

**noon**  
SUGAR MILLS LTD.

**Condensed Interim  
Financial Statements  
for the Nine Months Ended**

**30 June 2022  
(Un-Audited)**

**2022**



**Noon Sugar Mills Limited**

66 - Garden Block, New Garden Town, Lahore.

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## 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 Mr. Irfan Ahmed Mr. Atta Ali Malik Ms. Maryam Mamdot	Chairman Chief Executive / Director (Non- Executive Director) (Non- Executive Director) (Non- Executive Director) (Non- Executive / Independent Director) (Non- Executive / Independent Director)
<b>AUDIT COMMITTEE</b>	Ms. Maryam Mamdot Mr. Salman Hayat Noon Mr. Saif Ullah Khan Noon	Acting Chairperson Member Member
<b>HR &amp; R COMMITTEE</b>	Mr. Saif Ullah Khan Noon Mr. Salman Hayat Noon Lt Col Abdul Khaliq Khan (Retd)	Member Member Member
<b>TECHNICAL COMMITTEE</b>	Mr. Irfan Ahmed Mr. Salman Hayat Noon Mr. Saif Ullah Khan Noon Lt Col Abdul Khaliq Khan (Retd)	Chairman Member Member Member
<b>MANAGEMENT</b>	Lt Col Abdul Khaliq Khan (Retd) Mr. Rizwan Sohail (FCA)	Chief Executive 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>	Askari Bank Limited Bank Alfalah Limited – Islamic Banking Bank Islami Pakistan Limited Dubai Islamic Bank Pakistan Limited Habib Bank Limited – Islamic Banking MCB Bank Limited Meezan Bank Limited National Bank of Pakistan Samba Bank Limited United Bank Limited	

**REGISTERED OFFICE**

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

**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](http://www.corplink.com.pk)

**MILLS**

Bhalwal, District Sargodha.

**WEBSITE**

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

## DIRECTORS' REVIEW

### DEAR MEMBERS

The Directors of Noon Sugar Mills Limited are pleased to present the condensed un-audited interim financial statements of the Company for the nine months period ended on June 30<sup>th</sup>, 2022.

### FINANCIAL RESULTS

A comparison of the financial results for the nine months period ended June 30<sup>th</sup>, 2022, as against June 30<sup>th</sup>, 2021, is as follows:

	Nine Months Period Ended June 30 <sup>th</sup>	
	2022	2021
---Rupees in million---		
Net Sales	<b>8,705</b>	6,727
Gross profit	<b>1,044</b>	740
Earnings before tax	<b>407</b>	249
Taxation	<b>(157)</b>	(88)
Earnings after tax	<b>249</b>	161
- - - Rupees - - -		
Basic earnings per share	<b>15.10</b>	9.74

During the reporting period, the sales revenue of the Company was Rs.8,705 million as compared to Rs. 6,727 million for the corresponding period of the last year. Gross profit was Rs.1,044 million as compared to Rs.740 million in the corresponding period of the last year. Profit after taxation, for the period, is Rs.249 million against Rs.161 million of the same period of last year and earnings per share is Rs.15.10, as compared to the earnings of Rs.9.74 per share in the corresponding period of the 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 are tabulated below:

		Nine Months Period Ended June 30 <sup>th</sup>	
		2022	2021
Operating Period	Days	<b>144</b>	121
Cane Crushed	M. Tons	<b>1,120,350</b>	863,552
Sugar Produced	M. Tons	<b>104,720</b>	82,710
Average Sucrose Recovery	%age	<b>9.36</b>	9.60
Molasses Recovery	%age	<b>4.68</b>	4.30
Molasses Produced	M. Tons	<b>52,378</b>	37,033

The current crushing season commenced on November 18, 2021. Your mills crushed 1,120,350 M. Tons of sugarcane and produced 104,720 M. Tons of sugar, with an average sucrose recovery of 9.36% in the 144 days of operation as compared to 863,552 M. Tons of the sugarcane crushed and 82,710 M. Tons of the sugar production with 9.60% sucrose recovery in 121 days' operation, in the corresponding period of last year.

Your management was successful to procure and crush a reasonably increased quantity of sugarcane. As reported earlier, a slight reduction in sucrose recovery has also observed due to climate changes, premature harvesting of sugarcane crop and procurement of cane from distant areas to maximize the sugar & molasses production. As reported earlier, The Punjab Government had increased the minimum support price of cane from Rs.200 to Rs.225 per 40 kg for the current crushing season, which coupled with lower sucrose recovery has increased the sugar production cost.

