

KOHINOOR

INDUSTRIES LIMITED

HALF YEAR REPORT
31 DECEMBER 2017
(UN-AUDITED)

CONTENTS

Description	Page
Company Information	2
Auditor's Report to the Members	3
Director's Report	4-5
Balance Sheet	6
Profit and Loss Account	7
Statement of Comprehensive Income	8
Cash Flow Statement	9
Statement of Changes in Equity	10
Notes to the Accounts	11

BOARD OF DIRECTORS

Mr. M. Naseem Saigol
Mr. M. Zeid Yousuf Saigol
Mr. M. Murad Saigol
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. Zeid Yousuf 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

**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, 2017, 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 condensed interim statement of comprehensive income for the quarters ended December 31, 2016 and December 31, 2017 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2017.

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, 2017 is not prepared in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

Significant matter:

We draw attention to the matter that during the period ended 31 December 2017, the Company has incurred loss before tax of Rs. 3.435 million and its current liabilities exceeded its current assets by Rs. 390.634 million, and its accumulated losses stood at Rs. 755.356 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, 2018

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, 2017.

During the period under review, the Company continued renting its premises and earned a gross revenue of Rs. 18.33 million as compared to Rs. 16.14 million in the corresponding period last year. The Company suffered Loss of Rs. 8.55 million as a result of provision of shortfall in the value of its investment in the associated company.

The management is continuously evaluating different business proposals to improve the financials result 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.

For and on behalf of the Board


Chief Executive

Lahore
February 28, 2018

ڈائریکٹر رپورٹ:

کمپنی کے ڈائریکٹر ان نے کمپنی شیئر ہولڈرز کے سامنے ان کی رپورٹ ہمراہ عبوری مالی سٹیٹمنٹ برائے دورانیہ 31 دسمبر 2017 پیش کی۔

زیر غور دورانیہ میں کمپنی نے اپنا احاطہ کرائے پر دے کر بہ لحاظ 18.33 ملین کمائے جس کے مقابل گزشتہ سال کے دورانیہ میں 16.14 ملین روپے کمائے تھے۔ کمپنی نے اپنی ملحقہ کمپنی میں سرمایہ کاری کی قیمت میں کمی کی وجہ سے 8.55 ملین نقصان اٹھایا۔

انتظامیہ مسلسل مختلف کاروباری تجاویز کی جانچ پڑتال کر رہی ہے۔ تاکہ کمپنی کو مالی طور پر مزید بہتر بنایا جاسکے۔ ہمیں امید ہے کہ آنے والے دورانیہ کو مزید قابل عمل کاروباری مواقع حاصل ہوں گے۔

اکاؤنٹس آن گونگ بیسز (on going basis) پر تیار کر دیئے گئے ہیں کیونکہ کمپنی نے اپنی تمام ذمہ داریاں اپنے ذرائع سے پوری کی ہیں۔ کمپنی قرض سے تقریباً آزاد ہے ماسوائے سپانسر لون 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 سہاوتے 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
انجیلو
چیف ایگزیکٹو

لاہور

28 فروری 2018


KOHINOOR INDUSTRIES LIMITED
BALANCE SHEET AS AT DECEMBER 31, 2017

		Dec 31, 2017	June 30, 2017
	Note	Rupees	Rupees
ASSETS			
Non current assets			
Property, plant and equipment	4	3,318,504	3,514,453
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	8,618,400	20,128,500
		<u>776,962,066</u>	<u>788,668,115</u>
Current assets			
Loans and advances	9	241,036	123,536
Trade deposits and short term prepayments	10	594,100	-
Other receivables	11	198,200	20,000
Tax refunds due from Governments	12	10,585,769	12,115,626
Cash and bank balances	13	2,363,636	1,746,555
		<u>13,982,741</u>	<u>14,005,717</u>
TOTAL ASSETS		<u><u>790,944,807</u></u>	<u><u>802,673,832</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
40,000,000 ordinary shares of Rs. 10 each		<u>400,000,000</u>	<u>400,000,000</u>
Issued, subscribed and paid-up capital	14	303,025,430	303,025,430
Reserves	15	187,394,755	187,394,755
Unappropriated (loss) / profit		<u>(755,356,393)</u>	<u>(750,217,844)</u>
		<u>(264,936,208)</u>	<u>(259,797,659)</u>
Surplus on revaluation of fixed assets	16	651,264,077	651,264,077
Current liabilities			
Trade and other payables	17	33,867,600	32,781,856
Short term loan from directors - unsecured	18	353,682,503	359,479,701
Provision for taxation	19	17,066,835	19,539,957
		<u>404,616,938</u>	<u>411,801,514</u>
Contingencies & Commitments	20		
TOTAL EQUITY AND LIABILITIES		<u><u>790,944,807</u></u>	<u><u>803,267,932</u></u>

