Condensed Interim Financial Information for the nine months period ended 30 June 2018 (Un-audited) Continued Excellence Corporate Social Responsibility Bond with Innovative Growers **Farming** Community **Empowerment**



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Investor's Awareness

Corporate Information

Board Of Directors

Mr. Jahangir Khan Tareen
Director

Mukhdoom Syed Ahmed Mahmud
Director / Chairman

Mr. Raheal Masud

Mrs. Samira Mahmud

Mr. Ijaz Ahmed

Mr. Asim Nisar Bajwa

Mr. Qasim Hussain Safdar

Chief Operating Officer

Rana Nasim Ahmed

Group Director (Finance), CFO & Company Secretary

Mr. Muhammad Rafique

Audit Committee

Mr. Qasim Hussain Safdar

Mrs. Samira Mahmud Member

Mr. Ijaz Ahmed

HR & R Committee

Mr. Ijaz Ahmed Chairman / Member

Mrs. Samira Mahmud Member

Mr. Asim Nisar Bajwa Member / Secretary

Registrar

Corplink (Pvt.) Ltd.



Unit-I

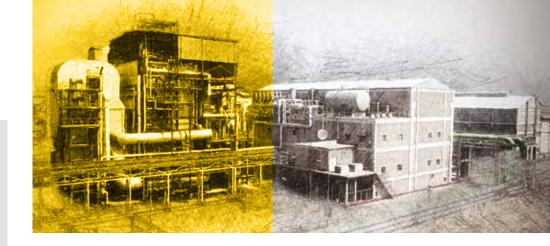
Mauza Shirin, Jamal Din Wali, District Rahim Yar Khan.

Unit-I

Machi Goth, Sadigabad. District Rahim Yar Khan.

Unit-III

Mauza Laluwali, Near Village Islamabad, District Ghotki.



Bankers

Conventional

Faysal Bank Limited
MCB Bank Limited
The Bank of Punjab
National Bank of Pakistan
Standard Chartered Bank
(Pakistan) Limited
Allied Bank Limited
United Bank Limited
Askari Bank Limited
Soneri Bank Limited
Habib Bank Limited
Habib Metropolitan Bank
Limited

Islamic

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



Auditors

KPMG Taseer Hadi & Co. Chartered Accountants



Legal Advisor

Cornelius, Lane & Mufti



Registered Office

17-Abid Majeed Road, Lahore Cantonment, Lahore.



Web Presence

www.jdw-group.com

Directors' Review

Dear Shareholders,

We, on behalf of the Board of Directors of JDW Sugar Mills Limited, are pleased to present the Condensed interim financial information of the Company for the nine months ended on June 30, 2018.

During this period the company has earned profit after tax amounting to Rs. 525 million as compared to a profit after tax Rs. 2,017 million in the corresponding period with gross sales of Rs. 28,567 million and Rs. 36,424 million respectively.

Other points of your interest are narrated below:

- Sugarcane crushed this time was 6% higher than last crushing season whereas increase in sugar production was 9% more which can solely be attributable to 28 bps improvement in combined sucrose recovery. Though there was increase in area under cultivation but due to low yield per acre experienced by the growers the expected increase in cane crushing of about 15% could not be achieved. Inadequate rains were the main reason which resulted in low yield per acre this time. Sucrose recoveries of unit I and II were better than last crushing season whereas reduction in recovery for unit III was due to pest attack on the sugarcane crop.
- Gross turnover of the Company in the current period was Rs. 28.6 billion as compared to Rs. 36.4 billion in the corresponding period, the gross turnover declined by 22% due to decrease in average selling prices of sugar and molasses and 15% reduction in sales quantity of sugar. Company earned profit after tax amounting to Rs. 525 million as compared to profit after tax of Rs. 2,017 million in the same period last year, resultantly earnings per share has reduced from Rs. 33.75 to Rs. 8.78. This substantial decline in profitability was caused by unfavorable sugar prices which remained lower than the actual production cost due to surplus availability of sugar in the country despite export of 1.5 million tons of sugar. We were among very few sugar mills who have purchased sugarcane at support/notified prices announced by the provincial governments. Moreover, sugar sale rate fixed by FBR for sales tax purposes was higher by Rs. 15 to 20 per kg than the actual market price which had adversely affected our profitability in the current period. Under these adverse circumstances for sugar industry, where industry projected heavy losses, our Company has been able to earn profit because of co-generation segment results.
- Increase in selling expenses is attributable to freight on sugar exports and substantial increase in other income is due to accrual of sugar export subsidy on exports made by the company.
- There has been an increase of Rs. 299 million in the financial charges of the Company due to substantial amount receivable on account of export subsidies from SBP & Sindh bank and heavy amounts stuck up with CPPA for export of electricity which caused more utilization of working capital lines in the current period to meet our working capital requirements. Also 50 bps increase in the base rate by the State Bank of Pakistan was another reason for increase in financial charges.
- The balance sheet size has increased from Rs. 42 billion to Rs. 63 billion. Accumulated reserves are now nearly 14 times of the paid up capital of the company.
- In view of the above referred financial results all key financial covenants' have shown slight deterioration as compared to comparative period and year end financial results of 30 September 2017. The Company is fulfilling it's all financial obligations on time and enjoys cordial relationship with all the financial institutions it's dealing with.
- Honorable Sindh High Court had provided relief to the Mills in Sindh by reducing the sugarcane purchase rate from Rs. 182 per 40 kgs to Rs. 172 per 40 kgs from 23

04 JDW Sugar Mills Limited

December, 2017 for the crushing season 2017-18 through its order C.P.No.D-8666 of 2017. On 30 January 2018, Honorable Sindh High Court had further reduced the rate from Rs. 172 per 40 kgs to Rs. 160 per 40 kgs for the crushing season 2017-18 through its final order C.P. No.D-8666 of 2017, 7951 of 2017, 219 of 2018 and 440 of 2018 and stands modified the earlier order of December 2017. The group has strictly followed court orders for purchase and payment of sugarcane for its units located in the province of Sindh.

- In view of the expected higher sugar production in the country the Federal Govt. has allowed in December 2017 export of 1,500,000 tons of sugar for crushing season 2017-18 with freight support of Rs. 10.70/kg subject to the condition that the said amount of freight support will be given on a sliding scale between the international price of US\$376/MT and \$499/MT, i.e. once the price reaches at the level of \$499/MT in international market, the State Bank of Pakistan would affect the stoppage of the freight support. Freight support will be shared by the Federal and Provincial Government on 50:50 basis. The Company has made highest export of sugar in the country in accordance with SBP approved quota and on group basis company has made sugar export of 207,765 tons but substantial amount approx. Rs. 1.6 billion of subsidy from SBP is still receivable. On overall sugar industry basis approx. Rs. 20 Billion is stuck up on account of export subsidy which has pushed the industry in severe cash flow problems.
- To bailout the sugar industry, Sindh Government also approved in its provincial cabinet meeting an additional cash freight support of Rs. 9.30/kg on export of sugar. This relief has been restricted to export of 20,000 tons of sugar for each mills located in the province. This subsidy is in addition to its share of 50% in the cash freight support of Rs. 10.70/kg allowed by the Federal Government. The Company has submitted the complete cases for sugar export of specified quantity for release of subsidy but has not received even a single penny on account of subsidy from Sindh Bank so far.
- As usual growers' payment has remained our top priority being one of main keys of our success and all growers were fully settled latest by May 31, 2018 for crushing season 2017-18 despite stuck up of huge amounts with SBP, Sindh bank and CPPA as explained above.
- Period under review was relatively a difficult year for the sugar industry due to surplus production, unfavorable sugar prices and inadequate permission for export of sugar by the Govt. Imposition of 15% Regulatory Duty by the previous Government on export of molasses is causing loss of approx. Rs. 1,500 to Rs. 2,000 per ton of molasses at prevailing export price of molasses to each mill having no distillery set up which is discriminately and not giving level playing field. Abolishing of Regulatory Duty on export of molasses would help the sugar industry to get better prices of molasses.
- In view of maintaining continued good performance we want to focus more on value addition of our by-products, making processes more efficient and saving more bagasse from the system.

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23 July 2018 Chief Executive Director

کاشٹکاروں کوادا میکل کمپنی کی اولین ترجی ہے اور بھی کمپنی کی کامیابی کی بنیادی وجو ہات میں ہے ایک ہے اور سٹیٹ بینک آف پاکستان، سندھ بینک اوری بی بی اے کی جانب ہے بھاری رقوم کی عدم وصولی کے باوجود بھی کمپنی نے کا مخاروں کے تمام واجبات 11 مئی 2018 سے پہلے اداکردیے ہیں۔

چینی کی صنعت کی اضافی بیداوار چینی کی ناموافق قیمتوں اورصنعت کوشکل حالات سے نکالئے کیلیے عکومت کا بروقت تعاون ناہونے کی وجہ سے رواں سال چینی کی صنعت کیلئے ایک مشکل سال ہے۔ عکومت کی طرف سے راب کی برآمد پر 1,500 میٹو کی طرف سے راب کی برآمد پر بھولیئری ڈیوٹی کے نفاذ کی وجہ سے جو کہ ان صنعت کی سے تقارض کے لیے تھا جن کے پاس ڈشلری کی سپولٹ موجودہ برآمدی قیت، نقصان کی وجہ بن ردی ہے جو کہ غیر مضطانہ ہے اور برابری کی سطح کے مطابق نہیں۔ راب کی برآمد پر ریگولیئری ڈیوٹی کے ٹم کرنے سے چینی کی صنعت کورا ہے کی برآمد پر ریگولیئری ڈیوٹی کے ٹم کرنے سے چینی کی صنعت کورا ہے کی بہتر قیمت مل سکتی ہے۔

مسلسل اچھی کارکردگی کو برقر ارر کھنے کے سلسلے میں ہم ذیلی مصنوعات کی بہتری مصنوعات کو بنانے کے طریقے میں بہتری منزید چھوک کی بجت پر توجہ دے رہے ہیں۔

لا مور چیف ایگزیکیوٹیو ڈائزیکٹر ۲۲مئی ۲۰۱۸ مانت الماللہ مصنوب الماللہ مصنوب الماللہ مصنوب الماللہ مصنوب الماللہ مصنوب

