610
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
50,000,000 ordinary shares of Rs.10 each		500,000	500,000
Issued, subscribed and paid-up capital		204,737	204,737
Revenue Reserve			
General reserve		1,000,000	1,000,000
Unappropriated profit		808,942	705,809
Share of associate's unrealised (loss) on remeasurement of associate's investments at fair value through other comprehensive income (OCI)		(2,714)	(2,714)
Capital Reserve			
Surplus on revaluation of Property, plant and equipment		1,333,923	1,364,357
		3,344,888	3,272,189
NON-CURRENT LIABILITIES			
Long term financing		2,332,136	2,685,000
Lease liability against right-of-use asset		1,394	5,245
Deferred taxation		594,853	516,129
		2,928,383	3,206,374
CURRENT LIABILITIES			
Trade and other payables		2,717,784	1,355,959
Accrued finance cost		66,380	46,454
Short term borrowings		2,722,823	402,138
Unclaimed dividend		7,140	6,413
Current portion of long term financing		537,083	406,875
Current portion of lease liability against right-of-use asset		4,260	10,208
		6,055,470	2,228,047
CONTINGENCIES AND COMMITMENTS			
	8	-	-
		12,328,741	8,706,610

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


YUSUF AYOOB
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAMDIA
Chief Finance Officer

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2021**

		For the half year		For the quarter	
		October to March		January to March	
		2021	2020	2021	2020
Note		(Rupees in '000)			
Sales		4,482,342	4,660,984	2,108,172	1,503,211
Cost of sales	9	(3,654,199)	(4,054,213)	(1,654,122)	(1,250,233)
Gross profit		828,143	606,771	454,050	252,978
Profit/(loss) from trading activities		1,032	(3)	51	(3)
		829,175	606,768	454,101	252,975
Distribution cost		(33,995)	(36,725)	(16,757)	(15,066)
Administrative expenses		(332,046)	(321,800)	(161,536)	(158,257)
Other operating expenses		(32,032)	(16,311)	(22,504)	(12,252)
		(398,073)	(374,836)	(200,797)	(185,575)
		431,102	231,932	253,304	67,400
Other income		20,317	5,822	7,631	4,775
		451,419	237,754	260,935	72,175
Finance cost		(180,588)	(287,990)	(113,718)	(167,290)
		270,831	(50,236)	147,217	(95,115)
Share of profit/(loss) from associates		20,436	38,832	(1,476)	(9,225)
Profit/(loss) before taxation		291,267	(11,404)	145,741	(104,340)
Taxation		(157,147)	(42,284)	(90,545)	3,948
Profit/(loss) after taxation		134,120	(53,688)	55,196	(100,392)
Earning/(loss) per share					
- Basic and diluted- (Rupees)		6.55	(2.62)	2.70	(4.90)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


YUSUF AYOOB
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAUDHARY
Chief Finance Officer

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2021**

	For the half year		For the quarter	
	October to March 2021	2020	January to March 2021	2020
	----- (Rupees in '000) -----			
Profit/(loss) after taxation	134,120	(53,688)	55,196	(100,392)
Other comprehensive income	-	-	-	-
Total Comprehensive income / (loss)	134,120	(53,688)	55,196	(100,392)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


YUSUF AYOOB
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAUDHARY
Chief Finance Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2021

	Note	March 31, 2021	March 31, 2020
		Rupees in '000	
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before taxation		291,267	(11,404)
Adjustments for:			
Depreciation of property, plant and equipment	4.1	134,306	141,799
Depreciation of right-of-use assets	5	3,588	484
Amortization of intangible assets	6	1,421	1,190
Gain on disposal of property, plant and equipment		(4,591)	(1,892)
Provision for obsolescence and slow moving items		10,551	9,851
Impairment allowance against trade debts		1,000	6,460
Finance cost		180,077	287,990
Interest on lease liability against right-of-use assets		511	146
Share of profit from associates		(20,436)	(38,832)
		<u>306,427</u>	<u>407,196</u>
Cash generated before working capital changes		597,694	395,792
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(80,686)	(61,239)
Stock in trade		(3,280,783)	(2,345,879)
Trade debts		(77,383)	(151,781)
Loans and advances		(26,197)	(31,865)
Trade deposits and short term prepayments		(11,306)	(6,931)
Other receivables		3,003	382
		<u>(3,473,352)</u>	<u>(2,597,313)</u>
Increase in current liabilities			
Trade and other payables		1,361,825	1,281,305
Short term borrowings		2,320,685	1,610,811
		<u>3,682,510</u>	<u>2,892,116</u>
Payments for			
Income tax		(105,890)	(93,711)
Finance cost		(160,662)	(289,215)
Long term loans-net		(1,835)	(2,140)
Long term deposits -net		-	(50)
		<u>(268,387)</u>	<u>(385,116)</u>
Net cash inflows from operating activities		538,465	305,479
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property, plant and equipment		(122,220)	(71,263)
Sale proceeds from disposal of property, plant and equipment		7,422	3,116
Dividend received		39,597	56,096
Net cash used in investing activities		<u>(75,201)</u>	<u>(12,051)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		29,219	500,000
Repayment of long term financing		(251,875)	(516,111)
Payments for lease liability against right-of-use asset		(9,798)	(6,389)
Dividend paid		(60,694)	(60,628)
Net cash used in financing activities		<u>(293,148)</u>	<u>(83,128)</u>
Net increase in cash and cash equivalents		170,116	210,300
Cash and cash equivalents at the beginning of the period		387,058	93,221
Cash and cash equivalents at the end of the period		<u>557,174</u>	<u>303,521</u>

