Condensed Interim Financial Statements

for the nine months period ended 30 June 2020 (Un-audited)

Continued Excellence

JDW

JDW Sugar Mills Limited

Directors' **Review**

Dear Shareholders,

We, on behalf of the Board of Directors of JDW Sugar Mills Limited ("the Company") are pleased to present the Condensed interim financial statements of the Company for the nine months period ended on June 30, 2020.

Due to Corona Virus (COVID-19) pandemic, Government of Pakistan imposed strict lockdown from March 24, 2020 to May 29, 2020 and thereafter, Government of Pakistan changed it into Smart Lockdown, which has been recently withdrawn. Outbreak of COVID-19 was extremely severe specially in Lahore where our Registered/Head Office is located. Unfortunately, more than 10 staff members of the Company got infected with COVID-19, which forced us to keep the Head Office closed till June 30, 2020 in compliance of Government COVID-19 SOPs, even after lifting of overall lockdown in Punjab on May 29, 2020.

Negative results of Rs. 61 million of our sugar division mainly caused by higher manufacturing costs, financial charges and sales tax, the Company with the help of better financial results in Co-generation division was able to achieve net profit after tax amounting to Rs. 623 million in the current period as compared to Rs. 737 million in the same period last year resultantly earnings per share of the Company in the current period is Rs. 10.42 as compared to Rs. 12.32 in the same period last year.

Other points of your interest are narrated below:

- There has been increase in gross turnover of the Company from Rs. 43.45 billion to Rs. 44.21 billion which is mainly due to 7% more sale of sugar stocks this time. During first quarter i.e., Oct–Dec, 2019 the Company had to sell more sugar stocks most of them were brought forward from last year to meet its funds requirements and also adjust working capital lines when sugar prices were not very favorable.

- This period the financial charges have increased by 14% increasing from Rs. 2.594 billion to Rs. 2.945 billion because of more utilization of working capital lines and higher markup rates. The positive impact of reduction in base rate by SBP from 13.25 percent to 7.00 percent will start accruing from 1st July, 2020 onwards which will result in achieving better financial results in future.

- Slow payments from CPPA-G has resulted in substantial increase in receivables which have reached to the level of approximately Rs. 6.9 billion. This accumulation of receivables has resulted in increase in financial charges and also a matter of concern for the Company.

Other Salient Features:

- The balance sheet size has increased to Rs. 52 billion from Rs. 48 billion. Accumulated reserves are approximately 14 times of the paid-up capital of the Company.

- In order to improve financial covenants, the company with the help of few banks have managed to convert short term loans of Rs. 3.0 billion into long term loan facility reducing burden on current liabilities during period under review.

- As usual growers' payment has remained our top priority being one of main keys of our success, this year also on Group basis growers' payments have been fully paid off for the crushing season 2019-20 despite stuck up of huge funds with Government of Sindh and GOP on account of export subsidy & sale of energy respectively. This was the 2nd consecutive crushing season in which all the growers of the Company were successfully paid through their bank accounts throughout the season and thereafter which was very well appreciated by the growers. Company regularly provides financial assistance and technical support to its growers. Due to these policies and preferential treatment with growers, the Company enjoys excellent relationship with them.

- Government has recently allowed import of 300,000 tons of sugar to fill the demand supply gap and also to stabilize the sugar prices which have sharply increased from July, 2020 onwards. Most of the applicable taxes on import stage have been substantially reduced for this import. This will help in catching the rise in sugar prices.

- The crop size for coming season seems to be approximately 10 to 15 per cent higher. Better yield per acre and improvement in sucrose recovery are also expected. The Sugar production will certainly increase and it is also expected that sugar and molasses prices would also remain favorable. Sugarcane prices would play a major role in the determination of sugar prices in coming season.

Lahore
31 August 2020

Director

Director

Condensed Interim Unconsolidated

Financial Statements (Un-audited)

For the nine months period ended 30 June 2020

JDW Sugar Mills Limited
Condensed Interim Unconsolidated Statement of Financial Position (Un-audited)
As at 30 June 2020

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 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		**7,521,639,598**	7,496,780,938
		8,797,723,136	8,772,864,476
Non-current liabilities			
Long term finances - secured	7	**11,977,832,388**	4,962,121,804
Lease liabilities	8	**740,142,516**	151,728,045
Deferred taxation		**600,864,324**	721,985,832
Retirement benefits		**94,828,166**	75,116,648
		13,413,667,394	5,910,952,329
Current liabilities			
Short term borrowings	9	**18,753,976,190**	16,513,317,010
Current portion of non-current liabilities		**2,120,538,702**	4,146,556,265
Trade and other payables	10	**3,144,954,721**	3,050,564,167
Advances from customers		**4,453,069,982**	9,091,672,650
Unclaimed dividend		**33,975,362**	31,620,357
Accrued profit / interest / mark-up		**1,145,658,200**	742,677,623
		29,652,173,157	33,576,408,072
CONTINGENCIES AND COMMITMENTS	11		
		51,863,563,687	48,260,224,877

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	12	**21,090,093,676**	21,958,943,693
Right-of-use assets	13	**1,185,312,582**	-
Investment property		**180,311,162**	219,015,262
Intangibles		**615,279,763**	616,809,560
Long term investments	14	**1,652,605,905**	1,651,603,405
Long term deposits		**48,847,252**	50,913,227
		24,772,450,340	24,497,285,147
Current assets			
Biological assets	15	**1,103,090,310**	2,018,952,863
Stores, spare parts and loose tools		**1,443,916,537**	1,527,111,297
Stock-in-trade		**14,339,864,335**	11,505,748,375
Trade debts - unsecured considered good		**9,009,307,976**	7,254,991,500
Advances, deposits, prepayments and other receivables		**604,894,692**	844,332,030
Advance tax - net		**215,268,338**	519,761,421
Cash and bank balances	16	**374,771,159**	92,042,244
		27,091,113,347	23,762,939,730
		51,863,563,687	48,260,224,877

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

Lahore

Chief Financial Officer

Director

Director

JDW Sugar Mills Limited
Condensed Interim Unconsolidated Statement of Profit or Loss (Un-audited)
For the nine months period and quarter ended 30 June 2020

		Nine months ended		Three months ended	
		30-Jun-20	30-Jun-19	**30-Jun-20**	30-Jun-19
	Note	**Rupees**	Rupees	**Rupees**	Rupees
Gross sales		**44,211,054,156**	43,447,153,548	**15,848,019,516**	22,661,761,756
Sales tax and commission		**(5,897,167,977)**	(3,857,448,344)	**(2,298,715,227)**	(1,962,494,513)
Revenue from contracts with customers	17	**38,313,886,179**	39,589,705,204	**13,549,304,289**	20,699,267,243
Cost of revenue		**(32,829,672,354)**	(34,779,048,275)	**(11,582,349,910)**	(16,653,509,899)
Gross profit		**5,484,213,825**	4,810,656,929	**1,966,954,379**	4,045,757,344
Administrative expenses		**(1,257,191,232)**	(991,372,151)	**(403,600,768)**	(378,631,237)
Selling expenses		**(53,911,867)**	(60,964,867)	**(6,761,000)**	(24,900,302)
Other income	18	**293,800,989**	530,205,567	**36,493,306**	324,218,286
Other expenses	19	**(480,863,547)**	(769,680,708)	**(46,115,112)**	(769,680,708)
		(1,498,165,657)	(1,291,812,159)	**(419,983,574)**	(848,993,961)
Profit from operations		**3,986,048,168**	3,518,844,770	**1,546,970,805**	3,196,763,383
Finance cost		**(2,945,223,808)**	(2,594,197,559)	**(1,046,185,473)**	(936,266,875)
Profit before taxation		**1,040,824,360**	924,647,211	**500,785,332**	2,260,496,508
Taxation		**(418,199,090)**	(188,121,817)	**(257,662,926)**	(599,313,946)
Profit for the period		**622,625,270**	736,525,394	**243,122,406**	1,661,182,562
Earnings per share - basic and diluted		**10.42**	12.32	**4.07**	27.79

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

Lahore **Chief Financial Officer** **Director** **Director**

JDW Sugar Mills Limited
Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)
For the nine months period and quarter ended 30 June 2020

	Nine months ended		Three months ended	
	30-Jun-20	30-Jun-19	**30-Jun-20**	30-Jun-19
	Rupees	Rupees	**Rupees**	Rupees
Profit for the period	**622,625,270**	736,525,394	**243,122,406**	1,661,182,562
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	**622,625,270**	736,525,394	**243,122,406**	1,661,182,562

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

Lahore

Chief Financial Officer

Director

Director

JDW Sugar Mills Limited
Condensed Interim Unconsolidated Statement of Changes in Equity (Un-audited)
For the nine months period ended 30 June 2020

	Share capital	Reserves			Total equity
		Capital	Revenue	Total reserves	
		Share premium	Accumulated profit		
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 01 October 2018	597,766,610	678,316,928	6,951,403,122	7,629,720,050	8,227,486,660
Total comprehensive income for the period	-	-	736,525,394	736,525,394	736,525,394
Balance as at 30 June 2019	**597,766,610**	**678,316,928**	**7,687,928,516**	**8,366,245,444**	**8,964,012,054**
Balance as at 01 October 2019	**597,766,610**	**678,316,928**	**7,496,780,938**	**8,175,097,866**	**8,772,864,476**
Total comprehensive income for the period	-	-	622,625,270	622,625,270	622,625,270
Transaction with owners of the Company:					
Final dividend @ Rs. 10.00 per share	-	-	(597,766,610)	(597,766,610)	(597,766,610)
Balance as at 30 June 2020	**597,766,610**	**678,316,928**	**7,521,639,598**	**8,199,956,526**	**8,797,723,136**

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

Lahore **Chief Financial Officer** **Director** **Director**

JDW Sugar Mills Limited
Condensed Interim Unconsolidated Statement of Cash Flows (Un-audited)
For the nine months period ended 30 June 2020

