

Kohinoor Mills Limited



THIRD QUARTERLY REPORT
31 March 2017

CONTENTS

Kohinoor Mills Limited

Company Information	02
Directors' Review.....	03
Unconsolidated Condensed Interim Balance Sheet	06
Unconsolidated Condensed Interim Profit and Loss Account.....	08
Unconsolidated Condensed Interim Statement of Comprehensive Income	09
Unconsolidated Condensed Interim Cash Flow Statement.....	10
Unconsolidated Condensed Interim Statement of Changes in Equity.....	11
Selected Notes to the Unconsolidated Condensed Interim Financial Information	12

Kohinoor Mills Limited and its subsidiary

Consolidated Condensed Interim Balance Sheet	20
Consolidated Condensed Interim Profit and Loss Account	22
Consolidated Condensed Interim Statement of Comprehensive Income	23
Consolidated Condensed Interim Cash Flow Statement	24
Consolidated Condensed Interim Statement of Changes in Equity.....	25
Selected Notes to the Consolidated Condensed Interim Financial Information ...	26

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Rashid Ahmed	Chairman
Mr. Aamir Fayyaz Sheikh	Chief Executive
Mr. Asad Fayyaz Sheikh	Director
Mr. Ali Fayyaz Sheikh	Director
Mr. Riaz Ahmed	Director
Mr. Aamir Amin	Director (NIT Nominee)
Mr. Shahbaz Munir	Director

AUDIT COMMITTEE

Mr. Riaz Ahmed	Chairman
Mr. Rashid Ahmed	Member
Mr. Shahbaz Munir	Member
Mr. Ali Fayyaz Sheikh	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Rashid Ahmed	Chairman
Mr. Asad Fayyaz Sheikh	Member
Mr. Shahbaz Munir	Member

CHIEF FINANCIAL OFFICER

Mr. Kamran Shahid

HEAD OF INTERNAL AUDIT

Mr. Jamal Asif

LEGAL ADVISORS

- Raja Mohammad Akram & Co.,
Advocate & Legal Consultants,
Lahore.
- Malik Muhammad Ashraf Kumma
Advocate

COMPANY SECRETARY

Mr. Muhammad Rizwan Khan

AUDITORS

M/s. Riaz Ahmad & Co.,
Chartered Accountants

BANKERS

Allied Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
NIB Bank Limited
Silk Bank Limited
Standard Chartered Bank (Pakistan) Ltd
The Bank of Punjab
United Bank Limited

REGISTERED OFFICE & MILLS

8th K.M. Manga Raiwind Road,
District Kasur, Pakistan
UAN: (92-42) 111-941-941
Cell Lines: (92-333) 4998801-6
Land Lines: (92-42) 36369340
Fax (92-42) 36369340 Ext: 444
Email: info@kohinoormills.com
Website : www.kohinoormills.com

SHARES REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd,
HM House, 7 Bank Square, Lahore.
Land Lines: (92-42) 37235081 & 82
Fax: (92-42) 37358817

OTHER CORPORATE INFORMATION

Kohinoor Mills Limited is registered in Pakistan under Companies Ordinance, 1984. The registration number of the Company is 0017194

Kohinoor Mills Limited is listed on Pakistan Stock Exchange Limited as a Public Limited Company and its shares are traded under textile composite sector. Shares trading symbol is KML

The National Tax Number of the Company is 0658184-6

Financial statements are available on website of the Company i.e.,
www.kohinoormills.com

DIRECTORS' REVIEW

The Directors of the Company are pleased to present the interim financial statements for the nine month ended 31 March 2017. These interim financial statements are presented in accordance with the requirements of the Companies Ordinance, 1984.

Operating & Financial Results

During the nine month ended 31 March 2017, your company earned a gross profit of Rs. 1,247 million on sales of Rs. 8,366 million compared to gross profit of Rs. 1,102 million on sales of Rs. 6,366 million for the corresponding period of previous financial year. During the period under review, your company recorded a net profit of Rs. 238 million (EPS: Rs. 4.68 per share), compared to net profit of Rs. 146 million (EPS: Rs. 2.87 per share) in the corresponding period.

Net profit for the period includes net notional interest expense of Rs. 45 million as per IAS: 39, due to restructuring of financial liabilities of the company in an earlier period, compared to significantly higher expense of Rs. 174 million recognized in the corresponding period, which also included the effects of conversion of some of these facilities to SBP ERF scheme to benefit from lower mark-up rates. Had there been no such notional adjustment, net profit for the period under review would have been Rs. 283 million (EPS: Rs. 5.57 per share) and net profit of Rs. 320 million (EPS: Rs. 6.28 per share) for the corresponding period.

Due to rising raw material prices, increasing competition from regional players and challenging demand situation in overseas markets, the profit margin remained under pressure, which was to some extent offset through improved production capacity utilization.

Weaving Division

Keeping in view increase in overseas competition and rising raw material prices, the management has been taking earnest steps to improve performance, including focusing on new business avenues in local and export markets, in this division. Management expects that these steps would yield positive results in the future.

Further, in line with its BMR plans to keep in-step with improving production technologies, the management has decided to install an additional 84 high-speed air jet looms in this division. This would result in 60% increase in weaving's existing production capacity. These state-of-the-art looms, expected to be operational during the first-half of the FY 2017-18, will support its growing export business and rising greige demand of the company's dyeing division.

Dyeing Division

This division improved its performance and met the targets set for the period under review, attaining new levels of capacity utilization. However, rising greige prices and reduced margins due to dull overseas demand are dampening the overall profitability of the division.