ڈائزیکٹرز کا تجزیہ

ڈائر کیٹرزانتہائی مسرت کے ساتھ کمپنی کی عبوری مالیاتی رپورٹ برائے نوماہی 30 جون 2018 پیش کرتے ہیں۔

رواں نو مائی میں کمپنی نے اپنی مجموعی فروخت 28,567 ملین روپے سے 525 ملین روپ خالص منافع کمایا جبکہ پیچلے سال ای عرصے میں اپنی مجموعی فروخت 36,424 ملین روپ سے 2,017 ملین روپے خالص منافع کمایا تھا۔

روال نومائی کے بنیادی نکات نیچ مختصراً موجود میں:

اس دفعہ گئے کوشگ پیچلے کرشگ بیزن سے 66زیادہ ہوئی ہے جبکہ چینی کی پیداوار % 9 زیادہ ہے جسکی بنیادی وجہ % 2 .0 چینی کے پیداواری تناسب میں اضافیہ ہے۔اگر چیاس دفعہ گئے فصل زیادہ تھی بیکن پیداوار فی ایکٹر کے حساب ہے مہونے کی وجہ سے گئے کی متوقع کرشگ میں % 15 اضافہ حاصل نہ ہو کا اورنا مناسب ہارشوں کی وجہ ہے بھی پیداوار فی ایکٹر کم رہی چینی کی پیداواری تناسبا۔ JDW اورالہ JDW میں پیچلے سال ہے بہتر رہی۔جبکہ JDW میں پیداواری تناسب کم ہونے کی وجیضل پریکٹروں کا حملہ تھا۔

سمینی کی مجموع فروخت اس نومائی میں 28.6 ارب روپے رہی جبیہ پیچیلے سال ای نومائی میں 36.4 ارب روپے تھی۔ مجموع فروخت میں 22 کی کی بنیادی وجی بیٹی اور راب کی تیمیوں میں کہ میں کی اور 20 میں کہنے کو وخت میں کم بنیادی وجی بیٹی کی جموع فروخت میں کم بنیادی وجی بیٹی کی اخالاص منافع 2017 ملین میں کہا وہ جبی کی کا اعراض میان میں کم 10.5 ملین روپے تھا جس کی کی وجو ہات میں بیٹی کی ناموافق تیمین ، پیداوار کی ااگت کا زیادہ ہونا ، روپے تھا جس کی کی وجو ہات میں بیٹی کی ناموافق تیمین ، پیداوار کی ااگت کا زیادہ ہونا ، اس کی میں میں کہ بیٹی کی ناموافق تیمین ، پیداوار کی اگت کا زیادہ ہونا کے 1.5 ملین شریعی کی برآمد کے باوجود وافر مقدار میں رمتیا بی اور کیلز کیکس ریٹ کا اصل قیت سے تقریعاً 15 سے 20 روپے فی کلوگرام زیادہ قیت پر مقرر بونا ہے۔ ہمارا گروپ اُن چند ملول شریعی کی جنہوں نے بینجاب اور سندھ میں مقرر کر دو نرفوں پر گئے کی خریدار کی ہے۔ اس حالات میں جہاں صنعت کو بھاری نقصان متوقع ہے ہماری کپنی نے کو جزیش سیکھنٹ کے وجد سے منافع کما کی۔

فروختگی اخراجات میں اضافے کی دجہ چینی کی برآمدی اخراجات میں اضافہ ہے۔جبکہ متفرق آمدنی میں اضافہ برآمدی سبیڈی کے مالیاتی نتائج میں اندراج کی دجہ ہے۔

سمپنی کے مالیاتی اخراجات پیچلےسال سے 299 ملین روپے بڑھ گئے ہیں جسکی بنیادی وجو ہات میں شیٹ بینک آف پاکستان مندھ بینک اوری پی پی اے کی جانب سے بھاری رقوم کی عدم وصولی کی جیسے ورکٹک کمپیٹل لائٹز کا زیادہ استعمال اور شیٹ بینک کاشرے کو دیس % 05.50 اضافہ ہے۔

بلینس شیٹ کا حجم 42 ارب روپے سے بڑھ کر 63 ارب روپے ہوگیا ہے اور جع شدہ ریز روا واشدہ سرمائے کا 14 گناہو گئے ہیں۔

اوپر بیان کئے ہوئے مالیاتی شائج کی دجہہ الیاتی معاہدوں کا تنا ہی شرح میں تھوڑی کی آئی ہے پیچھے سال کی نسبت ایکن ادارہ اپنی تمام مالیاتی معاہدے پورے کررہاہے اور مالیاتی اداروں سے اچھے تعلقات قائم کئے ہوئے ہے

چینی کی صنعت کی بہتری کے لیے سندھ کومت نے اپن صوبائی اسمبلی شرا اسانی برآمدی سبسڈی 9.30 روپے فی کلوگرام کی منظوری دی ہے۔ یہ سبشڈی ہر ملز کو صرف 20,000 ٹریجیٹی کی برآمد کی حد تک لیے گیا۔ یہ سبٹری پہلے سے منظور شدہ سبٹری 10.70 روپے فی کلوگرام سے اضافی ہے۔ کپنی نے سبٹر کی کے حصول کیلئے تمام ضروری کا غذات سندھ بینک میں جو کم کروا دیے ہیں کین سندھ بینک سے برآمدی سبٹری کے عوش اجھی تک کو آداد کی خمیس ہوئی ہے۔ CONDENSED INTERIM UNCONSOLIDATED

FINANCIAL INFORMATION (UN-AUDITED)

	Note	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 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		7,498,179,704	7,152,880,785
		8,774,263,242	8,428,964,323
NON-CURRENT LIABILITIES			
Redeemable capital - secured	7	_	_
Long term finances - secured	8	7,972,913,723	9,792,313,674
Liabilities against assets subject to finance lease - secured	d 9	146,034,292	153,047,674
Deferred taxation		1,820,658,451	1,818,467,413
Retirement benefits		36,783,274	29,618,756
		9,976,389,740	11,793,447,517
CURRENT LIABILITIES			
Short term borrowings - secured	10	26,537,641,623	10,053,163,155
Current portion of non-current liabilities		3,916,558,135	3,368,757,109
Trade and other payables	11	13,155,276,865	8,310,801,726
Unclaimed dividend		34,163,694	64,248,402
Accrued profit / interest / mark-up		515,610,816	226,191,820
		44,159,251,133	22,023,162,212
		62,909,904,115	42,245,574,052
CONTINGENCIES AND COMMITMENTS	12		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	21,289,061,965	21,058,980,010
Biological assets			14,595,399
Intangibles		619,359,219	620,889,016
Investment property		218,599,597	218,599,597
Long term investments	14	2,308,810,383	2,303,378,840
Long term advances			3,272,223
Long term deposits		38,118,589	54,978,065
		24,473,949,753	24,274,693,150
CURRENT ASSETS			
Stores, spare parts and loose tools		1,251,958,846	1,412,675,360
Stock-in-trade		26,547,787,917	7,939,757,487
Biological assets		1,063,314,430	2,282,737,798
Trade debts - unsecured considered good		4,943,776,418	3,234,430,508
Advances, deposits, prepayments and other receivables	15	3,343,042,890	2,182,572,665
Advance tax - net		1,022,392,514	784,949,809
Cash and bank balances		263,681,347	133,757,275
		38,435,954,362	17,970,880,902
		62,909,904,115	42,245,574,052

The annexed notes from 1 to 24 form an integral part of this condensed interim unconsolidated financial information.

Chie	f Financial Officer	Chief Executive	Director
10			JDW Sugar Mills Limited

Condensed Interim Unconsolidated Profit and Loss Account (Un-audited) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED 30 JUNE 2018

		Nine mon	ths ended	Three mor	nths ended
	Note	30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees
Gross sales		28,567,951,823	36,424,099,908	11,384,470,941	15,414,124,273
Sales tax and others		(2,020,984,602)	(3,108,255,124)	(849,768,298)	(1,475,735,911)
Net sales	16	26,546,967,221	33,315,844,784	10,534,702,643	13,938,388,362
Cost of sales		(25,753,271,078)	(28,426,804,206)	(10,089,222,817)	(12,803,055,110)
Gross profit		793,696,143	4,889,040,578	445,479,826	1,135,333,252
Administrative expenses		(802,750,962)	(922,047,570)	(241,072,130)	(233,525,228)
Selling expenses		(319,723,671)	(69,064,075)	(173,219,801)	(27,500,821)
Other income	17	2,492,132,543	214,308,715	882,646,400	6,161,525
Other expenses		(30,466,419)	(178,489,744)	(13,073,286)	(26,074,532)
		1,339,191,491	(955,292,674)	455,281,183	(280,939,056)
Profit from operations		2,132,887,634	3,933,747,904	900,761,009	854,394,196
Finance cost		(1,554,025,671)	(1,255,174,243)	(652,368,567)	(476,826,219)
Profit before taxation		578,861,963	2,678,573,661	248,392,442	377,567,977
Taxation		(54,233,061)	(661,260,900)	23,080,080	(89,018,287)
Profit after taxation		524,628,902	2,017,312,761	271,472,522	288,549,690
Earnings per share - basic and d	iluted	8.78	33.75	4.54	4.83

The annexed notes from 1 to 24 form an integral part of this condensed interim unconsolidated financial information.

Chief Financial Officer	Chief Executive	Director

For the Nine Months Period Ended **30 June 2018**

Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED 30 JUNE 2018

	Nine mon	ths ended	Three mon	ths ended
	30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees
Profit after taxation for the period	524,628,902	2,017,312,761	271,472,522	288,549,690
Other comprehensive income for the period	_	_	_	_
Total comprehensive income for the period	524,628,902	2,017,312,761	271,472,522	288,549,690

The annexed notes from 1 to 24 form an integral part of this condensed interim unconsolidated financial information.

