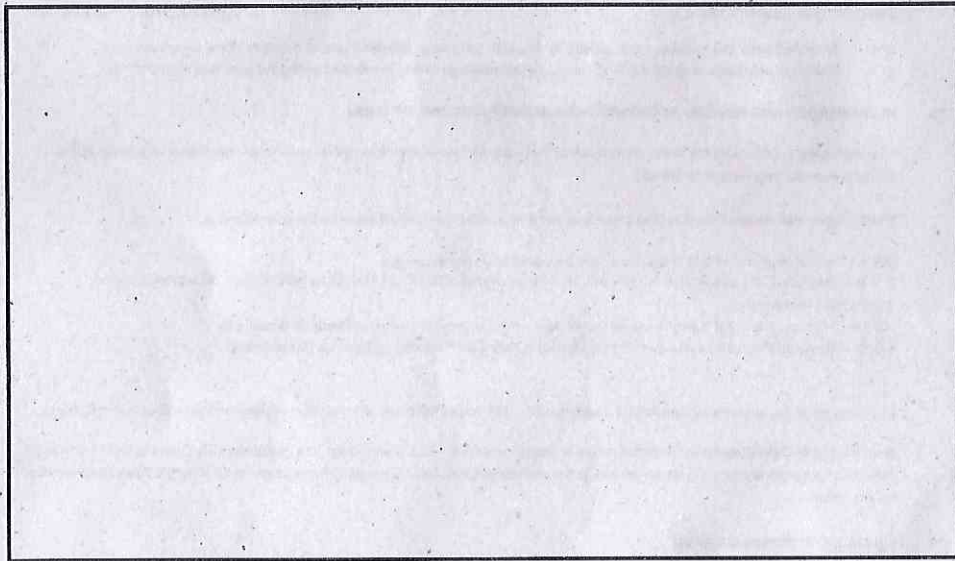


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KOHINOOR

INDUSTRIES LIMITED



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17-Aziz Avenue, Canal Bank, Gulberg-V, Lahore.
Tel: 35718274-75 35717364-66

HALF YEAR REPORT 2016

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25. FINANCE COST

Bank charges and commission	10,262	7,066
	<u>10,262</u>	<u>7,066</u>

26. EARNING PER SHARE-BASIC AND DILUTED

Net profit after taxation	11,176,309	5,955,913
Weighted average number of ordinary shares issued and subscribed during the period	30,302,543	30,302,543
Earning per share-basic and diluted	<u>0.37</u>	<u>0.20</u>

27. TRANSACTIONS WITH RELATED PARTIES

Lease rent	-	825,000
Interest free short term loan repaid	5,764,428	7,969,915
Short term loan payable to directors	365,804,970	382,261,651

27.1 All related party transactions are approved by the audit committee and the Board of directors of the Company.

27.2 Maximum aggregate amount due from associate undertakings at any month end during the year was Nil (2015: Nil)

28. NEW AMENDED AND REVISED STANDARDS AND INTERPRETATIONS OF IFRSs

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as follows:

The Company has adopted the following amendment to IFRSs which became effective for the current period:

IAS 1 – Presentation of Financial Statements: Disclosure Initiative (Amendment)
 IAS 16 – Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
 IAS 16 – Property, Plant and Equipment and IAS 41 Agriculture: 'Agriculture - Bearer Plants' (Amendment)
 IAS 27 – Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)

The adoption of the above amendment to accounting standards did not have any effect on the condensed interim financial statements.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB. The Company expects that such improvements to the standards do not have any material impact on the Company's financial statements for the period.

29. FINANCIAL RISK MANAGEMENT

The company's financial risk management objectives and policies are consistent with the disclosed in the financial statements for the financial year ended on 30 June, 2016.

30. CAPACITY AND PRODUCTION

Production was closed with effect from 12th October, 2007 and production machinery was disposed off. Also refer to note no. 1.

31. GENERAL

31.1 These financial statements were authorized for issue on 28 February, 2017, by the board of directors of the company.

