Half Yearly Report
for the period ended 31 March 2020 (Un-audited)

Continued Excellence

Corporate Social Responsibility

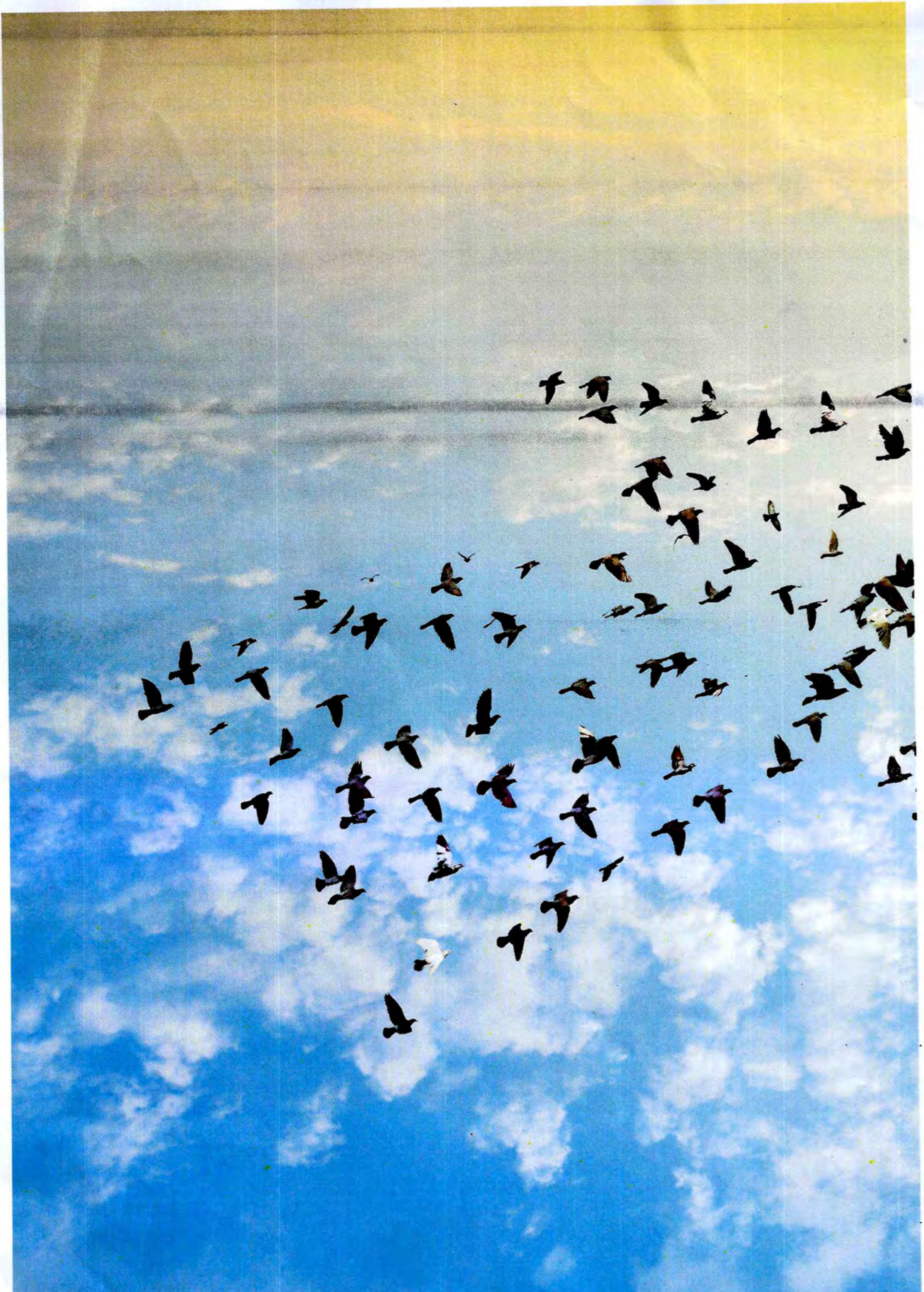
Innovative Farming

Bond with Growers

Community Empowerment

JDW

JDW Sugar Mills Limited



Our Vision is to Create **Opportunities for the Future.**

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

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

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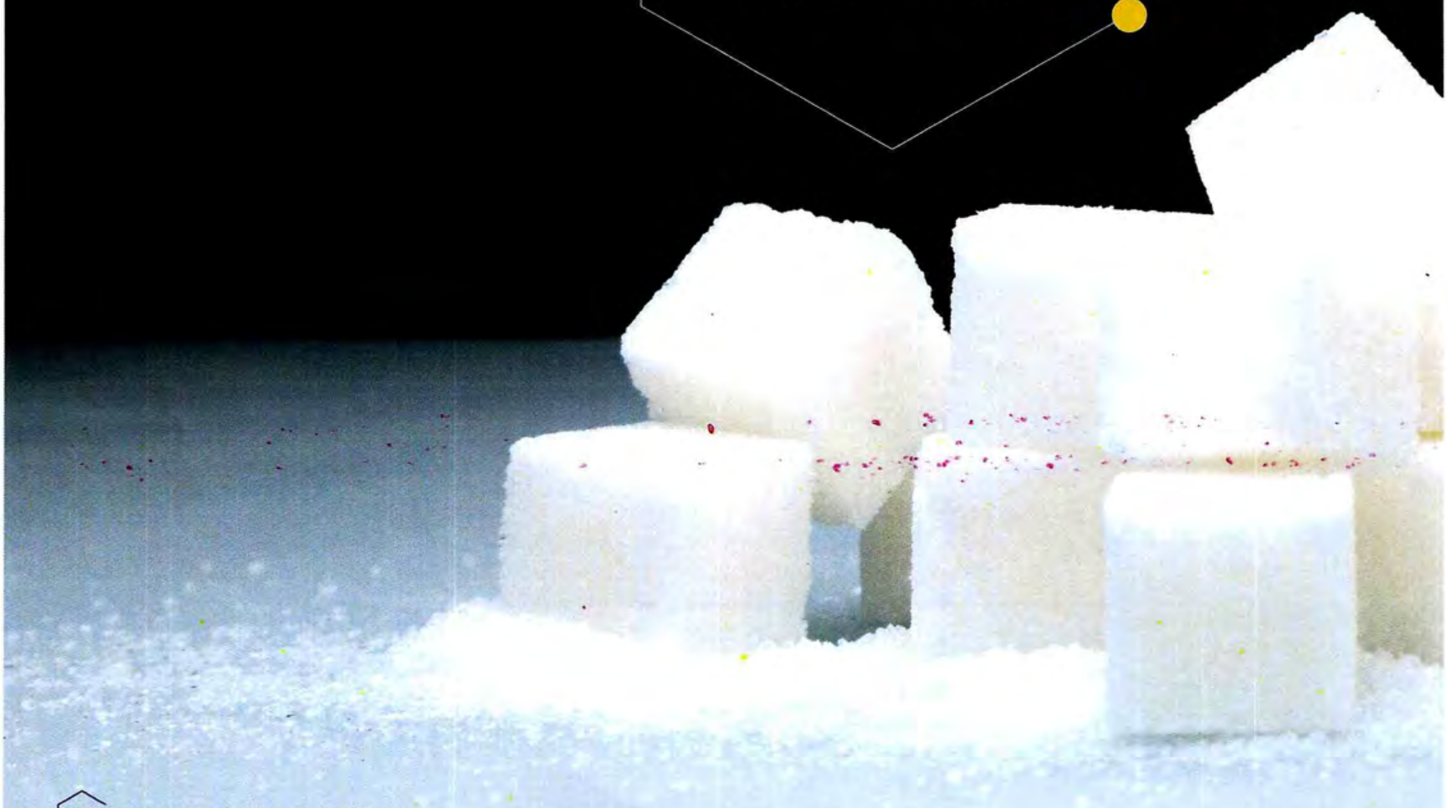
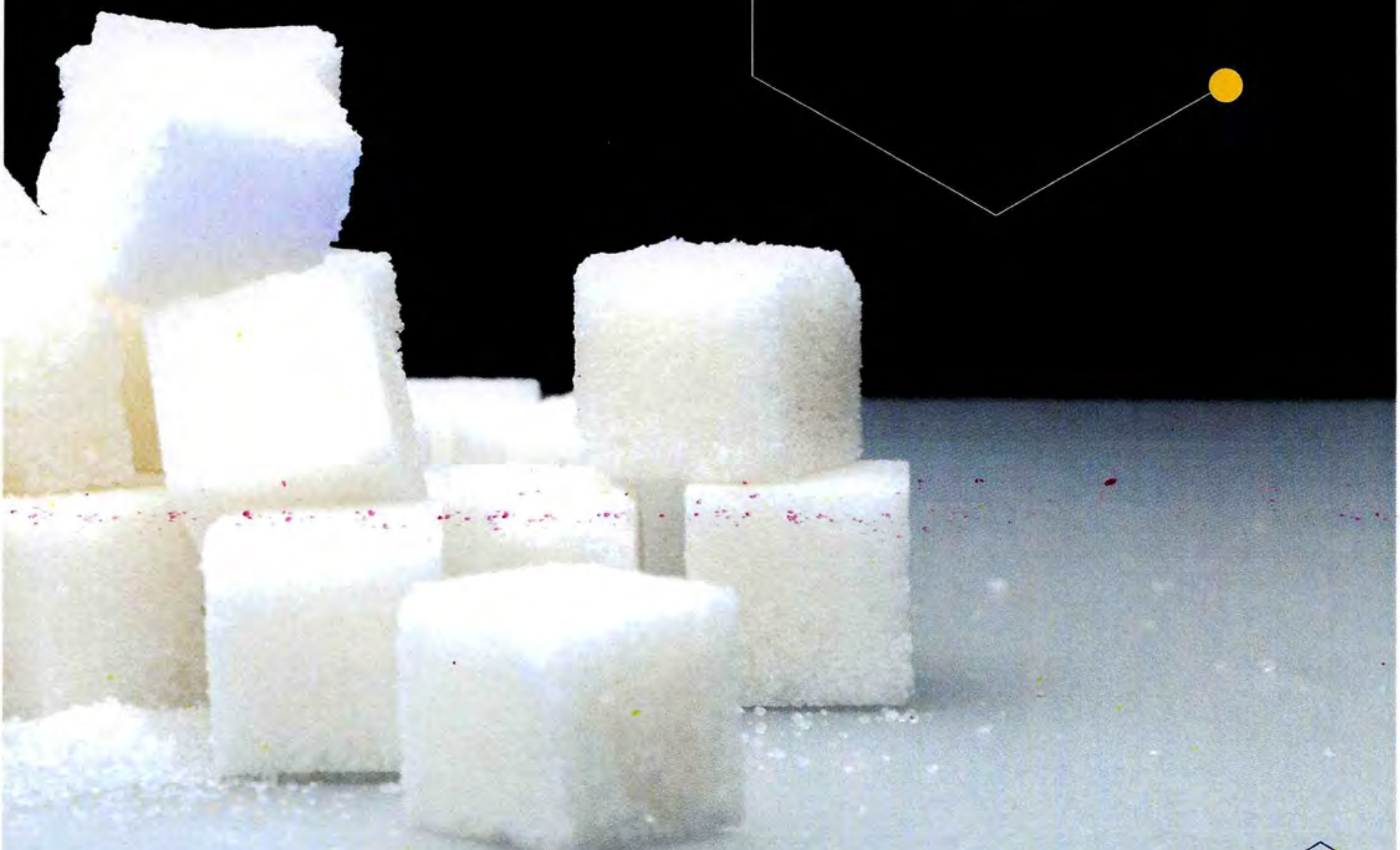