### 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:

		Nine Months Period Ended June 30 <sup>th</sup>	
		2022	2021
Operating Period	Days	<b>205</b>	208
Molasses Processed	M. Tons	<b>109,907</b>	98,153
Ethanol Produced	M. Tons	<b>20,931</b>	19,369
Average Yield	Ltrs./ M .Ton	<b>238</b>	247

The Distillery plants processed 109,907 M. Tons of molasses and produced 20,931 M. Tons of ethanol with an average yield of 238 liters of ethanol per M. Ton of molasses in 205 days operation, as compared to 98,153 M. Tons of molasses processed and 19,369 M. Tons production of ethanol at an average yield of 247 liters of ethanol per M. Ton of molasses, in 208 days operation, during the corresponding period of the year.

## FUTURE OUTLOOK

### Sugar Division

Your management is continuously working towards both improving their relationship with growers and in development of good variety sugarcane in the mills surrounding areas. The recent sugarcane survey for next crushing season reports a healthy increase in sugarcane cultivation in this region. The concerted efforts of cane department to restrict the diversion of the gate area cane to adjacent supply depots involving additional transport burden, has achieved a substantial saving in procurement cost of cane during the crushing season under review.

The current economic condition has adversely affected the overall business viability. A sharp increase in interest rates, rising inflation, combined with increased tax rates, have severely impacted the individual's consumption pattern of sugar and commodities in general. Domestic sugar prices are consequently under pressure due to excess production of sugar in Pakistan and the industry is pursuing with the Government to accord much needed approval for export of surplus sugar which will also help in improving the country's foreign exchange reserves. Your management is continuously involved in controlling all components causing a rising trend in cost of production.

**Distillery Division:**

Distillery segment has successfully recovered from the depressed period and to resume its contribution improving the profitability of your company. Your management has successfully procured a higher volume of molasses at reasonable rates and the future outlook of international ethanol market is also encouraging. The average ethanol yield of molasses is however, slightly reduced owing to a wide variation in quality of molasses procured from eight different sugar mills, to maximize our ethanol production. The current devaluation of Pak Rupee will hopefully mitigate the inflationary impact of markup to the great extent.

However, the phenomenal devaluation of Pak Rupee against US Dollar, subsequent the period under review, is likely to have a big impact on the cost of all imported chemicals, essential spares and machinery for routine BMR as well as expansion schemes of both sugar and ethanol plants will become disproportionately expensive, thereby eroding the profit margin of the industry. Your management is well aware of these upcoming challenges and will have developed appropriate strategies to safeguard the returns of the shareholders, Inshallah.

**ACKNOWLEDGEMENT**

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



**SALMAN HAYAT NOON**  
Director

Lahore: July 28, 2022

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## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Un-Audited June 30, 2022	Audited September 30, 2021
- - - Rupees in '000 - - -			
<b>Equity and Liabilities</b>			
<b>Share Capital and Reserves</b>			
Authorised capital 20,000,000 ordinary shares of Rs.10 each		<b>200,000</b>	200,000
Issued, subscribed and paid-up capital 16,517,453 ordinary shares of Rs.10 each		<b>165,175</b>	165,175
Reserves		<b>249,217</b>	249,217
Unappropriated profit		<b>1,104,920</b>	913,265
		<b>1,519,312</b>	1,327,657
<b>Non-current Liabilities</b>			
Long term finance		<b>37,500</b>	75,000
Lease liabilities		<b>892</b>	1,613
Staff retirement benefits - gratuity		<b>67,439</b>	60,076
		<b>105,831</b>	136,689
<b>Current Liabilities</b>			
Trade and other payables	5	<b>799,183</b>	358,134
Contract liabilities		<b>30,912</b>	21,036
Accrued mark-up		<b>109,870</b>	38,126
Short term finances	6	<b>3,958,138</b>	2,335,335
Current portion of non current liabilities		<b>75,972</b>	76,640
Unclaimed dividends		<b>5,053</b>	5,100
Unpaid dividends		<b>4,802</b>	3,879
Provision for taxation		<b>280,117</b>	123,057
		<b>5,264,047</b>	2,961,307
		<b>5,369,878</b>	3,097,996
<b>Contingencies and commitments</b>	<b>7</b>		
		<b>6,889,190</b>	4,425,653