31.2 Figures have been rounded off to nearest rupee.


(CHIEF EXECUTIVE OFFICER)


(DIRECTOR)

**AUDITORS' REPORT TO THE MEMBERS
ON REVIEW OF INTERIM FINANCIAL INFORMATION**

Introduction

We have reviewed the accompanying condensed interim balance sheet of KOHINOOR INDUSTRIES LIMITED ("the Company") as at December 31, 2016, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof, for the six-months period then ended (here-in-after referred to as "the condensed interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account for the quarters ended December 31, 2015 and December 31, 2016 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2016.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of the persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the six months period ended December 31, 2016 is not prepared in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

We draw attention to the matter that during the period ended 31 December 2016, the Company has incurred profit before tax of Rs. 13.465 million and its current liabilities exceeded its current assets by Rs. 403.72 million, and its accumulated losses stood at Rs. 750.990 million. These conditions, along with other matters as set forth in note 1.2 to the financial statements, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements have however been prepared on a going concern basis for the reasons more fully explained in note 1.2 to the financial statements.

Our conclusion is not qualified in respect of this matter

Mudassar Ehtisham & Co.

Chartered Accountants

Engagement Partner: Mudassar Raza

Lahore: February 28, 2017

17. TRADE AND OTHER PAYABLES

Trade creditors:

For goods

For expenses

Tax deducted at source

Sale tax payable - ONO

Advance for rent

Workers' profit participation fund

Unclaimed dividend

5,006,047

3,905,599

81,135

16,365

20,642,050

20,642,050

5,215,503

5,215,503

371,704

371,704

1,034,826

1,034,826

32,351,265

31,186,047

18. SHORT TERM LOAN FROM DIRECTORS - UNSECURED

These are comprise of:

Interest free Short term loan from directors

(18.1)

365,804,970

371,569,398

18.1 This represents interest free loan provided by the directors of the Company. There is no agreement however these are repayable on demand.

19. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

The amounts of future payments and periods during which they fall due are:-

Present value of minimum lease payments

864,742

864,742

Less: Current maturity

(864,742)

(864,742)

Long-term portion

The minimum lease payments have been discounted using implicit interest rate ranging from 10.00% to 14.50% per annum. Rentals are payable in monthly equal installments and in case of default of any payment additional lease rental on overdue payments is payable at Rs. 100/- per day. The lease liability was partly secured by deposits of Rs. 1.730 million and personal guarantees of two directors of the company. The lessee has the option to purchase the assets after expiry of the lease term.

Taxes, repairs and insurance costs are to be borne by the company. The lease agreement may be terminated by the company at the end of any completed year of the agreement after the first year after payment of the termination cost at the rate of principal outstanding plus 6.5%.

The amount of future payments of lease and the period in which these payments will become due are as follows:

	Minimum lease payments	Future finance cost	Present value of lease liabilities	
			2016	2015
			Rupees	
Not later than one year	864,742	-	864,742	864,742
Later than one year but not later than five years	-	-	-	-
	864,742	-	864,742	864,742

20. PROVISION FOR TAXATION

Opening provision	23,741,607	16,975,202
For the year	2,289,124	6,766,405
Prior years:		
Additional tax on late payments		
	<u>26,030,731</u>	<u>23,741,607</u>

21. 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 2016.

22. REVENUE

22.1 The company had ceased the commercial operation w.e.f 12th October, 2007 and all of the stocks were disposed off. Refer to Note No. 1. The Company has earned income from renting out its premises.

	Dec 31, 2016 Rupees	Dec 31, 2015 Rupees
22.2 Rental Income	<u>16,137,949</u>	<u>14,872,805</u>
	<u>16,137,949</u>	<u>14,872,805</u>

23. OTHER OPERATING INCOME

Income from financial assets
Mark up on bank deposits

Income from other than financial assets
Increase in fair value of investment property
Reversal of provision for short fall in the value of investment

	<u>4,314,490</u>	<u>1,388,437</u>
	<u>4,314,490</u>	<u>1,388,437</u>

24. ADMINISTRATIVE EXPENSES

Staff salaries, wages and benefits	6,716,868	1,630,452
Traveling and conveyance	48,910	4,140
Printing and stationery	108,930	57,520
Telecommunication	90,090	71,151
Postage & telegram	11,484	-
Legal and professional	466,842	630,221
Paper & Periodical	4,690	-
Electricity and Gas	7,293	35,064
Advertisement	30,000	102,150
Insurance	65,868	-
Vehicle & running & mtc	10,930	-
Entertainment	103,485	13,700
Staff Welfare	12,540	2,185
Misc Expenses	8,904	13,150
Repairs and maintenance	25,180	-
Depreciation	(4.1) <u>223,340</u>	<u>5,015,550</u>
	<u>7,935,354</u>	<u>7,575,283</u>

