



2023

— In harmony with nature

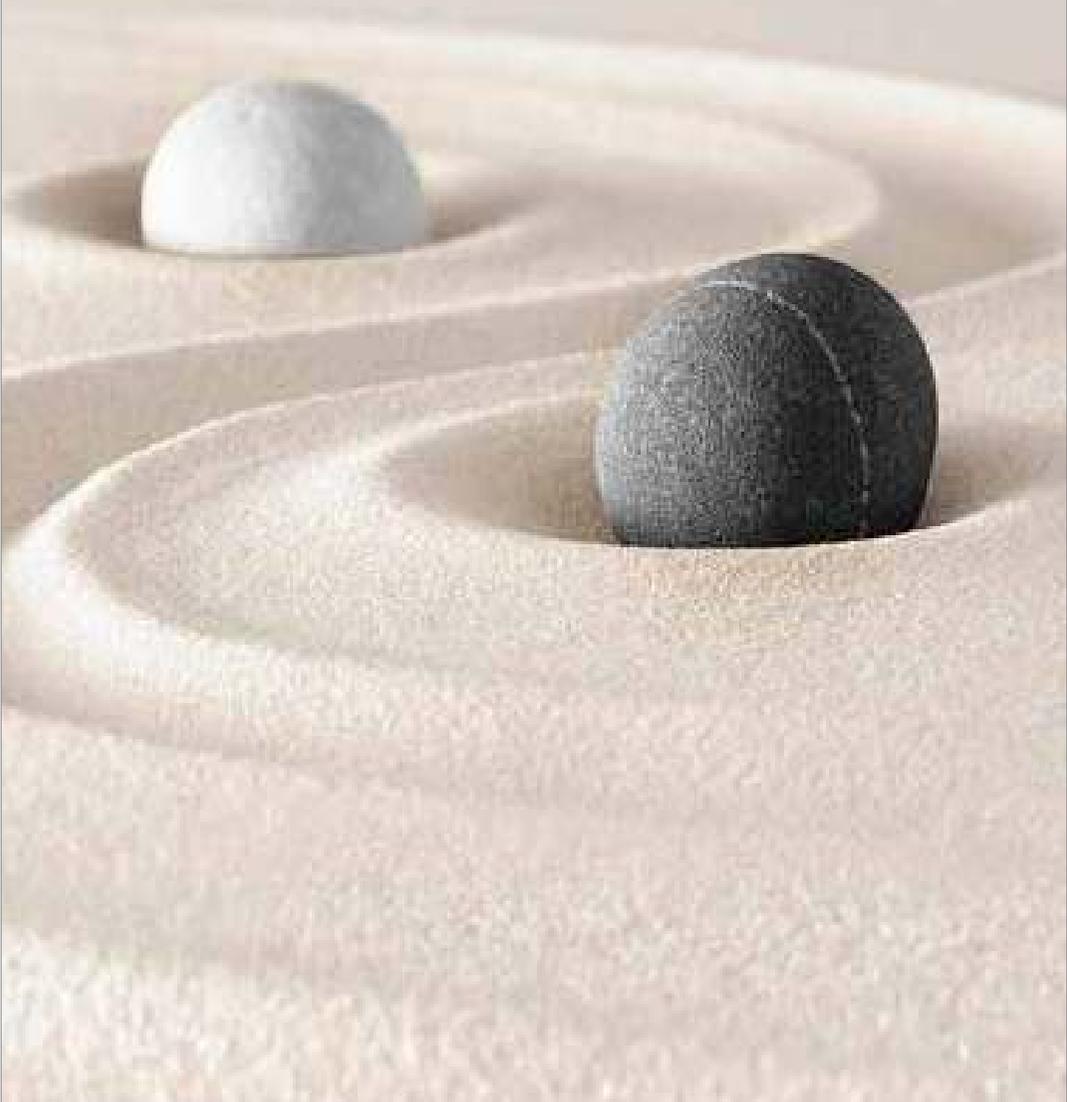
first quarter



ABOUT THIS REPORT

Humanity has never lived in such harmony with nature as **We Do Today**; in which nature, humankind, and business of corporate sector flourish in harmony.

To live harmoniously with nature is to understand and accept the non-sentient reality of natural forces. The greater this understanding and acceptance, the greater the harmony.