Further, some additional BMR and slight modifications are under process in the production line, which will enhance production capacity by 20% in this division. These are expected to be operational in first-half of FY 2017-18 and would enable the company to better cater the demands of its customers and hence contribute to the overall performance of the company.

Genertek Division

Although, overall energy costs did not escalate during the period under review, however, recent rise in coal and HFO prices remain a cause of concern, going forward.

Q Mart Corporation (Pvt) Ltd (a wholly owned subsidiary of your company)

This company is in liquidation under members' voluntary winding up under section 358 of the Companies Ordinance, 1984.

Future Prospects

Keeping in view the consistently declining textile exports over past few years, the Government of Pakistan recently announced textile package for the industry. However, delays in implementing the promised relief package have become another cause of significant concern for the industry. Further, despite challenging macro-economic scenario emanating from uncertain security and political environment, increasing competition from regional players and sluggish overseas demand, the management has kept its resolve for performance improvement through better marketing by winning customer confidence and improved capacity utilization and better supply chain management to keep costs low. Additionally, the management has undertaken a BMR programme for the company to ensure maintaining its competitiveness. The current order book position of the company is healthy and the management is optimistic that it can improve on the company's performance.

Acknowledgment

The board places on record its profound gratitude for its valued shareholders, banks, financial institutions and customers, whose cooperation, continued support and patronage have enabled the company to strive for constant improvement. During the period under review, relations between the management and employees remained cordial and we wish to place on record our appreciation for the dedication, perseverance and diligence of the employees of the company.

For and on behalf of the Board



AAMIR FAYYAZ SHEIKH
Chief Executive

Kasur:
24 April 2017

Financial Statements

For the nine months ended 31 March 2017



UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT 31 MARCH 2017

	Note	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
80,000,000 (30 June 2016: 80,000,000)		800,000,000	800,000,000
ordinary shares of Rupees 10 each			
30,000,000 (30 June 2016: 30,000,000)		300,000,000	300,000,000
preference shares of Rupees 10 each			
		<u>1,100,000,000</u>	<u>1,100,000,000</u>
Issued, subscribed and paid-up share capital			
50,911,011 (30 June 2016: 50,911,011)		509,110,110	509,110,110
ordinary shares of Rupees 10 each			
Reserves		611,489,782	358,240,114
Total equity		1,120,599,892	867,350,224
Surplus on revaluation of operating fixed assets - net of deferred income tax		1,067,387,325	1,081,449,031
LIABILITIES			
Non-current liabilities			
Long term financing - secured	5	581,917,372	735,286,694
Deferred liabilities		230,355,531	194,599,666
		<u>812,272,903</u>	<u>929,886,360</u>
Current liabilities			
Trade and other payables		798,034,481	853,749,084
Accrued mark-up		32,409,571	194,483,901
Sponsor's loan		272,000,000	272,000,000
Short term borrowings - secured		1,917,320,002	1,917,369,966
Current portion of long term financing	5	140,656,731	163,323,416
Provision for taxation		82,800,993	73,303,245
		<u>3,243,221,778</u>	<u>3,474,229,612</u>
Total Liabilities		4,055,494,681	4,404,115,972
Contingencies and commitments	6		
TOTAL EQUITY AND LIABILITIES		<u>6,243,481,898</u>	<u>6,352,915,227</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.


AAMIR FAYYAZ SHEIKH
Chief Executive

	Note	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
ASSETS			
Non-current assets			
Fixed Assets	7	3,453,954,394	3,613,786,853
Long term investments		121,721,420	126,357,045
Long term security deposits		21,682,987	21,200,012
		<u>3,597,358,801</u>	<u>3,761,343,910</u>
Current assets			
Stores, spares and loose tools		399,292,985	416,776,129
Stock-in-trade		777,787,303	806,079,356
Trade debts		605,896,476	465,442,351
Advances		81,466,903	74,812,228
Trade deposits and short term prepayments		18,006,410	14,389,121
Other receivables		408,860,961	311,146,735
Sales tax recoverable		241,101,241	449,022,395
Cash and bank balances		113,710,817	53,903,002
		<u>2,646,123,097</u>	<u>2,591,571,317</u>
TOTAL ASSETS		<u><u>6,243,481,898</u></u>	<u><u>6,352,915,227</u></u>


SHAHBAZ MUNIR
 Director

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2017

		Nine months ended		Quarter ended	
	Note	31 March 2017 Rupees	31 March 2016 Rupees	31 March 2017 Rupees	31 March 2016 Rupees
SALES		8,365,627,633	6,366,193,988	2,889,913,498	2,072,876,991
COST OF SALES	8	(7,118,913,377)	(5,264,647,423)	(2,457,931,848)	(1,734,304,884)
GROSS PROFIT		1,246,714,256	1,101,546,565	431,981,650	338,572,107
DISTRIBUTION COST		(470,007,196)	(389,280,486)	(193,540,528)	(124,233,493)
ADMINISTRATIVE EXPENSES		(181,813,105)	(177,045,635)	(62,203,122)	(63,422,639)
OTHER EXPENSES		(109,613,796)	(24,364,984)	(37,990,792)	318,170
		(761,434,097)	(590,691,105)	(293,734,442)	(187,337,962)
OTHER INCOME		485,280,159	510,855,460	138,247,208	151,234,145
		44,693,255	30,653,872	21,326,767	7,273,322
PROFIT FROM OPERATIONS		529,973,414	541,509,332	159,573,975	158,507,467
FINANCE COST		(208,759,645)	(332,680,555)	(53,939,322)	(144,185,900)
PROFIT BEFORE TAXATION		321,213,769	208,828,777	105,634,653	14,321,567
TAXATION		(82,800,993)	(62,879,067)	(29,723,839)	(24,521,618)
PROFIT / (LOSS) AFTER TAXATION		238,412,776	145,949,710	75,910,814	(10,200,051)
EARNINGS PER SHARE - BASIC AND DILUTED		4.68	2.87	1.49	(0.20)

The annexed notes form an integral part of this unconsolidated condensed interim financial information.


