

Condensed Interim Financial Statements
for the quarter ended 31 December 2022 (Un-audited)

Continued Excellence



JDW Sugar Mills Limited





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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01





COMPANY REVIEW

06 Corporate Information

CORPORATE INFORMATION

Board of Directors

Mr. Jahangir Khan Tareen

Director

Makhdoom Syed Ahmad Mahmud

Director / Chairman

Mr. Raheel Masud

Chief Executive

Mrs. Samira Mahmud

Syed Mustafa 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

Pak Kuwait Investment Company
Limited

Askari Bank Limited

Standard Chartered Bank (Pakistan)
Limited

National Bank of Pakistan

Allied Bank Limited

Soneri Bank 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



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 Lalluwali, Near Village
Islamabad, District Ghotki.



Web Presence

www.jdw-group.com



02





DIRECTORS' REVIEW

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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, 2022.

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 despite 42 % increase in the net sales of the company which increased from Rs. 10.3 billion to Rs. 14.7 billion there has been 51% reduction in the net profitability after tax which dropped from Rs. 918 million to Rs. 455 million, resultantly earnings per share of the Company have come down to Rs. 7.61 from Rs. 15.36 in the corresponding period last year. Gross profit ratio has also decreased from 15% to 11%. Both segments i.e., sugar division and corporate farms are in negative and whatever profitability is achieved is only attributable to the Co-Gen power plants. Main reasons for this drop in the profitability are summarized below:

- i) Unfavorable sugar prices because of surplus carryover sugar stocks of approx. 1.0 million tons from last year available at start of the crushing season 2022-23. Carrying cost of carryover stocks was so high due to higher mark up rate that sugar prices were not enough to just breakeven this cost. Delayed decision by the Federal Government for export of sugar coupled with inadequate quantity i.e., just 250,000 tons has depressed the sugar prices and entire industry sold sugar at below cost during this quarter.
- ii) Besides increase in other factory overheads i.e., salaries & wages, packing material cost, oil & lubricants and chemicals there was substantial increase in the procurement cost of sugarcane which resulted in eroding the gross profits of the Company. Provincial Governments are keeping on increasing the support prices of sugarcane every year without giving any support to the sugar industry to keep sugar prices at a level where these prices can support increase in the support prices. Provinces simply say that it's a subject of the Federal Government.
- iii) Other income has also substantially decreased from Rs. 580 million to Rs. 88 million due to net fair value of the crop (loss) / gain at the point of harvest caused by reduction in yield per acre so for period under review financial results of the corporate farms are negative.
- iv) Another main reason is almost 100% increase in the financial charges of the company which increased from Rs. 451 million to Rs. 899 million caused by higher mark up rates and more working capital needed to support the unsold sugar stocks brought forward plus on going crushing of the company.

Daharki Sugar Mills (Pvt.) Limited (DSML), a 100% owned subsidiary of the Company has earned profit after tax amounting to Rs. 107 million as compared to profit after tax Rs. 314 million in the same period last year. Drop in the profitability is 66% despite more than 100% increase in the net sales of the company which has increased from Rs. 2.9 billion to Rs. 6.1 billion. Reasons for substantial reduction in the net profit of DSML are the same as are given in paragraphs i), ii) and iv) above.

Crushing season 2022-23 was started on 25 November 2022 in our units in Punjab and in Sindh DSML was started on 27 November 2022 and Unit III was started on 28 November 2022 and on Group basis up to 27th January, 2023 sugar produced was 509,567 tons with average sucrose recovery of 10.30%. (Comparatively in 2021-22 as reported in the last balance sheet: crushing season was started in Punjab Units on 15th November, 2021 and in Sindh Units on 21 November 2021 on group basis up to 27th January, 2022 sugar produced by the Company was 470,788 tons with average sucrose recovery of 9.55%). One thing is worth noting that despite 10 days delay in the start of crushing season as compared to last year there has been increase in the sugar production as well as in the sucrose recovery achieved this time. The crop size for crushing season 2022-23 is lessor than last year due to 2022 floods in the province of Sindh. Also, growers are experiencing low

yield per acre ranging from 10% to 20% from area to area. However, sucrose recoveries are better this time and increase in area under cultivation last year are the positive factors which can mitigate to a large extent the negative impact of floods and low yields per acre. It is expected that even this year country will produce sugar in excess of its annual requirement and expected range of sugar production for crushing season 2022-23 is 7.0 million to 7.5 million tons which will be 5 to 10 % lower than last year. Our Group's sugar production will also be lower than last year.

For ongoing crushing season 2022-23, notified support prices of sugarcane have again been increased to Rs. 300 from Rs. 225 per 40 kgs in Punjab and to Rs. 302 from Rs. 250 per 40 kgs in the Province of Sindh. This increase in support price of sugarcane will ultimately result in increasing the production cost of the sugar. Prices of sugarcane which is a major cost component are determined by the provincial governments every year whereas prices of sugar are left on the market forces causing big issue for the sugar industry. Gap between prices of imported sugar and local sugar is widening due to Rupee devaluation. If we today import sugar in the country, it will cost more than Rs. 200 per kg as against local sugar which is being sold at ex-mill price of around Rs. 85 per kg because of surplus sugar of 1.0 million tons available in the country. Government needs to stabilize sugar prices by taking various measures to reduce the gap between imported and local sugar prices so that growers can get better prices of their produce according to the international prices of the commodity and sugar industry can make reasonable profits.

Financial year 2022-2023 seems to be more challenging due to prevailing economic conditions of the country, increase in discount rate by SBP may cause drastic increase in finance cost of the Company and increase in sugarcane support prices by the provinces which increases the production cost of sugar with no adequate corresponding increase in the sugar prices. 21 December 2022, Government initially allowed sugar export quantity of 100,000 tons only out of surplus of 1.0 million tons with fortnightly review to increase the quota after reviewing the domestic sugar prices and stock levels at each fortnight. During first week of January, 2023, Federal Government has allowed another 150,000 tons making total permission to 250,000 tons out of which 61% will go to Punjab, 32% to Sindh and 7% to KPK. Cane Commissioners of each province will further allocate this quota among the sugar mills.

As usual growers' payment has remained our top priority being one of the main keys of our success. Despite difficult and most un-favorable circumstances for the sugar industry we are still making growers' payment on priority even in the 5th consecutive crushing season through their bank accounts and our efforts are very well appreciated by the growers. Company also 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.

With the grace of Allah, we are maintaining continued good performance and want to focus more on reduction of our debt to further reduce the financial cost of the company but from November 2021 onwards State Bank of Pakistan (SBP) has increased discount rate from time to time and now it has increased from 8.75% to 17% per annum, consequently markup rates have substantially gone up at an unsustainable level which will adversely affect the profitability of the Company in future.

28 January 2023
Lahore

Chief Executive

Director

جاری کرشنک سیزن 2022-23 کے لئے گئے کی طے شدہ سپورٹ پرائس میں دوبارہ صوبہ پنجاب میں 225 روپے فی من سے 300 روپے فی من اور صوبہ سندھ میں 250 روپے فی من سے 302 روپے فی من اضافہ کر دیا گیا ہے۔ گئے کی سپورٹ پرائس میں اضافہ چینی کی پیداواری لاگت میں اضافہ کا باعث بنے گا۔ ہر سال صوبائی حکومتوں کی جانب سے گئے کی قیمت کا تعین ہماری لاگت کا اہم پہلو ہے جب کہ چینی کی قیمتیں منڈی کے مرہون منت ہیں جس سے شوگر انڈسٹری کے لئے مسائل جنم لیتے ہیں۔ روپے کی قدر میں کمی کے باعث درآمدی چینی اور مقامی چینی کی قیمت میں فرق بڑھتا جا رہا ہے۔ اگر ہم آج ملک میں چینی درآمد کرتے ہیں تو اس کی قیمت 200 روپے فی کلوگرام سے زائد ہوگی جب کہ ملک میں 1.0 ملین ٹن اضافی چینی کے باعث مقامی چینی 85 روپے فی کلوگرام کے ایکس مل ریٹ پر فروخت کی جا رہی ہے۔ چینی کی قیمت کو مستحکم کرنے کے لئے حکومت کو اقدامات کرنے ہوں گے تاکہ درآمدی اور مقامی چینی کی قیمتوں میں فرق کو کم کیا جاسکے اور گئے کے کاشت کاروں کو بین الاقوامی سطح پر ایشیائے خوردووش کی قیمتوں کے مطابق اپنی فصل کی بہتر قیمت مل سکے اور شوگر انڈسٹری معقول منافع کما سکے۔

ملک کی حالیہ اقتصادی حالات کے باعث مالیاتی سال 2022-2023 مزید مشکل نظر آ رہا ہے۔ SBP کی جانب سے ڈسکاؤنٹ ریٹ میں اضافہ کمپنی کی قرضوں کی لاگت اور صوبوں کی جانب سے گئے کی سپورٹ پرائس میں بے پناہ اضافے کا باعث بنے گا جس چینی کی قیمت میں متناسب اضافے کے بغیر چینی کی پیداواری لاگت میں اضافہ ہو جائے گا۔ 21 دسمبر 2022ء کو حکومت نے پندرہ روز جائزہ کی بنیاد پر 1.0 ملین ٹن اضافی چینی میں سے صرف 100,000 ٹن چینی برآمد کرنے کی اجازت دی۔ جب کہ پندرہ روز بعد چینی کی مقامی قیمتوں اور سٹاک لیول کو مد نظر رکھتے ہوئے کوٹا میں اضافہ کیا جائے گا۔ جنوری 2023ء کے پہلے ہفتے کے دوران وفاقی حکومت نے 150,000 ٹن چینی درآمد کرنے کی اجازت دی جس سے کل کوٹا 250,000 ٹن ہو گیا ہے جس میں سے 61% پنجاب، 32% سندھ اور 7% خیبر پختونخوا حصے دار ہوں گے۔ ہر صوبے کا کین کیشنر شوگر ملز کو آگے یہ کوٹا تقویض کرے گا۔