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/Non-Executive
Chief Executive Officer/Executive

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 (AICS)

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

WORKS

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

REGISTERED OFFICE

17-Aziz Avenue, Canal Bank,
Gulberg-V, Lahore.
Tel: 35717364-65 & 35718274-75 Fax: 35715105
E-mail: shares@saigols.com

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

ڈائریکٹر رپورٹ

کمپنی کے ڈائریکٹران نے کمپنی شیئر ہولڈرز کے سامنے ان کی رپورٹ ہمراہ عبوری مالی نمائندہ برائے دورانیہ 31 دسمبر 2016 پیش کی۔ زیر غور دورانیہ میں کمپنی نے اپنے علاقے کرائے پر دے کر بلحاظ 16.14 ملین روپے کمائے جس کے مقابل گزشتہ سال کے دورانیہ میں 14.87 ملین روپے کمائے تھے۔ کمپنی نے اس کے علاوہ اپنی ماحولہ کمپنی میں پہلے سے کی گئی سرمایہ کاری کی مالیت میں 4.3 ملین روپے کا اضافہ / منافع کیا ہے۔

منجست مسلسل مختلف کاروباری تبادلات کی جانچ پڑتال کر رہی ہے تاکہ کمپنی کو مالی طور پر مزید مستحکم کیا جاسکے۔ ہمیں امید ہے کہ آنے والے دورانیہ کو مزید قابل عمل کاروباری مواقع حاصل ہوں گے۔

اکاؤنٹس آن گونگ بیس (on going basis) پر تیار کر دیے گئے ہیں کیونکہ کمپنی نے اپنی تمام ذمہ داریاں اپنے ذرائع سے پوری کی ہیں۔ کمپنی قرض سے تقریباً آزاد ہے ماسوائے سپلائروں کے، جس کا کمپنی پر کوئی مالی بوجھ نہیں ہے۔ کمپنی کے اثاثہ جات ذمہ داریاں ادا کرنے کیلئے کافی ہیں لہذا جاری معاملات پر کوئی شک نہیں ہے۔

ہم تمام شیئر ہولڈرز کے بھرپور تعاون کیلئے ان کا شکریہ ادا کرنا چاہتے 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۔

کمپنی کیلئے اور کمپنی کی جانب سے

اعظم سہیل

چیف ایگزیکٹو

لاہور

28 فروری 2017

9. LOANS AND ADVANCES

Advances to:

Employees:

Un-secured, considered good

42,036 64,036

Un-secured, considered doubtful

- -

42,036 64,036

Less: Provision for doubtful advances

42,036 64,036

Others associated undertaking

(9.1)

15,114,624 15,114,624

Less: provision for doubtful advance

(15,114,624) (15,114,624)

42,036 64,036

9.1 Advances - Others

Considered doubtful:

Kohinoor Textile Mills Limited

9,281,210 9,281,210

Kohinoor Cotton Mills Limited

5,833,414 5,833,414

15,114,624 15,114,624

10. TRADE DEPOSITS

Margin deposit

594,100 594,100

594,100 594,100

11. OTHER RECEIVABLES

Rebate/claims and central excise duty receivables

10,647,437 10,647,437

Less: Provision of rebate/claims and central excise duty receivables

(10,647,437) (10,647,437)

Rent and other receivables

20,000 182,000

20,000 182,000

12. TAX REFUND

Sales tax deposits

(12.1)

4,236,934 4,236,934

Income tax deducted at source

(12.2)

26,143,948 23,648,581

30,380,882 27,885,515

Less: provision for doubtful recovery

(13,485,227) (13,485,227)

16,895,655 14,400,288

12.1 It relates to year 2005 to 2007 that was paid on utilities. The management is hopeful that it would be in a position to recover the same in the coming years.