AAMIR FAYYAZ SHEIKH
Chief Executive


SHAHBAZ MUNIR
Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2017

	Nine months ended		Quarter ended	
	31 March 2017 Rupees	31 March 2016 Rupees	31 March 2017 Rupees	31 March 2016 Rupees
PROFIT / (LOSS) AFTER TAXATION	238,412,776	145,949,710	75,910,814	(10,200,051)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Deficit arising on re-measurement of available for sale investment to fair value	-	(20,982,265)	-	(27,238,708)
Deferred income tax relating to re-measurement of available for sale investment to fair value	-	5,035,744	-	6,584,214
Other comprehensive loss for the period - net of tax	-	(15,946,521)	-	(20,654,494)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	238,412,776	130,003,189	75,910,814	(30,854,545)

The annexed notes form an integral part of this unconsolidated condensed interim financial information.


AAMIR FAYYAZ SHEIKH
Chief Executive



SHAHBAZ MUNIR
Director

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)

FOR THE NINE MONTHS ENDED 31 MARCH 2017

	31 March 2017 Rupees	31 March 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	321,213,769	208,828,777
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	152,667,014	162,004,722
Dividend income	(1,609,167)	(2,413,751)
Loss / (Gain) on sale of operating fixed assets	18,627,227	(303,340)
Impairment loss on investment in subsidiary company	4,635,625	4,158,482
Impairment loss on operating fixed assets	30,323,078	-
Provision for doubtful trade debts	21,499,865	-
Provision for doubtful miscellaneous receivable	587,356	-
Adjustment due to impact of IAS - 39	45,087,116	173,989,652
Finance cost	163,672,529	158,690,903
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE ADJUSTMENT OF WORKING CAPITAL CHANGES	756,704,412	704,955,445
(Increase) / decrease in current assets		
Stores, spares and loose tools	17,483,144	(20,482,260)
Stock-in-trade	28,292,053	(52,538,303)
Trade debts	(161,953,990)	(79,558,906)
Advances	(6,654,675)	(24,200,831)
Trade deposits and short term prepayments	(3,617,289)	(11,362,203)
Other receivables	(94,295,635)	(5,419,250)
Sales tax recoverable	207,921,154	(118,723,816)
Increase / (decrease) in current liabilities		
Trade and other payables	(55,714,603)	85,832,231
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES	(68,539,841)	(226,453,338)
CASH GENERATED FROM OPERATIONS	688,164,571	478,502,107
Income tax paid	(78,289,875)	(59,112,478)
Long term security deposits paid	(482,975)	(246,810)
Finance cost paid	(288,235,126)	(220,294,835)
	(367,007,976)	(279,654,123)
NET CASH GENERATED FROM OPERATING ACTIVITIES	321,156,595	198,847,984
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(62,569,505)	(145,973,665)
Proceeds from sale of operating fixed assets	20,784,645	15,630,842
Dividend received	1,609,167	-
NET CASH USED IN INVESTING ACTIVITIES	(40,175,693)	(130,342,823)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(221,123,123)	(689,136,213)
Short term borrowings - net	(49,964)	589,625,395
NET CASH USED IN FINANCING ACTIVITIES	(221,173,087)	(99,510,818)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	59,807,815	(31,005,657)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	53,903,002	112,292,072
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	113,710,817	81,286,415

The annexed notes form an integral part of this unconsolidated condensed interim financial information.


AAMIR FAYYAZ SHEIKH
Chief Executive


SHAHBAZ MUNIR
Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2017

	SHARE CAPITAL	RESERVES							TOTAL EQUITY
		CAPITAL RESERVES			REVENUE RESERVES			Equity portion of sponsor's loan	
		Share premium reserve	Fair value reserve	Sub-total	General reserve	Accumulated loss	Sub-total		
509,110,110	213,406,310	118,792,195	332,198,505	1,058,027,640	(1,093,483,518)	(35,455,878)	75,144,631	371,887,258	880,997,368
-	-	-	-	-	-	16,450,286	-	16,450,286	16,450,286
-	-	-	-	-	-	-	(75,144,631)	(75,144,631)	(75,144,631)
-	-	-	-	-	-	145,949,710	-	145,949,710	145,949,710
-	-	(15,946,521)	(15,946,521)	-	-	-	-	(15,946,521)	(15,946,521)
-	-	(15,946,521)	(15,946,521)	-	145,949,710	145,949,710	-	130,003,189	130,003,189
509,110,110	213,406,310	102,845,674	316,251,984	1,058,027,640	(931,083,522)	126,944,118	-	443,196,102	952,306,212
-	-	-	-	-	5,483,428	5,483,428	-	5,483,428	5,483,428
-	-	-	-	-	(27,117,334)	(27,117,334)	-	(27,117,334)	(27,117,334)
-	-	(63,322,082)	(63,322,082)	-	-	-	-	(63,322,082)	(63,322,082)
-	-	(63,322,082)	(63,322,082)	-	(27,117,334)	(27,117,334)	-	(90,439,416)	(90,439,416)
509,110,110	213,406,310	39,523,592	252,929,902	1,058,027,640	(952,717,428)	105,310,212	-	358,240,114	867,350,224
-	-	-	-	-	-	14,836,892	-	14,836,892	14,836,892
-	-	-	-	-	238,412,776	238,412,776	-	238,412,776	238,412,776
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	238,412,776	238,412,776	-	238,412,776	238,412,776
509,110,110	213,406,310	39,523,592	252,929,902	1,058,027,640	(699,467,760)	358,559,880	-	611,489,782	1,120,599,892

The annexed notes form an integral part of this unconsolidated condensed interim financial information.