چونکہ کاشتکاروں کو قومی کی ادائیگی ہماری اولین ترجیح ہے لہذا یہ ہماری کامیابی کی کنجی ہے۔ شوگر انڈسٹری کے لئے نامناسب اور مشکل حالات کے باوجود ہم مسلسل پانچویں کرشنک سیزن میں کاشتکاروں کو ان کے بینک اکاؤنٹ میں تینجی بنیادوں پر ادائیگی کر رہے ہیں اور کاشتکاروں نے ہمارے اس اقدام کو سراہا ہے۔ کمپنی اپنے کاشتکاروں کو مالیاتی معاونت اور تکنیکی سپورٹ بھی باقاعدگی سے فراہم کر رہی ہے۔ ان پالیسیوں اور کاشتکاروں کے ساتھ تینجی رویہ کے باعث کمپنی ان کے ساتھ اچھے تعلقات بحال رکھے ہوئے ہے۔

اللہ کے فضل و کرم سے ہم مسلسل اچھی کارکردگی دکھا رہے ہیں اور اپنے قرضوں کو کم کرنے پر پھر پور توجہ دے رہے ہیں تاکہ کمپنی کی قرضوں کی لاگت میں مزید کمی لائی جاسکے لیکن نومبر 2021 سے اسٹیٹ بینک آف پاکستان (SBP) نے دو فوٹو ڈسکاؤنٹ ریٹ میں اضافہ کر دیا ہے اور اب یہ شرح سالانہ کے حساب سے 8.75% سے 17% ہو چکی ہے۔ نتیجتاً مارک اپ بھی انتہائی ناقابل قبول سطح تک بڑھ چکا ہے۔ جو مستقل میں کمپنی کے منافع پر منفی اثرات مرتب کرے گی۔

ڈائریکٹر

چیف ایگزیکٹو

۲۸ جنوری ۲۰۲۳

لاہور

ڈائریکٹر کا جائزہ

کمپنی کے ڈائریکٹر 31 دسمبر 2022ء کو اختتام پزیر سہ ماہی کے لئے کمپنی کے غیر پڑتال شدہ اکاؤنٹس ازراہ مسرت پیش کرتے ہیں۔

پہلی سہ ماہی کے مالیاتی نتائج کمپنی کی مکمل مجموعی سالانہ مالیاتی کارکردگی کی درست عکاسی نہیں کرتے بلکہ یہ رجحانات پر ایک تصویر پیش کر سکتے ہیں۔ آپریٹنگ اور فنانسنگ نتائج کی بنیادی خصوصیات کی اگلے پیرا گراف میں مختصر وضاحت کی گئی ہے:

کمپنی کی خالص فروخت میں 10.3 ملین روپے سے 14.7 ملین روپے یعنی 42% اضافہ کے باوجود ہر جائزہ سال کے دوران خالص نفع علاوہ ٹیکس میں 51% کی کمی سامنے آئی ہے جو 915 ملین روپے سے کم ہو کر 455 ملین روپے ہو گئی ہے۔ جس کے نتیجے میں کمپنی کی فی حصص آمدنی گزشتہ برس کی اسی مدت میں 15.36 روپے سے 7.61 روپے ہو گئی ہے۔ مجموعی منافع کے تناسب میں بھی 15% سے 11% کی واقع ہوئی ہے۔ دونوں شعبے یعنی شوگر ڈیویژن اور کارپوریٹ فارمز میں منافع میں جارہے ہیں جبکہ مکمل حاصل منافع صرف Co-Gen-Gen پاور پلانٹس سے منسوب کیا جاتا ہے۔ نفع میں کمی کی وجوہات کا خلاصہ حسب ذیل ہے:

- (i) کرشنگ سیزن 2022-23 کے آغاز میں گزشتہ برس کے مقابلے میں تقریباً 1.0 ملین ٹن اضافی شوگر سٹاک کے باعث چینی کی نامناسب قیمتیں۔ بلند مارک اپ شرح کے باعث کیری اور سٹاک کو ذخیرہ کرنے کی لاگت بہت زیادہ تھی اور چینی کی قیمت اس خرچے کو کم کرنے کے لئے ناکافی تھیں۔ چینی کی درآمد کے لئے وفاقی حکومت کا تاخیری فیصلہ اور 250,000 ٹن کی نامناسب مقدار نے چینی کی قیمتوں کو متاثر کیا اور انڈسٹری نے اس سہ ماہی میں لاگت سے کم قیمت پر چینی فروخت کی۔
- (ii) تنخواہوں اور معاوضوں، پیپلنگ میٹریل پر اخراجات، آئل اور بریکس اور کیمیکلز جیسے دیگر فیکٹری اخراجات کے علاوہ گئے کی قیمت خرید میں بھی نمایاں اضافہ ہوا جس کے نتیجے میں کمپنی کا مجموعی منافع کم ہو گیا۔ صوبائی حکومتیں شوگر انڈسٹری کو سہارا دینے بغیر گئے کی سپورٹ پرائس میں ہر سال اضافہ کر رہی ہیں تاکہ چینی کی قیمت ایسی سطح پر برقرار رہے کہ قیمتیں سپورٹ پرائس میں اضافہ میں مدد کر سکیں۔ صوبے یہی کہتے ہیں کہ یہ وفاقی حکومت کا دائرہ کار ہے۔
- (iii) فی ایکڑ پیداوار میں کمی کے باعث کٹائی کے وقت فصل کی نیٹ فیئر ویلیو کی وجہ سے دیگر آمدنی میں بھی 580 ملین روپے سے 88 ملین روپے نمایاں کمی واقع ہوئی ہے۔ لہذا زیر جائزہ مدت کے دوران کارپوریٹ فارمز کے مالیاتی نتائج جارہے ہیں۔
- (iv) کمپنی کے مالیاتی اخراجات میں 100 فی صد اضافہ بھی ایک وجہ ہے۔ جو بلند مارک اپ شرح اور غیر فروخت شدہ چینی کے سٹاک اور جاری کرشنگ کو سپورٹ کرنے کے لئے دکارمیدس مارجن کے باعث 451 ملین روپے سے بڑھ کر 899 ملین روپے ہو گئے ہیں۔

ڈھری شوگر ملز (پرائیویٹ) لمیٹڈ (DSML) کمپنی 100% ملکیتی ذیلی کمپنی ہے جس نے گزشتہ برس کی اسی مدت میں 314 ملین روپے نفع علاوہ ٹیکس کے مقابلے میں 107 ملین روپے منافع علاوہ ٹیکس کمایا۔ کمپنی کی خالص فروخت میں 2.9 ملین روپے سے 6.1 ملین روپے یعنی 100% سے زائد اضافے کے باوجود نفع میں 66% کمی واقع ہوئی۔ DSML کے خالص منافع میں نمایاں کمی کی وجوہات اوپر درج کیے گئے پیرا گراف i، ii اور iv کی طرح ہی ہیں۔

پنجاب کے ہمارے یونٹس میں کرشنگ سیزن 2022-23 کا آغاز 25 نومبر 2022ء کو ہوا جب کہ سندھ DSML میں 27 نومبر 2022ء، یونٹ III میں 28 نومبر 2022ء کو ہوا اور مجموعی طور پر 27 جنوری 2023ء تک چینی کی پیداوار 509,567 ٹن رہی جب کہ اوسطاً 10.30 فی صد سکروز پیدا ہوئی۔ (مقابلہ سال 2021-22 میں گزشتہ پینتیس شیٹ کے مطابق پنجاب کے یونٹس میں کرشنگ سیزن کا آغاز 15 نومبر 2021ء اور سندھ یونٹس میں 21 نومبر 2021ء کو ہوا اور مجموعی طور پر کمپنی کی چینی کی پیداوار 27 جنوری 2022ء تک 470,788 ٹن تک تھی جب کہ اوسطاً 9.55% سکروز پیدا ہوئی)۔

یہاں یہ بات قابل ذکر ہے کہ گزشتہ برس کے مقابلے میں 10 روز تاخیر سے کرشنگ سیزن شروع ہونے کے باوجود چینی کی پیداوار اور سکروز کے حصول میں اضافہ ہوا۔ گزشتہ برس صوبہ سندھ میں سیلاب کے باعث سال 2022ء کے دوران کرشنگ سیزن 2022-23 کے لئے فصل کا سائز پچھلے سال کے مقابلے میں کم رہا۔ جب کہ کاشتکاروں کو بھی 10 سے 20 فیصد تک پیداوار میں کمی کا سامنا کرنا پڑا۔ البتہ، سکروز کا حصول اس مرتبہ بہتر رہا اور گزشتہ زیر کاشت رقبہ میں اضافہ بھی مثبت عوامل میں شامل ہے جو سیلاب کے مبنی اثرات اور فی ایکڑ کم پیداوار سے تہوڑا زما ہونے کے لئے مددگار ثابت ہوا۔ توقع کی جاتی ہے کہ رواں سال ملک میں چینی کی پیداوار سالانہ ضروریات سے زائد ہوگی۔ جب کہ کرشنگ سیزن 2022-23 کے لئے چینی کی مکمل پیداوار 7.0 ملین ٹن سے 7.5 ملین ٹن رہے گی جو گزشتہ برس کے مقابلے میں 5 سے 10 فی صد تک کم ہوگی۔ ہمارے گروپ کی چینی کی پیداوار گزشتہ برس کے مقابلے میں کم ہوگی۔