12.2 These are made up as follows

Opening balance of advance tax	19,150,005	15,143,842
Adjustment of provision for assessment completed		
Paid / deducted during the period	4,498,576	4,006,163
	<u>23,648,581</u>	<u>19,150,005</u>

13. CASH AND BANK BALANCES

Cash in hand	1,648,313	82,783
Balance with banks:		
in current accounts	2,017,022	2,077,456
in saving accounts	108,475	108,475
Cash and cash equivalents	<u>3,773,810</u>	<u>2,268,714</u>

14. SHARE CAPITAL**Authorized**

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

12,095,482 ordinary shares of Rs. 10 each	120,954,820	120,954,820
18,207,061 issued as fully paid bonus shares out of reserves	<u>182,070,610</u>	<u>182,070,610</u>
	<u>303,025,430</u>	<u>303,025,430</u>

14.1 At June 30, 2015 none of the associated companies of the company had any shareholding in the company.

15. RESERVES

Capital- Premium on issue of shares	<u>187,394,755</u>	<u>187,394,755</u>
	<u>187,394,755</u>	<u>187,394,755</u>

Dec 31, 2016	June 30, 2016
Rupees	Rupees
	(Restated)

16. SURPLUS ON REVALUATION OF FIXED ASSETS**Revaluation surplus of land**

Opening balance	629,277,383	629,277,383
Add: Adjustment as a result of fresh revaluation		
	629,277,383	629,277,383
Deficit on other assets	<u>(3,097,355)</u>	<u>(3,097,355)</u>
	<u>626,180,028</u>	<u>626,180,028</u>

Revaluation surplus of building

Opening balance	25,084,049	25,084,049
Add: Adjustment as a result of fresh revaluation		
Incremental depreciation	-	(2,508,407)
Reversal of incremental depreciation	<u>(16.1)</u>	<u>2,508,407</u>
	<u>25,084,049</u>	<u>25,084,049</u>
	<u>651,264,077</u>	<u>651,264,077</u>

This represent reversal of incremental depreciation which is rectification of prior period error.

DIRECTORS' REPORT

The Directors' of the Company presented before the Shareholders their report alongwith Interim Financial Statements of the Company for the period ended December 31, 2016.

During the period under review, the Company continued renting its premises and earned a gross revenue of Rs. 16.14 million as compared to Rs. 14.87 million in the corresponding period last year. The Company also earned other income of Rs. 4.3 million as a result of appreciation in the value of its investment in the associated company.

The management is continuously evaluating different business proposals for further strengthening the financials of the Company. We are hopeful that more viable business opportunities will emerge in the coming periods.

These accounts are prepared on going concern basis as all the Company's obligations are being met from its own resources. The Company is almost debt free except Sponsor's loan which does not have any financial burden on the Company Resources. The Company's assets are sufficient to meet all its liabilities, therefore no doubt about its going concern.

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 same spirit of devotion will continue in future.

Lahore:
February 28, 2017

For and on behalf of the Board


M.AZAM SAIGOL
Chief Executive

KOHINOOR INDUSTRIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED DECEMBER 31, 2016

	Note	QUARTER ENDED		HALF YEAR ENDED	
		Oct-Dec-2016	Oct-Dec-2015	Jul-Dec-2016	Jul-Dec-2015
		Rupees	Rupees	Rupees	Rupees
Revenue	22	8,111,649	7,475,916	16,137,949	14,872,805
Other operating income	23	4,734,376	(4,401,075)	4,314,490	1,388,437
		12,846,025	3,074,841	20,452,439	16,261,242
Operating expenses :					
Administrative expenses	24	(3,933,819)	(3,929,863)	(7,935,354)	(7,575,283)
		8,912,206	(846,022)	12,517,085	8,685,959
Finance cost	25	(4,283)	(2,685)	(10,262)	(7,066)
Share of profit / (loss), from Associate	8	822,224	(390,075)	958,610	(1,671,937)
Profit / (loss) before taxation		9,730,147	(1,238,782)	13,465,433	7,006,956
Taxation	20	(1,654,126)	350,732	(2,289,124)	(1,051,043)
Profit / (loss) after tax		8,076,021	(888,050)	11,176,309	5,955,913
Un-Appropriated loss brought forward		(759,066,684)	(827,857,872)	(762,166,972)	(834,701,835)
Un-Appropriated loss carried to financial position		(750,990,663)	(828,745,922)	(750,990,663)	(828,745,922)
EARNING PER SHARE-BASIC AND DILUTED	26.	0.27	(0.03)	0.37	0.20

The annexed notes from 1 to 31 form an integral part of these financial statements.


