

Continued Excellence







OUR VISION IS

to Create Opportunities for
the Future.

Before bringing life to a vision we have to see it first and for that we need people who specialize in seeing the impossible. Here at JDW, we are proud of the visionary people we have who take up the responsibility of creating opportunities for the future, not only for our Company but for the whole community we operate in.

We believe life is about the betterment of the human condition; it's about social awareness, and random acts of kindness that weave the soul of humanity. Together, we all participate in weaving the social fabric; we should all therefore be patching the fabric when it develops holes. The change has begun, here at JDW, as we have started to unpack the challenges that encounter us, realizing that we each have a role that requires us to change and become more responsible for shaping our community and creating magic under JDW's vision. A vision in which everyone is benefited, be it our shareholders, the farmers or you.

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Condensed Interim Consolidated Financial Statements

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01

Company Review

06 Corporate Information

CORPORATE INFORMATION

Board of Directors

Mr. Jahangir Khan Tareen
Director

Mukhdoom Syed Ahmad Mahmud
Director / Chairman

Mr. Raheel Masud
Director / Chief Executive

Mrs. Samira Mahmud

Mr. Ijaz Ahmed

Mr. Asim Nisar Bajwa

Mr. Zafar Iqbal

Chief Operating Officer

Rana Nasim Ahmed

Group Director (Finance) & CFO

Mr. Muhammad Rafique

Company Secretary / Legal Head

Mr. Maqsood Ahmad Malhi

Audit Committee

Mr. Zafar Iqbal
Chairman / Member

Mrs. Samira Mahmud
Member

Mr. Ijaz Ahmed
Member

HR & R Committee

Mr. Asim Nisar Bajwa
Chairman / Member

Mrs. Samira Mahmud
Member

Mr. Ijaz Ahmed
Member

Nomination Committee

Mr. Jahangir Khan Tareen
Chairman / Member

Mr. Asim Nisar Bajwa
Member

Risk Management Committee

Mr. Jahangir Khan Tareen
Chairman / Member

Mr. Asim Nisar Bajwa
Member

Registrar

Corplink (Pvt.) Limited

Bankers

Conventional

MCB Bank Limited

The Bank of Punjab

Habib Bank Limited

Askari Bank Limited

Standard Chartered Bank (Pakistan)
Limited

National Bank of Pakistan

Allied Bank Limited

Soneri Bank Limited

Pak Kuwait Investment Company Limited
Pak Oman Investment Company Limited
Pak Brunei Investment Company Limited
Pak Libya Holding Company Limited
United Bank Limited

Islamic

Dubai Islamic Bank Pakistan Limited
MCB Islamic Bank Limited
Bank Alfalah Limited
BankIslami (Pakistan) Limited
Askari Bank Limited
National Bank of Pakistan
Meezan Bank Limited



Auditors

Riaz Ahmad, Saqib, Gohar & Co.
Chartered Accountants



Registered Office

17-Abid Majeed Road, Lahore
Cantonment, Lahore, Pakistan



Legal Advisor

Cornelius, Lane & Mufti



Mills

- Unit-I:** Mauza Shirin, Jamal Din Wali,
District Rahim Yar Khan.
- Unit-II:** Machi Goth, Sadiqabad.
District Rahim Yar Khan.
- Unit-III:** Mauza Lahuwali, Near Village
Islamabad, District Ghotki.



Web Presence

www.jdw-group.com



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DIRECTORS' REVIEW

The Directors of the Company are pleased to present the Company's un-audited accounts for the quarter ended on 31 December, 2021.

The financial results of first quarter are never true representative of the overall yearly financial performance that Company will ultimately achieve but can give an idea of the trend. The main features of the operating and financial results are briefly explained in coming paragraphs.

During period under review, the Company has earned net profit after tax amounting to Rs. 918 million as against net loss after tax Rs. 627 million in the corresponding period, resultantly earnings per share of the Company have improved to Rs. 15.36 from a loss of Rs. 10.48. The main reason for loss in the comparative period was booking of a huge write off of Rs. 3,326 million on account of sharing of fixed energy receivables over and above the plant factor of 45%, whereas in the current period better profitability is mainly attributable to sale of carry over sugar stocks at better sugar prices, better results of Co-Generation and turnaround of the Corporate Farms in view of favorable sugarcane prices and better yield per acre. Previously sugarcane prices never supported the corporate farming structure in Pakistan as in comparison to informal cultivation of sugarcane by the growers it always remained behind in showing better financial results. If sugarcane prices continued like this and prices of fuel & agri inputs remained sustainable, the Corporate Farms will keep on showing better results in future as well.

The Crushing season 2021-22 was started on 15 November 2021 in our both units in Punjab and on 21 November 2021 in our JDW unit III in Sindh and on Group basis up to 27 January 2022 sugar produced was 470,788 tons with average sucrose recovery of 9.55% (Last time on 28 January 2021: sugar production was 463,892 tons with average sucrose recovery of 9.60%). The crop size for ongoing crushing season is estimated to be approx. 10% higher than last year and we are also expecting no more decline in sucrose recoveries as witnessed during last two years so the sugar production this year will be higher. In view of all these developments, it is expected that sugarcane prices would play a vital role in the determination of sugar prices and profitability of the Company.

Deharki Sugar Mills (Pvt.) Limited ("DSML"), a 100% owned subsidiary of the Company earned profit after tax amounting to Rs. 314 million as compared to profit after tax Rs. 242 million in the same period last year. Increase in profit is mainly due to sale of carryover sugar stocks at better sugar prices. For 2021-22, DSML started crushing on 21 November, 2021 and until 27 January, 2022 sugar produced was 90,260 tons with average sucrose recovery of 9.58% (Last time on 28 January 2021: sugar production was 82,995 tons with average sucrose recovery of 9.68%)

For ongoing crushing season 2021-22, notified support prices of sugarcane have been revised to Rs. 225 from Rs. 200 per 40 kgs in Punjab and to Rs. 250 from Rs. 202 per 40 kgs in the Province of Sindh. Sugar mills in Sindh challenged the support price notification which has been suspended by the Sindh High Court on legal grounds. Even after this substantial increase in support prices of sugarcane by the Provincial Governments, the industry is procuring sugarcane at much higher prices which range between Rs. 260 to Rs. 325 per 40 kgs as growers are not willing to supply sugarcane at notified support prices. This will result in increasing the production cost of the sugar, consequently sugar prices in the market will remain on the higher side contrary to what Federal & Provincial Governments desire. Government needs to take appropriate measures to ensure availability of sugarcane to sugar mills at support prices.

In compliance with Master Agreement and EPA Amendment Agreement signed with CPPA-G on 12 February 2021, balance 60% payment amounting to Rs. 1,225 million was received on 29 November 2021 which as before was consisted of 1/3rd cash payment, 1/3rd by issuance of Sukuk Bonds of 5 years' tenor and 1/3rd by issuance of Pakistan Investment Bonds (PIBs) of 10 years' period. Now the terms of Master Agreement have been fully implemented and also reflected in the Tariff. However,

our major issue of bagasse pricing is still unresolved which we are planning to take up with National Electric Power Regulatory Authority (NEPRA) to resolve this issue out of Court. Rationalization of bagasse pricing is the key for the viability of co-generation power projects because the bagasse price Rs. 2,750 per ton without sales tax and subsequent increase of 2% after every two years suggested and being implemented currently by NEPRA will resultantly cause closure of bagasse-based power projects in foreseeable period. Current market prices of bagasse are around Rs. 5,000 per ton inclusive of sales tax. One can easily see how this emerging business in sugar industry is being pushed towards financial unviability. After hydel and gas-based Tariffs, Tariff of bagasse-based power projects is most economical and 3rd lowest Tariff plus also a clean energy produced from indigenous fuel.

Federal Board of Revenue "FBR" has issued Sales Tax General Order No. 05 of 2021-22 on 11 November 2021, with subject of Implementation of Track & Trace System. As per order, no sugar bags shall be allowed to be removed from production site or factory without affixation of Tax Stamps / Unique Identification Marking (UTMs) with effect from 11 November 2021, which are to be obtained / procured from FBR Licensed vendor only. FBR has achieved marvelous success in the implementation of Track & Trace System and results are quite satisfactory. We congratulate FBR on achieving this milestone which will result in giving level playing fields to fully compliant sugar mills and substantial increase in the revenue of FBR. Now FBR should also find out practical ways out to document the sugar trade which is another uphill task.

As usual growers' payment has remained our top priority being one of the main keys of our success. Despite stuck up of funds with Government of Sindh and GOP on account of export subsidy & sale of energy respectively, we are making growers' payment on priority basis even in the 4th consecutive crushing season through their bank accounts and our efforts are very well appreciated by the growers. Company regularly provides financial assistance and technical support to its growers. Due to these policies and preferential treatment with growers, the Company enjoys excellent relationship with them.

Financial year 2021-2022 seems to be more challenging where growers are not willing to supply sugarcane at prices less than Rs. 300 per 40 kgs as against the support prices of Rs. 225 & Rs. 250 per 40 kgs and Government wants the sugar industry to sell sugar at lower prices which may again put the industry in crisis like situation. Government in Punjab always takes coercive measures to suppress the sugar prices as against the market forces. Govt should fulfill its promise of creating buffer sugar stocks of 5 to 6 lacs tons of sugar to have a check on hike in sugar prices during off season. There has been no development in this regard whereas the middle of crushing i.e., around January end is the right time to procure sugar for buffer stocks.

With the grace of Allah, we are maintaining continued good performance. JDW Group which was previously highly leveraged has managed its debt very effectively and efficiently during last couple of years. We will focus more on further reduction of debt to reduce the financial charges but State Bank of Pakistan (SBP) has recently increased base rate by 275 bps consequently mark up rates have gone up which will result in increasing the financial cost of the Company. Any further increase in mark-up rates may adversely affect the profitability of the Company. We, however, will continue to borrow short term loans as per our requirements to meet working capital needs specially to ensure timely payments to growers.

28 January 2022
Lahore

Chief Executive

Director

11 نومبر 2021 کو فیڈرل بورڈ آف ریونیو نے سیلنگس جنرل آرڈر نمبر 05 برائے 2021-22 جاری کیا جس کا مقصد ٹریک اینڈ ٹریس سسٹم کا نفاذ تھا۔ اس آرڈر کے مطابق 11 نومبر 2021 سے کوئی بھی چینی کی پوری پروڈکشن سائٹ یا فیکٹری سے اس وقت تک باہر نہیں جائے گی جب تک اس پر ٹیکس سٹیپ/ پونیک آئیڈنٹیفیکیشن مارکنگ (UTMs) موجود نہیں ہوگی جو کہ صرف ایف بی آر کے لائسنس یافتہ ویڈر سے حاصل کیا جاسکتا ہے۔ ایف بی آر نے ٹریک اینڈ ٹریس سسٹم میں نمایاں کامیابی حاصل کی ہے اور اس کے نتائج انتہائی شاندار ہیں۔ ہم اس سنگ میل کو عبور کرنے پر ایف بی آر کو مبارکباد پیش کرتے ہیں کیونکہ اس کی بدولت ناصرف تمام شوگر ملوں کو مساوی مواقع دستیاب آئیں گے بلکہ ایف بی آر کی آمدن میں بھی خاطر خواہ اضافہ ہوگا۔ اب ایف بی آر کو چینی کی دستاویزی تجارت کیلئے عملی طریقہ کار تلاش کرنا ہوگا جو کہ بلاشبہ ایک اور مشکل کام ہے۔