Condensed Interim Financial Statements
Consolidated

Other Information



Corporate **Information**

Board of Directors
Mr. Jahangir Khan Tareen
Director / Chief Executive

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
Mr. Muhammad Rafique

Company Secretary
Mr. Maqsood Ahmad Malhi

Audit Committee
Mr. Qasim Hussain Safdar
Chairman / Member

Mrs. Samira Mahmud
Member

Mr. Ijaz Ahmed
Member

HR & R Committee
Mr. Asim Nisar Bajwa
Chairman / Member

Mrs. Samira Mahmud
Member

Mr. Ijaz Ahmed
Member / Secretary

Nomination Committee
Mr. Jahangir Khan Tareen
Chairman / Member

Mr. Asim Nisar Bajwa
Member

Risk Management Committee
Mr. Jahangir Khan Tareen
Chairman / Member

Mr. Asim Nisar Bajwa
Member

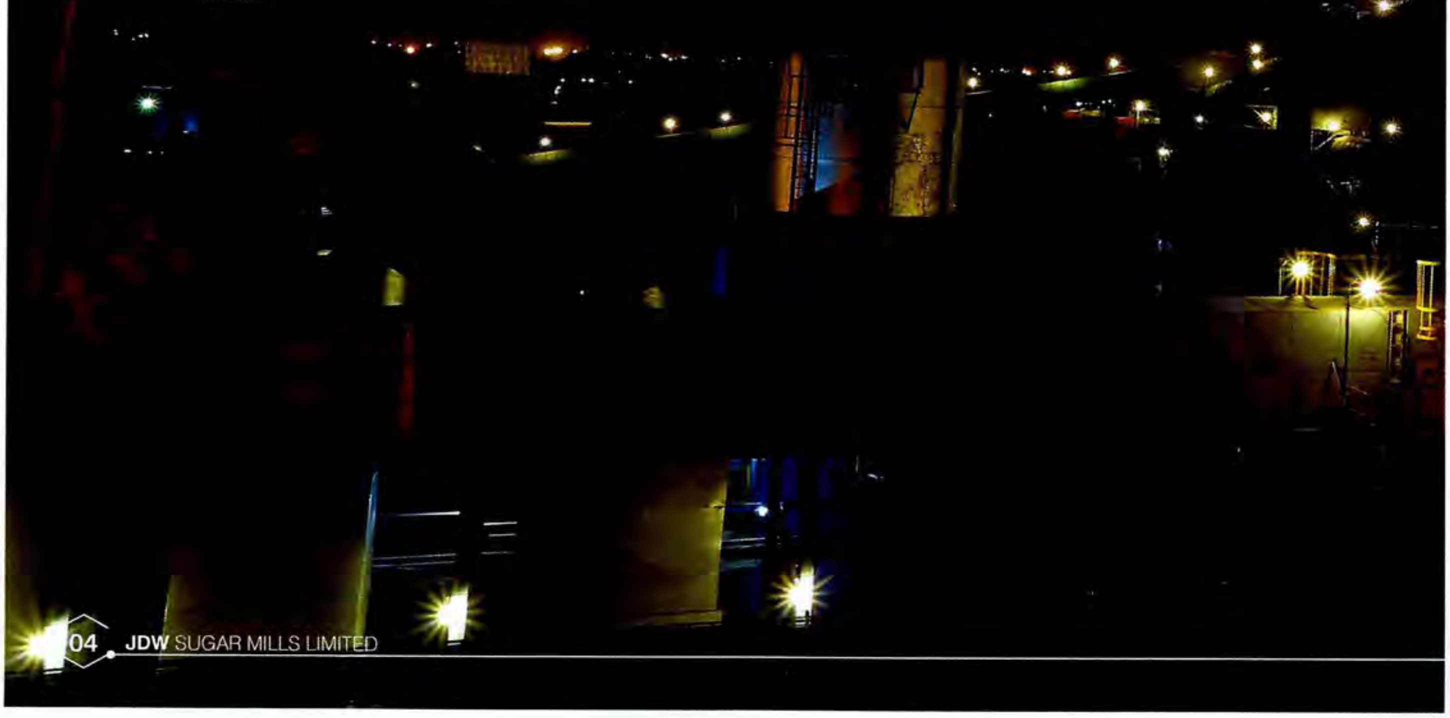
Registrar
Corplink (Pvt.) Limited

Bankers
Conventional

The Bank of Punjab
National Bank of Pakistan
Askari Bank Limited
MCB Bank Limited
Faysal Bank Limited
Standard Chartered Bank (Pakistan) Limited
Soneri Bank Limited
Habib Bank Limited
Pak Brunei Investment Company Limited
United Bank Limited
Pak Oman Investment Company Limited
Allied Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited

Islamic

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



Auditors
Riaz Ahmad, Saqib, Gohar & Co.
Chartered Accountants

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

Legal Advisor
Cornelius, Lane & Mufti

Web Presence
www.jdw-group.com

Mills
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.

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 information of the Company for the half year ended on March 31, 2020 which has been duly reviewed by the external Auditors.

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. COVID-19 issues plus change of Auditors caused delay in the publication of these half yearly accounts.

Inspite of Rs. 389 million loss suffered in sugar segment caused by higher sugarcane cost, finance cost, sales tax & costs of various inputs, the profitability in Co-generation segment has enabled the company to earn net profit after tax amounting to Rs. 380 million in the current period as compared to a net loss after tax Rs. 925 million in the same period last year. The earnings per share of the company has also improved to Rs. 6.35 from a loss per share of Rs. 15.47 in the comparative period.

Other salient features of the period under review are summarized below:

- For the crushing season 2019-20 which concluded on different dates for all the units and following operating results were achieved:

Operating Results

		2019-20				2018-19			
		JDW-I	JDW-II	JDW-III	COMBINED	JDW-I	JDW-II	JDW-III	COMBINED
Sugarcane crushed	M.Tons	2,464,468	1,497,319	1,329,945	5,291,732	2,475,196	1,669,315	1,526,984	5,671,495
Sugar Production	M.Tons	260,845	153,173	134,202	548,220	287,394	190,304	162,580	640,278
Sucrose Recovery	%age	10.58	10.23	10.09	10.36	11.61	11.40	10.65	11.29
Molasses Production	M.Tons	101,840	68,003	58,749	228,592	96,058	72,354	62,882	231,294
Molasses Recovery	%age	4.13	4.54	4.42	4.32	3.88	4.33	4.12	4.08

Sugarcane crushed this time by the Company was 7% less than last year whereas corresponding reduction in sugar production was lower i.e., 14% which was due to 93 bps reduction in the sucrose recovery achieved for all the three units. Besides low sucrose recovery, the low yield per acre experienced by the growers due to inadequate & non-availability of adequate water coupled with reduction in area under cultivation were the main reasons for 7% reduction in cane crushing.

Deharki Sugar Mills (Private) Limited ("DSML") being wholly owned subsidiary of the Company has achieved the following operating results during crushing season 2019-20.

		2019-20	2018-19
Sugarcane crushed	M.Tons	1,220,644	1,316,226
Sugar Production	M.Tons	122,831	147,213
Sucrose Recovery	%age	10.06	11.18
Molasses Production	M.Tons	55,253	53,137
Molasses Recovery	%age	4.41	4.04

Despite loss in sugar segment, the Company has earned profit after tax amounting to Rs. 380 million as compared to loss after tax of Rs. 925 million in the corresponding period which as stated above is attributable to better financial results achieved in the Co-generation segment, resultantly earnings per share has also improved to positive Rs. 6.35 from negative per share of Rs. 15.47 which is mainly attributable to the following main reasons:

i) Gross turnover of the Company in the current period is increased to 28.36 billion as compared to corresponding period turnover of Rs. 20.78 billion. The increase in gross turnover is mainly due to increase in average selling prices of sugar and molasses and sale of carryover sugar stocks in current period.

ii) The minimum notified support price of sugarcane for crushing season 2019-20 is revised in the provinces of Punjab and Sindh at Rs. 190 from 180 per 40 kg & at Rs. 192 from 182 per 40 kg respectively. However, actual average price at which sugarcane was procured by us was Rs. 214 per 40 Kg, much higher than the support prices. Growers this time are happy as they got better sugarcane prices and timely payments unlike crushing season 2018-19 when they were massively exploited by majority of the sugar mills by paying them much less than the notified prices of sugarcane.

iii) Finance cost of the Company has increased by Rs. 241 million due to higher mark-up rates during the period under review & more utilization of working capital facilities caused by unsold carryover stocks, non-receipt of export subsidy and all times high receivables from CPPA-G on account of sale of electricity. Subsequent to period end State Bank of Pakistan substantially decreases the discount rate which will positively impact the financial results of the Company in subsequent periods.

