

KOHINOOR INDUSTRIES LIMITED
FINANCIALS FOR 2ND QUARTER ENDED
DECEMBER 31, 2015

KOHINOOR INDUSTRIES LIMITED
BALANCE SHEET AS AT DECEMBER 31, 2015

ASSETS	Note	DEC. 31, 2015 Rupees	June 30, 2015 Rupees
Non current assets			
Property, plant and equipment	4	724,613,343	729,628,893
Long term deposits	5	368,876	368,876
Long term investments	6	8,675,100	8,958,600
Current assets			
Loans and advances	7	65,036	76,536
Trade, deposits and prepayments	8	594,100	594,100
Other receivables	9	20,000	20,000
Tax refunds	10	12,152,892	9,901,712
Cash and bank balances	11	4,289,415	2,668,454
		<u>17,121,443</u>	<u>13,258,802</u>
TOTAL ASSETS		<u><u>750,778,762</u></u>	<u><u>752,215,171</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	12	303,025,430	303,025,430
Reserves	13	187,394,755	187,394,755
Unappropriated (loss) / profit		<u>(827,491,719)</u>	<u>(834,701,835)</u>
Total equity		<u>(337,071,534)</u>	<u>(344,281,650)</u>
Surplus on revaluation of fixed assets	14	650,009,874	651,264,077
Current liabilities			
Trade and other payables	16	36,687,784	37,161,234
Short term loan from Directors-Unsecured	15	382,261,651	390,231,566
Current portion of lease liabilities	17	864,742	864,742
Provision for taxation	18	18,026,245	16,975,202
		<u>437,840,422</u>	<u>445,232,744</u>
TOTAL EQUITY AND LIABILITIES		<u><u>750,778,762</u></u>	<u><u>752,215,171</u></u>
Contingencies & Commitments	19	-	-

The annexed notes from 1 to 26 form an integral part of these financial statements.


(CHIEF EXECUTIVE OFFICER)


(DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Note	QUARTER ENDED		HALF YEAR ENDED	
		Oct-Dec 2015 Rupees	Oct-Dec 2014 Rupees	Jul-Dec 2015 Rupees	Jul-Dec 2014 Rupees
Revenue	20	7,475,916	4,687,538	14,872,805	12,834,390
Other operating income	21	(4,401,075)	9,223	1,388,437	9,223
		3,074,841	4,696,761	16,261,242	12,843,613
Operating expenses					
Administrative expenses	22	3,920,863	3,775,108	7,575,283	7,812,703
Other operating charges/(reversal)	23	-	(1,308,894)	-	-
		(3,920,863)	(2,466,214)	(7,575,283)	(7,812,703)
		(846,022)	2,230,547	8,685,959	5,030,910
Finance cost	24	(2,685)	(910)	(7,066)	(3,071)
Share of profit/(loss) from Associate	6	(390,075)	(467,617)	(1,671,937)	(1,370,023)
Profit before taxation		(1,238,782)	1,762,020	7,006,956	3,657,816
Taxation		350,732	(703,131)	(1,051,043)	(1,925,159)
(Loss) / profit after tax		(888,050)	1,058,889	5,955,913	1,732,657
Un-Appropriated loss brought forward		(827,230,770)	(842,961,817)	(834,701,835)	(844,332,365)
		(828,118,820)	(841,902,928)	(828,745,922)	(842,599,706)
Transferred from revaluation surplus: Incremental depreciation		627,101	696,779	1,254,203	1,393,559
Un-Appropriated loss carried to financial position		(827,491,719)	(841,206,149)	(827,491,719)	(841,206,149)
EARNING PER SHARE-BASIC AND DILUTED	25	(0.03)	0.07	0.20	0.06

The annexed notes from 1 to 26 form an integral part of these financial statements.


 (CHIEF EXECUTIVE OFFICER)


 (DIRECTOR)

KOHINOOR INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	QUARTER ENDED		HALF YEAR ENDED	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
	Rupees	Rupees	Rupees	Rupees
Net (loss) / profit for the half year	(888,050)	1,058,889	5,955,913	1,732,657
Other Comprehensive Income			-	-
Total Comprehensive (Loss) / Income	<u>(888,050)</u>	<u>1,058,889</u>	<u>5,955,913</u>	<u>1,732,657</u>

The annexed notes from 1 to 26 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, 2015