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

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

## AS AT JUNE 30, 2022

		<b>Un-Audited June 30, 2022</b>	Audited September 30, 2021
	<b>Note</b>	<b>- - - Rupees in '000 - - -</b>	
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	<b>8</b>	<b>1,713,797</b>	1,611,027
Loans and advances		<b>1,347</b>	2,053
Security Deposits		<b>5,448</b>	2,847
		<b>1,720,592</b>	1,615,927
<b>Current Assets</b>			
Stores, spares and loose tools		<b>127,079</b>	88,406
Stock-in-trade	<b>9</b>	<b>3,367,915</b>	1,405,972
Trade debts		<b>597,873</b>	337,868
Loans and advances		<b>446,346</b>	369,655
Short term prepayments		<b>5,461</b>	2,953
Other receivables		<b>238,784</b>	223,593
Income tax refundable, advance income tax and tax deducted at source		<b>269,557</b>	156,356
Cash and bank balances		<b>115,583</b>	224,923
		<b>5,168,598</b>	2,809,726
		<b>6,889,190</b>	4,425,653

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 QUARTER AND NINE MONTHS PERIOD ENDED JUNE 30, 2022

	Note	Quarter ended		Nine months period ended	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
		----- Rupees in '000 -----			
Sales - net	10	3,625,964	2,490,691	8,704,541	6,726,853
Cost of sales		(3,150,410)	(2,203,843)	(7,660,256)	(5,986,710)
<b>Gross profit</b>		<b>475,554</b>	286,848	<b>1,044,285</b>	740,143
Distribution and marketing expenses		(113,794)	(59,696)	(224,124)	(159,404)
Administrative expenses		(68,859)	(47,275)	(196,158)	(156,018)
Other income		17,964	1,087	114,779	49,640
Other expenses		(12,315)	(4,790)	(42,677)	(16,780)
<b>Profit from operations</b>		<b>298,550</b>	176,174	<b>696,105</b>	457,581
Finance cost		(135,515)	(86,492)	(289,580)	(208,903)
<b>Profit before taxation</b>		<b>163,035</b>	89,682	<b>406,525</b>	248,678
Taxation	11	(100,354)	(31,344)	(157,059)	(87,863)
<b>Profit after taxation</b>		<b>62,681</b>	58,338	<b>249,466</b>	160,815
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>62,681</b>	58,338	<b>249,466</b>	160,815
		----- Rupees -----			
<b>Earnings per share - basic and diluted</b>		<b>3.79</b>	3.53	<b>15.10</b>	9.74

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 NINE MONTHS PERIOD ENDED JUNE 30, 2022

	<b>Nine months period ended</b>	
	<b>June 30, 2022</b>	June 30, 2021
	<b>- - Rupees in '000 - -</b>	
<b>Cash flow from operating activities</b>		
Profit for the period before taxation	<b>406,525</b>	248,678
Adjustments for non-cash charges and other items:		
Depreciation on property, plant & equipment and investment property	<b>119,338</b>	111,912
Gain on sale of operating fixed assets	<b>(1,907)</b>	(726)
Provision for staff retirement benefits - gratuity	<b>11,421</b>	10,210
Interest / mark-up income	<b>(2,393)</b>	(1,249)
Finance cost	<b>289,580</b>	208,903
<b>Profit before working capital changes</b>	<b>822,564</b>	577,728
Increase in current assets:		
Stores, spares and loose tools	<b>(38,673)</b>	(15,638)
Stock-in-trade	<b>(1,961,943)</b>	(2,324,110)
Trade debts	<b>(260,005)</b>	(125,807)
Loans and advances	<b>(76,691)</b>	255,914
Short term prepayments	<b>(2,508)</b>	(2,697)
Other receivables	<b>(15,191)</b>	(24,186)
	<b>(2,355,011)</b>	(2,236,524)
<b>Increase in current liabilities:</b>		
Trade and other payables	<b>441,049</b>	131,397
Contract liabilities	<b>9,876</b>	2,900
	<b>450,925</b>	134,297
<b>Cash used in operating activities</b>	<b>(1,081,522)</b>	(1,524,499)
Income tax paid	<b>(113,200)</b>	(87,886)
Staff retirement benefits (gratuity) - paid	<b>(4,058)</b>	(5,936)
<b>Net cash used in operating activities</b>	<b>(1,198,780)</b>	(1,618,321)
<b>Cash flow from investing activities</b>		
Additions to property, plant and equipment	<b>(259,932)</b>	(113,762)
Additions to Investment property	-	(8,576)
Sale proceeds of operating fixed assets	<b>39,731</b>	2,569
Security deposits	<b>(2,601)</b>	(704)
Interest / mark-up received	<b>2,393</b>	1,249
Loans and advances - net	<b>706</b>	(493)
<b>Net cash used in investing activities</b>	<b>(219,703)</b>	(119,717)
<b>Cash flow from financing activities</b>		
Long term finances repaid	<b>(37,500)</b>	-
Short term finances - net	<b>1,622,803</b>	2,027,569
Lease liabilities - net	<b>(1,389)</b>	(4,807)
Finance cost paid	<b>(217,836)</b>	(168,390)
Dividend paid	<b>(56,935)</b>	(57,477)
<b>Net cash generated from financing activities</b>	<b>1,309,143</b>	1,796,895
<b>Net (decrease) / increase in cash and cash equivalent</b>	<b>(109,340)</b>	58,857
<b>Cash and cash equivalents</b> - at beginning of the period	<b>224,923</b>	51,526
<b>Cash and cash equivalents</b> - at end of the period	<b>115,583</b>	110,383