	Note	30-Jun-20 Rupees	30-Jun-19 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		1,040,824,360	924,647,211
Adjustments for non cash and other items:			
Finance cost		2,945,223,808	2,594,197,559
Depreciation of operating fixed assets		1,097,950,236	1,118,254,226
Amortization of intangible assets		1,529,796	1,529,796
Depreciation on right-of-use assets		35,754,922	-
Impairment allowance against doubtful export subsidy and trade debts		373,877,382	43,800,000
Provision for doubtful advances		21,007,177	3,596,334
Derecognition of bearer plants		214,249,480	216,882,659
Provision for obsolescence		142,792,482	-
Staff retirement benefits		92,471,913	77,530,869
Workers' Profit Participation Fund		55,898,193	51,160,187
Workers' Welfare Fund		21,241,313	-
Assets written off		917,595	132,070
Gain on disposal of operating fixed assets		(16,951,368)	(20,024,214)
Impairment allowance against Investment in Faruki Pulp Mills		-	671,124,187
		4,985,962,929	4,758,183,673
Operating profit before working capital changes		6,026,787,289	5,682,830,884
Effect of working capital changes:			
Stores, spare parts and loose tools		(59,597,722)	(195,372,759)
Stock-in-trade		(2,834,115,960)	844,128,512
Biological assets		915,862,553	1,224,038,375
Advances, deposits, prepayments and other receivables		(137,066,028)	1,671,223,023
Trade debts - unsecured considered good		(1,772,697,669)	(1,879,422,948)
Trade and other payables		508,572,422	(43,964,143)
Advances from customers		(4,638,602,668)	6,812,760,413
		(8,017,645,072)	8,433,390,473
Cash (used in) / generated from operations		(1,990,857,783)	14,116,221,357
Taxes paid		(234,827,515)	(79,560,758)
Staff retirement benefits paid		(70,752,248)	(66,491,439)
Workers' welfare fund paid		-	(20,442,242)
Workers' profit participation fund paid		(12,634,718)	-
		(318,214,481)	(166,494,439)
Net cash (used in) / generated from operations		(2,309,072,264)	13,949,726,918
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(350,376,902)	(1,045,837,198)
Long term deposits - net		2,065,975	(6,282,938)
Advances for future issuance of shares		(1,000,000)	(2,000,000)
Investment made in associate		(2,500)	-
Long term advances		-	5,166,670
Proceeds from sale of operating fixed assets		25,008,119	32,375,619
Net cash used in investing activities		(324,305,308)	(1,016,577,847)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		4,372,295,382	(2,763,549,276)
Short term borrowings - net		2,665,127,943	(5,370,826,326)
Financial charges paid as:			
- finance cost		(2,453,054,482)	(2,572,387,556)
- Interest on lease liability		(131,661,092)	(10,720,829)
Principal portion of lease liability paid		(516,720,896)	(122,472,730)
Dividend paid		(595,411,605)	(2,424,886)
Net cash generated from / (used in) financing activities		3,340,575,250	(10,842,381,603)
Net increase in cash and cash equivalents		707,197,678	2,090,767,468
Cash and cash equivalents at beginning of the period		(3,539,932,772)	(4,584,079,813)
Cash and cash equivalents at end of the period		(2,832,735,094)	(2,493,312,345)
Cash and cash equivalents comprise of the following:			
- Cash and bank balances	16	374,771,159	647,618,213
- Running finances and morabaha finances	9.2 & 9.6	(3,207,506,253)	(3,140,930,558)
		(2,832,735,094)	(2,493,312,345)

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

Lahore **Chief Financial Officer** **Director** **Director**

1. REPORTING ENTITY

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

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

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 30 June 2020 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 nine months period ended 30 June 2020.

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.

This is the first set of the Company's financial statements in which IFRS 16 'Leases' has been applied. Changes to significant accounting policies are described in note 4.1.1.

2.1.3 These condensed interim unconsolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended 30 September 2019.

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 2019, 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 nine months period ended 30 June 2019.

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.

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 the 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 2019.

4. STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

4.1 The accounting policies and the methods of computation adopted in the preparation of the 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 2019 except for those disclosed in note 4.1.1.

4.1.1 Change in significant accounting policies

IFRS 16 'Leases'

The Company has adopted IFRS 16 'Leases' with effect from 01 October 2019 which replaces existing guidance on accounting for leases, including IAS 17 'Leases' along with three Interpretations (IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases-Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'). IFRS 16 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right-of-use of the underlying asset and a lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases.

The Company has adopted IFRS 16 retrospectively, effective from October 1, 2019, but has not restated comparatives for prior reporting period, as permitted under the specific transitional provisions in the standard. The cumulative impact of adoption of this standard is, therefore, recognized in current year in the statement of financial position with effect from October 1, 2019.

SECP through SRO 986(I)/2019 dated 02 September 2019 has granted exemption from the requirements of IFRS 16 to all companies to the extent of their power purchase agreements executed before 01 January 2019. Therefore, the standard will not have any impact on the Company's condensed unconsolidated interim financial statements to the extent of its power purchase agreement.

At 01 October 2019, the Company has elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. The accounting polices relating to the Company's right-of-use assets and lease liabilities are as follows:

- At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain different terms and conditions. The Company's leasing activities mainly include cultivation of sugarcane on leased land for lease term 3 to 5 years.

- At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

- At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

  Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

- In the previous year, the Company only recognized lease assets and lease liabilities in relation to leases that were classified as 'finance leases' under IAS 17 'Leases'. The assets were presented in property, plant and equipment and the liabilities as part of the Company's liabilities. On adoption of IFRS 16, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying IAS 17. For such leases, the Company recognizes right-of-use asset and the lease liability applying this Standard from the date of initial application.

- On transition to IFRS 16, the incremental borrowing rate applied to lease liabilities recognised under IFRS 16 was 14.9%.

  On transition to IFRS 16, the Company has elected to use the following practical expedients under IFRS 16 to leases previously classified as operating leases under IAS 17:

  - A single discount rate has been applied to portfolio of leases with reasonably similar characteristics; and
  - the use of hindsight in determining the lease term where contract contains option to extend or terminate the lease.

- The following is a reconciliation of the financial statement line items from IAS 17 to IFRS 16 as at 01 October 2019:

	Carrying amount as at 30 September 2019	Impact of IFRS 16	Carrying amount as at 01 October 2019
Non-current assets:			
Property, plant and equipment			
- Operating fixed assets - Leased	230,182,809	(230,182,809)	-
Right-of-use assets	-	1,152,207,181	**1,152,207,181**
Current assets			
Prepaid expense	2,368,330	(2,368,330)	-
Non-current liabilities			
Lease liabilities	(151,728,045)	(1,402,719,175)	**(1,554,447,220)**
Current liabilities			
Lease liabilities	(72,868,704)	-	**(72,868,704)**
Trade and other creditors	(483,063,133)	483,063,133	-
	(475,108,743)	-	**(475,108,743)**

- The following is a reconciliation of total operating lease commitments at 30 September 2019 (as disclosed in the audited financial statements to 30 September 2019) to the lease liabilities recognised at 01 October 2019:

Impact of IFRS 16	Rupees
Total operating lease commitments disclosed at 30 September 2019	**1,126,648,922**
Discounted using incremental borrowing rate	**(286,536,050)**
Other adjustments	**81,911,500**
Land lease rental payable - net as at 30 September 2019	**480,694,803**
Total lease liabilities recognised under IFRS 16 at 01 October 2019	**1,402,719,175**
Of which are:	
Current lease liabilities	**673,805,183**
Non-current lease liabilities	**728,913,992**
	1,402,719,175

4.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and/or have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after 01 October 2020, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim unconsolidated financial statements.

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.

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
6. Share capital			
6.1 Authorized share capital			
75,000,000 (30 September 2019: 75,000,000) ordinary shares of Rs. 10 each		**750,000,000**	750,000,000
25,000,000 (30 September 2019: 25,000,000) preference shares of Rs. 10 each		**250,000,000**	250,000,000
		1,000,000,000	1,000,000,000
6.2 Issued, subscribed and paid up share capital			
32,145,725 (30 September 2019: 32,145,725) ordinary shares of Rs. 10 each fully paid in cash		**321,457,250**	321,457,250
27,630,936 (30 September 2019: 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. Long term finances - secured			
Mark-up bearing finances from conventional banks	7.1	**9,699,451,815**	3,146,458,336
Islamic mode of financing	7.2	**2,320,852,916**	1,815,663,468
		12,020,304,731	4,962,121,804
Less: Transaction cost		**(42,472,343)**	-
	7.3	**11,977,832,388**	4,962,121,804
7.1 Mark-up bearing finances from conventional banks			
Balance at beginning of the period / year		**6,326,126,662**	9,580,302,716
Finances received during the period / year	7.1.1	**8,999,140,333**	114,906
Repayments during the period / year		**(4,319,110,334)**	(3,254,290,960)
		11,006,156,661	6,326,126,662
Current portion presented under current liabilities		**(1,306,704,846)**	(3,179,668,326)
		9,699,451,815	3,146,458,336

7.1.1 Finances received during the period

	Markup basis	Duration	Grace period	Amount Rupees
The Bank of Punjab - Led Syndicate				
The Bank of Punjab	3mk + 1.10	06 Years	-	**2,036,641,666**
MCB Bank Limited	3mk + 1.10	06 Years	-	**816,666,667**
National Bank of Pakistan Limited	3mk + 1.10	06 Years	-	**1,225,000,000**
Askari Bank Limited	3mk + 1.10	06 Years	-	**975,000,000**
Pak Kuwait Investment Co.	3mk + 1.10	06 Years	-	**612,500,000**
Allied Bank Limited	3mk + 0.50	1.5 Years	01 Year	**1,000,000,000**
MCB Bank Limited	3mk + 1.00	03 Years	0.5 Year	**2,000,000,000**
Habib Bank Limited	0mk + 1.50	2.5 Years	0.5 Year	**333,332,000**
				8,999,140,333

* 3 mk i.e. 3 months KIBOR

		(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
7.2 Islamic mode of financing			
Balance at beginning of the period / year		**2,709,682,703**	3,206,160,271
Finances received during the period / year	7.2.1	**1,684,191,667**	250,000,000
Repayments during the period / year		**(1,991,926,284)**	(746,477,568)
		2,401,948,086	2,709,682,703
Current portion presented under current liabilities		**(81,095,170)**	(894,019,235)
		2,320,852,916	1,815,663,468

7.2.1 Finances received during the period

	Profit / Interest basis	Duration	Grace period	Amount Rupees
The Bank of Punjab - Led Syndicate				
Dubai Islamic Bank Pakistan	3mk + 1.10	06 Years	-	**816,666,667**
Askari Bank Limited (Islamic)	3mk + 1.10	06 Years	-	**255,000,000**
MCB Islamic Bank	3mk + 1.10	06 Years	-	**612,525,000**
				1,684,191,667

7.3 Long term finances are secured against ranking / joint parri passu charge over all present and future fixed assets including land, building, plant and machinery of the Company and personal guarantees of sponsor directors of the Company.