AMIR FAYYAZ SHEIKH
Chief Executive


SHAHBAZ MUNIR
Director

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2017

1. THE COMPANY AND ITS OPERATIONS

Kohinoor Mills Limited ("the Company") is a public limited company incorporated on 21 December 1987 in Pakistan under the Companies Ordinance, 1984 and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 8-K.M., Manga Raiwind Road, District Kasur. The Company is principally engaged in the business of textile manufacturing covering weaving, bleaching, dyeing, buying, selling and otherwise dealing in yarn, cloth and other goods and fabrics made from raw cotton and synthetic fiber and to generate, and supply electricity.

2. BASIS OF PREPARATION

This unconsolidated condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This unconsolidated condensed interim financial information of the Company for the nine months ended 31 March 2017 has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This unconsolidated condensed interim financial information should be read in conjunction with the audited annual published financial statements for the year ended 30 June 2016.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this unconsolidated condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2016.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2016.

	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
5. LONG TERM FINANCING -SECURED		
Opening balance	898,610,110	1,811,907,803
Add : Obtained during the period / year	-	36,300,000
Add : Adjustment due to impact of IAS - 39 during the period / year	41,226,851	241,522,253
Less: Repaid / adjusted during the period / year	217,262,858	1,191,119,946
	722,574,103	898,610,110
Less: Current portion shown under current liabilities	140,656,731	163,323,416
	581,917,372	735,286,694

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no significant change in the status of contingencies as reported in the preceding audited annual published financial statements of the Company for the year ended 30 June 2016 except for the provision for gas infrastructure development cess and late payment charges thereon amounting to Rupees 29.110 million for the period from September 2014 to March 2015 not recognized in the books of account as the Company has obtained stay order from Honorable Lahore High Court, Lahore and is confident of favorable outcome of the matter.

6.2 Commitments

- (i) Aggregate commitments for capital and revenue expenditures are amounting to Rupees 355.007 million and Rupees 56.632 million (30 June 2016: Rupees 19.554 million and Rupees 26.033 million) respectively.
- (ii) Post dated cheques issued to suppliers are amounting to Rupees 168.984 million (30 June 2016: Rupees 168.214 million).

	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
7. FIXED ASSETS		
Property, plant and equipment		
Operating fixed assets (Note 7.1)	3,408,359,873	3,585,296,846
Capital work-in-progress (Note 7.2)	45,594,521	28,490,007
	3,453,954,394	3,613,786,853
Intangible asset - computer software (Note 7.3)	-	-
	3,453,954,394	3,613,786,853

	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
7.1 Operating fixed assets		
Opening net book value	3,585,296,846	3,663,368,205
Add: Cost of additions during the period / year (Note 7.1.1)	45,464,988	187,015,996
	3,630,761,834	3,850,384,201
Less: Book value of deletions during the period / year (Note 7.1.2)	39,411,872	46,930,477
Depreciation charged during the period / year	152,667,013	218,156,878
Impairment loss	30,323,076	-
Closing net book value	3,408,359,873	3,585,296,846
7.1.1 Cost of additions during the period / year		
Factory building	3,924,581	31,740,020
Plant and machinery	28,674,797	126,099,656
Electric installations	582,088	2,757,538
Furniture, fixtures and equipment	1,309,304	1,454,139
Computers	1,524,483	4,474,877
Motor vehicles	9,449,735	20,489,766
	45,464,988	187,015,996
7.1.2 Book value of deletions during the period / year		
Plant and machinery	23,852,425	21,989,041
Furniture, fixtures and equipment	167,873	36,815
Computers	-	19,289
Motor vehicles	15,391,574	24,885,332
	39,411,872	46,930,477
7.2 Capital work-in-progress		
Civil works	2,579,063	-
Plant and machinery	24,127,145	20,345,577
Advances for capital expenditures	7,801,460	4,415,870
Stores held for capital expenditures	11,086,853	3,728,560
	45,594,521	28,490,007
7.3 Intangible asset - computer software has been fully amortized but still in the use of the Company.		

	Nine months ended		Un-audited Quarter ended	
	31 March 2017 Rupees	31 March 2016 Rupees	31 March 2017 Rupees	31 March 2016 Rupees
8. COST OF SALES				
Raw material consumed	5,140,126,365	3,526,596,655	1,523,696,257	1,229,617,770
Chemicals consumed	601,628,826	554,395,347	192,445,836	190,524,094
Salaries, wages and other benefits	308,785,441	273,753,205	97,574,281	87,337,519
Employee's provident fund contributions	11,213,220	9,988,466	3,803,691	3,393,728
Cloth conversion and processing charges	56,605,512	42,242,013	16,077,929	8,460,763
Fuel, oil and power	594,860,422	487,314,829	194,377,589	125,556,719
Stores, spares and loose tools consumed	117,853,683	99,532,069	40,517,683	33,554,016
Packing materials consumed	56,197,839	41,246,198	18,982,483	13,318,837
Repair and maintenance	30,014,853	25,742,100	12,036,535	7,513,239
Insurance	6,081,188	6,801,080	2,038,779	2,258,300
Other manufacturing expenses	40,654,821	51,559,588	12,106,306	7,979,764
Depreciation on operating fixed assets	142,286,440	152,014,463	46,507,590	50,627,514
	7,106,308,610	5,271,186,013	2,160,164,959	1,760,142,263
Work-in-process inventory				
Opening stock	136,625,320	143,336,567	313,468,367	159,647,200
Closing stock	(212,624,470)	(196,028,164)	(212,624,470)	(196,028,164)
	(75,999,150)	(52,691,597)	100,843,897	(36,380,964)
Cost of goods manufactured	7,030,309,460	5,218,494,416	2,261,008,856	1,723,761,299
Cost of yarn and cloth purchased for resale	12,691,274	15,241,928	3,705,805	4,984,818
	7,043,000,734	5,233,736,344	2,264,714,661	1,728,746,117
Finished goods inventory				
Opening stock	472,334,811	446,680,689	589,639,355	421,328,377
Closing stock	(396,422,168)	(415,769,610)	(396,422,168)	(415,769,610)
	75,912,643	30,911,079	193,217,187	5,558,767
	7,118,913,377	5,264,647,423	2,457,931,848	1,734,304,884