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 NINE MONTHS PERIOD ENDED JUNE 30, 2022

	Reserves					Total
	Share Capital	Capital	Revenue		Sub-total	
		Share premium	General	Un- appropriated profits		
	----- Rupees in '000 -----					
Balance as at October 01, 2020 (Audited)	165,175	119,217	130,000	718,618	967,835	1,133,010
Cash dividend at the rate of Rs.3.50 per ordinary share for the year ended September 30, 2020	-	-	-	(57,811)	(57,811)	(57,811)
Total comprehensive income for the period	-	-	-	160,815	160,815	160,815
<b>Balance as at June 30, 2021 (Un-Audited)</b>	<b>165,175</b>	<b>119,217</b>	<b>130,000</b>	<b>821,622</b>	<b>1,070,839</b>	<b>1,236,014</b>
Balance as at October 01, 2021 (Audited)	165,175	119,217	130,000	913,265	1,162,482	1,327,657
Cash dividend at the rate of Rs.3.50 per ordinary share for the year ended September 30, 2021	-	-	-	(57,811)	(57,811)	(57,811)
Total comprehensive income for the period	-	-	-	249,466	249,466	249,466
<b>Balance as at June 30, 2022 (Un-Audited)</b>	<b>165,175</b>	<b>119,217</b>	<b>130,000</b>	<b>1,104,920</b>	<b>1,354,137</b>	<b>1,519,312</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 NINE MONTHS PERIOD ENDED JUNE 30, 2022

### 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.

**1.1** 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.	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

**2.1.1** 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 applicable in Pakistan for interim financial reporting 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.

**2.1.2** 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, 2021. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

## 2.2 New standards, amendments to approved accounting standards and interpretations that are effective during the period

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on October 01, 2021 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed financial statements.

## 2.3 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, 2021.

## 3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements require management to make judgments, 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.

Judgments and estimates made by the 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, 2021.

## 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 June 30, 2022 mainly includes trade creditors aggregating Rs.617.184 million (September 30, 2021: Rs.222.099 million).

## 6. SHORT TERM FINANCES

		<b>Un-Audited June 30, 2022</b>	Audited September 30, 2021
	<b>Note</b>	-- Rupees in '000 --	
From banking companies - secured	<b>6.1</b>	<b>3,524,567</b>	1,901,835
From a related party - unsecured	<b>6.2</b>	<b>433,500</b>	433,500
Temporary bank overdraft	<b>6.3</b>	<b>71</b>	-
		<b><u>3,958,138</u></b>	<b><u>2,335,335</u></b>

**6.1** Short term finance facilities available from various commercial banks under mark-up arrangements aggregate to Rs.5.490 billion (September 30, 2021: Rs.4.725 billion). These finance facilities, during the current period, carried mark-up at the rates ranging from 3.00% to 16.31% (September 30, 2021: 3.00% to 10.91%) per annum. The aggregate finance

facilities are secured against charge over plant & machinery, pledge of refined sugar in bags, charge over current assets, lien over import & export documents. These facilities are expiring on various dates by April, 2023.