ہمیشہ کی طرح کاشتکاروں کو بروقت ادائیگی ہماری اولین ترجیح رہی اور بلاشبہ یہ ہماری کامیابی کا بھی سب سے بڑا راز ہے۔ حکومت سندھ اور GOP سے باتر تیب چینی پر برآمدی سبسڈی اور بجلی کی فروخت کی مد میں حاصل ہونے والی رقوم کی عدم ادائیگی کے باوجود ہم مسلسل چوتھے کرشنگ سیزن میں تمام کاشتکاروں کو ترجیحی بنیادوں پر بنک کے ذریعے ادائیگیاں کر رہے ہیں اور کسانوں کی طرف سے ہماری ان کاوشوں کو بے حد سراہا جا رہا ہے۔ کپنی باقاعدگی سے اپنے کاشتکاروں کو مالی امداد اور تکنیکی معاونت فراہم کرتی ہے۔ ان پالیسیوں اور ترجیحی رویے کی بدولت کپنی اور کاشتکاروں کے مابین خوشگوار تعلقات کی فضا قائم رہتی ہے۔

مالی سال 2021-22 مزید کٹھن دکھائی دیتا ہے کیونکہ کاشتکاری من گناہ 300 سے کم پر بیچنے کو تیار نہیں جبکہ حکومت کی مقرر کردہ قیمت تقریباً 225 روپے اور 250 روپے فی من ہے اور حکومت انڈسٹری سے اس بات کی متقاضی ہے کہ چینی کو کم قیمت پر بیچا جائے جو اس صنعت کو دوبارہ بحران جیسی صورتحال میں ڈال سکتی ہے۔ حکومت پنجاب مارکیٹ میں قیمتیں لاگو کروانے کیلئے ہمیشہ سخت اقدامات کرتی ہے۔ حکومت 6۴5 لاکھ ٹن کے Buffer شوگر سٹاکس پیدا کرنے کا اپنا وعدہ پورا کرنا چاہیے تاکہ کرشنگ سیزن کے بعد چینی کی قیمتوں کی جانچ کی جاسکے۔ اس سلسلہ میں تاحال کوئی اقدام نہیں اٹھایا گیا جبکہ کرشنگ سیزن کا وسط یعنی جنوری کا اختتام چینی کے Buffer سٹاکس کے حصول کا بہترین وقت ہے۔

اللہ تعالیٰ کے فضل و کرم سے ہم اچھی کارکردگی کا سلسلہ برقرار رکھے ہوئے ہیں۔ بے ڈی ڈبلیو گروپ جو کہ ماضی میں قرضہ دار رہا ہے، گزشتہ چند سالوں میں اپنے اس قرضے کو موء ثر اور پھر پورا انداز میں ادا کر رہا ہے۔ ہم مالی اخراجات میں کمی لانے کیلئے قرضہ کی کمی پر توجہ مرکوز رکھیں گے مگر سٹیٹ بینک آف پاکستان نے حالیہ دنوں میں ميس ریسٹ میں 275 bps تک اضافہ کیا ہے جس کی وجہ سے مارک اپ میں اضافہ ہوگا جو کہ کپنی کے مالی اخراجات میں اضافہ کا سبب بنے گا۔ مارک اپ میں اس سے زیادہ اضافہ کپنی کے منافع کی شرح پر بہت بڑے طریقے سے اثر انداز ہوگا۔ تاہم کپنی ورکنگ کپٹل کی ضروریات اور کاشتکاروں کو بروقت ادائیگیاں یقینی بنانے کیلئے کم مدتی قرضہ جاتی کا حصول جاری رکھے گی۔

ڈائریکٹر

چیف ایگزیکٹو

۲۸ جنوری ۲۰۲۲

لاہور

ڈائریکٹر کا جائزہ

کمپنی کے ڈائریکٹر ان سال 31 دسمبر 2021 کیلئے کمپنی کے غیر آڈٹ شدہ اکاؤنٹس پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

پہلی سہ ماہی کے مالی نتائج مستقبل کے رجحان کی محض ایک جھلک دے سکتے ہیں اور یہ کبھی بھی سال کے اختتام تک حاصل ہونے والی کامیابیوں کی حقیقی تصویر نہیں ہوتے۔ آگے کے پیرا گرافس میں عملی اور مالی نتائج کے نمایاں پہلوؤں کو مختصراً بیان کیا گیا ہے۔

زیر جائزہ مدت کے دوران کمپنی نے 918 ملین روپے خالص منافع بعد از ٹیکس کمایا جبکہ گزشتہ اسی مدت کے دوران یہ اعداد و شمار 627 ملین روپے خالص نقصان بعد از ٹیکس کی صورت میں تھے۔ نتیجتاً کمپنی کی فی شیئر آمدن 10.48 روپے کے نقصان سے بڑھ کر 15.36 روپے منافع ہو گئی۔ اس تقابلی مدت میں نقصان کی بنیادی وجہ 45 فیصد پلانٹ فیکلٹری سے زائد انرجی وصولیوں کی مد میں 3,326 ملین روپے کی منسوختی تھی جبکہ رواں سال منافع کی بڑی وجہ carry over کیے گئے سٹاک کی اچھی قیمت پر فروخت Co-Gen کے بہتر نتائج اور گئے کی قیمتوں اور فی ایکڑ زیادہ پیداوار کی بدولت کارپوریٹ فارمز میں بڑا بدلاؤ تھے۔ ماضی میں گئے کی قیمتوں نے کبھی بھی پاکستان میں گئے کی روایتی کاشت کے مقابلہ میں کارپوریٹ فارمنگ کے ڈھانچے کو ترجیح نہیں دی اور بہتر مالی نتائج دکھانے میں یہ ہمیشہ پیچھے رہیں۔ اگر گئے کی قیمت ایسے ہی رہی اور اس کے ساتھ ساتھ تیل اور زرعی سامان کی قیمتوں میں رد و بدل نہ ہوا تو مستقبل میں کارپوریٹ فارمز مزید بہتر نتائج دیں گے۔

سال 2021-22 کیلئے پنجاب میں ہمارے دونوں یونٹس میں کرشنگ بیزنس کا آغاز 15 نومبر 2021 اور جی ڈی ڈبلیو یونٹ III سندھ میں 21 نومبر 2021 کو ہوا۔ جبکہ گروپ کی بنیاد پر 27 جنوری 2022 تک 470,788 ٹن چینی کی پیداوار 9.55 فیصد سکروڈز ریکوری کے ساتھ ممکن ہوئی (28 جنوری 2021 کے دورانیہ کیلئے: 463,892 ٹن چینی کی پیداوار 9.60 فیصد سکروڈز ریکوری کے ساتھ حاصل کی گئی)۔ موجودہ کرشنگ بیزنس کیلئے فصل کی پیداوار گزشتہ سال سے 10 فیصد زیادہ ہونے کی توقع ہے اور ہمیں گزشتہ دو سال کی مانند سکروڈز ریکوری میں مزید کمی کی توقع نہیں ہے۔ ان تمام عوامل کو مد نظر رکھتے ہوئے یہ متوقع ہے کہ چینی کے قیمت اور کمپنی کے منافع کے تعین میں گئے کی قیمتیں کلیدی کردار ادا کریں گی۔

کمپنی کے مکمل ملکیت ذیلی ادارہ ڈھکی شوگر ملز (پرائیویٹ) لمیٹڈ نے 314 ملین روپے بعد از ٹیکس منافع کمایا جبکہ گزشتہ سال کے اسی دورانیہ میں یہ بعد از ٹیکس منافع 242 ملین روپے تھا۔ منافع میں اس اضافہ کی بنیادی وجہ carry over چینی کے ذخائر کی اچھی قیمت پر فروخت تھی۔ سال 2021-22 کیلئے ڈھکی شوگر ملز نے 21 نومبر 2021 کو کرشنگ کا آغاز کیا اور 27 جنوری 2022 تک 90,260 ٹن چینی کی پیداوار حاصل کی اور اس میں اوسط سکروڈز ریکوری 9.58 فیصد رہی۔ (28 جنوری 2021 کے دورانیہ کیلئے: 82,995 ٹن چینی کی پیداوار 9.68 فیصد سکروڈز ریکوری کے ساتھ حاصل کی گئی)۔

کرشنگ بیزنس 2021-22 کے لئے، گئے کی مطلع شدہ قیمت پنجاب میں 200 روپے سے بڑھ کر 225 روپے فی 40 کلوگرام اور صوبہ سندھ میں 202 روپے سے بڑھ کر 250 روپے فی کلوگرام تک پہنچ گئی۔ سندھ میں شوگر ملز نے سپورٹ پرائس کے نوٹیفکیشن کو پبلیش کیا جسے سندھ بائیکورٹ کی جانب سے قانونی وجوہات کی بنیاد پر منسوخ کر دیا گیا۔ صوبائی حکومتوں کی جانب سے گئے کی سپورٹ قیمتوں میں نمایاں اضافہ کے باوجود انڈسٹری زیادہ قیمت (260 روپے سے 325 روپے فی 40 کلوگرام) پر گنا حاصل کر رہی ہے کیونکہ کاشتکار مطلع شدہ سپورٹ قیمتوں پر گنا سلائی کرنے کے خواہشمند نہیں ہیں۔ اس کے نتیجے میں چینی کی پیداوار کی لاگت اور مارکیٹ میں اس کی قیمت میں اضافہ ہوگا جو کہ وفاقی اور صوبائی حکومت کی خواہش کے برخلاف ہے۔ حکومت کو گئے کی شوگر ملز کو سپورٹ پرائسز پر دستیابی یقینی بنانے کیلئے اقدامات عمل میں لانا ہوں گے۔

12 فروری 2021 کو پی پی اے-جی کے ساتھ دستخط کیے گئے ماسٹر ایگریمنٹ اور ای پی اے ایمنڈمنٹ ایگریمنٹ کے مطابق 1,225 ملین روپے کی اہلیہ 60 فیصد ادائیگی 29 نومبر 2021 کو وصول ہوئی۔ جبکہ اس سے قبل پی پی اے ایگریمنٹ ایک تہائی نقد ادائیگی، ایک تہائی 5 سال کیلئے سکلک بانڈز کے اجراء اور ایک تہائی 10 سال کیلئے پاکستان انویسٹمنٹ بانڈز کے اجراء پر مشتمل تھی۔ اب ماسٹر ایگریمنٹ کی شرائط پر مکمل عملدرآمد ہو چکا ہے اور یہ ٹریف میں بھی واضح ہے۔ تاہم ہمارا بیگاس پرائسنگ کا بڑا مسئلہ حال محل طلب ہے اور ہم اس مسئلے کو عدالت سے باہر ہمارے ساتھ حل کرنے کا سوچ رہے ہیں۔ کوآپریٹو پاور پرائیکٹس پر عملدرآمد کیلئے بیگاس پرائسنگ کی Rationalization لازمی ہے کیونکہ اس وقت ہمہ راہی کی جانب سے 2,750 روپے فی ٹن (ایگریمنٹ ٹیکس) کی بیگاس پرائس جس میں ہر دو سال بعد 2 فیصد اضافہ ہوگا، جو بڑی گئی ہے اور اس کا نتیجہ مستقبل قریب میں بیگاس بیڈ پاور پرائیکٹس کی بندش کی صورت میں سامنے آئے گا۔ بیگاس کی موجودہ مارکیٹ قیمت 5,000 روپے فی ٹن (بشمول ٹیکس) ہے۔ اس کے کوئی بھی شخص اندازہ لگا سکتا ہے کہ کس طرح چینی کی صنعت کو مالی مشکلات سے دوچار کیا جا رہا ہے۔ ہائیڈل اور گیس بیڈ ٹریف کے بعد، بیگاس بیڈ پاور پرائیکٹس کا ٹریف کم خرچ اور تیسرا سب سے کم ٹریف ہے، جبکہ اس سے مقامی ٹیل سے صاف انرجی کی پیداوار بھی ممکن ہوتی ہے۔

03

Condensed Interim Unconsolidated Financial Statements

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CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