Other Salient Features:

- The balance sheet size has increased to Rs. 60 billion from Rs. 48 billion. Accumulated reserves are approximately 13 times of the paid-up capital of the Company.
- In view of the above referred financial results all key financial covenants' have slightly improved as compared to the comparative period and yearend financial results of 30th September 2019. The Company is fulfilling it's all financial obligations on time and enjoys cordial relationship with all the financial institutions it's dealing with.
- 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 bank accounts throughout the season and thereafter which was very well appreciated by the growers. The 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.
- The ex-mill sugar prices have improved compared to last period which to a certain extent are helping the sugar industry to mitigate substantial increase in sugarcane cost, mark up rates, sales tax rate and input costs. The prices of molasses have also improved because of lower molasses production this time. In view of maintaining continued good performance we will focus more on reduction of our debt and sugarcane development in the vicinity of all our mills by introducing new varieties & working more on pest controls.

31 August 2020 | Director | Director

Lahore

۳) ادارے کے مالیاتی اخراجات میں 241 ملین روپے کا اضافہ ہوا۔ بڑھتی ہوئی شرح سود، غیر فروخت شدہ چینی کی ذخائر، برآمدی سبسڈی کی عدم وصولی اور فروخت شدہ بجلی کی مد میں CPPA-G کے ذمہ واجب عدم ادائیگیاں مالیاتی اخراجات میں اضافے کی بڑی وجوہات ہیں۔

ہماری نمایاں خصوصیات

بیلینس شیٹ کا حجم 48 ارب روپے سے بڑھ کر 60 ارب روپے ہوگیا ہے اور جمع شدہ ریزرو اداشدہ سرمائے کا 13 گنا ہو گئے ہیں۔

اوپر بیان کئے ہوئے مالیاتی نتائج کی وجہ سے پچھلے سال کی نسبت مالیاتی معاہدوں کی تناسبی شرح میں معمولی بہتری آئی ہے، لیکن ادارہ اپنی تمام مالیاتی معاہدے پورے کر رہا ہے اور مالیاتی اداروں سے اچھے تعلقات قائم کئے ہوئے ہے۔

ہمیشہ کی طرح، گنے کی خریداری کی بروقت ادائیگیاں مقرر کردہ نرخوں پر کرنا ہماری اولین ترجیح ہے اور یہی ہماری کامیابی کی بنیادی وجہ ہے۔ چینی کی برآمدی سبسڈی اور بجلی کی فروخت کی مد میں حکومت سے ملنے والی ادائیگیوں کی عدم فراہمی کے باوجود رواں سال 2019-20 کے دوران کسانوں کے تمام واجبات بذریعہ بینک اکاونٹ ادا کئے گئے جسے کسانوں نے بہت سراہا۔ یہ مسلسل دوسرا سال تھا کہ کسانوں کو ادائیگی بذریعہ بینک کی گئی۔ کمپنی کسانوں کو مالیاتی قرضے، بیج، زرعی آلات فراہم کرتی ہے جو کسانوں کے ساتھ خوشگوار تعلقات استوار رکھنے میں مددگار ثابت ہوتے ہیں۔

گزشتہ سال کے مقابلے میں رواں سال مل پر چینی کی قیمت میں اضافہ ہوا جس کی بدولت شوگر ملوں کو گنے کی قیمت، بڑھتی شرح سود، سیلز ٹیکس اور دیگر عوامل کی بڑھتی لاگت کی مشکلات پر قابو پانے میں کسی حد تک مدد ملی۔ راب کی کم پیداوار کی وجہ سے راب کی قیمت میں بھی اضافہ ہوا۔ مسلسل اچھی کارکردگی کو برقرار رکھنے کے سلسلے میں ہم قرضوں میں کمی، ذیلی مصنوعات کی بہتری، مصنوعات کو بنانے کے طریقے میں بہتری، مزید پھوک کی بچت پر توجہ دے رہے ہیں۔ مزید برآں ہم اپنی ملوں سے ملحقہ علاقوں میں گنے کی نئی اقسام اور کیڑوں کے سدِ باب کیلئے کوشاں ہیں۔

ڈائریکٹر

ڈائریکٹر

لاہور

۳۱ اگست ۲۰۲۰

ڈائریکٹرز کا جائزہ

ڈائریکٹرز انتہائی مسرت کے ساتھ کمپنی کی عبوری مالیاتی رپورٹ برائے ششماہی 31 مارچ 2020 پیش کرتے ہیں۔ مندرجہ رپورٹ بیرونی آڈیٹرز سے پڑتال شدہ ہے۔

کورونا وائرس کی عالمگیر وباء کی بدولت حکومتِ پاکستان نے 24 مارچ 2020 سے 29 مئی 2020 تک سخت لاک ڈاون نافذ کیا جسے بعدازاں حال ہی میں ختم کئے جانے والے سمارٹ لاک ڈاون میں تبدیل کر دیا گیا۔ لاہور شہر جہاں کمپنی کا ہیڈ آفس واقع ہے وہاں کورونا وائرس کی شدت بہت زیادہ تھی۔ بدقسمتی سے ہماری کمپنی کے دس سے زائد ملازمین کورونا وائرس کا شکار ہوئے جس کی بدولت حکومت کے 28 مئی 2020 لاک ڈاون ختم کر دینے کے باوجود، ایس او پیز کی پابندی کیلئے ہمیں ہیڈ آفس کو 30 جون 2020 تک بند رکھنا پڑا۔ کورونا وائرس کے مسائل اور آڈیٹرز کی تبدیلی اس ششماہی رپورٹ کی اشاعت میں تاخیر کی بنیادی وجوہات ہیں۔

گنے کی بڑھتی قیمت، مالیاتی اخراجات، سیلز ٹیکس اور دیگر اخراجات کی وجہ سے چینی کے کاروبار میں 389 ملین روپے کے نقصان کے باوجود کمپنی بجلی کے کاروبار کی وجہ سے 380 ملین روپے کے منافع بعد از ٹیکس کمانے میں کامیاب رہی جبکہ گزشتہ سال کے اسی دورانیے میں ادارے کو بعد از ٹیکس 925 ملین روپے کے خسارے کا سامنا تھا۔ جبکہ فی حص آمدن بھی گزشتہ سال کے 15.47 روپے کے نقصان سے بہتر ہو کر 6.35 روپے کی سطح پر آ گئی۔

رواں چھ ماہی کے بنیادی نکات نیچے مختصراً موجود ہیں:

چاروں یونٹ میں سال 20-2019 کے گنے کی کرشنگ کا آغاز مختلف تاریخوں میں ہوا اور اس سے مندرجہ ذیل نتائج حاصل ہوئے:

		2019-2020				2018-2019			
		JDW-1	JDW-2	JDW-3	مجموعہ	JDW-1	JDW-2	JDW-3	مجموعہ
گنے کی کرشنگ (پسائی)	میٹرک ٹن	2,464,468	1,497,319	1,329,945	**5,291,732**	2,475,196	1,669,315	1,526,984	**5,671,495**
چینی کی پیداوار	میٹرک ٹن	260,845	153,173	134,202	**548,220**	287,394	190,304	162,580	**640,278**
چینی کی پیداواری تناسب	فیصد%	10.58	10.23	10.09	**10.36**	11.61	11.40	10.65	**11.29**
راب کی پیداوار	میٹرک ٹن	101,840	68,003	58,749	**228,592**	96,058	72,534	62,882	**231,294**
راب کی پیداواری تناسب	فیصد%	4.13	4.54	4.42	**4.32**	3.88	4.33	4.12	**4.08**

اس دفعہ گنے کی کرشنگ پچھلے کرشنگ سیزن سے %7 کم ہوئی ہے جبکہ چینی کی پیداوار اسی تناسب سے %14 کم ہے جسکی بنیادی وجہ چینی کے پیداواری تناسب میں 93 بی پی ایس کی کمی ہے۔ پیداوار فی ایکڑ کے حساب سے کم ہونے کی وجہ سے گنے کی متوقع کرشنگ میں %7 کی ہوئی اور نامناسب بارشوں کی وجہ سے بھی پیداوار فی ایکڑ کم رہی مزید براں زیرِ کاشت رقبے میں بھی کمی آئی۔

ڈھرکی شوگر ملز پرائیویٹ لمیٹڈ کمپنی جو کہ %100 ذیلی ملکیت ہے اسکے کرشنگ سیزن 20-2019 کے آپریٹنگ نتائج مندرجہ ذیل ہیں:-

		2019-20	2018-19
گنے کی پسائی	میٹرک ٹن	1,220,644	1,316,226
چینی کی پیداوار	میٹرک ٹن	122,831	147,213
چینی کی پیداواری تناسب	فیصد%	10.06	11.18
راب کی پیداوار	میٹرک ٹن	55,253	53,137
راب کی پیداواری تناسب	فیصد%	4.41	4.04