Condensed Interim Unconsolidated Cash flow Statement (Un-audited) FOR THE NINE MONTHS PERIOD ENDED 30 JUNE 2018

	30-Jun-18 Rupees	30-Jun-17 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	578,861,963	2,678,573,661
Adjustments for non cash and other items:	0.0,00.,000	_,0.0,0.0,00.
Finance cost	1,554,025,671	1,255,174,243
Depreciation	1,142,946,605	1,048,441,655
Amortization	1,529,796	1,529,796
Staff retirement benefits	70,919,324	68,165,131
Workers' profit participation fund	30,466,419	142,853,170
Assets written off	753,789	142,655,170
Gain on disposal of operating fixed assets	(102,161,959)	(6,237,556)
Workers' welfare fund	(102,101,999)	35,636,574
Provision for doubtful debts		24,716,942
	_	
Gain on disposal of investment property	2.698.479.645	(21,280,886) 2,548,999,069
0	, , ,	
Operating profit before working capital changes (Increase) / decrease in current assets:	3,277,341,608	5,227,572,730
Stores, spare parts and loose tools	160,716,514	(87,761,035)
Stock-in-trade	(18,608,030,430)	(12,803,880,545)
Biological assets	1,234,018,767	1,265,276,334
Advances, deposits, prepayments and other receivables		
	(1,147,156,348)	(1,802,831,747)
Trade debts - unsecured considered good	(1,709,345,910)	(1,310,867,330)
Increase in current liabilities:	(20,069,797,407)	(14,740,064,323)
Trade and other payables	4,922,454,993	5,255,379,414
Cash used in operations	(11,870,000,806)	(4,257,112,179)
Taxes paid	(289,484,728)	(300,454,549)
Workers' profit participation fund paid		(193,329,828)
	(183,088,904)	(195,329,626)
Staff retirement benefits paid	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
Net cash used in operations	(513,403,310) (12,383,404,116)	(649,094,096)
CASH FLOWS FROM INVESTING ACTIVITIES	(12,303,404,110)	(4,900,200,275)
	(1.405.500.040)	(4 540 745 004)
Capital expenditure	(1,435,503,048)	(1,540,715,284)
Long term advances	12,888,888	27,125,307
Advances for issuance of shares	(5,431,543)	(19,232,781)
Proceeds from sale of operating fixed assets	241,260,661	22,615,108
Long term deposits - net	16,859,476	58,443,325
Proceeds from sale of investment property		37,437,422
Net cash used in investing activities	(1,169,925,566)	(1,414,326,903)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances - net	(1,248,187,603)	(1,754,951,832)
Short term borrowings - net	15,490,091,742	12,126,358,213
Finance cost paid	(1,202,726,908)	(927,836,874)
Dividend paid	(209,414,691)	(1,455,010,700)
Lease rentals paid	(140,895,512)	(562,028,171)
Net cash generated from financing activities	12,688,867,028	7,426,530,636
Net (decrease) / increase in cash and cash equivalents	(864,462,654)	1,105,997,458
Cash and cash equivalents at beginning of the period	(2,374,033,959)	(2,205,907,300)
Cash and cash equivalents at end of the period	(3,238,496,613)	(1,099,909,842)
Cook and each equivalents as while of the fellowing		
Cash and cash equivalents comprise of the following:	060 601 047	104 007 101
- Cash and bank balances	263,681,347	184,997,101
- Running finances and morabaha finances	(3,502,177,960)	(1,284,906,943)
	(3,238,496,613)	(1,099,909,842)

The annexed notes from 1 to 24 form an integral part of this condensed interim unconsolidated financial information.

Chief Financial Officer	Chief Executive Di	rector
For the Nine Months Period Ended 30 June 2018		13

			Reserves		
	Share	Capital	Revenue		
	capital	Share premium	Accumulated profit	Total reserves	Total equity
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 01 October 2016	597,766,610	678,316,928	7,044,672,556	7,722,989,484	8,320,756,094
Total comprehensive income for the period		_	2,017,312,761	2,017,312,761	2,017,312,761
Townson of the Comment					
,					
30 September 2016 @ Rs. 15.00 per share	_		(896,649,915)	(896,649,915)	(896,649,915)
31 March 2017 @ Rs. 10.00 per share			(597,766,610)	(597,766,610)	(597,766,610)
	ı	ı	(1,494,416,525)	(1,494,416,525)	(1,494,416,525)
Balance as at 30 June 2017	597,766,610	678,316,928	7,567,568,792	8,245,885,720	8,843,652,330

Balance as at 01 October 2017	597,766,610	678,316,928	7,152,880,785	7,831,197,713	8,428,964,323
Total comprehensive income for the period	ı	ı	524,628,902	524,628,902	524,628,902
Transaction with owners of the Company					
Final cash dividend for the year ended					
30 September 2017 @ Rs. 3.00 per share	I	I	(179,329,983)	(179,329,983)	(179,329,983)
Balance as at 30 June 2018	597,766,610	678,316,928	7,498,179,704	8,176,496,632	8,774,263,242

The annexed notes from 1 to 24 form an integral part of this condensed interim unconsolidated financial information.

Chief Financial Officer

Chief Executive

Directo

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. 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 This condensed interim unconsolidated financial information comprises the condensed interim unconsolidated statement of financial position of the Company as at 30 June 2018 and the related condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement and condensed interim unconsolidated statement of changes in equity together with the notes forming part thereof for the period from 01 October 2017 to 30 June 2018.
- 2.1.2 This condensed interim unconsolidated financial information has 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 comprise of:
 - International Accounting Standard (IAS) 34, "Interim Financial Reporting," issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
 - Provisions of and directives issued under the Companies Act, 2017.
 - Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.1.3 This condensed interim unconsolidated financial information does not include all of the information required for full annual audited unconsolidated financial statements and should be read in conjunction with the annual audited unconsolidated financial statements for the year ended 30 September 2017.
- 2.1.4 Comparative unconsolidated statement of financial position numbers are extracted from the annual audited unconsolidated financial statements of the Company for the year ended 30 September 2017, whereas comparative figures of unconsolidated profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim financial information of the Company for the nine months period ended 30 June 2017.
- 2.1.5 This condensed interim unconsolidated financial information is 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 information 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 unconsolidated financial information, the significant judgements 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 2017.

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 information are same as those applied in the preparation of the audited unconsolidated financial statements for the year ended 30 September 2017.
- 4.2 Effective 01 January 2018, the provisions of the Companies Act, 2017 relating to the preparation of the financial statements have become applicable. However, there is no major impact of these provisions on the Company's condensed interim unconsolidated financial information.
- **4.3** The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

Effoctive date

Standard or interpretation	Eπестіve date (accounting periods beginning on or after)
IFRS 2 — Share-based Payments	01 January 2018
IAS 40 - Investment Property	01 January 2018
IAS 28 - Investments in Associates and Joint Ventures	01 January 2018
IFRIC 22 — Foreign Currency Transactions and Advance	
Consideration	01 January 2018
IFRIC 23 – Uncertainty over Income Tax Treatments	01 January 2019
IFRS 15 - Revenue from Contract with Customer	01 July 2018
IFRS 9 - Financial Instruments	01 July 2018
IAS 28 - Investments in Associates and Joint Ventures	01 January 2019
IFRS 3 - Business Combinations	01 January 2019
IFRS 11 - Joint Ventures	01 January 2019
IAS 12 — Income Taxes	01 January 2019
IAS 23 — Borrowing Cost	01 January 2019

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.

16 JDW Sugar Mills Limited

		(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
SHA	RE CAPITAL		
6.1	Authorized share capital		
	75,000,000 (30 September 2017: 75,000,000)	750,000,000	750,000,000
	ordinary shares of Rs. 10 each		
	25,000,000 (30 September 2017: 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 2017: 32,145,725)		
	ordinary shares of Rs. 10 each fully		-
	paid in cash	321,457,250	321,457,250
	27,630,936 (30 September 2017: 27,630,936)		
	bonus shares of Rs. 10 each fully paid	276,309,360	276,309,360
		597,766,610	597,766,610
	6.1	75,000,000 (30 September 2017: 75,000,000) ordinary shares of Rs. 10 each 25,000,000 (30 September 2017: 25,000,000) preference shares of Rs. 10 each 6.2 Issued, subscribed and paid up share capital 32,145,725 (30 September 2017: 32,145,725) ordinary shares of Rs. 10 each fully paid in cash 27,630,936 (30 September 2017: 27,630,936)	SHARE CAPITAL 6.1 Authorized share capital 75,000,000 (30 September 2017: 75,000,000) ordinary shares of Rs. 10 each 25,000,000 (30 September 2017: 25,000,000) preference shares of Rs. 10 each 250,000,000 1,000,000,000 6.2 Issued, subscribed and paid up share capital 32,145,725 (30 September 2017: 32,145,725) ordinary shares of Rs. 10 each fully paid in cash 27,630,936 (30 September 2017: 27,630,936) bonus shares of Rs. 10 each fully paid 276,309,360

7 REDEEMABLE CAPITAL - SECURED

During the period, the Company has fully repaid to TFC holders amount of Rs. 83.33 million (year ended 30 September 2017: Rs. 111.11 million). These carried mark-up at three months KIBOR plus 100 bps per annum.

No	ote	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
8 LONG TERM FINANCES - SECURED			
Markup bearing finances from conventional banks 8	8.1	5,533,455,378	7,621,383,792
Islamic mode of financing	8.2	2,439,458,345	2,170,929,882
3	8.3	7,972,913,723	9,792,313,674
8.1 Markup bearing finances from			
conventional banks:			
Balance at beginning of the period / year		10,428,383,065	10,955,666,181
Finances received during the period / year 8.	1.1	534,033,839	1,965,966,161
Repayments during the period / year		(2,248,368,498)	(2,493,249,277)
		8,714,048,406	10,428,383,065
Current portion presented under			
current liabilities		(3,180,593,028)	(2,806,999,273)
		5,533,455,378	7,621,383,792

		Markup basis	Duration	Grace period	Amount Rupees
8.1.1	Finances received during the period				
	Askari Bank Limited	3mk + 1.00	05 Years	01 Year	500,000,000
	National Bank of Pakistan Limited (II)	3mk + 0.50	05 Years	01 Year	34,033,839
					534,033,839
		Not	(Un-au e 30-Ju	-	(Audited) 30-Sep-17
			Rup	ees	Rupees
8.2	Islamic mode of financing:				
	Balance at beginning of the period	od / year	2,495,9	929,882	1,264,000,000
	Finances received during the peri-	od / year 8.2.	1 785,2	230,389	1,463,179,882
	Repayments during the period /	year	(235,7	<mark>750,000)</mark>	(231,250,000)
			3,045,4	110,271	2,495,929,882
	Current portion presented und	der			
	current liabilities		(605,9	9 <mark>51,926)</mark>	(325,000,000)
			2,439,4	158,345	2,170,929,882
		Profit / Interest		Grace	Amount
		basis	Duration	period	Rupees
8.2.1	Finances received during the period				•
	Faysal Bank Limited - Barket Islamic	3mk + 1.00	05 Years	01 Year	750,000,000
	Bank Alfalah Limited	3mk + 0.90	05 Years	01 Year	35,230,389

^{* 3} mk i.e. 3 months KIBOR

8.3 The securities offered and facility limits of these long term finances are the same as disclosed in the audited unconsolidated financial statements of the Company for the year ended 30 September 2017, except as disclosed in note 8.1.1 & 8.2.1. The interest / markup is payable quarterly / semi annually at a rate of three to six months KIBOR plus 50 bps to 100 bps per annum.