**6.2** The Company, during the financial year September 30, 2020, has obtained a short term loan amounted Rs. 450 million 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 available balance with bank.

## 7. CONTINGENCIES AND COMMITMENTS

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, 2021.

Aggregate commitments for rentals under Ijarah arrangement as at reporting date are as follows:

	<b>Un-Audited June 30, 2022</b>	Audited September 30, 2021
<b>Note</b>	<b>-- Rupees in '000 --</b>	
Not later than one year	<b>125</b>	480
Later than one year but not later than five years	-	80
	<b>125</b>	560

## 8. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	<b>8.1</b>	<b>1,470,954</b>	1,350,338
Capital work-in-progress - at cost		<b>241,176</b>	250,695
Right-of-use assets	<b>8.2</b>	<b>1,667</b>	9,994
		<b>1,713,797</b>	1,611,027

### 8.1 Operating fixed assets

<b>Book value at the beginning of the period / year</b>		<b>1,350,338</b>	1,355,615
Additions during the period / year	<b>8.1.1</b>	<b>269,451</b>	127,108
Transfer from right of use to owned		<b>7,943</b>	-
Disposal of assets costing Rs.50.427 million (September 30, 2021: Rs.6.091 million) - at book value		<b>(37,824)</b>	(2,249)
Transfer from investment property		-	16,288
Depreciation charge for the period / year		<b>(118,954)</b>	(146,424)
<b>Book value at the end of the period / year</b>		<b>1,470,954</b>	1,350,338

	<b>Un-Audited June 30, 2022</b>	Audited September 30, 2021
<b>8.1.1 Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:</b>	<b>- - Rupees in '000 - -</b>	
Buildings on freehold land	<b>60,957</b>	87,837
Plant and machinery	<b>163,530</b>	2,934
Laboratory equipment	<b>2,394</b>	521
Other equipment	<b>149</b>	15
Electric installations and fittings	<b>27,457</b>	14,826
Tubewell	-	1,348
Office equipment	<b>1,341</b>	1,549
Furniture and fixture	<b>388</b>	2,322
Vehicles - owned	<b>12,381</b>	12,353
Farm equipment	<b>854</b>	3,403
	<b>269,451</b>	127,108
<b>8.2 Right-of-use assets</b>		
Opening balance	<b>9,994</b>	13,324
Transfer to operating fixed assets - at book value	<b>(7,943)</b>	-
Depreciation for the period / year	<b>(384)</b>	(3,330)
	<b>1,667</b>	9,994
<b>9. STOCK-IN-TRADE</b>		
Raw material - molasses	<b>701,851</b>	35,452
Work-in-process	<b>65,602</b>	61,818
Finished goods	<b>9.1 2,599,582</b>	1,307,183
Other stocks - (fair price shop and depot)	<b>880</b>	1,519
	<b>3,367,915</b>	1,405,972

**9.1** Finished goods inventory mainly includes sugar stock costing Rs.2,213.036 million (September 30, 2021: Rs.763.875 million).

## **10. SALES - Net**

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

	<u>Quarter ended</u>		<u>Nine months period ended</u>	
	<u>June 30,</u> <u>2022</u>	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2022</u>	<u>June 30,</u> <u>2021</u>
----- Rupees in '000 -----				
<b>Local</b>				
Sugar	2,263,183	1,578,291	5,521,385	4,226,777
Spirit	77,454	78,199	192,700	163,325
	<b>2,340,637</b>	1,656,490	<b>5,714,085</b>	4,390,102
<b>Export</b>				
Spirit	<b>1,285,327</b>	834,201	<b>2,990,456</b>	2,336,751
	<b>3,625,964</b>	2,490,691	<b>8,704,541</b>	6,726,853

**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, final tax deducted at source on realisation of foreign exchange proceeds under section 154 and super tax under section 4C of the Income Tax Ordinance, 2001.

## 12. SEGMENT INFORMATION

The Company's reportable segments are Sugar and Distillery.