As at 31 December 2021

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	6	597,766,610	597,766,610
Share premium reserve		678,316,928	678,316,928
Accumulated profit		14,089,883,506	13,171,462,931
		<u>15,365,967,044</u>	<u>14,447,546,469</u>
NON-CURRENT LIABILITIES			
Long term finances - secured	7	9,046,020,646	8,995,865,407
Lease liabilities	8	1,233,534,110	1,313,728,626
Retirement benefits		82,035,448	55,987,252
Deferred income - Government grant		—	685,215
		<u>10,361,590,204</u>	<u>10,366,266,500</u>
CURRENT LIABILITIES			
Short term borrowings	9	8,826,603,622	3,015,112,876
Current portion of non-current liabilities		3,482,531,923	4,167,790,367
Trade and other payables	10	4,013,756,371	2,199,533,008
Advances from customers	11	1,684,103,397	1,064,373,067
Unclaimed dividend		33,741,074	33,748,830
Accrued profit / interest / mark-up		265,203,870	251,304,750
		<u>18,305,940,257</u>	<u>10,731,862,898</u>
CONTINGENCIES AND COMMITMENTS			
	12	<u>44,033,497,505</u>	<u>35,545,675,867</u>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	19,536,336,005	19,670,791,623
Right-of-use assets	14	1,733,306,670	1,836,163,006
Investment property		185,854,012	185,854,012
Intangibles		612,220,171	612,730,104
Long term investments	15	1,084,012,500	1,084,012,500
Long term deposits		102,828,481	95,186,741
Deferred taxation		333,003,454	368,027,550
		<u>23,587,561,293</u>	<u>23,852,765,536</u>
CURRENT ASSETS			
Right-of-use assets	14	25,774,651	43,462,361
Short term investments	15	651,994,491	651,994,491
Lease receivables		43,604,338	69,633,908
Biological assets	16	1,557,088,304	2,335,200,206
Stores, spare parts and loose tools		1,593,591,096	1,381,816,893
Stock-in-trade		11,369,491,103	1,880,461,902
Trade receivables		2,394,603,002	4,195,841,481
Advances, deposits, prepayments and other receivables		468,371,269	596,888,246
Advance tax - net		369,054,857	290,291,164
Cash and bank balances	17	1,972,363,101	247,319,679
		<u>20,445,936,212</u>	<u>11,692,910,331</u>
		<u>44,033,497,505</u>	<u>35,545,675,867</u>

The annexed notes from 1 to 25 form an integral part of this condensed interim unconsolidated financial statements.

Chief Financial Officer

Chief Executive

Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

For the quarter ended 31 December 2021

	Note	31-Dec-21 Rupees	31-Dec-20 Rupees
Gross revenue		11,708,568,892	15,357,322,196
Sales tax and commission		(1,361,293,913)	(1,863,136,209)
Revenue from contracts with customers	18	10,347,274,979	13,494,185,987
Cost of revenue		(8,776,231,250)	(10,515,367,061)
Gross profit		1,571,043,729	2,978,818,926
Administrative expenses		(530,350,738)	(444,793,975)
Selling expenses		(13,975,647)	(9,295,703)
Other income	19	579,749,134	540,652,558
Other expenses		(82,380,971)	(3,359,785,762)
		(46,958,222)	(3,273,222,882)
Profit / (loss) from operations		1,524,085,507	(294,403,956)
Finance cost		(450,615,225)	(466,700,231)
Profit / (loss) before taxation		1,073,470,282	(761,104,187)
Taxation		(155,049,707)	134,557,711
Profit / (loss) for the quarter		918,420,575	(626,546,476)
Earnings / (loss) per share - basic and diluted		15.36	(10.48)

The annexed notes from 1 to 25 form an integral part of this condensed interim unconsolidated financial statements.

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the quarter ended 31 December 2021

	31-Dec-21 Rupees	31-Dec-20 Rupees
Profit / (loss) for the quarter	918,420,575	(626,546,476)
Other comprehensive income for the quarter	–	–
Total comprehensive income / (loss) for the quarter	918,420,575	(626,546,476)

The annexed notes from 1 to 25 form an integral part of this condensed interim unconsolidated financial statements.

Chief Financial Officer

Chief Executive

Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

For the quarter ended 31 December 2021

	Note	31-Dec-21 Rupees	31-Dec-20 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		1,073,470,282	(761,104,187)
Adjustments for non-cash income and expenses:			
Depreciation		716,515,413	715,345,282
Finance cost		450,615,225	466,700,231
Workers' Profit Participation Fund		57,759,305	–
Staff retirement benefits		54,201,946	29,785,410
Loss on sale of investments		13,159,419	–
Workers' Welfare Fund		10,797,096	36,631,327
Amortization of transaction cost		1,654,165	1,654,165
Amortization of intangible assets		509,932	509,932
Interest income		(4,505,801)	(52,643,889)
Gain on disposal of operating fixed assets		(31,575,740)	(11,705,471)
Fair value gain at the point of harvest		(536,741,106)	(454,916,397)
Impairment allowance against doubtful trade receivables		–	3,323,154,435
Sugarcane roots written off		–	183,343,266
		732,389,854	4,237,858,291
		1,805,860,136	3,476,754,104
Working capital changes:			
Stores, spare parts and loose tools		(211,774,205)	(249,853,554)
Stock-in-trade		(9,489,029,199)	(3,573,401,010)
Biological assets		1,314,853,006	1,360,562,299
Lease receivables		26,029,570	–
Advances, deposits, prepayments and other receivables		128,516,978	64,400,776
Trade receivables		1,801,238,477	745,360,736
Trade and other payables		1,800,494,851	1,258,087,582
Advances from customers		619,730,333	221,332,320
		(4,009,940,189)	(173,510,851)
Cash (used in) / generated from operations			
		(2,204,080,053)	3,303,243,253
Taxes paid		(198,489,222)	(209,154,210)
Staff retirement benefits paid		(31,895,303)	(129,009,189)
Long term deposits - net		(7,641,740)	1,323,580
Interest income received		4,505,801	1,328,182
Workers' profit participation fund paid		(19,857,763)	–
		(253,378,227)	(335,511,637)
Net cash (used in) / generated from operations			
		(2,457,458,280)	2,967,731,616
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of operating fixed assets		36,250,608	20,717,916
Capital expenditure		(422,919,863)	(161,297,456)
Advances for future issuance of shares		–	(730,000)
Net cash used in investing activities			
		(386,669,255)	(141,309,540)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		(676,727,473)	87,366,325
Short term borrowings - net		6,576,830,286	726,938,613
Financial charges paid as:			
- finance cost		(385,259,326)	(452,860,521)
- Interest on lease liability		(51,456,781)	(46,174,524)
Principal portion of lease liability paid		(128,868,453)	(115,306,468)
Dividend paid		(7,756)	(28,575)
Net cash generated from financing activities			
		5,334,510,497	199,934,850
Net increase in cash and cash equivalents			
		2,490,382,962	3,026,356,926
Cash and cash equivalents at beginning of the quarter			
		(1,198,314,704)	(3,225,170,679)
Cash and cash equivalents at end of the quarter			
		1,292,068,258	(198,813,753)
Cash and cash equivalents comprise of the following:			
- Cash and bank balances	17	1,972,363,101	1,272,585,809
- Running finances and morabaha finances	9.2 & 9.6	(680,294,843)	(1,471,399,562)
		1,292,068,258	(198,813,753)

The annexed notes from 1 to 25 form an integral part of this condensed interim unconsolidated financial statements.

Chief Financial Officer

Chief Executive

Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the quarter ended 31 December 2021

	Share capital	Reserves				Total equity
		Capital	Revenue	Total reserves		
		Share premium	Accumulated profit			
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 01 October 2020	597,766,610	678,316,928	8,296,557,525	8,974,874,453		9,572,641,063
Total comprehensive loss for the quarter	–	–	(626,546,476)	(626,546,476)		(626,546,476)
Balance as at 31 December 2020	597,766,610	678,316,928	7,670,011,049	8,348,327,977		8,946,094,587
Balance as at 01 October 2021	597,766,610	678,316,928	13,171,462,931	13,849,779,859		14,447,546,469
Total comprehensive income for the quarter	–	–	918,420,575	918,420,575		918,420,575
Balance as at 31 December 2021	597,766,610	678,316,928	14,089,883,506	14,768,200,434		15,365,967,044

The annexed notes from 1 to 25 form an integral part of this condensed interim unconsolidated financial statements.

Chief Financial Officer

Chief Executive

Director

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

For the quarter ended 31 December 2021

1 REPORTING ENTITY

JDW Sugar Mills Limited ("the Company") was incorporated in Pakistan on 31 May 1990 as a private limited company and was subsequently converted into a public limited company on 24 August 1991. Shares of the Company are listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan. The principal activity of the Company is production and sale of crystalline sugar including its by-products i.e. molasses, bagasse and mud, generation of electricity and managing corporate farms. The production facilities of the Company are located at following geographical locations:

- Unit-I: Mauza Sharin, Jamal Din Wali, District Rahim Yar Khan
- Unit-II: Machi Goth, Sadiqabad, District Rahim Yar Khan
- Unit-III: Village Lahuwali, District Ghotki
- Corporate farms - Punjab Zone
- Corporate farms - Sindh Zone

2 BASIS OF PREPARATION

2.1 Basis of accounting

2.1.1 These condensed interim unconsolidated financial statements comprise of the condensed interim unconsolidated statement of financial position of the Company as at 31 December 2021 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows and together with the notes forming part thereof for the quarter ended 31 December 2021.

2.1.2 These condensed interim unconsolidated 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 comprises of:

- International Accounting Standard (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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.3 These condensed interim unconsolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended 30 September 2021.

2.1.4 Comparative unconsolidated statement of financial position numbers is extracted from the annual audited unconsolidated financial statements of the Company for the year ended 30 September 2021, whereas comparative figures of unconsolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows are stated from unaudited condensed interim financial statements of the Company for the quarter ended 31 December 2020.

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

For the quarter ended 31 December 2021

2.1.5 These condensed interim unconsolidated financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

2.1.6 These condensed interim unconsolidated financial statements are presented in Pakistani Rupees (Rs. / Rupees) which is the Company's functional currency.

3 USE OF ESTIMATES AND JUDGMENTS

The preparation of the condensed interim unconsolidated 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.

In preparing these condensed interim unconsolidated financial statements, the significant judgments made by the management in applying accounting policies and the key source of estimation uncertainty are the same as those applied in the preparation of audited unconsolidated financial statements for the year ended 30 September 2021.

4 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

4.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are same as those applied in the preparation of the audited unconsolidated financial statements for the year ended 30 September 2021.

4.2 There are certain new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed.

5 SEASONALITY OF OPERATIONS

Due to seasonal nature of sugar segment, operating results of sugar and co-generation power are expected to fluctuate in the second half of the year. The sugarcane crushing season normally starts from November and lasts till April each year.