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
8. Lease liabilities			
Balance at beginning of the period / year		**224,596,749**	249,959,511
Impact of initial application of IFRS 16	4.1.1	**1,402,719,175**	-
Additions during the period / year		**362,286,175**	119,957,301
Finance cost regarding lease arrangement		**111,537,887**	-
Lease payments		**(628,258,784)**	(145,320,063)
	8.1	**1,472,881,202**	224,596,749
Less: Current maturity presented under current liabilities		**(732,738,686)**	(72,868,704)
Balance at end of the period / year		**740,142,516**	151,728,045

8.1 This amount includes lease obligation of Rs. 15 million towards Deharki Sugar Mills (Private) Limited, a wholly owned subsidiary company.

9. Short term borrowings

Mark-up based borrowings from conventional banks - secured			
Cash finances	9.1	**8,063,336,562**	7,607,729,625
Running finances	9.2	**1,907,506,253**	1,881,975,016
Finance against trust receipts	9.3	**96,743,144**	263,354,254
Inland bill discounting	9.4	**-**	1,190,858,115
		10,067,585,959	10,943,917,010
Islamic mode of financing - secured			
Salam / Istisna finances	9.5	**5,076,390,231**	2,969,200,000
Morabaha finances	9.6	**1,300,000,000**	1,750,000,000
		6,376,390,231	4,719,200,000
Borrowings from related party - unsecured			
Deharki Sugar Mills (Private) Limited	9.7	**2,310,000,000**	850,200,000
		18,753,976,190	16,513,317,010

9.1 The mark-up rate applicable during the period ranges from one to three months KIBOR plus 20 to 100 bps per annum (30 September 2019: one to three months KIBOR plus 20 to 100 bps per annum).

9.2 The mark-up rate applicable during the period ranges from one to three months KIBOR plus 65 to 100 bps per annum (30 September 2019: one to three months KIBOR plus 50 to 100 bps per annum).

9.3 The mark-up rate applicable during the period ranges from one to six months KIBOR plus 100 to 250 bps per annum (30 September 2019: three to six months KIBOR plus 90 to 250 bps per annum).

9.4 The mark-up rate applicable during the period ranges from one to three months KIBOR plus 50 to 100 bps per annum (30 September 2019: one to three months KIBOR plus 50 to 100 bps per annum).

9.5 The mark-up rate applicable during the period ranges from three to nine months KIBOR plus 20 to 100 bps per annum (30 September 2019: three to nine months KIBOR plus 20 to 50 bps per annum).

9.6 The mark-up rate applicable during the period is three months KIBOR plus 75 to 100 bps per annum (30 September 2019: three to nine months KIBOR plus 50 to 100 bps per annum).

9.7 This represents interest bearing loan received from Deharki Sugar Mills (Private) Limited to meet working capital requirements at a periodically average interest rate ranging from 12.2% to 14.86% per annum (30 September 2019: 9.44% to 13.53% per annum).

9.8 The securities offered are the same as disclosed in the audited unconsolidated financial statements of the Company for the year ended 30 September 2019.

10. Balance as at 30 June 2020 mainly includes payable to trade creditors aggregates to Rs. 1,411 million (September 30, 2019: Rs. 1,904 million).

11. Contingencies and commitments

11.1 Contingencies

There is no material change in contingencies from the preceding audited unconsolidated financial statements of the Company for the year ended 30 September 2019, except for the guarantees and commitments as disclosed below:

11.1.1 Guarantees issued by the banks on behalf of the Company in favor of various parties as at the reporting date amounts to Rs. 671 million (30 September 2019: Rs. 560 million).

11.1.2 Guarantees issued by the banks on behalf of the Company in favor of Sadiqabad Power (Private) Limited and Ghotki Power (Private) Limited, wholly owned subsidiary companies, as at the reporting date aggregate amounts to Rs. 38 million (30 September 2019: Rs. 39 million).

	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
11.2 Commitments		
11.2.1 Letters of credit for import of machinery and its related components	**50,313,262**	235,071,327

11.2.2 The amount of future lease rentals on agricultural contract and the period in which payments will become due are as follows:

	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
Less than one year	-	239,114,320
Between one and five years	-	883,360,852
More than five years	-	4,173,750
	-	1,126,648,922

12. Property, plant and equipment

Operating fixed assets	12.1	**20,947,909,781**	21,365,668,172
Capital work in progress	12.2	**14,198,135**	464,469,761
Stores, spare parts and loose tools held for capital expenditure		**127,985,760**	128,805,760
		21,090,093,676	21,958,943,693

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
12.1 Operating fixed assets			
Net book value at beginning of the period / year		**21,365,668,172**	21,133,041,009
Impact of adoption of IFRS 16	4.1.1	**(230,182,809)**	-
Additions during the period / year		**1,010,586,014**	1,938,801,323
Transfer from investment property during the period / year		**38,704,100**	-
Disposals / adjustments during the period / year - net book value		**(223,223,826)**	(238,113,345)
Depreciation charged / capitalized during the period / year		**(1,013,641,870)**	(1,468,060,815)
Net book value at end of the period / year		**20,947,909,781**	21,365,668,172
12.2 Capital work in progress			
Opening balance		**464,469,761**	752,229,377
Additions during the period / year		**204,047,683**	1,114,844,810
Transfers made during the period / year		**(654,319,309)**	(1,402,604,426)
Closing balance		**14,198,135**	464,469,761
13. Right-of-use assets			
Net book value at beginning of the period		-	-
Impact of adoption of IFRS 16	4.1.1	**1,152,207,181**	-
Additions during the period		**356,805,675**	-
Depreciation charged / capitalized during the period		**(323,700,274)**	-
Net book value at end of the period		**1,185,312,582**	-
13.1 The right-of-use assets relate to following type of assets:			
Vehicles		**234,057,456**	-
Land		**951,255,126**	-
Total right-of-use assets		**1,185,312,582**	-

14. Long term investments	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
Investment in subsidiary companies - unquoted	14.1	**1,652,603,405**	1,651,603,405
Investment in associated companies - unquoted	14.2	**2,500**	-
		1,652,605,905	1,651,603,405

14.1 Investment in subsidiary companies - unquoted

Deharki Sugar Mills (Private) Limited ("DSML")		
104,975,000 (30 September 2019: 104,975,000) fully paid shares of Rs. 10 each		
Equity held 100% (30 September 2019: 100%)	**1,049,750,000**	1,049,750,000
Faruki Pulp Mills Limited ("FPML")		
310,892,638 (30 September 2019: 310,892,638) fully paid ordinary shares of Rs. 10 each		
Equity held 57.67% (30 September 2019: 57.67%)	**3,154,426,383**	3,154,426,383
Accumulated impairment allowance	**(2,584,372,978)**	(2,584,372,978)
	570,053,405	570,053,405
Sadiqabad Power (Private) Limited ("SPL")		
1,000,100 (30 September 2019: 1,000,100) fully paid shares of Rs. 10 each		
Equity held 100% (30 September 2019: 100%)	**10,001,000**	10,001,000
Advances for future issuance of shares	**6,349,000**	5,349,000
	16,350,000	15,350,000
Ghotki Power (Private) Limited ("GPL")		
1,000,100 (30 September 2019: 1,000,100) fully paid shares of Rs. 10 each		
Equity held 100% (30 September 2019: 100%)	**10,001,000**	10,001,000
Advances for future issuance of shares	**6,449,000**	6,449,000
	16,450,000	16,450,000
	1,652,603,405	1,651,603,405

14.2 Investment in associated companies - unquoted

Kathai-II Hydro (Private) Limited ("KHL")		
250 (30 September 2019: nil) fully paid shares of Rs. 10 each		
Equity held 20% (30 September 2019: nil%)	**2,500**	-
JDW Power (Private) Limited ("JDWPL")		
9,000,000 (30 September 2019: 9,000,000) fully paid shares of Rs. 10 each		
Equity held 47.37% (30 September 2019: 47.37%)	**90,000,000**	90,000,000
Accumulated impairment allowance	**(90,000,000)**	(90,000,000)
	-	-
	2,500	-

15. Biological assets

The fair value of biological assets is carried at the accumulated costs incurred, which approximate the fair value since little biological transformation has taken place due to the seasonal nature of the crops and the impact of the transformation on price is not expected to be material and categorized as Level 2. Due to seasonal nature of sugarcane and other crops, a transfer between Level 3 to Level 2 of Rs. 1,103 million has been made during the period.

16. Cash and bank balances	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
Current accounts			
Balance with islamic banks		**188,476,382**	6,732,090
Balance with conventional banks		**157,349,601**	82,950,983
		345,825,983	89,683,073
Saving accounts			
Deposit with conventional banks	16.1	**9,986,923**	17,970
		355,812,906	89,701,043
Cash in hand		**18,958,253**	2,341,201
		374,771,159	92,042,244

16.1 The balances in saving accounts carry mark-up at 6.5% to 11.7% per annum (30 September 2019: 6.5% to 11.25% per annum).