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


 (CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)


 (DIRECTOR)

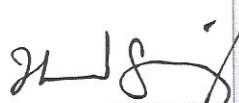
KOHINOOR INDUSTRIES LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Note	QUARTER ENDED		HALF YEAR ENDED	
		Oct-Dec-2017	Oct-Dec-2016	Jul-Dec-2017	Jul-Dec-2016
		Rupees	Rupees	Rupees	Rupees
Revenue	21	9,651,087	8,111,649	18,326,569	16,137,949
Other operating income	22	-	4,734,376	-	4,314,490
Other operating charges		(8,225,937)	-	(8,545,231)	-
		1,425,150	12,846,025	9,781,338	20,452,439
Operating expenses :					
Administrative expenses	24	(4,987,182)	(3,933,819)	(10,234,595)	(7,935,354)
		(3,562,032)	8,912,206	(453,257)	12,517,085
Finance cost	25	(8,427)	(4,283)	(17,367)	(10,262)
Share of profit / (loss) from Associate	8	(1,554,813)	822,224	(2,964,869)	958,610
Profit / (loss) before taxation		(5,125,272)	9,730,147	(3,435,493)	13,465,433
Taxation		(1,415,794)	(1,654,126)	(1,703,056)	(2,289,124)
Profit / (loss) after tax		(6,541,066)	8,076,021	(5,138,549)	11,176,309
Un-Appropriated loss brought forward		(748,815,327)	(759,066,684)	(750,217,844)	(762,166,972)
Un-Appropriated loss carried to financial position		(755,356,393)	(750,990,663)	(755,356,393)	(750,990,663)
EARNING PER SHARE-BASIC AND DILUTED	26	(0.22)	0.27	(0.17)	0.37

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


 (CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)


 (DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DEC 31, 2017

	QUARTER ENDED		HALF YEAR ENDED	
	DEC 31, 2017 Rupees	DEC 31, 2016 Rupees	DEC 31, 2017 Rupees	DEC 31, 2016 Rupees
Net Profit / (Loss) for the half year	(6,541,066)	8,076,021	(5,138,549)	11,176,309
Other Comprehensive Income	-	-	-	-
Total Comprehensive (Loss) / Income	<u>(6,541,066)</u>	<u>8,076,021</u>	<u>(5,138,549)</u>	<u>11,176,309</u>

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements. 0


(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)


(DIRECTOR)

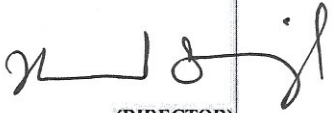
KOHINOOR INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Note	DEC 31, 2017 Rupees	DEC 31, 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		(3,435,493)	13,465,433
Adjustments for:			
Depreciation		195,949	223,340
Share of profit / (loss) from Associate		2,964,869	(958,610)
(Reversal)/Provision for short fall in value of investment		8,545,231	(4,314,490)
Finance cost		17,367	10,262
		11,723,416	(5,039,498)
Profit before working capital changes		8,287,923	8,425,935
Effect on cash flow due to working capital changes (Increase)/ decrease in:			
Loans and advances		(117,500)	22,000
Other receivables		(178,200)	162,000
Trade and other payables		1,085,744	1,165,218
		790,044	1,349,218
Cash generated from operations		9,077,967	9,775,153
Finance cost paid		(17,367)	(10,262)
Income tax paid		(2,646,321)	(2,495,367)
		(2,663,688)	(2,505,629)
Net cash from operating activities		6,414,279	7,269,524
CASH FLOWS FROM INVESTING ACTIVITIES			
		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
Short term loan from directors - unsecured		(5,797,198)	(5,764,428)
Net cash used in financing activities		(5,797,198)	(5,764,428)
Net increase / (decrease) in cash and cash equivalents		617,081	1,505,096
Cash and cash equivalents at the beginning of year		1,746,555	2,268,714
Cash and cash equivalents at the end of year	(13)	2,363,636	3,773,810

