

# **KOHINOOR INDUSTRIES LIMITED**

**3<sup>RD</sup> QUARTER REPORT  
31-03-2019  
(UN-AUDITED)**

**BOARD OF DIRECTORS**

Mr. M. Naseem Saigol  
Mr. M. Zeid Yousuf Saigol  
Mr. Muhammad Murad Saigol  
Mr. Muhammad Omer Farooq  
Mr. Muhammad Athar Rafiq  
Mr. Muhammad Shamil  
Mr. Rashid Ahmad Javaid

Chairman  
Chief Executive Officer

**AUDIT COMMITTEE**

Mr. Rashid Ahmad Javaid  
Mr. Muhammad Omer Farooq  
Mr. Muhammad Athar Rafiq  
Mr. Muhammad Shamil

Chairman/Member  
Member  
Member  
Member

**HR & REMUNERATION COMMITTEE**

Mr. Rashid Ahmad Javaid  
Mr. M. Naseem Saigol  
Mr. M. Zeid Yousuf Saigol

Chairman  
Member  
Member

**COMPANY SECRETARY**

Khawaja Safee Sultan

**CHIEF FINANCIAL OFFICER**

Mr. Zahoor Ahmed

**AUDITORS**

M/s Mudassar Ehtisham & Co.  
Chartered Accountants

**REGISTRATION NUMBER**

0000214

**NTN**

0452891-3

**WEBSITE**

[www.kil.com.pk](http://www.kil.com.pk)

**BANKERS**

Askari Bank Limited  
Bank Alfalah Limited  
Faysal Bank Limited  
Habib Bank Limited  
NIB Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited

**REGISTERED OFFICE**

17-Aziz Avenue, Canal Bank,  
Gulberg-V, Lahore.  
Tel: 042-35715029-31 Fax: 042-35715105  
E-mail: [shares@saigols.com](mailto:shares@saigols.com)

**WORKS**

Kohinoor Nagar, College Road,  
Madina Town, Faisalabad.  
Tel: 8540211-12 Fax: 8541444

**SHARE REGISTRAR**

M/s Corplink (Pvt.) Limited  
Wings Arcade, 1-K, Commercial,  
Model Town, Lahore  
Tel: 35916714-19, 35839182 Fax: 35869037  
E-mail: [shares@corplink.com.pk](mailto:shares@corplink.com.pk)

## **DIRECTORS' REPORT**

The Directors' of your company presented before you the report of the company for the 3<sup>rd</sup> Quarter ended March 31, 2019.

During the period under review, the revenue of the Company for the period is Rs. 34.619 million as compared to Rs. 27.658 million in the corresponding period last year. During the period, the company earned gross profit of Rs. 31.143 million as compared to profit of Rs. 21.629 million in the corresponding period last year. This is due to increase in rates of rent of the Company's properties. The company has earned net profit after tax of Rs. 15.924 million as compared to net loss of Rs. 1.932 million in the corresponding period last year. We are hopeful that company will be able to mature more viable business ventures in future.

## **COMPOSITION OF BOARD**

Composition of the Board of Directors is as under.

TOTAL NUMBER OF DIRECTORS	
Male	7
Female	NONE
COMPOSITION	
Independent Director	Mr. Rashid Ahmad Javaid
Non-Executive Directors	Mr. M. Naseem Saigol
	Mr. M. Omer Farooq
	Mr. M. Athar Rafiq
	Mr. Muhammad Shamil
Executive Directors	Mr. M. Zeid Yousuf Saigol
	Mr. M. Murad Saigol

## **COMMITTEE'S**

Detail of Committee's of Board is as under.

### **AUDIT COMMITTEE**

Mr. Rashid Ahmad Javaid	Chairman/Member
Mr. M. Omer Farooq	Member
Mr. M. Athar Rafiq	Member
M. Muhammad Shamil	Member

### **HR & REMUNERATION COMMITTEE**

Mr. M. Naseem Saigol	Chairman/Member
Mr. M. Zeid Yousuf Saigol	Member
Mr. Rashid Ahmad Javaid	Member

We wish to thank to the shareholders for their support. We are pleased to record our appreciation of the services rendered by the employees of the company and hope that the same spirit of devotion will continue in future.