9 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE - SECURED

During the period, the Company availed leases aggregating Rs. 96.84 million (year ended 30 September 2017: Rs. 76.50 million) and repaid principal amount of Rs. 127.26 million (year ended 30 September 2017: Rs. 569.85 million). Amounts due in next twelve months amounting to Rs. 130.01 million (year ended 30 September 2017: Rs. 153.42 million) are included in current portion presented under current liabilities. Lease rentals are payable on quarterly / monthly basis and include finance cost ranging from three months to one year KIBOR plus 100 bps per annum (year ended 30 September 2017: three months to one year KIBOR plus 100 to 300 bps per annum) which has been used as the discounting factor. The Company has the option to purchase the assets upon completion of lease period and has the intention to exercise such option.

785,230,389

	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
10 SHORT TERM BORROWINGS - SECURED		
10.1 Type of short term borrowings 10.1.1 Markup based borrowings from		
conventional banks		
Cash finances	15,487,761,486	6,393,802,000
Running finances	2,452,177,960	1,457,791,234
Inland bill discounting	1,099,999,999	884,999,998
Finance against trust receipts	21,441,252	266,569,923
	19,061,380,697	9,003,163,155
10.1.2 Islamic mode of financing		
Salam / Istisna finances	5,986,261,358	_
Morabaha finances	1,050,000,000	1,050,000,000
Tijarah finance	439,999,568	_
	7,476,260,926	1,050,000,000
	26,537,641,623	10,053,163,155

- 10.2 The Company has obtained these facilities from various banks and financial institutions. The markup / profit rate applicable during the period ranges from one to six months KIBOR plus 0 (zero) to 135 bps per annum (year ended 30 September 2017: one to six months KIBOR plus 20 to 135 bps per annum).
- 10.3 The securities offered are the same as disclosed in the audited unconsolidated financial statements of the Company for the year ended 30 September 2017 whereas facility limits have increased to Rs. 31,253 million (year ended 30 September 2017: Rs. 24,715 million).

11 TRADE AND OTHER PAYABLES

This includes advances from customers aggregating Rs. 11,054.98 million (year ended 30 September 2017: Rs. 6,418.36 million).

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

There is no material change in contingencies from the preceding audited unconsolidated financial statements of the Company for the year ended 30 September 2017, except for the guarantees and commitments as disclosed below:

	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
Guarantees issued by banks on behalf of		
the Company in favour of various parties	574,909,300	83,000,000
12.2 Commitments		
Letters of credit for import of machinery		
and its related components	350,846,247	569,509,835

Notes to the Condensed Interim Unconsolidated Financial Information (Un-audited) FOR THE NINE MONTHS PERIOD ENDED 30 JUNE 2018

Note	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
13.1	21,137,845,982	19,183,947,822
13.2	38,072,075	1,785,030,726
	113,143,908	90,001,462
	21,289,061,965	21,058,980,010

	19,183,947,822	18,533,844,373
	3,153,477,263	2,027,221,640
	(139,852,491)	(51,194,369)
	(1,059,726,612)	(1,287,635,387)
	_	(38,288,435)
•	21,137,845,982	19,183,947,822
	1,785,030,726	924,081,851
	843,658,491	2,174,535,113
٢	(2,590,617,142)	(1,313,586,238)
	38,072,075	1,785,030,726
Note	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
14.1	2,308,810,383	2,303,378,840
14.2	_	
	0.000.040.000	2,303,378,840
	13.1 13.2 r	Note 30-Jun-18 Rupees 13.1 21,137,845,982 13.2 38,072,075 113,143,908 21,289,061,965 19,183,947,822 3,153,477,263 (139,852,491) (1,059,726,612) (1,059,726,612) (21,137,845,982 1,785,030,726 843,658,491 (2,590,617,142) 38,072,075 (Un-audited) 30-Jun-18 Rupees 14.1 2,308,810,383

		(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
14.1	Investment in subsidiary companies - unquoted		
	Deharki Sugar Mills (Private) Limited ("DSML")		
	104,975,000 (30 September 2017: 104,975,000)		
	fully paid shares of Rs. 10 each		
	Equity held 100% (30 September 2017: 100%)	1,049,750,000	1,049,750,000
	Faruki Pulp Mills Limited ("FPML")		
	310,892,638 (30 September 2017: 310,892,638)		
	fully paid ordinary shares of Rs. 10 each		
	Equity held 57.67% (30 September 2017: 57.67%)	3,154,426,383	3,154,426,383
	Accumulated impairment allowance	(1,921,066,000)	(1,921,066,000)
		1,233,360,383	1,233,360,383
	Sadigabad Power (Private) Limited ("SPL")		
	1,000,100 fully paid shares of Rs. 10 each		
	Equity held 100% (30 September 2017: nil)	10,001,000	_
	Advances for future issuance of shares	2,849,000	10,133,876
		12,850,000	10,133,876
	Ghotki Power (Private) Limited ("GPL")		
	1,000,100 fully paid shares of Rs. 10 each		
	Equity held 100% (30 September 2017: nil)	10,001,000	_
	Advances for future issuance of shares	2,849,000	10,134,581
		12,850,000	10,134,581
		2,308,810,383	2,303,378,840
14.2	Investment in associated company - unquoted		
	JDW Power (Private) Limited ("JDWPL")		
	9,000,000 (30 September 2017: 9,000,000) fully		
	paid shares of Rs. 10 each		
	Equity held 47.37% (30 September 2017: 47.37%)	90,000,000	90,000,000
	Accumulated impairment allowance	(90,000,000)	(90,000,000)

15 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

This includes an amount of Rs. 5.07 million (year ended 30 September 2017: Rs. 6.32 million) receivable from executives of the Company.

	Nine mon	ths ended	Three mor	nths ended
	30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees
16 NET SALES				
Sugar	20,773,585,436	29,654,356,080	7,816,881,692	13,461,687,369
Electricity	3,601,167,979	3,302,428,104	1,335,436,704	1,293,688,789
Molasses - by product	1,841,709,990	2,093,876,012	834,809,606	498,910,057
Agriculture produce	912,797,085	1,316,203,644	192,587,895	110,155,140
Bagasse - by product	94,869,605	57,236,068	31,673,725	49,682,918
Agri Inputs	1,343,821,728	_	1,173,081,319	_
	28,567,951,823	36,424,099,908	11,384,470,941	15,414,124,273
Less: Sales tax and others	(2,020,984,602)	(3,108,255,124)	(849,768,298)	(1,475,735,911)
	26,546,967,221	33,315,844,784	10,534,702,643	13,938,388,362

Sales include sugar export sales of Rs. 6,766 million (30 June 2017: Rs. 3,461 million).

17 OTHER INCOME

This mainly includes subsidy aggregating Rs. 2,111 million (30 June 2017: Rs. nil) from Federal Government and Provincial Government on export of sugar, scrap sale of Rs. 22 million (30 June 2017: Rs. 84 million), sale of mud of Rs. 109 million (30 June 2017: Rs. 77 million), foreign exchange gain of Rs. 113 million (30 June 2017: Rs. 10 million) and gain on sale of operating fixed assets of Rs. 102 million (30 June 2017: Rs. 6 million).

18 TRANSACTIONS WITH RELATED PARTIES

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

				30-Jun-18 Rupees	30-Jun-17 Rupees
	Name of Company	Relationship	Transactions		
i)	Deharki Sugar Mills	Subsidiary Company	Short term advances - net	1,309,315,000	472,630,000
	(Pvt) Limited	(Equity held 100 percent)	Markup expense on short term		
			advances - net	20,038,647	1,812,560
			Sale of sugarcane	756,603,452	1,177,778,578
			Purchase of bagasse	133,600,968	_
			Rent on Land acquired		
			on lease	5,008,092	_
			Reimbursement on use of		
			Company's aircraft	7,459,973	8,306,081
			Proceeds from sale of		
			operating fixed assets	-	4,477,304
ii)	Sadiqabad Power	Subsidiary Company	Investment in shares	10,001,000	
	(Pvt) Limited	(Equity held 100 percent)	Advances for future		
			issuance of shares	2,849,000	9,633,876
iii)	Ghotki Power	Subsidiary Company	Investment in shares	10,001,000	
	(Pvt) Limited	(Equity held 100 percent)	Advances for future		
			issuance of shares	2,849,000	9,598,905
iv)	JDW Aviation	Associated Company	Reimbursement of expenses	9,985,087	12,101,537
	(Pvt) Limited	(Due to common directorship)			
v)	Post Employment		Provident fund contribution	116,273,881	108,388,226
	Benefits Plan		Payment to recognised		
			gratuity fund	5,617,866	101,168,252
vi)	Key Management		Consultancy services	8,659,812	11,800,827
	Personnel		Directors' remuneration	, , ,	
			and allowances	207,528,335	241,111,669

19 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

				30 June 2018 (un-audited)	(nn-audited)		
			Carrying Amount			Fair Value	
		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
	Note			(Seedny)	(see		
On-Balance sheet financial instruments							
Financial assets not measured at fair value							
Cash and bank balances		263,681,347	1	263,681,347	I	-	
Advances, deposits and other receivables		1,898,177,820	I	1,898,177,820	I	1	
Trade debts - unsecured considered good		4,943,776,418	I	4,943,776,418	I	1	
Long term advances		1	ı	I	I	ı	
Long term deposits		38,118,589	_	38,118,589	1	1	
	19.2	7,143,754,174	1	7,143,754,174	1	ı	
Financial liabilities not measured at fair value							
Redeemable capital - secured		I	I	1	1	1	
Long term finances - secured		I	11,759,458,677	11,759,458,677	I	ı	
iabilities against assets subject							
to finance lease - secured		I	276,047,473	276,047,473	I	1	
Trade and other payables		1	2,027,207,367	2,027,207,367	I	1	
Short term borrowing - secured		I	26,537,641,623	26,537,641,623	I	1	
Accrued profit / interest / mark-up		I	515,610,816	515,610,816	1	1	