03





CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

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

As at 31 December 2022

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 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		15,193,825,261	15,628,973,589
		16,469,908,799	16,905,057,127
NON-CURRENT LIABILITIES			
Long term finances - secured	8	6,755,144,780	6,256,153,949
Lease liabilities	9	1,528,861,044	1,829,057,614
Deferred taxation		-	246,261,269
Retirement benefits		30,970,386	23,650,196
		8,314,976,210	8,355,123,028
CURRENT LIABILITIES			
Short term borrowings	10	14,546,635,711	11,034,338,292
Current portion of non-current liabilities		3,054,490,613	3,801,685,517
Trade and other payables	11	5,253,907,522	3,027,697,166
Advances from customers	12	8,068,143,056	2,518,090,144
Unclaimed dividend		40,611,249	40,640,932
Accrued profit / interest / mark-up		389,244,086	812,967,857
		31,353,032,237	21,235,419,908
CONTINGENCIES AND COMMITMENTS			
	13	56,137,917,246	46,495,600,063
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	14	19,381,818,313	19,335,452,013
Right-of-use assets	15	1,504,771,435	1,598,855,840
Investment property		185,854,012	185,854,012
Intangibles		610,180,443	610,690,376
Long term investments	16	1,084,012,500	1,084,012,500
Long term deposits		112,138,981	94,827,518
Deferred taxation		107,892,318	-
		22,986,668,002	22,909,692,259
CURRENT ASSETS			
Right-of-use assets	15	712,596,930	730,292,317
Short term investments	16	651,994,491	651,994,491
Biological assets	17	2,527,369,217	2,855,032,666
Stores, spare parts and loose tools		2,449,381,351	1,916,458,645
Stock-in-trade		19,280,010,164	12,145,780,400
Trade receivables		3,033,595,744	3,551,542,437
Advances, deposits, prepayments and other receivables		928,551,715	1,098,333,227
Advance tax - net		343,519,715	346,779,028
Cash and bank balances	18	3,224,229,917	289,694,593
		33,151,249,244	23,585,907,804
		56,137,917,246	46,495,600,063

The annexed notes from 1 to 26 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 2022

	Note	31-Dec-22 Rupees	31-Dec-21 Rupees
Gross revenue		16,692,507,606	11,708,568,892
Sales tax and commission		(2,012,295,641)	(1,361,293,913)
Revenue from contracts with customers	19	14,680,211,965	10,347,274,979
Cost of revenue		(13,016,743,922)	(8,776,231,250)
Gross profit		1,663,468,043	1,571,043,729
Administrative expenses		(566,504,595)	(530,350,738)
Selling expenses		(15,606,260)	(13,975,647)
Other income	20	88,031,055	579,749,134
Other expenses		(13,616,095)	(82,380,971)
		(507,695,895)	(46,958,222)
Profit from operations		1,155,772,148	1,524,085,507
Finance cost		(898,685,758)	(450,615,225)
Profit before taxation		257,086,390	1,073,470,282
Taxation		197,765,282	(155,049,707)
Profit for the quarter		454,851,672	918,420,575
Earnings per share - basic and diluted		7.61	15.36

The annexed notes from 1 to 26 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 2022

	31-Dec-22 Rupees	31-Dec-21 Rupees
Profit for the quarter	454,851,672	918,420,575
Other comprehensive income for the quarter	–	–
Total comprehensive income for the quarter	454,851,672	918,420,575

The annexed notes from 1 to 26 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 2022

	Note	31-Dec-22 Rupees	31-Dec-21 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		257,086,390	1,073,470,282
Adjustments for non-cash income and expenses:			
Depreciation		592,775,800	716,515,413
Finance cost		897,031,593	450,615,225
Staff retirement benefits		68,305,829	54,201,946
Sugarcane roots written off		52,011,742	–
Workers' Profit Participation Fund		13,535,124	57,759,305
Workers' Welfare Fund		80,971	10,797,096
Amortization of transaction cost		1,654,165	1,654,165
Amortization of intangible assets		509,932	509,932
Interest income		(85,191,441)	(4,505,801)
Gain on disposal of operating fixed assets		(11,182,309)	(31,575,740)
Fair value loss/(gain) at the point of harvest		44,019,250	(536,741,106)
Loss on sale of investments		–	13,159,419
		1,573,550,656	732,389,854
		1,830,637,046	1,805,860,136
Working capital changes:			
Stores, spare parts and loose tools		(532,922,706)	(211,774,205)
Stock-in-trade		(7,134,229,764)	(9,489,029,199)
Biological assets		283,644,200	1,314,853,006
Lease receivables		–	26,029,570
Advances, deposits, prepayments and other receivables		169,781,513	128,516,978
Trade receivables		517,946,693	1,801,238,477
Trade and other payables		2,345,491,471	1,823,077,243
Advances from customers		5,550,052,912	619,730,333
		1,199,764,319	(3,987,357,797)
Cash generated / (used in) from operations		3,030,401,365	(2,181,497,661)
Taxes paid		(207,390,212)	(198,489,222)
Staff retirement benefits paid		(74,236,541)	(54,477,693)
Long term deposits - net		(17,311,463)	(7,641,740)
Interest income received		10,627,774	4,505,801
Workers' profit participation fund paid		–	(19,857,763)
		(288,310,442)	(275,960,617)
Net cash generated / (used in) from operations		2,742,090,923	(2,457,458,278)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of operating fixed assets		14,747,483	36,250,608
Capital expenditure		(371,154,602)	(422,919,863)
Net cash used in investing activities		(356,407,119)	(386,669,255)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		(468,813,973)	(676,727,473)
Short term borrowings - net		4,853,133,769	6,576,830,286
Financial charges paid as:			
- finance cost		(1,243,942,253)	(385,259,326)
- Interest on lease liability		(78,467,279)	(51,456,781)
Principal portion of lease liability paid		(282,192,712)	(128,868,453)
Payment for own shares purchase for cancellation		(890,000,000)	–
Dividend paid		(29,682)	(7,756)
Net cash generated from financing activities		1,889,687,870	5,334,510,497
Net increase in cash and cash equivalents		4,275,371,674	2,490,382,964
Cash and cash equivalents at beginning of the quarter		(2,291,362,215)	(1,198,314,705)
Cash and cash equivalents at end of the quarter		1,984,009,459	1,292,068,259
Cash and cash equivalents comprise of the following:			
- Cash and bank balances	18	3,224,229,917	1,972,363,101
- Running finances	10.2	(1,240,220,458)	(680,294,842)
		1,984,009,459	1,292,068,259

The annexed notes from 1 to 26 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 2022

	Share capital	Share premium reserves	Revenue Reserves			Total equity
	Rupees	Rupees	Accumulated profit	Reserve for cancellation of own shares	Net accumulated profit	
			Rupees	Rupees	Rupees	Rupees
Balance as at 01 October 2021	597,766,610	678,316,928	13,171,462,931	–	13,171,462,931	13,769,229,541
Total comprehensive profit 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	–	14,089,883,506	14,687,650,116
Balance as at 01 October 2022	597,766,610	678,316,928	15,628,973,589	–	15,628,973,589	16,905,057,127
Total comprehensive income for the quarter	–	–	454,851,672	–	454,851,672	454,851,672
Reserve for cancellation of own shares	7	–	–	(890,000,000)	(890,000,000)	(890,000,000)
Balance as at 31 December 2022	597,766,610	678,316,928	16,083,825,261	(890,000,000)	15,193,825,261	16,469,908,799

The annexed notes from 1 to 26 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 2022

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. The 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 geographical locations and addresses of the Company's business units, including production facilities are as under:

- Head office and registered office: 17 - Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan
- 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
- 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 2022 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 2022.

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 unconsolidated financial statements for the year ended 30 September 2022.

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 2022, 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 2021.

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

For the quarter ended 31 December 2022

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 2022.

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 2022.

4.2 On 20 January 2023, SECP vide S.R.O.67(I)/2023 has further extended the exemption of application of Expected Credit Losses model under IFRS 9 'Financial Instruments' in respect of financial assets due from Government of Pakistan up to 31 December 2024. Provided that such companies shall follow relevant requirements of IAS 39 - Financial Instruments: Recognition and Measurement, in respect of above referred financial assets.

4.3 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-22 Rupees	(Audited) 30-Sep-22 Rupees
6 SHARE CAPITAL		
6.1 Authorized share capital		
75,000,000 (30 September 2022: 75,000,000)	750,000,000	750,000,000
voting ordinary shares of Rs. 10 each		
25,000,000 (30 September 2022: 25,000,000)		
preference shares of Rs. 10 each	250,000,000	250,000,000
	<u>1,000,000,000</u>	<u>1,000,000,000</u>

	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
6.2 Issued, subscribed and paid up share capital		
32,145,725 (30 September 2022: 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 2022: 27,630,936)		
voting bonus shares of Rs. 10 each fully paid	276,309,360	276,309,360
	597,766,610	597,766,610

7 RESERVE FOR CANCELLATION OF OWN SHARES

This represents the reserve for purchase of own shares for cancellation purpose during the period. The Company, with the approval of the Company's shareholders in extraordinary general meeting held on November 03, 2022 and in compliance of Section 88 of the Companies Act, 2017 read in conjunction with the Listing Companies (Buy Back of Shares) Regulations, 2019, accorded to buy back upto to a maximum of its 2,000,000 issued, subscribed and paid-up ordinary shares through the Pakistan Stock Exchange Limited at the spot/current price prevailing during purchase period e.g. 11 November 2022 to 02 May 2023 or till such date that the Buy-back of shares is completed, whichever is earlier. However, the Buy-back of shares has been completed on date 02 January 2023.

