



AL-NOOR SUGAR MILLS LIMITED

1st Quarterly Results for the period
1st October 2018 to 31st December, 2018

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. YUSUF AYOOB
MR. ISMAIL H. ZAKARIA
MR. SULEMAN AYOOB
MR. A. AZIZ AYOOB
MR. NOOR MOHAMMAD ZAKARIA
MR. ZIA ZAKARIA
MR. SALIM AYOOB
MR. ZOHAIR ZAKARIA
MR. SHAMIM AHMAD
MR. MUHAMMAD ASIF

Chairman
Managing Director
Resident Director

Independent Director
(N.I.T. Nominee)

BOARD AUDIT COMMITTEE

MR. A. AZIZ AYOOB
MR. ZIA ZAKARIA
MR. SHAMIM AHMAD
MR. MUHAMMAD ASIF

Chairman
Member
Independent Director
Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

MR. NOOR MOHAMMAD ZAKARIA
MR. ISMAIL H. ZAKARIA
MR. ZIA ZAKARIA

Chairman
Member
Member

CHIEF FINANCIAL OFFICER

MR. MUHAMMAD HANIF CHAMDIA

COMPANY SECRETARY

MR. MOHAMMAD YASIN MUGHAL
FCMA

AUDITORS

KRESTON HYDER BHIMJI & CO.
Chartered Accountants

LEGAL ADVISOR

MR. ABDUL SATTAR PINGAR

REGISTERED OFFICE

96-A, SINDHI MUSLIM SOCIETY,
KARACHI-74400
Tel: 34550161-63 Fax: 34556675

FACTORY

SHAHPUR JAHANIA, P.O. NOOR JAHANIA, TALUKA MORO,
DISTRICT SHAHEED BENAZIR BHUTTO ABAD (NAWABSHAH)

REGISTRAR & SHARES REGISTRATION OFFICE

C & K MANAGEMENT ASSOCIATES (PVT) LTD.
404-TRADE TOWER,
ABDULLAH HAROON ROAD,
NEAR METROPOLE HOTEL,
KARACHI - 75530

WEBSITE

www.alnoorsugar.co

DIRECTORS' REPORT

Dear members Asslamu-o-Alaikum

I take the opportunity to place before you with great pleasure the un-audited financial statements of your company for the first quarter ended December 31st 2018. Segment position is briefed as under:

SUGAR DIVISION

Crushing of sugarcane was commenced on December 13th 2018 whereas last year the crushing was started on November 28th 2017. Up to December 31st 2018 the mill crushed 160,694 metric tons of sugarcane as against 110,449 metric tons crushed during the same period last year's season. The production of sugar was 13,835 metric tons as against 9,435 metric tons produced last year. The recovery percentage was 9.41 percent as against 8.70 percent achieved last year. The recovery percentage cannot be considered representative as the same represents nineteen days of crushing. Exact recovery rate would be ascertained when considerable volume of crushing is achieved. It is expected that the recovery percentage would improve during the remaining period of crushing. For the current season crushing started late as the cane price was not announced by the Government of Sindh and Pakistan Sugar Mills Association have certain reservations due to lower sugar price in the domestic market. During the last three years the production of sugar was in excess of the requirement of the country and sugar industry of Pakistan has sustained substantial loss during the last year. For the crushing season in progress the Government notified support price of sugarcane at Rs.182/= per forty kgs of cane but keeping in view the price of final product the same is substantially high. In view of the high price of sugarcane and Government reluctance to review the same Sugar Mills Association took up the case with the Honorable High Court of Sindh to review the price of cane, which is still pending before the Honorable High Court of Sindh for consideration. For the current crushing season in progress cane crop in Sindh province is not as good as it was last year but in Punjab and Khyber Pakhtunkhwa the cane crop is good as water through irrigation system and natural rain fall was available which is essential for the growth of cane but in Sindh water was not available for healthy growth of cane. Accordingly the production of sugar in Sindh would be lower than last year but production in Punjab and Khyber Pakhtunkhwa is expected that production would be around last year's production. It is expected that overall country basis the production of sugar would be around six million metric tons which is in excess of the requirement of the country. This is in addition to the stock available with the sugar mills out of last season production. In the recent past price of sugar in the domestic market registered an increase and it is expected that this trend would continue in the remaining period of the year. The Government has also allowed export of eleven hundred thousand tons of sugar.