چینی کے کاروبار میں نقصان کے باوجود کمپنی نے بعد از ٹیکس 380 ملین روپے کا خالص منافع کمایا جبکہ گزشتہ سال کے اسی دورانیے میں ادارے کو بعد از ٹیکس 925 ملین روپے کے خسارے کا سامنا تھا۔ جبکہ فی حص آمدن بھی گزشتہ سال کے 15.47 روپے کے نقصان سے بہتر ہو کر 6.35 روپے کی سطح پر آ گئی۔ جس کی بنیادی وجوہات درج ذیل ہیں۔

ا) کمپنی کی مجموعی فروخت اس ششماہی میں بڑھ کر 28.36 ارب روپے ہو گئی جو کہ گزشتہ سال اسی دورانیے میں 20.78 ارب روپے تھی۔ چینی اور راب کی اوسط قیمت فروخت میں اضافہ اور پچھلے سال کے ذخائر کی فروخت اس اضافے کا باعث بنے۔

۲) کرشنگ سیزن 20-2019 کے دوران گنے کی مقرر کردہ فی من قیمت پنجاب میں 180 روپے فی من سے بڑھا کر 190 روپے فی من جبکہ سندھ میں 182 روپے سے بڑھا کر 192 روپے فی من مقرر کی گئی۔ تاہم جس اوسط قیمت پر ہمیں گنا خریدنا پڑا وہ 214 روپے فی من تھا جو کہ حکومت کی مقرر کردہ قیمت سے کہیں زیادہ ہے۔ رواں سال گنے کے کاشتکار بہتر قیمت اور بروقت ادائیگی پر بہت خوش تھے جبکہ سال 19-2018 کے دوران بیشتر شوگر ملز نے مقرر کردہ قیمت سے کم ادائیگی کر کے کسانوں کا استحصال کیا تھا۔

Condensed Interim Unconsolidated

Financial Statements (Un-audited)

for the half year ended 31 March 2020

RASG
Result Assured Services for Growth

Independent Auditors'
Review Report To the members of JDW Sugar Mills Limited
Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of JDW Sugar Mills Limited as at 31 March 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 notes to the condensed interim unconsolidated financial statements for the half year then ended (here-in-after referred to as "condensed interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these condensed interim unconsolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim unconsolidated financial statements based on our review. The figures of the condensed interim unconsolidated statement of profit or loss and condensed interim unconsolidated statement of comprehensive income for the quarters ended 31 March 2020 and 31 March 2019 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 March 2020.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim unconsolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim unconsolidated financial statements are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The financial statements of the Company for the year ended 30 September 2019 and half year ended 31 March 2019 were audited and reviewed respectively by another auditor whose reports, dated 02 January 2020 and 29 May 2019, expressed unqualified opinion / conclusion on those statements.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Ali Rafique.

31 August 2020
Lahore

Riaz Ahmad, Saqib, Gohar & Co.
Chartered Accountants

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Condensed Interim Unconsolidated **Statement of Financial Position (Un-audited)**
As at 31 March 2020

	Note	(Un-audited) 31-Mar-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		7,278,517,192	7,496,780,938
		8,554,600,730	8,772,864,476
NON-CURRENT LIABILITIES			
Long term finances - secured	7	10,035,391,770	4,962,121,804
Lease liabilities	8	554,959,146	151,728,045
Deferred taxation		546,288,471	721,985,832
Retirement benefits		87,912,307	75,116,648
		11,224,551,694	5,910,952,329
CURRENT LIABILITIES			
Short term borrowings	9	22,173,725,248	16,513,317,010
Current portion of non-current liabilities		652,422,549	4,146,556,265
Trade and other payables	10	3,918,900,971	3,050,564,167
Advances from customers		12,315,094,043	9,091,672,650
Unclaimed dividend		34,727,679	31,620,357
Accrued profit / interest / mark-up		719,773,440	742,677,623
		39,814,643,930	33,576,408,072
CONTINGENCIES AND COMMITMENTS	11		
		59,593,796,354	48,260,224,877
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	21,321,734,776	21,958,943,693
Right-of-use assets	13	997,618,958	-
Investment property		219,015,262	219,015,262
Intangibles		615,789,695	616,809,560
Long term investments	14	1,652,605,905	1,651,603,405
Long term deposits		48,301,052	50,913,227
		24,855,065,648	24,497,285,147
CURRENT ASSETS			
Biological assets	15	497,729,185	2,018,952,863
Stores, spare parts and loose tools		1,623,781,150	1,527,111,297
Stock-in-trade		24,187,891,109	11,505,748,375
Trade debts - unsecured considered good		7,229,537,996	7,254,991,500
Advances, deposits, prepayments and other receivables		547,860,778	844,332,030
Advance tax - net		364,468,020	519,761,421
Cash and bank balances	16	287,462,468	92,042,244
		34,738,730,706	23,762,939,730
		59,593,796,354	48,260,224,877

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

Lahore | Chief Financial Officer | Director | Director

Condensed Interim Unconsolidated **Statement of Profit or Loss (Un-audited)**
For the half year and quarter ended 31 March 2020

	Note	Six months ended		Three months ended	
		31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees
Gross sales		28,363,034,640	20,785,391,792	12,777,149,777	11,458,823,370
Sales tax and commission		(3,598,452,750)	(1,894,953,831)	(1,211,923,904)	(739,032,002)
Revenue from contracts with customers	17	24,764,581,890	18,890,437,961	11,565,225,873	10,719,791,368
Cost of revenue		(21,247,322,444)	(18,125,538,376)	(9,496,890,275)	(10,495,658,294)
Gross profit		3,517,259,446	764,899,585	2,068,335,598	224,133,074
Administrative expenses		(853,590,464)	(612,740,914)	(521,760,337)	(404,537,324)
Selling expenses		(47,150,867)	(36,064,565)	(38,198,239)	(27,153,292)
Other income	18	257,307,683	205,987,281	175,926,393	126,221,297
Other expenses	19	(434,748,435)	-	(384,263,018)	191,188,656
		(1,078,182,083)	(442,818,198)	(768,295,201)	(114,280,663)
Profit from operations		2,439,077,363	322,081,387	1,300,040,397	109,852,411
Finance cost		(1,899,038,335)	(1,657,930,684)	(1,021,498,698)	(917,785,817)
Profit / (loss) before taxation		540,039,028	(1,335,849,297)	278,541,699	(807,933,406)
Taxation		(160,536,164)	411,192,129	(37,966,812)	236,641,046
Profit / (loss) after taxation		379,502,864	(924,657,168)	240,574,887	(571,292,360)
Earnings / (loss) per share - basic and diluted		6.35	(15.47)	4.02	(9.56)

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

Lahore | Chief Financial Officer | Director | Director

Condensed Interim Unconsolidated **Statement of Comprehensive Income (Un-audited)**
For the half year and quarter ended 31 March 2020

	Six months ended		Three months ended	
	31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees
Profit / (loss) after taxation	379,502,864	(924,657,168)	240,574,887	(571,292,360)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	379,502,864	(924,657,168)	240,574,887	(571,292,360)

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

Lahore | Chief Financial Officer | Director | Director

Condensed Interim Unconsolidated **Statement of Cash Flows (Un-audited)**
For the half year ended 31 March 2020

	Note	31-Mar-20 Rupees	31-Mar-19 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		540,039,028	(1,335,849,297)
Adjustments for non cash and other items:			
Finance cost		1,899,038,335	1,657,930,684
Depreciation of operating fixed assets		814,324,472	822,047,507
Impairment allowance against doubtful export subsidy and trade debts		373,716,883	-
Derecognition of bearer plants		214,249,480	175,162,332
Provision for obsolescence		142,792,482	-
Staff retirement benefits		62,674,250	51,640,393
Depreciation on right-of-use assets		29,102,945	-
Workers' Profit Participation Fund		29,003,170	-
Provision for doubtful advances		21,007,177	-
Workers' Welfare Fund		11,021,205	-
Amortization of intangible assets		1,019,864	1,019,865
Assets written off		37,604	33,092
Fair value gain on biological assets - net		(14,509,104)	(9,252,949)
Gain on disposal of operating fixed assets		(12,654,301)	(17,155,378)
		3,570,824,462	2,681,425,546
Operating profit before working capital changes		4,110,863,490	1,345,576,249
Effect of working capital changes:			
Stores, spare parts and loose tools		(239,462,335)	(668,531,283)
Stock-in-trade		(12,682,142,734)	(13,643,934,294)
Biological assets		1,535,732,782	1,859,840,556
Advances, deposits, prepayments and other receivables		(79,871,615)	949,213,614
Trade debts - unsecured considered good		7,072,311	(759,002,417)
Trade and other payables		1,319,332,861	4,847,830,809
Advances from customers		3,223,421,393	9,970,328,610
		(6,915,917,337)	2,555,745,595
Cash (used in) / generated from operations		(2,805,053,847)	3,901,321,844
Taxes paid		(180,940,124)	(229,463,458)
Staff retirement benefits paid		(47,569,502)	(35,182,761)
Workers' profit participation fund paid		(12,634,718)	-
		(241,144,344)	(264,646,219)
Net cash (used in) / generated from operations		(3,046,198,191)	3,636,675,625
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(453,458,463)	(1,136,597,326)
Long term deposits - net		2,612,175	(1,517,638)
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		18,478,094	26,348,970
Net cash used in investing activities		(433,370,694)	(1,108,599,324)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		1,043,963,382	(1,945,206,863)
Short term borrowings - net		7,369,661,176	1,340,531,017
Financial charges paid as:			
- finance cost		(1,881,078,998)	(1,594,105,628)
- Interest on lease liability		(85,244,497)	(6,807,314)
Principal portion of lease liability paid		(468,399,728)	(106,810,268)
Dividend paid		(594,659,288)	(2,371,064)
Net cash generated from / (used in) financing activities		5,384,242,047	(2,314,770,120)
Net increase in cash and cash equivalents		1,904,673,162	213,306,181
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		(1,635,259,610)	(4,370,773,632)
Cash and cash equivalents comprise of the following:			
- Cash and bank balances	16	287,462,468	574,300,387
- Running finances and morabaha finances	9.2 & 9.6	(1,922,722,078)	(4,945,074,019)
		(1,635,259,610)	(4,370,773,632)

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

Lahore | Chief Financial Officer | Director | Director

Condensed Interim Unconsolidated **Statement of Changes in Equity (Un-audited)**
For the half year ended 31 March 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 loss for the period	–	–	(924,657,168)	(924,657,168)	(924,657,168)
Balance as at 31 March 2019	597,766,610	678,316,928	6,026,745,954	6,705,062,882	7,302,829,492
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	–	–	379,502,864	379,502,864	379,502,864
Transaction with owners of the Company					
Final dividend for the year ended					
30 September 2019 @ Rs. 10.00 per share	–	–	(597,766,610)	(597,766,610)	(597,766,610)
Balance as at 31 March 2020	597,766,610	678,316,928	7,278,517,192	7,956,834,120	8,554,600,730

The annexed notes from 1 to 27 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 31 March 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 half year ended 31 March 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 are 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 half year ended 31 March 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 01 October 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 01 October 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
		Rupees	
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 assets			
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.

