



کسبِ مالِ کُن  
کہ عزیزِ جہاں شوی

رنگِ ہویا خشتِ سنگ چنکا ہوا حرفِ و صوت  
مُحَرَّرِ فَن کی ہے خونِ جگر سے نمود



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کسی کمال کن  
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# Corporate Information

## Board of Directors

Mr. Syed Anwar Hussain Shahid	Chief Executive
Mr. Farhan Ilyas	Independent Director
Mr. Muhammad Aamir Beg	Independent Director
Ms. Faiza Iftikhar	Independent Director
Mr. Ghias-ul-Hasan	CPL Nominee
Mr. Amjad Javed Aftab	CPL Nominee
Mr. Saif-ur-Rehman	CPL Nominee

## Audit Committee

Mr. Farhan Ilyas	Chairman
Mr. Muhammad Aamir Beg	Member
Mr. Amjad Javed Aftab	Member

## Human Resource Committee

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

## Nomination Committee

Ms. Faiza Iftikhar	Chairperson
Mr. Farhan Ilyas	Member

## Risk Management Committee

Mr. Saif-ur-Rehman	Chairman
Mr. Amjad Javed Aftab	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

## 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

## Share Registrar

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

## Bankers of the Company

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

## Islamic Bankers of the Company

Al Baraka Bank (Pakistan) Limited  
MCB Islamic Bank Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
Meezan Bank Limited

## National Tax Number

0225972-9

## Sales Tax Registration Number

0409170300137

## 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

## Company Website

www.jsml.com.pk



Nurpur Thal, Khushab

## Financial Highlights

**Topline**

**Rs. 2.46 Billions**

**Bottomline**

**Rs. 56.43 Millions**

**Gross Profit**

**8.45 Percent**

**Net Profit**

**2.30 Percent**

**Acid Test**

**0.46 Times**

**Current Ratio**

**1.02 Times**

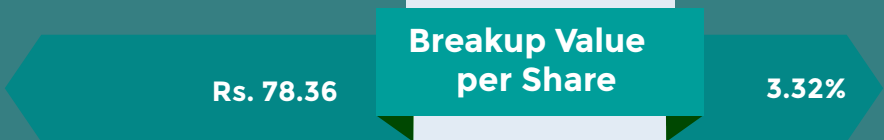
**Price Earning**

**10.50 Times**

**ROCE**

**1.47 Percent**

## Key Performance Indicators





## Directors' Report

Dear Members, Assalam-O-Alaikum

On behalf of the Board of Directors and myself, I am delighted to present before you the unaudited financial statements of the Company for the first quarter ended December 31, 2023.

### Sector Overview

In first quarter of the fiscal year 2023/24, the industry is being confronted with the challenges of carryforward stocks, shortage of working capital, exorbitant cost of funds, reduced yield per acre, sliding sucrose recovery and a substantial 33.33 percent increase in the Minimum Support Price (MSP) of sugarcane (Rs. 400 per maund (compared to Rs. 300 per maund in CY2022/23)). According to the Ministry of National Food Security and Research's assessment of Pakistan's sugar sector, the projected sugar production of 6.19 million tons for CY2023/24 tied with the carryforward sugar stocks of 0.55 million tons from CY2022/23, may only marginally fulfill the historical annualized domestic demand. The forecast does not factor in strategic reserves, pilferages or market distortions that could potentially result in a stock deficit necessitating import of sugar in the coming year.

### Operational Performance

The processing facility, commencing on November 25th 2023, operated for a span of 37 days. Overall crushing has witnessed a 11.11% decline compared to the previous year, primarily attributed to a shortage of sugarcane at the start of crushing season. Despite this challenge, the Company managed to produce 18,838 metric tons (MT) of white refined sugar, indicating a reduction of 11.55% when compared with the corresponding period in the previous year. However, there was an improvement in the average sucrose recovery by 0.44%, and the yield of molasses increased by 1.62% that contributed to the overall contribution margin of the Company.

Furthermore, the Company has propagated use of varietal seeds among growers with the expectation that this initiative will enhance average recovery of sucrose during the ongoing crushing season of 2023/24. This strategic move aims to address and potentially overcome the challenges posed by initial cane shortage and contribute to a more robust performance in the sugar production process.

### Financial Performance

The Company has reported a noteworthy increase in its top-line, reaching Rs. 2,456 million in the current fiscal year compared to Rs. 1,958 million in FY2023. This surge can be attributed to sale of carryforward sugar stock from the previous year. Despite facing a substantial 63% surge in financial costs and the impact of a higher per maund cost of cane by approximately 40%, the bottom line showed improvement and has clocked Rs. 56.43 million.