	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
6 SHARE CAPITAL		
6.1 Authorized share capital		
75,000,000 (30 September 2021: 75,000,000) voting ordinary shares of Rs. 10 each	750,000,000	750,000,000
25,000,000 (30 September 2021: 25,000,000) preference shares of Rs. 10 each	250,000,000	250,000,000
	1,000,000,000	1,000,000,000
6.2 Issued, subscribed and paid up share capital		
32,145,725 (30 September 2021: 32,145,725) voting ordinary shares of Rs. 10 each fully paid in cash	321,457,250	321,457,250
27,630,936 (30 September 2021: 27,630,936) voting bonus shares of Rs. 10 each fully paid	276,309,360	276,309,360
	597,766,610	597,766,610

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees	
7 LONG TERM FINANCES - SECURED				
Mark-up bearing finances from conventional banks	7.1	10,962,687,430	11,552,789,191	
Islamic mode of financing	7.2	754,512,828	832,538,469	
		11,717,200,258	12,385,327,660	
Less: Transaction cost		(33,101,281)	(34,755,446)	
		11,684,098,977	12,350,572,214	
Current maturity presented under current liabilities:				
Mark-up bearing finances from conventional banks / financial institutions		(2,388,475,763)	(3,042,604,239)	
Islamic mode of financing		(249,602,568)	(312,102,568)	
		(2,638,078,331)	(3,354,706,807)	
	7.3	9,046,020,646	8,995,865,407	
7.1 Mark-up bearing finances from conventional banks				
Balance at beginning of the quarter / year		11,552,789,191	13,626,959,838	
Finances received during the quarter / year	7.1.1	1,000,000,000	656,668,183	
Repayments during the quarter / year		(1,590,101,761)	(2,730,838,830)	
		10,962,687,430	11,552,789,191	
7.1.1 Finances received during the quarter				
	Markup basis	Duration	Grace period	Amount Rupees
Allied Bank Limited	*3mk + 0.50	1.5 Years	1.0 Year	1,000,000,000
* 3 mk i.e. 3 months KIBOR				
		(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees	
7.2 Islamic mode of financing				
Balance at beginning of the quarter / year		832,538,469	717,756,419	
Finances received during the quarter / year		—	250,000,000	
Repayments during the quarter / year		(78,025,641)	(135,217,950)	
		754,512,828	832,538,469	

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

For the quarter ended 31 December 2021

- 7.3** Long term finances are secured against ranking / joint parri passu charge over all present and future fixed assets including land, building and plant and machinery of the Company amounting to Rs. 20,268 million (30 September 2021: Rs. 20,374 million) and personal guarantees of sponsor directors of the Company.

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
8 LEASE LIABILITIES			
Balance at beginning of the quarter / year		2,104,109,093	1,460,474,747
Additions during the quarter / year		62,652,880	1,405,892,658
Finance cost regarding lease arrangement		51,456,781	178,103,402
Impact of remeasurement of lease liabilities		(292,298)	(9,423,355)
Lease payments / adjustments		(154,726,991)	(889,296,947)
Impact of early termination		–	(41,641,412)
		2,063,199,465	2,104,109,093
Less: Current maturity presented under current liabilities		(829,665,355)	(790,380,467)
Balance at end of the quarter / year	8.1	1,233,534,110	1,313,728,626

- 8.1** This includes Rs. 433.704 million and Rs. 22.391 million (30 September 2021: Rs. 424.124 million and Rs. 26.991 million) outstanding under Diminishing Musharakah financing arrangement and conventional banks respectively.

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
9 SHORT TERM BORROWINGS			
Mark-up based borrowings from conventional banks - secured			
Cash finances	9.1	2,653,486,541	499,908,687
Running finances	9.2	680,294,843	1,220,634,383
Finance against trust receipts	9.3	200,029,250	69,569,806
		3,533,810,634	1,790,112,876
Islamic mode of financing - secured			
Salam / Istisna / Musawamah finances	9.4	4,642,792,988	–
Morabaha / Karobar/ Musharakah finances	9.5	–	225,000,000
		4,642,792,988	225,000,000
Borrowings from related party - unsecured			
Deharki Sugar Mills (Private) Limited	9.6	650,000,000	1,000,000,000
		8,826,603,622	3,015,112,876

- 9.1** The Company had availed cash finance facilities from various banks aggregated to Rs. 8,450 million (30 September 2021: Rs. 9,200 million). The mark-up rates applicable during the quarter ranges from one to three months KIBOR plus 20 to 100 bps per annum (30 September 2021: one to three months KIBOR plus 50 to 125 bps per annum) on utilized limits.

- 9.2** The Company has obtained running finance facilities aggregating to Rs. 2,771 million (30 September 2021: Rs. 1,771 million). The mark-up rates applicable during the quarter ranges from one to three months KIBOR plus 75 to 100 bps per annum (30 September 2021: one to three months KIBOR plus 75 to 100 bps per annum).

- 9.3** The limit of finance against trust receipt facility is Rs. 530 million (30 September 2021: Rs. 380 million). It carries mark-up ranging from one to three months KIBOR plus 100 bps per annum (30 September 2021: one to six months KIBOR plus 100 bps per annum).
- 9.4** The Company has obtained Salam / Istisna / Musawamah financing facilities from various banks and financial institutions aggregating to Rs. 7,785 million (30 September 2021: Rs. 6,510 million). The mark-up rates applicable during the quarter ranging from three to six months KIBOR plus 50 to 100 bps per annum (30 September 2021: three to six months KIBOR plus 50 to 100 bps per annum).
- 9.5** The Company has not obtained Morabaha / Karobar / Musharakah finance facilities during current quarter. (30 September 2021: Rs. 225 million). The mark-up rates applicable during the previous year ranges from three to twelve months KIBOR plus 75 to 100 bps per annum.
- 9.6** This represents interest bearing loan received from Deharki Sugar Mills (Private) Limited, a wholly owned subsidiary, to meet working capital requirements at an average interest rate of 8.78 % per annum (30 September 2021: 8.26% to 8.57% per annum).
- 9.7** The available facilities for opening letters of credit and guarantees as on the reporting date aggregate to Rs. 1,650 million (30 September 2021: Rs. 1,550 million) which includes Rs. 430 million (30 September 2021: Rs. 250 million) sub-limit of FATR facility. Further, facilities of amounting Rs. 400 million (30 September 2021: Rs. 300 million) remain unutilized as on reporting date.
- 9.8** The securities offered are the same as disclosed in the audited unconsolidated financial statements of the Company for the year ended 30 September 2021.

10 TRADE AND OTHER PAYABLES

Balance as at 31 December 2021 mainly includes payable to trade creditors aggregates to Rs. 1,094 million (30 September 2021: Rs. 1,032 million).

11 ADVANCES FROM CUSTOMERS

Balance as at 31 December 2021 mainly includes advances received from customers against sale of sugar aggregates to Rs. 1,001 million (30 September 2021: Rs. 36 million).

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

12.1.1 There is no material change in the status of other contingencies from the preceding audited unconsolidated financial statements of the Company for the year ended 30 September 2021, except for the contingencies, guarantees and commitments as disclosed below:

12.1.2 Guarantees issued by the banks on behalf of the Company in favor of various parties as at the reporting date amounts to Rs. 504 million (30 September 2021: Rs. 758 million).

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

For the quarter ended 31 December 2021

12.1.3 Counter guarantee given by the Company to the bankers on account of agricultural loan as at the reporting date amounts to Rs. 2,520 million (30 September 2021: Rs. 2,520 million).

12.1.4 Guarantees issued by the banks on behalf of the Company in favor of Sadiqabad Power (Private) Limited and Ghotki Power (Private) Limited, wholly owned subsidiary companies, as at the reporting date aggregate amounts to Rs. 38 million (30 September 2021: Rs. 38 million).

	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
12.2 Commitments		
12.2.1 Letters of credit for import of machinery and its related components	70,434,509	201,323,470

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
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13 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	13.1	19,365,008,859	19,522,518,881
Capital work in progress	13.2	91,739,644	60,266,380
Stores, spare parts and loose tools held for capital expenditure		79,587,502	88,006,362
		<u>19,536,336,005</u>	<u>19,670,791,623</u>
13.1 Operating fixed assets			
Net book value at beginning of the quarter / year		19,522,518,881	20,619,247,850
Additions during the quarter / year		172,186,872	682,275,681
Transfer from right-of-use assets - net book value		6,131,116	14,116,680
Disposals / adjustments during the quarter / year - net book value		(4,674,878)	(462,855,159)
Depreciation charged / capitalized during the quarter / year		(331,153,132)	(1,317,813,061)
Impairment charged during the quarter / year		–	(12,453,110)
Net book value at end of the quarter / year		<u>19,365,008,859</u>	<u>19,522,518,881</u>

	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
13.2 Capital work in progress		
Opening balance	60,266,380	14,599,420
Additions during the quarter / year	59,466,104	563,007,941
Transfers made during the quarter / year	(27,992,840)	(517,340,981)
Closing balance	91,739,644	60,266,380

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
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14 RIGHT-OF-USE ASSETS

Net book value at beginning of the quarter / year		1,879,625,367	1,176,461,527
Additions during the quarter / year		50,573,380	1,404,385,002
Transfer to operating fixed assets - net book value		(6,131,117)	(14,116,680)
Depreciation charged during the quarter / year		(164,986,309)	(576,415,656)
Deletions during the quarter / year		–	(32,325,447)
Derecognition due to sublease		–	(68,940,024)
Impact of remeasurement		–	(9,423,355)
Net book value at end of the quarter / year	14.1	1,759,081,321	1,879,625,367

Less: Current maturity presented in current assets		(25,774,651)	(43,462,361)
		1,733,306,670	1,836,163,006

14.1 The right-of-use assets relate to following type of assets:			
Land		1,232,040,048	1,362,720,555
Vehicles		467,016,943	471,458,460
Building		60,024,330	45,446,352
Total right-of-use assets		1,759,081,321	1,879,625,367

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
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15 LONG TERM INVESTMENTS

Investment in subsidiary companies - unquoted	15.1	1,736,004,491	1,736,004,491
Investment in associated companies - unquoted	15.2	2,500	2,500
		1,736,006,990	1,736,006,991
Less: Classified under current assets as short term investments			
Faruki Pulp Mills Limited ("FPML")		(651,994,491)	(651,994,491)
JDW Power (Private) Limited ("JDWPL")		–	–
		(651,994,491)	(651,994,491)
Classified under non-current assets		1,084,012,500	1,084,012,500

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

For the quarter ended 31 December 2021

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
15.1 Investment in subsidiary companies - unquoted			
Deharki Sugar Mills (Private) Limited ("DSML")			
104,975,000 (30 September 2021: 104,975,000)			
fully paid shares of Rs. 10 each			
Equity held 100% (30 September 2021: 100%)		1,049,750,000	1,049,750,000
Faruki Pulp Mills Limited ("FPML")			
310,892,638 (30 September 2021: 310,892,638)			
fully paid ordinary shares of Rs. 10 each			
Equity held 57.67% (30 September 2021: 57.67%)		3,154,426,383	3,154,426,383
Accumulated impairment allowance		(2,502,431,892)	(2,502,431,892)
		651,994,491	651,994,491
Sadiqabad Power (Private) Limited ("SPL")			
1,694,500 (30 September 2021: 1,694,500)			
fully paid shares of Rs. 10 each			
Equity held 100% (30 September 2021: 100%)		16,945,000	10,001,000
Investment made during the quarter / year		–	6,944,000
		16,945,000	16,945,000
Ghotki Power (Private) Limited ("GPL")			
1,731,500 (30 September 2021: 1,731,500)			
fully paid shares of Rs. 10 each			
Equity held 100% (30 September 2021: 100%)		17,315,000	10,001,000
Investment made during the quarter / year		–	7,314,000
		17,315,000	17,315,000
		1,736,004,491	1,736,004,491
15.2 Investment in associated companies - unquoted			
Kathai-II Hydro (Private) Limited ("KHL")			
250 (30 September 2021: 250)			
fully paid shares of Rs. 10 each			
Equity held 20% (30 September 2021: 20%)		2,500	2,500
JDW Power (Private) Limited ("JDWPL")			
9,000,000 (30 September 2021: 9,000,000)			
fully paid shares of Rs. 10 each			
Equity held 47.37% (30 September 2021: 47.37%)		90,000,000	90,000,000
Accumulated impairment allowance		(90,000,000)	(90,000,000)
	15.2.1	–	–
		2,500	2,500

15.2.1 On 11 July 2019, the shareholders of JDWPL through an extra ordinary general meeting passed a resolution for the winding up of JDWPL, subsequently management of the JDWPL has applied to Securities and Exchange Commission of Pakistan (SECP) for the approval of winding up.

16 BIOLOGICAL ASSETS

The fair value of biological assets as at 31 December 2021 is Rs. 1,557 million (30 September 2021: Rs. 2,335 million). In absence of active market for standing sugarcane and other crops, the fair value measurement for the standing crop has been categorized as Level 3 fair value based on the inputs to the valuation techniques used. Fair value has been determined on the basis of a discounted cash flow model. The valuation model considers the present value of net cash flows expected to be generated by the plantation. The cash flow projections include specific estimates for next quarter which mainly include crop's expected yield. The expected cash flows are discounted using a risk adjusted discount rate.