Lahore  
April 30, 2019

For and on behalf of the Board

  
**M. ZEID YOUSUF SAIGOL**  
Chief Executive

ڈائریکٹرز رپورٹ:

کمپنی کے ڈائریکٹرز نے حصہ داران کے سامنے کمپنی کی کارکردگی برائے دورانیہ 31 مارچ، 2019 پیش کی۔

زیر غور دورانیہ میں کمپنی نے 34.619 ملین سرمایہ کمایا جبکہ گزشتہ سال اسی عرصہ میں 27.658 ملین سرمایہ کمایا تھا۔ زیر جائزہ دورانیہ میں کمپنی نے 31.143 ملین خالص منافع کمایا جبکہ گزشتہ سال اسی عرصہ میں 21.629 ملین منافع کمایا تھا۔ اسکی وجہ کمپنی کی پراپرٹیز کے کرایہ میں اضافہ ہے۔ کمپنی نے 15.924 ملین نیٹ منافع کمایا جبکہ گزشتہ سال اسی عرصہ میں 1.932 ملین نیٹ نقصان کمایا تھا۔ ہم پر امید ہیں کہ کمپنی مستقبل میں مزید قابل عمل کاروباری منصوبے شروع کرے گی۔

بورڈ کی ساخت

بورڈ آف ڈائریکٹرز کی ساخت درج ذیل ہے۔

کل ڈائریکٹرز کی تعداد	
مرد	7
عورت	کوئی نہیں
ساخت	
آزاد ڈائریکٹر	جناب رشید احمد جاوید
نان ایگزیکٹو ڈائریکٹر	جناب محمد نسیم سہگل
	جناب محمد عرفان فاروق
	جناب محمد اطہر رفیق
	جناب محمد جمیل
ایگزیکٹو ڈائریکٹر	جناب محمد زید یوسف سہگل
	جناب محمد مراد سہگل

کمیشنرز

بورڈ کی کمیٹیوں کی تفصیل درج ذیل ہے۔

آڈٹ کمیٹی

جناب رشید احمد جاوید	چیئر مین / ممبر
جناب محمد عرفان فاروق	ممبر
جناب محمد اطہر رفیق	ممبر
جناب محمد جمیل	ممبر

ایچ آر اینڈ مینجمنٹ کمیٹی

جناب محمد نسیم سہگل	چیئر مین / ممبر
جناب محمد زید یوسف سہگل	ممبر
جناب رشید احمد جاوید	ممبر

ہم تمام حصہ داران کے بھرپور تعاون کے تہہ دل سے مشکور ہیں۔ ہم یہ اعلان کرتے ہوئے خوشی محسوس کرتے ہیں کہ کمپنی اپنے ملازمین کو سہجے ہوئے یہ امید کرتی ہے کہ وہ اسی انداز میں آئندہ بھی اپنے فرائض سرانجام دیتے رہیں گے۔

منجانب ڈائریکٹر بورڈ:

محمد زید یوسف سہگل

لاہور

30 اپریل، 2019

چیف ایگزیکٹو

**KOHINOOR INDUSTRIES LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2019**

	Note	Mar 31, 2019 Rupees Un-audited	Jun 30, 2018 Rupees Audited
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment		2,864,089	3,122,553
Government taken over concerns		-	-
Investment property		802,860,585	802,860,585
Long term deposits		166,376	368,876
Long term investment		4,961,250	9,497,250
		<u>810,852,300</u>	<u>815,849,264</u>
<b>Current assets</b>			
Loans and advances		15,000	77,536
Other receivables		20,000	216,020
Tax refunds due from Government		13,948,784	13,362,423
Cash and bank balances		18,540,593	5,389,403
		<u>32,524,377</u>	<u>19,045,382</u>
<b>TOTAL ASSETS</b>		<u><u>843,376,677</u></u>	<u><u>834,894,646</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized capital			
40,000,000 ordinary shares of Rs.10 each		<u>400,000,000</u>	<u>400,000,000</u>
Issued, subscribed and paid up capital		303,025,430	303,025,430
Reserves		187,394,755	187,394,755
Surplus on revaluation of fixed assets		651,264,077	651,264,077
Unappropriated (loss) / profit		<u>(700,221,488)</u>	<u>(716,145,840)</u>
		441,462,774	425,538,422
<b>Non- current liabilities</b>			
Advances against rent		5,215,503	5,215,503
<b>Current liabilities</b>			
Trade and other payables		22,328,720	25,138,970
Short term loan from directors - unsecured		353,682,503	353,682,503
Unclaimed Dividend		1,034,826	1,034,826
Provision for taxation		19,652,351	24,284,422
		<u>396,698,400</u>	<u>404,140,721</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>843,376,677</u></u>	<u><u>834,894,646</u></u>