YUSUF AYOOB
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAMDIA
Chief Finance Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2021

	Issued, Subscribed & paid up capital	General reserves	Un- appropriated profit	Capital Reserve Surplus on revaluation of Property Plant & Equipment	Share of associate's unrealized (loss) on remeasurement of investment at fair value through OCI	Total
	----- (Rupees in thousand) -----					
Balance as at October 1, 2019 - (Audited)	204,737	1,000,000	499,808	1,429,316	(2,655)	3,131,206
During the half year ended March 31, 2020						
Transaction with owners						
Final dividend for the year ended September 30, 2019 @ Rs 3.00 per share	-	-	(61,421)	-	-	(61,421)
Total comprehensive (loss) for the half year ended March 31, 2020	-	-	(53,688)	-	-	(53,688)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:						
Company's Revaluation Surplus	-	-	25,769	(25,769)	-	-
Shares of associates incremental depreciation of revaluation surplus	-	-	6,761	(6,761)	-	-
	-	-	32,530	(32,530)	-	-
Balance as at March 31, 2020	204,737	1,000,000	417,229	1,396,786	(2,655)	3,016,097
Balance as at October 01, 2020 - (Audited)	204,737	1,000,000	705,809	1,364,357	(2,714)	3,272,189
During the half year ended March 31, 2021						
Transaction with owners						
Final dividend for the year ended September 30, 2020 @ Rs 3.00 per share	-	-	(61,421)	-	-	(61,421)
Total comprehensive income for the half year ended March 31, 2021	-	-	134,120	-	-	134,120
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:						
Company's Revaluation Surplus	-	-	24,145	(24,145)	-	-
Shares of associates incremental depreciation of revaluation surplus	-	-	6,289	(6,289)	-	-
	-	-	30,434	(30,434)	-	-
Balance as at March 31, 2021	204,737	1,000,000	808,942	1,333,923	(2,714)	3,344,888

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


YUSUF AYOOB
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAUDHARY
Chief Finance Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED MARCH 31, 2021

1 The Company and its Operations

The Company was incorporated in Pakistan as public limited company on August 08, 1969 and its shares are quoted at the Pakistan Stock Exchange Limited. The registered office of the Company is located at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, Sindh.

The Company owns and operates sugar, medium density fiber (MDF) board manufacturing unit which are located at District Shaheed Benazirabad and Noushero Feroz in the province of Sindh. The total area of industry land which includes the main factory is spread over 207.25 acres.

2 Basis of Preparation

2.1 These condensed 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 the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the 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. The condensed interim financial statements does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the company's annual financial statements for the year ended September 30, 2020.

2.2 These condensed Interim financial statements comprise of the condensed interim statement of financial position as at March 31, 2021 and the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and the condensed interim statement of cash flows together with notes forming part thereof for the half year then ended which have been subjected to review and are not audited. This also includes the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarter ended March 31, 2021. The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the audited financial statements of the company for the year ended September 30, 2020, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows figures have been extracted from the unaudited condensed interim financial statements for the half year ended March 31, 2020.

2.3 The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarter ended March 31, 2021 and 2020 are not subject to review by the auditor.

3 Significant accounting policies and disclosures

3.1 The accounting policies and methods of computation followed for the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the company's annual financial statements for the year ended September 30, 2020.