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
17 CASH AND BANK BALANCES			
Current accounts			
Balance with conventional banks		593,689,705	227,418,794
Balance with islamic banks		1,230,333,141	14,200,107
		1,824,022,846	241,618,901
Saving accounts			
Deposit with conventional banks	17.1	968,647	1,868,139
		1,824,991,493	243,487,040
Cash in hand		147,371,608	3,832,639
		1,972,363,101	247,319,679

17.1 The balances in saving accounts carry mark-up at 5.75% to 7.25% per annum (30 September 2021: 5.5% per annum).

18 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue based on:

	31-Dec-21 Rupees	31-Dec-20 Rupees
18.1 Segments:		
Sugar		
Sugar - local	7,356,874,548	10,236,244,561
Molasses - by product	1,511,057,606	1,434,338,116
Mud - by product	105,874,615	64,493,639
Agri Inputs	475,500	252,965
	8,974,282,269	11,735,329,281
Co-Generation Power	645,444,637	928,659,800
Corporate Farms	727,548,073	830,196,906
	10,347,274,979	13,494,185,987
18.2 Timing of revenue recognition		
Products transferred at a point in time	9,701,830,342	12,565,526,187
Products transferred over time	645,444,637	928,659,800
	10,347,274,979	13,494,185,987

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

For the quarter ended 31 December 2021

19 OTHER INCOME

This mainly includes fair value gain at the point of harvest of Rs. 537 million (31 December 2020: Rs. 455) and gain on disposal of operating fixed assets of Rs. 32 million (31 December 2020: Rs. 12 million).

20 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary companies, associated companies, other related companies, Directors of the Company and entities under common directorship, key management personnel and post employment benefit plans. Amounts due from and due to related parties are shown under respective notes to this condensed interim unconsolidated financial statements. Other significant transactions and balances with related parties except those disclosed elsewhere are as follows:

	Name of Company	Relationship	Nature of Transactions	31-Dec-21 Rupees	31-Dec-20 Rupees
i)	Deharki Sugar Mills (Pvt.) Limited	Subsidiary Company (Equity held 100 percent)	Short term advances paid	1,665,000,000	566,000,000
			Short term advances received	1,315,000,000	-
			Markup expense on short term advances	22,779,890	45,759,272
			Sale of sugarcane	727,369,573	818,422,140
			Sale of stores, spare parts and loose tools	3,197,731	6,750,067
			Reimbursement on use of the Company's aircraft	2,218,089	4,607,701
			Rent on land acquired on lease	2,146,325	2,146,325
			Others	1,046,310	742,665
ii)	Sadiqabad Power (Pvt.) Limited	Subsidiary Company (Equity held 100 percent)	Advances for future issuance of shares	-	365,000
iii)	Ghotki Power (Pvt.) Limited	Subsidiary Company (Equity held 100 percent)	Advances for future issuance of shares	-	365,000
iv)	JDW Aviation (Pvt.) Limited	Associated Company (Due to common directorship)	Reimbursement of expenses	1,275,117	1,126,430
v)	Lahore Flying Club (Guarantee) Limited	Associated Company (Related Party)	Services rendered against aircraft hangar	466,063	441,542
vi)	Post Employment Benefits Plan	Other related parties	Provident fund contribution	27,955,349	48,745,108
			Payment to recognised gratuity fund	198,401	104,636,635
vii)	Key Management Personnel	Key management	Reimbursement of expenses	6,588,112	1,246,472
			Consultancy services	-	3,225,531

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in these condensed interim unconsolidated financial statements approximate their fair values other than mentioned below. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment in subsidiary companies and associates are carried at cost (for details, refer to note 15).

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

During the period, there were no transfers between level 2 and level 3 fair value measurement.

22 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the audited annual unconsolidated financial statements of the Company for the year ended 30 September 2021.

23 DATE OF AUTHORIZATION

These condensed interim unconsolidated financial statements have been approved by the Board of Directors of the Company and authorized for issue on 28 January 2022.

24 CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However no significant reclassification have been made, except for following:

Sale of Mud - a by product, amounting to Rs. 64 million, previously classified under other income, has now been classified as revenue from contracts with customers under respective heads (refer note 18.1) for the purpose of better presentation.

25 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There are no material subsequent events occurred after the condensed interim unconsolidated statement of financial position date.



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Condensed Interim Consolidated Financial Statements

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DIRECTORS' REVIEW

on Condensed Interim Consolidated Financial Statements

The Directors are pleased to present the Condensed Interim Consolidated Financial Statements of JDW Sugar Mills Limited ("the Holding Company"), its Subsidiary Companies; Deharki Sugar Mills (Private) Limited, Faruki Pulp Mills Limited, Sadiqabad Power (Private) Limited and Ghotki Power (Private) Limited ("the Group") and its Associated Companies; JDW Power (Private) Limited and Kathai-II Hydro (Private) Limited for the quarter ended 31 December 2021.

Deharki Sugar Mills (Private) Limited ("DSML") was incorporated in Pakistan on 14 July 2010. The principal activity of Subsidiary Company is production and sale of crystalline sugar. The Holding Company holds 100% shares of the Subsidiary Company.

Faruki Pulp Mills Limited ("FPML") was incorporated in Pakistan on 20 October 1991 as a public limited company, with the primary objective to manufacture and sale of paper pulp. The Holding Company holds 57.67% shares of the Subsidiary Company. Further FPML has been, for the considerable number of years, unable to commence its commercial operations and considering this fact management of subsidiary company has principally decided not to inject further funds in the company as significant capital expenditure are required. Moreover, keeping in view commercial viability of the plant as well as the substantial accumulated losses the management of the Subsidiary Company has determined that the company might not be able to realize its assets and discharge its liabilities in the normal course of business. In year ended on 30 September 2020, the FPML through a special resolution passed in its Extraordinary General Meeting held on 25 March 2020 resolved to dispose of its property, plant and equipment either in parts or in their entirety to prospective buyers after due process, but due to COVID-19 Situation in the country this was not completed during the current year and the said arrangement was re-approved by the FPML shareholders in its EOGM held on 13 December 2021. We intend to complete this process in the calendar year 2022.

Ghotki Power (Private) Limited ("GPL") was incorporated in Pakistan on 15 December 2016. The Subsidiary Company will be engaged in the production of electricity under the expansion program of the Holding Company's existing bagasse based Co- Generation Power Plants. The Holding Company holds 100% shares of the Subsidiary Company.

Sadiqabad Power (Private) Limited ("SPL") was incorporated in Pakistan on 16 December 2016. The Subsidiary Company will be engaged in the production of electricity under the expansion program of the Holding Company's existing bagasse based Co-Generation Power Plants. The Holding Company holds 100% shares of the Subsidiary Company.

JDW Power (Private) Limited ("JDWPL") was incorporated in Pakistan on 08 August 2009 under the repealed Companies Ordinance, 1984. The principal activity of it is to build, own, operate, and maintain a Co-Generation Power Plant. The Holding Company holds 47.37% shares of the Associated Company.

Kathai-II Hydro (Private) Limited ("KHL") was incorporated in Pakistan on 27 August 2012 under the repealed Companies Ordinance, 1984. The principal activity of KHL is to generate, distribute and sell electricity. The Holding Company holds 20% shares of the Associated Company.

It is being confirmed that to the best of our knowledge, these condensed interim consolidated financial statements for the quarter ended 31 December 2021 give a true and fair view of the assets, liabilities, financial position and financial results of the Group and are in conformity with approved accounting standards as applicable in Pakistan.

Financial Overview

The consolidated financial results are as follows:

	31-Dec-21	31-Dec-20
	(Rs in million)	
Gross Revenue	14,310	17,504
Revenue from Contracts with Customers	12,527	15,252
Profit from Operations	2,032	34
Profit / (loss) before Tax	1,533	(464)
Profit / (loss) after Tax	1,232	(385)

Directors have given their detailed report of affairs of the Holding Company, Subsidiary Companies as well as Associated Companies in Directors' review report to the shareholders of the Holding Company.

28 January 2022
Lahore

Chief Executive

Director

ڈائریکٹرز کا جائزہ

ڈائریکٹرز خوشی کے ساتھ بے ڈی ڈبلیو شوگر ملز اور اسکے زیریں ادارے ڈہری شوگر ملز پرائیویٹ لمیٹڈ، فاروقی پاپ ملز لمیٹڈ، صادق آباد پاور پرائیویٹ لمیٹڈ، گھوٹکی پاور پرائیویٹ لمیٹڈ اور منسلک ادارے بے ڈی ڈبلیو پاور پرائیویٹ لمیٹڈ، کٹھانی ہائیڈرو-II پرائیویٹ لمیٹڈ کی مالیاتی رپورٹ برائے پہلی سہ ماہی 31 دسمبر 2021 پیش کر رہے ہیں۔

ڈہری شوگر ملز پرائیویٹ لمیٹڈ کمپنی ایک پرائیویٹ لمیٹڈ کمپنی کے طور پر قائم کیا گیا تھا۔ اس ذیلی ادارے کا بنیادی کام گنے سے چینی بنانا اور بیچنا ہے۔ اس ذیلی کمپنی کے 100 فیصد حصص بے ڈی ڈبلیو کے پاس ہیں۔

فاروقی پاپ ملز لمیٹڈ کو پبلک لمیٹڈ کمپنی کے طور پر قائم کیا گیا تھا۔ اس ادارے کا بنیادی کام پیپر پاپ بنانا اور بیچنا ہے۔ کمپنی اب تک کاروباری سرگرمی شروع نہیں کر سکی ہے۔ اس ذیلی کمپنی کے 57.67 فیصد حصص بے ڈی ڈبلیو کے پاس ہیں۔ مالی سال برائے 30 ستمبر 2020 میں کمپنی کی ناقص کاروباری حالت کو مد نظر رکھتے ہوئے فاروقی پاپ کمپنی کی مینجمنٹ نے خاص قرارداد اپنی ایکٹر آرڈینری جنرل مینٹنگ منعقدہ 25 مارچ 2020 کو منظور کی۔ جس میں کمپنی کے اثاثے فروخت کرنے کی منظوری دی گئی۔ اثاثوں کی فروخت کا طریقہ کار تمام ضروری اقدامات مکمل کرنے کے بعد کینکٹ یا حصوں میں ہونا تھا جو کہ کرونا وائرس کی وجہ سے پایا کینکٹ نہ پاس کا بعد ازاں 13 دسمبر 2021 کو حصص داروں نے دوبارہ منظوری دے دی۔

گھوٹکی پاور پرائیویٹ لمیٹڈ کمپنی کو ایک پرائیویٹ لمیٹڈ کمپنی کے طور پر قائم کیا گیا تھا۔ اس ادارے کا بنیادی کام بجلی پیدا کرنا اور بیچنا ہوگا۔ اس ذیلی کمپنی کے 100 فیصد حصص بے ڈی ڈبلیو کے پاس ہیں۔

صادق آباد پاور پرائیویٹ لمیٹڈ کمپنی کو ایک پرائیویٹ لمیٹڈ کمپنی کے طور پر قائم کیا گیا تھا۔ اس ادارے کا بنیادی کام بجلی پیدا کرنا اور بیچنا ہوگا۔ اس ذیلی کمپنی کے 100 فیصد حصص بے ڈی ڈبلیو کے پاس ہیں۔

بے ڈی ڈبلیو پاور پرائیویٹ لمیٹڈ کمپنی کو ایک پرائیویٹ لمیٹڈ کمپنی کے طور پر قائم کیا گیا تھا۔ اس ادارے کا بنیادی کام بجلی پیدا کرنا اور بیچنا ہوگا۔ اس کمپنی کے 47.37 فیصد حصص بے ڈی ڈبلیو کے پاس ہیں۔