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


(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)


(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Share capital	Capital	Revenue	Total
		Share Premium	Unappropriated profit/(loss)	
-----Rupees-----				
Balance as at June 30, 2016	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)
Total comprehensive profit / (loss) for the half year	-	-	772,819	772,819
Balance as at June 30, 2017	303,025,430	187,394,755	(750,217,844)	(259,797,659)
Total comprehensive profit / (loss) for the half year	-	-	(5,138,549)	(5,138,549)
Balance as at December 31, 2016	303,025,430	187,394,755	(755,356,393)	(264,936,208)

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


(CHIEF EXECUTIVE OFFICER)

(CHIEF FINANCIAL OFFICER)


(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
NOTES TO THE FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2017

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 loss before tax of Rs. 3.435 million during the half year ended 31 December 2017 and as of date the Company's current liabilities exceeds current assets by Rs. 390.634 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

A new Companies Act 2017 was promulgated on May 30, 2017 through which the companies were required to prepare their financial statements under the new Act. Later on, Securities and Exchange Commission of Pakistan (SECP) vide its circular no. 23 of 2017 dated October 4, 2017 clarified that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. On a clarification sought by Institute of Chartered Accountants of Pakistan regarding preparation of interim financial statements of companies for the periods ending on or before December 31, 2017, SECP has also advised to prepare interim financial statements for the periods ending on or before December 31, 2017 in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, these condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 "Interim Financial Reporting" and provisions of and directives issued under the repealed Companies Ordinance, 1984 and are being submitted to the shareholders as required by Section 237 of the Companies Act 2017. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed. These condensed interim financial statements are unaudited and do not include full disclosures and information required in annual financial statements and should be read in conjunction with the preceding annual published financial statements of the company for the year ended June 30, 2017.

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, 2017, except for the adoption of new accounting standards and interpretations as disclosed in note 28 to these financial statements.

4. PROPERTY, PLANT AND EQUIPMENT

KOHINOOR INDUSTRIES LIMITED

PARTICULARS	2017											RATE %
	COST					ACCUMULATED DEPRECIATION					Book Value As On Dec 31, 2017	
	As on July 01, 2017	Additions / Disposals	Transfers	Revaluation Adjustments	As on Dec 31, 2017	As on July 01, 2017	Adjustments	For Half Year	Transfers	As on Dec 31, 2017		
Rupees												
Own:												
Furniture and fixtures	1,357,000	-	-	-	1,357,000	466,672	-	44,516	-	511,188	845,812	10
Office equipments	3,383,000	-	-	-	3,383,000	1,163,414	-	110,979	-	1,274,393	2,108,607	10
Vehicles	9,647,115	-	-	-	9,647,115	9,342,576	-	40,454	-	9,283,030	364,085	20
	14,387,115	-	-	-	14,387,115	-	-	195,949	-	11,068,611	3,318,504	

KOHINOOR INDUSTRIES LIMITED

	Note	Dec 31, 2017 Rupees	June 30, 2017 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)
		-	-
5.1	The company had filed a writ against Itchad 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			
Balance at the beginning of the year			
Transfer from fixed assets - land		665,403,123	665,403,123
Transfer from fixed assets - building		99,253,163	99,253,163
		764,656,286	764,656,286
Fair value gain		-	-
Additions during the year		-	-
Transfers from property, plant and equipment		-	-
		764,656,286	764,656,286
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, 2017 at PKR 764,656,286 (2016: PKR 764,656,286)		
		Dec 31, 2017 Rupees	June 30, 2017 Rupees
7. LONG TERM DEPOSITS			
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, 2017 Rupees	June 30, 2017 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		(5,610,599)	(4,325,565)
Current period		(2,964,869)	(1,285,034)
		(8,575,468)	(5,610,599)
Dividend		(10,800,000)	(10,800,000)
		70,624,532	73,589,401
Provision for short fall in value of investment		(62,006,132)	(53,460,901)
		8,618,400	20,128,500
8.1	The company is holding 22.5 % of equity of Kohinoor Power Company Limited.		
8.2	Market value of shares is Rs. 3.04 share (2017:Rs. 7.10 per share)		