19.1 Fair value measurement of financial instruments

30 September 2017 - (audited)

		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
	Note			(Rupees)	(see		
On-Balance sheet financial instruments							
Financial assets not measured at fair value							
Cash and bank balances		133,757,275	I	133,757,275	I	I	
Advances, deposits and other receivables		756,805,779	1	756,805,779	I	I	
Trade debts - unsecured considered good		3,234,430,508	I	3,234,430,508	I	I	
Long term advances		3,272,223	I	3,272,223	I	I	
Long term deposits		54,978,065	_	54,978,065	-	1	
	19.2	4,183,243,850	ı	4,183,243,850	1	1	
Financial liabilities not measured at fair value							
Redeemable capital - secured		1	83,333,333	83,333,333	I	I	
Long term finances - secured		I	12,924,312,947	12,924,312,947	I	I	
Liabilities against assets subject							
to finance lease - secured		I	306,472,177	306,472,177	I	I	
Trade and other payables		I	1,706,831,043	1,706,831,043	I	I	
Short term borrowing - secured		I	10,053,163,155	10,053,163,155	I	I	
Accrued profit / interest / mark-up		_	226,191,820	226,191,820	-	ı	
	19.2	-	25,300,304,475	25,300,304,475	1	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. 19.2

19.3 Fair value measurement of biological assets

In absence of active market for sugarcane and wheat standing crops, the fair value measurement for the standing crop has been categorized as Level 3 fair value based on the inputs to the valuation techniques used. Fair value has been determined on the basis of a discounted cash flow model. The valuation model considers the present value of net cash flows expected to be generated by the plantation. The cash flow projections include specific estimates for next year which mainly include crop's expected yield. The expected cash flows are discounted using a risk adjusted discount rate. The valuation technique and significant unobservable inputs include valued plantation, estimated yield per acce, estimated future sugarcane and risk-adjusted discount rate.

19.4 Fair value measurement of investment property carried at cost

Fair value of investment property was determined based on estimated market value. Rate per square acre represents significant unobservable input. The estimated fair value would increase / (decrease) if, expected market rental growth were higher / (lower), the occupancy rate were higher / (lower) or rent-free periods were shorter / (longer).

20 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 2017.

21 RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	30 June 2018					
	Liabilities (long term and short term)					
	Redeemable Long term Liabilities against assets Short term Accrued pr					
	capital -	finances - subject to finance		borrowings -	interest	
	secured	secured	lease - secured	secured	/ markup	
			Rupees			
Balance as at 01 October 2017	83,333,333	12,924,312,947	306,472,177	10,053,163,155	226,191,820	
Changes from financing cash flows						
Loans received during the period	-	1,319,264,228	- 11	31,063,804,786	-	
Loan repaid during the period	(83,333,333)	(2,484,118,498)	(127,264,204)	(15,573,713,044)	-	
	(83,333,333)	(1,164,854,270)	(127,264,204)	15,490,091,742	-	
Other changes - Liability related						
Interest expense for the period	-	_	-11	-	1,554,025,671	
Interest paid during the period	-	_	-	-	(1,264,606,675)	
Net change in cash and cash equivalent	-	_	-	994,386,726	-	
Assets acquired on finance lease	-	-	96,839,500	-	-	
Total liability-related other changes	_	_	96,839,500	994,386,726	289,418,996	
Balance as at 30 June 2018	_	11,759,458,677	276,047,473	26,537,641,623	515,610,816	

22 The Finance Act, 2017 introduced a tax at 7.5% under Section 5A of the Income Tax Ordinance, 2001 on every public company other than a scheduled bank or modarba, that derives profits for tax year and does not distribute at least 40% of the after tax profit within six months of the end of said tax year through cash or bonus shares. However, subsequent to the period end, the Finance Act, 2018 has been promulgated and approved which has amended Section 5A and has reduced the limit of profit distribution in the form of cash dividend from 40% to 20% and the rate of tax from 7.5% to 5%.

The Board of Directors of the Company intends to distribute sufficient cash dividend for the year ending 30 September 2018 to comply with the above stated requirements. Accordingly, no provision for tax on undistributed reserves has been made in this condensed interim unconsolidated financial information.

26

23 DATE OF AUTHORIZATION

This condensed interim unconsolidated financial information has been approved by the Board of Directors of the Company and authorized for issue on 23 July 2018.

24 EVENTS AFTER THE BALANCE SHEET DATE

There are no material subsequent events occurred after Balance sheet date.

27

CONDENSED INTERIM CONSOLIDATED

FINANCIAL INFORMATION (UN-AUDITED)

Directors' Review

ON CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

We, on behalf of the Board of Directors are pleased to present the Condensed Interim Consolidated Financial Information 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 ended June 30, 2018.

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. The Company will be engaged in the manufacture and sale of paper pulp. The Holding Company Holds 57.67% shares of the Subsidiary Company.

Sadiqabad Power (Private) Limited ("SPL") was incorporated on 16 December 2016. The 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 Holding Company holds 100% shares of the Subsidiary Company.

Ghotki Power (Private) Limited ("GPL") was incorporated on 15 December 2016. The 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 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 information for the nine months ended June 30, 2018 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-18	30-Jun-17	
	(Rs. in N	lillion)	
Gross Sales	34,595	41,417	
Net Sales	31,826	37,663	
Operating Profit	1,903	4,365	
Profit before Tax	51	2,912	
Profit after Tax	35	2,096	

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

23 J Laho	uly 2018 ore	Chief Executive	Director
30			JDW GROUP

ڈائزیکٹرز کا تجزیہ

ڈائر کیٹر زخوش کے ساتھ ہے ڈی ڈیلیوشوگر ملز اور اسکے زیریں ادارے ڈیمرک شوگر ملز پرائیویٹ کمیٹٹہ، فاروقی پلپ ملز کمیٹٹہ، صادق آباد پاور پرائیویٹ کمیٹٹہ، گھوکک یاور پرائیویٹ کمیٹٹر کی نوماہی 30 جون 2018 کی عبور کی مالیاتی رپورٹ بیش کررہے ہیں۔

ڈ ہرکی شوگر ملز پرائیویٹ لیٹڈ مپنی ایک پرائیویٹ لمیٹڈ ممپنی کے طور پر قائم کیا گیا تھا۔اس ذیلی ادارے کا بنیادی کام گئے سے چینی بنانا اور بیچنا ہے۔اس ذیلی مپنی کے 100 فیصد حصص جے ڈی ڈبلیو کے پاس میں۔

فاروتی پاپ ملزلمیٹڈکو پیک لمیٹڈ کمپنی کےطور پر قائم کیا گیا تھا۔اس ادارے کا بنیادی کام پیپر پاپ بنانا اور بیچنا ہے۔اس ذیلی کمپنی کے57.67 فیصد تھھ ہے۔ ڈی ڈیلیو کے پاس میں۔

صادق آباد پاور پرائیویٹ لمیٹر مینی کوایک پرائیویٹ لمیٹر کمپنی کے طور پر قائم کیا گیا تھا۔اس ادارے کا بنیادی کام بکلی پیدا کرنا اور بیچنا ہوگا۔اس ذیلی کمپنی کے 100 فیصد حصص جے ڈی ڈیلیو کے پاس میں۔

گھونگی پاور پرائیویٹ کمیٹئر کپنی کوایک پرائیویٹ کمیٹٹر کپنی کے طور پر قائم کیا گیا تھا۔اس ادارے کا بنیا دی کام بھی پیدا کرنا اور بیچنا ہوگا۔اس ذیلی کپنی کے 100 فیصد حصص ہے ڈی ڈبلیو کے پاس ہیں۔

اہم اس بات کی تصدیق کرتے ہیں کہ ہماری بہترین معلومات کے مطابق بینو ماہی 30 جون 2018 کی عبوری مالیاتی رپورٹ پاکستان میں منظور شدہ اکاؤ مٹنگ سٹنڈ رڈ کےمطابق ہےاورا ہے تمام اثاثوں، واجبات اور مالیاتی پوزیشن کی تجی اور منصفا نقصور پیش کررہی ہے۔

مالياتى نتائج مندرجه ذيل بين:-

30 بون 2017	30 بون 2018	
روپے)	(ملين	
41,417	34,595	مجموع) فروخت
37,663	31,826	غالص فروخت
4,365	1,903	آ پریٹنگ منافع
2,912	51	منافع قبل اذنيكس
2,096	35	منافع بعداز نیکس

ڈائر کیٹرزنے اس رپورٹ میں اپنے تمام شیر ہولڈرز کو ہولڈنگ ادارے اور اسکی تمام ذیلی اداروں کی تفصیلی امورے آگاہ کیا ہے۔

۲۰۱۸ ولائی ۲۰		
لا ہور	ۋائزىكىٹر	چيف الگزيکيوڻيو
For the Nine Months Period Ended 30 June 2018		31