9. ANALYSIS BY SEGMENT (Un-audited)

9.1 Operating Segment

Nine month ended 31 March 2017

	Weaving	Dyeing	Power Generation	Total- Company
	Rupees	Rupees	Rupees	Rupees
Total Sale	2,925,921,586	6,509,051,312	554,551,104	9,989,524,002
Intersegment Sale	(1,028,171,736)	(41,173,529)	(554,551,104)	(1,623,896,369)
External Sale	1,897,749,850	6,467,877,783	-	8,365,627,633
Profit / (loss) from operation before taxation and unallocated income / expenses	75,618,805	526,639,299	(7,364,149)	594,893,955
Other income and expense-Net				(64,920,541)
Profit from operations				529,973,414
Finance Cost				(208,759,645)
Taxation				(82,800,993)
Profit after taxation				238,412,776

Nine month ended 31 March 2016

Total Sale	2,757,044,395	4,832,124,879	522,854,125	8,112,023,399
Intersegment Sale	(1,182,235,056)	(40,740,230)	(522,854,125)	(1,745,829,411)
External Sale	1,574,809,339	4,791,384,649	-	6,366,193,988
Profit / (loss) from operations before taxation and unallocated income / expenses	108,903,470	436,885,857	(10,568,883)	535,220,444
Other income and expense-Net				6,288,888
Profit from operations				541,509,332
Finance Cost				(332,680,555)
Taxation				(62,879,067)
Profit after taxation				145,949,710

9.2 There is no material change in segment assets from amount disclosed in preceding audited annual published financial statements.

10. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise subsidiary company, other related parties, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with related parties. Detail of transactions with related parties are as follows:

	Nine months ended		Quarter ended	
	31 March 2017 Rupees	31 March 2016 Rupees	31 March 2017 Rupees	Un-audited 31 March 2016 Rupees
Subsidiary company				
Expense paid on behalf of subsidiary company	587,356	1,279,987	163,528	269,493
Other related parties				
Loan repaid to spouse of a director	56,300,000	13,100,000	46,000,000	2,000,000
Remuneration paid to Chief Executive Officer, Directors and Executives	101,176,074	81,369,767	33,725,358	28,394,044
Contribution to employees' provident fund trust	15,661,033	13,997,349	5,300,419	4,720,396
Period end Balances			Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
Receivable from subsidiary company			2,195,388	1,608,032
Payable to spouse of a director			-	56,300,000
Payable to employees' provident fund trust			1,547,328	1,563,635

11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2016.

12. AUTHORIZED FOR ISSUE

This unconsolidated condensed interim financial information was authorized for issue on 24 April 2017 by the Board of Directors of the Company.

13. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 “Interim Financial Reporting”, the unconsolidated condensed interim balance sheet and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.




AAMIR FAYYAZ SHEIKH

Chief Executive



SHAHBAZ MUNIR

Director



Consolidated Financial Statements

For the nine months ended 31 March 2017

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT 31 MARCH 2017

	Note	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
80,000,000 (30 June 2016: 80,000,000) ordinary shares of Rupees 10 each		800,000,000	800,000,000
30,000,000 (30 June 2016: 30,000,000) preference shares of Rupees 10 each		300,000,000	300,000,000
		<u>1,100,000,000</u>	<u>1,100,000,000</u>
Issued, subscribed and paid-up share capital			
50,911,011 (30 June 2016: 50,911,011) ordinary shares of Rupees 10 each		509,110,110	509,110,110
Reserves		613,675,176	359,848,146
Total equity		<u>1,122,785,286</u>	<u>868,958,256</u>
Surplus on revaluation of operating fixed assets - net of deferred income tax		1,095,901,779	1,110,540,847
LIABILITIES			
Non-current liabilities			
Long term financing - secured	5	581,917,372	735,286,694
Deferred liabilities		230,355,531	194,599,666
		<u>812,272,903</u>	<u>929,886,360</u>
Current liabilities			
Trade and other payables		849,034,481	854,276,002
Loan from sponsor / director		272,000,000	283,000,000
Accrued markup		32,409,571	194,483,901
Short term borrowings - secured		1,917,320,002	1,917,369,966
Current portion of long term financing	5	140,656,731	163,323,416
Provision for taxation		82,800,993	73,303,245
		<u>3,294,221,778</u>	<u>3,485,756,530</u>
Total liabilities		<u>4,106,494,681</u>	<u>4,415,642,890</u>
Contingencies and commitments	6		
TOTAL EQUITY AND LIABILITIES		<u><u>6,325,181,746</u></u>	<u><u>6,395,141,993</u></u>

The annexed notes form an integral part of this consolidated condensed interim financial information.


