

KOHINOOR

INDUSTRIES LIMITED

QUARTERLY REPORT
30 SEPTEMBER 2017
(UN-AUDITED)

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BOARD OF DIRECTORS

Mr. M. Naseem Saigol
Mr. M. Azam Saigol
Rana Asad Iqbal
Mr. M. Omer Farooq
Mr. Muhammad Athar Rafiq
Mr. Muhammad Shamil
Mr. Rashid Ahmad Javaid

Chairman
Chief Executive Officer

AUDIT COMMITTEE

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

Chairman/Member
Member
Member
Member

HR & REMUNERATION COMMITTEE

Mr. M. Naseem Saigol
Mr. M. Azam Saigol
Mr. Rashid Ahmad Javaid

Chairman
Member
Member

COMPANY SECRETARY

Kh. Safee Sultan

CHIEF FINANCIAL OFFICER

Mr. Asif Ali Mughal

AUDITORS

M/s Mudassar Ehtisham & Co.
Chartered Accountants

REGISTRATION NUMBER

0000214

NTN

0452891-3

WEBSITE

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: 35717364-65 & 35718274-75 Fax: 35715105
E-mail: 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

DIRECTOR'S REPORT

The Directors' of your company presented before you the report of the company for the 1st Quarter ended September 30, 2017.

During the period under review, the revenue of the company for the period is Rs. 8.675 million as compared to Rs. 8.03 million in the corresponding period last year. During the period the company earned profit Rs. 1.40 million as compare to profit of Rs. 3.10 million. We are trying and hopeful that company will be able to mature more viable business ventures in future.

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.

For and on behalf of the Board



M. AZAM SAIGOL

Chief Executive

Lahore

October 30, 2017

ڈائریکٹر رپورٹ:


کمپنی کے ڈائریکٹر ان، حصہ داران کے سامنے کمپنی کا کردگی برائے دورانیہ 30 ستمبر، 2017 پیش کی۔

زیر غور دورانیہ میں کمپنی نے 8.675 ملین سرمایہ کمایا جبکہ گزشتہ سال اسی عرصہ میں 8.03 ملین سرمایہ کمایا تھا۔ کمپنی نے زیر جائزہ دورانیہ میں 1.40 ملین کا منافع کمایا جو کہ گزشتہ سال اسی عرصہ میں 3.10 ملین تھا۔

ہم کوشش کر رہے ہیں اور پُر امید ہیں کہ کمپنی مستقبل میں مزید قابل عمل کاروباری منصوبے شروع کرے گی۔

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 سراہتے ہوئے یہ امید کرتی ہے کہ وہ اسی انداز میں آئندہ بھی اپنے فرائض سرانجام دیتے رہیں گے۔

منجانب و برائے بورڈ:


محمد اعظم سہگل

چیف ایگزیکٹو

لاہور

30 اکتوبر 2017

KOHINOOR INDUSTRIES LIMITED
BALANCE SHEET AS AT SEPTEMBER 30, 2017

| | Note | Sep 30, 2017 Rupees | June 30, 2017 Rupees |
|---|------|------------------------|-------------------------|
| ASSETS | | | |
| Non current assets | | | |
| Property, plant and equipment | | 3,416,478 | 3,514,453 |
| Government taken over concerns | | - | - |
| Investment property | | 764,656,286 | 764,656,286 |
| Long term deposits | | 368,876 | 368,876 |
| Long term investments | | 18,399,150 | 20,128,500 |
| Current assets | | | |
| Loans and advances | | 122,536 | 123,536 |
| Trade deposits and short term prepayments | | 594,100 | 594,100 |
| Other receivables | | 198,200 | 20,000 |
| Tax refunds due from Governments | | 13,411,878 | 12,115,626 |
| Cash and bank balances | | 4,465,432 | 1,746,555 |
| | | 18,792,146 | 14,599,817 |
| TOTAL ASSETS | | 805,632,936 | 803,267,932 |
| EQUITY AND LIABILITIES | | | |
| Share capital and reserves | | | |
| Authorized capital | | 400,000,000 | 400,000,000 |
| 40,000,000 ordinary shares of Rs. 10 each | | | |
| Issued, subscribed and paid up capital | | 303,025,430 | 303,025,430 |
| Reserves | | 187,394,755 | 187,394,755 |
| Unappropriated (loss) / profit | | (748,815,327) | (750,217,844) |
| | | (258,395,142) | (259,797,659) |
| Surplus on revaluation of fixed assets | | 651,264,077 | 651,264,077 |
| Current liabilities | | | |
| Trade and other payables | | 34,420,042 | 32,781,856 |
| Short term loan from directors - unsecured | | 358,516,740 | 359,479,701 |
| Provision for taxation | | 19,827,219 | 19,539,957 |
| | | 412,764,001 | 411,801,514 |
| Contingencies & Commitments | | | |
| TOTAL EQUITY AND LIABILITIES | 3 | 805,632,936 | 803,267,932 |