	Note	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 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		8,166,436,983	8,309,276,127
Equity attributable to owners of the Holding Company		9,442,520,521	9,585,359,665
Equity attributable to owners of the Floriding Company		9,442,320,321	9,363,339,003
Non-controlling interest		481,719,713	483,176,144
		9,924,240,234	10,068,535,809
NON-CURRENT LIABILITIES			
Redeemable capital - secured	7	-	-
Long term finances - secured	8	10,425,413,723	10,162,313,674
Liabilities against assets subject to finance lease - secured	9	146,034,292	153,047,674
Deferred taxation		1,719,116,837	1,808,456,552
Retirement benefits		42,824,136	36,372,935
		12,333,388,988	12,160,190,835
CURRENT LIABILITIES			
Short term borrowings - secured	10	32,735,148,877	13,783,388,645
Current portion of non-current liabilities		4,369,058,135	3,606,729,189
Trade and other payables	11	13,718,833,936	9,294,974,047
Unclaimed dividend		34,163,694	64,248,402
Accrued profit / interest / mark-up		615,723,671	277,241,631
		51,472,928,313	27,026,581,914
		73,730,557,535	49,255,308,558
CONTINGENCIES AND COMMITMENTS	12		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	26,516,759,082	26,248,589,291
Biological assets			14,595,399
Investment property		218,599,597	218,599,597
Intangibles		1,074,465,004	1,076,016,261
Long term investments	14	- 1,071,100,001	- 1,070,010,201
Long term advances		_	3,272,223
Long term deposits		38,182,589	55,042,065
Long torm dopolito		27,848,006,272	27,616,114,836
CURRENT ASSETS		, , , , , , , , , , , , , , , , , , , ,	, , , , , , , , , , , , , , , , , , , ,
Biological assets		1,063,314,430	2,282,737,798
Stores, spare parts and loose tools		1,537,724,172	1,712,412,677
Stock-in-trade		32,430,581,239	11,331,790,869
Trade debts - unsecured considered good		5,310,711,834	3,588,040,356
Advances, deposits, prepayments and other receivables	15	4,222,037,385	1,734,614,036
Advance tax - net		1,040,960,900	818,893,090
Cash and bank balances		277,221,303	170,704,896
		45,882,551,263	21,639,193,722
		73,730,557,535	49,255,308,558

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

Chief Financial Officer	Chief Executive	Director
32		

Condensed Interim Consolidated Profit and Loss Account (Un-audited) FOR THE NINE MONTH PERIOD AND QUARTER ENDED 30 JUNE 2018

		Nine mon	ths ended	Three months ended	
	Note	30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees
Gross sales		34,595,019,037	41,417,247,136	13,566,674,242	17,602,582,264
Sales tax and others		(2,768,604,315)	(3,753,944,698)	(1,045,177,648)	(1,721,963,175)
Net sales	16	31,826,414,722	37,663,302,438	12,521,496,594	15,880,619,089
Cost of sales		(31,350,137,775)	(32,197,324,800)	(11,990,808,749)	(14,690,655,194)
Gross profit		476,276,947	5,465,977,638	530,687,845	1,189,963,895
Administrative expenses		(947,240,638)	(1,066,375,430)	(279,444,533)	(283,405,575)
Selling expenses		(330,110,967)	(74,097,828)	(179,667,225)	(28,777,579)
Other income	17	2,735,267,469	232,114,885	1,100,462,182	14,611,207
Other expenses		(31,287,244)	(192,955,837)	(13,073,286)	(24,035,677)
		1,426,628,620	(1,101,314,210)	628,277,138	(321,607,624)
Profit from operations		1,902,905,567	4,364,663,428	1,158,964,983	868,356,271
Finance cost		(1,852,347,701)	(1,452,477,555)	(794,295,091)	(566,692,574)
Profit before taxation		50,557,866	2,912,185,873	364,669,892	301,663,697
Taxation		(15,523,458)	(815,686,322)	(8,046,905)	(117,434,497)
Profit after taxation		35,034,408	2,096,499,551	356,622,987	184,229,200
Attributable to:					
Owners of the Holding Company		36,490,839	2,098,798,083	356,924,492	184,851,876
Non-controlling interest		(1,456,431)	(2,298,532)	(301,505)	(622,676)
		35,034,408	2,096,499,551	356,622,987	184,229,200

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

Chief Financial Officer Chief Executive Director

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED 30 JUNE 2018

	Nine mont	ths ended	Three months ended	
	30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees
Profit after taxation for the period	35,034,408	2,096,499,551	356,622,987	184,229,200
Other comprehensive income			_	_
Total comprehensive income for the period	35,034,408	2,096,499,551	356,622,987	184,229,200
Attributable to:				
Owners of the Holding Company	36,490,839	2,098,798,083	356,924,492	184,851,876
Non-controlling interest	(1,456,431)	(2,298,532)	(301,505)	(622,676)
	35,034,408	2,096,499,551	356,622,987	184,229,200

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

Chief Financial Officer	Chief Executive	Director
34		IDW GPOLID

Condensed Interim Consolidated Cash flow Statement (Un-audited) FOR THE NINE MONTHS PERIOD ENDED 30 JUNE 2018

	30-Jun-18 Rupees	30-Jun-17 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	50,557,866	2,912,185,873
Adjustments for non cash and other items:		_,0,.00,0.0
Finance cost	1,852,347,701	1,452,477,555
Depreciation	1,304,951,945	1,207,158,444
Amortisation	1,551,255	1,561,825
Staff retirement benefits		
	95,748,256	69,340,266
Workers' profit participation fund	30,466,419	155,928,918
Assets written off	753,789	
Profit on disposal of operating fixed assets Workers' welfare fund	(101,341,134)	(6,306,155) 37,026,919
Provision for doubtful debts		24,716,942
	_	
Gain on disposal of investment property	0.104.470.001	(21,280,886)
	3,184,478,231	2,920,623,828
Operating profit before working capital changes	3,235,036,097	5,832,809,701
(Increase) / decrease in current assets		
Biological assets	1,234,018,767	1,265,276,334
Stores, spare parts and loose tools	174,688,505	(94,170,038)
Stock-in-trade	(21,098,790,370)	(17,557,626,227)
Trade debts - unsecured considered good	(1,722,671,478)	(1,290,494,008)
Advances, deposits, prepayments and other receivables	(2,473,071,672)	(2,027,954,315)
	(23,885,826,248)	(19,704,968,254)
Increase in current liabilities	(,,,,	(,,,,
Trade and other payables	4,504,618,264	6,213,250,054
Cash used in operations	(16,146,171,887)	(7,658,908,499)
Taxes paid	(326,933,107)	(352,958,599)
Workers' profit participation fund paid	(186,034,175)	(256,311,956)
Staff retirement benefits paid		
Stan retirement benefits paid	(67,327,705)	(168,394,408)
N. I	(580,294,987)	(777,664,963)
Net cash used in operating activities	(16,726,466,874)	(8,436,573,462)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(1,656,409,092)	(2,157,446,073)
Long term advances	12,888,888	27,125,307
Long term deposits - net	16,859,476	58,443,325
Proceeds from sale of operating fixed assets	261,252,662	29,921,608
Net cash used in investing activities	(1,365,408,066)	(2,041,955,833)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances - net	1,048,840,317	(1,957,923,912)
Short term borrowings - net	17,982,665,730	16,079,860,991
Finance cost paid	(1,451,898,999)	(1,079,028,814)
Lease rentals paid	````	
	(140,895,512)	(609,437,551)
Dividend paid	(209,414,691)	(1,455,010,700)
Net cash generated from financing activities	17,229,296,845	10,978,460,014
Net (decrease) / increase in cash and cash equivalents	(862,578,095)	499,930,719
Cash and cash equivalents at beginning of the period	(3,232,625,687)	(2,329,460,675)
Cash and cash equivalents at end of the period	(4,095,203,782)	(1,829,529,956)
Cash and cash equivalents comprise of the following:		
- Cash and bank balances	277,221,303	240,077,237
- Running finances and morabaha finances	(4,372,425,085)	(2,069,607,193)
	(4,095,203,782)	(1,829,529,956)
	(4,030,200,702)	(1,023,023,300

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

Chief Financial Officer	Chief Executive	Director

			Reserves				
	Share capital	Capital Share premium	Revenue Accumulated profit	Sub	Total	Non- controlling interest	Total equity
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 01 October 2016	597,766,610	678,316,928	7,957,485,567	8,635,802,495	9,233,569,105	486,430,148	9,719,999,253
Total comprehensive income for the period	_	I	2,098,798,083	2,098,798,083	2,098,798,083	(2,298,532)	2,096,499,551
Iransaction with owners of the holding company Final cash dividend for the year ended							
Final cash dividend for the year ended							
30 September 2016 @ Rs. 15.00 per share		I	(896,649,915)	(896,649,915)	(896,649,915)		(896,649,915)
Interim cash dividend for the period ended							
31 March 2017 @ Rs. 10.00 per share	-		(597,766,610)	(597,766,610)	(597,766,610)	1	(597,766,610)
	1	I	(1,494,416,525)	(1,494,416,525)	(1,494,416,525)	I	(1,494,416,525)
Balance as at 30 June 2017	597,766,610	678,316,928	8,561,867,125	9,240,184,053	9,837,950,663	484,131,616	10,322,082,279
Balance as at 01 October 2017	597,766,610	678,316,928	8,309,276,127	8,987,593,055	9,585,359,665	483,176,144	10,068,535,809
Total comprehensive income for the period	1	-	36,490,839	36,490,839	36,490,839	(1,456,431)	35,034,408
Transaction with owners of the holding company							
Final cash dividend for the year ended							
30 September 2017 @ Rs. 3.00 per share	_	-	(179,329,983)	(179,329,983)	(179,329,983)	1	(179,329,983)
Balance as at 30 June 2018	597,766,610	678,316,928	8,166,436,983	8,844,753,911	9,442,520,521	481,719,713	9.924,240,234

Chief Financial Officer

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

Chief Executive

Director

1 STATUS AND NATURE OF BUSINESS

The Group comprises of:

- JDW Sugar Mills Limited ("the Holding Company"); and
- Deharki Sugar Mills (Private) Limited "DSML" ("the Subsidiary Company");
- Faruki Pulp Mills Limited "FPML" ("the Subsidiary Company");
- Sadigabad 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. 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. 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.
- 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 cogeneration power plants. The registered office of the Subsidiary Company is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore. 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 cogeneration power plants. The registered office of the Subsidiary Company is situated at 17-Abid Majeed Road, Lahore Cantonment, Lahore. 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 information comprises the condensed interim consolidated statement of financial position of the Group as at 30 June 2018 and the related condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity together with the notes forming part thereof for the period from 01 October 2017 to 30 June 2018.
- 2.1.2 These condensed interim consolidated financial information 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 comprise of:
 - International Accounting Standard (IAS) 34, "Interim Financial Reporting," issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
 - Provisions of and directives issued under the Companies Act, 2017.
 Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.1.3 This condensed interim consolidated financial information 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 2017.
- 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 2017, whereas comparative figures of profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim financial information of the Group for the nine months period ended 30 June 2017.
- 2.1.5 This condensed interim consolidated financial information is 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 information 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 information, 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 2017.