کٹھانی ہائیڈرو-II پرائیویٹ لمیٹڈ کمپنی کو ایک پرائیویٹ لمیٹڈ کمپنی کے طور پر قائم کیا گیا تھا۔ اس ادارے کا بنیادی کام بجلی پیدا کرنا اور بیچنا ہے۔ اس کمپنی کے 20 فیصد حصص بے ڈی ڈبلیو کے پاس ہیں جو کمپنی نے 12 نومبر 2019 کو حاصل کیے تھے۔

ہم اس بات کی تصدیق کرتے ہیں کہ ہماری بہترین معلومات کے مطابق یہ سہ ماہی مالیاتی رپورٹ برائے 31 دسمبر 2021 پاکستان میں منظور شدہ اکاؤنٹنگ سٹینڈرڈز کے مطابق ہے اور اپنے تمام اثاثوں، واجبات اور مالیاتی پوزیشن کی سچی اور مصفاہ تصویر پیش کر رہی ہے۔

مالیاتی نتائج مندرجہ ذیل ہیں:

31 دسمبر 2020	31 دسمبر 2021	ملین روپے
17,504	14,310	مجموعی فروخت
15,252	12,527	خالص فروخت
34	2,032	کارکردگی منافع
(464)	1,533	قبل از ٹیکس منافع/(خسارہ)
(385)	1,232	بعد از ٹیکس منافع/(خسارہ)

ڈائریکٹرز نے اس جائزہ میں اپنے تمام شیئر ہولڈرز کو ہولڈنگ ادارے اور اس کی تمام ذیلی اور منسلک اداروں کی تفصیلی امور سے آگاہ کیا ہے۔

ڈائریکٹر

چیف ایگزیکٹو

۲۸ جنوری ۲۰۲۲

لاہور

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

As at 31 December 2021

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	6	597,766,610	597,766,610
Share premium reserve		678,316,928	678,316,928
Accumulated profit		15,926,000,370	14,693,902,094
Equity attributable to owners of the Holding Company		17,202,083,908	15,969,985,632
Non-controlling interest		375,910,815	376,074,277
		17,577,994,723	16,346,059,909
NON-CURRENT LIABILITIES			
Long term finances - secured	7	10,936,835,940	11,024,207,181
Lease liabilities	8	1,233,534,110	1,313,728,626
Deferred taxation		112,460,922	114,896,886
Retirement benefits		82,035,448	55,987,252
Deferred income - Government grant		30,792	865,645
		12,364,897,212	12,509,685,590
CURRENT LIABILITIES			
Short term borrowings - secured	9	10,597,831,530	3,433,591,564
Current portion of non-current liabilities		3,991,750,985	4,633,829,429
Trade and other payables	10	4,533,226,055	2,364,582,644
Advances from customers	11	2,110,785,339	1,408,574,415
Unclaimed dividend		33,741,074	33,748,830
Accrued profit / interest / mark-up		314,034,036	308,968,644
		21,581,369,019	12,183,295,526
Liabilities classified as held for sale		36,817,860	37,417,291
		21,618,186,879	12,220,712,817
CONTINGENCIES AND COMMITMENTS			
	12	51,561,078,814	41,076,458,316
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	23,202,529,108	23,377,311,554
Right-of-use assets	14	1,733,306,670	1,836,163,006
Investment property		185,854,012	185,854,012
Intangibles		612,236,234	612,747,625
Long term investments	15	–	–
Long term deposits		102,892,481	95,250,741
		25,836,818,505	26,107,326,938
CURRENT ASSETS			
Right-of-use assets	14	25,774,651	43,462,361
Short term investment	15	–	–
Biological assets	16	1,557,088,304	2,335,200,206
Lease receivables		43,604,338	69,633,908
Stores, spare parts and loose tools		1,886,683,926	1,649,257,253
Stock-in-trade		14,839,034,516	3,495,317,580
Trade receivables		2,413,361,086	4,496,926,781
Advances, deposits, prepayments and other receivables		1,133,139,559	1,256,355,084
Advance tax - net		308,434,139	386,597,266
Cash and bank balances	17	2,565,697,075	283,941,075
		24,772,817,594	14,016,691,514
Assets classified as held for sale		951,442,715	952,439,864
		25,724,260,309	14,969,131,378
		51,561,078,814	41,076,458,316

The annexed notes from 1 to 26 form an integral part of this condensed interim consolidated financial statements.

Chief Financial Officer

Chief Executive

Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

For the quarter ended 31 December 2021

	Note	31-Dec-21 Rupees	31-Dec-20 Rupees
Continuing Operations:			
Gross revenue		14,309,787,201	17,504,372,641
Sales tax and commission		(1,782,406,535)	(2,252,188,183)
Revenue from contracts with customers	18	12,527,380,666	15,252,184,458
Cost of revenue		(10,241,107,597)	(11,750,896,642)
Gross profit		2,286,273,069	3,501,287,816
Administrative expenses		(717,018,044)	(619,905,651)
Selling expenses		(16,917,941)	(11,922,654)
Other income	19	596,542,640	547,584,606
Other expenses		(116,452,233)	(3,382,632,190)
		(253,845,578)	(3,466,875,889)
Profit from operations		2,032,427,491	34,411,927
Share of loss of associate		—	—
Finance cost		(499,359,307)	(498,309,046)
Profit / (loss) before taxation		1,533,068,184	(463,897,119)
Taxation		(300,735,652)	78,672,754
Profit / (loss) from continuing operations		1,232,332,532	(385,224,365)
Discontinued Operations:			
(Loss) / profit from discontinued operations - net of tax		(397,718)	210,810
Profit / (loss) for the quarter		1,231,934,814	(385,013,555)
Attributable to:			
Owners of the Holding Company		1,232,098,276	(385,100,198)
Non-controlling Interest		(163,462)	86,643
		1,231,934,814	(385,013,555)
Earnings / (loss) per share - basic & diluted			
Continuing operations		20.62	(6.44)
Discontinued operations		0.00	0.00
Attributable to owners of the Holding Company		20.62	(6.44)

The annexed notes from 1 to 26 form an integral part of this condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the quarter ended 31 December 2021

	31-Dec-21 Rupees	31-Dec-20 Rupees
Profit / (loss) for the quarter	1,231,934,814	(385,013,555)
Other comprehensive income for the quarter	—	—
Total comprehensive income / (loss) for the quarter	1,231,934,814	(385,013,555)
Attributable to:		
Owners of the Holding Company	1,232,098,276	(385,100,198)
Non-controlling Interest	(163,462)	86,643
	1,231,934,814	(385,013,555)

The annexed notes from 1 to 26 form an integral part of this condensed interim consolidated financial statements.

Chief Financial Officer

Chief Executive

Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

For the quarter ended 31 December 2021

	Note	31-Dec-21 Rupees	31-Dec-20 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		1,533,068,184	(463,897,119)
Adjustments for non-cash and other items:			
Depreciation		760,307,237	762,089,274
Finance cost		499,359,307	498,309,046
Workers' Profit Participation Fund		82,442,839	16,048,837
Staff retirement benefits		61,221,314	39,474,904
Workers' Welfare Fund		20,176,839	43,428,918
Loss on sale of investments		13,159,419	–
Amortization of transaction cost		2,077,826	2,077,826
Amortization of intangible assets		511,389	512,089
Interest income		(23,673,048)	(64,939,335)
Gain on disposal of operating fixed assets		(31,575,740)	(11,705,471)
Fair value gain at the point of harvest		(536,741,106)	(454,916,397)
Sugarcane roots written off		–	183,343,266
Impairment allowance against doubtful trade receivables		–	3,323,154,435
		847,266,276	4,336,877,392
		2,380,334,460	3,872,980,273
Working capital changes:			
Stores, spare parts and loose tools		(237,426,676)	(294,687,165)
Stock-in-trade		(11,343,716,934)	(4,065,858,635)
Biological assets		1,314,853,006	1,360,562,299
Advances, deposits, prepayments and other receivables		267,983,148	1,872,432,808
Lease receivables		26,029,570	–
Trade receivables		2,305,799,921	960,367,202
Trade and other payables		1,915,425,869	1,268,283,710
Advances from customers		707,243,291	(442,690,989)
		(5,043,808,805)	658,409,230
Cash (used in) / generated from operations		(2,663,474,345)	4,531,389,503
Taxes paid		(224,708,408)	(271,407,387)
Staff retirement benefits paid		(47,429,463)	(139,517,790)
Interest income received		23,673,048	13,623,628
Long term deposits - net		(7,641,740)	1,323,580
Workers' Profit Participation Fund paid		(28,151,457)	–
		(284,258,020)	(395,977,969)
Net cash (used in) / generated from operations		(2,947,732,365)	4,135,411,534
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(426,523,513)	(172,143,357)
Proceeds from sale of operating fixed assets		36,387,761	20,717,916
Net cash used in investing activities		(390,135,752)	(151,425,441)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		(771,647,238)	91,815,323
Short term borrowings - net		7,962,785,352	(34,215,340)
Financial charges paid as:			
- finance cost		(442,835,621)	(482,794,879)
- interest on lease liability		(51,456,781)	(46,174,524)
Principal portion of lease liability paid		(128,868,453)	(115,306,468)
Dividend paid		(7,756)	(28,575)
Net cash generated from / (used in) financing activities		6,567,969,503	(586,704,463)
Net increase in cash and cash equivalents		3,230,101,386	3,397,281,630
Cash and cash equivalents at beginning of the quarter		(1,406,116,249)	(3,535,745,781)
Cash and cash equivalents at end of the quarter		1,823,985,137	(138,464,151)
Cash and cash equivalents comprise of the following:			
- Cash and bank balances	17	2,565,697,075	1,832,935,411
- Running /Morabaha/Karobar/Musharakah finances	9.2 & 9.5	(741,711,938)	(1,971,399,562)
		1,823,985,137	(138,464,151)

The annexed notes from 1 to 26 form an integral part of this condensed interim consolidated financial statements.

Chief Financial Officer

Chief Executive

Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the quarter ended 31 December 2021

	Reserves				Equity attributable to owners of the Holding Company	Non-controlling interest	Total
	Capital		Revenue	Total reserves			
	Share premium						
Share capital	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 01 October 2020	597,766,610	678,316,928	10,084,649,740	10,762,966,668	11,360,733,278	380,384,451	11,741,117,729
Total comprehensive loss for the quarter	-	-	(385,100,198)	(385,100,198)	(385,100,198)	86,643	(385,013,555)
Balance as at 31 December 2020	597,766,610	678,316,928	9,699,549,542	10,377,866,470	10,975,633,080	380,471,094	11,356,104,174
Balance as at 01 October 2021	597,766,610	678,316,928	14,693,902,094	15,372,219,022	15,969,985,632	376,074,277	16,346,059,909
Total comprehensive income for the quarter	-	-	1,232,098,276	1,232,098,276	1,232,098,276	(163,462)	1,231,934,814
Balance as at 31 December 2021	597,766,610	678,316,928	15,926,000,370	16,604,317,298	17,202,083,908	375,910,815	17,577,994,723

The annexed notes from 1 to 26 form an integral part of this condensed interim consolidated financial statements.

Chief Financial Officer

Chief Executive

Director

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

For the quarter ended 31 December 2021

1 CORPORATE AND GENERAL INFORMATION

1.1 The Group consist of the Holding Company and its Subsidiaries Companies:

	(Un-audited) 31-Dec-21	(Audited) 30-Sep-21
	Holding percentage	
JDW Group		
Holding Company		
JDW Sugar Mills Limited		
Subsidiaries:		
Deharki Sugar Mills (Private) Limited - ("DSML")	100%	100%
Sadiqabad Power (Private) Limited - ("SPL")	100%	100%
Ghotki Power (Private) Limited - ("GPL")	100%	100%
Faruki Pulp Mills Limited - ("FPML")	57.67%	57.67%
Associates:		
JDW Power (Private) Limited ("JDWPL")	47.37%	47.37%
Kathai-II Hydro (Private) Limited ("KHL")	20%	20%

1.2 JDW Sugar Mills Limited ("the Holding Company") was incorporated in Pakistan on 31 May 1990 as a private limited company and was subsequently converted into a public limited company on 24 August 1991. Shares of the Holding Company are listed on the Pakistan Stock Exchange Limited. The registered office of Holding Company is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan. The principal activity of the Holding Company is production and sale of crystalline sugar including its by-products i.e. molasses, bagasse and mud, generation of electricity and managing corporate farms.