The stability in the sale price of sugar throughout the financial year contributed to maintaining a consistent revenue stream. Despite the challenging financial environment, the Company managed to achieve an operating profit of Rs. 148 million for the period, marking a significant increase of 72.8% when compared to the corresponding period in the previous year. This

positive trend in operating profit suggests effective cost management and increased operational efficiency during the current fiscal year.

The Company is presently in good standing with its financial obligations and upholds positive relationships with all its financial institutions and stakeholders.

#### Acknowledgement

The Directors of the Company would like to thank all stakeholders for their commitment and continued support for the betterment and prosperity of the Company.

For & on Behalf of Board

A handwritten signature in black ink, appearing to be 'SAS', written over a light blue horizontal line.

**Syed Anwar Hussain Shahid**

Chief Executive

پورے مالی سال کے دوران چینی کی فروخت قیمت میں استحکام نے محصولات کے تسلسل کو برقرار رکھنے میں اہم کردار ادا کیا۔ مشکل مالیاتی ماحول کے باوجود، کمپنی نے اس مدت کے لیے 148 ملین کا آپریٹنگ منافع حاصل کیا، جو کہ پچھلے سال کی اسی مدت کے مقابلے میں 72.8 فیصد کا نمایاں اضافہ ہے۔ آپریٹنگ منافع میں یہ مثبت رجحان موجودہ مالی سال کے دوران الاگت کے مؤثر انتظام اور آپریشنل کارکردگی میں اضافہ کی تجویز کرتا ہے۔

کمپنی فی الحال اپنی مالی ذمہ داریاں پوری کر رہی ہے اور اپنے تمام مالیاتی اداروں اور اسٹیک ہولڈرز کے ساتھ اچھے تعلقات کو برقرار رکھتی ہے۔

### اظہار تشکر

کمپنی کے ڈائریکٹرز کمپنی کی بہتری اور خوشحالی کے لئے مسلسل حمایت اور تعاون کے لئے تمام اسٹیک ہولڈرز کا شکریہ ادا کرتے ہیں۔

منجانب بورڈ



سید انوار حسین شاہد  
چیف ایگزیکٹو

## ڈائریکٹرز کی جائزہ رپورٹ

محترم اراکین، اسلام علیکم

بورڈ آف ڈائریکٹرز اور اپنی جانب سے، میں 31 دسمبر 2023 کو متم 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

مالی سال 2023/24 کی پہلی سہ ماہی میں صنعت کو کیری فارورڈ اسٹاک، ورکنگ سرمایہ کی قلت، فنڈز کی بہت زیادہ لاگت، فی ایکڑ پیداوار میں کمی، سکروس ریکوری کی سلائیڈنگ اور گنے کی کم از کم امدادی قیمت (MSP) (400 روپے فی من) (مالی سال 2022/23 میں 300 روپے فی من کے مقابلے) میں 33.33 فیصد اضافے کے چیلنجز کا سامنا ہے۔ پاکستان کے شوگر سیکٹر کے بارے میں وزارت نیشنل فوڈ سیکورٹی اینڈ ریسرچ کے جائزے کے مطابق، مالی سال 2022/23 سے 0.55 ملین ٹن کے کیری فارورڈ شوگر اسٹاک کے ساتھ مالی سال 2023/24 کے لئے چینی کی متوقع پیداوار 6.19 ملین ٹن، تاریخی سالانہ مقامی طلب کو معمولی طور پر پورا کر سکتی ہے۔ پشپن گوئی میں سٹریٹجک ذخائر، چوری یا مارکیٹ کے گاڑ کا عنصر شامل نہیں ہے اس کے نتیجے میں ممکنہ طور پر آئندہ سال میں اسٹاک کے خسارہ کا سامنا اور چینی کی درآمد کی ضرورت پڑ سکتی ہے۔

### آپریشنل کارکردگی

پروسیڈنگ سہولت، 25 نومبر 2023 کو آغاز، 37 دنوں کے دورانیے تک چلتی رہی۔ مجموعی طور پر کرشنگ میں گزشتہ سال کے مقابلے میں 11.11 فیصد کمی دیکھنے میں آئی، جس کی بنیادی وجہ کرشنگ سیزن کے آغاز پر گنے کی قلت ہے۔ اس چیلنج کے باوجود، کمپنی نے 18,838 میٹرک ٹن (MT) سفید ریفائنڈ چینی بنائی، جو پچھلے سال کی اسی مدت کے مقابلے میں 11.55 فیصد کمی ظاہر کرتی ہے۔ تاہم، اوسط سکروس ریکوری میں 0.44 فیصد کمی، بہتری آئی، اور مولاسس کی پیداوار میں 1.62 فیصد اضافہ ہوا جس نے کمپنی کے مجموعی شرائطی مارجن میں اہم کردار ادا کیا۔