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4 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

- 4.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim consolidated financial information are same as those applied in the preparation of the audited consolidated financial statements for the year ended 30 September 2017.
- 4.2 Effective 01 January 2018, the provisions of the Companies Act, 2017 relating to the preparation of the financial statements have become applicable. However, there is no major impact of these provisions on the Group condensed interim consolidated financial information.
- 4.3 The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

 Standard or	r interpretation	Effective date (accounting periods beginning on or after)
IFRS 2 -	Share-based Payments	01 January 2018
IAS 40 -	Investment Property	01 January 2018
IAS 28 -	Investments in Associates and Joint Ventures	01 January 2018
IFRIC 22 -	Foreign Currency Transactions and Advance	
	Consideration	01 January 2018
IFRS 9 -	Financial Instruments	01 July 2018
IFRS 15 -	Revenue from Contract with customer	01 July 2018
IFRS 3 -	Business Combinations	01 January 2019
IFRS 11 -	Joint ventures	01 January 2019
IAS 12 -	Income Taxes	01 January 2019
IAS 23 -	Borrowing cost	01 January 2019
IAS 28 -	Investments in Associates and Joint Ventures	01 January 2019
IFRIC 23 -	Uncertainty over Income Tax Treatments	01 January 2019

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-18 Rupees	(Audited) 30-Sep-17 Rupees
6	SHA	RE CAPITAL		
	6.1	Authorized capital		
•		75,000,000 (30 September 2017: 75,000,000)		
		ordinary shares of Rs. 10 each	750,000,000	750,000,000
•		25,000,000 (30 September 2017: 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 2017: 32,145,725)		
		ordinary shares of Rs. 10 each fully		-
		paid in cash	321,457,250	321,457,250
**********		27,630,936 (30 September 2017: 27,630,936)		
		voting bonus shares of Rs. 10 each fully		-
**********		paid in cash	276,309,360	276,309,360
			597,766,610	597,766,610

7 REDEEMABLE CAPITAL - SECURED

During the period, the Holding Company has fully repaid to TFC holders amount of Rs. 83.33 million (year ended 30 September 2017: Rs. 111.11 million). These carried mark-up at three months KIBOR plus 100 bps per annum.

		Note	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
8	LONG TERM FINANCES - SECURED			
	Markup bearing finances from conventional ban	ks 8.1	5,798,455,378	7,991,383,792
**********	Islamic mode of financing	8.2	4,626,958,345	2,170,929,882
		8.3	10,425,413,723	10,162,313,674
	8.1 Markup bearing finances from conventional banks:			
	Balance at beginning of the period / year		11,036,355,145	12,193,498,661
	Finances received during the period / yea	ar 8.1.1	534,033,839	1,965,966,161
	Repayments during the period / year		(2,451,340,578)	(3,123,109,677)
*********			9,119,048,406	11,036,355,145
•	Current portion presented under			
	current liabilities		(3,320,593,028)	(3,044,971,353)
			5,798,455,378	7,991,383,792

		Markup basis	Duration	Grace period	Amount Rupees
8.1.1	Finances received during the period				
	Askari Bank Limited	3mk + 1.00	05 Years	01 Year	500,000,000
	National Bank of Pakistan Limited (II)	3mk + 0.50	05 Years	01 Year	34,033,839
					534,033,839
		Note	(Un-au e 30-Ju Rup	n-18 [°]	(Audited) 30-Sep-17 Rupees
8.2	Islamic mode of financing:				
	Balance at beginning of the period	,	2,495,9	929,882	1,264,000,000
	Finances received during the peri	od / year 8.2.1	3,285,2	230,389	1,463,179,882
	Repayments during the period / y	ear		<mark>750,000)</mark>	(231,250,000)
			5,545,4	110,271	2,495,929,882
	Current portion presented und	der			
	current liabilities			151,926)	(325,000,000)
			4,626,9	958,345	2,170,929,882
		Profit / Interest basis	Duration	Grace period	Amount Rupees
8.2.1	Finances received during the period				
	Al Baraka Bank (Pakistan) Limited	3mk + 0.85	05 Years	01 Year	1,000,000,000
	MCB Islamic Bank Limited	3mk + 0.80	05 Years	01 Year	1,000,000,000
	Faysal Bank Limited - Barket Islamic	3mk + 1.00	05 Years	01 Year	750,000,000
	Faysal Bank Limited	3mk + 1.00	05 Years	01 Year	500,000,000

Bank Alfalah Limited

8.3 The securities offered and facility limits of these long term finances are the same as disclosed in the audited consolidated financial statements of the Group for the year ended 30 September 2017, except as disclosed in note 8.1.1 & 8.2.1. The interest / markup is payable quarterly / semi annually at a rate of three to six months KIBOR plus 50 bps to 100 bps per annum.

3mk + 0.90

05 Years

01 Year

35,230,389 3,285,230,389

9 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE - SECURED

During the period, the Holding Company availed leases aggregating Rs. 96.84 million (year ended 30 September 2017: Rs. 76.50 million) and repaid principal amount of Rs. 127.26 million (year ended 30 September 2017: Rs. 618.84 million). Amounts due in next twelve months amounting to Rs. 130.01 million (year ended 30 September 2017: Rs. 153.42 million) are included in current portion presented under current liabilities. Lease rentals are payable on quarterly / monthly basis and include finance cost ranging from three months to one year KIBOR plus 100 bps per annum (year ended 30 September 2017: three months to one year KIBOR plus 100 to 300 bps per annum) which has been used as the discounting factor. The Holding Company has the option to purchase the assets upon completion of lease period and has the intention to exercise such option.

^{* 3} mk i.e. 3 months KIBOR

	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
10 SHORT TERM BORROWINGS - SECURED		
10.1 Type of short term borrowings		
10.1.1 Markup based borrowings from		
conventional banks		-
Cash finances	19,365,023,206	9,128,652,000
Running finances	2,572,425,085	1,603,330,583
Inland bill discounting	1,099,999,999	884,999,998
Finance against trust receipts	21,441,252	366,406,064
	23,058,889,542	11,983,388,645
10.1.2 Islamic mode of financing		-
Salam/Istisna finances	7,436,259,767	_
Morabaha finances	1,800,000,000	1,800,000,000
Tijarah finance	439,999,568	_
	9,676,259,335	1,800,000,000
	32,735,148,877	13,783,388,645

- 10.2 The Group has obtained these facilities from various banks and financial institutions. The markup / profit rate applicable during the year ranges from one to six months KIBOR plus 0 (zero) to 135 bps per annum (year ended 30 September 2017: one to six months KIBOR plus 20 to 135 bps per annum).
- 10.3 The securities offered of these short term borrowings are the same as disclosed in the audited consolidated financial statements of the Group for the year ended 30 September 2017 whereas the facility limits have increased to Rs. 38,353 million (year ended 30 September 2017: Rs. 31,665 million).

11 TRADE AND OTHER PAYABLES

This includes advances from customers aggregating Rs. 11,927.85 million (year ended 30 September 2017: Rs. 7,202.67 million).

12 CONTINGENCIES AND COMMITMENTS

12.1 There is no material change in contingencies from the preceding audited consolidated financial statements of the Group for the year ended 30 September 2017.

	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
Letters of guarantee in favour of various parties		
Holding Company - JDWSML	574,909,300	83,000,000
Subsidiary Company - DSML	49,756,000	7,500,000
12.2 Commitments		
Letters of credit for import of machinery		
and its related components		
Holding Company - JDWSML	350,846,247	569,509,835
Subsidiary Company - DSML	6,020,400	17,449,232

	Note	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
13 PROPERTY PLANT AND EQUIPMENT			
Operating fixed assets	13.1	25,366,071,570	23,219,852,562
Capital work in progress	13.2	1,037,543,604	2,938,735,267
Stores, spare parts and loose tools held			-
for capital expenditure		113,143,908	90,001,462
		26,516,759,082	26,248,589,291
13.1 Operating fixed assets			
Net book value as at beginning of			
the period / year		23,219,852,562	22,151,628,694
Additions during the period / year		3,528,616,277	2,641,048,289
Disposals during the period / year -			_
net book value		(160,665,317)	(89,841,962)
Depreciation charged during			
the period / year		(1,221,731,952)	
		25,366,071,570	23,219,852,562
10.0 0			
13.2 Capital work in progress		0.000.705.007	4 000 004 000
Opening balance		2,938,735,267	
Addition during the period / year		1,033,710,139	2,324,872,570
Transfers made during the period / year		(2,934,901,802)	(1,354,468,669)
Closing balance		1,037,543,604	2,938,735,267

14 LONG TERM INVESTMENTS

This represents investment of the Holding Company of 47.37% 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 (year ended 30 September 2017: Rs. nil) due to accumulated impairment allowance of Rs. 90 million charged in year ended 30 September 2012.

15 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

This includes an amount of Rs. 5.07 million (year ended 30 Sep 2017: Rs. 6.32 million) receivable from executives of the Holding Company.

	Nine mon	ths ended	Three mor	nths ended
	30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees
16 NET SALES				
Sugar	26,703,760,386	35,322,642,262	9,671,733,787	15,467,606,880
Electricity	3,601,167,979	3,302,428,104	1,335,436,704	1,293,688,789
Molasses - by product	2,320,886,512	2,596,515,636	979,515,074	681,448,537
Agriculture produce	156,193,632	138,425,066	152,261,919	110,155,140
Bagasse - by product	201,416,508	57,236,068	38,682,577	49,682,918
Agri inputs	1,611,594,020	_	1,389,044,181	_
	34,595,019,037	41,417,247,136	13,566,674,242	17,602,582,264
Less: sales tax and others	(2,768,604,315)	(3,753,944,698)	(1,045,177,648)	(1,721,963,175)
	31,826,414,722	37,663,302,438	12,521,496,594	15,880,619,089

Sales include sugar export sales of Rs. 7,161 million (30 June 2017: Rs. 3,461 million).

17 OTHER INCOME

This mainly includes subsidy aggregating Rs. 2,328 million (30 June 2017: Rs. nil) from Federal and Provincial Government on export of sugar, scrap sale of Rs. 31 million (30 June 2017: Rs. 87 million), sale of mud of Rs. 126 million (30 June 2017: Rs. 91 million), foreign exchange gain of Rs. 113 million (30 June 2017: Rs. 10 million) and gain on sale of operating fixed assets of Rs. 102 million (30 June 2017: Rs. 6 million).