(CHIEF EXECUTIVE OFFICER)

(DIRECTOR)

4. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	2016										RATE %	
	COST				ACCUMULATED DEPRECIATION							
	As on July 01, 2016	Additions/ Disposals	Transfers	Revaluation Adjustments	As on Dec 31, 2016	As on July 01, 2016	Adjustments	For Half Year	Transfers	As on Dec 31, 2016		Book Value As On Dec 31, 2016
Omn:												
Furniture and fixtures	1,357,000	-	-	-	1,357,000	367,747	-	49,462	-	417,209	939,791	10
Office equipments	3,383,000	-	-	-	3,383,000	916,793	-	123,310	-	1,040,103	2,342,897	10
Vehicles	9,647,115	-	-	-	9,647,115	9,141,441	-	50,668	-	9,192,009	455,106	20
	14,387,115	-	-	-	14,387,115	10,425,981	-	223,340	-	10,649,321	3,737,794	

4.1 Depreciation charge for the year has been allocated as under

Cost of sales	
Administrative expenses	

	2016	2015
Note	Rupees	Rupees
(24)	50,568	11,163,223
	50,568	41,463,333

42. The factory land of the company was revalued on September 30, 1986 and surplus determined was Rs. 255 015 Million. Further revaluation of land was carried on August 31, 1989 and surplus raised was Rs. 89 80 Million. On September 30, 1996 revaluation was carried out of land, building and plant & machinery, surplus then raised was Rs. 368 917 Million. On September 30, 1999 revaluation of land once again was carried out, revaluation then ascertained was Rs. 1,604, 116 Million. Last time as on June 30, 2006 revaluation of all fixed assets was carried out, overall revaluation loss was ascertained Rs. 230 644 Million. Total appreciation in the value of fixed assets due to revaluation was Rs. 2,087, 204 Million. Surplus of Rs. 1,353,934 Million was adjusted due to disposal of land and Rs. 86,827 Million against incremental depreciation on building. Total remaining balance of revaluation surplus was Rs. 638 813 Million in 2011. Incremental depreciation charged on building was Rs. 1,506 Million, Rs. 1,355 Million, Rs. 1,220 Million, Rs. 3,097 Million and Rs. 2,787 Million in 2011, 2012, 2013, 2014 and 2015 respectively. Total remaining balance of revaluation surplus is Rs. 651,264 Million.

The accounts got revealed its Land, building, plant & machinery and all other fixed assets as at June 30, 2008. The revaluation exercise was carried out by the independent Valuer. Valuer incorporated in the books of the company, in 2013 the fixed assets are revalued by approved independent Valuer fixing market value of Fixed assets (excluding vehicles) at Rs. 752,230 Million. Surplus on revaluation works out to Rs. 20,509 Million which was added to surplus revaluation already appearing in books.

KOHINOOR INDUSTRIES LIMITED

Dec 31, 2016 June 30, 2016

Note Rupees Rupees

5. GOVERNMENT TAKEN OVER CONCERNS (CONSIDERED DOUBTFUL)

Balance as on July 01,	27,229,339	27,229,339
Less: Provision made	(27,229,339)	(27,229,339)
	<u> </u>	<u> </u>

5.1 The company had filed a writ against Ittehad Pesticides Limited, Kala Shah Kaku and Federal Government of Pakistan with regard to the amount due. As per legal advisor letter dated 10-09-2013 the claim of Company stands rejected by Civil Judge vide judgment dated 19-06-2013. Amount recoverable stands fully provided for.

5.2 No interest has been accounted for in the current period on the above amounts due from/to government taken over concerns, as the debt is doubtful of recovery.