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Corporate Information

Board of Directors ▼

Mr. Syed Anwar Hussain Shahid
Mr. Farhan Ilyas
Mr. Muhammad Aamir Beg
Ms. Faiza Iftikhar
Mr. Ghias-ul-Hasan
Mr. Kamran Zahoor
Mr. Saif-ur-Rehman

Chief Executive
Independent Director
Independent Director
Independent Director
Non-Executive Director
Non-Executive Director
Executive Director

Audit Committee ▼

Mr. Farhan Ilyas
Mr. Muhammad Aamir Beg
Mr. Kamran Zahoor

Chairman
Member
Member

Human Resource Committee ▼

Mr. Muhammad Aamir Beg
Mr. Syed Anwar Hussain Shahid
Mr. Ghias-ul-Hasan

Chairman
Member
Member

Chief Financial Officer ▼

Mr. Imran Ilyas

Company Secretary ▼

Mr. Al-Yousuf

Head of Internal Audit ▼

Mr. Syed Muhammad Usman Afzaal

Auditors ▼

UHY Hassan Naeem & Co.
(Chartered Accountants)
193-A, Shah Jamal
Lahore, Pakistan
Phone No. 042 35403550
Fax No. 042 35403599
E-mail: info@uhy-hnco.com

Share Registrar ▼

Corplink (Pvt.) Limited
Wings Arcade, 1-K Commercial
Model Town, Lahore, Pakistan
Phone No. 042 35916714
Fax No. 042 35869037
E-mail: shares@corplink.com.pk



Legal Advisor ▼

Siddiqui Bari Kasuri & Co.
Advocates & Corporate Legal Consultants
179/180-A, Scotch Corner, Upper Mall, Lahore
Phone No. 042-35758573-74,
Fax No. 042-35758572

Registered Address ▼

125-B, Quaid-e-Azam Industrial Estate
Kot Lakhpat, Lahore, Punjab, Pakistan
Phone No. 042 35213491
Fax No. 042 35213490
E-mail: secretary@jsml.com.pk

Mills ▼

Jauharabad, District Khushab, Punjab, Pakistan
Phone No. 0454 720063-6, Fax No. 0454 720880

Bankers of the Company ▼

Askari Bank Limited
Soneri Bank Limited
Allied Bank Limited
MCB Bank Limited
Samba Bank Limited
National Bank of Pakistan
United Bank Limited
Habib Bank Limited
Bank Alfalah Limited
Habib Metropolitan Bank Limited
PAIR Investment Company Limited

Islamic Bankers of the Company ▼

Albaraka Bank (Pakistan) Limited
MCB Islamic Bank Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited

National Tax Number ▼

0225972-9

Sales Tax Registration Number ▼

0409170300137

Company Website ▼

www.jsml.com.pk

Financial Highlights

Topline

Rs. 1.96 Billions

Bottomline

Rs. 34.91 Millions

Gross Profit

6.97 Percent

Net Profit

1.78 Percent

Acid Test

0.34 Times

Current Ratio

0.99 Times

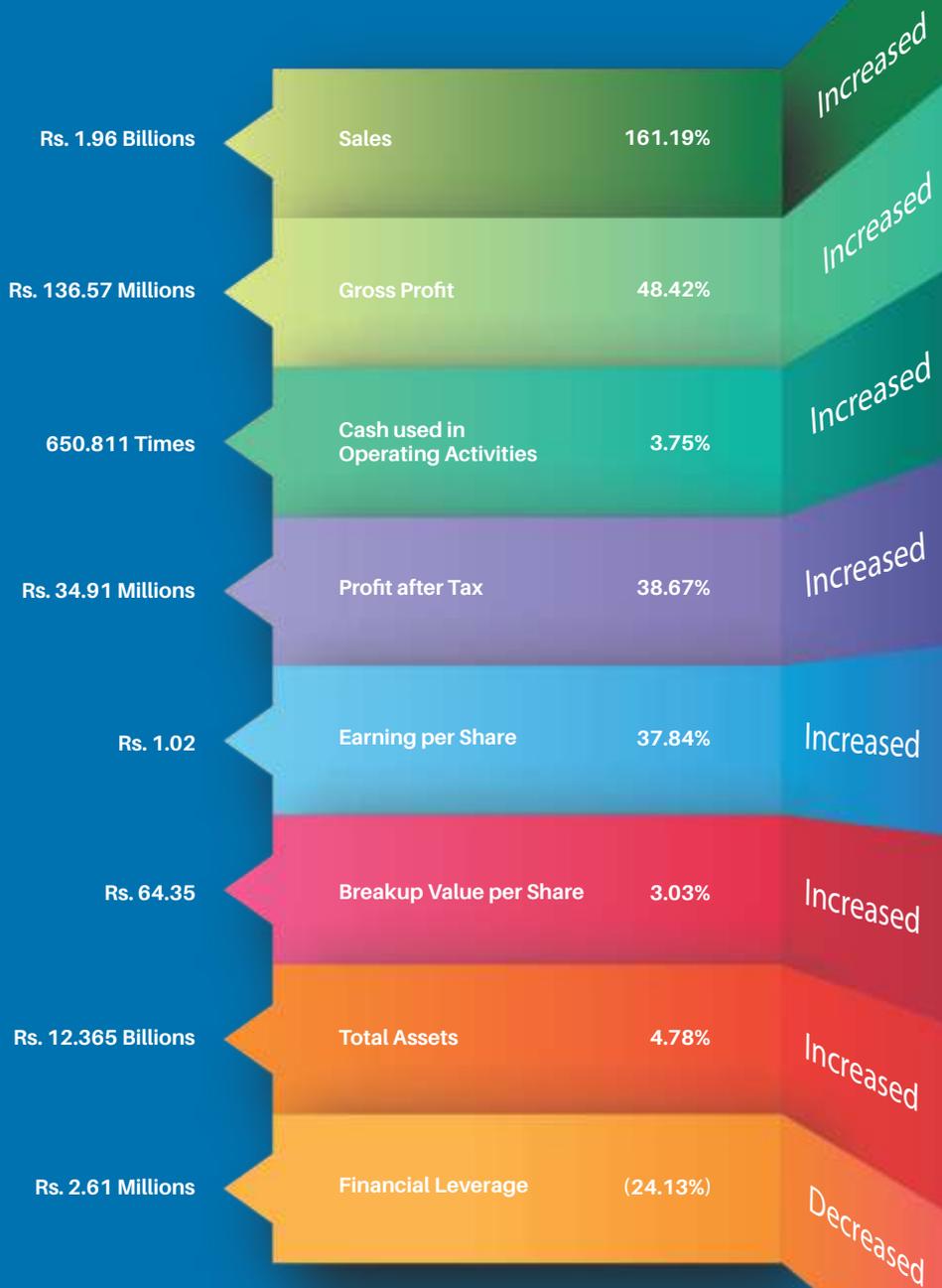
Price Earning

13.48 Times

ROCE

0.88 Percent

Key Performance Indicators



Directors' Report

Dear Members, Assalam-O-Alaikum

On behalf of the Board of Directors and myself, I am pleased to present before you the un-audited financial statements of the Company for the first quarter ended December 31, 2022.

Sector Overview

Crushing year 2022/23 started late November throughout the country in compliance to the notification issued by the Government of Punjab under Factories Control Act. This crushing season will be more challenging for the sector as the Government has increased minimum support price MSP of sugarcane price to Rs. 300 per maund (CY2021/22: 225 per maund) the highest ever per maund increase of 33.33%. Carry forward surplus sugar stock from last season coupled with rising inflation in the Country has adversely affected sector's financial adequacy to timely pay to the growers. Currently lending cost of working capital for the industry is hovering around 20% per annum which is highest since 2008. Federal Government has recently allowed export of 0.25 million tons of sugar which may gradually lead to stabilization of sugar market prices.

Operational Performance

For CY2022/23, Jauharabad Sugar Mills Limited operated for 37 days in comparison to 44 days of last season. Sugarcane crushing has shown an increase of 7.4% over corresponding period, majorly owing to alignment of captive power plant with mills. During this period under review, the Company has produced 21,299 MT of white refined sugar which is 6.22% higher. Average crushing per day has also witnessed an increase of 28.23 % along with 3% increase in sugar recovery. Hence, considering to date operational performance and in anticipation of smooth future supply of sugarcane, the company is committed to achieve all operational targets set for CY2022/23.

Financial Performance

The Company has posted top line of Rs. 1,958 million (FY2021/22: Rs. 750 million) owing to sale of carry forward sugar stock from last year. Bottom line resulted in Rs. 34.91 million (FY2021/22: Rs.25.18 million) after absorbing 149% increase in financial cost and impact of higher MSP of sugarcane. The Company is expecting better financial performance in later part of this financial year. The Company is current with its financial commitments and maintains a cordial relation with all its financial institutions on its panel.