AAMIR FAYYAZ SHEIKH
Chief Executive

	Note	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
ASSETS			
Non-current assets			
Fixed Assets	7	3,566,022,638	3,728,919,899
Long term investments		53,808,740	52,200,708
Long term security deposits		21,682,987	21,200,012
		<hr/> 3,641,514,365	<hr/> 3,802,320,619
Current assets			
Stores, spares and loose tools		399,292,985	416,776,129
Stock-in-trade		777,787,303	806,079,356
Trade debts		605,896,476	465,442,351
Advances		117,731,755	74,812,228
Trade deposits and short term prepayments		18,006,410	14,447,911
Other receivables		409,972,168	312,257,942
Sales tax recoverable		241,101,241	449,022,395
Cash and bank balances		113,879,043	53,983,062
		<hr/> 2,683,667,381	<hr/> 2,592,821,374
TOTAL ASSETS		<hr/> <hr/> 6,325,181,746	<hr/> <hr/> 6,395,141,993




SHAHBAZ MUNIR

Director

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2017

	Nine months ended		Quarter ended	
	31 March 2017 Rupees	31 March 2016 Rupees	31 March 2017 Rupees	31 March 2016 Rupees
SALES	8,365,627,633	6,366,193,988	2,889,913,498	2,072,876,991
COST OF SALES	(7,118,913,377)	(5,264,647,423)	(2,457,931,848)	(1,734,304,884)
GROSS PROFIT	1,246,714,256	1,101,546,565	431,981,650	338,572,107
DISTRIBUTION COST	(470,007,196)	(389,280,486)	(193,540,528)	(124,233,493)
ADMINISTRATIVE EXPENSES	(186,448,730)	(181,960,162)	(64,451,903)	(65,408,739)
OTHER EXPENSES	(104,978,171)	(20,206,502)	(35,742,011)	1,548,225
	(761,434,097)	(591,447,150)	(293,734,442)	(188,094,007)
OTHER INCOME	485,280,159	510,099,415	138,247,208	150,478,100
	44,693,255	30,653,872	21,326,767	7,273,322
PROFIT FROM OPERATIONS	529,973,414	540,753,287	159,573,975	157,751,422
FINANCE COST	(208,759,645)	(332,680,555)	(53,939,322)	(144,185,900)
PROFIT BEFORE TAXATION	321,213,769	208,072,732	105,634,653	13,565,522
TAXATION	(82,800,993)	(62,879,067)	(29,723,839)	(24,521,618)
PROFIT / (LOSS) AFTER TAXATION	238,412,776	145,193,665	75,910,814	(10,956,096)
EARNING PER SHARE - BASIC AND DILUTED	4.68	2.85	1.49	(0.22)

The annexed notes form an integral part of this consolidated condensed interim financial information.



AAMIR FAYYAZ SHEIKH
Chief Executive


SHAHBAZ MUNIR
Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2017

	Nine months ended		Quarter ended	
	31 March 2017 Rupees	31 March 2016 Rupees	31 March 2017 Rupees	31 March 2016 Rupees
PROFIT / (LOSS) AFTER TAXATION	238,412,776	145,193,665	75,910,814	(10,956,096)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Deficit arising on remeasurement of available for sale investment to fair value	-	(20,982,265)	-	(27,238,708)
Deferred income tax relating to re-measurement of available for sale investment to fair value	-	5,035,744	-	6,584,214
Other comprehensive loss for the period - net of tax	-	(15,946,521)	-	(20,654,494)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	238,412,776	129,247,144	75,910,814	(31,610,590)

The annexed notes form an integral part of this consolidated condensed interim financial information.


AAMIR FAYYAZ SHEIKH
Chief Executive


SHAHBAZ MUNIR
Director

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)

FOR THE NINE MONTHS ENDED 31 MARCH 2017

	31 March 2017 Rupees	31 March 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	321,213,769	208,072,732
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	155,731,815	165,986,875
Dividend income	(1,609,167)	(2,413,751)
Loss / (Gain) on sale of operating fixed assets	18,627,227	(303,340)
Impairment loss on operating fixed assets	30,323,078	-
Provision for doubtful trade debts	21,499,865	-
Adjustment due to impact of IAS - 39	45,087,116	173,989,652
Finance cost	163,672,529	158,690,903
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE ADJUSTMENT OF WORKING CAPITAL CHANGES		
	754,546,232	704,023,071
(Increase) / decrease in current assets		
Stores, spares and loose tools	17,483,144	(20,482,260)
Stock-in-trade	28,292,053	(52,538,303)
Trade debts	(161,953,990)	(79,558,906)
Advances	(42,919,527)	(24,200,831)
Trade deposits and short term prepayments	(3,558,499)	(11,362,203)
Other receivables	(95,316,309)	(5,888,686)
Sales tax recoverable	207,921,154	(118,723,816)
Increase / (decrease) in current liabilities		
Trade and other payables	(5,241,521)	87,234,042
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES		
	(55,293,495)	(225,520,963)
CASH GENERATED FROM OPERATIONS		
	699,252,737	478,502,108
Income tax paid	(78,289,875)	(59,112,478)
Long term security deposits paid	(482,975)	(246,810)
Finance cost paid	(288,235,126)	(220,294,835)
	(367,007,976)	(279,654,123)
NET CASH GENERATED FROM OPERATING ACTIVITIES		
	332,244,761	198,847,985
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(62,569,505)	(145,973,666)
Proceeds from sale of operating fixed assets	20,784,645	15,630,842
Dividend received	1,609,167	-
NET CASH USED IN INVESTING ACTIVITIES		
	(40,175,693)	(130,342,824)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(232,123,123)	(689,136,213)
Short term borrowings - net	(49,964)	589,625,395
NET CASH USED IN FINANCING ACTIVITIES		
	(232,173,087)	(99,510,818)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		
	59,895,981	(31,005,657)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		
	53,983,062	112,377,211
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
	113,879,043	81,371,554

The annexed notes form an integral part of this consolidated condensed interim financial information.