MDF BOARD DIVISION

During the period under consideration the production of MDF Board division was 14,096 cubic meters as against 17,354 cubic meters produced in the same period of last year. Production is lower than last period as the plant operated intermittently due to load shedding by Hyderabad Electric Supply Company. It is expected that the production would increase in the remaining period of the year as during the crushing season shortage of power will be faced as internal generation of electricity is sufficient to meet the requirement of sugar mill and board division.

POWER GENERATION DIVISION

During the peak season of crushing, the generation of electricity takes up its full momentum when supply of sugarcane is achieved at full capacity. It is expected that sale of electricity will increase in the remaining period of crushing.

The Board of Directors also wish to place on record their appreciation to the dedicated work and commitment of all officers, employees and workers who contributed their services to sustain all operations of the company.

For & on behalf of the Board of Directors


SULEMAN AYOOB
DIRECTOR


ISMAIL H. ZAKARIA
CHIEF EXECUTIVE OFFICER

Date: January 29th, 2019

AL-NOOR SUGAR MILLS LTD.

CONDENSED INTERIM BALANCE SHEET AS AT 31ST DECEMBER, 2018

	Note	Un-Audited December 2018	Audited September 2018
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	4	4,790,767	4,841,661
Intangible asset		2,370	2,583
Long term investments	5	583,900	522,710
Long term loans		4,206	3,893
Long term deposits		3,245	3,094
		5,384,488	5,373,941
CURRENT ASSETS			
Stores, spare parts and loose tools		329,471	322,038
Stock in trade		1,710,355	2,219,497
Trade debts		276,435	374,374
Loans and advances		85,337	69,270
Trade deposits and short term prepayments		30,300	19,430
Other receivables		728,505	791,556
Income tax refund due from Government		128,055	128,055
Income tax refundable - net of provision		54,770	50,926
Cash and bank balances		249,640	92,508
		3,592,868	4,067,654
		8,977,356	9,441,595
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital		500,000	500,000
50,000,000 ordinary shares of Rs.10 each			
Issued, subscribed and paid-up capital		204,737	204,737
Revenue Reserve			
General reserve		1,000,000	1,000,000
Unappropriated profit		136,517	271,708
Share of associate's unrealised loss on remeasurement of associate's investments		(2,714)	(2,714)
Capital Reserve			
Surplus on revaluation of Property, plant and equipment		1,510,201	1,527,935
		2,848,741	3,001,666
NON-CURRENT LIABILITIES			
Long term financing		1,691,875	2,101,737
Deferred liabilities		332,065	356,862
		2,023,940	2,458,599
CURRENT LIABILITIES			
Trade and other payables		2,181,016	1,388,378
Accrued finance cost		36,232	59,226
Unclaimed dividend		5,169	5,169
Short term borrowings		955,036	1,931,335
Current portion of long term financing		927,222	597,222
		4,104,675	3,981,330
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		8,977,356	9,441,595

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.


ISMAIL H. ZAKARIA
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAUDHARY
Chief Finance Officer

AL-NOOR SUGAR MILLS LTD.

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2018**

	Note	For Three Month October to December 2018 2017	
		(Rupees in thousand)	
Sales		2,228,280	3,039,213
Cost of sales	7	(2,199,663)	(3,541,885)
Gross profit/(loss)		28,617	(502,672)
Profit from trading activities		-	28
		28,617	(502,644)
Distribution Cost		(14,392)	(34,980)
Administration expenses		(135,379)	(127,187)
Other operating expenses		(11,142)	(1,034)
		(160,913)	(163,201)
		(132,296)	(665,845)
Other income		76	402,091
		(132,220)	(263,754)
Finance cost		(81,981)	(76,023)
		(214,201)	(339,777)
Share of profit/(loss) from associate		61,190	(10,379)
(Loss) before taxation		(153,011)	(350,156)
Taxation		86	87,908
(Loss) after taxation		(152,925)	(262,248)
(Loss) per share - Basic and diluted- (Rupees)		(7.47)	(12.81)

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.



ISMAIL H. ZAKARIA
Chief Executive Officer



SULEMAN AYOOB
Director



MUHAMMAD HANIF CHAUDHARY
Chief Finance Officer

AL-NOOR SUGAR MILLS LTD.

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2018**

**For Three Month
October to December
2018 2017**

(Rupees in thousand)

(Loss) after taxation	(152,925)	(262,248)
Other comprehensive income	-	-
Total Comprehensive (loss)	(152,925)	(262,248)

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.