17. Revenue from contracts with customers

Disaggregation of revenue based on:

	Note	Nine months ended 30-Jun-20 Rupees	Nine months ended 30-Jun-19 Rupees	Three months ended 30-Jun-20 Rupees	Three months ended 30-Jun-19 Rupees
17.1 *Segments*					
Sugar					
Sugar	17.1.1	**28,819,376,906**	30,476,278,561	**11,668,044,049**	18,382,907,635
Molasses - by product		**3,452,256,002**	2,231,256,777	**25,950,411**	22,123,660
Bagasse - by product		**195,650,716**	241,118,042	**15,262,106**	54,026,372
Agri Inputs		**1,688,748,793**	1,988,134,746	**498,996,691**	847,658,394
		34,156,032,417	34,936,788,126	**12,208,253,257**	19,306,716,061
Co-Generation Power		**3,025,714,599**	3,626,132,716	**1,271,892,248**	1,290,297,623
Corporate Farms		**1,132,139,163**	1,026,784,362	**69,158,784**	102,253,559
		38,313,886,179	39,589,705,204	**13,549,304,289**	20,699,267,243
17.1.1 Sugar					
Local		**28,660,277,081**	24,619,590,753	**11,668,044,049**	13,825,386,987
Export		**159,099,825**	5,856,687,808	**-**	4,557,520,648
		28,819,376,906	30,476,278,561	**11,668,044,049**	18,382,907,635

17.1.1.1 This includes sugar export subsidy of Rs. nil (30 June 2019: Rs. 558 million).

	Nine months ended 30-Jun-20 Rupees	Nine months ended 30-Jun-19 Rupees	Three months ended 30-Jun-20 Rupees	Three months ended 30-Jun-19 Rupees
17.2 Geographic markets				
Asia	**159,099,825**	5,856,687,808	**-**	4,557,520,648
17.3 Timing of revenue recognition				
Products transferred at a point in time	**35,288,171,580**	35,963,572,488	**12,277,412,041**	19,408,969,620
Products transferred over time	**3,025,714,599**	3,626,132,716	**1,271,892,248**	1,290,297,623
	38,313,886,179	39,589,705,204	**13,549,304,289**	20,699,267,243

18. Other income

This mainly includes scrap sale of Rs. 63 million (30 June 2019: Rs. 87 million), mud sale of Rs. 187 million (30 June 2019: Rs. 124 million) and gain on sale of operating fixed assets of Rs. 17 million (30 June 2019: 20 million).

19. Other expenses

This mainly includes impairment allowance against doubtful export subsidy receivable of Rs. 355 million (30 June 2019: Rs. 44 million).

20. Transactions with related parties

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

Name of companies	Relationship	Nature of transactions	30-Jun-20 Rupees	30-Jun-19 Rupees
i) **Deharki Sugar Mills (Pvt.) Limited**	**Subsidiary Company** (Equity held 100 percent)	Short term advances received	**8,961,168,000**	11,254,676,969
		Short term advances paid	**7,501,368,000**	10,958,665,969
		Markup expense on short term advances	**171,993,238**	110,703,199
		Sale of sugarcane	**1,026,269,504**	906,900,300
		Purchase of bagasse	**472,425,293**	446,822,182
		Reimbursement on use of the Company's aircraft	**15,689,848**	12,819,045
		Sale of stores, spare parts and loose tools	**14,041,859**	-
		Purchase of stores, spare parts and loose tools	**46,418,354**	-
		Rent on land acquired on lease	**6,438,975**	6,438,975
ii) **Sadiqabad Power (Pvt.) Limited**	**Subsidiary Company** (Equity held 100 percent)	Advances for future issuance of shares	**1,000,000**	1,000,000
iii) **Ghotki Power (Pvt) Limited**	**Subsidiary Company** (Equity held 100 percent)	Advances for future issuance of shares	**-**	1,000,000
iv) **JDW Aviation (Pvt.) Limited**	**Associated Company** (Due to common directorship)	Reimbursement of expenses	**3,249,012**	10,417,752
v) **Kathai-II Hydro (Pvt.) Limited**	**Associated Company** (Equity held 20 percent)	Investment made	**2,500**	-
vii) **Post Employment Benefits Plan**		Provident fund contribution	**143,448,672**	125,484,617
		Payment to recognised gratuity fund	**1,036,059**	9,821,245
		Short term advance	**820,000,000**	-
		Markup paid	**8,487,466**	-
viii) **Key Management Personnel**		Directors' remuneration and allowances	**467,180,003**	289,135,002
		Consultancy services	**9,898,391**	9,179,189

21. Fair value measurement of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		30 June 2020 (Un-audited)					
		Carrying Amount			Fair Value		
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
On-Balance sheet financial instruments	**Note**	**Rupees**	**Rupees**	**Rupees**	**Rupees**	**Rupees**	**Rupees**
Financial assets measured at fair value		-	-	-	-	-	-
Financial assets not measured at fair value							
Long term deposits		48,847,252	-	48,847,252	-	-	-
Trade debts - unsecured considered good		9,009,307,976	-	9,009,307,976	-	-	-
Advances, deposits and other receivables		33,829,835	-	33,829,835	-	-	-
Cash and bank balances		374,771,159	-	374,771,159	-	-	-
	21.1	9,466,756,222	-	9,466,756,222	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-
Financial liabilities not measured at fair value							
Long term finances - secured		-	13,365,632,404	13,365,632,404	-	-	-
Short term borrowings		-	18,753,976,190	18,753,976,190	-	-	-
Lease liabilities		-	1,472,881,202	1,472,881,202	-	-	-
Accrued profit / interest / mark-up		-	1,145,658,200	1,145,658,200	-	-	-
Trade and other payables		-	2,315,748,963	2,315,748,963	-	-	-
Unclaimed dividend		-	33,975,362	33,975,362	-	-	-
	21.1	-	37,087,872,321	37,087,872,321	-	-	-

Fair value measurement of financial instruments

		30 September 2019 - (Audited)					
		Carrying Amount			Fair Value		
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
On-Balance sheet financial instruments	**Note**	**Rupees**	**Rupees**	**Rupees**	**Rupees**	**Rupees**	**Rupees**
Financial assets measured at fair value		-	-	-	-	-	-
Financial assets not measured at fair value							
Long term deposits		50,913,227	-	50,913,227	-	-	-
Trade debts - unsecured considered good		7,254,991,500	-	7,254,991,500	-	-	-
Advances, deposits and other receivables		40,527,534	-	40,527,534	-	-	-
Cash and bank balances		92,042,244	-	92,042,244	-	-	-
	21.1	7,438,474,505	-	7,438,474,505	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-
Financial liabilities not measured at fair value							
Long term finances - secured		-	9,035,809,365	9,035,809,365	-	-	-
Short term borrowing		-	16,513,317,010	16,513,317,010	-	-	-
Liabilities against assets subject to finance lease - secured		-	224,596,749	224,596,749	-	-	-
Accrued profit / interest / mark-up		-	742,677,623	742,677,623	-	-	-
Trade and other payables		-	2,241,178,840	2,241,178,840	-	-	-
Unclaimed dividend		-	31,620,357	31,620,357	-	-	-
	21.1	-	28,789,199,944	28,789,199,944	-	-	-

21.1 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of their fair values.

22. Financial risk management

The Company's financial risk management objective and policies are consistent with that disclosed in the audited annual unconsolidated financial statements of the Company for the year ended 30 September 2019.

23. Date of authorization

These condensed interim unconsolidated financial statements have been approved by the Board of Directors of the Company and authorized for issue on 31 August 2020.

24. Corresponding figures

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework.

25. Events after the Statement of Financial Position date

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

26. General

Statement under section 232 (1) of the Companies Act, 2017.

These financial statements have been signed by two Directors instead of Chief Executive Officer and one Director, as the Chief Executive Officer is for the time being not in Pakistan.

Lahore

Chief Financial Officer

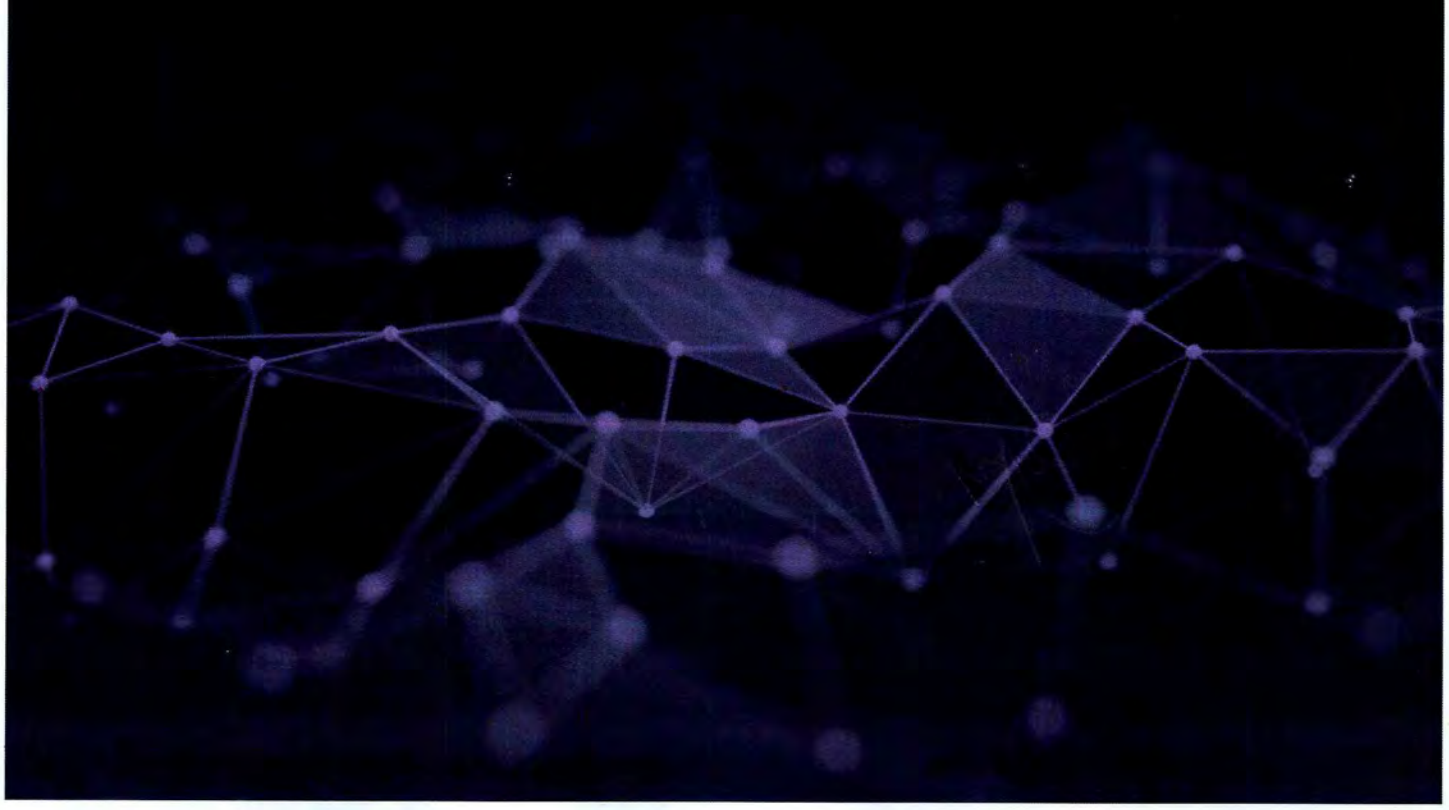
Director

Director

Condensed Interim Consolidated

Financial Statements (Un-audited)

For the nine months period ended 30 June 2020



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") and its Subsidiary Companies; Deharki Sugar Mills (Private) Limited, Faruki Pulp Mills Limited, Sadiqabad Power (Private) Limited and Ghotki Power (Private) Limited ("the Group") for the nine months period ended 30 June 2020.