	(Un-audited) 31-Mar-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

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
7 LONG TERM FINANCES - SECURED			
Mark-up bearing finances from conventional banks	7.1	7,677,824,661	3,146,458,336
Islamic mode of financing	7.2	2,401,948,086	1,815,663,468
		10,079,772,747	4,962,121,804
Less: Transaction cost		(44,380,977)	-
	7.3	10,035,391,770	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	5,665,808,333	114,906
Repayments during the period / year		(4,314,110,334)	(3,254,290,960)
		7,677,824,661	6,326,126,662
Current portion presented under current liabilities	25	-	(3,179,668,326)
		7,677,824,661	3,146,458,336

	Mark-up basis	Duration	Amount (Rupees)
7.1.1 Finances received during the period			
The Bank of Punjab - led syndicate			
The Bank of Punjab	3mk + 1.10	06 Years	2,036,641,666
National Bank of Pakistan	3mk + 1.10	06 Years	1,225,000,000
Askari Bank Limited	3mk + 1.10	06 Years	975,000,000
MCB Bank Limited	3mk + 1.10	06 Years	816,666,667
Pak Kuwait Investment Co.	3mk + 1.10	06 Years	612,500,000
			5,665,808,333

* 3 mk i.e. 3 months KIBOR

	Note	(Un-audited) 31-Mar-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	25	-	(894,019,235)
		2,401,948,086	1,815,663,468

	Profit / interest basis	Duration	Amount (Rupees)
7.2.1 Finances received during the period			
The Bank of Punjab - led syndicate			
Dubai Islamic Bank	3mk + 1.10	06 Years	816,666,667
MCB Islamic Bank Limited	3mk + 1.10	06 Years	612,525,000
Askari Bank Limited (Islamic)	3mk + 1.10	06 Years	255,000,000
			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) 31-Mar-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		48,465,500	119,957,301
Finance cost regarding lease arrangement		71,184,717	-
Lease payments		(539,584,446)	(145,320,063)
	8.1	1,207,381,695	224,596,749
Less: Current maturity presented under current liabilities		(652,422,549)	(72,868,704)
Balance at end of the period / year		554,959,146	151,728,045

8.1 This amount includes lease obligation of Rs. 14 million towards Deharki Sugar Mills (Private) Limited, a wholly owned subsidiary company.

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
9 SHORT TERM BORROWINGS			
Mark-up based borrowings from conventional banks - secured			
Cash finances	9.1	12,158,290,562	7,607,729,625
Running finances	9.2	622,722,078	1,881,975,016
Finance against trust receipts	9.3	207,313,981	263,354,254
Inland bill discounting	9.4	-	1,190,858,115
		12,988,326,621	10,943,917,010
Islamic mode of financing - secured			
Salam / Istisna finances	9.5	5,884,998,630	2,969,200,000
Morabaha finances	9.6	1,300,000,000	1,750,000,000
		7,184,998,630	4,719,200,000
Borrowings from related party - unsecured			
Deharki Sugar Mills (Private) Limited	9.7	2,000,399,997	850,200,000
		22,173,725,248	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 an average interest rate ranging from 14.57% 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 TRADE AND OTHER PAYABLES

Balance as at 31 March 2020 mainly includes payable to growers and trade creditors aggregates to Rs. 1,718 million and Rs. 1,377 million respectively (30 September 2019: Rs. nil and 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 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. 662 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. 37 million (30 September 2019: Rs. 39 million).

	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
11.2 Commitments		
11.2.1 Letters of credit for import of machinery and its related components	56,969,665	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) 31-Mar-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

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
12 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	12.1	21,190,094,052	21,365,668,172
Capital work in progress	12.2	8,781,437	464,469,761
Stores, spare parts and loose tools held for capital expenditure		122,859,287	128,805,760
		21,321,734,776	21,958,943,693
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		941,875,961	1,938,801,323
Disposals / adjustments during the period / year - net book value		(220,110,877)	(238,113,345)
Depreciation charged / capitalized during the period / year		(667,156,395)	(1,468,060,815)
Net book value at end of the period / year		21,190,094,052	21,365,668,172

		(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
12.2	**Capital work in progress**		
	Opening balance	464,469,761	752,229,377
	Additions during the period / year	196,817,704	1,114,844,810
	Transfers made during the period / year	(652,506,028)	(1,402,604,426)
	Closing balance	8,781,437	464,469,761

13 RIGHT-OF-USE ASSETS

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
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		49,940,500	–
Depreciation charged / capitalized during the period		(204,528,723)	–
Net book value at end of the period		997,618,958	–

		(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
13.1	**The right-of-use assets relate to following type of assets:**		
	Vehicles	251,020,364	–
	Land	746,598,594	–
	Total right-of-use assets	997,618,958	–

14 LONG TERM INVESTMENTS

	Note	(Un-audited) 31-Mar-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

		(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
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

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
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)
	14.2.1	-	-
		2,500	-

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

15 BIOLOGICAL ASSETS

The fair value of biological assets other than wheat crop 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. While in absence of active market for wheat 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 period 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 acre, estimated future wheat and risk-adjusted discount rate. Due to seasonal nature of sugarcane and other crops, a transfer between Level 3 to Level 2 of Rs. 456 million has been made during the period.

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
16 CASH AND BANK BALANCES			
Current accounts			
Balance with islamic banks		23,229,562	6,732,090
Balance with conventional banks		240,889,594	82,950,983
		264,119,156	89,683,073
Saving accounts			
Deposit with conventional banks	16.1	57,249	17,970
		264,176,405	89,701,043
Cash in hand		23,286,063	2,341,201
		287,462,468	92,042,244

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

17 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue based on:

	Note	Six months ended 31-Mar-20 Rupees	Six months ended 31-Mar-19 Rupees	Three months ended 31-Mar-20 Rupees	Three months ended 31-Mar-19 Rupees
17.1 Segments					
Sugar					
Sugar	17.1.1	17,151,332,857	12,093,370,926	5,974,661,188	5,651,527,451
Molasses - by product		3,426,305,591	2,209,133,117	2,669,088,257	1,947,005,450
Bagasse - by product		180,388,610	187,091,670	26,976,152	28,861,519
Agri Inputs		1,189,752,102	1,140,476,352	1,188,122,343	1,139,561,052
		21,947,779,160	15,630,072,065	9,858,847,940	8,766,955,472
Co-Generation Power		1,753,822,351	2,335,835,093	1,181,369,784	1,204,737,114
Corporate Farms		1,062,980,379	924,530,803	525,008,149	748,098,782
		24,764,581,890	18,890,437,961	11,565,225,873	10,719,791,368
17.1.1 Sugar					
Local		16,992,233,032	10,794,203,766	5,815,561,363	4,352,360,291
Export	17.1.1.1	159,099,825	1,299,167,160	159,099,825	1,299,167,160
		17,151,332,857	12,093,370,926	5,974,661,188	5,651,527,451

17.1.1.1 This includes sugar export subsidy of Rs. nil (31 March 2019: Rs. 138 million).

	Six months ended 31-Mar-20 Rupees	Six months ended 31-Mar-19 Rupees	Three months ended 31-Mar-20 Rupees	Three months ended 31-Mar-19 Rupees
17.2 Geographic markets				
Asia	159,099,825	1,299,167,160	159,099,825	1,299,167,160
17.3 Timing of revenue recognition				
Products transferred at a point in time	23,010,759,539	16,554,602,868	10,383,856,089	9,515,054,254
Products transferred over time	1,753,822,351	2,335,835,093	1,181,369,784	1,204,737,114
	24,764,581,890	18,890,437,961	11,565,225,873	10,719,791,368

18 OTHER INCOME

This mainly includes scrap sale of Rs. 26 million (31 March 2019: Rs. 49 million), mud sale of Rs. 179 million (31 March 2019: Rs. 124 million), fair value gain on biological assets of Rs. 15 million (31 March 2019: Rs. 9 million) and gain on sale of operating fixed assets of Rs. 13 million (31 March 2019: 17 million).

19 OTHER EXPENSES

This mainly includes impairment allowance against doubtful export subsidy receivable of Rs. 355 million (31 March 2019: Rs. nil).