	Dec. 31, 2015	Dec. 31, 2014
Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	7,006,956	3,657,816
Adjustments for:		
Depreciation	5,015,550	5,581,612
Share of profit/(loss) from Associate	1,671,937	1,370,023
(Reversal)/Provision for short fall in value of investment	(1,388,437)	(9,223)
Finance cost	7,066	3,071
	<u>5,306,116</u>	<u>6,945,483</u>
Profit before working capital changes	12,313,072	10,603,299
Effect on cash flow due to working capital changes (Increase)/ decrease in:		
Loans and advances	11,500	6,500
Trade deposits and short term prepayments	-	-
Trade and other payables	(473,450)	(1,039,893)
	<u>(461,950)</u>	<u>(1,033,393)</u>
Cash generated from operations	11,851,122	9,569,906
Finance cost paid	(7,066)	(3,071)
Short term Loans Paid	(7,969,915)	(10,229,090)
Income tax paid	(2,251,180)	(1,940,506)
	<u>(10,228,161)</u>	<u>(12,172,667)</u>
Net cash from operating activities	1,622,961	(2,602,761)
Net increase / (decrease) in cash and cash equivalents	1,622,961	(2,602,761)
Cash and cash equivalents at the beginning of quarter	2,666,454	6,059,269
Cash and cash equivalents at the end of half year	(11) <u>4,289,415</u>	<u>3,456,508</u>

The annexed notes from 1 to 26 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, 2015

	Share capital	Share Premium	Unappropriated profit/(loss)	Total
	-----Rupees-----			
Balance as at June 30, 2014	303,025,430	187,394,755	(844,332,365)	(353,912,180)
Total comprehensive (loss) / profit for the half year	-	-	1,732,657	1,732,657
Transferred from surplus on revaluation of fixed assets on account of :				
Incremental depreciation - current period	-	-	1,393,559	1,393,559
Balance as at December 31, 2014	303,025,430	187,394,755	(841,206,149)	(350,785,964)
Total comprehensive (loss) / profit for the half year	-	-	5,110,754	5,110,754
Transferred from surplus on revaluation of fixed assets on account of :				
Incremental depreciation - current period	-	-	1,393,560	1,393,560
Balance as at June 30, 2015	303,025,430	187,394,755	(834,701,835)	(344,281,650)
Total comprehensive (loss) / profit 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)

The annexed notes from 1 to 26 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, 2015

1 STATUS AND NATURE OF BUSINESS

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 the company was to manufacture and sell yarn. The operational activities had been closed down with effect from 12th October 2007.

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 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 of and for that purpose a committee was formed consisting of Managers; Manager sale, Manager account, headed by chief operational officer.

Factory building has been leased out to other industrial units whereas school building is also rented. Agreement with Masood Textile Mills Limited is for five years extending up to March 2017. The Company 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.

2 BASIS OF PREPARATION

These interim condensed financial statements are unaudited but subject to limited scope review by auditors. These are required to be presented to the share holders under section 245 of the Companies Ordinance, 1984 and have prepared in accordance with the requirements of the International Accounting Standards (IAS) 34, Interim Financial Reporting, as applicable in Pakistan. These interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read with in conjunction with the company's annual financial statements for the year ended June 30, 2014.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these financial statements are the same as applied in the preparation of published annual accounts for the year ended June 30, 2015.

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	Cost	
	As at July	Additions
	01, 2015	
Land-Freehold	629,950,000	-
Building		-
Factory	117,540,000	-
Furniture and fixture	1,357,000	-
Service and other equipments	3,383,000	-
Vehicles	9,647,115	-
TOTAL	761,877,115	-

Depreciation charge for the half year (July-

Cost of sales
Administrative expenses
Total

	Dec 31, 2015	June 30, 2015
	Rupees	Rupees
5. LONG TERM DEPOSITS	<u>368,876</u>	<u>368,876</u>
6. LONG TERM INVESTMENTS - LISTED		
2,835,000 (2013:2,835,000) ordinary shares of Rs.10 each	90,000,000	90,000,000
Share of post acquisition profits		
Previous years	(2,001,140)	10,831,568
Current year	(1,671,937)	(12,832,708)
	(3,673,077)	(2,001,140)
Dividend	(10,800,000)	(10,800,000)
	75,526,923	77,198,860
Provision for short fall in value of investment	(66,851,823)	(68,240,260)
	<u>8,675,100</u>	<u>8,958,600</u>
7. LOANS AND ADVANCES		
Advances to:		
Employees:		
Un-secured, considered good	65,036	76,536
Un-secured, considered doubtful	-	-
	65,036	76,536
Less: Provision for doubtful advances	-	-
	65,036	76,536
Others	15,114,624	15,114,624
Less: provision for doubtful advance	(15,114,624)	(15,114,624)
	-	-
	<u>65,036</u>	<u>76,536</u>
	(7.1)	
8. TRADE DEPOSITS		
Margin deposit	594,100	594,100
	<u>594,100</u>	<u>594,100</u>
9. 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	20,000
	<u>20,000</u>	<u>20,000</u>