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
8 LONG TERM FINANCES - SECURED			
Mark-up bearing finances from conventional banks	8.1	8,387,753,337	8,794,166,670
Islamic mode of financing	8.2	458,035,263	520,435,905
		8,845,788,600	9,314,602,575
Less: Transaction cost			
Balance at beginning of the quarter / year		(28,192,726)	(34,755,446)
Amortization of transaction cost during the period / year		1,654,165	6,562,720
Balance at end of the quarter / year		(26,538,561)	(28,192,726)
		8,819,250,039	9,286,409,849
Current maturity presented under current liabilities:			
Mark-up bearing finances from conventional banks		(1,845,653,334)	(2,780,653,333)
Islamic mode of financing		(218,451,925)	(249,602,567)
		(2,064,105,259)	(3,030,255,900)
	8.3	6,755,144,780	6,256,153,949
8.1 Mark-up bearing finances from conventional banks			
Balance at beginning of the quarter / year		8,794,166,670	11,552,789,191
Finances received during the quarter / year	8.1.1	1,000,000,000	1,000,000,000
Repayments during the quarter / year		(1,406,413,333)	(3,758,622,521)
		8,387,753,337	8,794,166,670

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

For the quarter ended 31 December 2022

8.1.1 Finances received during the quarter

	Markup basis	Duration	Grace period	Amount Rupees
Allied Bank Limited	*3mk + 0.50	1.5 Years	1 Year	1,000,000,000
* 3 mk i.e. 3 months KIBOR				

	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
8.2 Islamic mode of financing		
Balance at beginning of the quarter / year	520,435,905	832,538,469
Repayments during the quarter / year	(62,400,642)	(312,102,564)
	458,035,263	520,435,905

8.3 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 2022: Rs. 20,268 million) and personal guarantees of sponsor directors of the Company.

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
9 LEASE LIABILITIES			
Balance at beginning of the quarter / year		2,600,487,231	2,104,109,093
Additions during the quarter / year		193,346,039	1,314,109,525
Finance cost regarding lease arrangement		64,270,448	260,253,949
Impact of re-measurement of lease liabilities		15,913,487	51,986,278
Lease payments / adjustments		(354,770,806)	(957,555,198)
Impact of early termination		–	(172,416,416)
		2,519,246,399	2,600,487,231
Less: Current maturity presented under current liabilities		(990,385,355)	(771,429,617)
Balance at end of the quarter / year	9.1	1,528,861,044	1,829,057,614

9.1 This includes Rs. 453.069 million and Rs. 94.414 million (30 September 2022: Rs. 398.707 million and Rs. 13.531 million) outstanding under Diminishing Musharakah financing arrangement and conventional banks respectively.

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
10 SHORT TERM BORROWINGS			
Mark-up based borrowings from conventional banks - secured			
Cash finances	10.1	6,048,829,580	5,965,974,626
Running finances	10.2	1,240,220,458	2,581,056,808
Finance against trust receipts	10.3	279,451,478	229,447,425
		7,568,501,516	8,776,478,859
Islamic mode of financing - secured			
Salam / Istisna / Musawamah finances	10.4	5,348,134,195	2,257,859,433
Deharki Sugar Mills (Private) Limited - a related party			
	10.5	1,630,000,000	—
		14,546,635,711	11,034,338,292

- 10.1** The Company has availed cash finance facilities from various banks aggregated to Rs. 11,650 million (30 September 2022: Rs. 10,950 million). The mark-up rates applicable during the period ranges from one to three months KIBOR plus 50 to 100 bps per annum (30 September 2022: one to three months KIBOR plus 50 to 125 bps per annum) on utilized limits.
- 10.2** The Company has obtained running finance facilities aggregating to Rs. 2,771 million (30 September 2022: Rs. 2,771 million). The mark-up rates applicable during the period ranges from one to three months KIBOR plus 75 to 100 bps per annum (30 September 2022: one to three months KIBOR plus 75 to 100 bps per annum).
- 10.3** The limit of finance against trust receipt facility is Rs. 380 million (30 September 2022: Rs. 380 million). It carries mark-up ranging from one to six months KIBOR plus 100 to 250 bps per annum (30 September 2022: one to six months KIBOR plus 100 bps per annum).
- 10.4** The Company has obtained Salam / Istisna / Musawamah financing facilities from various banks and financial institutions aggregating to Rs. 8,385 million (30 September 2022: Rs. 8,384 million). The mark-up rates applicable during the period ranging from three to six months KIBOR plus 50 to 100 bps per annum (30 September 2022: three to six months KIBOR plus 50 to 100 bps per annum).
- 10.5** 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 16.68% per annum (30 September 2022: 8.78% to 11.48% per annum).
- 10.6** The available facilities for opening letters of credit and guarantee as on the reporting date aggregate to Rs. 1,650 million (30 September 2022: Rs. 1,650 million) which includes Rs. 380 million (30 September 2022: Rs. 380 million) sub-limit of FATR facility. Further, facilities of amounting Rs. 100 million (30 September 2022: Rs. 100 million) remain unutilized as on reporting date.
- 10.7** The securities offered are the same as disclosed in the audited unconsolidated financial statements of the Company for the year ended 30 September 2022.

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

For the quarter ended 31 December 2022

11 TRADE AND OTHER PAYABLES

Balance as at 31 December 2022 mainly includes payable to trade creditors aggregates to Rs. 1,039 million (30 September 2022: Rs. 1,367 million).

12 ADVANCES FROM CUSTOMERS

Balance as at 31 December 2022 mainly includes advances received from customers against sale of sugar aggregates to Rs. 5,604 million (30 September 2022: Rs. 1,988 million).

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

13.1.1 There is no material change in the status of contingencies from the preceding audited unconsolidated financial statements of the Company for the year ended 30 September 2022, except for the guarantees and commitments as disclosed below:

13.1.2 Guarantees issued by the banks on behalf of the Company in favor of various parties as at the reporting date amounts to Rs. 173 million (30 September 2022: Rs. 799 million).

	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
13.2 Commitments		
13.2.1 Letters of credit for import of machinery and its related components	71,407,333	404,899,443

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
14 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	14.1	18,788,224,911	19,068,801,186
Capital work in progress	14.2	522,412,574	196,702,905
Stores, spare parts and loose tools held for capital expenditure		71,180,828	69,947,922
		<u>19,381,818,313</u>	<u>19,335,452,013</u>
14.1 Operating fixed assets			
Net book value at beginning of the quarter / year		19,068,801,186	19,522,518,881
Additions during the quarter / year		116,207,194	1,046,583,143
Transfer from right-of-use assets - net book value		2,477,064	38,838,956
Disposals / adjustments during the quarter / year - net book value		(55,576,916)	(156,983,394)
Depreciation charged / capitalized during the quarter / year		(343,683,617)	(1,382,156,400)
Net book value at end of the quarter / year		<u>18,788,224,911</u>	<u>19,068,801,186</u>

	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
14.2 Capital work in progress		
Opening balance	196,702,905	60,266,380
Additions during the quarter / year	399,475,735	875,475,342
Transfers made during the quarter / year	(73,766,066)	(739,038,817)
Closing balance	522,412,574	196,702,905

Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
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15 RIGHT-OF-USE ASSETS

Net book value at beginning of the quarter / year	2,329,148,157	1,879,625,367
Additions during the quarter / year	106,885,665	1,321,368,896
Transfer to operating fixed assets - net book value	(2,477,064)	(38,838,956)
Depreciation charged during the quarter / year	(216,188,393)	(788,767,522)
Deletions during the quarter / year	–	(96,225,906)
Impact of re-measurement	–	51,986,278
Net book value at end of the quarter / year 15.1	2,217,368,365	2,329,148,157
Less: Current maturity presented in current assets	(712,596,930)	(730,292,317)
	1,504,771,435	1,598,855,840

15.1 The right-of-use assets relate to following type of assets:		
Land	1,663,180,716	1,813,183,233
Vehicles	498,563,907	460,168,274
Buildings	55,623,742	55,796,650
Total right-of-use assets	2,217,368,365	2,329,148,157

Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
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16 LONG TERM INVESTMENTS

Investment in subsidiary companies - unquoted	16.1	1,736,004,491	1,736,004,491
Investment in associated companies - unquoted	16.2	2,500	2,500
		1,736,006,991	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 2022

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
16.1 Investment in subsidiary companies - unquoted			
Deharki Sugar Mills (Private) Limited ("DSML")			
104,975,000 (2022: 104,975,000)			
fully paid shares of Rs. 10 each			
Equity held 100% (2022: 100%)		1,049,750,000	1,049,750,000
Faruki Pulp Mills Limited ("FPML")			
310,892,638 (2022: 310,892,638)			
fully paid ordinary shares of Rs. 10 each			
Equity held 57.67% (2022 : 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 (2022: 1,000,100)			
fully paid shares of Rs. 10 each			
Equity held 100% (2022: 100%)		16,945,000	16,945,000
Investment made during the quarter / year		–	–
		16,945,000	16,945,000
Ghotki Power (Private) Limited ("GPL")			
1,731,500 (2022: 1,000,100)			
fully paid shares of Rs. 10 each			
Equity held 100% (2022: 100%)		17,315,000	17,315,000
Investment made during the quarter / year		–	–
		17,315,000	17,315,000
		1,736,004,491	1,736,004,491
16.2 Investment in associated companies - unquoted			
Kathai-II Hydro (Private) Limited ("KHL")			
250 (30 September 2022: 250)			
fully paid shares of Rs. 10 each			
Equity held 20% (2022: 20%)		2,500	2,500
JDW Power (Private) Limited ("JDWPL")			
9,000,000 (30 September 2022: 9,000,000)			
fully paid shares of Rs. 10 each			
Equity held 47.37% (2022: 47.37%)		90,000,000	90,000,000
Accumulated impairment allowance		(90,000,000)	(90,000,000)
	16.2.1	–	–
		2,500	2,500

16.2.1 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.