ISMAIL H. ZAKARIA
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAMDIA
Chief Finance Officer

AL-NOOR SUGAR MILLS LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2018

	Issued, subscribed & paid up capital	General Reserve	Unappropriated Profit	Capital Reserve Surplus on revaluation of Property, Plant & Equipment	Shares of associate's unrealized (loss)/gain on remeasurement	Total
	----- (Rupees in thousand) -----					
Balance as at October 1, 2017-restated	204,737	1,000,000	338,952	1,058,349	(2,110)	2,599,928
During the three months ended December 31, 2017						
Total Comprehensive Income for the three months ended Dec 31, 2017	-	-	(262,248)	-	-	(262,248)
<i>Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:</i>						
Company's Revaluation Surplus	-	-	12,041	(12,041)	-	-
Shares of associates incremental depreciation of revaluation surplus	-	-	964	(964)	-	-
	-	-	13,005	(13,005)	-	-
Balance as at December 31, 2017	204,737	1,000,000	89,709	1,045,344	(2,110)	2,337,680
Balance as at October 01, 2018	204,737	1,000,000	271,708	1,527,935	(2,714)	3,001,666
During the three months ended December 31, 2018						
Total Comprehensive (loss) for the three months ended Dec 31, 2018	-	-	(152,925)	-	-	(152,925)
<i>Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation net of deferred tax from:</i>						
Company's Revaluation Surplus	-	-	14,071	(14,071)	-	-
Shares of associates incremental depreciation of revaluation surplus and on account of disposal of property, plant and equipment	-	-	3,663	(3,663)	-	-
	-	-	17,734	(17,734)	-	-
Balance as at December 31, 2018	204,737	1,000,000	136,517	1,510,201	(2,714)	2,848,741

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.


ISMAIL H. ZAKARIA
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAMDIA
Chief Finance Officer

AL-NOOR SUGAR MILLS LTD.

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31ST DECEMBER, 2018

	Note	December 31, 2018	December 31, 2017
(Rupees in thousand)			
A. CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) before taxation		(153,011)	(350,156)
Adjustments for:			
Depreciation of property, plant and equipment	4.1	66,076	64,230
Amortization of intangible assets		256	-
Gain on disposal of property, plant and equipment		-	(4,818)
Provision for leave encashment		40	-
Finance cost		81,981	76,023
Share of profit from associate		(61,190)	10,379
		<u>87,163</u>	<u>145,814</u>
Cash generated before working capital changes		(65,848)	(204,342)
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(7,473)	(39,566)
Stock in trade		509,142	2,215,465
Trade debts		97,939	(10,834)
Loans and advances		(16,067)	(54,822)
Trade deposits and short term prepayments		(10,870)	(12,580)
Other receivables		63,051	(395,118)
		<u>635,722</u>	<u>1,702,545</u>
Increase in current liabilities			
Trade and other payables		792,598	306,579
Short term bank borrowings		(976,299)	(1,270,962)
		<u>(183,701)</u>	<u>(964,383)</u>
		386,173	533,820
Income tax paid		(28,558)	(36,868)
Finance cost paid		(104,975)	(114,835)
(Increase) / Decrease in long term loans		(313)	368
Decrease in long term deposits		(151)	2,454
		<u>(133,997)</u>	<u>(148,881)</u>
Net cash inflows from operating activities		252,176	384,939
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in Property, Plant & Equipment		(15,182)	(94,883)
Sale proceeds from disposal of property, plant and equipment		-	8,640
Net cash used in investing activities		(15,182)	(86,243)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(79,862)	(57,986)
Net cash increased in financing activities		(79,862)	(57,986)
Net increase in cash and cash equivalents		157,132	240,710
Cash and cash equivalents at the beginning of the period		92,508	129,209
Cash and cash equivalents at the end of the period		249,640	369,919

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.


ISMAIL H. ZAKARIA
Chief Executive Officer


SULEMAN AYOOB
Director


MUHAMMAD HANIF CHAMDIA
Chief Finance Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED DECEMBER 31, 2018

1 The Company and its Operations

The Company was incorporated in Pakistan as a public limited company on August 08, 1969 and its shares are quoted at the Pakistan Stock Exchange Limited. The Company owns and operates sugar, medium density fiber (MDF) board and generation of power units which are located at Shahpur Jahania, District Shaheed Benazirabad in the Province of Sindh. The registered office of the Company is located at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, Sindh.