20 TRANSACTIONS WITH RELATED PARTIES

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

	Name of Company	Relationship	Nature of Transactions	31-Mar-20 Rupees	31-Mar-19 Rupees
i)	**Deharki Sugar Mills (Pvt.) Limited**	**Subsidiary Company** (Equity held 100 percent)	Short term advances received	7,756,713,000	7,694,783,750
			Short term advances paid	6,606,513,000	6,317,834,400
			Markup expense on short term advances	100,158,744	59,794,591
			Sale of sugarcane	1,026,269,504	906,900,300
			Purchase of bagasse	83,844,920	234,299,682
			Reimbursement on use of the Company's aircraft	9,420,050	8,271,666
			Sale of stores, spare parts and loose tools	14,027,508	-
			Purchase of stores, spare parts and loose tools	170,000	-
			Rent on land acquired on lease	4,292,650	4,292,650
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	2,454,762	7,012,632
v)	**Kathai-II Hydro (Pvt.) Limited**	**Associated Company** (Equity held 20 percent)	Investment made	2,500	-
vi)	**Post Employment Benefits Plan**		Provident fund contribution	97,685,064	83,562,705
			Payment to recognised gratuity fund	1,036,059	2,288,327
			Short term advance	470,000,000	-
			Markup paid	8,093,836	-
vii)	**Key Management Personnel**		Directors' remuneration and allowances	338,302,669	157,896,670
			Consultancy services	6,672,860	5,671,368

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.

		31 March 2020 (Un-audited)					
		Carrying Amount			Fair Value		
	Note	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		(Rupees)					
On-Balance sheet financial instruments							
Financial assets measured at fair value		–	–	–	–	–	–
Financial assets not measured at fair value							
Long term deposits		48,301,052	–	48,301,052	–	–	–
Trade debts - unsecured considered good		7,229,537,996	–	7,229,537,996	–	–	–
Advances, deposits and other receivables		37,812,098	–	37,812,098	–	–	–
Cash and bank balances		287,462,468	–	287,462,468	–	–	–
	21.1	7,603,113,614	–	7,603,113,614	–	–	–
Financial liabilities measured at fair value		–	–	–	–	–	–
Financial liabilities not measured at fair value							
Long term finances - secured		–	10,035,391,770	10,035,391,770	–	–	–
Short term borrowings		–	22,173,725,248	22,173,725,248	–	–	–
Lease liabilities		–	1,207,381,695	1,207,381,695	–	–	–
Accrued profit / interest / mark-up		–	719,773,440	719,773,440	–	–	–
Trade and other payables		–	3,583,789,253	3,583,789,253	–	–	–
Unclaimed dividend		–	34,727,679	34,727,679	–	–	–
	21.1	–	37,754,789,085	37,754,789,085	–	–	–

Fair value measurement of financial instruments

		30 September 2019 (Audited)					
		Carrying Amount			Fair Value		
	Note	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		(Rupees)					
On-Balance sheet financial instruments							
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 IMPACT OF COVID-19 ON THE FINANCIAL STATEMENTS

ERD/M&PRD/PR/01/2020-32 and BRD circular No. 13 of 2020 dated 26 March 2020 allowed deferment of principal repayments on loan obligations due to banks by a period of one year. The Company has availed this opportunity and applied to various banks subsequent to the reporting date. Accordingly, banks has approved the deferment of loan repayments as requested by the Company for one year of long term financing accumulating to Rupees 10,079 million, consequently, Rupees 1,762 million not presented under current maturity of long term financing. In addition to above, the management considers presently this outbreak does not have any impact on the amounts being reported in the Company's statement of financial position as at 31 March 2020.

26 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Govt. of Pakistan has constituted the Inquiry Commission under Pakistan Commission of inquiry Act, 2017 to probe into the increase in sugar prices dated 16 March 2020, accordingly Inquiry Commission has issued the report dated 21 May 2020 and selected nine sugar units for inquiries including three of the Company. The Govt. of Pakistan has forward the matter to relevant Govt. institutions for further investigations. However, the management continuous to monitor the current situation and will take all steps possible to mitigate any effects.

27 GENERAL

At the time of the meeting of Board of Directors, the Chief Executive Officer is not available in Pakistan. Therefore, as prescribed under section 232 of Companies Act, 2017, these financial statements are signed by two Directors and the Chief Financial Officer.

Lahore | Chief Financial Officer | Director | Director

Condensed Interim Consolidated
Financial Statements (Un-audited)
for the half year ended 31 March 2020

ڈائریکٹرز کا جائزہ

ڈائریکٹرز خوشی کے ساتھ جے ڈی ڈبلیو شوگر ملز اور اسکے زیریں ادارے ڈہرکی شوگر ملز پرائیویٹ لمیٹڈ، فاروقی پلپ ملز لمیٹڈ، صادق آباد پاور پرائیویٹ لمیٹڈ، گھوٹکی پاور پرائیویٹ لمیٹڈ کی پہلی چھ ماہی 31 مارچ 2020 کی عبوری مالیاتی رپورٹ پیش کر رہے ہیں۔

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

فاروقی پلپ ملز لمیٹڈ کو پبلک لمیٹڈ کمپنی کے طور پر قائم کیا گیا تھا۔ اس ادارے کا بنیادی کام پیپر پلپ بنانا اور بیچنا ہے۔ کمپنی اب تک کاروباری سرگرمی شروع نہیں کر سکی ہے۔ اس ذیلی کمپنی کے 57.67 فیصد حصص جے ڈی ڈبلیو کے پاس ہیں۔

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

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

ہم اس بات کی تصدیق کرتے ہیں کہ ہماری بہترین معلومات کے مطابق یہ چھ ماہی رپورٹ برائے 31 مارچ 2020 پاکستان میں منظور شدہ اکاؤنٹنگ سٹینڈرڈ کے مطابق ہے اور اپنے تمام اثاثوں، واجبات اور مالیاتی پوزیشن کی سچی اور منصفانہ تصویر پیش کر رہی ہے۔

مالیاتی نتائج مندرجہ ذیل ہیں:

	31 مارچ 2020	31 مارچ 2019
	ملین روپے	
مجموعی فروخت	32,560	25,959
خالص فروخت	28,280	23,338
کارکردگی منافع	2,689	585
قبل از ٹیکس منافع / خسارہ	566	(1,417)
بعد از ٹیکس منافع / خسارہ	415	(1,063)

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

۳۱ اگست ۲۰۲۰

لاہور

ڈائریکٹر

ڈائریکٹر

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 six months period ended 31 March 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 six months period ended 31 March 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:

	31-Mar-20	31-Mar-19
	(Rs in million)	
Gross sales	32,560	25,959
Revenue from contract with customers	28,280	23,338
Profit from operations	2,689	585
Profit / (loss) before tax	566	(1,417)
Profit / (loss) after tax	415	(1,063)

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

Condensed Interim Consolidated **Statement of Profit or Loss (Un-audited)**
For the half year and quarter ended 31 March 2020

	Note	Six months ended		Three months ended	
		31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees
Gross sales		32,559,708,601	25,958,573,706	15,016,466,226	14,053,959,708
Sales tax and commission		(4,280,024,454)	(2,620,220,075)	(1,515,304,562)	(1,089,480,356)
Revenue from contracts with customers	17	28,279,684,147	23,338,353,631	13,501,161,664	12,964,479,352
Cost of revenue		(24,384,603,310)	(22,269,023,354)	(11,362,343,917)	(12,486,344,600)
Gross profit		3,895,080,837	1,069,330,277	2,138,817,747	478,134,752
Administrative expenses		(948,024,066)	(694,704,589)	(568,664,008)	(465,944,362)
Selling expenses		(51,125,051)	(41,098,097)	(40,366,366)	(30,820,405)
Other income	18	339,144,913	251,947,359	237,250,461	145,297,106
Other expenses	19	(546,399,064)	-	(476,672,591)	198,575,755
		(1,206,403,268)	(483,855,327)	(848,452,504)	(152,891,906)
Profit from operations		2,688,677,569	585,474,950	1,290,365,243	325,242,846
Finance cost		(2,122,011,604)	(2,002,571,864)	(1,156,036,877)	(1,114,072,246)
Share of loss from investment in associate		(502,366)	-	(173,322)	-
Profit / (loss) before taxation		566,163,599	(1,417,096,914)	134,155,044	(788,829,400)
Taxation		(151,279,792)	354,036,350	3,350,979	197,519,061
Profit / (loss) after taxation		414,883,807	(1,063,060,564)	137,506,023	(591,310,339)
Attributable to:					
Owners of the Parent Company		416,809,736	(1,061,964,552)	137,145,233	(590,748,135)
Non-controlling Interest		(1,925,929)	(1,096,012)	360,790	(562,204)
		414,883,807	(1,063,060,564)	137,506,023	(591,310,339)

The annexed notes from 1 to 28 form an integral part of this condensed interim consolidated financial statements.

Lahore | Chief Financial Officer | Director | Director

Condensed Interim Consolidated **Statement of Financial Position (Un-audited)**
As at 31 March 2020

	Note	(Un-audited) 31-Mar-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		8,938,231,093	9,119,187,967
Equity attributable to owners of the Parent Company		10,214,314,631	10,395,271,505
Non-controlling interest		374,416,402	376,342,331
		10,588,731,033	10,771,613,836
NON-CURRENT LIABILITIES			
Long term finances - secured	7	12,371,519,655	6,468,371,804
Lease Liabilities	8	554,959,146	151,728,045
Deferred taxation		386,789,383	639,478,177
Retirement benefits		87,912,307	75,116,648
		13,401,180,491	7,334,694,674
CURRENT LIABILITIES			
Short term borrowings - secured	9	24,491,289,881	17,127,247,149
Current portion of non-current liabilities		652,422,549	4,901,556,265
Trade and other payables	10	4,394,781,902	3,552,525,494
Advances from customers		13,936,053,711	9,831,815,580
Unclaimed dividend		34,727,679	31,620,357
Accrued profit / interest / mark-up		842,041,725	812,977,488
		44,351,317,447	36,257,742,333
CONTINGENCIES AND COMMITMENTS	11		
		68,341,228,971	54,364,050,843
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	26,095,521,939	26,813,633,767
Right-of-use assets	13	997,618,958	–
Investment property		219,015,262	219,015,262
Intangibles		615,822,284	616,848,589
Long term investments	14	–	–
Long term deposits		48,365,052	50,977,227
		27,976,343,495	27,700,474,845
CURRENT ASSETS			
Biological assets	15	497,729,185	2,018,952,863
Stores, spare parts and loose tools		1,865,794,099	1,783,653,439
Stock-in-trade		27,986,958,924	12,119,181,293
Trade debts - unsecured considered good		7,680,423,309	8,353,455,036
Advances, deposits, prepayments and other receivables		1,473,045,801	1,749,231,320
Advance tax - net		398,512,150	493,348,640
Cash and bank balances	16	462,422,008	145,753,407
		40,364,885,476	26,663,575,998
		68,341,228,971	54,364,050,843

The annexed notes from 1 to 28 form an integral part of this condensed interim consolidated financial statements.