مزید برآں، کمپنی نے کاشتکاروں کے درمیان مختلف قسم کے بیجوں کے استعمال کو اس امید کے ساتھ تقسیم کیا ہے کہ اس اقدام سے 2023/24 کے رواں کرشنگ سیزن کے دوران سکروس کی اوسط ریکوری میں اضافہ ہوگا۔ اس سٹریٹجک اقدام کا مقصد بنیادی طور پر گنے کی کمی کی وجہ سے درپیش مشکلات سے نمٹنا اور ممکنہ طور پر ان پر قابو پانا اور چینی کے پیداواری عمل میں مزید مضبوط کارکردگی میں حصہ ڈالنا ہے۔

### مالیاتی کارکردگی

کمپنی نے اپنی ٹاپ لائن میں قابل ذکر اضافہ درج کر لیا ہے، جو مالی سال 2023 میں 1,958 ملین روپے کے مقابلے میں رواں مالی سال میں 2,456 ملین روپے تک پہنچ گئی ہے۔ اس اضافہ کو پچھلے سال سے چینی کے کیری فارورڈ اسٹاک کی فروخت سے منسوب کیا جاسکتا ہے۔ مالیاتی اخراجات میں 63 فیصد کے کافی اضافہ اور گنے کی فی من قیمت میں تقریباً 40 فیصد اضافہ کے اثرات کے باوجود، زیریں لائن بہتر ہوئی اور 56.43 ملین روپے تک پہنچ گئے۔

## Condensed Interim Statement of Financial Position


As at December 31, 2023


	Note	Un-audited Dec 31 2023 (Rupees in thousands)	Audited Sep 30 2023 (Rupees in thousands)
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	9,885,010	9,814,896
Intangible assets		48	52
Long term deposits		3,091	3,091
		9,888,149	9,818,039
<b>Current assets</b>			
Stores, spare parts and loose tools		386,092	298,493
Stock-in-trade		1,807,437	1,524,695
Loans and advances		321,440	294,337
Trade debts- unsecured considered good		62,933	5,570
Trade deposits and short term prepayments		14,471	83,850
Other receivables		22,221	22,221
Tax refunds due from the government		140,261	94,348
Short term investments		14,868	14,871
Cash and bank balances		551,178	80,518
		3,320,901	2,418,904
<b>Total Assets</b>		<b>13,209,050</b>	<b>12,236,943</b>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

Lahore:  
January 26, 2024

  
Syed Anwar Hussain  
Chief Executive

  
Ghias-ul-Hasan  
Director

  
Imran Ilyas  
Chief Financial Officer

## Condensed Interim Statement of Financial Position


As at December 31, 2023


	Note	Un-audited Dec 31 2023 (Rupees in thousands)	Audited Sep 30 2023
<b>Share capital and reserves</b>			
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		1,086,043	1,000,143
Loan from sponsors		874,597	874,597
Revaluation surplus on property, plant and equipment	6	6,247,031	6,276,500
<b>Total Equity</b>		<b>8,921,359</b>	<b>8,864,928</b>
<b>Non-current liabilities</b>			
Liability against assets subject to finance lease		2,012	2,233
Deferred taxation		1,022,198	1,017,710
		1,024,210	1,019,943
<b>Current liabilities</b>			
Trade and other payables		949,899	883,433
Unclaimed dividend		1,640	1,640
Current portion of:			
- Liability against assets subject to finance lease		783	727
Accrued mark-up		31,184	99,700
Short term borrowings - secured	7	2,158,071	1,276,443
Provision for taxation		121,904	90,129
		3,263,481	2,352,072
<b>Contingencies and commitments</b>	8	-	-
		13,209,050	12,236,943

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Lahore:  
January 26, 2024

  
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, 2023


	Note	Un-audited Dec 31 2023 (Rupees in thousands)	Un-audited Dec 31 2022 (Rupees in thousands)
Sales - net	9	2,456,044	1,958,510
Cost of sales	10	(2,248,482)	(1,821,936)
<b>Gross profit</b>		<b>207,562</b>	<b>136,574</b>
Operating expenses:			
Administrative Expenses		55,097	49,018
Distribution Cost		3,660	1,462
		58,757	50,480
<b>Operating profits</b>		<b>148,805</b>	<b>86,094</b>
Finance cost		(53,200)	(32,587)
Other income		(2,911)	(1,192)
<b>Profit before taxation</b>		<b>92,694</b>	<b>52,315</b>
Taxation	11	(36,263)	(17,405)
<b>Profit after taxation</b>		<b>56,431</b>	<b>34,910</b>
<b>Earnings per share (rupees)</b>			
Basic & diluted		1.65	1.02