The Company owns and operate Sugar and medium density fiber(MDF) board manufacturing units 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 220.58 Acres.

2 Basis of Preparation

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard 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 IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 Significant accounting policies and disclosures

- 3.1 The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are consistent with those followed in the preparation of the company's annual financial statements for the year ended September 30, 2018, except revaluation surplus on Property Plant & Equipment as stated below in 3.2.
- 3.4 Certain new IFRSs and amendments to existing IFRSs, effective for periods beginning on or after October 1, 2018 do not have any impact on the condensed interim financial information, and are therefore not disclosed.
- 3.5 The preparation of this condensed interim financial information 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 this condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended September 30, 2018.

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	Unaudited December 31, 2018	Audited September 30, 2018
	----- (Rupees in thousand) -----	
4. PROPERTY PLANT AND EQUIPMENT		
Operating fixed Assets	4,551,196	4,570,047
Capital Work in Progress	239,571	271,614
	<u>4,790,767</u>	<u>4,841,661</u>
4.1 Operating Fixed Assets:		
Opening Net Book Value (NBV)	4,570,047	4,157,116
Direct Additions during the period/year		
Plant and Machinery	283	36,922
Furniture, Fixture and Fittings	-	3,672
Office Equipment	690	7,308
Vehicles	-	32,174
	973	80,076
Transfer from CWIP during the period/year		
Free hold Land	-	48,125
Factory Building	18,148	26,499
Plant and Machinery	28,104	160,973
	46,252	235,597
Fresh revaluation during preiod/year		
Free hold Land	-	159,978
Factory Building	-	49,896
Non-Factory Building	-	155,829
Power Plant	-	199
Plant and Machinery	-	14,330
	-	380,232
Net Book Value of Asset disposed off during the period/year		
Vehicles	-	(9,375)
	(66,076)	(273,599)
Depreciation Charged for the period/year	(66,076)	(273,599)
Closing Net Book Value	<u>4,551,196</u>	<u>4,570,047</u>
4.2 Capital Work in Progress		
Opening Balance	271,614	260,344
Addition during the period/year		
Civil Work	1,255	33,676
Plant & Machinery	12,954	191,541
Advance against land	-	21,650
	14,209	246,867
Capitalization during the period/year		
Civil Work	(18,148)	(26,499)
Plant & Machinery	(28,104)	(160,973)
Advance against Land	-	(48,125)
	(46,252)	(235,597)
Closing Balance	<u>239,571</u>	<u>271,614</u>

AL-NOOR SUGAR MILLS LTD.

4.2.1 Additions to plant and machinery under installation includes borrowing cost of Rs.Nil (2017:Rs.Nil) capitalized at the effective rate nil (2017:Nil)

5. Long Term Investment

Investment in associated undertakings:-

	Shahmurad Sugar Mills Limited	Al Noor Management Modaraba (Pvt) Limited	Total December 31, 2018	Total September 31, 2018
Opening balance	520,894	1,816	522,710	264,864
Share of profit of associate for the period / year	61,190	-	61,190	93,705
Shares of associate's unrealized gain on remeasurement of associate's available for sale of investment	-	-	-	(711)
Share of associate's share in reversal of its associate's incremental depreciation on account of revaluation of property plant and equipment	-	-	-	-
Share of associate's surplus on fresh revaluation of property, plant and equipment net of deferred tax	-	-	-	164,542
Share of associate's tax rate impact related to its surplus on revaluation of property, plant and equipment	-	-	-	1,960
Dividend received during the period/year	-	-	-	(1,650)
	61,190	-	61,190	257,846
	582,084	1,816	583,900	522,710

The company holds 14.285% (September 2017:14.285%) interest in Al-Noor Modaraba Management (Pvt) Ltd, and holds 15.625% (September 2017:15.625%) 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 this condensed interim financial information, 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 information for the three months period ended December 31, 2018.

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6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no material change in status of contingencies as disclosed in note No.23 (a) of the annual financial statement for the year ended September 30, 2018.