1.3 Deharki Sugar Mills (Private) Limited - "DSML" ("the Subsidiary Company") was incorporated in Pakistan on 14 July 2010 as a private limited company. The registered office of DSML is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan. The principal activity of DSML is manufacturing and sale of crystalline sugar including its by-products i.e. molasses, bagasse and mud.

1.4 Faruki Pulp Mills Limited - "FPML" ("the Subsidiary Company") was incorporated in Pakistan on 20 October 1991 as a public limited company. FPML will be engaged in the manufacture and sale of paper pulp. The production facility is situated at 20 km from Gujrat and the registered office is situated at 14/4-Abid Majeed road, Lahore Cantonment, Lahore, Pakistan. FPML has been unable to commence its commercial operations till date. The trial runs conducted over the years, identified significant additional capital expenditure requirements to make the plant commercially viable. Keeping in view the commercial viability of the plant and substantial accumulated losses, the management of FPML believes that it may not be able to realize its assets and discharge its liabilities in the normal course of business, and there does not exist any realistic basis to prepare these financial statements on a going concern basis. Accordingly, separate financial statements of FPML have been prepared on non-going concern basis. The financial statements of the Group have been prepared on a going concern basis. Moreover, in year ended on 30 September 2020, FPML through an extraordinary general meeting held on 25 March 2020, resolved to dispose of its property, plant and equipment either in parts or in their entirety to the prospective buyers after due process. As a result, the Group's operations have been divided into Continuing and Discontinued operations in accordance with the requirements of International Financial Reporting Standard (IFRS) 5, "Non-current Assets Held for Sale and Discontinued Operations". Paper Pulp business have been classified as Discontinued operations. Continuing operations include Sugar, Co-Generation Power and Corporate Farms business.

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

For the quarter ended 31 December 2021

- 1.5** Sadiqabad Power (Private) Limited - "SPL" ("the Subsidiary Company") was incorporated in Pakistan on 16 December 2016. SPL will be engaged in the production of electricity under the expansion program of the Holding Company's existing bagasse based Co-Generation Power Plants. The registered office of SPL is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan.
- 1.6** Ghotki Power (Private) Limited - "GPL" ("the Subsidiary Company") was incorporated in Pakistan on 15 December 2016. GPL will be engaged in the production of electricity under the expansion program of the Holding Company's existing bagasse based Co-Generation Power Plants. The registered office of GPL is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan.
- 1.7** JDW Power (Private) Limited - "JDWPL" ("the associate") was incorporated in Pakistan on 08 August 2009 under the repealed Companies Ordinance, 1984. The principal activity of it is to build, own, operate, and maintain a Co-Generation Power Plant. The registered office of JDWPL is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan.
- 1.8** Kathai-II Hydro (Private) Limited - "KHL" ("the associate") was incorporated in Pakistan on 27 August 2012 under the repealed Companies Ordinance, 1984. The principal activity of KHL is to generate, distribute and sell electricity. The registered office of KHL is situated at 300 Main Boulevard, Phase 6, DHA, Lahore.

2 BASIS OF PREPARATION

2.1 Basis of accounting

2.1.1 These condensed interim consolidated financial statements comprises the condensed interim consolidated statement of financial position of the Group as at 31 December 2021 and the related condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flows and condensed interim consolidated statement of changes in equity together with the notes forming part thereof for the quarter ended 31 December 2021.

2.1.2 These condensed interim consolidated 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 comprises of:

- International Accounting Standard (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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.3 These condensed interim consolidated financial statements does not include all of the information required for full annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements for the year ended 30 September 2021.

2.1.4 Comparative consolidated statement of financial position numbers are extracted from the annual audited consolidated financial statements of the Group for the year ended 30 September 2021, whereas comparative figures of statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity are stated from unaudited condensed interim consolidated financial statements of the Group for the quarter ended 31 December 2020.

2.1.5 These condensed interim consolidated financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

2.1.6 These condensed interim consolidated financial statements are presented in Pakistani Rupees (Rs. / Rupees) which is the Group's functional currency.

3 USE OF ESTIMATES AND JUDGMENTS

The preparation of these condensed interim consolidated financial statements requires 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.

In preparing these condensed interim consolidated financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of audited consolidated financial statements for the year ended 30 September 2021.

4 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

4.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are same as those applied in the preparation of the audited consolidated financial statements for the year ended 30 September 2021.

4.2 There are certain new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Group's operations and are, therefore, not disclosed.

5 SEASONALITY OF OPERATIONS

Due to seasonal nature of sugar segment, operating results of sugar and co-generation power are expected to fluctuate in the second half of the year. The sugarcane crushing season normally starts from November and lasts till April each year.

	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
6 SHARE CAPITAL		
6.1 Authorized capital		
75,000,000 (30 September 2021: 75,000,000)		
voting ordinary shares of Rs. 10 each	750,000,000	750,000,000
25,000,000 (30 September 2021: 25,000,000)		
preference shares of Rs. 10 each	250,000,000	250,000,000
	1,000,000,000	1,000,000,000
6.2 Issued, subscribed and paid-up capital		
32,145,725 (30 September 2021: 32,145,725)		
voting ordinary shares of Rs. 10 each fully paid in cash	321,457,250	321,457,250
27,630,936 (30 September 2021: 27,630,936)		
voting bonus shares of Rs. 10 each fully paid	276,309,360	276,309,360
	597,766,610	597,766,610

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

For the quarter ended 31 December 2021

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
7 LONG TERM FINANCES - SECURED			
Mark-up bearing finances from conventional banks / financial institutions	7.1	12,619,580,038	13,241,278,239
Islamic mode of financing	7.2	1,504,512,828	1,645,038,469
		14,124,092,866	14,886,316,708
Less: Transaction cost		(41,579,094)	(43,656,920)
		14,082,513,772	14,842,659,788
Current maturity presented under current liabilities:			
Mark-up bearing finances from conventional banks / financial institutions		(2,599,200,264)	(3,225,100,039)
Islamic mode of financing		(546,477,568)	(593,352,568)
		(3,145,677,832)	(3,818,452,607)
	7.3	10,936,835,940	11,024,207,181
7.1 Mark-up bearing finances from conventional banks / financial institutions			
Balance at beginning of the quarter / year		13,241,278,239	15,379,004,257
Finances received during the quarter / year	7.1.1	1,000,000,000	696,358,939
Repayments / adjustments during the quarter / year		(1,621,698,201)	(2,834,084,957)
		12,619,580,038	13,241,278,239
7.1.1 Finances received during the quarter			
	Markup basis	Duration	Grace period
Allied Bank Limited	*3mk + 0.50	1.5 Years	1.0 Year
			Amount Rupees
			1,000,000,000
*3 mk i.e. 3 months KIBOR			
7.2 Islamic mode of financing			
Balance at beginning of the quarter / year		1,645,038,469	1,405,256,419
Finances received during the quarter / year		–	500,000,000
Repayments during the quarter / year		(140,525,641)	(260,217,950)
		1,504,512,828	1,645,038,469
7.3 Long term finances are secured against ranking / joint parri passu charge over all present and future fixed assets including land, building, plant and machinery of the Group amounting to Rs. 23,869 million (30 September 2021: Rs 23,975 million) and personal guarantees of sponsor directors of the Group.			

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
8 LEASE LIABILITIES			
Balance at beginning of the quarter / year		2,104,109,093	1,460,474,747
Additions during the quarter / year		62,652,880	1,405,892,658
Finance cost regarding lease arrangement		51,456,781	178,103,402
Impact of remeasurement of lease liabilities		(292,298)	(9,423,355)
Lease payments / adjustments		(154,726,991)	(889,296,947)
Impact of early termination		–	(41,641,412)
		2,063,199,465	2,104,109,093
Less: Current maturity presented under current liabilities		(829,665,355)	(790,380,467)
Balance at end of the quarter / year	8.1	1,233,534,110	1,313,728,626

- 8.1** This includes Rs. 433.704 million and Rs. 22.391 million (30 September 2021: Rs. 424.124 million and Rs. 26.991 million) outstanding under Diminishing Musharakah financing arrangement and conventional banks respectively.

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
9 SHORT TERM BORROWINGS - SECURED			
Mark-up based borrowings from conventional banks			
Cash finances	9.1	3,613,986,541	1,118,382,821
Running finances	9.2	741,711,938	1,340,057,324
Finance against trust receipts	9.3	235,355,338	83,026,419
		4,591,053,817	2,541,466,564
Islamic mode of financing			
Salam / Istisna / Musawamah finances	9.4	6,006,777,713	542,125,000
Morabaha / Karobar/ Musharakah finances	9.5	–	350,000,000
		6,006,777,713	892,125,000
		10,597,831,530	3,433,591,564

- 9.1** The Group had availed cash finance facilities from various banks aggregated to Rs. 10,800 million (30 September 2021: Rs. 12,250 million). The mark-up rates applicable during the quarter ranges from one to three months KIBOR plus 20 to 100 bps per annum (30 September 2021: one to three months KIBOR plus 20 to 125 bps per annum) on utilized limits.
- 9.2** The Group has obtained running finance facilities aggregating to Rs. 2,921 million (30 September 2021: Rs. 1,921 million). The mark-up rates applicable during the quarter ranges from one to three months KIBOR plus 75 to 100 bps per annum (30 September 2021: one to three months KIBOR plus 75 to 100 bps per annum).
- 9.3** The limit of finance against trust receipt facility is Rs. 730 million (30 September 2021: Rs. 480 million). It carries mark-up ranging from one to three months KIBOR plus 100 bps per annum (30 September 2021: one to six months KIBOR plus 100 bps per annum).

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

For the quarter ended 31 December 2021

- 9.4** The Group has obtained Salam / Istisna / Musawamah financing facilities from various banks and financial institutions aggregating to Rs. 9,685 million (30 September 2021: Rs. 8,085 million). The mark-up rates applicable during the quarter ranging from three to six months KIBOR plus 50 to 100 bps per annum (30 September 2021: three to six months KIBOR plus 50 to 100 bps per annum).
- 9.5** The Group has not obtained Morabaha / Karobar / Musharakah finance facilities during current quarter. (30 September 2021: Rs. 350 million). The mark-up rates applicable during the previous year ranges from three to twelve months KIBOR plus 75 to 100 bps per annum.
- 9.6** The available facilities for opening letters of credit and guarantees as on the reporting date aggregate to Rs. 2,050 million (30 September 2021: Rs. 1,950 million) which includes Rs. 630 million (30 September 2021: Rs. 450 million) sub-limit of FATR facility and bank guarantee. Further, facilities of amounting Rs. 400 million (30 September 2021: Rs. 300 million) remain unutilized as on reporting date.
- 9.7** The securities offered are the same as disclosed in the audited consolidated financial statements of the Group for the year ended 30 September 2021.

10 TRADE AND OTHER PAYABLES

Balance as at 31 December 2021 mainly includes payable to trade creditors aggregates to Rs. 1,290 million (30 September 2021: Rs. 1,302 million).

11 ADVANCES FROM CUSTOMERS

Balance as at 31 December 2021 mainly includes advances received from customers against sale of sugar aggregates to Rs. 1,169 million (30 September 2021: Rs. 375 million).