Lahore | Chief Financial Officer | Director | Director

Condensed Interim Consolidated **Statement of Comprehensive Income (Un-audited)**
For the half year and quarter ended 31 March 2020

	Six months ended		Three months ended	
	31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees
Profit / (loss) after taxation for the period	414,883,807	(1,063,060,564)	137,506,023	(591,310,339)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	414,883,807	(1,063,060,564)	137,506,023	(591,310,339)
Attributable to:				
Owners of the Parent Company	416,809,736	(1,061,964,552)	137,145,233	(590,748,135)
Non-controlling Interest	(1,925,929)	(1,096,012)	360,790	(562,204)
	414,883,807	(1,063,060,564)	137,506,023	(591,310,339)

The annexed notes from 1 to 28 form an integral part of this condensed interim consolidated financial statements.

Lahore Chief Financial Officer Director Director

Condensed Interim Consolidated **Statement of Cash Flows (Un-audited)**
For the half year ended 31 March 2020

	Note	31-Mar-20 Rupees	31-Mar-19 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		566,163,599	(1,417,096,914)
Adjustments for non cash and other items:			
Finance cost		2,122,011,604	2,002,571,864
Depreciation of operating fixed assets		937,896,404	923,454,801
Impairment allowance against doubtful export subsidy and trade debts		472,753,783	-
Derecognition of bearer plants		214,249,480	175,162,332
Provision for obsolescence		142,792,482	-
Staff retirement benefits		71,474,235	66,835,624
Workers' Profit Participation Fund		34,421,425	-
Depreciation on right-of-use assets		29,102,945	-
Workers' Welfare Fund		16,318,769	-
Provision for doubtful advances		3,270,378	-
Amortization of intangible assets		1,026,304	1,029,471
Assets written off		37,604	33,092
Gain on disposal of operating fixed assets		(7,158,017)	(17,155,378)
Fair value gain on biological assets		(14,509,104)	(9,252,949)
		4,023,688,292	3,142,678,857
Operating profit before working capital changes		4,589,851,891	1,725,581,943
Effect of working capital changes:			
Biological assets		1,535,732,782	1,859,840,557
Stores, spare parts and loose tools		(224,948,617)	(894,260,155)
Stock-in-trade		(15,867,777,632)	(15,074,843,846)
Trade debts - unsecured considered good		654,650,534	(535,900,863)
Advances, deposits, prepayments and other receivables		(179,336,040)	769,391,065
Trade and other payables		1,337,376,640	5,976,633,101
Advances from customers		4,107,107,191	10,798,193,638
		(8,637,195,142)	2,899,053,497
Cash (used in) / generated from operations		(4,047,343,251)	4,624,635,440
Taxes paid		(309,352,239)	(291,991,566)
Staff retirement benefits paid		(56,062,034)	(48,500,917)
Workers' profit participation fund paid		(73,252,002)	-
		(438,666,275)	(340,492,483)
Net cash (used in) / generated from operating activities		(4,486,009,526)	4,284,142,957
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(518,863,296)	(1,156,548,344)
Proceeds from sale of operating fixed assets		33,881,793	26,348,970
Long term deposits - net		2,612,175	(1,517,638)
Proceeds from sale of investment property		-	(20,746,502)
Long term advances		-	5,166,670
Net cash used in investing activities		(482,369,328)	(1,147,296,844)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - net		1,118,438,382	(2,171,456,863)
Short term borrowings - net		9,285,870,592	1,362,671,757
Financial charges paid as:			
- finance cost		(2,049,130,140)	(1,921,943,175)
- Interest on lease liability		(85,244,497)	(6,807,314)
Principal portion of lease liability paid		(468,399,729)	(106,810,268)
Dividend paid		(594,659,288)	(2,371,064)
Net cash generated / (used in) financing activities		7,206,875,312	(2,846,716,927)
Net increase in cash and cash equivalents		2,238,496,458	290,129,186
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		(2,083,118,358)	(5,160,834,630)
Cash and cash equivalents comprise of the following:			
- Cash and bank balances	16	462,422,008	650,862,432
- Running finances and morabaha finances	9.2 & 9.6	(2,545,540,366)	(5,811,697,062)
		(2,083,118,358)	(5,160,834,630)

The annexed notes from 1 to 28 form an integral part of this condensed interim consolidated financial statements.

Lahore | Chief Financial Officer | Director | Director

Condensed Interim Consolidated **Statement of Changes in Equity (Un-audited)**
For the half year ended 31 March 2020

	Share capital	Reserves: Capital – Share premium	Reserves: Revenue – Accumulated profit	Reserves: Sub Total	Total	Non-controlling interest	Total equity
	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 loss for the period	-	-	(1,061,964,552)	(1,061,964,552)	(1,061,964,552)	(1,096,012)	(1,063,060,564)
Balance as at 31 March 2019	597,766,610	678,316,928	6,491,265,585	7,169,582,513	7,767,349,123	479,900,650	8,247,249,773
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	-	-	416,809,736	416,809,736	416,809,736	(1,925,929)	414,883,807
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 31 March 2020	597,766,610	678,316,928	8,938,231,093	9,616,548,021	10,214,314,631	374,416,402	10,588,731,033

The annexed notes from 1 to 28 form an integral part of this condensed interim consolidated financial statements.

Lahore

Chief Financial Officer

Director

Director

1 REPORTING ENTITY

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 ACCOUNTING

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 31 March 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 the half year ended 31 March 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 half year ended 31 March 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
		Rupees	
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	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 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) 31-Mar-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) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
7 LONG TERM FINANCES - SECURED			
Mark-up bearing finances from conventional banks	7.1	8,747,016,328	3,246,458,336
Islamic mode of financing	7.2	3,680,256,419	3,221,913,468
		12,427,272,747	6,468,371,804
Transaction cost		(55,753,092)	–
	7.3	12,371,519,655	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	6,725,000,000	114,906
Repayments during the period / year		(4,534,110,334)	(3,394,290,960)
		8,747,016,328	6,556,126,662
Current portion presented under current liabilities	26	–	(3,309,668,326)
		8,747,016,328	3,246,458,336

	Mark-up basis	Duration	Amount (Rupees)
7.1.1 Finances received during the period			
The Bank of Punjab - led syndicate			
The Bank of Punjab	3mk + 1.10	06 Years	2,500,000,000
National Bank of Pakistan	3mk + 1.10	06 Years	1,500,000,000
MCB Bank Limited	3mk + 1.10	06 Years	1,000,000,000
Askari Bank Limited	3mk + 1.10	06 Years	975,000,000
Pak Kuwait Investment Co.	3mk + 1.10	06 Years	750,000,000
			6,725,000,000

* 3 mk i.e. 3 months KIBOR

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
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	26	–	(1,519,019,235)
		3,680,256,419	3,221,923,468

	Profit / Interest basis	Duration	Amount (Rupees)
7.2.1 Finances received during the period			
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) 31-Mar-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		48,465,500	119,957,301
Finance cost regarding lease arrangement		71,184,717	–
Lease payments		(539,584,446)	(145,320,063)
		1,207,381,695	224,596,749
Less: Current maturity presented under current liabilities		(652,422,549)	(72,868,704)
Balance at end of the period / year		554,959,146	151,728,045

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
9 SHORT TERM BORROWINGS - SECURED			
Mark-up based borrowings from conventional banks			
Cash finances	9.1	14,392,986,437	8,197,873,997
Running finances	9.2	745,540,366	1,967,368,223
Finance against trust receipts	9.3	218,761,781	301,946,814
Inland bill discounting	9.4	–	1,190,858,115
		15,357,288,584	11,658,047,149
Islamic mode of financing			
Salam / Istisna finances	9.5	7,334,001,297	2,969,200,000
Morabaha finances	9.6	1,800,000,000	2,500,000,000
		9,134,001,297	5,469,200,000
		24,491,289,881	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 31 March 2020 mainly includes payable to growers and trade creditors aggregates to Rs. 1,742 million and Rs. 1,603 million respectively (30 September 2019: Rs. nil and 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. 699 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) 31-Mar-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	56,969,665	235,071,327
Subsidiary Company - DSML	–	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) 31-Mar-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) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
12 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	12.1	25,213,348,640	25,376,430,407
Capital work in progress	12.2	741,323,378	1,290,406,966
Stores, spare parts and loose tools held for capital expenditure		140,849,921	146,796,394
		26,095,521,939	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		1,052,231,089	2,008,033,668
Disposals / adjustments during the period / year - net book value		(220,823,586)	(238,113,344)
Depreciation charged / capitalized during the period / year		(764,306,461)	(1,671,636,162)
Impairment loss charged during the period / year		–	(33,574,225)
Net book value at end of the period / year		25,213,348,640	25,376,430,407
12.2 Capital work in progress			
Opening balance		1,290,406,966	1,781,975,765
Addition during the period / year		537,346,887	1,190,912,461
Transfers made during the period / year		(1,086,430,475)	(1,492,742,289)
		741,323,378	1,480,145,937
Less: Impairment allowance for the period / year		–	(189,738,971)
Closing balance		741,323,378	1,290,406,966

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
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		49,940,500	–
Depreciation charged / capitalized during the period		(204,528,723)	–
Net book value at end of the period		997,618,958	–
13.1 The right-of-use assets relate to following type of assets:			
Vehicles		251,020,364	–
Land		746,598,594	–
Total right-of-use assets		997,618,958	–

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
14 LONG TERM INVESTMENTS			
Investment in associate - stated as per equity accounts			
Unquoted associate			
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 other than wheat crop 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. While in absence of active market for wheat 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 period 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 acre, estimated future wheat and risk-adjusted discount rate. Due to seasonal nature of sugarcane and other crops, a transfer between Level 3 to Level 2 of Rs. 456 million has been made during the period.