Acknowledgement

The management of the Company would like to thank all the financial institutions, individuals, staff members and shareholders who have been associated with the Company for their continued support and corporation.

For & on Behalf of Board



Syed Anwar Hussain Shahid
Chief Executive

ڈائریکٹرز کی جائزہ رپورٹ

محترم اراکین، اسلام وعلیم

بورڈ آف ڈائریکٹرز کی جانب سے، میں 31 دسمبر 2022 کو ختم ہونے والی پہلی سہ ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ مالی حسابات پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

سیکٹر کا جائزہ

فیکٹریز کنٹرول ایکٹ کے تحت حکومت پنجاب کے جاری کردہ نوٹیفکیشن کی تعمیل میں ملک بھر میں کرشنگ سال 2022/23 نومبر کے آخر میں شروع ہوا۔ یہ کرشنگ سیزن اس شعبے کے لیے زیادہ چیلنجنگ ہو گا کیونکہ حکومت نے گنے کی کم از کم امدادی قیمت MSP کو بڑھا کر 300 روپے فی من (225:CY2021/22 روپے فی من) اب تک کا سب سے زیادہ فی من 33.33 فیصد کا اضافہ کر دیا ہے۔ ملک میں بڑھتی ہوئی مہنگائی کے ساتھ ساتھ پچھلے سیزن سے چینی کے اضافی ذخیرہ کو آگے بڑھنے نے کاشتکاروں کو بروقت ادائیگی کرنے کی شعبے کی مالی استعداد کو بری طرح متاثر کیا ہے۔ اس وقت صنعت کے لیے ورکنگ کپٹیل کی قرضے کی لاگت تقریباً 20 فیصد سالانہ ہے جو کہ 2008 کے بعد سب سے زیادہ ہے۔ وفاقی حکومت نے حال ہی میں 0.25 ملین ٹن چینی برآمد کرنے کی اجازت دی ہے جس سے چینی کی مارکیٹ کی قیمتوں میں بتدریج استحکام آسکتا ہے۔

آپریشنل کارکردگی

اس کرشنگ سیزن CY2022/23 کے دوران، جوہر آباد شوگر ملز لمیٹڈ نے گزشتہ سیزن کے 44 دنوں کے مقابلے میں 37 دنوں تک آپریٹ کیا۔ گنے کی کرشنگ گزشتہ اسی مدت کے مقابلے میں 7.4 فیصد زیادہ کی گئی، جس کی بنیادی وجہ ملز کے ذاتی پاور پلانٹ کی الاٹمنٹ ہے۔ زیر جائزہ مدت کے دوران، کمپنی نے 21,299 میٹرک ٹن سفید ریفاائنڈ چینی بنائی، جو گزشتہ سال کی پیداوار سے 6.22 فیصد زیادہ ہے۔ اوسط یومیہ کرشنگ میں بھی 28.23 فیصد معیشتی کی ریکوری میں 3 فیصد کا اضافہ دیکھا گیا ہے۔ چنانچہ موجودہ آپریشنل کارکردگی اور گنے کی مستقبل کی بہوار فراہمی کی توقع کے پیش نظر، کمپنی CY2022/23 کے لئے تمام آپریشنل اہداف کو حاصل کرنے کے لئے پُر عزم ہے۔

مالیاتی کارکردگی

کمپنی نے گزشتہ سال سے کیری فارورڈ شوگر اسٹاک کی فروخت کی وجہ سے 1,958 ملین روپے (FY2021/22: 750 ملین روپے) کی بالائی لائن درج کرائی۔ مالی لاگت میں 149 فیصد اضافہ اور گنے کی زیادہ امدادی قیمت MSP کے اثرات جذب کرنے کے بعد زیر لائن 34.91 ملین روپے (FY2020/21: 25.18 ملین روپے) رہی ہے۔ کمپنی اس مالی سال کے باقی عرصہ میں بہتر مالی کارکردگی کی توقع کر رہی ہے۔ کمپنی فی الحال اپنی مالی ذمہ داری پوری کر رہی ہے اور اپنے ہینڈل پر تمام مالی اداروں کے ساتھ اچھے تعلقات کو برقرار رکھتی ہے۔

اعتراف

کمپنی کی انتظامیہ تمام مالیاتی اداروں، افراد، عملہ کے ارکان اور حصص داران کی مالی مدد اور تعاون پر ان کا شکریہ ادا کرتے ہیں جنہوں نے کمپنی کو اپنی مسلسل اعانت اور تعاون فراہم کیا ہے۔