9. LOANS AND ADVANCES			
Advances to:			
Employees:			
Un-secured, considered good		241,036	123,536
Un-secured, considered doubtful		-	-
		241,036	123,536
Less: Provision for doubtful advances		-	-
		241,036	123,536
Others associated undertaking	(9.1)	15,114,624	15,114,624
Less: provision for doubtful advance		(15,114,624)	(15,114,624)
		-	-
		241,036	123,536
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		198,200	20,000
		198,200	20,000
12. TAX REFUND			
Sales tax deposits	(12.1)	4,236,934	4,236,934
Income tax deducted at source	(12.2)	19,834,062	21,363,919
		24,070,996	25,600,853
Less: provision for doubtful recovery		(13,485,227)	(13,485,227)
		10,585,769	12,115,626
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	21,363,919	23,648,581
	Adjustment for turn over tax	-	(572,911)
	Paid / deducted during the period	2,646,321	5,054,654
	Adjustment of Income Tax return	(1,611,423)	-
	Adjusted last year provision	(2,564,755)	(6,766,405)
		<u>19,834,062</u>	<u>21,363,919</u>
13.	CASH AND BANK BALANCES		
	Cash in hand	321,914	21,608
	Balance with banks:		
	in current accounts	<u>2,041,722</u>	<u>1,724,947</u>
	Cash and cash equivalents	<u>2,363,636</u>	<u>1,746,555</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	<u>120,954,820</u>	<u>120,954,820</u>
	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, 2017	June 30, 2017
		Rupees	Rupees
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	-	-
		<u>629,277,383</u>	<u>629,277,383</u>
	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	<u>25,084,049</u>	<u>25,084,049</u>
		<u>651,264,077</u>	<u>651,264,077</u>

17. TRADE AND OTHER PAYABLES

Trade creditors:

For goods

-

-

For expenses

5,683,733

4,605,626

Tax deducted at source

55,042

47,405

Sale tax payable - ONO

20,642,050

20,642,050

Advance for rent

5,215,503

5,215,503

Workers' profit participation fund

371,704

371,704

Unclaimed dividend

1,034,826

1,034,826

Other Liabilities

864,742

864,742

33,867,600

32,781,856

18. SHORT TERM LOAN FROM DIRECTORS - UNSECURED

These are comprise of:

Interest free Short term loan from directors

(18.1)

353,682,503

359,479,701

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. PROVISION FOR TAXATION

Opening provision

19,539,957

23,741,607

For the year

91,633

2,564,755

Adjusted last year provision

(2,564,755)

(6,766,405)

17,066,835

19,539,957

20. 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.

21. REVENUE

21.1 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, 2017	Dec 31, 2016
	Rupees	Rupees
21.2 Rental Income	18,326,569	16,137,949
	<u>18,326,569</u>	<u>16,137,949</u>
22. 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	-	4,314,490
	<u>-</u>	<u>4,314,490</u>
23. OTHER OPERATING CHARGES		
Reversal of provision for short fall in the value of investment	8,545,231	-
	<u>8,545,231</u>	<u>-</u>
24. ADMINISTRATIVE EXPENSES		
Staff salaries, wages and benefits	6,839,921	6,716,868
Traveling and conveyance	19,020	48,910
Printing and stationery	120,205	108,930
Telecommunication	129,850	90,090
Postage & telegram	18,736	11,484
Legal and professional	891,462	466,842
Paper & Periodical	4,770	4,690
Electricity and Gas	84,132	7,293
Advertisement	163,500	30,000
Insurance	-	65,868
Vehicle & running & mtc	29,826	10,930
Entertainment	126,568	103,485
Rent, rate and taxes	1,512,352	-
Staff Welfare	14,870	12,540
Misc Expenses	24,530	8,904
Repairs and maintenance	58,904	25,180
Depreciation	195,949	223,340
	<u>10,234,595</u>	<u>7,935,354</u>