6. INVESTMENT PROPERTY

Transfer from fixed assets - land	665,403,123	665,403,123
Transfer from fixed assets - building	99,253,163	99,253,163
	<u>764,656,286</u>	<u>764,656,286</u>

6.1 This represents company land and building transferred from fixed assets at fair value. Whereas the fair value of land and building is valued by an independent valuer as at June 30, 2016.

Dec 31, 2016 June 30, 2016
Rupees Rupees

7. LONG TERM DEPOSITS

368,876 368,876

7.1 It mostly comprises of securities given against connections of electricity, water supply and sanitation, gas and margin held by leasing companies.

Dec 31, 2016 June 30, 2016
Rupees Rupees

8. LONG TERM INVESTMENTS - LISTED

2,835,000 (2016:2,835,000) ordinary shares of Rs.10 each	90,000,000	90,000,000
Share of post acquisition profits		
Previous years	(4,274,423)	(2,001,140)
Current period	958,610	(2,273,283)
	(3,315,813)	(4,274,423)
Dividend	(10,800,000)	(10,800,000)
	75,884,187	74,925,577
Provision for short fall in value of investment	(50,227,437)	(54,541,927)
	<u>25,656,750</u>	<u>20,383,650</u>

8.1 The company is holding 22.5 % of equity of Kohinoor Power Company Limited.

8.2 Market value of shares is Rs. 9.05 share (2016:Rs. 7.19 per share)

KOHINOOR INDUSTRIES LIMITED

BALANCE SHEET AS AT DECEMBER 31, 2016

Dec 31, 2016 June 30, 2016
Note Rupees Rupees
(Restated)

ASSETS

Non current assets

Property, plant and equipment	4	3,737,794	3,961,134
Government taken over concerns	5	-	-
Investment property	6	764,656,286	764,656,286
Long term deposits	7	368,876	368,876
Long term investments	8	25,656,750	20,383,650

Current assets

Loans and advances	9	42,036	64,036
Trade deposits and short term prepayments	10	594,100	594,100
Other receivables	11	20,000	182,000
Tax refunds due from Governments	12	16,895,655	14,400,288
Cash and bank balances	13	3,773,810	2,268,714
		<u>21,325,601</u>	<u>17,509,138</u>
		<u>815,745,307</u>	<u>806,879,084</u>

TOTAL ASSETS

EQUITY AND LIABILITIES

Share capital and reserves

Authorized capital			
40,000,000 ordinary shares of Rs. 10 each		400,000,000	400,000,000
Issued, subscribed and paid-up capital	14	303,025,430	303,025,430
Reserves	15	187,394,755	187,394,755
Unappropriated (loss) / profit		(750,990,663)	(762,166,972)
		(260,570,478)	(271,746,787)

Surplus on revaluation of fixed assets

16 651,264,077 651,264,077

Current liabilities

Trade and other payables	17	32,351,265	31,186,047
Short term loan from directors - unsecured	18	365,804,970	371,569,398
Current portion of lease liabilities	19	864,742	864,742
Provision for taxation	20	26,030,731	23,741,607
		425,051,708	427,361,794

Contingencies & Commitments

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TOTAL EQUITY AND LIABILITIES

815,745,307 806,879,084

The annexed notes from 1 to 31 form an integral part of these financial statements.

(CHIEF EXECUTIVE OFFICER)

(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2016

Note	DEC 31, 2016 Rupees	DEC 31, 2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,465,433	7,006,956
Adjustments for:		
Depreciation	223,340	5,015,550
Share of profit / (loss) from Associate	(958,610)	1,671,937
(Reversal)/Provision for short fall in value of investment	(4,314,490)	(1,388,437)
Finance cost	10,262	7,066
	(5,039,498)	5,306,116
Profit before working capital changes	8,425,935	12,313,072
Effect on cash flow due to working capital changes		
(Increase)/ decrease in:		
Loans and advances	22,000	11,500
Other receivables	162,000	-
Trade and other payables	1,165,218	(473,450)
Short term loan from directors - unsecured	(5,764,428)	(7,969,915)
	(4,415,210)	(8,431,865)
Cash generated from operations	4,010,725	3,881,207
Finance cost paid	(10,262)	(7,066)
Income tax paid	(2,495,367)	(2,251,180)
	(2,505,629)	(2,258,246)
Net cash from operating activities	1,505,096	1,622,961

CASH FLOWS FROM INVESTING ACTIVITIES**CASH FLOWS FROM FINANCING ACTIVITIES**

Net increase / (decrease) in cash and cash equivalents	1,505,096	1,622,961
Cash and cash equivalents at the beginning of year	2,268,714	2,666,454
Cash and cash equivalents at the end of year	(13) 3,773,810	4,289,415

The annexed notes from 1 to 31 form an integral part of these financial statements.