### 12.1 Segment revenues and results

	<u>Sugar</u>	<u>Distillery</u>	<u>Elimination of inter segment transactions</u>	<u>Total</u>
----- Rupees in '000 -----				
<b>For the Nine months period ended June 30, 2022 (Un-Audited)</b>				
Sales - net	6,603,085	3,183,156	(1,081,700)	8,704,541
Cost of sales	(6,019,388)	(2,722,568)	1,081,700	(7,660,256)
Gross profit	583,697	460,588	-	1,044,285
Selling and distribution expenses	(14,782)	(209,342)	-	(224,124)
Administrative expenses	(143,395)	(52,763)	-	(196,158)
<b>Profit before taxation and unallocated income and expenses</b>	<b>425,520</b>	<b>198,483</b>	-	<b>624,003</b>
<b>Unallocatable income and expenses:</b>				
Other income				114,779
Other expenses				(42,677)
Finance cost				(289,580)
Taxation				(157,059)
<b>Profit for the period</b>				<b>249,466</b>

	Sugar	Distillery	Elimination of inter segment transactions	Total
----- Rupees in '000 -----				
<b>For the Nine months period ended June 30, 2021 (Un-Audited)</b>				
Sales - net	5,004,747	2,500,076	(777,970)	6,726,853
Cost of sales	(4,634,660)	(2,130,020)	777,970	(5,986,710)
Gross profit	370,087	370,056	-	740,143
Selling and distribution expenses	(8,994)	(150,410)	-	(159,404)
Administrative expenses	(115,175)	(40,843)	-	(156,018)
<b>Profit before taxation and unallocated income and expenses</b>	<b>245,918</b>	<b>178,803</b>	<b>-</b>	<b>424,721</b>
<b>Unallocatable income and expenses:</b>				
Other income				49,640
Other expenses				(16,780)
Finance cost				(208,903)
Taxation				(87,863)
<b>Profit for the period</b>				<b>160,815</b>

## 12.2 Segment assets and liabilities

	Sugar	Distillery	Total
----- Rupees in '000 -----			
<b>As at June 30, 2022 (Un-Audited)</b>			
Segment assets	4,047,892	2,324,221	6,372,113
Unallocatable assets			517,077
<b>Total assets as per statement of financial position</b>			<b>6,889,190</b>
Segment liabilities	2,772,613	1,658,917	4,431,530
Unallocatable liabilities			938,348
<b>Total liabilities as per statement of financial position</b>			<b>5,369,878</b>
<b>As at September 30, 2021 (Audited)</b>			
Segment assets	2,770,705	1,261,793	4,032,498
Unallocatable assets			393,155
<b>Total assets as per statement of financial position</b>			<b>4,425,653</b>
Segment liabilities	364,358	85,678	450,036
Unallocatable liabilities			2,647,960
<b>Total liabilities as per statement of financial position</b>			<b>3,097,996</b>

### 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

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

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

Relationship	Nature of transactions	Un-Audited	
		Nine months period ended	
		June 30, 2022	June 30, 2021
<b>- - Rupees in '000 - -</b>			
Associated Company	Sales of sugar	-	35,902
Related party	Consultancy paid	<b>7,650</b>	7,650
Directors and Key management personnel	Remuneration and other benefits	<b>28,721</b>	27,506

### 13.2 Period / year end balances are as follows:

	Un-Audited	Audited
	June 30, 2022	September 30, 2021
<b>- - Rupees in '000 - -</b>		
Trade debts	-	680

## 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, 2021, except for the change in exposure from liquidity risks due to increase in borrowings and general exposure due to fluctuations 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, 2021.

## 15. FAIR VALUE 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.

## 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 audited annual financial statements of the Company for the year ended September 30, 2021, 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 nine months period ended June 30, 2021.

## 17. GENERAL

**17.1** These condensed interim financial statements have been authorised for issue by the Board of Directors of the Company on July 28, 2022.

**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

تاہم، زیر جائزہ عرصہ کے بعد، امریکی ڈالر کے مقابلے میں پاکستانی روپے کی غیر معمولی کمی، تمام درآمدی کیمیکلز، ضروری فاضل پرزہ جات اور معمول کے BMR کے لیے مشینری کی قیمت کے ساتھ ساتھ چینی اور استھنول دونوں کے توسیعی منصوبوں پر بھی بڑا اثر پڑنے کا امکان ہے اور یہ غیر متناسب طور پر منبگے ہو جائیں گے جس سے صنعت کے منافع کا مارجن کم ہو جائے گا۔ آپ کی انتظامیہ آنے والے ان چیلنجوں سے بخوبی واقف ہے اور انشاء اللہ حصص یافتگان کے منافع کو محفوظ بنانے کے لیے مناسب حکمت عملیاں تیار کرے گی۔