The annexed notes form an integral part of these financial statements


(CHIEF EXECUTIVE OFFICER)


(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED SEPTEMBER 30, 2017

| | Note | Sep 30, 2017 Rupees | Sep 30, 2016 Rupees |
|--|------|-------------------------|-------------------------|
| Revenue | | 8,675,482 | 8,026,300 |
| Other operating income | | - | - |
| | | <u>8,675,482</u> | <u>8,026,300</u> |
| Operating expenses : | | | |
| Administrative expenses | | <u>(5,247,413)</u> | <u>(4,001,535)</u> |
| | | 3,428,069 | 4,024,765 |
| Other Operating expenses | | <u>(319,294)</u> | <u>(419,886)</u> |
| Finance cost | | <u>(8,940)</u> | <u>(5,979)</u> |
| Share of profit / (loss) from Associate | | <u>(1,410,056)</u> | <u>136,386</u> |
| Profit before taxation | | <u>1,689,779</u> | <u>3,735,286</u> |
| Taxation | | <u>(287,262)</u> | <u>(634,998)</u> |
| Profit after tax | | <u><u>1,402,517</u></u> | <u><u>3,100,288</u></u> |
| Earning per share - basic and diluted | | <u><u>0.05</u></u> | <u><u>0.10</u></u> |

The annexed notes form an integral part of these financial statements


(CHIEF EXECUTIVE OFFICER)



(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED SEPTEMBER 30, 2017

| | Sep 30, 2017 Rupees | Sep 30, 2016 Rupees |
|-----------------------------------|------------------------|------------------------|
| Net profit for the quarter | 1,402,517 | 3,100,288 |
| Other Comprehensive Income | - | - |
| Total Comprehensive Income | <u>1,402,517</u> | <u>3,100,288</u> |

The annexed notes form an integral part of these financial statements

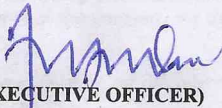

 (CHIEF EXECUTIVE OFFICER)


 (DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2017

| | Note | Sep 30, 2017 Rupees | Sep 30, 2016 Rupees |
|--|------|------------------------|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before taxation | | 1,689,779 | 3,735,286 |
| Adjustments for: | | | |
| Depreciation | | 97,975 | 111,670 |
| Share of profit / (loss) from Associate | | 1,410,056 | (136,386) |
| (Reversal)/Provision for short fall in value of investment | | 319,294 | 419,886 |
| Finance cost | | 8,940 | 5,979 |
| | | 1,836,265 | 401,149 |
| Profit before working capital changes | | 3,526,044 | 4,136,435 |
| Effect on cash flow due to working capital changes | | | |
| (Increase)/ decrease in: | | | |
| Loans and advances | | 1,000 | 9,000 |
| Other receivables | | (178,200) | - |
| Trade and other payables | | 1,638,186 | 1,355,244 |
| Short term loans from directors - Unsecured | | (962,961) | (3,014,428) |
| | | 498,025 | (1,650,184) |
| Cash generated from operations | | 4,024,069 | 2,486,251 |
| Finance cost paid | | (8,940) | (5,979) |
| Income tax paid | | (1,296,252) | (1,217,526) |
| | | (1,305,192) | (1,223,505) |
| Net increase / (decrease) in cash and cash equivalents | | 2,718,877 | 1,262,746 |
| Cash and cash equivalents at the beginning of year | | 1,746,555 | 2,268,714 |
| Cash and cash equivalents at the end of year | | 4,465,432 | 3,531,460 |

The annexed notes form an integral part of these financial statements


(CHIEF EXECUTIVE OFFICER)

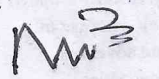

(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED SEPTEMBER 30, 2017

| | Share capital | Capital | Revenue | Total |
|--|---------------|---------------|------------------------------|---------------|
| | | Share Premium | Unappropriated profit/(loss) | |
| -----Rupees----- | | | | |
| Balance as at June 30, 2017 | 303,025,430 | 187,394,755 | (750,217,844) | (259,797,659) |
| Total comprehensive profit for the quarter | - | - | 1,402,517 | 1,402,517 |
| Balance as at September 30, 2017 | 303,025,430 | 187,394,755 | (748,815,327) | (258,395,142) |

The annexed notes form an integral part of these financial statements


 (CHIEF EXECUTIVE OFFICER)


 (DIRECTOR)

KOHINOOR INDUSTRIES LIMITED

NOTES TO THE ACCOUNTS FOR THE QUARTER ENDED SEPTEMBER 30, 2017

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, Manager 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 30.09.2017 stands at Rs. 303.025 million while adverse balance of reserves and Unappropriated losses are amounting to Rs. 748.815 million leaving adverse balance of equity at Rs. 258.395 million. Our current liabilities are Rs. 412.764 million whereas the current assets are Rs. 18.792 million and current liabilities are more by Rs.393.972 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 quarter is aggregating to Rs. 8.026 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

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, 2017.

4- TAXATION

Provision in respect of taxation, for this quarter, 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.

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