**Contingencies & Commitments**

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The annexed notes form an integral part of these financial statements

  
**(CHIEF EXECUTIVE OFFICER)**

  
**(CHIEF FINANCIAL OFFICER)**

  
**(DIRECTOR)**

**KOHINOOR INDUSTRIES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED MARCH 31, 2019**

Note	QUARTER ENDED		NINE MONTHS ENDED	
	Jan-Mar-2019	Jan-Mar-2018	Jul-Mar-2019	Jul-Mar-2018
	Rupees	Rupees	Rupees	Rupees
	Un-audited	Un-audited	Un-audited	Un-audited
Revenue	13,096,023	9,332,312	34,619,406	27,658,881
Other operating Income	60,066	-	60,066	-
Other operating charges	(1,897,421)	2,516,144	(3,536,052)	(6,029,087)
	11,258,668	11,848,456	31,143,420	21,629,794
<b>Operating expenses</b>				
Administrative expenses	(7,490,537)	(8,513,138)	(14,376,287)	(18,747,733)
	3,768,131	3,335,318	16,767,133	2,882,061
Finance cost	(5,515)	(4,499)	(19,249)	(21,866)
Share of profit / (loss) from Associate	54,671	(78,044)	(999,948)	(3,042,913)
Profit / (loss) before taxation	3,817,287	3,252,775	15,747,936	(182,718)
Current	(648,939)	(46,661)	(2,677,149)	(1,749,717)
Prior Year	-	-	2,853,565	-
<b>Profit / (loss) after tax</b>	3,168,348	3,206,114	15,924,352	(1,932,435)
Un-Appropriated loss brought forward	(703,389,836)	(755,356,393)	(716,145,840)	(750,217,844)
Un-Appropriated loss carried to financial position	(700,221,488)	(752,150,279)	(700,221,488)	(752,150,279)
<b>EARNING PER SHARE-BASIC AND DILUTED</b>	0.10	0.11	0.53	(0.06)

The annexed notes form an integral part of these financial statements



(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)



(DIRECTOR)



**KOHINOOR INDUSTRIES LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED MAR 31, 2019**

	<b>QUARTER ENDED</b>		<b>HALF YEAR ENDED</b>	
	<b>DEC 31, 2018</b>	<b>DEC 31, 2017</b>	<b>DEC 31, 2018</b>	<b>DEC 31, 2017</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
	<b>Un-audited</b>	<b>Un-audited</b>	<b>Un-audited</b>	<b>Un-audited</b>
<b>Net Profit / (Loss) for the period</b>	<b>3,168,348</b>	<b>3,206,114</b>	<b>15,924,352</b>	<b>(1,932,435)</b>
<b>Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive (Loss) / Income</b>	<b>3,168,348</b>	<b>3,206,114</b>	<b>15,924,352</b>	<b>(1,932,435)</b>

The annexed notes form an integral part of these financial statements

  
**(CHIEF EXECUTIVE OFFICER)**

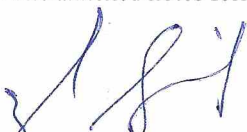
  
**(CHIEF FINANCIAL OFFICER)**

  
**(DIRECTOR)**

**KOHINOOR INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED MARCH 31, 2019**

	Note	MAR 31, 2019 Rupees Un-audited	MAR 31, 2018 Rupees Un-audited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		15,747,936	(182,718)
Adjustments for:			
Depreciation		258,464	293,926
Share of profit / (loss) from Associate		999,948	3,042,913
Provision for short fall in value of investment		3,536,052	6,029,087
Finance cost		19,249	21,866
		4,813,713	9,387,792
Profit before working capital changes		20,561,649	9,205,074
Effect on cash flow due to working capital changes			
Other receivables		196,020	64,000
Loans and advances		62,536	(178,200)
Long term deposits		202,500	-
Trade and other payables		(2,810,250)	1,617,860
		(2,349,194)	1,503,660
Cash generated from operations		18,212,455	10,708,734
Finance cost paid		(19,249)	(21,866)
Income tax paid		(5,042,016)	(4,007,902)
		(5,061,265)	(4,029,768)
Net cash from operating activities		13,151,190	6,678,966
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
		-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Short term loan from directors - unsecured		-	(5,797,198)
Net cash used in financing activities		-	(5,797,198)
Net increase / (decrease) in cash and cash equivalents		13,151,190	881,768
Cash and cash equivalents at the beginning of the Period		5,389,403	1,746,555
Cash and cash equivalents at the end of the Period		18,540,593	2,628,323