## اعتراف

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

  
سلمان حیات نون  
ڈائریکٹر

  
لیفٹیننٹ کرنل عبدالخالق خان (ریٹائرڈ)  
چیف ایگزیکٹو

لاہور : 28 جولائی ، 2022

ڈسٹری پلانٹ نے 205 دنوں میں 238 لیٹر اتھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 109,907 میٹرک ٹن شیرہ پراسس کر کے 20,931 میٹرک ٹن اتھنول پیدا کی جبکہ گزشتہ سال کے اسی عرصہ کے دوران 208 دنوں میں 247 لیٹر اتھنول فی میٹرک ٹن شیرہ کی اوسط پیداواری شرح سے 98,153 میٹرک ٹن شیرہ پراسس کر کے 19,369 میٹرک ٹن اتھنول پیدا کی گئی تھی۔

## مستقبل کی پیش گوئی چینی کا شعبہ

آپ کی انتظامیہ کا شیکاروں کے ساتھ اپنے تعلقات کو بہتر بنانے اور ملز کے آس پاس کے علاقوں میں گنے کی عمدہ اقسام کی بہتری پر مسلسل کام کر رہی ہے۔ اگلے کرشنگ سیزن کے لیے گنے کا سروے خطے میں گنے کے کاشت شدہ رقبے میں صحت منداضافہ کی اطلاع دے رہا ہے۔ زیر جائزہ عرصہ کے دوران گیٹ ایریا سے گنے کو دیگر ماحقہ ڈپوؤں کو منتقل ہونے سے روکنے کے لیے کین ڈپارٹمنٹ نے اپنی ٹھوس کوششوں کی بدولت گنے کی خریداری کی لاگت میں خاطر خواہ بچت حاصل کی ہے جس میں نقل و حمل کا اضافی بوجھ بھی شامل ہے۔

موجودہ معاشی حالات نے مجموعی کاروباری حکمت عملی کو بری طرح متاثر کیا ہے۔ شرح سود میں تیزی سے اضافہ، بڑھتی ہوئی مہنگائی اور گیس کی بڑھتی ہوئی شرح نے مل کر انفرادی سطح پر چینی اور عام اشیاء کے استعمال کے انداز کو بری طرح متاثر کیا ہے۔ پاکستان میں چینی کی اضافی پیداوار کے باعث مقامی طور پر چینی کی قیمتیں دباؤ کا شکار ہیں اور صنعت اضافی چینی کی برآمد کے لیے مطلوبہ منظوری کے لیے حکومت سے رجوع کر رہی ہے اور اس سے ملک کے زرمبادلہ کے ذخائر میں بھی اضافہ ہوگا۔ آپ کی انتظامیہ ان تمام عوامل کو، جن کی وجہ سے پیداواری لاگت میں اضافہ ہوتا ہے، کنٹرول کرنے میں مصروف ہے۔

## ڈسٹری کا شعبہ

ڈسٹری کا شعبہ کامیابی کے ساتھ مشکل دور سے نکل آیا ہے اور آپ کی کمپنی کے منافع کو بہتر بنانے کے لیے اپنا حصہ شامل کرنے لگا ہے۔ آپ کی انتظامیہ نے کامیابی کے ساتھ مناسب نرخوں پر کافی زیادہ مقدار میں شیرہ حاصل کر لیا ہے اور اتھنول کی بین الاقوامی مارکیٹ کی مستقبل کی پیش بینی بھی بہت حوصلہ افزا ہے۔ تاہم ہماری اتھنول کی پیداوار کو زیادہ سے زیادہ کرنے کے لیے آٹھ مختلف شوگر ملوں سے حاصل کردہ شیرے کے معیار میں تغیر کی وجہ سے شیرے سے اتھنول کی اوسط پیداوار میں قدرے کمی واقع ہوئی ہے۔ پاکستانی روپے کی موجودہ قدر میں کمی سے توقع ہے کہ یہ مارک اپ کے افراط زر کے اثرات کو کافی حد تک کم کر دے گی۔

نومای عرصہ 2021، جون، 30	نومای عرصہ 2022، جون، 30	دن	پیداواری عرصہ
121	<b>144</b>		گنا پیلے جانے کی مقدار
863,552	<b>1,120,350</b>	میٹرک ٹن	چینی کی پیداوار
82,710	<b>104,720</b>	میٹرک ٹن	رس سے چینی کی پیداواری اوسط
9.60	<b>9.36</b>	شرح فیصد	شیرے کی پیداواری شرح
4.30	<b>4.68</b>	شرح فیصد	شیرے کی پیداوار
37,033	<b>52,378</b>	میٹرک ٹن	