17 BIOLOGICAL ASSETS

The fair value of biological assets as at 31 December 2022 is Rs. 2,527 million (30 September 2022: Rs. 2,855 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-22 Rupees	(Audited) 30-Sep-22 Rupees
18 CASH AND BANK BALANCES			
Current accounts			
Balance with conventional banks		1,539,973,175	247,262,956
Balance with islamic banks		367,110,478	36,393,785
		1,907,083,653	283,656,741
Saving accounts	18.1	1,143,374,578	1,780,395
		3,050,458,231	285,437,136
Cash in hand		173,771,686	4,257,457
		3,224,229,917	289,694,593

18.1 The balances in saving accounts carry mark-up at 13.50% per annum (30 September 2022: 5.5% to 13.50% per annum), further this also includes TDRs of Rs. 1,135 million (30 September 2022: Rs. nil) carry mark-up at 14.50% - 15.10% per annum.

	31-Dec-22 Rupees	31-Dec-21 Rupees
19 REVENUE FROM CONTRACTS WITH CUSTOMERS		
Disaggregation of revenue based on:		
19.1 Segments:		
Sugar		
Sugar - local	10,743,061,549	7,356,874,548
Molasses - by product	1,619,348,975	1,511,057,606
Bagasse - by product	324,606,602	—
Mud - by product	110,880,460	105,874,615
Agri Inputs	370,450	475,500
	12,798,268,036	8,974,282,269
Co-Generation Power	1,209,058,077	645,444,637
Corporate Farms	672,885,852	727,548,073
	14,680,211,965	10,347,274,979

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

For the quarter ended 31 December 2022

	31-Dec-22 Rupees	31-Dec-21 Rupees
19.2 Timing of revenue recognition		
Products transferred at a point in time	13,471,153,888	9,701,830,342
Products transferred over time	1,209,058,077	645,444,637
	14,680,211,965	10,347,274,979

20 OTHER INCOME

This mainly includes delayed payment markup from CPPA-G of Rs. 75 million (31 December 2021: Rs. Nil).

21 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 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-22 Rupees	31-Dec-21 Rupees
i)	Deharki Sugar Mills (Pvt.) Limited	Subsidiary Company (Equity held 100 percent)	Short term advances received	1,630,000,000	1,315,000,000
			Short term advances paid	–	1,665,000,000
			Markup expense on short term advances	19,467,525	22,779,890
			Sale of sugarcane	672,885,852	727,369,573
			Purchase of bagasse	398,088,352	–
			Payment made against purchase of bagasse	127,000,000	222,234,228
			Rent on land acquired on lease	2,146,325	2,146,325
			Reimbursement on use of the Company's aircraft	5,503,036	2,218,089
			Others	1,235,493	1,046,310
ii)	JDW Aviation (Pvt.) Limited	Associated Company (Due to common directorship)	Reimbursement of expenses	706,200	1,275,117
iii)	Lahore Flying Club (Guarantee) Limited	Associated Company (Related Party)	Services rendered against aircraft hangar	172,009	466,063
iv)	Post Employment Benefit Plans	Other related parties	Provident fund contribution	63,073,251	54,279,292
			Payment to recognised gratuity fund	214,715	198,401

22 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 16).

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.

23 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 2022.

24 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 2023.

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.

26 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The crushing capacities of JDW Unit I and II were regularized in January 2023 in terms of section 11 of the Punjab Industries (Control on Establishment and Enlargement) (Amendment) Act, 2022.

04





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 2022.

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 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. On March 25, 2020 the FPML through a special resolution passed in its Extraordinary General Meeting had 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 that year and the said arrangement was re-approved by the FPML shareholders in its EOGM held on 13 December 2021. However, during the current period management of FPML has initiated the tendering process for disposal of assets. We are expecting to complete this process in the current year.

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.

The Holding Company acquired the 20% shareholding in Kathai-II Hydro (Private) Limited ("the Associate") on 12 November 2019. The Associate is a private limited company incorporated in Pakistan on 27 August 2012 under the repealed Companies Ordinance, 1984. The principal activity of the associate is to generate, distribute and sell electricity.

It is being confirmed that to the best of our knowledge, these condensed interim consolidated financial statements for the quarter ended 31 December 2022 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-22	31-Dec-21
	(Rs in million)	
Gross Revenue	22,656	14,310
Revenue from Contracts with Customers	19,761	12,527
Profit from Operations	1,497	2,032
Profit before Tax	450	1,533
Profit after Tax	562	1,232

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 2023
Lahore

Chief Executive

Director

ڈائریکٹر کا جائزہ

ڈائریکٹر خوشی کے ساتھ جے 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 جے ڈی ڈبلیو پاور پرائیویٹ لمیٹڈ، کٹھانی ہائیڈرو-II پرائیویٹ لمیٹڈ کی مالیاتی رپورٹ برائے چابی سرمایہ 31 دسمبر 2022 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 جے 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 جے ڈی ڈبلیو کے پاس ہیں۔ رواں مالی سال میں کمپنی کی ناقص کاروباری حالت کو مد نظر رکھتے ہوئے فاروقی پاپ کمپنی کی مینجمنٹ نے خاص قرارداد اپنی ایکسٹرا 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 تکلیف یا حصوں میں ہونا تھا جو کہ کرونا وائرس کی وجہ سے پائیکٹیل نہ پاس کا بعد از اس 13 دسمبر 2021 کو حصص داروں نے دوبارہ منظوری دے دی۔ رواں سال میں فاروقی پاپ ملز لمیٹڈ نے اثاثوں کی فروخت کیلئے ٹینڈر کا اجراء کر دیا ہے جسکی تکمیل بھی اسی سال متوقع ہے۔

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 جے 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 جے ڈی ڈبلیو کے پاس ہیں۔

جے 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 جے 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 جے 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 سرمایہ مالیاتی رپورٹ برائے 31 دسمبر 2022 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 2021	31 دسمبر 2022	ملین روپے
14,310	22,656	مجموعی فروخت
12,527	19,761	خالص فروخت
2,032	1,497	کارکردگی منافع
1,533	450	قبل از ٹیکس منافع
1,232	562	بعد از ٹیکس منافع

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

ڈائریکٹر

چیف ایگزیکٹو

۲۸ جنوری ۲۰۲۳

لاہور

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

As at 31 December 2022

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 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		17,191,952,397	17,521,680,614
Equity attributable to owners of the Holding Company		18,468,035,935	18,797,764,152
Non-controlling interest		373,746,621	374,672,247
		18,841,782,556	19,172,436,399
NON-CURRENT LIABILITIES			
Long term finances - secured	8	8,020,872,791	7,686,703,300
Lease liabilities	9	1,550,795,003	1,846,353,605
Deferred taxation		31,179,533	380,933,944
Retirement benefits		30,970,386	23,650,196
		9,633,817,713	9,937,641,045
CURRENT LIABILITIES			
Short term borrowings - secured	10	16,688,483,912	14,830,264,117
Current portion of non-current liabilities		3,681,427,203	4,385,280,678
Trade and other payables	11	6,016,366,999	3,427,848,539
Advances from customers	12	11,396,783,000	3,291,833,080
Unclaimed dividend		40,611,249	40,640,932
Accrued profit / interest / mark-up		473,112,373	1,043,339,635
		38,296,784,736	27,019,206,981
Liabilities classified as held for sale		35,792,353	36,593,732
		38,332,577,089	27,055,800,713
CONTINGENCIES AND COMMITMENTS			
	13	66,808,177,358	56,165,878,157
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	14	22,921,220,116	22,913,520,193
Right-of-use assets	15	1,531,299,300	1,623,707,863
Investment property		185,854,012	185,854,012
Intangibles		610,191,205	610,702,115
Long term investments	16	–	–
Long term deposits		115,126,781	97,494,818
		25,363,691,414	25,431,279,001
CURRENT ASSETS			
Right-of-use assets	15	712,596,930	730,292,317
Short term investments	16	–	–
Biological assets	17	2,527,369,217	2,855,032,666
Stores, spare parts and loose tools		2,907,469,548	2,217,524,718
Stock-in-trade		24,280,524,987	17,918,960,986
Trade receivables		2,933,348,196	3,920,509,349
Advances, deposits, prepayments and other receivables		834,340,299	1,106,464,947
Advance tax - net		615,141,260	596,663,748
Cash and bank balances	18	5,688,543,978	440,945,386
		40,499,334,415	29,786,394,117
Assets classified as held for sale		945,151,529	948,205,039
		41,444,485,944	30,734,599,156
		66,808,177,358	56,165,878,157