Deharki Sugar Mills (Private) Limited ("DSML") was incorporated as a Private Limited Company. 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 Subsidiary Company has been unable to commence its commercial operations till date. The Holding Company holds 57.67% shares of the Subsidiary Company.

Ghotki Power (Private) Limited ("GPL") was incorporated 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 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.

It is being confirmed that to the best of our knowledge, these Condensed Interim Consolidated Financial Statements for the nine months period ended 30 June 2020 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:

	30-Jun-20	30-Jun-19
	(Rs in million)	
Gross sales	50,237	54,583
Revenue from contract with customers	43,399	49,326
Profit from operations	4,418	4,878
Profit before tax	1,154	1,794
Profit after tax	721	1,341

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

31 August 2020
Lahore

Director

Director

JDW Sugar Mills Limited

Condensed Interim Consolidated Statement of Financial Position (Un-audited)

As at 30 June 2020

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 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		**9,244,149,627**	9,119,187,967
Equity attributable to owners of the Parent Company		**10,520,233,165**	10,395,271,505
Non-controlling interest		**374,961,493**	376,342,331
		10,895,194,658	10,771,613,836
Non-current liabilities			
Long term finances - secured	7	**14,223,639,479**	6,468,371,804
Lease Liabilities	8	**740,142,516**	151,728,045
Deferred taxation		**434,261,827**	639,478,177
Retirement benefits		**94,828,166**	75,116,648
		15,492,871,988	7,334,694,674
Current liabilities			
Short term borrowings - secured	9	**19,309,969,233**	17,127,247,149
Current portion of non-current liabilities		**2,211,353,702**	4,901,556,265
Trade and other payables	10	**3,757,720,483**	3,552,525,494
Advances from customers		**6,257,401,705**	9,831,815,580
Unclaimed dividend		**33,975,362**	31,620,357
Accrued profit / interest / mark-up		**1,377,621,862**	812,977,488
		32,948,042,347	36,257,742,333
Contingencies and commitments	11		
		59,336,108,993	54,364,050,843

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	12	**25,817,569,854**	26,813,633,767
Right-of-use assets	13	**1,185,312,582**	-
Investment property		**180,311,162**	219,015,262
Intangibles		**615,309,132**	616,848,589
Long term investments	14	**-**	-
Long term deposits		**48,911,252**	50,977,227
		27,847,413,982	27,700,474,845
Current assets			
Biological assets	15	**1,103,090,310**	2,018,952,863
Stores, spare parts and loose tools		**1,675,620,724**	1,783,653,439
Stock-in-trade		**16,693,995,394**	12,119,181,293
Trade debts - unsecured considered good		**9,528,028,766**	8,353,455,036
Advances, deposits, prepayments and other receivables		**1,555,163,294**	1,749,231,320
Advance tax - net		**256,517,361**	493,348,640
Cash and bank balances	16	**676,279,162**	145,753,407
		31,488,695,011	26,663,575,998
		59,336,108,993	54,364,050,843

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

Lahore **Chief Financial Officer** **Director** **Director**

JDW Sugar Mills Limited

Condensed Interim Consolidated Statement of Profit or Loss (Un-audited)

For the nine months period and quarter ended 30 June 2020

	Note	Nine months ended		Three months ended	
		30-Jun-20	30-Jun-19	**30-Jun-20**	30-Jun-19
		Rupees	Rupees	**Rupees**	Rupees
Gross sales		**50,236,864,957**	54,582,615,449	**17,677,156,356**	28,624,041,743
Sales tax and commission		**(6,837,773,842)**	(5,256,908,855)	**(2,557,749,388)**	(2,636,688,780)
Revenue from contracts with customers	*17*	**43,399,091,115**	49,325,706,594	**15,119,406,968**	25,987,352,963
Cost of revenue		**(37,295,164,069)**	(43,047,265,273)	**(12,910,560,759)**	(20,778,241,919)
Gross profit		**6,103,927,046**	6,278,441,321	**2,208,846,209**	5,209,111,044
Administrative expenses		**(1,421,637,335)**	(1,132,792,599)	**(473,613,269)**	(438,088,010)
Selling expenses		**(58,782,509)**	(56,974,279)	**(7,657,458)**	(15,876,182)
Other income	*18*	**396,291,580**	587,512,743	**57,146,667**	335,565,384
Other expenses	*19*	**(601,445,429)**	(797,767,411)	**(55,046,365)**	(797,767,411)
		(1,685,573,693)	(1,400,021,546)	**(479,170,425)**	(916,166,219)
Profit from operations		**4,418,353,353**	4,878,419,775	**1,729,675,784**	4,292,944,825
Finance cost		**(3,264,048,107)**	(3,084,191,444)	**(1,142,036,503)**	(1,081,619,580)
Share of loss from investment in associate		**(751,016)**	-	**(248,650)**	-
Profit before taxation		**1,153,554,230**	1,794,228,331	**587,390,631**	3,211,325,245
Taxation		**(432,206,798)**	(452,778,746)	**(280,927,006)**	(806,815,096)
Profit after taxation		**721,347,432**	1,341,449,585	**306,463,625**	2,404,510,149
Attributable to:					
Owners of the Parent Company		**722,728,270**	1,421,732,400	**305,918,534**	2,483,696,952
Non-controlling Interest		**(1,380,838)**	(80,282,815)	**545,091**	(79,186,803)
		721,347,432	1,341,449,585	**306,463,625**	2,404,510,149

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

Lahore **Chief Financial Officer** **Director** **Director**

JDW Sugar Mills Limited

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the nine months period and quarter ended 30 June 2020

	Nine months ended		Three months ended	
	30-Jun-20	30-Jun-19	**30-Jun-20**	30-Jun-19
	Rupees	Rupees	**Rupees**	Rupees
Profit after taxation for the period	**721,347,432**	1,341,449,585	**306,463,625**	2,404,510,149
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	**721,347,432**	1,341,449,585	**306,463,625**	2,404,510,149
Attributable to:				
Owners of the Parent Company	**722,728,270**	1,421,732,400	**305,918,534**	2,483,696,952
Non-controlling Interest	**(1,380,838)**	(80,282,815)	**545,091**	(79,186,803)
	721,347,432	1,341,449,585	**306,463,625**	2,404,510,149

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

Lahore **Chief Financial Officer** **Director** **Director**

JDW Sugar Mills Limited

Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)

For the nine months period ended 30 June 2020

	Share capital	Reserves		Sub Total	Total	Non-controlling Interest	Total equity
		Capital	Revenue				
		Share premium	Accumulated profit				
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 01 October 2018	597,766,610	678,316,928	7,553,230,137	8,231,547,065	8,829,313,675	480,996,662	9,310,310,337
Total comprehensive income for the period	-	-	1,421,732,400	1,421,732,400	1,421,732,400	(80,282,815)	1,341,449,585
Balance as at 30 June 2019	597,766,610	678,316,928	8,974,962,537	9,653,279,465	10,251,046,075	400,713,847	10,651,759,922
Balance as at 01 October 2019	597,766,610	678,316,928	9,119,187,967	9,797,504,895	10,395,271,505	376,342,331	10,771,613,836
Total comprehensive income for the period	-	-	722,728,270	722,728,270	722,728,270	(1,380,838)	721,347,432
Transaction with owners of the holding company							
Final cash dividend for the year ended 30 September 2019 @ Rs. 10.00 per share	-	-	(597,766,610)	(597,766,610)	(597,766,610)	-	(597,766,610)
Balance as at 30 June 2020	**597,766,610**	**678,316,928**	**9,244,149,627**	**9,922,466,555**	**10,520,233,165**	**374,961,493**	**10,895,194,658**

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

Lahore **Chief Financial Officer** **Director** **Director**

JDW Sugar Mills Limited

Condensed Interim Consolidated Statement of Cash Flows (Un-audited)

For the nine months period ended 30 June 2020

	Note	30-Jun-20 Rupees	30-Jun-19 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**1,153,554,230**	1,794,228,331
Adjustments for non cash and other items:			
Finance cost		**3,264,024,481**	3,084,191,444
Depreciation of operating fixed assets		**1,242,539,881**	1,270,690,570
Impairment allowance against doubtful export subsidy and trade debts		**472,914,282**	-
Derecognition of bearer plants		**214,249,480**	216,882,659
Provision for obsolescence		**142,792,482**	-
Staff retirement benefits		**105,373,132**	95,567,238
Workers' Profit Participation Fund		**62,480,414**	95,805,678
Depreciation on right-of-use assets		**35,754,922**	-
Workers' Welfare Fund		**29,394,422**	16,965,286
Provision for doubtful advances		**21,651,571**	50,852,647
Amortization of intangible assets		**1,539,456**	1,544,174
Assets written off		**917,595**	132,070
Gain on disposal of operating fixed assets		**(11,455,084)**	(20,024,214)
Goodwill written off		-	455,040,302
Impairment allowance		-	179,103,498
		5,582,177,034	5,446,751,352
Operating profit before working capital changes		**6,735,731,264**	7,240,979,683
Effect of working capital changes:			
Biological assets		**915,862,553**	1,224,038,375
Stores, spare parts and loose tools		**(34,759,768)**	(199,063,068)
Stock-in-trade		**(4,574,814,101)**	3,257,217,075
Trade debts - unsecured considered good		**(1,192,954,923)**	(2,276,806,458)
Advances, deposits, prepayments and other receivables		**(280,010,700)**	1,299,538,939
Trade and other payables		**656,409,591**	723,298,061
Advances from customers		**(3,571,544,815)**	6,141,050,259
		(8,081,812,163)	10,169,273,183
Cash (used in) / generated from operations		**(1,346,080,899)**	17,410,252,866
Taxes paid		**(400,812,010)**	(169,910,273)
Staff retirement benefits paid		**(83,181,798)**	(84,267,746)
Workers' welfare fund paid		**(57,709,568)**	(20,442,242)
Workers' profit participation fund paid		**(12,634,718)**	-
		(554,338,094)	(274,620,261)
Net cash (used in) / generated from operating activities		**(1,900,418,993)**	17,135,632,605