AAMIR FAYYAZ SHEIKH

Chief Executive
Kohinoor Mills Limited



SHAHBAZ MUNIR

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2017

	SHARE CAPITAL	RESERVES							TOTAL EQUITY	
		CAPITAL RESERVES		REVENUE RESERVES			Equity portion of sponsor's loan	Total reserves		
		Share premium reserve	Fair value reserve	Sub-total	General reserve	Accumulated loss				Sub-total
Balance as at 01 July 2015 - (audited)	509,110,110	213,406,310	118,792,195	332,198,505	1,058,027,640	(1,093,483,518)	75,144,631	371,887,258	880,997,368	
Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax	-	-	-	-	-	17,206,331	-	17,206,331	17,206,331	
Adjustment due to change in repayment terms of sponsor's loan	-	-	-	-	-	-	(75,144,631)	(75,144,631)	(75,144,631)	
Profit for the nine months ended 31 March 2016	-	-	-	-	-	145,193,665	-	145,193,665	145,193,665	
Other comprehensive loss for the nine months ended 31 March 2016	-	-	(15,946,521)	(15,946,521)	-	-	-	(15,946,521)	(15,946,521)	
Total comprehensive income for the nine months ended 31 March 2016	-	-	(15,946,521)	(15,946,521)	-	145,193,665	-	129,247,144	129,247,144	
Balance as at 31 March 2016 - (Un-audited)	509,110,110	213,406,310	102,845,674	316,251,984	1,058,027,640	(931,083,522)	126,944,118	443,196,102	952,306,212	
Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax	-	-	-	-	-	5,525,972	-	5,525,972	5,525,972	
Loss for the quarter ended 30 June 2016	-	-	-	-	-	(25,551,846)	-	(25,551,846)	(25,551,846)	
Other comprehensive loss for the quarter ended 30 June 2016	-	-	(63,322,082)	(63,322,082)	-	-	-	(63,322,082)	(63,322,082)	
Total comprehensive loss for the quarter ended 30 June 2016	-	-	(63,322,082)	(63,322,082)	-	(25,551,846)	-	(88,873,928)	(88,873,928)	
Balance as at 30 June 2016 - (audited)	509,110,110	213,406,310	39,523,592	252,929,902	1,058,027,640	(951,109,396)	106,918,244	359,848,146	868,958,256	
Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax	-	-	-	-	-	15,414,254	-	15,414,254	15,414,254	
Profit for the nine months ended 31 March 2017	-	-	-	-	-	238,412,776	-	238,412,776	238,412,776	
Other comprehensive income for the nine months ended 31 March 2017	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the nine months ended 31 March 2017	-	-	-	-	-	238,412,776	-	238,412,776	238,412,776	
Balance as at 31 March 2017 - (Un-audited)	509,110,110	213,406,310	39,523,592	252,929,902	1,058,027,640	(697,282,366)	360,745,274	613,675,176	1,122,785,286	

The annexed notes form an integral part of this consolidated condensed interim financial information.

A.I.

AAMIR FAYYAZ SHEIKH
Chief Executive

S. Munir

SHAHBAZ MUNIR
Director

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (Un-audited) FOR THE NINE MONTHS ENDED 31 MARCH 2017

1. THE GROUP AND ITS OPERATIONS

1.1 Holding company

Kohinoor Mills Limited ("the Company") is a public limited company incorporated on 21 December 1987 in Pakistan under the Companies Ordinance, 1984 and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 8-K.M., Manga Raiwind Road, District Kasur. The Company is principally engaged in the business of textile manufacturing covering weaving, bleaching, dyeing, buying, selling and otherwise dealing in yarn, cloth and other goods and fabrics made from raw cotton and synthetic fiber and to generate, and supply electricity.

1.2 Subsidiary company

Q Mart Corporation (Private) Limited ("the Subsidiary Company"), a wholly owned subsidiary of Kohinoor Mills Limited was incorporated in Pakistan on 18 July 2005 as a private limited company under the Companies Ordinance, 1984, is in liquidation under members' voluntary winding up under section 358 of the Companies Ordinance, 1984. The Subsidiary Company has disposed of all its fixed assets. A large number of receivables and payables have been settled. All assets and liabilities of the Subsidiary Company reported in these consolidated financial statements are based on estimated realizable / settlement values. The registered office of the Subsidiary Company is situated at 8-K.M., Manga Raiwind Road, District Kasur. The principal activity of the Subsidiary Company was to carry on business as a retailer in all types of general merchandise.

2. BASIS OF PREPARATION

This consolidated condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This consolidated condensed interim financial information of the Group for the nine months ended 31 March 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This consolidated condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Group for the year ended 30 June 2016.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this consolidated condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Group for the year ended 30 June 2016.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Group for the year ended 30 June 2016.

	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
5. LONG TERM FINANCING -SECURED		
Opening balance	898,610,110	1,811,907,803
Add : Obtained during the period / year	-	36,300,000
Add : Adjustment due to impact of IAS - 39 during the period / year	41,226,851	241,522,253
Less: Repaid / adjusted during the period / year	217,262,858	1,191,119,946
	722,574,103	898,610,110
Less: Current portion shown under current liabilities	140,656,731	163,323,416
	581,917,372	735,286,694

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

Holding Company

There is no significant change in the status of contingencies as reported in the preceding audited annual published financial statements of the Group for the year ended 30 June 2016 except for the provision for gas infrastructure development cess and late payment charges thereon amounting to Rupees 29.110 million for the period from September 2014 to March 2015 not recognized in the books of account as the Group has obtained stay order from Honorable Lahore High Court, Lahore and is confident of favorable outcome of the matter.