The annexed notes from 1 to 27 form an integral part of these 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 2022

	Note	31-Dec-22 Rupees	31-Dec-21 Rupees
Continuing Operations:			
Gross revenue		22,655,698,781	14,309,787,201
Sales tax and commission		(2,894,940,189)	(1,782,406,535)
Revenue from contracts with customers	19	19,760,758,592	12,527,380,666
Cost of revenue		(17,528,890,077)	(10,241,107,597)
Gross profit		2,231,868,515	2,286,273,069
Administrative expenses		(782,507,072)	(717,018,044)
Selling expenses		(17,732,206)	(16,917,941)
Other income	20	93,958,744	596,542,640
Other expenses		(28,253,449)	(116,452,233)
		(734,533,983)	(253,845,578)
Profit from operations		1,497,334,532	2,032,427,491
Share of loss of associate		—	—
Finance cost		(1,047,335,732)	(499,359,307)
Profit before taxation		449,998,800	1,533,068,184
Taxation		111,599,488	(300,735,652)
Profit from continuing operations		561,598,288	1,232,332,532
Discontinued Operations:			
Loss from discontinued operations - net of tax		(2,252,131)	(397,718)
Profit for the quarter		559,346,157	1,231,934,814
Attributable to:			
Owners of the Holding Company		560,271,783	1,232,098,276
Non-controlling Interest		(925,626)	(163,462)
		559,346,157	1,231,934,814
Earnings per share - basic & diluted			
Continuing operations		9.40	20.62
Discontinued operations		0.00	0.00
Attributable to owners of the Holding Company		9.40	20.62

The annexed notes from 1 to 27 form an integral part of these condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
For the quarter ended 31 December 2022

	31-Dec-22 Rupees	31-Dec-21 Rupees
Profit for the quarter	559,346,157	1,231,934,814
Other comprehensive income for the quarter	–	–
Total comprehensive income for the quarter	559,346,157	1,231,934,814
Attributable to:		
Owners of the Holding Company	560,271,783	1,232,098,276
Non-controlling Interest	(925,626)	(163,462)
	559,346,157	1,231,934,814

The annexed notes from 1 to 27 form an integral part of these condensed interim consolidated financial statements.

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

For the quarter ended 31 December 2022

	Note	31-Dec-22 Rupees	31-Dec-21 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		449,998,800	1,533,068,184
Adjustments for non-cash and other items:			
Depreciation		635,857,066	760,307,237
Finance cost		1,045,681,568	499,359,307
Workers' Profit Participation Fund		23,912,612	82,442,839
Sugarcane roots written off		52,011,742	-
Staff retirement benefits		77,015,717	61,221,314
Workers' Welfare Fund		4,340,837	20,176,839
Loss on sale of investments		-	13,159,419
Amortization of transaction cost		2,077,826	2,077,826
Amortization of intangible assets		510,908	511,389
Interest income		(90,160,821)	(23,673,048)
Gain on disposal of operating fixed assets		(11,182,309)	(31,575,740)
Fair value loss/(gain) at the point of harvest		44,019,250	(536,741,106)
		1,784,084,396	847,266,276
		2,234,083,196	2,380,334,460
Working capital changes:			
Stores, spare parts and loose tools		(689,944,829)	(237,426,676)
Stock-in-trade		(6,361,564,000)	(11,343,716,934)
Biological assets		283,644,200	1,314,853,006
Advances, deposits, prepayments and other receivables		220,397,571	267,983,148
Lease receivables		-	26,029,570
Trade receivables		716,071,390	2,305,799,921
Trade and other payables		3,030,584,110	1,915,425,869
Advances from customers		8,104,949,920	707,243,291
		5,304,138,362	(5,043,808,805)
Cash generated from / (used in) operations		7,538,221,558	(2,663,474,345)
Taxes paid		(310,844,340)	(224,708,408)
Staff retirement benefits paid		(93,399,639)	(47,429,463)
Interest income received		15,597,154	23,673,048
Long term deposits - net		(17,631,963)	(7,641,740)
Workers' Profit Participation Fund paid		-	(28,151,457)
		(406,278,788)	(284,258,020)
Net cash generated from / (used in) operations		7,131,942,770	(2,947,732,365)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(374,065,316)	(426,523,513)
Proceeds from sale of operating fixed assets		14,747,483	36,387,761
Net cash used in investing activities		(359,317,833)	(390,135,752)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		(592,808,974)	(771,647,238)
Short term borrowings - net		3,259,915,562	7,962,785,352
Financial charges paid as:			
- finance cost		(1,538,735,761)	(442,835,621)
- interest on lease liability		(79,479,011)	(51,456,781)
Principal portion of lease liability paid		(282,192,712)	(128,868,453)
Payment for own shares purchases for cancellation		(890,000,000)	-
Dividend paid		(29,682)	(7,756)
Net cash (used in) / generated from financing activities		(123,330,578)	6,567,969,503
Net increase in cash and cash equivalents		6,649,294,359	3,230,101,386
Cash and cash equivalents at beginning of the quarter		(2,200,970,839)	(1,406,116,249)
Cash and cash equivalents at end of the quarter		4,448,323,520	1,823,985,137
Cash and cash equivalents comprise of the following:			
- Cash and bank balances	18	5,688,543,978	2,565,697,075
- Running finances	10.2	(1,240,220,458)	(741,711,938)
		4,448,323,520	1,823,985,137

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

For the quarter ended 31 December 2022

	Share capital	Share premium reserve	Revenue Reserves			Equity attributable to the owners of the Holding Company	Non-controlling Interest	Total
	Rupees	Rupees	Accumulated profit	Reserve for cancellation of own shares	Net accumulated profit	Rupees	Rupees	Rupees
Note								
Balance as at 01 October 2021	597,766,610	678,316,928	14,693,902,094	–	14,693,902,094	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	–	15,926,000,370	17,202,083,908	375,910,815	17,577,994,723
Balance as at 01 October 2022	597,766,610	678,316,928	17,521,680,614	–	17,521,680,614	18,797,764,152	374,672,247	19,172,436,399
Total comprehensive income for the quarter	–	–	560,271,783	–	560,271,783	560,271,783	(925,626)	559,346,157
Reserve for cancellation of own shares	–	–	–	(890,000,000)	(890,000,000)	(890,000,000)	–	(890,000,000)
Balance as at 31 December 2022	597,766,610	678,316,928	18,081,952,397	(890,000,000)	17,191,952,397	18,468,035,935	373,746,621	18,841,782,556

The annexed notes from 1 to 27 form an integral part of these 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 2022

1 CORPORATE AND GENERAL INFORMATION

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

	(Un-audited) 31-Dec-22	(Audited) 30-Sep-22
	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") having financial year ended 30 September 2022 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, 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. Accordingly, separate financial statements of FPML have been prepared on non-going concern basis. On 25 March 2020, the FPML through a special resolution passed in its Extraordinary General Meeting had 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 that year and the said arrangement was re-approved by the FPML shareholders in its EOGM held on 13 December 2021. However, during the current period, the management of FPML has initiated the tendering process for disposal of assets. 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

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

For the quarter ended 31 December 2022

as Discontinued operations. Continuing operations include Sugar, Co-Generation Power and Corporate Farms business.

- 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 2022 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 2022.

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 and disclosures 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 2022.

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 2022, 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 2021.

- 2.1.5** These condensed interim consolidated financial statements are unaudited and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and section 237 of the Companies Act, 2017.
- 2.1.6** These condensed interim consolidated financial statements are presented in Pakistani Rupees (Rs. / Rupees) which is the Group's functional and presentation 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 2022.

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 2022.
- 4.2** On 20 January 2023, SECP vide S.R.O.67(I)/2023 has further extended the exemption of application of Expected Credit Losses model under IFRS 9 'Financial Instruments' in respect of financial assets due from Government of Pakistan up to 31 December 2024. Provided that such companies shall follow relevant requirements of IAS 39 - Financial Instruments: Recognition and Measurement, in respect of above referred financial assets.
- 4.3** 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-22 Rupees	(Audited) 30-Sep-22 Rupees
6 SHARE CAPITAL		
6.1 Authorized capital		
75,000,000 (30 September 2022: 75,000,000)		
voting ordinary shares of Rs. 10 each	750,000,000	750,000,000
25,000,000 (30 September 2022: 25,000,000)		
preference shares of Rs. 10 each	250,000,000	250,000,000
	<u>1,000,000,000</u>	<u>1,000,000,000</u>

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

For the quarter ended 31 December 2022

	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
6.2 Issued, subscribed and paid-up capital		
32,145,725 (30 September 2022: 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 2022: 27,630,936)		
voting bonus shares of Rs. 10 each fully paid	276,309,360	276,309,360
	<u>597,766,610</u>	<u>597,766,610</u>

7 RESERVE FOR CANCELLATION OF OWN SHARES

This represents the reserve for purchase of own shares for cancellation purpose during the period. The Holding Company, with the approval of the Holding Company's shareholders in extraordinary general meeting held on November 03, 2022 and in compliance of Section 88 of the Companies Act, 2017 read in conjunction with the Listing Companies (Buy Back of Shares) Regulations, 2019, accorded to buy back upto to a maximum of its 2,000,000 issued, subscribed and paid-up ordinary shares through the Pakistan Stock Exchange Limited at the spot/current price prevailing during purchase period e.g. 11 November 2022 to 02 May 2023 or till such date that the Buy-back of shares is completed, whichever is earlier. However, the Buy-back of shares has been completed on 02 January 2023.