JDW Sugar Mills Limited

Condensed Interim Consolidated Statement of Cash Flows (Un-audited)

For the nine months period ended 30 June 2020

	Note	30-Jun-20 Rupees	30-Jun-19 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		**(390,488,466)**	(1,081,624,869)
Proceeds from sale of operating fixed assets		**40,411,818**	32,375,619
Long term deposits - net		**2,065,975**	(6,282,938)
Proceeds from sale of investment property		**-**	(20,746,502)
Long term advances		**-**	5,166,670
Net cash used in investing activities		**(348,010,673)**	(1,071,112,020)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		**4,446,770,382**	(3,181,049,276)
Short term borrowings - net		**2,926,586,887**	(7,422,420,819)
Financial charges paid as:			
- finance cost		**(2,606,743,452)**	(3,071,910,470)
- Interest on lease liability		**(131,661,092)**	(10,720,829)
Principal portion of lease liability paid		**(516,720,897)**	(133,193,559)
Dividend paid		**(595,411,605)**	(2,424,886)
Net cash generated / (used in) financing activities		**3,522,820,223**	(13,821,719,839)
Net increase in cash and cash equivalents		**1,274,390,557**	2,242,800,746
Cash and cash equivalents at beginning of the period		**(4,321,614,816)**	(5,450,963,816)
Cash and cash equivalents at end of the period		**(3,047,224,259)**	(3,208,163,070)
Cash and cash equivalents comprise of the following:			
- Cash and bank balances	*16*	**676,279,162**	791,073,977
- Running finances and morabaha finances	*9.2 & 9.6*	**(3,723,503,421)**	(3,999,237,047)
		(3,047,224,259)	(3,208,163,070)

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

Lahore **Chief Financial Officer** **Director** **Director**

1 Status and nature of business

The Group comprises of:
- JDW Sugar Mills Limited ("the Holding Company");
- Deharki Sugar Mills (Private) Limited - "DSML" ("the Subsidiary Company");
- Faruki Pulp Mills Limited - "FPML" ("the Subsidiary Company");
- Sadiqabad Power (Private) Limited - "SPL" ("the Subsidiary Company"); and
- Ghotki Power (Private) Limited - "GPL" ("the Subsidiary Company").

1.1 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 the 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, electricity and managing corporate farms.

1.2 Deharki Sugar Mills (Private) Limited ("the Subsidiary Company") was incorporated in Pakistan on 14 July 2010 as a private limited company. The registered office of the Subsidiary Company is situated at 17 - Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan. The principal activity of the Subsidiary Company is manufacturing and sale of crystalline sugar. The Holding Company holds 100% shares of the Subsidiary Company.

1.3 Faruki Pulp Mills Limited ("the Subsidiary Company") was incorporated in Pakistan on 20 October 1991 as a public limited company. FPML will be engaged in the manufacturing and sale of paper pulp. The production facility is situated 20 km from Gujrat and the registered office is situated at 13-B, Block-K, Main Boulevard Gulberg II Lahore. The Holding Company holds 57.67% shares of the Subsidiary Company. The Subsidiary Company has been unable to commence its commercial operations till date. The trial runs conducted over the years, identified significant additional capital expenditure requirements to make the plant commercially viable.

1.4 Sadiqabad Power (Private) Limited ("the Subsidiary Company") was incorporated in Pakistan on 16 December 2016. The Subsidiary Company will be engaged in the generation of electricity under the expansion program of the Holding Company's existing bagasse based co-generation power plants. The registered office of the Subsidiary Company is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan. The Holding Company holds 100% shares of the Subsidiary Company.

1.5 Ghotki Power (Private) Limited ("the Subsidiary Company") was incorporated in Pakistan on 15 December 2016. The Subsidiary Company will be engaged in the generation of electricity under the expansion program of the Holding Company's existing bagasse based co-generation power plants. The registered office of the Subsidiary Company is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore, Pakistan. The Holding Company holds 100% shares of the Subsidiary Company.

2 Basis of preparation

2.1 Basis of accounting

2.1.1 This condensed interim consolidated financial statements comprises the condensed interim consolidated statement of financial position of the Group as at 30 June 2020 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 nine months period ended 30 June 2020.

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.

This is the first set of the Group's financial statements in which IFRS 16 'Leases' has been applied. Changes to significant accounting policies are described in note 4.1.1.

2.1.3 This condensed interim consolidated financial statements does not include all of the information required for full annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements for the year ended 30 September 2019.

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 2019, 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 financial statements of the Group for the nine months period ended 30 June 2020.

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

3 Use of estimates and judgments

The preparation of the 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 the 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 2019.

4 Statement of consistency in accounting policies

4.1 The accounting policies and the methods of computation adopted in the preparation of the 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 2019 except for those disclosed in note 4.1.1.

4.1.1 Change in significant accounting policies

IFRS 16 - Leases

The Group has adopted IFRS 16, 'Leases' with effect from 01 October 2019 which replaces existing guidance on accounting for leases, including IAS 17 'Leases' along with three Interpretations (IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases-Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'). IFRS 16 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right-of-use of the underlying asset and a lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases.

The Group has adopted IFRS 16 retrospectively, effective from October 01, 2019, but has not restated comparatives for prior reporting period, as permitted under the specific transitional provisions in the standard. The Cumulative impact of adoption of this standard is, therefore, recognized in the current year in the statement of financial position with effect from October 01,2019.

SECP through SRO 986(I)/2019 dated 02 September 2019 has granted exemption from the requirements of IFRS 16 to all companies to the extent of their power purchase agreements executed before 01 January 2019. Therefore, the standard will not have any impact on the Group's condensed consolidated interim financial statements to the extent of its power purchase agreement.

At 01 October 2019, the Group has elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. The accounting polices relating to Group's right-of-use assets and lease liabilities are as follows:

- At the inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain different terms and conditions. The Grpup's leasing activities mainly include cultivation of sugarcane on leased land for lease term 3 to 5 years.

- At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

- At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

  Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

- In the previous year, the Group only recognized lease assets and lease liabilities in relation to leases that were classified as 'finance leases' under IAS 17 "Leases". The assets were presented in property, plant and equipment and the liabilities as part of the Group's liabilities. On adoption of IFRS 16, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying IAS 17. For such leases, the Group recognizes right-of-use asset and the lease liability applying this Standard from the date of initial application.

- On transition to IFRS 16, the incremental borrowing rate applied to lease liabilities recognised under IFRS 16 was 14.9%.

  On transition to IFRS 16, the Group has elected to use the following practical expedients under IFRS 16 to leases previously classified as operating leases under IAS 17:

  - A single discount rate has been applied to portfolio of leases with reasonably similar characteristics.
  - the use of hindsight in determining the lease term where contract contains option to extend or terminate the lease;

- The following is a reconciliation of the financial statement line items from IAS 17 to IFRS 16 as at 01 October 2019:

	Carrying amount as at 30 September 2019	Impact of IFRS 16	Carrying amount as at 01 October 2019
Non-current assets:			
Property, plant and equipment			
- Operating fixed assets-Leased	230,182,809	(230,182,809)	-
Right of use asset	-	1,152,207,181	**1,152,207,181**
Current assets			
Prepaid expense	2,368,330	(2,368,330)	-
Non-current liabilities			
Lease liabilities	(151,728,045)	(1,402,719,175)	**(1,554,447,220)**
Current liabilities			
Lease liabilities	(72,868,704)	-	**(72,868,704)**
Trade and other payables	(483,063,133)	483,063,133	-
	(475,108,743)	-	**(475,108,743)**

- The following is a reconciliation of total operating lease commitments at 30 September 2019 (as disclosed in the audited financial statements to 30 September 2019) to the lease liabilities recognised at 01 October 2019:

Impact of IFRS 16	Rupees
Total operating lease commitments disclosed at 30 September 2019	**1,126,648,922**
Discounted using incremental borrowing rate	**(286,536,050)**
Other adjustments relating to commitment disclosures	**81,911,500**
Land lease rental payable - net	**480,694,803**
Total lease liabilities recognised under IFRS 16 at 01 October 2019	**1,402,719,175**
Of which are:	
Current lease liabilities	**673,805,183**
Non-current lease liabilities	**728,913,992**
	1,402,719,175

4.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and/or have not been early adopted by the Group

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after 01 October 2020, but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these condensed interim consolidated financial statements.