3.2 Due to the seasonal availability of sugarcane, the manufacture of sugar is carried out during the period of availability of sugarcane and costs incurred/accrued upto the reporting date have been accounted for. Accordingly, the costs incurred/accrued after the reporting date will be reported in the subsequent interim and annual financial statements.

3.3 Certain new IFRSs and amendments to existing IFRSs, effective for periods beginning on or after October 01, 2020, do not have any impact on the condensed interim financial statements, and are therefore not disclosed.

3.4 The preparation of these condensed interim financial statements requires management to make estimates, assumptions and use of judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements 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. Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to financial statements as at and for the year ended September 30, 2020.

	Note	Unaudited March 31, 2021	Audited September 30, 2020
		Rupees in '000	
4. PROPERTY PLANT AND EQUIPMENT			
Operating fixed Assets	4.1	4,437,221	4,523,350
Capital Work in Progress	4.2	454,828	383,616
		<u>4,892,049</u>	<u>4,906,966</u>

	Unaudited March 31, 2021	Audited September 30, 2020
	Rupees in '000	
4.1 Operating Fixed Assets:		
Opening Net Book Value (NBV)	4,523,350	4,687,656
Direct Additions during the period/year		
Non-Factory Building	-	171
Plant and Machinery	29,233	53,076
Office Equipment	4,154	9,533
Vehicles	17,621	14,698
	51,008	77,479
Transfer from CWIP during the period/year		
Factory Building	-	31,941
Plant and Machinery	-	15,731
	-	47,672
Net Book Value of Asset disposed off during the period/year		
Vehicles	(2,831)	(1,608)
Depreciation Charged for the period/year	(134,306)	(287,849)
Closing Net Book Value	4,437,221	4,523,350
4.2 Capital Work in Progress		
Opening Balance	383,616	83,803
Addition during the period/year		
Civil Work	3,103	22,325
Plant and Machinery	68,109	325,160
	71,212	347,485
Capitalization during the period/year		
Civil Work	-	(31,941)
Plant & Machinery	-	(15,731)
	-	(47,672)
Closing Balance	454,828	383,616

4.2.1 Additions to plant and machinery under installation includes borrowing cost of Rs.6.996 million (2020:Nil).

	Unaudited March 31, 2021	Audited September 30, 2020
	Rupees in '000	
5. RIGHT-OF-USE ASSETS		
Opening Balance	17,781	21,529
Depreciation during the period/year	(3,588)	(3,748)
	<u>14,193</u>	<u>17,781</u>
6. INTANGIBLE ASSETS		
Opening Balance	2,839	5,681
Amortization during the period/year	(1,421)	(2,842)
	<u>1,418</u>	<u>2,839</u>

7. Long Term Investments

Investment in associated undertakings:-

	Shahmurad Sugar Mills Limited	Al Noor Management Modaraba (Pvt) Limited	Total March 31, 2021	Total September 30, 2020
Opening balance	746,748	1,007	747,755	685,385
Share of profit of associate for the period / year	20,436	-	20,436	118,535
Shares of associate's unrealized (loss) on remeasurement of associate's investment at fair value through OCI	-	-	-	(69)
Dividend received during the period / year	(39,597)	-	(39,597)	(56,096)
	<u>(19,161)</u>	<u>-</u>	<u>(19,161)</u>	<u>62,370</u>
	<u>727,587</u>	<u>1,007</u>	<u>728,594</u>	<u>747,755</u>

The company holds 14.285% (September 2020:14.285%) interest in Al-Noor Modaraba Management (Pvt) Ltd, and holds 15.625% (September 2020:15.625%) interest in Shahmurad Sugar Mills Limited. Since the financial statements of Al Noor Modaraba Management (Pvt) Limited are not prepared except on year end June 30; and are not material hence no effect of results of Al-Noor Modaraba Management (Pvt) Ltd has been taken in these condensed interim financial statements, however in the case of Shahmurad Sugar Mills Ltd, the share of profit and other comprehensive income has been taken on the basis of its reviewed condensed interim financial statements for the half year ended March 31, 2021.

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no material change in status of contingencies as disclosed in note No.25 (a) of the annual financial statement for the year ended September 30, 2020.