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
8 LONG TERM FINANCES - SECURED			
Mark-up bearing finances from			
conventional banks	8.1	9,826,883,333	10,279,166,666
Islamic mode of financing	8.2	911,160,263	1,051,685,905
		<u>10,738,043,596</u>	<u>11,330,852,571</u>
Less: Transaction cost			
Balance at beginning of the quarter / year		(35,413,372)	(43,656,920)
Amortization of transaction cost during			
the period / year		2,077,826	8,243,549
Balance at end of the quarter / year		(33,335,546)	(35,413,371)
		<u>10,704,708,050</u>	<u>11,295,439,200</u>
Current maturity presented under current liabilities:			
Mark-up bearing finances from			
conventional banks		(2,152,883,334)	(3,046,633,333)
Islamic mode of financing		(530,951,925)	(562,102,567)
		<u>(2,683,835,259)</u>	<u>(3,608,735,900)</u>
	8.3	<u>8,020,872,791</u>	<u>7,686,703,300</u>
8.1 Mark-up bearing finances from conventional banks			
Balance at beginning of the quarter / year		10,279,166,666	13,241,278,239
Finances received during the quarter / year	8.1.1	1,000,000,000	1,000,000,000
Repayments / during the quarter / year		(1,452,283,333)	(3,962,111,573)
		<u>9,826,883,333</u>	<u>10,279,166,666</u>

8.1.1 Finances received during the quarter

	Markup basis	Duration	Grace period	Amount Rupees
Allied Bank Limited	*3mk + 0.50	1.5 Years	1 Year	1,000,000,000
*3 mk i.e. 3 months KIBOR				

	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
8.2 Islamic mode of financing		
Balance at beginning of the quarter / year	1,051,685,905	1,645,038,469
Repayments during the quarter / year	(140,525,642)	(593,352,564)
	911,160,263	1,051,685,905

8.3 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 2022: Rs 23,869 million) and personal guarantees of sponsor Directors of the Group.

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
9 LEASE LIABILITIES			
Balance at beginning of the quarter / year		2,622,898,383	2,104,109,093
Additions during the quarter / year		201,460,039	1,338,362,504
Finance cost regarding lease arrangement		65,253,883	261,513,480
Impact of re-measurement of lease liabilities		15,913,487	51,986,278
Lease payments / adjustments		(357,138,844)	(960,656,556)
Impact of early termination		–	(172,416,416)
		2,548,386,948	2,622,898,383
Less: Current maturity presented under current liabilities		(997,591,945)	(776,544,778)
Balance at end of the quarter / year	9.1	1,550,795,003	1,846,353,605

9.1 This includes Rs. 477.73 million and Rs. 94.41 million (30 September 2022: Rs. 416.27 million and Rs. 13.53 million) outstanding under Diminishing Musharakah financing arrangement and conventional banks respectively.

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
10 SHORT TERM BORROWINGS - SECURED			
Mark-up based borrowings from conventional banks			
Cash finances	10.1	6,999,605,099	9,235,755,370
Running finances	10.2	1,240,220,458	2,641,916,225
Finance against trust receipts	10.3	364,013,581	270,733,089
		8,603,839,138	12,148,404,684
Islamic mode of financing			
Salam / Istisna / Musawamah finances	10.4	8,084,644,774	2,681,859,433
		16,688,483,912	14,830,264,117

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

For the quarter ended 31 December 2022

- 10.1** The Group had availed cash finance facilities from various banks aggregated to Rs. 16,300 million (30 September 2022: Rs. 15,000 million). The mark-up rates applicable during the period ranges from one to three months KIBOR plus 20 to 100 bps per annum (30 September 2022: one to three months KIBOR plus 20 to 100 bps per annum) on utilized limits.
- 10.2** The Group has obtained running finance facilities aggregating to Rs. 2,921 million (30 September 2022: Rs. 2,921 million). The mark-up rates applicable during the period ranges from one to three months KIBOR plus 75 to 100 bps per annum (30 September 2022: one to three months KIBOR plus 75 to 100 bps per annum).
- 10.3** The limit of finance against trust receipt facility is Rs. 480 million (30 September 2022: Rs. 480 million). It carries mark-up ranging from one to six months KIBOR plus 100 to 250 bps per annum (30 September 2022: one to six months KIBOR plus 100 bps per annum).
- 10.4** The Group has obtained Salam / Istisna / Musawamah financing facilities from various banks and financial institutions aggregating to Rs. 10,285 million (30 September 2022: Rs. 10,584 million). The mark-up rates applicable during the period ranging from three to six months KIBOR plus 50 to 100 bps per annum (30 September 2022: three to six months KIBOR plus 50 to 100 bps per annum).
- 10.5** The available facilities for opening letters of credit and guarantee as on the reporting date aggregate to Rs. 2,050 million (30 September 2022: Rs. 2,050 million) which includes Rs. 580 million (30 September 2022: Rs. 580 million) sub-limit of FATR facility and bank guarantee. Further, facilities of amounting Rs. 300 million (30 September 2021: Rs. 100 million) remain unutilized as on reporting date.
- 10.6** The securities offered are the same as disclosed in the audited consolidated financial statements of the Group for the year ended 30 September 2022.

11 TRADE AND OTHER PAYABLES

Balance as at 31 December 2022 mainly includes payable to trade creditors aggregates to Rs. 1,225 million (30 September 2022: Rs. 1,624 million).

12 ADVANCES FROM CUSTOMERS

Balance as at 31 December 2022 mainly includes advances received from customers against sale of sugar aggregates to Rs. 7,915 million (30 September 2022: Rs. 2,731 million).

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

13.1.1 There is no material change in the status of contingencies from the preceding audited consolidated financial statements of the Group for the year ended 30 September 2022, except for the guarantees and commitments as disclosed below:

13.1.2 Guarantees issued by the banks on behalf of the Group in favor of various parties as at the reporting date amounts to Rs. 180 million (30 September 2022: Rs. 899 million).

	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
13.2 Commitments		
13.2.1 Letters of credit for import of machinery and its related components		
Holding Company - JDWSML	71,407,333	404,899,443
Subsidiary Company - DSML	2,844,300	94,096,363
	74,251,633	498,995,806

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
14 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	14.1	22,274,505,023	22,595,408,838
Capital work in progress	14.2	557,627,678	224,145,180
Stores, spare parts and loose tools held for capital expenditure		89,087,415	93,966,175
		<u>22,921,220,116</u>	<u>22,913,520,193</u>
14.1 Operating fixed assets			
Net book value as at beginning of the quarter / year		22,595,408,838	23,211,878,042
Additions during the quarter / year		117,456,744	1,058,058,526
Transfer from right-of-use asset - net book value		2,477,064	38,838,956
Deletions during the quarter / year - net book value		(55,576,916)	(156,750,033)
Depreciation charged / capitalized for the quarter / year		(385,260,707)	(1,557,216,653)
Net book value at end of the quarter / year		<u>22,274,505,023</u>	<u>22,595,408,838</u>
14.2 Capital work in progress			
Opening balance		224,145,180	60,266,380
Additions during the quarter / year		407,248,565	902,917,617
Transfers made during the quarter / year		(73,766,067)	(739,038,817)
Closing balance		<u>557,627,678</u>	<u>224,145,180</u>
	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
15 RIGHT-OF-USE ASSETS			
Net book value at beginning of the quarter / year		2,354,000,180	1,879,625,367
Additions during the quarter / year		110,065,665	1,347,769,875
Transfer to operating fixed assets - net book value		(2,477,064)	(38,838,956)
Depreciation charged during the quarter / year		(217,692,551)	(790,316,478)
Deletions during the quarter / year		–	(96,225,906)
Impact of re-measurement		–	51,986,278
Net book value at end of the quarter / year	15.1	<u>2,243,896,230</u>	<u>2,354,000,180</u>
Less: Current maturity presented under current assets		(712,596,930)	(730,292,317)
		<u>1,531,299,300</u>	<u>1,623,707,863</u>
15.1 The right-of-use assets relate to following type of assets:			
Land		1,663,180,716	1,813,183,236
Vehicles		520,990,287	479,786,028
Building		59,725,227	61,030,916
Total right-of-use assets		<u>2,243,896,230</u>	<u>2,354,000,180</u>

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

For the quarter ended 31 December 2022

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
16 LONG TERM INVESTMENTS			
Kathai-II Hydro (Private) Limited ("KHL")	16.1	–	–
JDW Power (Private) Limited ("JDWPL")	16.2	–	–
Less: Classified under current assets as short term investments			
JDW Power (Private) Limited ("JDWPL")	16.2	–	–
Classified under non-current assets		–	–
16.1 Khatai-II Hydro (Private) Limited - ("KHL")			
250 (30 September 2022: 250) fully paid shares of Rs. 10 each			
Equity held 20% (30 September 2022: 20%)		2,500	2,500
Share of post acquisition reserve		(2,500)	(2,500)
Balance as at the end of the quarter / year	16.1.1	–	–

16.1.1 Equity method has been applied on unaudited financial statements for the quarter ended 31 December 2022 (30 September 2022). Post acquisition reserves restricted to the cost of investment, therefore share of loss amounted to Rs. 215,576 (30 September 2022: Rs.204,831) for the quarter has not taken under equity method.