مخائب بورڈ



سید انوار حسین شاہد
چیف ایگزیکٹو

Condensed Interim Statement of Financial Position

As at December 31, 2022

	Note	Un-audited Dec 31 2022 (Rupees in thousands)	Audited Sep 30 2022
Assets			
Non-current assets			
Property, plant and equipment	5	9,632,521	9,514,621
Intangible assets		72	78
Long term deposits		2,800	2,800
		<u>9,635,393</u>	<u>9,517,499</u>
Current assets			
Stores, spare parts and loose tools		234,773	221,628
Stock-in-trade		1,780,779	1,573,365
Loans and advances		538,986	334,695
Trade debts- unsecured considered good		19,993	5,943
Trade deposits and short term prepayments		13,005	3,328
Other receivables		22,221	22,221
Tax refunds due from the government		73,177	70,871
Short term investments		15,000	18,569
Cash and bank balances		31,693	32,446
		<u>2,729,627</u>	<u>2,283,067</u>
		<u>12,365,020</u>	<u>11,800,566</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Lahore:
January 26, 2023


Syed Anwar Hussain
Chief Executive


Ghias-ul-Hasan
Director


Imran Ilyas
Chief Financial Officer

Condensed Interim Statement of Financial Position

As at December 31, 2022

	Note	Un-audited Dec 31 2022 (Rupees in thousands)	Audited Sep 30 2022
Share capital and reserves			
Authorized share capital		700,000	700,000
Share capital		341,285	341,285
Capital reserves:			
Share premium		372,403	372,403
Revenue reserves:			
Accumulated profits		773,295	709,072
Loan from sponsors		709,047	709,047
Revaluation surplus on property, plant and equipment	6	6,360,154	6,389,466
Total Equity		8,556,184	8,521,273
Non-current liabilities			
Long term loans from banking companies - secured	7	-	-
Liability against assets subject to finance lease		5,005	5,132
Deferred taxation		1,041,938	1,053,911
		1,046,943	1,059,043
Current liabilities			
Trade and other payables		636,911	927,908
Unclaimed dividend		1,881	1,881
Current portion of:			
- Long term loans from banking companies - secured	7	-	9,430
- Liability against assets subject to finance lease		1,191	1,153
- Government grant		-	1,191
Accrued mark-up		26,534	59,650
Short term borrowings - secured	8	2,001,243	1,154,282
Provision for taxation		94,133	64,755
		2,761,893	2,220,250
Contingencies and commitments	9	-	-
		12,365,020	11,800,566

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Lahore:
January 26, 2023



Syed Anwar Hussain
Chief Executive



Ghias-ul-Hasan
Director



Imran Ilyas
Chief Financial Officer

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

For the Quarter Ended December 31, 2022

	Note	Un-audited Dec 31 2022 (Rupees in thousands)	Un-audited Dec 31 2021
Sales - net	10	1,958,510	749,842
Cost of sales	11	(1,821,936)	(657,825)
Gross profit		136,574	92,017
Operating expenses:			
Administrative Expenses		49,018	43,318
Distribution Cost		1,462	3,617
		50,480	46,935
Operating profits		86,094	45,082
Finance cost		(32,587)	(13,074)
Other income		(1,192)	(145)
Profit before taxation		52,315	31,863
Taxation	12	(17,405)	(6,688)
Profit after taxation		34,910	25,175
Earnings per share (rupees)			
Basic & diluted		1.02	0.74

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Lahore:
January 26, 2023



Syed Anwar Hussain
Chief Executive



Ghias-ul-Hasan
Director



Imran Ilyas
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended December 31, 2022

	Un-audited Dec 31 2022 (Rupees in thousands)	Un-audited Dec 31 2021
Profit after taxation	34,910	25,175
Other comprehensive income for the period		
Items that will not be reclassified subsequently to profit and loss account:		
Gain on revaluation of land, building, plant & machinery - net of tax	-	-
Total comprehensive income for the period	34,910	25,175

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Lahore:
January 26, 2023



Syed Anwar Hussain
Chief Executive



Ghias-ul-Hasan
Director



Imran Ilyas
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the Quarter Ended December 31, 2022