**Unaudited
March 31,
2021** **Audited
September 30,
2020**

Rupees in '000

8.2 Commitments as on the balance sheet date

Letters of credit		
Stores	11,046	50,199
Raw Material	448,284	191,194
Machinery	31,454	52,991
	<u>490,784</u>	<u>294,384</u>

For the half year October-March 2021 2020	For the quarter January-March 2021 2020
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(Rupees in '000)

9. COST OF SALES

Opening stock of finished goods	776,628	1,758,560	1,184,543	967,233
Cost of goods manufactured	6,834,147	6,049,873	4,426,155	4,037,220
	7,610,775	7,808,433	5,610,698	5,004,453
Closing stock of finished goods	(3,956,576)	(3,754,220)	(3,956,576)	(3,754,220)
	<u>3,654,199</u>	<u>4,054,213</u>	<u>1,654,122</u>	<u>1,250,233</u>

8.1 Stock of refined sugar amounting of Rs. 3,325 Million (March 2020 : Rs. 2,673.759) has been pledged against cash finance facilities and Murabaha/Istisna arrangements.

8.2 Stock in trade includes stocks costing Rs. 233.448 million (March 2020: Rs. 258.294 million) written down to their net realizable value of Rs. 171.847 million (March 2020: Rs. 208.450). Stock of molasses and bagasse valued at net realizable value of Rs. 135.593 million. (March 2020: Rs. 247.208 million)

10. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated entities, staff retirement funds, directors and key management personnel. The transaction and balances of related parties during the period/as at period end are given below:

		March 31, 2021	March 31, 2020
		Rupees in '000	
Transactions:			
<u>Relationship with the company</u>	<u>Nature of Transactions</u>		
Associates			
Shahmurad Sugar Mills Ltd	Sale of goods	486,483	482,446
	Dividend received	39,597	56,096
	Share of profit in associates	20,436	38,832
Reliance Insurance Compnay Ltd	Insurance premium paid	16,904	936
	Insurance claim received	6,189	1,443
Other Related Parties			
Directors' and key management personnel	Director's remuneration	14,570	30,216
	Executives remuneration	51,898	49,160
	Directors meeting fee	176	265
Staff provident fund	Contribution made during period excluding directors	12,452	11,367

		March 31, 2021	September 30, 2020
		Rupees in '000	
Balances:			
<u>Relationship with the Company</u>	<u>Nature of Transactions</u>		
Associates			
Shahmurad Sugar Mills Ltd	Trade and other payables	18,784	150,000
Reliance Insurance Compnay Ltd	Trade and other payables	9,873	4,193
Staff provident fund	Trade and other payables	3,794	794
Reliance Insurance Compnay Ltd	Insurance claim receivable	3,631	-

11. RELATIONSHIP WITH THE ISLAMIC AND CONVENTIONAL FINANCIAL INSTITUTION

The Company in the normal course of business deals with sole Islamic financial institutions as well as the financial institution who operate both the conventional side and Islamic window. The details of segregation between Shariah complaints and conventional assets/liabilities and income/expenditure are given below:

	March 2021			September 2020		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Long term financing-Musharka and other finance	1,336,250	995,886	2,332,136	1,976,250	708,750	2,685,000
Current portion of long term finance	403,750	133,333	537,083	391,250	15,625	406,875
	1,740,000	1,129,219	2,869,219	2,367,500	724,375	3,091,875
Accrued finance cost	24,274	42,106	66,380	25,612	20,842	46,454
Short term borrowings	-	2,722,823	2,722,823	-	402,138	402,138
Cash at bank accounts	(331,235)	(225,939)	(557,174)	(244,820)	(142,238)	(387,058)
	1,433,039	3,668,209	5,101,248	2,148,292	1,005,117	3,153,409

	March 2021			March 2020		
	Rupees in thousand			Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Finance cost	94,464	86,124	180,588	147,629	140,361	287,990
Borrowing cost capitalized	-	6,996	6,996	-	-	-
Income on saving account	(13,250)	-	(13,250)	(1,655)	-	(1,655)
	81,214	93,120	174,334	145,974	140,361	286,335

12. SEGMENT INFORMATION

The Company's operations are organized and managed separately according to the nature of products produced with each segment representing a strategic business unit that offers different products and serves different markets. The sugar segment is the manufacturer of sugar and board segment is a manufacturer of Medium Density Fiber (MDF) board. The following tables represent revenue and profit information regarding business segment for the period ended March 31, 2021 and March 31, 2020 and assets and liabilities information regarding business segments as at March 31, 2021 and September 30, 2020:

	Sugar		MDF Board		Consolidated	
	Half year ended March 31,		Half year ended March 31,		Half year ended March 31,	
	2021	2020	2021	2020	2021	2020
(Rupees in thousand)						
Revenue						
External sales	1,398,183	2,201,762	3,084,159	2,459,222	4,482,342	4,660,984
External sales of by-product	486,483	481,729	5,426	5,386	491,909	487,115
Inter-segment transfer- Electricity	117,065	108,390	-	-	117,065	108,390
Inter-segment transfer- Bagasse	98,450	-	-	-	98,450	-
	<u>2,100,181</u>	<u>2,791,881</u>	<u>3,089,585</u>	<u>2,464,608</u>	<u>5,189,766</u>	<u>5,256,489</u>
RESULTS						
Profit from operation	130,900	29,462	300,202	202,470	431,102	231,932
Other Income	9,892	2,738	10,425	3,084	20,317	5,822
Finance cost					(180,588)	(287,990)
Share of profit from associates					20,436	38,832
Profit / (loss) before tax					291,267	(11,404)
Taxation					(157,147)	(42,284)
Net profit / (loss) after taxation for the period					<u>134,120</u>	<u>(53,688)</u>
OTHER INFORMATION						
Capital expenditures	10,288	30,807	111,932	40,456	122,220	71,263
Depreciation	68,638	72,947	65,668	68,852	134,306	141,799
Depreciation on right-of-use assets	-	-	3,588	484	3,588	484
Amortization	627	627	794	563	1,421	1,190



	Sugar		MDF Board		Total	
	March 31, 2021	September 30, 2020	March 31, 2021	September 30, 2020	March 31, 2021	September 30, 2020
(Rupees in '000)						
Statement of financial position						
Assets						
Segment assets	7,856,083	4,507,912	3,562,964	3,297,310	11,419,047	7,805,222
Investment in associates	728,594	747,755	-	-	728,594	747,755
Unallocated assets			-		181,100	153,633
Total assets					12,328,741	8,706,610
Liabilities						
Segment liabilities	8,208,823	4,704,636	734,755	694,597	8,943,578	5,399,233
Unallocated liabilities					40,275	35,188
					8,983,853	5,434,421

Geographical Information

All non-current assets of the Company are located in Pakistan. Company's sales by geographical location is as follows:

	Unaudited March 31, 2021	Audited September 30, 2020
Rupees in '000		
Pakistan	4,027,924	3,306,247
Afghanistan	407,380	1,354,737
Behrain	33,432	-
Kuwait	13,606	-
	4,482,342	4,660,984

13. WORKER'S PROFIT PARTICIPATION FUND, WORKERS WELFARE FUND AND TAXATION

Allocation to the Worker's Profit participation Fund, Worker's Welfare Fund and provision for taxation are provisional, final liability would be determined on the basis of annual results.

14. FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Company while assessing fair values uses calculation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques:

Level 1: Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.

Level 2: 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 3: Inputs are unobservable inputs for the asset or liability. Inputs for the asset or liability that are not based on observation market data (that is, unobservable inputs).

Financial assets and liabilities of the Company are either short term in nature or are repriced periodically therefore; their carrying amounts approximate their fair values.

15. AUTHORIZATION

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on May 27, 2021.

16. GENERAL

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



YUSUF AYOOB
Chief Executive Officer



SULEMAN AYOOB
Director



MUHAMMAD HANIF CHAMDIA
Chief Finance Officer

شوگر ڈویژن

زیر جائزہ مدت کے دوران مل نے 677,781 میٹرک ٹن گنے کو کرش کیا اور 68,623 میٹرک ٹن چینی پیدا کی۔ پچھلے سال اسی عرصے کے دوران مل نے 769,428 میٹرک ٹن گنے کو کرش کیا اور 74,665 میٹرک ٹن چینی پیدا کی۔ موجودہ مدت کے دوران پیداوار گزشتہ سال کے مقابلے میں 8.09 فیصد یا 4,042 میٹرک ٹن سے کم ہے۔ چینی کی پیداوار میں کمی بنیادی طور پر ضروری مقدار میں خام مال کی عدم فراہمی کی وجہ تھی کیونکہ صوبے میں گنے کی فصل اچھی نہیں تھی۔ زیر بحث مدت کے دوران ریکوری کی شرح میں اضافہ ہوا جو حاصل کرنے میں 9.71 سے 10.12 فیصد ہو گئی۔ گنے کی کاشت کے ابتدائی مرحلے میں پانی کی عدم فراہمی کی وجہ سے صوبے میں فصل کی خراب حالت تھی۔ کرشننگ سیزن کے لئے حکومت نے گنے کی کم سے کم امدادی قیمت = 202/ روپے فی چالیس کلوگرام مقرر کی لیکن مل کو خام مال کے لئے گنے کی زیادہ قیمت ادا کرنا پڑی۔