	Note	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
16.2 JDW Power (Private) Limited ("JDWPL")			
9,000,000 (30 September 2022: 9,000,000) fully paid shares of Rs. 10 each			
Equity held 47.37% (30 September 2022: 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	16.2.1	–	–

16.2.1 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.

17 BIOLOGICAL ASSETS

The fair value of biological assets as at 31 December 2022 is Rs. 2,527 million (30 September 2022: Rs. 2,855 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-22 Rupees	(Audited) 30-Sep-22 Rupees
18 CASH AND BANK BALANCES			
Current accounts			
Balance with conventional banks		2,074,545,035	332,347,315
Balance with islamic banks		377,971,049	74,754,946
		2,452,516,084	407,102,261
Saving accounts	18.1	2,999,034,028	28,996,915
		5,451,550,112	436,099,176
Cash in hand		236,993,866	4,846,210
		5,688,543,978	440,945,386

18.1 The balances in saving accounts carry mark-up at 13.50% to 15.25% per annum (30 September 2022: 5.5% to 14.25% per annum), further this also includes TDRs of Rs. 1,835 million (30 September 2022: Rs. nil) carry mark-up at 14.00% - 15.10% per annum.

	31-Dec-22 Rupees	30-Dec-21 Rupees
19 REVENUE FROM CONTRACTS WITH CUSTOMERS		
Disaggregation of revenue based on:		
19.1 Segments:		
Sugar		
Sugar - local	15,868,416,325	9,799,719,435
Molasses - by product	2,203,075,678	1,950,410,132
Bagasse - by product	324,606,602	–
Mud - by product	155,231,460	131,035,462
Agri Inputs	370,450	592,500
	18,551,700,515	11,881,757,529
Co-Generation Power	1,209,058,077	645,444,637
Corporate Farms	–	178,500
	19,760,758,592	12,527,380,666

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

For the quarter ended 31 December 2022

	31-Dec-22 Rupees	31-Dec-21 Rupees
19.2 Timing of revenue recognition		
Products transferred at a point in time	18,551,700,515	11,881,936,029
Products transferred over time	1,209,058,077	645,444,637
	19,760,758,592	12,527,380,666

20 OTHER INCOME

This mainly includes delayed payment markup from CPPA-G of Rs. 75 million (31 December 2021: Rs. Nil).

21 BUSINESS SEGMENTS INFORMATION

21.1 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.

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

21.2.1 Segment revenues & results	Sugar		Co-Generation segment		Corporate Farms segment		Others		Inter Segment Reconciliation		Total	
	31-Dec-22 Rupees	31-Dec-21 Rupees	31-Dec-22 Rupees	31-Dec-21 Rupees	31-Dec-22 Rupees	31-Dec-21 Rupees	31-Dec-22 Rupees	31-Dec-21 Rupees	31-Dec-22 Rupees	31-Dec-21 Rupees	31-Dec-22 Rupees	31-Dec-21 Rupees
Net external revenues	18,551,700,515	11,881,757,529	1,209,058,077	645,444,637	-	178,500	-	-	-	-	19,760,758,592	12,527,380,666
Inter - segment revenues	640,147,278	443,705,704	345,851,124	423,761,300	1,447,009,201	2,339,838,060	-	-	(2,433,006,603)	(3,207,305,064)	-	-
Reportable segment revenue	19,191,847,793	12,325,463,233	1,554,909,201	1,069,205,937	1,447,009,201	2,340,016,560	-	-	(2,433,006,603)	(3,207,305,064)	19,760,758,592	12,527,380,666
Segment profit / (loss) before tax	76,902,612	739,682,463	587,645,140	330,537,945	(194,548,932)	462,849,285	-	(1,509)	-	-	449,988,800	1,533,088,184

21.2.2 Inter - segment sales and purchases

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

21.2.3 Basis of inter - segment pricing

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

21.2.4 Segment assets & liabilities of continuing operations

	Sugar		Co-Generation segment		Corporate Farms segment		Others		Total	
	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees	(Un-audited) 31-Dec-22 Rupees	(Audited) 30-Sep-22 Rupees
Total assets for reportable segment	52,003,549,888	41,421,865,239	6,886,062,748	6,451,554,109	7,172,404,123	7,343,242,138	1,009,090	1,011,612	65,863,025,829	55,217,673,118
Total liabilities for reportable segment	45,147,522,688	34,272,185,845	609,807,767	333,688,617	2,173,187,402	2,350,885,452	84,592	87,112	47,890,602,449	36,956,848,026

20.3 Reconciliation of reportable segment profit or loss

Total profit before tax for reportable segments	449,988,800	1,533,088,184
Unallocated corporate income / (expenses)	111,599,488	(300,735,652)
Consolidated profit after tax from continuing operations	561,588,288	1,232,352,532

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

For the quarter ended 31 December 2022

22 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, other related companies, Directors of the Group and entities under common directorship 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-22 Rupees	31-Dec-21 Rupees
JDW Aviation (Pvt.) Limited	Associated Company (Common directorship)	Reimbursement of expenses	706,200	1,275,117
Lahore Flying Club (Guarantee) Limited	Associated Company (Related party)	Services rendered against aircraft hangar	172,009	466,063
Post Employment Benefit Plans	Other Related Parties	Provident fund contribution	78,586,034	62,989,180
		Payment to recognized gratuity fund	214,715	198,401

23 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 16).

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.

24 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 2022.

25 DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been approved by the Board of Directors and authorized for issue on 28 January 2023.

26 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.

27 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The crushing capacities of JDW Unit I and II were regularized in January 2023 in terms of section 11 of the Punjab Industries (Control on Establishment and Enlargement) (Amendment) Act, 2022.

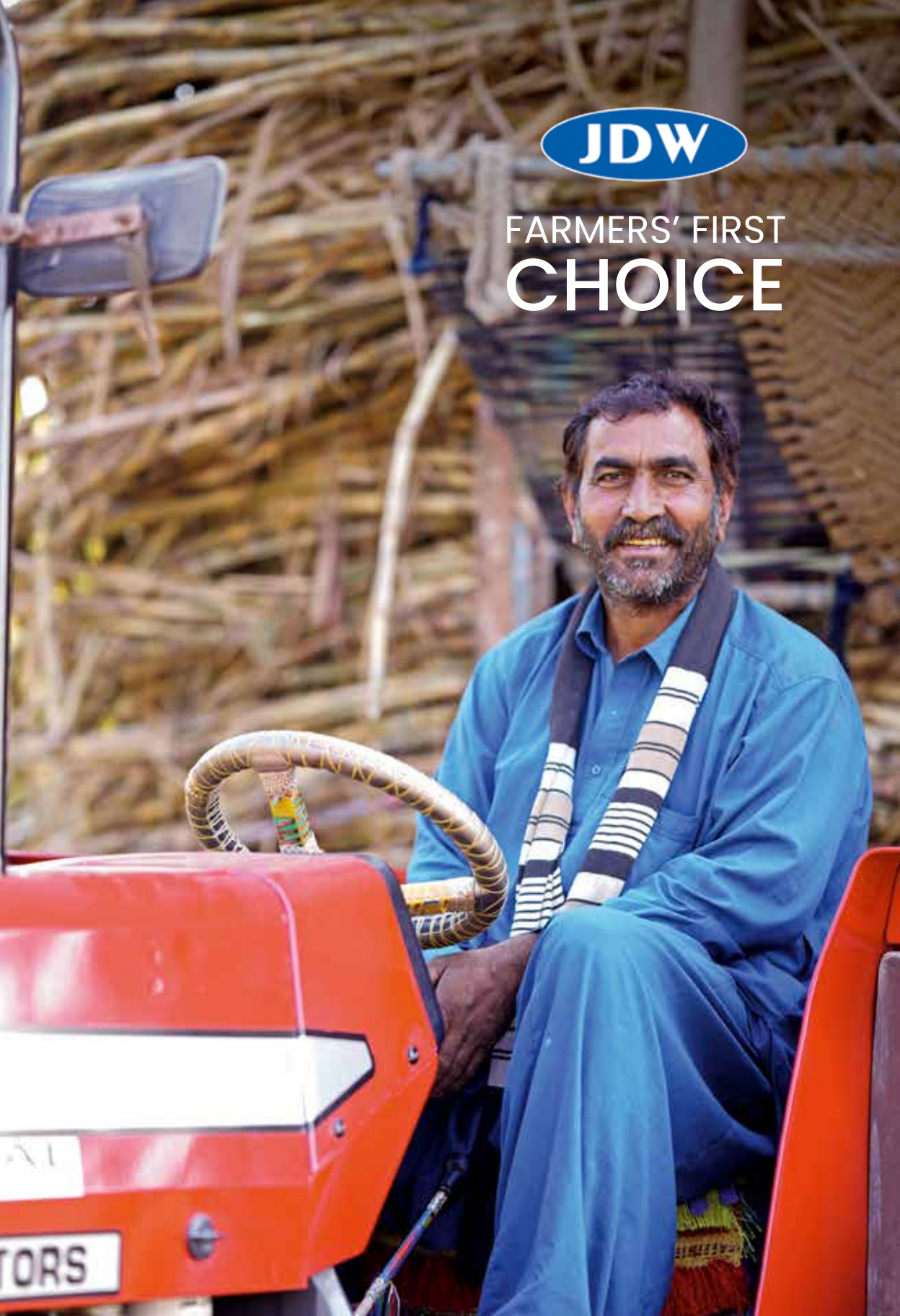
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