	Un-audited Dec 31 2022 (Rupees in thousands)	Un-audited Dec 31 2021
Cash flow from operating activities		
Profit before taxation	52,315	31,863
Adjustments for:		
Depreciation	72,407	33,732
Amortization	6	10
Loss/(gain) on disposal of property, plant and equipment	374	-
Provision for WPPF	2,638	1,155
Government grant	(1,191)	(1,085)
Finance cost	32,587	13,074
	106,821	46,886
Profit before working capital changes	159,136	78,749
Working capital changes		
Stores, spare parts and loose tools	(13,145)	11,601
Stock in trade	(207,414)	(905,121)
Loans and advances	(204,291)	45,070
Trade debts- unsecured considered good	(14,050)	(321)
Trade deposits and short term prepayments	(9,677)	(2,550)
Trade and other payables	(293,635)	154,150
	(742,211)	(697,170)
Cash used in operations	(583,075)	(618,421)
Finance cost paid	(65,430)	(8,380)
Taxes paid	(2,306)	(509)
Dividend paid	-	-
Net cash used in operating activities	(650,811)	(627,310)

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Lahore:
January 26, 2023


Syed Anwar Hussain
Chief Executive


Ghias-ul-Hasan
Director


Imran Ilyas
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the Quarter Ended December 31, 2022

	Un-audited Dec 31 2022	Un-audited Dec 31 2021
	(Rupees in thousands)	
Cash flow from investing activities		
Addition to fixed assets	(192,700)	(70,320)
Proceeds from sale of fixed assets	2,018	-
Net cash generated (used in) investing activities	(190,682)	(70,320)
Cash flow from financing activities		
Long term finances	(9,430)	(22,882)
Lease rentals paid	(361)	(1,121)
Net cash generated from financing activities	(9,791)	(24,003)
Net increase in cash and cash equivalents	(851,283)	(721,632)
Cash and cash equivalents at beginning of the period	(1,103,267)	(104,037)
Cash and cash equivalents at the end of the period	(1,954,550)	(825,669)
Cash and cash equivalents comprise of following statement of financial position amounts:		
- Short term investments	15,000	17,561
- Cash and bank balances	31,693	181,848
- Short term borrowings	(2,001,243)	(1,025,078)
	(1,954,550)	(825,669)

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Lahore:
January 26, 2023



Syed Anwar Hussain
Chief Executive



Ghias-ul-Hasan
Director



Imran Ilyas
Chief Financial Officer

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

For the Quarter Ended December 31, 2022

	Share Capital	Share Premium	Accumulated profits	Revaluation Surplus	Loan from Sponsors	Total
----- Rupees in thousand -----						
Balance as on October 01, 2021	341,285	372,403	594,462	2,843,927	610,097	4,762,174
Transactions made during the year	-	-	-	-	-	-
Profit after taxation	-	-	25,175	-	-	25,175
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	25,175	-	-	25,175
Incremental depreciation for the period	-	-	11,164	(11,164)	-	-
Balance as on December 31, 2021	341,285	372,403	630,801	2,832,763	610,097	4,787,349
Balance as on October 01, 2022	341,285	372,403	709,072	6,389,467	709,047	8,521,274
Transactions made during the year	-	-	-	-	-	-
Profit after taxation	-	-	34,910	-	-	34,910
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	34,910	-	-	34,910
Transfer of incremental depreciation (net of tax)	-	-	29,313	(29,313)	-	-
Balance as on December 31, 2022	341,285	372,403	773,295	6,360,154	709,047	8,556,184

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

Lahore:
January 26, 2023


Syed Anwar Hussain
Chief Executive


Ghias-ul-Hasan
Director


Imran Ilyas
Chief Financial Officer

Notes to the Condensed Interim Financial Statements (Un-audited)

For the Quarter Ended December 31, 2022

1. Reporting entity

Jauharabad Sugar Mills Limited "the Company" (formerly known as Kohinoor Sugar Mills Limited) was incorporated in Pakistan in 1968 under the repealed Companies Act 1913 (now Companies Act, 2017). The shares of the Company are listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 125-B, Quaid-e-Azam Industrial Estate, Gate No. 4, Kot Lakhpat, Lahore, and the mill is located at Jauharabad, District Khushab, Pakistan. The production plant is located at Industrial Area Jauharabad City District Khushab in the province of Punjab. The principal activity of the Company is manufacturing and sale of sugar and its by-products.

2. Basis of preparation

2.1 Statement of compliance

These condensed interim 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 comprise of International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 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, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures made in these condensed interim financial statements of the Company has, however, been limited based on the requirements of the International Accounting Standard 34 - Interim Financial Reporting thus these do not include the statements reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended September 30, 2022. These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by section 237 of the Companies Act, 2017 and Listing Regulations of Stock Exchange of Pakistan.