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) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
6 Share capital		
6.1 Authorized capital		
75,000,000 (30 September 2019: 75,000,000) ordinary shares of Rs. 10 each	**750,000,000**	750,000,000
25,000,000 (30 September 2019: 25,000,000) preference shares of Rs. 10 each	**250,000,000**	250,000,000
	1,000,000,000	1,000,000,000
6.2 Issued, subscribed and paid-up capital		
32,145,725 (30 September 2019: 32,145,725) ordinary shares of Rs. 10 each fully paid in cash	**321,457,250**	321,457,250
27,630,936 (30 September 2019: 27,630,936) voting bonus shares of Rs. 10 each fully paid	**276,309,360**	276,309,360
	597,766,610	597,766,610

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
7 Long term finances - secured			
Mark-up bearing finances from conventional banks	*7.1*	**10,746,886,454**	3,246,458,336
Islamic mode of financing	*7.2*	**3,530,103,277**	3,221,913,468
		14,276,989,731	6,468,371,804
Transaction cost		**(53,350,252)**	-
	7.3	**14,223,639,479**	6,468,371,804
7.1 Mark-up bearing finances from conventional banks			
Balance at beginning of the period / year		**6,556,126,662**	9,950,302,716
Finances received during the period / year	*7.1.1*	**10,058,332,000**	114,906
Repayments during the period / year		**(4,539,110,334)**	(3,394,290,960)
		12,075,348,328	6,556,126,662
Current portion presented under current liabilities		**(1,328,461,874)**	(3,309,668,326)
		10,746,886,454	3,246,458,336

7.1.1 Finances received during the period

	Mark-up basis	Duration	Grace period	Amount Rupees
The Bank of Punjab - Led Syndicate				
The Bank of Punjab	3mk + 1.10	06 Years	-	**2,036,641,666**
MCB Bank Limited	3mk + 1.10	06 Years	-	**816,666,667**
National Bank of Pakistan Limited	3mk + 1.10	06 Years	-	**1,225,000,000**
Askari Bank Limited	3mk + 1.10	06 Years	-	**975,000,000**
Pak Kuwait Investment Co	3mk + 1.10	06 Years	-	**612,500,000**
The Bank of Punjab	3mk + 1.10	06 Years	-	**463,358,334**
MCB Bank Limited	3mk + 1.10	06 Years	-	**183,333,333**
National Bank of Pakistan Limited	3mk + 1.10	06 Years	-	**275,000,000**
Pak Kuwait Investment Co.	3mk + 1.10	06 Years	-	**137,500,000**
Allied Bank Limited	3mk + 0.50	1.5 Years	01 Year	**1,000,000,000**
MCB Bank Limited	3mk + 1.00	03 Years	0.5 Year	**2,000,000,000**
Habib Bank Limited	0mk + 1.50	2.5 Years	0.5 Year	**333,332,000**
				10,058,332,000

* 3 mk i.e. 3 months KIBOR

		(Un-audited) 30-Jun-20	(Audited) 30-Sep-19
7.2 Islamic mode of financing			
Balance at beginning of the period / year		**4,740,932,703**	5,706,160,271
Finances received during the period / year	*7.2.1*	**2,275,000,000**	250,000,000
Repayments during the period / year		**(3,335,676,284)**	(1,215,227,568)
		3,680,256,419	4,740,932,703
Current portion presented under current liabilities		**(150,153,142)**	(1,519,019,235)
		3,530,103,277	3,221,913,468

7.2.1 Finances received during the period

	Mark-up basis	Duration	Grace period	Amount Rupees
The Bank of Punjab - Led Syndicate				
Dubai Islamic Bank Pakistan	3mk + 1.10	06 Years	-	**1,000,000,000**
MCB Islamic Bank	3mk + 1.10	06 Years	-	**750,000,000**
Askari Bank Limited (Islamic)	3mk + 1.10	06 Years	-	**525,000,000**
				2,275,000,000

7.3 Long term finances are secured against ranking / joint parri passu charge over all present and future fixed assets including land, building and plant and machinery of the Group and personal guarantees of sponsor directors of the Group.

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
8 Lease Liabilities			
Balance at beginning of the period / year		**224,596,749**	249,959,511
Impact of initial application of IFRS 16	*4.1.1*	**1,402,719,175**	-
Additions during the period / year		**362,286,175**	119,957,301
Finance cost regarding lease arrangement		**111,537,887**	-
Lease payments		**(628,258,784)**	(145,320,063)
		1,472,881,202	224,596,749
Less: Current maturity presented under current liabilities		**(732,738,686)**	(72,868,704)
Balance at end of the period / year		**740,142,516**	151,728,045
9 Short term borrowings - secured			
Mark-up based borrowings from conventional banks			
Cash finances	*9.1*	**9,956,832,437**	8,197,873,997
Running finances	*9.2*	**1,923,503,421**	1,967,368,223
Finance against trust receipts	*9.3*	**96,743,144**	301,946,814
Inland bill discounting	*9.4*	**-**	1,190,858,115
		11,977,079,002	11,658,047,149
Islamic mode of financing			
Salam / Istisna finances	*9.5*	**5,532,890,231**	2,969,200,000
Morabaha finances	*9.6*	**1,800,000,000**	2,500,000,000
		7,332,890,231	5,469,200,000
		19,309,969,233	17,127,247,149

9.1 The Group has obtained these facilities from various banks and financial institutions. The mark-up rate applicable during the period ranges from one to three months KIBOR plus 20 to 100 bps per annum (30 September 2019: one to three months KIBOR plus 20 to 100 bps per annum).

9.2 The mark-up rate applicable during the period is one to three months KIBOR plus 65 to100 bps per annum (30 September 2019: one to three months KIBOR plus 50 to 100 bps per annum).

9.3 The mark-up rate applicable during the period ranges from one to six months KIBOR plus 100 to 250 bps per annum (30 September 2019: three to six months KIBOR plus 90 to 250 bps per annum).

9.4 The mark-up rate applicable during the period ranges from one to three months KIBOR plus 50 to 100 bps per annum (30 September 2019: one to three months KIBOR plus 50 to 100 bps per annum).

9.5 The mark-up rate applicable during the period ranges from three to nine months KIBOR plus 20 to 100 bps per annum (30 September 2019: three to nine months KIBOR plus 20 to 50 bps per annum).

9.6 The mark-up rate applicable during the period is three months KIBOR plus 75 to 100 bps per annum (30 September 2019: three to nine months KIBOR plus 50 to 100 bps per annum).

9.7 The securities offered are the same as disclosed in the audited consolidated financial statements of the Group for the year ended 30 September 2019.

10 Trade and other payables

Balance as at 30 June 2020 mainly includes payable to trade creditors aggregates to Rs. 1,706 million (30 September 2019: Rs. 2,179 million).

11 Contingencies and commitments

11.1 There is no material change in contingencies from the preceding audited consolidated financial statements of the Group for the year ended 30 September 2019, except for the guarantees and commitments as disclosed below:

11.1.1 Guarantees issued by the banks on behalf of the Holding Company and Subsidiaries Companies ("SPL" & "GPL") in favor of various parties as at the reporting date amounts to Rs. 709 million (30 September 2019: Rs. 599 million)

11.1.2 Guarantees issued by the banks on behalf of the Subsidiary Company "DSML" in favor of various finance facilities as at reporting date amounts to Rs. 150 million (30 September 2019: Rs. 100 million).

	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
11.2 Commitments		
11.2.1 Letters of credit for import of machinery and its related components		
Holding Company - JDWSML	**50,313,262**	235,071,327
Subsidiary Company - DSML	**4,113,480**	18,078,746

11.2.2 The amount of future lease rentals on agricultural contract and the period in which payments will become due are as follows:

	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
Less than one year	-	235,537,112
Between one and five years	-	869,767,460
More than five years	-	4,173,750
	-	1,109,478,322

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
12 Property plant and equipment			
Operating fixed assets	*12.1*	**24,921,997,797**	25,376,430,407
Capital work in progress	*12.2*	**747,463,966**	1,290,406,966
Stores, spare parts and loose tools held for capital expenditure		**148,108,091**	146,796,394
		25,817,569,854	26,813,633,767
12.1 Operating fixed assets			
Net book value as at beginning of the period / year		**25,376,430,407**	25,311,720,470
Impact of adoption of IFRS 16	*4.1.1*	**(230,182,809)**	-
Additions during the period / year		**1,121,049,987**	2,008,033,668
Transfer from investment property during the period / year		**38,704,100**	-
Disposals / adjustments during the period / year - net book value		**(223,936,538)**	(238,113,344)
Depreciation charged / capitalized during the period / year		**(1,160,067,350)**	(1,671,636,162)
Impairment loss charged during the period / year		-	(33,574,225)
Net book value at end of the period / year		**24,921,997,797**	25,376,430,407

	Note	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees
12.2 Capital work in progress			
Opening balance		**1,290,406,966**	1,781,975,765
Addition during the period / year		**224,727,669**	1,190,912,461
Transfers made during the period / year		**(767,670,669)**	(1,492,742,289)
		747,463,966	1,480,145,937
Less: Impairment allowance for the period / year		-	(189,738,971)
Closing balance		**747,463,966**	1,290,406,966
13 Right-of-use assets			
Net book value at beginning of the period		-	-
Impact of adoption of IFRS 16	*4.1.1*	**1,152,207,181**	-
Additions during the period		**356,805,675**	-
Depreciation charged / capitalized during the period		**(323,700,274)**	-
Net book value at end of the period		**1,185,312,582**	-
13.1 The right-of-use assets relate to following type of assets:			
Vehicles		**234,057,456**	-
Land		**951,255,126**	-
Total right-of-use assets		**1,185,312,582**	-

14 Long term investments

Investment in associates - stated as per equity accounts

Unquoted associates

14.1 Khatai-II Hydro (Private) Limited - ("KHL")			
Opening balance		-	-
Investment made during the period	*14.1.1*	**2,500**	-
Less: Share of loss recognized upto carrying value of investment		**(2,500)**	-
		-	-

14.1.1 Holding Company holds 20% interest in the equity of Kathai-II Hydro (Private) Limited "KHL", an unquoted associated company. The cost of investment is Rs. 2,500 represented by 250 shares of Rs. 10 each.

14.2 Holding Company holds 47.37% interest in the equity of JDW Power (Private) Limited "JDWPL", an unquoted associated company. The cost of investment is Rs. 90 million represented by 9 million shares of Rs. 10 each. The carrying value of the investment is Rs. nil (30 September 2019: Rs. nil) due to accumulated impairment allowance of Rs. 90 million charged in year ended 30 September 2012. 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.

15 Biological assets

The fair value of biological assets is carried at the accumulated costs incurred, which approximate the fair value since little biological transformation has taken place due to the seasonal nature of the crops and the impact of the transformation on price is not expected to be material and categorized as Level 2. Due to seasonal nature of sugarcane and other crops, a transfer between Level 3 to Level 2 of Rs. 1,103 million has been made during the period.

	Note	**(Un-audited) 30-Jun-20 Rupees**	(Audited) 30-Sep-19 Rupees
16 Cash and bank balances			
Current accounts			
Balance with islamic banks		**294,189,567**	8,516,993
Balance with conventional banks		**298,075,429**	97,637,233
		592,264,996	106,154,226
Saving accounts			
Deposit with conventional banks	*16.1*	**63,824,634**	35,879,654
		656,089,630	142,033,880
Cash in hand		**20,189,532**	3,719,527
		676,279,162	145,753,407

16.1 The balances in saving accounts carry mark-up at 5.5% to 11.70% per annum (30 September 2019: 5.5% to 11.25% per annum).