		Dec 31, 2015	June 30, 2015
		Rupees	Rupees
10	TAX REFUND		
	Sales tax deposits	4,236,934	4,236,934
	Income tax deducted at source	21,401,185	19,150,005
		<u>25,638,119</u>	<u>23,386,939</u>
	Less: provision for doubtful recovery	(13,485,227)	(13,485,227)
		<u>12,152,892</u>	<u>9,901,712</u>
10.1	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 year	2,251,180	4,006,163
		<u>21,401,185</u>	<u>19,150,005</u>
11.	CASH AND BANK BALANCES		
	Cash in hand	226,050	240,541
	Balance with banks		
	in current accounts	3,954,890	2,317,438
	in deposits accounts	108,475	108,475
		<u>4,289,415</u>	<u>2,666,454</u>
12.	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	182,070,610	182,070,610
		<u>303,025,430</u>	<u>303,025,430</u>
13	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>
14.	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	(3,097,355)	(3,097,355)
		<u>626,180,028</u>	<u>626,180,028</u>
	Revaluation surplus of building		
	Opening balance	25,084,049	27,871,168
	Add: Adjustment as a result of fresh revaluation	-	-
	Incremental depreciation	(1,254,203)	(2,787,119)
		<u>23,829,846</u>	<u>25,084,049</u>
		<u>650,009,874</u>	<u>651,264,077</u>

	Dec 31, 2015	June 30, 2015
	Rupees	Rupees
15 SHORT TERM LOANS		
Interest free Short term loan from directors	382,261,651	390,231,566
	<u>382,261,651</u>	<u>390,231,566</u>
16. TRADE AND OTHER PAYABLES		
Trade creditors		
For expenses	3,887,841	3,955,814
Tax deducted at source	17,363	10,340
Sale tax payable - ONO	26,160,548	26,160,548
Advance for rent	5,215,503	5,628,003
Workers' profit participation fund	371,704	371,704
Unclaimed dividend	1,034,825	1,034,825
	<u>36,687,784</u>	<u>37,161,234</u>
17 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	<u>(864,742)</u>	<u>(864,742)</u>
Long term portion	<u>-</u>	<u>-</u>
18. PROVISION FOR TAXATION		
Opening provision	16,975,202	15,573,540
For the year	<u>1,051,043</u>	<u>1,401,662</u>
	<u>18,026,245</u>	<u>16,975,202</u>
19 CONTIGENCIES 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 2015.

Dec 31, 2015

Dec 31, 2014

Rupees

Rupees

20 REVENUE

20.1 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, 2.2 and 2.3. The Company has earned income from renting out its premises.

20.2 Rental Income

14,872,805	12,834,390
<u>14,872,805</u>	<u>12,834,390</u>

21. OTHER OPERATING INCOME**Income from financial assets**

Mark up on bank deposits

Income from other than financial assets

Profit on sale of fixed assets

Reversal of provision for short fall in the value of investment

-	-
-	-
1,388,437	9,223
<u>1,388,437</u>	<u>9,223</u>

22. ADMINISTRATIVE EXPENSES

Staff salaries, wages and benefits

Traveling and conveyance

Printing and stationery

Telecommunication & Postage

Legal and professional

Rent, Rate and Taxes

Electricity and Gas

Advertisement

Entertainment

Staff Welfare

Miscellaneous

Repairs and maintenance

Depreciation

1,630,452	1,602,194
4,140	1,560
57,520	40,800
71,151	64,971
630,221	402,519
-	-
35,064	38,275
102,150	37,500
13,700	15,992
2,185	11,730
13,150	10,550
-	5,000
5,015,550	5,581,612
<u>7,575,283</u>	<u>7,812,703</u>

23. OTHER OPERATING CHARGES

Short fall in value of investment

-	-
<u>-</u>	<u>-</u>

24. FINANCE COST

Bank charges and commission

7,066	3,071
<u>7,066</u>	<u>3,071</u>

25. EARNING PER SHARE-BASIC AND DILUTED

Net profit/(loss) after taxation

Weighted average number of ordinary shares issued and subscribed during the period

5,955,913	1,732,657
30,302,543	30,302,543

Earning per share-basic and diluted

<u>0.20</u>	<u>0.06</u>
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There is no dilutive effect on the basic earning per share of the company.

26. GENERAL

Figures have been rounded off to the nearest rupee.


(CHIEF EXECUTIVE OFFICER)


(DIRECTOR)