Unaudited December 31, 2018	Audited September 30, 2018
----- (Rupees in thousand) -----	

6.2 Commitments as on the balance sheet date

Letters of credit	16,390	11,513
Stores	4,682	195,612
Raw Material	2,519,940	6,152
Plant and Machinery	2,541,012	213,277

For the three Months October to December 2018 2017

----- (Rupees in thousand) -----

7. COST OF SALES

Opening stock of finished goods	1,864,499	3,596,450
Cost of goods manufactured	1,469,568	1,293,452
	3,334,067	4,889,902
Closing stock of finished goods	(1,134,404)	(1,348,017)
	2,199,663	3,541,885

7.1 Stock of refined sugar amounting of Rs. Million 624.99 (2017:Rs.977 million) has been pledged against cash finance facilities and Murabaha/Istisna arrangements.

7.2 Stock in trade includes stocks costing Rs.346.795 million (2017: Rs. 1,366.152 million) written down to their net realizable value of Rs.333.165 million (2017: Rs.1,188 million). This includes stock of molasses valued at net realizable value of Rs.35.388 million. (2017: Rs.18.136 million)

AL-NOOR SUGAR MILLS LTD.

8. 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:

		December 31, 2018	December 31, 2017
		(Rupees in thousand)	
Transactions:			
Relationship with the company	Nature of Transactions		
Associates			
Shahmurad Sugar Mills Ltd	Sale of goods	5,861	6,124
	Share of profit/(Loss) in associates	61,190	(10,379)
Reliance Insurance Company Ltd	Insurance premium paid	16,752	6,946
	Insurance claim received	3,765	1,225
	Insurance claim receivable	22	-
Other Related Parties			
Directors' and key management personnel	Director's remuneration	6,895	7,284
	Executives remuneration	18,651	16,916
	Directors meeting fee	50	45
Staff provident fund	Contribution made during period excluding directors	4,123	4,553

		December 31, 2018	September 30, 2018
		(Rupees in thousand)	
Balances:			
Relationship with the Company	Nature of Transactions		
Associates			
Shahmurad Sugar Mills Ltd	Trade & other payables	197,139	37,500
Reliance Insurance Company Ltd	Trade & other payables	17,538	14,833
Staff provident fund	Trade & other payables	2,512	145

9. 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:

	December 2018 Rupees in thousand			September 2018 Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Long term financing-Musharka and others finance	1,607,500	84,375	1,691,875	2,006,250	95,487	2,101,737
Current portion of long term finance	817,500	109,722	927,222	450,000	147,222	597,222
	2,425,000	194,097	2,619,097	2,456,250	242,709	2,698,959
Accrued finance cost	20,798	15,434	36,232	31,134	28,092	59,226
Short term borrowings	-	955,036	955,036	-	1,931,335	1,931,335
Cash at bank accounts	(3,747)	(234,241)	(237,988)	(18,938)	(124,456)	(90,237)
	2,442,051	930,326	3,372,377	2,468,446	2,077,680	4,599,283

AL-NOOR SUGAR MILLS LTD.

	December 2018 Rupees in thousand			December 2017 Rupees in thousand		
	Islamic Mode	Conventional	Total	Islamic Mode	Conventional	Total
Finance cost	54,839	27,142	81,981	38,354	37,669	76,023
Income on saving account	(76)	-	(76)	(371)	-	(371)
	<u>54,763</u>	<u>27,142</u>	<u>81,905</u>	<u>37,983</u>	<u>37,669</u>	<u>75,652</u>

10. 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 December 31, 2018 and December 31, 2017 and assets and liabilities information regarding business segments as at December 31, 2018 and September 30, 2018:

	Sugar		MDF Board		Total	
	For Three Months October-December 2018	2017	For Three Months October-December 2018	2017	For Three Months October-December 2018	2017
----- (Rupees in thousand) -----						
Revenue						
Sales	1,301,516	2,268,330	926,764	770,883	2,228,280	3,039,213
Sales of By-product & electricity						
External Sales	15,622	15,162	1,119	847	16,741	16,009
Inter segment transfer	16,407	4,577	-	-	16,407	4,577
	<u>1,333,545</u>	<u>2,288,069</u>	<u>927,883</u>	<u>771,730</u>	<u>2,261,428</u>	<u>3,059,799</u>
RESULTS						
(Loss) / Profit from operation	(187,959)	(703,182)	66,805	38,343	(121,154)	(664,839)
Profit from trading activities	-	-	-	28	-	28
Other income	-	397,817	76	4,274	76	402,091
	<u>(187,959)</u>	<u>(305,365)</u>	<u>66,881</u>	<u>42,645</u>	<u>(121,078)</u>	<u>(262,720)</u>
Other operating expenses					(11,142)	(1,034)
Finance cost					(81,981)	(76,023)
Share of profit from associate					61,190	(10,379)
(Loss) / Profit before tax					(153,011)	(350,156)
Taxation					86	87,908
Profit after taxation					(152,925)	(262,248)
Other Comprehensive Income					-	-
Total Comprehensive Income for the period					<u>(152,925)</u>	<u>(262,248)</u>
Other Comprehensive Income / (loss)						
OTHER INFORMATION						
Capital expenditures	3,686	72,378	11,496	22,505	15,182	94,883
Depreciation	35,476	33,777	30,600	30,453	66,076	64,230
Amortization	213	-	43	-	256	-