	Note	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
16 CASH AND BANK BALANCES			
Current accounts			
Balance with islamic banks		34,081,373	8,516,993
Balance with conventional banks		346,239,131	97,637,233
		380,320,504	106,154,226
Saving accounts			
Deposit with conventional banks	16.1	52,947,229	35,879,654
		433,267,733	142,033,880
Cash in hand		29,154,275	3,719,527
		462,422,008	145,753,407

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

17 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue based on:

	Note	Six months ended 31-Mar-20 Rupees	Six months ended 31-Mar-19 Rupees	Three months ended 31-Mar-20 Rupees	Three months ended 31-Mar-19 Rupees
17.1 Segments					
Sugar					
Sugar	17.1.1	20,583,324,663	16,791,829,848	7,540,339,930	8,136,843,597
Molasses - by product		4,252,629,040	2,720,593,887	3,294,079,206	2,386,478,057
Agri Inputs		1,416,706,976	1,190,996,861	1,414,696,067	1,189,928,561
Bagasse - by product		236,490,242	281,467,439	33,978,302	28,861,520
		26,489,150,921	20,984,888,035	12,283,093,505	11,742,111,735
Co-Generation Power		1,753,822,351	2,335,835,093	1,181,369,784	1,204,737,114
Corporate Farms		36,710,875	17,630,503	36,698,375	17,630,503
		28,279,684,147	23,338,353,631	13,501,161,664	12,964,479,352

	Note	Six months ended 31-Mar-20 Rupees	Six months ended 31-Mar-19 Rupees	Three months ended 31-Mar-20 Rupees	Three months ended 31-Mar-19 Rupees
17.1.1 Sugar					
Local		20,424,224,838	15,492,662,688	7,381,240,105	6,837,676,437
Export	17.1.1.1	159,099,825	1,299,167,160	159,099,825	1,299,167,160
		20,583,324,663	16,791,829,848	7,540,339,930	8,136,843,597

17.1.1.1 This includes sugar export subsidy of Rs. nil (31 March 2019: Rs. 138 million).

	Six months ended 31-Mar-20 Rupees	Six months ended 31-Mar-19 Rupees	Three months ended 31-Mar-20 Rupees	Three months ended 31-Mar-19 Rupees
17.2 Geographic markets				
Asia	159,099,825	1,299,167,160	159,099,825	1,299,167,160
17.3 Timing of revenue recognition				
Products transferred at a point in time	26,525,861,796	21,002,518,538	12,319,791,880	11,759,742,238
Products transferred over time	1,753,822,351	2,335,835,093	1,181,369,784	1,204,737,114
	28,279,684,147	23,338,353,631	13,501,161,664	12,964,479,352

18 OTHER INCOME

This mainly includes sale of Mud of Rs. 223 million (31 March 2019: Rs. 162 million) and scrap sale of Rs. 26 million (31 March 2019: Rs. 54 million).

19 OTHER EXPENSES

This mainly includes impairment allowance against doubtful export subsidy receivable of Rs. 454 million (31 March 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	Project 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	
	31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees	31-Mar-20 Rupees	31-Mar-19 Rupees
20.2.1 Segment revenues & results												
Net external revenues	26,489,150,921	20,984,888,035	1,753,822,351	2,335,835,093	36,710,875	17,630,503	-	-	-	-	28,279,684,147	23,338,353,631
Inter-segment revenues	1,059,501,322	1,336,264,305	1,059,355,945	946,103,255	3,429,240,236	2,866,431,173	-	-	(5,548,097,503)	(5,148,798,733)	-	-
Reportable segment revenue	27,548,652,243	22,321,152,340	2,813,178,296	3,281,938,348	3,465,951,111	2,884,061,676	-	-	(5,548,097,503)	(5,148,798,733)	28,279,684,147	23,338,353,631
Segment (loss) / profit before tax	(357,511,194)	(2,129,049,758)	956,312,883	1,099,954,617	(27,401,829)	(383,520,936)	(5,236,261)	(4,480,837)	-	-	566,163,599	(1,417,096,914)

20.2.2 Inter-segment sales and purchases

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

20.2.3 Basis of inter-segment pricing

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

20.2.4 Segment assets & liabilities

	Sugar		Co-Generation segment		Corporate Farms segment		Others		Inter Segment Reconciliation		Total	
	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees	(Un-audited) 31-Mar-20 Rupees	(Audited) 30-Sep-19 Rupees
Total assets for reportable segment	54,190,345,270	41,274,326,729	11,721,752,771	11,050,282,413	7,085,087,732	7,280,763,144	892,140,701	899,326,242	(5,548,097,503)	(6,140,647,685)	68,341,228,971	54,364,050,843
Total liabilities for reportable segment	60,529,788,640	44,569,143,480	1,623,770,295	4,464,060,765	1,110,197,039	659,589,333	36,839,467	40,291,114	(5,548,097,503)	(6,140,647,685)	57,752,497,938	43,592,437,007

20.3 Reconciliation of reportable segment profit or loss

	31-Mar-20 Rupees	31-Mar-19 Rupees
Total profit / (loss) before tax for reportable segments	566,163,599	(1,417,096,914)
Unallocated corporate (expense) / income	(151,279,792)	354,036,350
Profit / (loss) after taxation	414,883,807	(1,063,060,564)

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:

	Note	31 March 2020 (Un-audited)					
		Carrying Amount			Fair Value		
		Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		(Rupees)					
On-Balance sheet financial instruments							
Financial assets measured at fair value		-	-	-	-	-	-
Financial assets not measured at fair value							
Long term deposits		48,365,052	-	48,365,052	-	-	-
Trade debts - unsecured considered good		7,680,423,309	-	7,680,423,309	-	-	-
Advances, deposits and other receivables		665,411,788	-	665,411,788	-	-	-
Cash and bank balances		462,422,008	-	462,422,008	-	-	-
	21.1	8,856,622,157	-	8,856,622,157	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-
Financial liabilities not measured at fair value							
Long term finances - secured		-	12,427,272,747	12,427,272,747	-	-	-
Short term borrowings - secured		-	24,491,289,881	24,491,289,881	-	-	-
Lease Liabilities		-	1,207,381,695	1,207,381,695	-	-	-
Accrued profit / interest / mark-up		-	842,041,725	842,041,725	-	-	-
Trade and other payables		-	3,864,922,912	3,864,922,912	-	-	-
Unclaimed dividend		-	34,727,679	34,727,679	-	-	-
	21.1	-	42,867,636,639	42,867,636,639	-	-	-

Fair value measurement of financial instruments

	Note	Carrying Amount			Fair Value		
		Financial assets at amortized cost	**Other financial liabilities**	**Total**	**Level 1**	**Level 2**	**Level 3**
		30 September 2019 (Audited)					
		(Rupees)					
On-Balance sheet financial instruments							
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	31-Mar-20 Rupees	31-Mar-19 Rupees
JDW Aviation (Pvt.) Limited	Associated Company (Due to common directorship)	Reimbursement of expenses	2,454,762	7,012,632
Khatai-II Hydro (Pvt.) Limited	Associated Company (Equity held 20 percent)	Investment made	2,500	-
Post Employment Contribution Plan		Provident fund contribution	114,952,732	97,770,347
		Payment to recognized gratuity fund	1,036,059	2,288,327
		Short term advance	530,000,000	-
		Mark-up paid	8,838,228	-
Key Management Personnel		Directors' remuneration and allowances	338,302,669	157,896,670
		Consultancy services	6,672,860	5,671,368

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 IMPACT OF COVID-19 ON THE FINANCIAL STATEMENTS

ERD/M&PRD/PR/01/2020-32 and BRD circular No. 13 of 2020 dated 26 March 2020 allowed deferment of principal repayments on loan obligations due to banks by a period of one year. The Group has availed this opportunity and applied to various banks subsequent to the reporting date. Accordingly, banks has approved the deferment of loan repayments as requested by the Group for one year of long term financing accumulating to Rupees 12,427 million, consequently, Rupees 2,095 million not presented under current maturity of long term financing. In addition to above, the management considers presently this outbreak does not have any impact on the amounts being reported in the Group's statement of financial position as at 31 March 2020.

27 EVENTS AFTER STATEMENT OF FINANCIAL POSITION DATE

The Govt. of Pakistan has constituted the Inquiry Commission under Pakistan Commission of inquiry Act, 2017 to probe into the increase in sugar prices dated 16 March 2020, accordingly Inquiry Commission has issued the report dated 21 May 2020 and selected Nine sugar units for inquiries including the Holding Company. The Govt. of Pakistan has forward the matter to relevant Govt. institutions for further investigations. However, the management continuous to monitor the current situation and will take all steps possible to mitigate any effects.

28 GENERAL

At the time of the meeting of Board of Directors, the Chief Executive Officer is not available in Pakistan. Therefore, as prescribed under section 232 of Companies Act, 2017, these financial statements are signed by two Directors and the Chief Financial Officer.

Lahore	Chief Financial Officer	Director	Director

Other **Information**

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:


JDW
Farmers' First Choice

www.jdw-group.com

JDW Sugar Mills Limited

Head Office: 17-Abid Majeed Road,

Lahore Cantonment, Lahore Pakistan.