6.2 Commitments

Holding Company

- (i) Aggregate commitments for capital and revenue expenditures are amounting to Rupees 355.007 million and Rupees 56.632 million (30 June 2016: Rupees 19.554 million and Rupees 26.033 million) respectively.
- (ii) Post dated cheques issued to suppliers are amounting to Rupees 168.984 million (30 June 2016: Rupees 168.214 million).

	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
7. FIXED ASSETS		
Property, plant and equipment		
Operating fixed assets (Note 7.1)	3,520,428,117	3,700,429,892
Capital work-in-progress (Note 7.2)	45,594,521	28,490,007
	3,566,022,638	3,728,919,899
Intangible assets - computer software (Note 7.3)	-	-
	3,566,022,638	3,728,919,899

	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
7.1 Operating fixed assets		
Opening net book value	3,700,429,892	3,782,802,726
Add: Cost of additions during the period / year (Note 7.1.1)	45,464,988	187,015,996
	3,745,894,880	3,969,818,722
Less: Book value of deletions during the period / year (Note 7.1.2)	39,411,872	46,930,477
Depreciation charged during the period / year	155,731,815	222,458,353
Impairment loss	30,323,076	-
Closing net book value	3,520,428,117	3,700,429,892
7.1.1 Cost of additions during the period / year		
Factory building	3,924,581	31,740,020
Plant and machinery	28,674,797	126,099,656
Electric installations	582,088	2,757,538
Furniture, fixtures and equipment	1,309,304	1,454,139
Computers	1,524,483	4,474,877
Motor vehicles	9,449,735	20,489,766
	45,464,988	187,015,996
7.1.2 Book value of deletions during the period / year		
Plant and machinery	23,852,425	21,989,041
Furniture, fixtures and equipment	167,873	36,815
Computers	-	19,289
Motor vehicles	15,391,574	24,885,332
	39,411,872	46,930,477
7.2 Capital work-in-progress		
Civil works	2,579,063	-
Plant and machinery	24,127,145	20,345,577
Advances for capital expenditures	7,801,460	4,415,870
Stores held for capital expenditures	11,086,853	3,728,560
	45,594,521	28,490,007

7.3 Intangible asset - computer software has been fully amortized but still in the use of the Company.

8. ANALYSIS BY SEGMENT (Un-audited)

8.1 Operating Segment

Nine month ended 31 March 2017

	Weaving	Dyeing	Power Generation	Retail	Total- Group
	Rupees	Rupees	Rupees	Rupees	Rupees
Total Sale	2,925,921,586	6,509,051,312	554,551,104	-	9,989,524,002
Intersegment Sale	(1,028,171,736)	(41,173,529)	(554,551,104)	-	(1,623,896,369)
External Sale	1,897,749,850	6,467,877,783	-	-	8,365,627,633
Profit / (loss) from operation before taxation and unallocated income / expenses	75,618,805	526,639,299	(7,364,149)	(4,635,625)	590,258,330
Other income and expense-Net					(60,284,916)
Profit from operations					529,973,414
Finance Cost					(208,759,645)
Taxation					(82,800,993)
Profit after taxation					238,412,776

	Weaving	Dyeing	Power Generation	Retail	Total- Group
	Rupees	Rupees	Rupees	Rupees	Rupees

Nine month ended 31 March 2016

Total Sale	2,757,044,395	4,832,124,879	522,854,125	-	8,112,023,399
Intersegment Sale	(1,182,235,056)	(40,740,230)	(522,854,125)	-	(1,745,829,411)
External Sale	1,574,809,339	4,791,384,649	-	-	6,366,193,988
Profit / (loss) from operation before taxation and unallocated income / expenses	108,903,470	436,885,857	(10,568,883)	(4,914,527)	530,305,917
Other income and expense-Net					10,447,370
Profit from operations					540,753,287
Finance Cost					(332,680,555)
Taxation					(62,879,067)
Profit after taxation					145,193,665

8.2 There is no material change in segment assets from amount disclosed in preceding audited annual published financial statements.

9. TRANSACTIONS WITH RELATED PARTIES

Related parties comprises associated undertakings, other related parties, key management personnel and provident fund trust. The Group in the normal course of business carries out transactions with related parties. Detail of transaction with related parties are as follows:

	Nine months ended		Quarter ended	
	31 March 2017 Rupees	31 March 2016 Rupees	31 March 2017 Rupees	Un-audited 31 March 2016 Rupees
Other related parties				
Loan repaid to spouse of a director	56,300,000	13,100,000	46,000,000	2,000,000
Remuneration paid to Chief Executive Officer, Directors and Executives	101,176,074	81,369,767	33,725,358	28,394,044
Contribution to employees' provident fund trust	15,661,033	13,997,349	5,300,419	4,720,396
Period end Balances			Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees
Payable to related party			-	56,300,000
Payable to employees' provident fund trust			1,547,328	1,563,635

10. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Group for the year ended 30 June 2016.

11. AUTHORIZED FOR ISSUE

This consolidated condensed interim financial information was authorized for issue on 24 April 2017 by the Board of Directors of the Holding Company.

12. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the consolidated condensed interim balance sheet and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income and consolidated condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.



AAMIR FAYYAZ SHEIKH
Chief Executive



SHAHBAZ MUNIR
Director



Kohinoor Mills Limited

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