17 Revenue from contracts with customers

Disaggregation of revenue based on:

	Note	Nine months ended		Three months ended	
		30-Jun-20	30-Jun-19	**30-Jun-20**	30-Jun-19
		Rupees	Rupees	**Rupees**	Rupees
17.1 Segments					
Sugar					
Sugar	*17.1.1*	**33,762,639,534**	40,116,708,557	**13,179,314,871**	23,324,878,709
Molasses - by product		**4,271,772,925**	2,744,445,905	**19,143,885**	23,852,018
Agri Inputs		**1,969,040,496**	2,383,162,771	**552,333,520**	1,192,165,910
Bagasse - by product		**264,053,902**	335,372,583	**27,563,660**	53,905,144
		40,267,506,857	45,579,689,816	**13,778,355,936**	24,594,801,781
Co-Generation Power		**3,025,714,599**	3,626,132,716	**1,271,892,248**	1,290,297,623
Corporate Farms		**105,869,659**	119,884,062	**69,158,784**	102,253,559
		43,399,091,115	49,325,706,594	**15,119,406,968**	25,987,352,963
17.1.1 Sugar					
Local		**33,603,539,709**	34,260,020,749	**13,179,314,871**	18,767,358,061
Export	17.1.1.1	**159,099,825**	5,856,687,808	**-**	4,557,520,648
		33,762,639,534	40,116,708,557	**13,179,314,871**	23,324,878,709

17.1.1.1 This includes sugar export subsidy of Rs. nil (30 June 2019: Rs. 558 million).

	30-Jun-20	30-Jun-19	**30-Jun-20**	30-Jun-19
	Rupees	Rupees	**Rupees**	Rupees
17.2 Geographic markets				
Asia	**159,099,825**	5,856,687,808	**-**	4,557,520,648
17.3 Timing of revenue recognition				
Products transferred at a point in time	**40,373,376,516**	45,699,573,878	**13,847,514,720**	24,697,055,340
Products transferred over time	**3,025,714,599**	3,626,132,716	**1,271,892,248**	1,290,297,623
	43,399,091,115	49,325,706,594	**15,119,406,968**	25,987,352,963

18 Other income

This mainly includes sale of Mud of Rs. 230 million (30 Jun 2019: Rs. 164 million) and scrap sale of Rs. 63 million (30 Jun 2019: Rs. 92 million) and gain on sale of operating fixed assets Rs. 18 million (30 Jun 2019: Rs. 20 Million).

19 Other expenses

This mainly includes impairment allowance against doubtful export subsidy receivable of Rs. 454 million (30 Jun 2019: Rs. nil).

20 Business segments information

20.1 The Group's reportable segments are as follows.

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.

20.2 Information regarding the Group's reportable segments is presented below:

	Sugar		Co-Generation Segment		Corporate Farms Segment		Others		Inter Segment Reconciliation		Total	
	30-Jun-20 Rupees	30-Jun-19 Rupees	**30-Jun-20 Rupees**	30-Jun-19 Rupees	**30-Jun-20 Rupees**	30-Jun-19 Rupees	**30-Jun-20 Rupees**	30-Jun-19 Rupees	**30-Jun-20 Rupees**	30-Jun-19 Rupees	**30-Jun-20 Rupees**	30-Jun-19 Rupees
20.2.1 Segment revenues & results												
Net external revenues	**40,267,506,856**	45,579,689,816	**3,025,714,599**	3,626,132,716	**105,869,659**	119,884,062	-	-	-	-	**43,399,091,114**	49,325,706,594
Inter-segment revenues	**1,605,726,201**	1,902,116,147	**1,077,474,894**	969,871,833	**3,429,240,236**	2,866,431,173	-	-	**(6,112,441,331)**	(5,738,419,153)	-	-
Reportable segment revenue	**41,873,233,057**	47,481,805,963	**4,103,189,493**	4,596,004,549	**3,535,109,895**	2,986,315,235	-	-	**(6,112,441,331)**	(5,738,419,153)	**43,399,091,114**	49,325,706,594
Segment (loss) / profit before tax	**55,913,998**	2,214,484,528	**1,252,072,870**	1,282,403,380	**(150,268,883)**	(555,403,313)	**(4,163,755)**	(1,147,256,264)	-	-	**1,153,554,230**	1,794,228,331

20.2.2 **Inter-segment sales and purchases**

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

20.2.3 **Basis of inter-segment pricing**

All inter-segment is determined on arm's length basis.

20.2.4 **Segment assets & liabilities**

	Sugar		Co-Generation Segment		Corporate Farms Segment		Others		Inter segment reconciliation		Total	
	(Un-audited) 30-Jun-20 Rupees	(Audited) 30-Sep-19 Rupees	**(Un-audited) 30-Jun-20 Rupees**	(Audited) 30-Sep-19 Rupees	**(Un-audited) 30-Jun-20 Rupees**	(Audited) 30-Sep-19 Rupees	**(Un-audited) 30-Jun-20 Rupees**	(Audited) 30-Sep-19 Rupees	**(Un-audited) 30-Jun-20 Rupees**	(Audited) 30-Sep-19 Rupees	**(Un-audited) 30-Jun-20 Rupees**	(Audited) 30-Sep-19 Rupees
Total assets for reportable segment	**43,958,590,619**	41,274,326,729	**12,778,067,744**	11,050,282,413	**7,813,500,620**	7,280,763,144	**898,391,341**	899,326,242	**(6,112,441,331)**	(6,140,647,685)	**59,336,108,993**	54,364,050,843
Total liabilities for reportable segment	**50,892,386,348**	44,569,143,480	**2,195,597,038**	4,464,060,765	**1,428,518,552**	659,589,333	**36,853,728**	40,291,114	**(6,112,441,331)**	(6,140,647,685)	**48,440,914,335**	43,592,437,007

20.3 **Reconciliation of reportable segment profit or loss**

	30-Jun-20 Rupees	30-Jun-19 Rupees
Total profit before tax for reportable segments	**1,153,554,230**	1,794,228,331
Unallocated corporate (expense) / income	**(432,206,798)**	(452,778,746)
Profit after taxation	**721,347,432**	1,341,449,585

21 Fair value measurement of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value:

		30 June 2020 (Un-audited)				
		Carrying amount			Fair value	
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2
On-Balance sheet financial instruments	*Note*	----------	----------	Rupees	----------	----------
Financial assets measured at fair value		-	-	-	-	-
Financial assets not measured at fair value						
Long term deposits		**48,911,252**	-	**48,911,252**	-	-
Trade debts - unsecured considered good		**9,528,028,766**	-	**9,528,028,766**	-	-
Advances, deposits and other receivables		**662,160,351**	-	**662,160,351**	-	-
Cash and bank balances		**676,279,162**	-	**676,279,162**	-	-
	21.1	**10,915,379,531**	-	**10,915,379,531**	-	-
Financial liabilities measured at fair value		-	-	-	-	-
Financial liabilities not measured at fair value						
Long term finances - *secured*		-	**15,755,604,747**	**15,755,604,747**	-	-
Short term borrowings - *secured*		-	**19,309,969,233**	**19,309,969,233**	-	-
Lease Liabilities		-	**1,472,881,202**	**1,472,881,202**	-	-
Accrued profit / interest / mark-up		-	**1,377,621,862**	**1,377,621,862**	-	-
Trade and other payables		-	**2,510,082,412**	**2,510,082,412**	-	-
Unclaimed dividend		-	**33,975,362**	**33,975,362**	-	-
	21.1	-	**40,460,134,818**	**40,460,134,818**	-	-

					-	-

Fair value measurement of financial instruments

		30 September 2019 - (Audited)				
		Carrying amount			Fair value	
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2
On-Balance sheet financial instruments	*Note*	Rupees				
Financial assets measured at fair value		-	-	-	-	-
Financial assets not measured at fair value						
Long term deposits		50,977,227	-	50,977,227	-	-
Trade debts - unsecured considered good		8,353,455,036	-	8,353,455,036	-	-
Advances, deposits and other receivables		1,527,673,509	-	1,527,673,509	-	-
Cash and bank balances		145,753,407	-	145,753,407	-	-
	21.1	10,077,859,179	-	10,077,859,179	-	-
Financial liabilities measured at fair value		-	-	-	-	-
Financial liabilities not measured at fair value						
Long term finances - *secured*		-	11,297,059,365	11,297,059,365	-	-
Short term borrowings - *secured*		-	17,127,247,149	17,127,247,149	-	-
Liabilities against assets subject to finance lease - *secured*		-	224,596,749	224,596,749	-	-
Accrued profit / interest / mark-up		-	812,977,488	812,977,488	-	-
Trade and other payables		-	2,572,904,003	2,572,904,003	-	-
Unclaimed dividend		-	31,620,357	31,620,357	-	-
	21.1	-	32,066,405,111	32,066,405,111	-	-

21.1 The Group has not disclosed the fair values of these financial assets and liabilities as these are for short term or repriced over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

22 Transactions with related parties

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

Name of Company	Relationship	Nature of transactions	30-Jun-20 Rupees	30-Jun-19 Rupees
JDW Aviation (Pvt) Limited	**Associated Company** (Due to common directorship)	Reimbursement of expenses	**3,249,012**	10,417,752
Khatai-II Hydro (Pvt) Limited	**Associated Company**	Investment made	**2,500**	-
Post Employment Contribution Plan		Provident fund contribution	**168,667,022**	146,847,673
		Payment to recognized gratuity fund	**1,036,059**	9,821,245
		Short term advances	**880,000,000**	-
		Markup paid	**9,231,858**	-
Key Management Personnel		Directors' remuneration and allowances	**467,180,003**	289,135,002
		Consultancy services	**9,898,391**	9,179,189

23 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial statements does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's audited annual financial statements as at 30 September 2019.

There have been no changes in the risk management policies since the year end.

24 Date of authorization

This condensed interim consolidated financial statements has been approved by the Board of Directors and authorized for issue on 31 August 2020.

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.

26 Events after the Statement of Financial Position date

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

27 General

Statement under section 232(1) of the Companies Act, 2017.

These financial statements have been signed by two Directors instead of Chief Executive Officer and one Director, as the Chief Executive Officer is for the time being not in Pakistan.

Lahore **Chief Financial Officer** **Director** **Director**