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the audited financial statements of the Company for the year ended September 30, 2022, whereas the comparative condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the quarter ended December 31, 2021.

2.2 Basis of measurement

These condensed interim financial statements has been prepared under the historical cost convention except for the Company's freehold land, building and plant & machinery which are stated at revalued amount.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees which is the functional and presentation currency of the Company.

2.4 Critical accounting estimates and judgments

Judgments and estimates made by management in the preparation of these condensed interim financial statements are the same as those applied to the preceding annual published financial statements of the Company for the year ended September 30, 2022.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the Quarter Ended December 31, 2022

3 Accounting policies and computation methods

- 3.1 The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended September 30, 2022.
- 3.2 There were certain other new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed.

4 Seasonality of operations

The Company is inter-alia, engaged in manufacturing of sugar for which the season begins in November / December and ends in March / April. Therefore, majority of the expenses are incurred and production activities are undertaken in first half of the Company's financial year thus increasing volume of inventories and current liabilities at the end of the six months.

	Note	Un-audited Dec 31 2022 (Rupees in thousands)	Audited Sep 30 2022
5 Property, plant and equipment			
Property, plant and equipment	5.1	9,623,682	9,508,138
Capital work-in-progress		8,839	6,483
		<u>9,632,521</u>	<u>9,514,621</u>
5.1 Property, plant and equipment			
Balance at beginning of the period / year		9,508,138	4,580,857
Add: Revaluation surplus		-	4,182,677
Add: Additions during the period / year		190,344	268,730
Transfer from CWIP		-	621,976
Less: Book value of operating assets disposed - off during the period / year		(2,393)	(2,767)
		<u>9,696,089</u>	<u>9,651,473</u>
Depreciation charged during the period / year		(72,407)	(143,335)
		<u>9,623,682</u>	<u>9,508,138</u>

Notes to the Condensed Interim Financial Statements (Un-audited)

For the Quarter Ended December 31, 2022

	Note	Un-audited Dec 31 2022 (Rupees in thousands)	Audited Sep 30 2022
6 Revaluation surplus on property, plant and equipment			
Land		4,112,812	2,054,688
Building		249,113	136,815
Plant and machinery		3,362,806	1,350,552
		7,724,731	3,542,055
Add: Addition in revaluation surplus			
Land		-	2,058,124
Buildings		-	112,298
Plant and machinery		-	2,012,254
		-	4,182,676
Less: Accumulated incremental depreciation		(444,509)	(403,223)
		7,280,222	7,321,508
Less: Deferred tax liability			
Opening balance		932,041	324,506
Deferred tax liability on addition in revaluation surplus		-	616,120
Incremental depreciation for the period		(11,973)	(8,585)
		920,068	932,041
		6,360,153	6,389,466
7 Long term loans from banking companies - secured			
Faysal Bank Limited	7.1	-	9,430
		-	9,430
Less: Current portion		-	(9,430)
		-	-

7.1 Faysal Bank Limited - Mark-up bearing finance from conventional bank

This represents long term loan obtained from SBP through Faysal Bank under Islamic refinance scheme against sanctioned limit of Rs. 110 million for payment of wages & salaries to the workers and employees of company via SBP IH&SMEFD circular no 07 of 2020.

Principal repayment

The loan is to be repaid in quarterly instalments starting from March 2021 within 2.5 years including 6 month of grace period.

Rate of return

It carries profit at the rate of matching SBP base rate plus 3.00 % per annum and applicable rental is payable without any grace period.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the Quarter Ended December 31, 2022

Security

This loan is secured by charged over all fixed assets (present and future) of the company and corporate guarantee of Cane Processing Private Limited (Holding Company) and personal guarantees of the directors/sponsors of the Company.

The Loan from sponsors of the company are subordinated under subordination agreement.

	Sanction limit 'Rupees in thousand'	Note	Un-audited Dec 31 2022 (Rupees in thousands)	Audited Sep 30 2022
8 Short term borrowings - secured				
Mark-up based borrowings from Conventional Banks				
		8.1		
Running finance	300,000		197,062	292,168
Cash finance	2,050,000		1,098,163	427,697
Term finance	175,000		175,000	175,000
	2,525,000		1,470,225	894,865
Islamic mode of financing				
		8.2		
Murabaha finance	990,000		531,018	109,317
Bai salam / Istisna	993,000		-	150,100
	1,983,000		531,018	259,417
	4,508,000		2,001,243	1,154,282

8.1 These facilities have been obtained from various conventional banks to meet working capital requirements and are secured by charge over current and future assets (fixed and current) of the Company, pledge of sugar stock, lien over import documents and personal guarantees of sponsors and corporate guarantee of Cane Processing (Private) Limited (Holding Company).