25.	FINANCE COST		
	Bank charges and commission	17,367	10,262
		<u>17,367</u>	<u>10,262</u>
26.	EARNING PER SHARE-BASIC AND DILUTED		
	Net profit after taxation	(5,138,549)	11,176,309
	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>(0.17)</u>	<u>0.37</u>
		Note	Rupees
27.	TRANSACTIONS WITH RELATED PARTIES		
	27.1 Transactions with related parties		
27.1.1	<u>Key management personnel</u>		
	Interest free short term loan repaid	5,797,198	5,764,428
27.1.2	<u>Associate</u>		
	Kohinoor Power Company Limited		
	Share of (loss) from Associate	(2,964,869)	958,610
27.1.3	<u>Other related parties</u>		
	Red Communication Art (Private) Limited	163,500	30,000
	27.2 Balances with related parties		
27.2.1	<u>Key management personnel</u>		
	Short term loan payable to directors	353,682,503	359,479,701
27.2.2	<u>Associate</u>		
	Kohinoor Power Company Limited		
	Long term investments	8,618,400	20,128,500
27.2.3	<u>Other related parties</u>		
	Red Communication Art (Private) Limited	588,450	353,450
	27.3 All related party transactions are approved by the audit committee and the Board of directors of the Company.		
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:		
	IFRS 9 – Financial instruments.		
	IFRS 15 – Revenue from Contracts with Customers.		
	The Company has adopted the following amendment to IFRSs which became effective for the current period:		
	IFRS 2 – Share-based Payment (Amendment)		
	IAS 28 – Investments in Associates and Joint Ventures (Amendment)		
	IFRS 1: First-time adoption of international financial reporting standards (Amendments)		
	IAS 40- Investment property (Amendment)		
	IFRIC 22- Foreign Currency Transactions and Advance Consideration		
	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, 2017.		

30. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value			
	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees -							
As at 31 December 2017							
(Un-audited)							
Financial assets - measured at fair value							
Long term investments	8,618,400	-	8,618,400	8,618,400	-	-	8,618,400
Financial assets - not measured at fair value							
Long term deposits	368,876	-	368,876	-	-	-	-
Loans and advances	241,036	-	241,036	-	-	-	-
Tax refunds	10,585,769	-	10,585,769	-	-	-	-
Cash and bank balances	2,363,636	-	2,363,636	-	-	-	-
30.1	13,559,317	-	13,559,317	-	-	-	-
Financial liabilities - not measured at fair value							
Trade and other payables	-	33,867,600	33,867,600	-	-	-	-
Short term loan from directors	-	353,682,503	353,682,503	-	-	-	-
30.1	-	387,550,103	387,550,103	-	-	-	-
As at 30 June 2017-							
(Audited)							
Financial assets - measured at fair value							
Long term investments	20,128,500	-	20,128,500	20,128,500	-	-	20,128,500
Financial assets - not measured at fair value							
Long term deposits	368,876	-	368,876	-	-	-	-
Loans and advances	123,536	-	123,536	-	-	-	-
Tax refunds	12,115,626	-	12,115,626	-	-	-	-
Cash and bank balances	1,746,555	-	1,746,555	-	-	-	-
30.1	14,354,593	-	14,354,593	-	-	-	-
Financial liabilities - not measured at fair value							
Trade and other payables	-	32,781,856	32,781,856	-	-	-	-
Short term loan from directors	-	359,479,701	359,479,701	-	-	-	-
30.1	-	392,261,557	392,261,557	-	-	-	-

30.1 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

31. GENERAL

31.1 These financial statements were authorized for issue on February 27, 2018 by the board of directors of the company.

31.2 Figures have been rounded off to nearest rupee.

(CHIEF EXECUTIVE OFFICER)

(DIRECTOR)

Book Post
PRINTED MATTER

If undelivered, please return to

KOHINOOR INDUSTRIES LIMITED

17-Aziz Avenue, Canal Bank, Gulberg-V, Lahore.

Tel: 35718274-75, 35717364-66

E-mail: shares@saigols.com