رواں کرشنگ سیزن کا آغاز 18 نومبر 2021 کو ہوا۔ آپ کی ملز نے 144 دنوں کے عرصہ میں 9.36 فیصد شرح کشید کے ساتھ 1,120,350 میٹرک ٹن گنا پیلے کر 104,720 میٹرک ٹن چینی کی پیداوار حاصل کی جبکہ سابقہ سال 121 دنوں تک 9.60 فیصد شرح کشید کے ساتھ 863,552 میٹرک ٹن گنا پیلے کر 82,710 میٹرک ٹن چینی کی پیداوار حاصل ہوئی تھی۔

آپ کی انتظامیہ معقول مقدار میں گنے کی اضافی خریداری اور کرشنگ میں کامیاب رہی۔ جیسا کہ پہلے بتایا گیا موسمیاتی تبدیلیوں، گنے کی فصل کی قبل از وقت کٹائی اور چینی اور شیرے کی پیداوار کو زیادہ سے زیادہ کرنے کے لیے دور دراز علاقوں سے گنے کی خریداری کی وجہ سے سکروز ریکوری میں بھی معمولی سے کمی دیکھی گئی ہے۔ جیسا کہ پہلے بتایا جا چکا، پنجاب حکومت نے موجودہ کرشنگ سیزن کے لیے گنے کی کم از کم امدادی قیمت 200 روپے سے بڑھا کر 225 روپے فی چالیس کلوگرام کردی تھی جس سے، سکروز ریکوری میں کمی کو شامل کر کے، چینی کی پیداواری لاگت میں اضافہ ہوا تھا۔

### 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 حسبِ ذیل ہے:

نومای عرصہ 2021، جون، 30	نومای عرصہ 2022، جون، 30	دن	پیداواری عرصہ
208	<b>205</b>		شیرے کی کھپت
98,153	<b>109,907</b>	میٹرک ٹن	انتھنول کی پیداوار
19,369	<b>20,931</b>	میٹرک ٹن	پیداواری اوسط
247	<b>238</b>	لیٹرن فی میٹرک ٹن	

## جائزہ ازاں ڈائریکٹران

معزز ممبران،

نون شوگر ملز لمیٹڈ کے ڈائریکٹران 30 جون، 2022 کو مکمل ہونے والے نو ماہی عرصہ کے لیے غیر آڈٹ شدہ عبوری مالیاتی بیانات پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

### مالیاتی نتائج

30 جون، 2021 کے مقابل 30 جون، 2022 کو مکمل ہونے والے نو ماہی عرصہ کے مالیاتی حسابات کا تقابلی موازنہ حسب ذیل ہے:

نو ماہی عرصہ 30 جون، 2021 (ملین روپے)	نو ماہی عرصہ 30 جون، 2022 (ملین روپے)	
6,727	<b>8,705</b>	پیداوار کی فروخت سے حاصل شدہ کل رقم
740	<b>1,044</b>	خام منافع
249	<b>407</b>	قبل از ٹیکس آمدنی
(88)	<b>(157)</b>	ٹیکس
161	<b>249</b>	بعد از ٹیکس آمدنی
(روپے)	(روپے)	
9.74	<b>15.10</b>	فی حصہ آمدن

سابقہ سال کے اسی عرصہ میں مصنوعات کی فروخت سے حاصل شدہ کل رقم 6,727 ملین روپے کے مقابلے میں کمپنی نے زیر جائزہ عرصہ کے دوران 8,705 ملین روپے کا حصول کیا۔ گزشتہ سال کے تقابلی عرصہ میں حاصل کردہ 740 ملین روپے کے مقابلے میں خام منافع 1,044 ملین روپے رہا۔ رپورٹنگ کے عرصہ کے دوران بعد از ٹیکس منافع گزشتہ سال 161 ملین روپے کے مقابلے میں 249 ملین روپے رہا اور فی حصہ منافع 15.10 روپے رہا جو گزشتہ سال کے اسی عرصہ میں 9.74 روپے فی حصہ تھا۔

### پیداواری نتائج

#### چینی کا شعبہ

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