These facilities carry mark-up at the rates ranging from 1 month KIBOR + 2.00% to 3 months KIBOR + 2.50% per annum payable quarterly.

The aggregate available short term funded facilities amounts to Rs. 2.52 billion (2022: Rs. 2.52 billion).

8.2 These facilities have been obtained from various Islamic banks to meet working capital requirements and are secured by charge over current and future assets (fixed and current) of the Company, pledge of sugar stock, pledge of share of company, lien over import documents, and personal guarantees of sponsors and corporate guarantee of Cane Processing (Private) Limited (Holding Company).

These facilities carry mark-up at the rates ranging from matching KIBOR + 2.25% to matching KIBOR + 2.75% per annum.

The aggregate available short term funded facilities amount to Rs. 1.98 billion (2022: Rs. 1.98 billion).

Notes to the Condensed Interim Financial Statements (Un-audited)

For the Quarter Ended December 31, 2022

8.3 The loans from sponsors of the Company are subordinated under subordination agreement.

9 Contingencies and commitments

9.1 Contingencies

There is no material change in contingencies from the preceding period audited financial statements of the Company for the year ended 30 September 2022.

9.2 Commitments

Commitments in respect of irrevocable letter of credits for stores and spares at the period end is Rs. 4.74 million (September 30, 2022: Nil).

	Un-audited Dec 31 2022 (Rupees in thousands)	Un-audited Dec 31 2021 (Rupees in thousands)
10 Sales - net		
Local	2,294,297	860,588
Export	-	-
	<u>2,294,297</u>	<u>860,588</u>
Less:		
Sales tax	(333,498)	(109,862)
Commission	(2,289)	(884)
	<u>1,958,510</u>	<u>749,842</u>
11 Cost of sales		
Raw material cane purchased and consumed	1,836,264	1,431,446
Salaries, wages and other benefits	39,544	36,608
Chemicals, fuel, lubes and packing material	28,685	23,295
Manufacturing expenses	53,892	38,531
Depreciation	70,959	33,057
Amortization	6	10
	<u>2,029,350</u>	<u>1,562,947</u>
Work-in-process - Opening	3,115	3,752
Work-in-process - Closing	(127,182)	(35,884)
	<u>(124,067)</u>	<u>(32,132)</u>
Cost of goods manufactured	1,905,283	1,530,815
Opening stock of finished goods	1,570,250	89,709
	<u>3,475,533</u>	<u>1,620,524</u>
Closing stock of finished goods	(1,653,597)	(962,699)
	<u>1,821,936</u>	<u>657,825</u>

Notes to the Condensed Interim Financial Statements (Un-audited)

For the Quarter Ended December 31, 2022

12 Taxation

Provision for taxation for the period has been calculated as per the requirements of Section 113 of Income Tax Ordinance, 2001.

13 Transactions with related parties

The related parties comprise directors of the Company, key employees, provident fund trust, associated undertakings and subsidiary company. Details of transactions with related parties, other than those which have been specially disclosed elsewhere in these financial statements are as follows:

Relationship	Nature of transaction	Un-audited	Audited
		Dec 31 2022	Sep 30 2022
Post employment benefit plan	Provident fund contribution paid	(1,167)	(3,088)
Cane Processing (Pvt) Limited	Received/(paid) during the period/year	-	(6,531)
Loan from sponsors	Received/(paid) during the period/year	-	4,800

14 Financial Risk Management

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

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 30 September 2022.

15 Date of authorization

These condensed interim financial information were authorized for issue on January 26, 2023 by the Board of Directors of the Company.

16 General

16.1 Figures of previous year have been re-arranged and reclassified wherever necessary for the purposes of comparison.

16.2 Figures have been rounded off to the nearest thousand rupees.

Lahore:
January 26, 2023



Syed Anwar Hussain
Chief Executive



Ghias-ul-Hasan
Director



Imran Ilyas
Chief Financial Officer

Jama Punji Information

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The website link of Jama Punji is available at the website of Jauharabad Sugar Mills Limited for the convenience and facilitation of shareholders and investors.



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