



NOON PAKISTAN LIMITED

FINANCIAL REPORT
FOR THE QUARTER ENDED
30 SEPTEMBER, 2013



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CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Salman Hayat Noon Mr. Adnan Hayat Noon Mr. K. Iqbal Talib Mr. Zaheer Ahmad Khan Mr. Asif H. Bukhari Col. (R) Abdul Khaliq Khan Mirza Shoaib Baig	Chairman/CEO (Non-Executive Director) (Non-Executive Director) (Non-Executive Director) (Non-Executive Director) (Executive Director) (Executive Director)
AUDIT COMMITTEE	Mr. Asif H. Bukhari Mr. Adnan Hayat Noon Mr. K. Iqbal Talib	Chairman Member Member
HR & R COMMITTEE	Mr. K. Iqbal Talib Mr. Zaheer Ahmad Khan Col. (R) Abdul Khaliq Khan	
AUDITORS	Hameed Chaudhri & Co. Chartered Accountants	
CHIEF FINANCIAL OFFICER	Mr. Rizwan Ahmad	
COMPANY SECRETARY	Syed Anwar Ali	
LEGAL ADVISERS	Hamid Law Associates	
BANKERS	Habib Bank Limited United Bank Limited National Bank of Pakistan Bank Alfalah Limited Faysal Bank Limited The Bank of Punjab NIB Bank Limited MCB Bank Limited Askari Bank Limited Allied Bank Limited Bank Islami Pakistan Limited	
REGISTERED OFFICE & SHARES DEPARTMENT / REGISTRAR	66-Garden Block, New Garden Town, Lahore. Tele : 35831462 - 35831463 E-mail: noonshr@brain.net.pk	
WEBSITE	www.nurpurfoods.com	
PLANT	Bhalwal, District Sargodha.	



DIRECTORS' REPORT TO THE SHAREHOLDERS

On behalf of the Board of Directors, I am pleased to present un-audited condensed interim financial statements of your Company for the quarter ended 30th September, 2013.

The summarized results are as under:-

	September, 2013	September, 2012
	Rupees in Millions	
Net Sales	566.106	769.848
Gross Profit	47.701	79.188
Loss after tax	(15.729)	(26.152)
Loss per Share	Re. (1.13)	Re. (1.88)

As shown above, the sales of your Company were Rs. 566 million against Rs. 769 million during the corresponding period of last year showing a decline of 26.4%. Moreover, the Company registered after tax loss of Rs. 15.73 million against after tax loss of Rs. 26.15 million during same period of last year. Earnings per share therefore showed a little improvement from negative Re. 1.88 per share as on 30th September, 2012 to negative Re. 1.13 per share on 30th September, 2013.

As regards emerging scenario, the on-going energy crisis, rising cost of input and resulting consumers' purchasing power are likely to continue thus posing challenges for us to rationalize operational cost and take appropriate measures to increase the top line. The Company has been constantly monitoring product margins in order to minimize the impact of rising input costs. Measures are being taken to expand the distribution network through appointment of new distributors, outlet conversion program and secondary sales tracking system. The outlet survey has been initiated in order to identify the category handlers as well as opportunity to increase numeric distribution. Effective trade marketing initiatives are being taken to improve in-store merchandising and shoppers' engagement with our product portfolio. We are confident that these measures to put our business on strong and strategic footings will help in achieving the desired results in areas of sales volume & value growth, cost rationalization and market competitiveness.

At the end, the Board would like to convey its gratitude to our valued stakeholders including customers, consumers and financial institutions for their continued trust and support to the Company.

For and on behalf of the Board

Salman Hayat Noon
Chairman / Chief Executive

Dated : October 30, 2013

**CONDENSED INTERIM BALANCE SHEET**

	Un-Audited Sep., 2013 Rupees	Audited Jun., 2013 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital	<u>215,000,000</u>	<u>215,000,000</u>
Issued, subscribed and paid- up capital	139,392,000	139,392,000
Unappropriated profit	<u>21,846,054</u>	<u>37,317,670</u>
	161,238,054	176,709,670
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
	54,558,751	54,816,453
DEFERRED INCOME		
	0	57,097
NON-CURRENT LIABILITIES		
Term finances	97,555,555	120,305,555
Musharakah finances	3,500,000	7,000,000
Loan from chief executive	70,000,000	70,000,000
Liabilities against assets subject to finance lease	11,879,663	14,661,258
	182,935,218	211,966,813
CURRENT LIABILITIES		
Trade and other payables	669,207,105	602,941,907
Accrued mark-up and interest	14,170,889	11,863,865
Short term finances	202,721,713	209,651,291
Current portion of : non current liabilities	113,219,046	99,311,419
Taxation	13,708,701	8,010,475
Dividends	1,014,646	1,014,646
	1,014,042,100	932,793,603
CONTINGENCIES AND COMMITMENTS		
	<u>1,412,774,123</u>	<u>1,376,343,636</u>

The annexed notes form an integral part of this condensed interim financial information.