The annexed notes form an integral part of these financial statements



(CHIEF EXECUTIVE OFFICER)



(CHIEF FINANCIAL OFFICER)



(DIRECTOR)



**KOHINOOR INDUSTRIES LIMITED**

## STATEMENT OF CHANGES IN EQUITY

**FOR THE PERIOD ENDED MARCH 31, 2019**

Share capital	Capital reserve		Revenue	Total
	Share Premium	Surplus on Revaluation of fixed Assets	Unappropriated profit/(loss)	

-----Rupees-----

Balance as at June 30, 2018	303,025,430	187,394,755	651,264,077	(716,145,840)	425,538,422
Total comprehensive profit / (loss) for the period	-	-		15,924,352	15,924,352

Balance as at March 31, 2019	303,025,430	187,394,755	651,264,077	(700,221,488)	441,462,774
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The annexed notes form an integral part of these financial statements

**(CHIEF EXECUTIVE OFFICER)**

  
(CHIEF FINANCIAL OFFICER)

(DIRECTOR)

## **KOHINOOR INDUSTRIES LIMITED**

### **NOTES TO THE ACCOUNTS**

**FOR THE QUARTER ENDED MARCH 31, 2019**

#### **1- THE COMPANY AND ITS OPERATIONS**

Kohinoor Industries Limited is a public limited, quoted company incorporated in Pakistan under the Companies Act 1913(now the Companies Ordinance ,1984).The principal activity of company was to manufacture and sell yarn. The operational activities have been closed down with effect from 12th October 2007.

Board of director's in its meeting held on 30th April, 2008 decided to closed down the business as due to increase in prices of raw material and other inputs without increase in yarn sales prices in the local and international market, the operation of the textile unit had become most uneconomical and huge losses were expected to arise if the business was carried on.It was unanimously decided that business be closed down and machinery be disposed off and for that purpose a committee was formed consisting of Managers;Manager sale,Mnager accounts, headed by chief operational officer.

Factory building has been leased out to other Industrial units whereas school building is also rented. The company vide Sub-Clause II of the Memorandum of Association is authorised to lease and let out on hire it's business premises as when it is considered fit.

#### **GOING CONCERN ASSUMPTION**

Our paid-up capital as on 31-03-2019 stands at Rs. 303.025 million while adverse balance of reserves and Unappropriated losses are amounting to Rs. 700.221 million leaving adverse balance of equity at Rs. 441.462 million. Our current liabilities are Rs. 396.698 million whereas the current assets are Rs. 32.524 million and current liabilities are more by Rs.364.174 million than the current assets. This situation creates doubts about going concern situation of the company. We have leased out the factory building to industrial unit and to some other institutions and our rental income during the period is aggregating to Rs. 34.619 million which is quite sizeable to meet the expenses. As per regulations, our Board of Directors in the meeting held on 27-04-2013 that the management does not have any plan to dispose of the fixed assets of the company and our leasing business is quite viable.

#### **2- BASIS OF PREPARATION**

As stated above the textile business has been closed down. As per resolution of Board of Directors in the meeting held on 27-04-2013, it is stated that management has no plan to dispose off fixed assets of the company. It will continue leasing business of renting out the property which is quite viable activity. The financial statements thus have been prepared on going concern basis.

#### **3- CONTINGENCIES AND COMMITMENTS**

There have been no changes in the contingencies and commitments as disclosed in the annual financial statements of the company for the year ended 30th June, 2018.

#### **4- TAXATION**

Provision in respect of taxation, for this qyarte , is estimated only and final liability will be determine on the basis of annual results.

5- These accounts are un-audited and are being submitted to share holders as requirements of the Companies Ordinance, 1984.

6- Figures have been rounded off nearest to the rupee and comparative figures have been r-arranged, wherever necessary, for the purpose of comparison.