ایم ڈی ایف بورڈ ڈویژن

زیر جائزہ مدت کے دوران ایم ڈی ایف بورڈ ڈویژن نے 44,764 مکعب میٹر پیدا کیا جب کہ گزشتہ سال اسی عرصے میں پیداوار 39,641 مکعب میٹر تھی۔ پیداوار 5,123 مکعب میٹر زیادہ ہے اور مارکیٹ کے حصوں میں اسی کی مانگ کو مد نظر رکھتے ہوئے مختلف سائز میں ہے۔ ایم ڈی ایف بورڈ ڈویژن کی مصنوعات نے گھریلو مارکیٹ میں اپنی قبولیت قائم کی ہے اور صارفین کا اعتماد حاصل کیا ہے۔ اس لیے توقع کی جا رہی ہے کہ سال کی باقی مدت کے دوران پیداوار مقامی مارکیٹ کی طلب کو مد نظر رکھتے ہوئے برقرار رکھے گی۔

بورڈ آف ڈائریکٹرز

زیر جائزہ مدت کے دوران آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی تشکیل میں کوئی تبدیلی نہیں کی گئی۔ بورڈ آف ڈائریکٹرز یہ بھی چاہتے ہیں کہ وہ کمپنی کے تمام کاموں کو برقرار رکھنے کے لئے اپنی خدمات میں معاونت کرنے والے تمام اسٹیک ہولڈرز کی شمولیت اور وابستگی کو ریکارڈ کریں۔ ان شاء اللہ۔ کوویڈ-19 کی وجہ سے ملک کو جس مشکل صورتحال کا سامنا کرنا پڑ رہا ہے وہ جلد ختم ہو جائے گا۔ براہ کرم مطلوبہ اہداف کے حصول میں ہماری رہنمائی/ مدد کرنے کے لئے اللہ رب العزت سے دعا مانگیں کہ ہم اپنے مقاصد میں کامیاب ہو جائیں۔ (آمین)

سلیمان ایوب
ڈائریکٹر

یوسف ایوب
چیف ایگزیکٹو آفیسر

کراچی: 27 مئی 2021ء

ڈائریکٹرز کی رپورٹ

السلام علیکم

شدہ بورڈ آف ڈائریکٹرز کی طرف سے، میں آپ کو 31 مارچ 2021 کو ختم ہونے والی مدت کیلئے آپ کی کمپنی کے غیر آڈٹ مالیاتی حسابات آپ کے سامنے پیش کرنے پر خوشی محسوس کرتا ہوں۔ ان حسابات کا ضابطہ کار پورٹ گورننس کے تحت ضرورت کے مطابق آڈیٹرز نے جائزہ لیا ہے۔
پیداوار اور مالیاتی حسابات کی نمایاں خصوصیات درج ذیل ہیں:

معلومات بابت پیداوار	31 مارچ 2021	31 مارچ 2020
گنے کی پائی (میٹرک ٹن)	677,781	769,428
پیداوار برائے چینی (میٹرک ٹن)	68,623	74,665
ریکوری برائے چینی (فیصد)	10.12	9.71
پیداوار برائے راب (میٹرک ٹن)	30,800	35,010
ایم ڈی ایف پیداوار (کیوبک میٹر)	44,764	39,641
مالیاتی معلومات	(روپے ہزاروں میں)	(روپے ہزاروں میں)
فروختگی	4,482,342	4,660,984
لاگت برائے فروختگی	(3,654,199)	(4,054,213)
خام منافع	828,143	606,771
اخراجات برائے ترسیل	(33,995)	(36,725)
انتظامی اخراجات	(332,046)	(321,800)
مالیاتی اخراجات	(180,588)	(287,990)
دیگر اخراجات	(32,032)	(16,311)
دیگر آمدن	21,349	5,819
منافع کا حصہ ایسوسی ایٹ میں	20,436	38,832
منافع / (خسارہ) قبل از ٹیکس	291,267	(11,404)
ٹیکس کے لئے فراہمی	(157,147)	(42,284)
منافع / (خسارہ) بعد از ٹیکس	134,120	(53,688)
منافع / (خسارہ) فی حصص (بنیادی)	Rs.6.55	Rs.(2.62)



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