(CHIEF EXECUTIVE OFFICER)


(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2016

Share capital	Capital	Revenue	Total	
	Share Premium	Unappropriated profit/(loss)		
-----Rupees-----				
Balance as at June 30, 2015	303,025,430	187,394,755	(834,701,835)	(344,281,650)
Total comprehensive profit / (loss) for the half year	-	-	5,955,913	5,955,913
Transferred from surplus on revaluation of fixed assets on account of :				
Incremental depreciation - current period	-	-	1,254,203	1,254,203
Balance as at December 31, 2015	303,025,430	187,394,755	(827,491,719)	(337,071,534)
Total comprehensive profit / (loss) for the half year	-	-	66,578,950	66,578,950
Transferred from surplus on revaluation of fixed assets on account of :				
Incremental depreciation - current period	-	-	1,254,204	1,254,204
Balance as at June 30, 2016	303,025,430	187,394,755	(759,658,565)	(269,238,380)
Incremental depreciation- Reversal	-	-	(2,508,407)	(2,508,407)
Balance as at June 30, 2016 (Restated)	303,025,430	187,394,755	(762,166,972)	(271,746,787)
Total comprehensive profit / (loss) for the half year	-	-	11,176,309	11,176,309
Balance as at December 31, 2016	303,025,430	187,394,755	(750,990,663)	(260,570,478)

The annexed notes from 1 to 31 form an integral part of these financial statements.


(CHIEF EXECUTIVE OFFICER)


(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
NOTES TO THE FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2016

1. STATUS AND NATURE OF BUSINESS

Kohinoor Industries Limited is a public limited, quoted company incorporated in Pakistan under the Companies Ordinance, 1984. Its shares are quoted on Pakistan Stock Exchange. The principal activity of the company was to manufacture and sell yarn.

Board of Directors in its meeting held on April 30, 2008 decided to close 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 uneconomical and huge losses were expected to arise if the business was carried on.

Factory building has been leased out to other industrial units whereas school building is also rented. Subsequently the company has amended its memorandum of association to include leasing out of its building as and when considered fit vide Sub-Clause II of Memorandum of Association is authorized to lease and let out on hire its business premises as when it is considered fit.

1.2 Significant matter

The company incurred profit before tax of Rs. 13.465 million during the half year ended 31 december 2016 and as of date the Company's current liabilities exceeds current assets by Rs. 403.72 million. The company is renting out its land and building. The management of the company is confident that the above actions shall ensure the company attract sufficient revenue to improve liquidity. Further, the directors of the company have offered full support to the company to meet its working capital needs. However, there is a material uncertainty relating to the events which may cause significant doubts on the company's ability to continue as a going concern and therefore the company may be unable realise its assets and discharge its liabilities in normal course of business.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirement differ, the provision of or directives issued under the Companies Ordinance, 1984 have been followed. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Company's annual financial statements for the year ended June 30, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2016, except for the adoption of new accounting standards and interpretations as disclosed in note 28 to these financial statements.

KOHINOOR INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DEC 31, 2016

	QUARTER ENDED		HALF YEAR ENDED	
	DEC 31, 2016	DEC 31, 2015	DEC 31, 2016	DEC 31, 2015
	Rupees	Rupees	Rupees	Rupees
Net Profit / (Loss) for the half year	8,076,021	(888,050)	11,176,309	5,955,913
Other Comprehensive Income	-	-	-	-
Total Comprehensive (Loss) / Income	<u>8,076,021</u>	<u>(888,050)</u>	<u>11,176,309</u>	<u>5,955,913</u>

The annexed notes from 1 to 31 form an integral part of these financial statements.


(CHIEF EXECUTIVE OFFICER)


(DIRECTOR)