Salman Hayat Noon
Chief Executive

**AS AT 30 SEPTEMBER, 2013**

	Un-Audited Sep., 2013 Rupees	Audited Jun., 2013 Rupees
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	632,542,955	645,046,579
Intangible asset	19,349	38,684
Security deposits	1,083,686	1,083,686
Deferred taxation	15,454,427	1,598,003
	<u>649,100,417</u>	<u>647,766,952</u>
CURRENT ASSETS		
Stores, spares and loose tools	142,246,621	166,214,439
Stock-in-trade	64,976,000	73,860,000
Trade debts - unsecured considered good	204,154,225	176,824,316
Loans and advances	13,346,204	10,676,981
Deposits and prepayments	13,167,810	13,167,810
Due from Associated Companies	1,744,405	422,866
Accrued profit on term deposit receipts	1,970,279	778,630
Other receivables	137,789	172,134
Sales tax refundable	177,357,167	160,019,049
Advance income tax, tax deducted at source and income tax refundable	47,159,955	46,049,969
Cash and bank balances	97,413,251	80,390,490
	763,673,706	728,576,684
	<u>1,412,774,123</u>	<u>1,376,343,636</u>

Mirza Shoaib Baig
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED 30 SEPTEMBER, 2013

	Un-Audited Sep., 2013 Rupees	Un-Audited Sep., 2012 Rupees
SALES - Net	566,106,367	769,848,382
COST OF SALES	518,405,360	690,660,268
GROSS PROFIT	47,701,007	79,188,114
DISTRIBUTION COST	38,699,448	76,571,041
ADMINISTRATIVE EXPENSES	23,880,181	18,870,104
OTHER OPERATING EXPENSES	2,500	221,427
OTHER OPERATING INCOME	(6,141,903)	(1,712,352)
	56,440,226	93,950,220
LOSS FROM OPERATIONS	(8,739,219)	(14,762,106)
FINANCE COST	15,148,299	12,563,991
LOSS BEFORE TAXATION	(23,887,518)	(27,326,097)
TAXATION		
- Current	5,698,226	7,714,183
- Deferred	(13,856,424)	(8,887,841)
	(8,158,198)	(1,173,658)
LOSS AFTER TAXATION	<u>(15,729,320)</u>	<u>(26,152,439)</u>
LOSS PER SHARE		
- basic and diluted	<u>(1.13)</u>	<u>(1.88)</u>

- The annexed notes form an integral part of this condensed interim financial information.
- Appropriations have been reflected in the statement of changes in equity.

Salman Hayat Noon
Chief ExecutiveMirza Shoaib Baig
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER, 2013

	Un-Audited Sep., 2013 Rupees	Un-Audited Sep., 2012 Rupees
LOSS AFTER TAXATION	(15,729,320)	(26,152,439)
Other Comprehensive Income for the quarter	0	0
TOTAL COMPREHENSIVE LOSS FOR THE QUARTER	<u>(15,729,320)</u>	<u>(26,152,439)</u>

The annexed notes form an integral part of this condensed interim financial information.