AL-NOOR SUGAR MILLS LTD.

	Sugar		MDF Board		Total	
	December 31, 2018	September 30, 2018	December 31, 2018	September 30, 2018	December 31, 2018	September 30, 2018
	(Rupees in thousand)					
BALANCE SHEET						
Assets						
Segment assets	5,452,870	5,970,440	2,757,761	2,769,464	8,210,631	8,739,904
Investment in associates	583,900	522,710	-	-	583,900	522,710
Unallocated assets			-		182,825	178,981
Total assets					8,977,356	9,441,595
Liabilities						
Segment liabilities	5,464,999	5,721,395	658,447	713,365	6,123,446	6,434,760
Unallocated liabilities					5,169	5,169
					6,128,615	6,439,929

Geographical Information

All non-current assets of the Company are located in Pakistan. Company's local sales represent sales to various external customers in Pakistan whereas export sales of Rs.4,625.390 million(2017:539.544 million) represent sales to customers in various countries of Asia as follows:

	December 31, 2018	December 31, 2017
	----- (Rupees in thousand) -----	
Pakistan	2,022,113	1,538,687
Afghanistan	206,167	1,500,526
	2,228,280	3,039,213

11. 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.

12. 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.

13. AUTHORIZATION

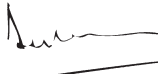
This condensed interim financial information was authorized for issue by the Board of Directors of the Company in their meeting held on 29th January 2019.

14. GENERAL

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



ISMAIL H. ZAKARIA
Chief Executive Officer



SULEMAN AYOOB
Director



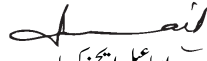
MUHAMMAD HANIF CHAMDIA
Chief Finance Officer

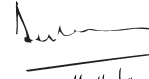
پاور جزییشن ڈویژن

کرشنگ کے بلند ترین موسم میں جب مکمل گنجائش کے ساتھ گنے کی سپلائی شروع ہو جاتی ہے تو بجلی کی پیداوار میں اضافہ ہو جاتا ہے۔ توقع ہے کہ بجلی کی فروخت میں کرشنگ کے بقایا موسم میں اضافہ ہوگا۔

بورڈ آف ڈائریکٹران کمپنی کے آفیسران، ملازمین اور ورکروں کی انتھک محنت اور جدوجہد کے لئے اپنی اپنی سٹائنش ریکارڈ پر لانا چاہتے ہیں جن کی خدمات کمپنی کے آپریشنز میں بہت زیادہ معاون ثابت ہوئیں۔

منجانب بورڈ آف ڈائریکٹرز


اسماعیل ایچ ذکر یا
چیف ایگزیکٹو آفیسر


سلیمان ایوب
ڈائریکٹر

تاریخ: 29 جنوری 2019

ڈائریکٹر رپورٹ

محترم ممبران..... السلام علیکم!

میں انتہائی مسرت کے ساتھ کمپنی کی سہ ماہی مدت برائے 31 دسمبر 2018 کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کر رہا ہوں۔ ہر شعبہ کارکردگی درج ذیل ہے:

شوگر ڈویژن

گنے کی کرشنگ کا آغاز 13 دسمبر 2018 کو ہوا جبکہ گزشتہ سال کرشنگ کا آغاز 28 نومبر 2017 کو ہوا تھا۔ 31 دسمبر 2018 تک مل نے 160,694 میٹرک ٹن گنے کو کرش کیا جبکہ گزشتہ سال کے موسم میں اسی مدت کے دوران 110,449 میٹرک ٹن گنا کرش ہوا تھا۔ چینی کی پیداوار 13,835 میٹرک ٹن رہی جبکہ گزشتہ سال چینی کی پیداوار 9,435 میٹرک ٹن تھی۔ ریکوری کی شرح فیصد 9.41 رہی جبکہ گزشتہ سال 8.70 فیصد تھی۔ ریکوری کی شرح فیصد کو اس لئے زیر غور نہیں لایا جاسکتا کہ یہ صرف 19 دن کی کرشنگ کو ظاہر کرتی ہے۔ واضح ریکوری کی شرح کی تشخیص اس وقت ہو سکتی تھی جب کوئی بڑے حجم کی کرشنگ ہوتی۔ موجودہ موسم میں کرشنگ کا آغاز تاخیر سے ہوا کیونکہ حکومت سندھ نے گنے کی قیمت کا اعلان نہیں کیا تھا اور پاکستان شوگر ملز ایسوسی ایشن کے چینی کی کم قیمت پر کچھ مخصوص تحفظات تھے۔ گزشتہ تین سالوں سے چینی کی پیداوار ملکی طلب سے زیادہ ہیں اور پاکستان میں چینی کی صنعت کو گزشتہ سال بھاری نقصان ہوا تھا۔ کرشنگ کا موسم جاری تھا کہ حکومت نے گنے کی امدادی قیمت 182 روپے فی من کردی تاہم حتیٰ مصنوعات کی قیمت کو مد نظر رکھتے ہوئے گنے کی یہ قیمت اب بھی بہت زیادہ ہے۔ گنے کی بلند قیمتیں اور شوگر ملز ایسوسی ایشن کے ساتھ حکومت کا اس کی قیمت پر جائزہ لینے سے ہچکچاہٹ کی وجہ سے گنے کی قیمت کے جائزہ کا معاملہ عدالت عالیہ سندھ کے روبرو دائر کیا گیا جو کہ ابھی تک عدالت عالیہ سندھ کے غور کے لئے زیر التواء ہے۔

موجودہ کرشنگ کا موسم جاری ہے، صوبہ سندھ میں گنے کی فصل اتنی اچھی نہیں ہوئی جتنی کہ گزشتہ سال ہوئی تھی لیکن پنجاب اور خیبر پختونخواہ میں گنے کی فصل اچھی رہی جس کی وجہ آ پاشی کا بہتر نظام اور بہت زیادہ قدرتی بارشیں ہیں جو کہ گنے کی نشوونما کیلئے بہت ضروری ہیں جبکہ سندھ میں پانی دستیاب ہی نہیں تھا جو کہ گنے کی اچھی نشوونما کیلئے ضروری ہے۔ لہذا سندھ میں گنے کی پیداوار گزشتہ سال کی بہ نسبت کم رہی لیکن توقع ہے کہ پنجاب اور خیبر پختونخواہ میں گنے کی پیداوار گزشتہ سال کی پیداوار اتنی ہی رہے گی۔ توقع ہے کہ مجموعی طور پر چینی کی پیداوار تقریباً 6 ملین میٹرک ٹن رہے گی جو کہ ملکی طلب سے زیادہ ہے۔ اس کے علاوہ گزشتہ موسم کی پیداوار کا ذخیرہ بھی شوگر ملز میں موجود ہے۔ حال ہی میں مقامی مارکیٹ میں چینی کی قیمت میں اضافہ ہوا ہے اور توقع ہے کہ یہ رجحان سال کے بقیہ سال میں جاری نہیں رہے گا۔ حکومت نے گیارہ لاکھ ٹن چینی برآمد کرنے کی اجازت دے دی ہے۔

ایم ڈی ایف بورڈ ڈویژن

جائزہ مدت کے دوران ایم ڈی ایف بورڈ ڈویژن کی پیداوار 14,096 کیوبک میٹر رہی جبکہ گزشتہ سال اسی مدت میں 17,354 کیوبک میٹر تھی۔ حیدرآباد الیکٹرک سپلائی کمپنی کی لوڈ شیڈنگ کے نتیجے میں پلانٹ کے آپریشنز میں رکاوٹ ہوئی جس کی وجہ سے پیداوار کم ہوئی۔ توقع ہے کہ سال کی بقایا مدت کے دوران پیداوار میں اضافہ ہوگا کیونکہ موجودہ کرشنگ کے موسم میں بجلی کی کمی کا سامنا نہیں کرنے پڑے گا کیونکہ بجلی کی اندرونی پیداوار شوگر مل اور بورڈ ڈویژن کی ضروریات پوری کرنے کے لئے کافی ہے۔

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