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

Lahore:  
January 26, 2024

  
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, 2023


	Un-audited Dec 31 2023 (Rupees in thousands)	Un-audited Dec 31 2022
Profit after taxation	56,431	34,910
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	-	-
<b>Total comprehensive income for the period</b>	<b>56,431</b>	<b>34,910</b>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

Lahore:  
January 26, 2024

  
Syed Anwar Hussain  
Chief Executive

  
Ghas-ul-Hasan  
Director

  
Imran Ilyas  
Chief Financial Officer



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

For the Quarter Ended December 31, 2023


	Un-audited Dec 31 2023 (Rupees in thousands)	Un-audited Dec 31 2022
<b>Cash flow from operating activities</b>		
Profit before taxation	92,694	52,315
Adjustments for:		
Depreciation	77,607	72,407
Amortization	4	6
Loss/(gain) on disposal of property, plant and equipment	-	374
Provision for WPPF	4,815	2,638
Government grant	-	(1,191)
Finance cost	53,200	32,587
	135,626	106,821
<b>Profit before working capital changes</b>	228,320	159,136
<b>Working capital changes</b>		
Stores, spare parts and loose tools	(87,599)	(13,145)
Stock in trade	(282,742)	(207,414)
Loans and advances	(27,103)	(204,291)
Trade debts- unsecured considered good	(57,363)	(14,050)
Trade deposits and short term prepayments	69,379	(9,677)
Trade and other payables	61,651	(293,635)
	(323,776)	(742,211)
<b>Cash used in operations</b>	(95,456)	(583,075)
Finance cost paid	(121,535)	(65,430)
Taxes paid	(45,913)	(2,306)
Dividend paid	-	-
<b>Net cash used in operating activities</b>	(262,904)	(650,811)

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

Lahore:  
January 26, 2024

  
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, 2023


	Un-audited Dec 31 2023 (Rupees in thousands)	Un-audited Dec 31 2022
<b>Cash flow from investing activities</b>		
Addition to fixed assets	(147,721)	(192,700)
Proceeds from sale of fixed assets	-	2,018
<b>Net cash generated (used in) investing activities</b>	<b>(147,721)</b>	<b>(190,682)</b>
<b>Cash flow from financing activities</b>		
Long term finances	-	(9,430)
Lease rentals paid	(346)	(361)
<b>Net cash generated from financing activities</b>	<b>(346)</b>	<b>(9,791)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(410,971)</b>	<b>(851,283)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>(1,181,054)</b>	<b>(1,103,267)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(1,592,025)</b>	<b>(1,954,550)</b>
<b>Cash and cash equivalents comprise of following statement of financial position amounts:</b>		
- Short term investments	14,868	15,000
- Cash and bank balances	551,178	31,693
- Short term borrowings	(2,158,071)	(2,001,243)
	<b>(1,592,025)</b>	<b>(1,954,550)</b>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

Lahore:  
January 26, 2024

  
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, 2023


	Share Capital	Share Premium	Accumulated profits	Revaluation Surplus	Loan from Sponsors	Total
	(Rupees in thousands)					
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
Incremental depreciation for the period	-	-	29,313	(29,313)	-	-
Balance as on December 31, 2022	341,285	372,403	773,295	6,360,154	709,047	8,556,184
Balance as on October 01, 2023	341,285	372,403	1,000,143	6,276,500	874,597	8,864,928
Transactions made during the year	-	-	-	-	-	-
Profit after taxation	-	-	56,431	-	-	56,431
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	56,431	-	-	56,431
Transfer of incremental depreciation (net of tax)	-	-	29,469	(29,469)	-	-
Balance as on December 31, 2023	341,285	372,403	1,086,043	6,247,031	874,597	8,921,359

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

Lahore:  
January 26, 2024

  
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, 2023

## 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, 2023. 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, 2023, 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, 2022.

### 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

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

For the Quarter Ended December 31, 2023

published financial statements of the Company for the year ended September 30, 2023.