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

- 12.1.1** There is no material change in the status of other contingencies from the preceding audited consolidated financial statements of the Group for the year ended 30 September 2021, except for the contingencies, guarantees and commitments as disclosed below:
- 12.1.2** Guarantees issued by the banks on behalf of the Holding Company and its Subsidiary Companies, SPL, GPL and DSML in favor of various parties as at the reporting date amounts to Rs. 612 million (30 September 2021: Rs. 965 million).
- 12.1.3** Counter guarantee given by the Holding Company to the bankers on account of agricultural loan as at the reporting date amounts to Rs. 2,520 million (30 September 2021: Rs. 2,520 million).
- 12.1.4** Guarantees issued by the banks on behalf of the Holding Company in favor of Sadiqabad Power (Private) Limited and Ghotki Power (Private) Limited, wholly owned subsidiary companies, as at the reporting date aggregate amounts to Rs. 38 million (30 September 2021: Rs. 38 million).

	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
12.2 Commitments		
12.2.1 Letters of credit for import of machinery and its related components		
Holding Company - JDWSML	70,434,509	201,323,470
Subsidiary Company - DSML	–	19,553,572
	<u>70,434,509</u>	<u>220,877,042</u>

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
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13 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	13.1	23,014,041,192	23,211,878,042
Capital work in progress	13.2	91,739,644	60,266,380
Stores, spare parts and loose tools held for capital expenditure		96,748,272	105,167,132
		<u>23,202,529,108</u>	<u>23,377,311,554</u>

13.1 Operating fixed assets			
Net book value as at beginning of the quarter / year		23,211,878,042	24,478,190,425
Additions during the quarter / year		175,790,532	678,558,599
Transfer from right-of-use asset - net book value		6,131,116	14,116,680
Deletions during the quarter / year - net book value		(4,812,031)	(393,603,387)
Impairment charged during the quarter / year		–	(19,407,735)
Depreciation charged / capitalized for the quarter / year		(374,946,467)	(1,545,976,540)
Net book value at end of the quarter / year		<u>23,014,041,192</u>	<u>23,211,878,042</u>

13.2 Capital work in progress			
Opening balance		60,266,380	14,599,421
Additions during the quarter / year		59,466,104	563,007,941
Transfers made during the quarter / year		(27,992,840)	(517,340,981)
Closing balance		<u>91,739,644</u>	<u>60,266,380</u>

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

For the quarter ended 31 December 2021

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
14 RIGHT-OF-USE ASSETS			
Net book value at beginning of the quarter / year		1,879,625,367	1,176,461,527
Additions during the quarter / year		50,573,380	1,404,385,002
Transfer to operating fixed assets - net book value		(6,131,117)	(14,116,680)
Depreciation charged for the quarter / year		(164,986,309)	(576,415,656)
Deletions / adjustments during the quarter / year - net book value		—	(32,325,447)
Derecognition due to sublease		—	(68,940,024)
Impact of remeasurement		—	(9,423,355)
Net book value at end of the quarter / year	14.1	1,759,081,321	1,879,625,367
Less: Current maturity presented under current assets		(25,774,651)	(43,462,361)
		1,733,306,670	1,836,163,006
14.1 The right-of-use assets relate to following type of assets:			
Land		1,232,040,048	1,362,720,555
Vehicles		467,016,943	471,458,460
Building		60,024,330	45,446,352
Total right-of-use assets		1,759,081,321	1,879,625,367
	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
15 LONG TERM INVESTMENTS			
Kathai-II Hydro (Private) Limited ("KHL")	15.1	—	—
JDW Power (Private) Limited ("JDWPL")	15.2	—	—
		—	—
Less: Classified under current assets as short term investments			
JDW Power (Private) Limited ("JDWPL")	15.2	—	—
Classified under non-current assets		—	—
15.1 Khatai-II Hydro (Private) Limited - ("KHL")			
250 (30 September 2021: 250) fully paid shares of Rs. 10 each			
Equity held 20% (30 September 2021: 20%)		2,500	2,500
Share of post acquisition reserve		(2,500)	(2,500)
Balance as at the end of the quarter / year	15.1.1	—	—

15.1.1 Equity method has been applied on unaudited financial statements for the quarter ended 31 December 2021 (30 September 2021). Post acquisition reserves restricted to the cost of investment, therefore share of loss amounted to Rs. 94,605 (30 September 2021: Rs.210,968) for the quarter has not taken under equity method.

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
15.2 JDW Power (Private) Limited ("JDWPL")			
9,000,000 (30 September 2021: 9,000,000) fully paid shares of Rs. 10 each			
Equity held 47.37% (30 September 2021: 47.37%)		90,000,000	90,000,000
Less: Accumulated impairment allowance		(90,000,000)	(90,000,000)
Balance as at end of the quarter / year	15.2.1	–	–

15.2.1 On 11 July 2019, the shareholders of JDWPL through an extra ordinary general meeting passed a resolution for the winding up of JDWPL, subsequently management of the JDWPL has applied to Securities and Exchange Commission of Pakistan (SECP) for the approval of winding up.

16 BIOLOGICAL ASSETS

The fair value of biological assets as at 31 December 2021 is Rs. 1,557 million (30 September 2021: Rs. 2,335 million). In absence of active market for standing sugarcane and other crops, the fair value measurement for the standing crop has been categorized as Level 3 fair value based on the inputs to the valuation techniques used. Fair value has been determined on the basis of a discounted cash flow model. The valuation model considers the present value of net cash flows expected to be generated by the plantation. The cash flow projections include specific estimates for next quarter which mainly include crop's expected yield. The expected cash flows are discounted using a risk adjusted discount rate.

	Note	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
Current accounts			
Balance with conventional banks		984,296,020	261,386,412
Balance with islamic banks		1,233,033,959	14,494,119
		2,217,329,979	275,880,531
Saving accounts			
Deposit with conventional banks	17.1	155,077,948	1,952,027
		2,372,407,927	277,832,558
Cash in hand		193,289,148	6,108,517
		2,565,697,075	283,941,075

17.1 The balances in saving accounts carry mark-up at 5.75% to 8.50% per annum (30 September 2021: 5.5% per annum).

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

For the quarter ended 31 December 2021

18 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue based on:

	31-Dec-21 Rupees	31-Dec-20 Rupees
18.1 Segments:		
Sugar		
Sugar - local	9,799,719,435	12,466,185,923
Molasses - by product	1,950,410,132	1,769,552,464
Agri Inputs	592,500	287,465
Mud - by product	131,035,462	75,724,040
	11,881,757,529	14,311,749,892
Co-Generation Power	645,444,637	928,659,800
Corporate Farms	178,500	11,774,766
	12,527,380,666	15,252,184,458
18.2 Timing of revenue recognition		
Products transferred at a point in time	11,881,936,029	14,323,524,658
Products transferred over time	645,444,637	928,659,800
	12,527,380,666	15,252,184,458

19 OTHER INCOME

This mainly includes fair value gain at the point of harvest of Rs. 537 million (31 December 2020: Rs. 455 million) and gain on disposal of operating fixed assets of Rs. 32 million (31 December 2020: Rs. 12 million).

20 BUSINESS SEGMENTS INFORMATION

20.1 The Group has four reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. Information reported to the Group's chief operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on type of goods supplied. The following summary describes the operations in each of the Group's reportable segments that is submitted to chief operating decision maker:

Reportable Segment	Operations
Sugar	Production and sale of crystalline sugar and other related joint and by-products.
Co-Generation Power	Generation and sale of electricity to Central Power Purchasing Agency (Guarantee) Limited.
Corporate Farms	Managing corporate farms for cultivation of sugarcane and small quantity of other crops.
Others	Projects under construction for manufacture / generation and sale of wood pulp and electricity. However, operation of paper pulp classified as disposal group.

20.2 Information regarding the Group's reportable segments from continuing operations are presented below:

20.2.1 Segment revenues & results	Sugar		Co-Generation segment		Corporate Farms segment		Others		Inter Segment Reconciliation		Total	
	31-Dec-21 Rupees	31-Dec-20 Rupees	31-Dec-21 Rupees	31-Dec-20 Rupees	31-Dec-21 Rupees	31-Dec-20 Rupees	31-Dec-21 Rupees	31-Dec-20 Rupees	31-Dec-21 Rupees	31-Dec-20 Rupees	31-Dec-21 Rupees	31-Dec-20 Rupees
Net external revenues	11,881,757,529	14,311,749,892	645,444,637	928,659,800	176,500	11,774,766	-	-	-	-	12,527,360,666	15,252,184,458
Inter-segment revenues	443,705,704	573,972,267	423,761,300	540,827,000	2,339,838,060	2,230,903,364	-	-	(3,207,305,064)	(3,345,702,631)	-	-
Reportable segment revenue	12,325,463,233	14,885,722,159	1,069,205,937	1,469,486,800	2,340,016,560	2,242,678,130	-	-	(3,207,305,064)	(3,345,702,631)	12,527,360,666	15,252,184,458
Segment profit / (loss) before tax	739,682,463	1,909,635,035	330,537,945	(2,800,562,561)	462,849,285	227,953,652	(1,509)	(923,245)	-	-	1,533,068,184	(463,897,119)

20.2.2 Inter-segment sales and purchases

Inter-segment sales and purchases have been eliminated from total figures.

20.2.3 Basis of inter-segment pricing

Inter-segment pricing is determined on an arm's length basis.

20.2.4 Segment assets & liabilities of continuing operations

	Sugar		Co-Generation segment		Corporate Farms segment		Others		Total	
	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees	(Un-audited) 31-Dec-21 Rupees	(Audited) 30-Sep-21 Rupees
Total assets for reportable segment	39,263,184,697	26,651,080,129	6,280,567,973	7,529,223,633	5,050,659,697	5,834,479,447	9,225,732	9,225,243	50,609,636,099	40,124,018,452
Total liabilities for reportable segment	32,069,256,477	22,851,369,934	153,844,435	76,180,736	1,723,066,727	1,765,351,854	78,592	78,592	33,946,266,231	24,682,361,116

20.3 Reconciliation of reportable segment profit or loss

Total profit / (loss) before tax for reportable segments	1,533,068,184	(463,897,119)
Unallocated corporate (expenses) / income	(300,735,652)	78,672,754
Consolidated profit / (loss) after tax from continuing operations	1,232,332,532	(385,224,365)

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

For the quarter ended 31 December 2021

21 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, other related companies, Directors of the Group and entities under common directorship, key management personnel and post employment benefit plans. Amounts due from and due to related parties are shown under respective notes to these consolidated financial statements. Other significant transactions with related parties except those disclosed elsewhere are as follows:

Name of Company	Relationship	Nature of Transactions	31-Dec-21 Rupees	31-Dec-20 Rupees
JDW Aviation (Pvt.) Limited	Associated Company (Common directorship)	Reimbursement of expenses	1,275,117	1,126,430
Lahore Flying Club (Guarantee) Limited	Associated Company (Related party)	Services rendered against aircraft hangar	466,063	441,542
Post Employment Benefits Plan		Provident fund contribution	34,914,363	59,253,709
		Payment to recognized gratuity fund	198,401	104,636,635
Key Management Personnel	Key management	Reimbursement of expenses	6,588,112	1,246,472
		Consultancy services	–	3,225,531

22 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in these condensed interim consolidated financial statements approximate their fair values other than mentioned below. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment in associates are carried at cost (for details, refer to note 15).

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

During period, there were no transfers between level 2 and level 3 fair value measurement.

23 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objective and policies are consistent with that disclosed in the audited annual consolidated financial statements of the Group for the year ended 30 September 2021.

24 DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been approved by the Board of Directors and authorized for issue on 28 January 2022.

25 CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However no significant reclassification have been made, except for following:

Sale of Mud - a by product, amounting to Rs. 76 million, previously classified under other income, has now been classified as revenue from contracts with customers under respective heads (refer note 18.1) for the purpose of better presentation.

26 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There are no material subsequent events occurred after the condensed interim consolidated statement of financial position date.

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