Salman Hayat Noon
Chief Executive

Mirza Shoaib Baig
Director



**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER, 2013**

	Un-Audited Sep., 2013 Rupees	Un-Audited Sep., 2012 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the period - before taxation	(23,887,518)	(27,326,097)
Adjustments for non-cash charges and other items:		
Depreciation	15,743,972	15,486,977
Amortization of intangible assets	19,335	19,335
Gain on sale of operating fixed assets	(494,960)	0
Finance cost	15,148,299	12,563,991
Deferred income recognised	(57,097)	(35,099)
Profit on bank deposits	(1,191,649)	(102,334)
Exchange fluctuation loss	0	218,927
CASH INFLOW FROM OPERATING ACTIVITIES		
- Before working capital changes	5,280,382	825,700
Decrease / (increase) in current assets:		
Stores, spares and loose tools	23,967,818	20,088,589
Stock-in-trade	8,884,000	50,659,000
Trade debts	(27,329,909)	(11,458,345)
Loans and advances	(2,669,223)	(8,900,082)
Short term security deposits and prepayments	0	2,103,929
Due from Associated Companies	(1,321,539)	(910,846)
Other receivables	34,345	32,570
Sales tax refundable	(17,338,118)	(35,788,290)
Increase / (decrease) in trade and other payables	66,265,198	(29,451,091)
	50,492,572	(13,624,566)
CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES		
- Before taxation	55,772,954	(12,798,866)
Income tax paid	(1,109,986)	(4,700,361)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES		
- After taxation	54,662,968	(17,499,227)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(942,179)	(3,911,627)
Sale proceeds of operating fixed assets	1,766,212	0
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	824,033	(3,911,627)
CASH FLOW FROM FINANCING ACTIVITIES		
Term finances - net	(8,138,888)	43,750,000
Musharakah finances - net	(3,500,000)	0
Lease finances - net	(7,054,499)	(3,488,312)
Short term finances - net	(6,929,578)	(30,022,268)
Finance cost paid	(12,841,275)	(8,848,856)
NET CASH (OUTFLOW) / INFLOW FROM FINANCING ACTIVITIES	(38,464,240)	1,390,564
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	17,022,761	(20,020,290)
CASH AND CASH EQUIVALENTS		
- At beginning of the period	80,390,490	36,563,692
CASH AND CASH EQUIVALENTS		
- At end of the period	97,413,251	16,543,402

The annexed notes form an integral part of this condensed interim financial information.

Salman Hayat Noon
Chief Executive

Mirza Shoaib Baig
Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER, 2013
Un-Audited**

	Share capital	Capital redemption reserve	Unappropri- ated profit	Total
------(Rupees)-----				
Balance as at 01 July, 2012	139,392,000	0	164,125,973	303,517,973
Total comprehensive loss for the quarter ended 30 September, 2012	0	0	(26,152,439)	(26,152,439)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the quarter -net of deferred taxation	0	0	282,000	282,000
	0	0	(25,870,439)	(25,870,439)
Balance as at 30 September, 2012	<u>139,392,000</u>	<u>0</u>	<u>138,255,534</u>	<u>277,647,534</u>
Balance as at 01 July, 2013	139,392,000	0	37,317,670	176,709,670
Total comprehensive loss for the quarter ended 30 September, 2013	0	0	(15,729,320)	(15,729,320)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the quarter -net of deferred taxation	0	0	257,704	257,704
	0	0	(15,471,616)	(15,471,616)
Balance as at 30 September, 2013	<u>139,392,000</u>	<u>0</u>	<u>21,846,054</u>	<u>161,238,054</u>

The annexed notes form an integral part of this condensed interim financial information.

Salman Hayat Noon
Chief Executive

Mirza Shoaib Baig
Director



**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER, 2013**

1. Noon Pakistan Limited (the Company) was incorporated in Pakistan on 26 September, 1966 as a Public Company and its shares are quoted on Karachi and Lahore Stock Exchanges. It is principally engaged in processing and sale of toned milk, milk powder, fruit juices, allied dairy and food products. The registered office of the Company is situated at 66 - Garden Block, New Garden Town, Lahore and the plant is located at Bhalwal, District Sargodha.
2. This condensed interim financial information of the Company for the quarter ended 30 September, 2013 is un-audited and has been presented in accordance with the requirements of the International Accounting Standard (IAS - 34 Interim Financial Reporting) and provisions of and directives issued under the Companies Ordinance, 1984 (the Ordinance). In case where the requirements differ, the provisions of or directives issued under the Ordinance have been followed. These are required to be presented to the shareholders under section 245 of the Ordinance.
3. This condensed interim financial information does not include all the information required for the full financial statements and should be read in conjunction with the financial statements of the Company as at and for the year ended 30 June, 2013.
4. The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of audited annual financial statements of the Company for the year ended 30 June, 2013.
5. The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to annual audited financial statements for the year ended 30 June, 2013.



6. The Company has accounted for deferred tax asset in view of availability of future taxable profits against which unused tax losses and other available credits can be utilized.
7. This condensed interim financial information was authorised for issue in the Board of Directors' meeting held on 30 October, 2013.
8. Figures in this condensed interim financial information have been rounded-off to the nearest Rupee. Corresponding figures have been re-arranged or re-classified wherever necessary for the purposes of comparison; however, no material re-arrangement or re-classification has been made.

Salman Hayat Noon

Chief Executive

Mirza Shoaib Baig

Director



NOON PAKISTAN LIMITED

An ISO 22000 Certified Company

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