### 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, 2023.
- 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 2023 (Rupees in thousands)	Audited Sep 30 2023
<b>5 Property, plant and equipment</b>			
Property, plant and equipment	5.1	9,883,217	9,813,103
Capital work-in-progress		1,793	1,793
		<u>9,885,010</u>	<u>9,814,896</u>
<b>5.1 Property, plant and equipment</b>			
Balance at beginning of the period / year		9,813,103	9,508,138
Add: Additions during the period / year		147,721	605,429
Transfer from CWIP		-	4,690
Less: Book value of operating assets disposed - off during the period / year		-	(3,109)
		<u>9,960,824</u>	<u>10,115,148</u>
Depreciation charged during the period / year		(77,607)	(302,045)
		<u>9,883,217</u>	<u>9,813,103</u>
<b>6 Revaluation surplus on property, plant and equipment</b>			
Land		4,112,812	4,112,812
Building		249,113	249,113
Plant and machinery		3,362,806	3,362,806
		<u>7,724,731</u>	<u>7,724,731</u>
Less: Accumulated incremental depreciation		(605,976)	(564,471)
		<u>7,118,755</u>	<u>7,160,260</u>
Less: Deferred tax liability			
Opening balance		883,760	932,042
Incremental depreciation for the period		(12,036)	(48,282)
		<u>871,724</u>	<u>883,760</u>
		<u>6,247,030</u>	<u>6,276,500</u>

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

For the Quarter Ended December 31, 2023

	Sanction limit 'Rupees in thousand'	Note	Un-audited Dec 31 2023 (Rupees in thousands)	Audited Sep 30 2023
<b>7 Short term borrowings - secured</b>				
Mark-up based borrowings				
from Conventional Banks	4,150,000	7.1	1,439,349	812,806
Islamic mode of financing	2,025,000	7.2	718,722	463,636
	<u>6,175,000</u>		<u>2,158,071</u>	<u>1,276,442</u>

7.1 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. 4.15 billion (2023: Rs. 3.22 billion).

7.2 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 + 2.50% per annum.

The aggregate available short term funded facilities amount to Rs.2.02 billion (2023: Rs. 2.22 billion).

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

## 8 Contingencies and commitments

### 8.1 Contingencies

There is no material change in contingencies from the preceding period audited financial statements of the Company for the year ended 30 September 2023.

### 8.2 Commitments

Commitments in respect of irrevocable letter of credits for stores and spares at the period end is Rs. 18.35 million (September 30, 2023: Nil).

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

For the Quarter Ended December 31, 2023

	Un-audited Dec 31 2023 (Rupees in thousands)	Un-audited Dec 31 2022
<b>9 Sales - net</b>		
Local	2,883,810	2,294,297
Export	-	-
	2,883,810	2,294,297
Less:		
Sales tax	(425,708)	(333,498)
Commission	(2,058)	(2,289)
	2,456,044	1,958,510
<b>10 Cost of sales</b>		
Raw material cane purchased and consumed	2,291,734	1,836,264
Salaries, wages and other benefits	47,612	39,544
Chemicals, fuel, lubes and packing material	51,383	28,685
Manufacturing expenses	64,436	53,892
Depreciation	76,055	70,959
Amortization	4	6
	2,531,224	2,029,350
Work-in-process - Opening	5,414	3,115
Work-in-process - Closing	(160,201)	(127,182)
	(154,787)	(124,067)
Cost of goods manufactured	2,376,437	1,905,283
Opening stock of finished goods	1,519,281	1,570,250
	3,895,718	3,475,533
Closing stock of finished goods	(1,647,236)	(1,653,597)
Cost of sales	2,248,482	1,821,936

### 11. Taxation

Provision for taxation for the period has been calculated as per the requirements of Section 4 of Income Tax Ordinance, 2001.

### 12. 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:

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

For the Quarter Ended December 31, 2023

Relationship	Nature of transaction	Un-audited Dec 31 2023 (Rupees in thousands)	Audited Sep 30 2023
Post employment benefit plan	Provident fund contribution paid	(1,507)	(4,093)
Cane Processing (Pvt) Limited	Received/(paid) during the period/year	-	(1,710)
Loan from sponsors	Received/(paid) during the period/year	-	(32,809)

### 13 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 2023.

### 14 Date of authorization

These condensed interim financial information were authorized for issue on January 26, 2024 by the Board of Directors of the Company.

### 15 General


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

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

Lahore:  
January 26, 2024

  
Syed Anwar Hussain  
Chief Executive

  
Ghias-ul-Hasan  
Director

  
Imran Ilyas  
Chief Financial Officer



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\*Mobile apps are also available for download for android and ios devices

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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