18 BUSINESS SEGMENTS INFORMATION

The Group's reportable segments are as follows:

18.

Reportable Segment

Sugar Co-Generation Corporate farms Others

Operations

Production and sale of crystalline sugar and other related joint and by-products. Generation and sale of electricity to CPPA-G.

Managing corporate farms for cultivation of sugarcane and the small quantity of cotton, mong and wheat. Projects under construction for manufacture / generation and sale of wood pulp and electricity.

Information regarding the Group's reportable segments is presented below: 18.2

		'nS	Sugar	Co-Generation	eration	Corporate Farms	Farms	Other Se	Other Segment	Inter Segment	Reconciliation	Total	
		30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-18 30-Jun-17 Rupees Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees	30-Jun-18 30-Jun-17 Rupees Rupees	30-Jun-17 Rupees	30-Jun-18 Rupees	30-Jun-17 Rupees
18.2.1	18.2.1 Segment revenues & results												
	Net external revenues	28,383,664,061	28,383,664,061 34,649,677,379 3,286,557,029 2,875,199,992 156,193,632	3,286,557,029	2,875,199,992	156,193,632	138,425,067	1	ı	1	ı	- 31,826,414,722 37,663,302,438	37,663,302,438
	Inter-segment revenues	1,881,453,444	,881,453,444 1,818,969,869 1,162,814,849 1,470,371,385 3,085,405,721	1,162,814,849	1,470,371,385	3,085,405,721	3,485,968,113	ı	ı	(6,129,674,014) (6,775,309,36	(6,775,309,367)	ı	ı
	Reportable segment revenue	30,265,117,505	<mark>0,265,117,505</mark> 36,468,647,248 <mark>4,449,371,878</mark> 4,345,571,377 <mark>3,241,599,353</mark> 3,624,393,180	4,449,371,878	4,345,571,377	3,241,599,353	3,624,393,180	-	1	(6,129,674,014)	(6,129,674,014) (6,775,309,367) 31,826,414,722 37,663,302,438	31,826,414,722	37,663,302,438
	Segment (loss) / profit before tax	(1.141.766.708)	1.140.861.571	1 683 860 037	1 723 081 999	(482 152 824)	(1141766.708) 1.140.861.571 1.683.860.037 1.723.081.999 (482.152.824) 53.834.839	(9.382.639)	(5.592.536)	1	1	50.557.866	50 557 866 2 912 185.873

Inter-segment sales and purchases 18.2.2

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

Basis of inter-segment pricing 18.2.3

All inter-segment transfers are made at fair value.

18.2.4 Segment assets & liabilities

	Ĭ,	Sugar	Co-Ger	Co-Generation	Corporate Farms	e Farms	Other S	Other Segment	Inter Segment Reconciliation	Reconciliation	Total	_
	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees	(Un-audited) 30-Jun-18 Rupees	(Audited) 30-Sep-17 Rupees
Total assets for reportable segment	62,326,891,618	37,990,655,778	9,063,785,027	8,483,836,898	6,298,255,875	7,927,904,664	2,171,299,029	2,171,065,710	82.326.891.618 37.390.655,778 9.063,785,027 8,488,836,888 6,288,285,875 7,927,394,664 2,171,289,029 2,171,085,710 (6,129,674,014) (7,318,154,491) 73,730,537,535 49,255,308,559	(7,318,154,491)	73,730,557,535	49,255,308,559
Total liabilities for reportable segment	64,977,020,998	,977,020,998 40,002,671,395 4,749,148,877	4,749,148,877	5,733,769,719	165,503,782	722,850,006	44,317,658	45,636,120	45,636,120 (6,129,674,014) (7,318,154,491)	(7,318,154,491)	63,806,317,301 39,186,772,749	39,186,772,749
											30-Jun-18	30-Jun-17
											Rupees	Rupees
18.3 Reconciliation of reportable segment pro	nt profit and loss											
Total profit before tax for reportable segments	gments										50,557,866	2,912,185,873
Unallocated corporate expenses											(15,523,458)	(815,686,322)
Profit after taxation											35,034,408	2,096,499,551

19 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

				30 June 2018 (un-audited)	(un-audited)		
			Carrying Amount			Fair Value	
		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
	Note			(Rupees)	(see		
On-Balance sheet financial instruments							
Financial assets not measured at fair value							
Cash and bank balances		277,221,303	I	277,221,303	ı	I	
Advances, deposits and other receivables		2,514,213,646	I	2,514,213,646	1	1	
Trade debts - unsecured considered good		5,310,711,834	I	5,310,711,834	ı	I	
Long term advances		I	I	I	I	ı	
Long term deposits		38,182,589	I	38,182,589	I	I	
	19.2	8,140,329,372	ı	8,140,329,372	ı		
Financial liabilities not measured at fair value							
Redeemable capital - secured			I	1	1	ı	
Long term finances - secured		I	14,664,458,677	14,664,458,677	I	ı	
Liabilities against assets subject							
to finance lease - secured		I	276,047,473	276,047,473	I	ı	
Trade and other payables		I	1,692,206,665	1,692,206,665	I	ı	
Short term borrowings - secured		I	32,735,148,877	32,735,148,877	I	ı	
Accrued profit / interest / markup		I	615,723,671	615,723,671	I	ı	
	19.2		49 983 585 363	49 983 585 363			

19.1 Fair value measurement of financial instruments

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			Carrying Amount			Fair Value	
		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
	Note			(Rupees)	(sec		
On-Balance sheet financial instruments							
Financial assets not measured at fair value							
Cash and bank balances		170,704,896	I	170,704,896	I	I	
Advances, deposits and other receivables		64,729,775	1	64,729,775	I	I	
Trade debts - unsecured considered good		3,588,040,356	I	3,588,040,356	I	I	
Long term advances		3,272,223	1	3,272,223	ı	I	
Long term deposits		55,042,065	I	55,042,065	-	ı	
	19.2	3,881,789,315	1	3,881,789,315	ı	1	
Financial liabilities not measured at fair value							
Redeemable capital - secured		I	83,333,333	83,333,333	I	I	
Long term finances - secured		I	13,532,285,027	13,532,285,027	1	ı	
Liabilities against assets subject							
to finance lease - secured		I	306,472,177	306,472,177	I	I	
Trade and other payables		I	1,903,586,826	1,903,586,826	1	ı	
Short term borrowings - secured		I	13,783,388,645	13,783,388,645	ı	I	
Accrued profit / interest / markup		I	277,241,631	277,241,631	I	I	
	19.2	-	29,886,307,639	29,886,307,639	-	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. 19.2

19.3 Fair value measurement of biological assets

In absence of active market for sugarcane standing crops, the fair value measurement for the standing crop has been categorized as Level 3 fair value based on the inputs to the to be generated by the plantation. The cash flow projections include specific estimates for next year which mainly include crop's expected yield. The expected cash flows are discounted valuation techniques used. Fair value has been determined on the basis of a discounted cash flow model. The valuation model considers the present value of net cash flows expected using a risk adjusted discount rate.

19.4 Fair value measurement of investment property carried at cost

Fair value of investment property is determined based on estimated market value. Rate per square acre represents significant unobservable input. The estimated fair value would ncrease / (decrease) if expected rental growth were higher / (lower); the occupancy rate were higher / (lower); or rent free periods were shorter / (longer).

20 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated company, 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:

			30-Jun-18 Rupees	30-Jun-17 Rupees
Name of Company	Relationship	Transactions		
JDW Aviation	Associated Company	Reimbursement of		
(Pvt) Limited		expenses	9,985,087	12,101,537
Key Management		Consultancy services	8,659,812	11,800,827
Personnel		Directors' remuneration		
		and allowances	207,528,335	241,111,669
Post Employment				
Contribution Plan		Provident fund contribution	136,029,691	126,279,334
		Payment to recognised		
		gratuity fund	6,331,183	101,168,252

21 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 information 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 2017.

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

22 RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

			30 June 2018		
		Liabiliti	ies (long term and sho	ort term)	
	Redeemable	Long term	Liabilities against asset	s Short term	Accrued profit /
	capital -	finances -	subject to finance	borrowings -	interest
	secured	secured	lease - secured	secured	/ markup
			Rupees		
Balance as at 01 October 2017	83,333,333	13,532,285,027	306,472,177	13,783,388,645	277,241,631
Changes from financing cash flows					
Loans received during the period	-	3,819,264,228	-	39,019,802,832	_
Loan repaid during the period	(83,333,333)	(2,687,090,578)	(127,264,204)	(21,037,137,102)	-
	(83,333,333)	1,132,173,650	(127,264,204)	17,982,665,730	_
Other changes - Liability related					
Interest expense for the period	-	-	-	-	1,852,347,701
Interest paid during the period	-	-	-	-	(1,513,865,661)
Net change in cash and cash equivalent	-	-	-	969,094,502	-
Assets acquired on finance lease	-	-	96,839,500	-	-
Total liability-related other changes	_	-	96,839,500	969,094,502	338,482,040
Balance as at 30 June 2018	_	14,664,458,677	276,047,473	32,735,148,877	615,723,671

23 The Finance Act, 2017 introduced a tax at 7.5% under Section 5A of the Income Tax Ordinance, 2001 on every public company other than a scheduled bank or modarba, that derives profits for tax year and does not distribute at least 40% of the after tax profit within six months of the end of said tax year through cash or bonus shares. However, subsequent to the period end, the Finance Act, 2018 has been promulgated and approved which has amended Section 5A and has reduced the limit of profit distribution in the form of cash dividend from 40% to 20% and the rate of tax from 7.5% to 5%.

The Board of Directors of the Holding Company intends to distribute sufficient cash dividend for the year ending 30 September 2018 to comply with the above stated requirements. Accordingly, no provision for tax on undistributed reserves has been made in this condensed interim consolidated financial statements.

24 DATE OF AUTHORIZATION

The condensed interim consolidated financial information for the nine months period ended 30 June 2018 was authorized for issue by the Board of Directors on 23 July 2018.

25 EVENTS AFTER BALANCE SHEET DATE

There are no material subsequent events occurred after Balance sheet date.

Notes

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INVESTOR'S AWARENESS

In pursuance of SRO 924(1)/2015 dated 09 September 2015 issued by the Securities and Exchange Commission of Pakistan (SECP), the following informational message has been reproduced to educate investors:





