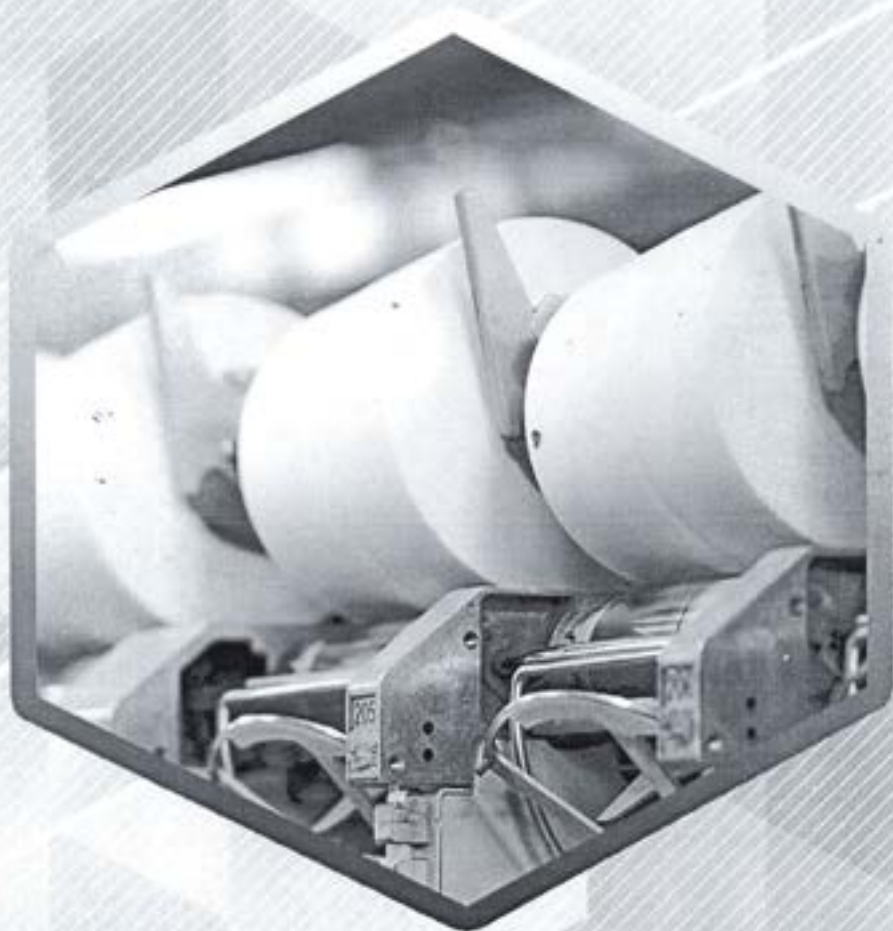


Annual Report

AUDITED
For the Year Ended
June 30, 2021



Kohinoor Spinning Mills Limited



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COMPANY INFORMATION

BOARD OF DIRECTOR

Khawaja Mohammad Jahangir	(Chairman)
Mohammad Naveed	(Chief Executive)
Khawaja Mohammad Tanveer	(Director)
Khawaja Mohammad Kaleem	(Director)
Mohammad Hamza Yousaf	(Director)
Aqsa Jahangir	(Director)
Faisal Qaiyum	(Independent Director)
Fiza Farhan	(Independent Director)

AUDIT COMMITTEE

Faisal Qaiyum	(Chairman)
Khawaja Mohammad Kaleem	(Member)
Aqsa Jahangir	(Member)

HR & REMUNERATION COMMITTEE

Faisal Qaiyum	(Chairman)
Khawaja Mohammad Jahangir	(Member)
Khawaja Mohammad Kaleem	(Member)

CORPORATE SECRETARY

Hasan Ahmad Khan	ACA
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CHIEF FINANCIAL OFFICER

Mr. Muhammad Saeed Zafar	M.B.A
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BANKERS

Habib Metro Bank Limited
MCB Bank Limited
National Bank of Pakistan
Allied Bank of Pakistan
Meezan Bank Limited
Askari Bank Limited
Saudi Pak Industrial and Agricultural Investment Company

AUDITOR

Nasir Javaid Maqsood Imran
Chartered Accountants
Office # 17, 2nd Floor, Hill View Plaza,
Above Fresco Sweets, Blue Area,
Islamabad, Pakistan.

CORPORATE & REGISTERED OFFICE

7/1-E-3 Main Boulevard Gulberg III, Lahore
Tel : (042) 35717510
Fax : (042) 35755760

SHARE REGISTRARS

Corplink (Pvt) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore
Tel : (042) 35839182
Fax : (042) 35869037

MILLS

Unit I & II

Aminabad, Chakwal
Tel : (0543) 644254 - 644281

Unit III

Yousaf Nagar, Bhoun Road,
Chakwal.
Tel: (0543)452070-71

VISION

A TEXTILE COMPANY THAT CATERS TO THE CLOTHING
NEEDS OF EVERYONE

MISSION

Kohinoor Spinning Mills Limited is a yarn manufacturing company
dedicated to provide premium quality yarn products to
the customers who value quality the most.

• We intend to make profit to generate a sufficient return
for our investors.

We also maintain a friendly, fair and creative work environment,
which inculcates diversity, new ideas and diligence.

KOHINOOR SPINNING MILLS LIMITED
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 49th Annual General Meeting of **KOHINOOR SPINNING MILLS LIMITED** will be held on Thursday, October 28, 2021 at 10:30 a.m. at 7/1 E-3 Main Boulevard Gulberg-III, Lahore to deal with the following matters :-

1. To confirm the minutes of AGM held on November 27, 2020.
2. To receive and adopt the audited accounts of the Company for the year ended June 30, 2021 together with the reports of directors and auditors thereon.
3. To appoint auditors for the year ending June 30, 2022 and to fix their remuneration.
4. To transact any other business which may be brought forward with the permission of the Chair.

Lahore:
October 08, 2021

BY ORDER OF THE BOARD
HASSAN AHMAD KHAN
Company Secretary

BOOK CLOSURE

The Member's Register will remain closed from October 22, 2021 to October 28, 2021 (both days inclusive).

NOTES:

1. A member entitled to attend the meeting may appoint another member as his/her proxy to attend the meeting of him/her behalf. Proxies in order to be effective must be received by the Company not later than 48 hours before the meeting.
2. The beneficial owner of the shares of the company in the central depository system of the CDC or his/her proxy entitled to attend this meeting shall produce his/her original CNIC or passport to prove the identity. CDC Account Holders will further have to follow the guidelines as laid down in Circular No. 1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan.
3. Transfer received in order by the close of business hours on October 21, 2021 will be treated in time. The same or any change in address, if any, alongside valid copy of CNIC for filing annual return of company be sent to our share registrar M/s Corp link (Pvt.) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore. Tel. 042-35839182.
4. In terms of SECP's SRO 787(1)/2014, members can now receive audited financial statements alongside notice of AGM electronically through email. Therefore members (physical or CDC shareholders) who are interested in receiving the same are required to send their email addresses and consent for electronic transmission to share registrar of the company or directly to their broker (participant)/CDC investor account services, as the case may be.
5. The company has also placed the audited financial statements for the year ended June 30, 2021 alongside directors and auditor's report thereon on its website <http://www.kohinoorspinningmills.com>
6. In pursuance of SECP circular regarding Regulatory relief to dilute impact of Covid-19. The entitled shareholders interested in attending the annual general meeting (AGM) through video link facility "ZOOM" are requested to get themselves registered with the company secretary at least two working

day before the holding of the time of AGM at email ksmcorporate@chakwalgroup.com.pk All possible safety members shall be taken in respect of Covid-19 and relevant SOPs shall be strictly followed.

7. If the Company receives consent from the members holding at least 10% shareholding residing in a city, to participate in the meeting through video-link at least 07 days prior to date of the meeting, the Company will arrange facility of video-link in that city subject to availability of such facility in that city. The Company will intimate members regarding venue of the video-link facility at least five days before the date of the general meeting alongwith complete information necessary to enable them to access the facility.

In this regard, shareholders are requested to fill the following form and submit to the Registered Office of the Company seven days before the date of holding of the general meeting:

I/We.....of.....being a member of Kohinoor Spinning Mills Limited, holder of ordinary shares as per Registered Folio No./CDC A/C #hereby opt for video conference facility at.....
.....

Signature of Member

8. Members are requested to promptly notify the Company of any change in their registered address.

کوہ نور سپینگ ملز لمیٹڈ

اطلاع برائے سالانہ اجلاس عام

ذریعہ نوٹس پبلیش کیا جاتا ہے کوہ نور سپینگ ملز لمیٹڈ 49 سالانہ اجلاس عام بروز جمعرات 28 اکتوبر 2021 کو وقت 10:30 بجے صبح 3:7/1 E میں ٹیڈ اور ایگزیکٹو۔ III اور میں منعقد ہو رہا ہے جس میں مندرجہ ذیل امور طے پائے جائیں گے۔

عمومی کارروائی:

- 1۔ 27 نومبر 2020 کو منقذہ سالانہ اجلاس کی کارروائی کی توثیق کرنا۔
- 2۔ سالانہ 30 جون 2021 کیلئے کمپنی کے آڈٹ شدہ حسابات اور ایکٹرز ڈائریکٹرز کی رپورٹس کے ساتھ وصول کرنا اور غور و خوض کرنا اور اختیار کرنا۔
- 3۔ 30 جون 2022 کو ختم ہونے والے سال کیلئے ایکٹرز ڈائریکٹرز کا مقررہ اور معاوضہ طے کرنا۔
- 4۔ صاحبِ معدہ کی اجازت سے دیگر معمولی امور۔

حسب اہم پور
محسن احمد خان
کمپنی سیکرٹری

لاہور
سورج 08 اکتوبر 2021ء

کتابی پبلیش:

- 1۔ شیئر ہولڈرز کی بندش ممبران کی شیئر ٹرانسفر بکس 22 اکتوبر 2021 تا 28 اکتوبر 2021 (شماروں کی بنیاد پر) بند کر دی گئی۔
- 2۔ کوئی بھی ممبر جو اجلاس پبلیش شرکت کرنے اور اسے اپنے کارڈ یا پاسپورٹ ڈاکوٹ اور شرٹ کی شناختی کارڈ ساتھ لائیں اور پر کسی کی صورت میں اپنے کیپٹن اور ڈیوٹی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی منسلک کریں۔ کارپوریٹ ممبران کو اس مقصد کیلئے معمول کے مطابق دستاویزات پیش کرنی ہوں گی۔ سی ڈی سی ڈاکوٹ اسب ڈاکوٹ ہولڈرز کو کسی بھی کیپٹن کے پاس آف پاکستان کے 26 جنوری 2000 کو جاری کردہ اجازت کی طرح پیش کرنا ہوگی۔
- 3۔ 21 اکتوبر 2021 تک کارپوریٹ وقت میں وصول ہونے والے ٹرانسفر کو مقررہ وقت میں کیا جائے گا۔ کمپنی کے سالانہ کوٹھوالوں کے اندراج کے لیے چوں میں تبدیلی یا موجود ہونے کی صورت میں اپنی کارڈ CNIC کی کاپی کے ساتھ کمپنی کے شیئر رجسٹر کارپورٹ پر رائج پبلیش ڈاکوٹ آرکائیو سالانہ سالانہ اور فون نمبر 042-35839182 کو ارسال کریں۔
- 4۔ SRO 787(1)/2014 SECP کی پیروی میں ممبران کو آڈٹ شدہ مالی حسابات بعد سالانہ اجلاس عام کے نوٹس ایکٹیوٹائی پبلیش وصول کرنے کا اختیار دیا ہے۔ ٹیڈ ممبران (نمبریکل CDC شیئر ہولڈرز) جو ایلی ریگٹ ہوں اپنے ایلی میل ایڈریس اور ایکٹیوٹائی ڈاکوٹ کی رضامندی کمپنی کے شیئر رجسٹر ڈائریکٹرز اور اسے اپنے بروکر (حصدار) CDC (انوسٹر ڈاکوٹ) کو ارسال کریں۔
- 5۔ 30 جون 2021 کو ختم ہونے والے سال کے آڈٹ شدہ مالی حسابات بعد ایکٹرز ڈائریکٹرز رپورٹ کمپنی کی ویب سائٹ <http://www.kohinoorspinningmills.com> پر ڈسٹاپ لیا۔
- 6۔ ایلی ایلی پی کے کوڈ 19 کے مطابق کے بارے میں سرکاری پی وی میں جو خواہمہد شخص اخص دار دیو پبلک "ZOOM" کے ذریعہ سالانہ جنرل اجلاس میں شرکت کرنا چاہتا ہے ان سے درخواست ہے کہ اس ایلی ایلی ایڈریس kosmcorporate@chakwalgrouppk.com پر کمپنی کی پبلیش کی کیا خواہمہد ان کو ان کی تمام تکنیکی معلومات کوڈ 19 کے بارے میں کے جائیں گے اور منسلق SOPs پر کمپنی سے مل گیا جائے گا
- 7۔ کمپنی کے ممبران جن کے پاس کم از کم 10% حصص ہیں اور وہ ایک شہر میں رہتے ہیں اور اجلاس میں دیو پبلک کے ذریعے شرکت کرنا چاہتے ہیں کمپنی ان کے لئے شہر میں دیو پبلک کی سہولت مہیا کرے گی پبلیش شہر میں ایلی سہولت موجود ہوگی ممبران کو دیو پبلک کی سہولت سے متعلق سالانہ اجلاس کی تاریخ سے کم از کم پانچ دن پہلے مطلع کرے گی تاکہ وہ اس سہولت سے فائدہ اٹھائیں اس سلسلے میں بعض داران سے درخواست ہے کہ مندرجہ بالا کام پر کریں اور کمپنی کے رجسٹر اپنے ہر سالانہ اجلاس کی تاریخ سے سات دن پہلے ارسال کر دیں

میں اہم _____ کوہ نور سپینگ ملز لمیٹڈ کا ممبر ہونے کے ناطے مالک ہوں _____ اور میرا رجسٹرڈ فوئیو نمبر اسی ڈی سی ڈاکوٹ نمبر _____ ہے اور میں دیو پبلک کی سہولت چاہتا ہوں _____

ممبر کے دستخط

8۔ نمبرز سے درخواست ہے کہ وہ کمپنی کو پی کی تبدیلی کے متعلق فوراً آگاہ کریں

REVIEW REPORT BY THE CHAIRMAN ON THE OVERALL PERFORMANCE OF BOARD AND EFFECTIVENESS OF THE ROLE PLAYED BY THE BOARD IN ACHIEVING THE COMPANY'S OBJECTIVES

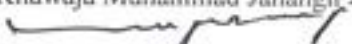
The Board of Directors (the Board) of Kohinoor Spinning Mills Limited (KOSM) has performed their duties diligently in upholding the best interest of shareholders' of the Company and has managed the affairs of the Company in an effective and efficient manner. The Board has exercised its powers and has performed its duties as stated in the Companies Act 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

- The Board has actively participated in strategic planning process, enterprise risk management system, policy development and financial structure, monitoring and approval;
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee;
- The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and /or internal audit activities;
- The Board has prepared and approved the director's report and has ensured that the directors' report is published with the quarterly and annual financial statement of the Company and the content of the directors' report are in accordance with the requirement of applicable laws and regulations;
- The Board has ensured the hiring, evaluation and compensation of the Chief Executive and other key executives including Chief Financial Officer, Company Secretary and Head of Internal Audit;
- The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings; and
- The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in terms of their conduct as directors and exercising their powers and decision making..

Necessary Board agenda and related supporting documents were duly made available to the Board and its committee meetings. The non-executives and independent directors are equally involved in important decisions of the board.

The annual evaluation of the Board's performance is assessed based on the key areas where the Board requires clarity to provide high level oversight, including the strategic process; key business drivers and performing milestones, the global economic environment and competitive context in which the Company operates; the risks faced by the Company's business; Board dynamics; capability and information flows. Based on the aforementioned, it can reasonably be stated that the Board of KSML has played a key role in ensuring that the Company objectives are not only achieved, but also exceeded expectations through a joint effort with the management team and guidance and oversight by the Board and its members.

October 08, 2021

Khawaja Muhammad Jahangir

Chairman

بورڈ کی مجموعی کارکردگی اور کمپنی کے مقاصد کے حصول میں بورڈ کے مؤثر کردار پر چیئرمین کی جائزہ رپورٹ

کوہنور سپینگ ملز لمیٹڈ (KSML) کے بورڈ آف ڈائریکٹرز (بورڈ) نے کمپنی کے حصہ داروں کے بہترین مفاد کو برقرار رکھنے میں اپنی ذمہ داریاں تندہی سے انجام دی ہیں اور کمپنی کے امور کو مؤثر اور بروقت انداز سے منظم کیا ہے۔ بورڈ نے کمپنی ایکٹ اور سیکٹر کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں دیئے گئے اپنے اختیارات اور ذمہ داری کو بخوبی سرانجام دیا ہے۔ بورڈ نے اسٹرٹجک منصوبہ بندی کے عمل، ادارے کو لاحق خطرات کا انتظامی نظام، پالیسی ڈویلپمنٹ اور مالیات ساخت کی نگرانی اور منظوری میں فعال طور پر حصہ لیا ہے۔ سال بھر میں تمام اہم مسائل بورڈ یا اس کی کمیٹیوں کے روبرو کاروباری فیصلہ سازی کے عمل کو مضبوط بنانے کے لئے پیش کئے گئے اور خاص طور پر کمپنی کی طرف سے کئے گئے تمام متعلقہ پارٹی کے ساتھ لین دین کو آڈٹ کمیٹی کی سفارشات پر بورڈ نے منظوری دی۔

بورڈ نے اس بات کو یقینی بنایا ہے کہ اندرونی کنٹرول کا مناسب نظام موجود ہے اور خود تشخیصی طریقہ کار اور/یا انٹرنل آڈٹ سرگرمیوں کے ذریعے اس کی باقاعدگی سے جانچ پڑتال کی جاتی ہے۔ بورڈ نے مجلس نظامہ کی رپورٹ کی تیاری اور منظوری دی ہے اور اس بات کو یقینی بنایا ہے کہ مجلس نظامہ کی رپورٹ کمپنی کی سہ ماہی اور سالانہ مالیاتی حسابات کے ساتھ شائع ہوئی اور مجلس نظامہ کی رپورٹ کا مواد قابل اطلاق قوانین اور قواعد و ضوابط کے مطابق ہے۔

بورڈ نے چیف ایگزیکٹو سمیت دیگر اہم ایگزیکٹوز بشمول چیف فنانس آفیسر، کمپنی سیکرٹری اور انٹرنل آڈٹ کے سربراہ کی ملازمت اور معاوضہ سازی کو یقینی بنایا ہے۔ بورڈ نے اس کے اراکین کے درمیان بروقت طریقے سے تسلی بخش معلومات کے تبادلے کو یقینی بنایا اور بورڈ کے ممبران کو اجلاس کے درمیان ڈویلپمنٹ کے بارے میں لمحہ بہ لمحہ باخبر رکھا گیا ہے اور بورڈ نے کمپنی پر قابل اطلاق متعلقہ قوانین اور قواعد و ضوابط کی روشنی میں دیئے گئے اختیارات کے مطابق اپنے اختیارات کا استعمال کیا ہے اور بورڈ نے ہمیشہ بحیثیت ڈائریکٹرز اپنے اختیارات کے استعمال اور فیصلہ سازی کرنے کے برتاؤ میں تمام قابل اطلاق قوانین اور قواعد و ضوابط کی تعمیل کو ترجیح دی ہے۔

بورڈ اور اس کی ذیلی کمیٹی کی میٹنگ سے قبل از وقت ضروری ایجنڈا اور اس سے متعلق دستاویزات بورڈ کو مہیا کئے گئے۔ نان ایگزیکٹو اور آزاد ڈائریکٹرز بورڈ کے اہم فیصلوں میں برابر کے شریک ہیں۔ بورڈ کی سالانہ کارکردگی اہم شعبوں پر مبنی ہے جہاں بورڈ کو اعلیٰ درجے کی نگرانی مہیا کرنے بشمول اسٹرٹجک عمل، کلیدی کاروباری امور، سگ میل کی تکمیل، عالمی معاشی ماحول اور مسابقتی سیاق و سباق جس میں کمپنی کام کرتی ہے، کمپنی کے کاروبار کو درپیش خطرات، بورڈ کے محرکات، صلاحیت اور معلومات مہیا کرنے کے لئے وضاحت دینے کی ضرورت ہوتی ہے۔ مذکورہ بالا کی بنیاد پر، یہ مناسب طور پر کہا جاسکتا ہے کہ KSML کے بورڈ نے اس بات کو یقینی بنانے میں اہم کردار ادا کیا ہے کہ کمپنی کے مقاصد کو نہ صرف حاصل کیا جاسکتا ہے، بلکہ بورڈ اور اس کے اراکین کی راہنمائی اور نگرانی کے ذریعہ انتظامیہ ٹیم کی مشترکہ کوششوں کے ساتھ توقعات سے بھی آگے بڑھا جاسکتا ہے۔


خواجہ محمد جہانگیر

چیئرمین

لاہور

18 ستمبر 2021

DIRECTORS' REPORT TO THE SHAREHOLDERS

The directors have the honor to present annual report of your Company together with audited financial statements and auditors' report thereon for the year ended 30th June 2021.

Financial Performance:

Your Company has incurred after tax loss of Rs. 369.336 million as compared to after tax loss of Rs. 245.041 million for the corresponding last year. Our annual sales have been increased from Rs. 1,662.982 million in financial year 2020 to Rs. 2,807.075 million in current financial year. Though sales have been increased remarkably (i.e. 68.80%) our net loss after tax has also been increased by (50.72%). Main reasons for adverse results include rising raw material cost and low yarn price in local market, exorbitant rise in salaries and fuel and power, abnormal plant wear and tear etc. The impact Covid-19 also felt in yarn market in this financial year as well. We were unable to fetch reasonable yarn prices due to sluggish local yarn market.

(Loss) Per Share (EPS):

The Basic loss per share (EPS) of the Company for the year 2021 remained at Rs. 1.71 (2020: loss per share was Rs. 1.14).

Going Concern Assumption:

The auditors have emphasized that due to circumstances described in Note 1.2 to the financial statements the Company may not be able to continue as a going concern. However, the management has prepared the annexed financial statements on going concern basis due to reasons explained in Note 1.2 to the financial statements. The auditors have not qualified their opinion in this respect.

Future Outlook:

The Government has pegged fuel and power rates with US dollar. For WAPDA, this rate is 9.0 cents/KWH and for gas it is US \$ 6.5 per MMBTU. With US dollar rate increase, electricity and gas rates would also increase. Though State Bank of Pakistan (SBP) is intervening in the currency market to artificially keep US dollar on lower side, it is still not enough. Afghanistan situation has also increased US dollar demand. Most of our machinery parts are also imported. So, along with, fuel and power our machinery parts would also become dearer.

With this rise, our product would become uncompetitive in local market as local market would be facing dumping of cheap yarn by importers from around the world.

Ever rising inflation has also reduced public spending on clothing. This reduces yarn demand. The Government has also increased minimum wages in current budget. This would further rise salaries and wages.

Imposition of 17% GST on registered textile sector and 20% GST on unregistered textile sector did not bear the desired fruits. Most of weavers are still unregistered and they do not want to get registered in FBR. Also, they do not pay 3% further sales tax. We have to pay this further tax from our own revenues. This results in further erosion of 3% margins.

The management is in correspondence with a bank for rescheduling of loan. If we succeed, we would further talk to other banks and try to reschedule all banking loans as early as possible.

Principal Activity:

The principal activity of the Company is manufacturing and sale of yarn.

Principal Risks and Uncertainties:

The Board of Directors is responsible to oversee the Company's operations and to devise an effective strategy to mitigate any potential adverse impact of risks.

The Company's ability to continually assess market conditions and then react decisively, allows the Company to manage risks responsibility and take opportunities to strengthen the position of the Company when they arise. The Company's principal financial liabilities, comprise long term finances, trade and other payables, short term borrowings and accrued mark up. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company's principal financial assets comprise of trade debts, advances, short-term deposits, other receivables and cash and bank balances that arise directly from its operations. The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Information about Defaults In Debt Payments:

All banks have filed recovery suit against the Company. The amount claimed in these suits have already been accounted for in financial statements. The reason for default in payments is liquidity crisis being faced by the Company for the last six years. As already informed above, the management has started negotiation for rescheduling of loan with a bank. We are hopeful that the Company can manage issues with banks amicably without hurting the interest of shareholders.

Material Changes and Commitments:

No adverse material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this balance sheet relates and the date of the Director's Report.

Directors' Loan:

The directors are continuously injecting equity through directors' loan whenever funds' requirement arises. The purpose is to keep the mill operations running. However, one of the directors, has once again raised the issue of return of loan given by him. Keeping in view current distress cash flows, other directors have requested him to wait for sometime till Company's cash flows improve.

Election of Directors:

The shareholders of the Company in the extra ordinary general meeting held on 09th September 2020 elected new board of directors. Our two directors, Khawaja Muhammad Jawed (non-executive director) and Mohammad Tariq Sufi (independent director) did not offer themselves for re-appointment/re-election. In their places, two new independent directors, Mr. Faisal Qayyum and Ms. Fiza Farhan were elected.

Mohammad Tariq Sufi (independent director) was Chairman of Audit committee and HR & Remuneration Committee till above election. Thereafter, Mr. Faisal Qayyum was appointed Chairman of both committees as well.

Also, Khawaja Mohammad Nadeem resigned on 05th January 2021. Ms. Aqsa Jahangir was appointed director in his place on same date. Khawaja Mohammad Nadeem remained a member of audit committee till 05 January 2021. Ms. Aqsa Jahangir was also appointed a member of audit committee on same date.

Internal Financial Controls:

A system of sound internal control is established and implemented at all levels of the Company by the Board of Directors. The system of internal control is sound in design for ensuring achievement of Company's objectives and operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies.

Related Parties

All related party transactions during the financial year ended June 30, 2021 were reviewed by the Audit Committee and approved by the Board of Directors. All the related parties' transactions in the ordinary course of business are entered on arm's length basis.

Composition of Board:

Total number of Directors:

- a) Male: 6 (Six)
- b) Female: 2 (Two)

Composition:

- (i) Independent Directors: 2 (Two)
- (ii) Other Non-executive Directors 4 (Four)
- (iii) Executive Directors 2 (Two)

***Name of Directors:**

1. Khawaja Mohammad Jahangir (Chairman)
2. Khawaja Mohammad Tanveer
3. Khawaja Mohammad Kaleem
4. Mohammad Naveed (Chief Executive)
5. Mohammad Hamza Yousaf
6. Aqsa Jahangir
7. Faisal Qaiyum (Independent director)
8. Fiza Farhan (Independent director)

***Committee of The Board**

In compliance with the Code of Corporate Governance, the Board of directors had formed the following committees:

-Audit Committee

Faisal Qaiyum

Khawaja Muhammad Kaleem

Aqsa Jahangir

-HR & Remuneration Committee

Faisal Qaiyum

Khawaja Muhammad Jahangir

Khawaja Muhammad Kaleem

*** For further information, please see "Election of Directors" above.**

Auditors:

The present auditors of the Company have completed the annual audit for the year ended 30 June 2021 and are due to retire and being eligible have offered themselves for reappointment for the

year ending 30 June 2022. The Audit Committee has recommended for re-appointment of present auditors.

Compliance with the Code of Corporate Governance:

The requirements of the Code of Corporate Governance set out by the Pakistan Stock Exchange in its Listing Regulations have been adopted by the Company and have been duly complied with. A statement to this effect is annexed to the Report.

Corporate Governance & Financial Reporting Framework:

As required by the Code of Corporate Governance, Directors are pleased to report that:

- i) The financial statements prepared by the management of the Company present fair state of Company's operations, cash flows and changes in equity.
- ii) Proper books of account of the Company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based upon reasonable and prudent judgment.
- iv) International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of financial statements, and any departures there from has been adequately disclosed and explained.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) The audit observation ongoing concern has been disclosed in Note no 1.2 of the financial statements.
- vii) Key operating and financial data for the last six years is annexed.
- viii) Outstanding taxes and levies are given in the notes to the financial statements.
- ix) No adverse material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this balance sheet relates and the date of the Director's Report.
- x) The company has neither declared dividend nor issued bonus shares because of loss sustained by the Company for the year ended 30th June 2021.
- xi) The Company is fully compliant with the requirement of Rule 5.19.7 (Directors' Training Program) of Pakistan Stock Exchange Regulation.

Pattern of Shareholding:

The pattern of shareholding as on 30th June 2021 and its disclosures as required in the Code of Corporate Governance is annexed with this report.

Corporate Social Responsibility:

The Company strongly believes in the integration of Corporate Social Responsibility into its business, and consistently endeavors to fulfill its responsibilities to uplift communities that are influenced by our business.

Web Reference:

In compliance with SRO 634 (1)/2014 dated July 10, 2014, the Company is maintaining a functional website. Annual, half yearly and quarterly reports and other notices are regularly posted at the Company's website address (<http://www.kohinoorspinningmills.com>).

Environment, Health and Safety:

We believe and understand that creating a healthy, safe and supportive environment helps people and organization to flourish. The Company places great emphasis on safety and is concerned not only with the over all health services activities with the Company but with its vendors also. The Company organized and conducted different trainings relating to Health and Safety environment to enhance employees awareness on Health and Safety Related Issues.

The company has conducive environment for its employees, to work free of injury and illness. The employees are capable and accountable for preventing work related injuries and illness.

Acknowledgement:

The Board of Directors places on record its appreciation for the continued support by its shareholders, and valued customers. The board also expresses its appreciation for the services, loyalty and efforts being continuously rendered by the employees of the Company.

On behalf of the Board

Date: 08 Octoberber 2021

Lahore:

Muhammad Naveed

Khawaja Muhammad Jahangir



Chief Executive Officer



Chairman

حصہ داران کے لئے ڈائریکٹرز کی رپورٹ

ڈائریکٹرز آپ کی کمپنی کی 30 جون 2021ء پر ختم شدہ سالانہ رپورٹ بعد جانچ شدہ مالی حسابات اور آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالی کارکردگی:

آپ کی کمپنی کو پچھلے سال کے بعد از ٹیکس 245.041 ملین روپے کے خسارے کے مقابلے میں اس سال 369.336 ملین بعد از ٹیکس خسارہ ہوا ہے۔ ہماری سالانہ فروخت بڑھ کر 2807.075 ملین روپے رہ گئی جو پچھلے سال کے اسی عرصے کے دوران 1662.982 ملین روپے تھی (یعنی %68.80) فروخت میں اضافہ کے باوجود ٹیکس کے بعد ہمارے خالص نقصان میں بھی (%50.72) اضافہ ہوا ہے۔ منفی نتائج کی بنیادی وجوہات میں خام مال کی بڑھتی ہوئی قیمت اور مقامی مارکیٹ میں سوت کی کم قیمت، تنخواہوں اور ایندھن اور بجلی میں بے تحاشہ اضافہ، مل کی مینٹیننس میں غیر معمولی اضافہ وغیرہ شامل ہیں۔ ہم مقامی دھماکہ مارکیٹ سے سوت کی مناسب قیمتیں حاصل کرنے سے قاصر تھے۔

فی حصص خسارہ

کمپنی کا سال 2021ء کے لئے بنیادی نقصان فی حصص خسارہ (EPS) 1.71 روپے پر رہا۔ (2020 فی حصص نقصان 1.41 روپے تھا)۔

کمپنی کے کاروبار جاری رکھنے کا مفروضہ

محاسب نے نوٹ 1.2 میں بیان کردہ حالات کی بنیاد پر زور دیا ہے کہ کمپنی شاید کاروبار جاری نہ رکھ سکے۔ تاہم منتظمین نے لف شدہ مالی حسابات کاروبار جاری رہنے کے مفروضے پر نوٹ 1.2 میں دی گئی وجوہات کی بنا پر تیار کئے ہیں۔ محاسب نے اس ضمن میں اعتراض نہیں لگایا۔

مجموعی جائزہ

حکومت نے ایندھن اور بجلی کے نرخوں کا تعین امریکی ڈالر سے کیا ہے۔ واپڈا کے لیے یہ شرح 9.0 سینٹ / KWH ہے اور ٹیکس کے لیے یہ 6.5 امریکی ڈالر فی MMBTU ہے۔ امریکی ڈالر کی شرح میں اضافے کے ساتھ، بجلی اور ٹیکس کے نرخوں میں بھی اضافہ ہوگا۔ اگرچہ اسٹیٹ بینک آف پاکستان (ایس بی پی) امریکی ڈالر کو مصنوعی طور پر چلی جانے رکھنے کے لیے کرنسی مارکیٹ میں مداخلت کر رہا ہے، لیکن یہ اب بھی کافی نہیں ہے۔ افغانستان کی صورتحال نے امریکی ڈالر کی مانگ میں بھی اضافہ کیا ہے۔ ہماری مشینری کے زیادہ تر پارٹس درآمد کیے جاتے ہیں۔ لہذا، ایندھن اور بجلی کے ساتھ ہماری مشینری کے پارٹس بھی مہنگے ہو جائیں گے۔ اس اضافے کے ساتھ، ہماری مصنوعات مقامی مارکیٹ میں غیر مسابقتی ہو جائے گی کیونکہ مقامی مارکیٹ کو دنیا بھر سے درآمد کنندگان کی جانب سے سستے دھماکے کے ڈمپنگ کا سامنا کرنا پڑے گا۔

بڑھتی ہوئی مہنگائی نے لباس پر عوامی اخراجات میں بھی کمی کی ہے۔ اس سے سوت کی مانگ کم ہوتی ہے۔ حکومت نے موجودہ بجٹ میں کم از کم اجرت میں بھی اضافہ کیا ہے۔ اس سے تنخواہوں اور اجرت میں مزید اضافہ ہوگا۔

رجسٹرڈ ٹیکسٹائل سیکٹر پر 17 فیصد جی ایس ٹی اور غیر رجسٹرڈ ٹیکسٹائل سیکٹر پر 20 فیصد جی ایس ٹی لگانے سے مطلوبہ پھل نہیں ملا۔ زیادہ تر کپڑا بنانے والی لمبیں ابھی تک غیر رجسٹرڈ ہیں اور وہ ایف بی آر میں رجسٹرڈ نہیں ہونا چاہتے۔ نیز، وہ 3 فیصد مزید سٹیک ٹیکس ادا نہیں کرتے۔ ہمیں یہ مزید ٹیکس اپنی آمدنی سے ادا کرنا ہوگا۔ اس کے نتیجے میں 3 فیصد مارجن میں مزید کمی واقع ہوتی ہے۔

انتظامیہ قرض کے ری شیڈولنگ کے لیے بینک سے خط و کتابت کر رہی ہے۔ اگر ہم کامیاب ہو گئے تو ہم دوسرے بینکوں سے مزید بات کریں گے اور تمام بینکنگ قرضوں کو جلد از جلد شیڈول کرنے کی کوشش کریں گے۔

اولین سرگرمی

کمپنی کی اولین سرگرمی سوت کی پیداوار اور فروخت ہے۔

اولین خطرات اور خدشات

بورڈ آف ڈائریکٹر کمپنی کی سرگرمیوں اور ممکنہ خطرات سے نمٹنے کے لئے مؤثر حکمت عملی وضع کرنے کا ذمہ دار ہے۔ کمپنی کی منڈی کی صورت حال کا مسلسل جائزہ لینے کی قابلیت، کمپنی کے خطرات کی روک تھام اور کمپنی کو مضبوط کرنے کے مواقع جب وہ پیش آئیں سے فائدہ اٹھانے کی ذمہ داری کو پورا کرتی ہے۔ کمپنی کے اولین مالی واجبات، طویل مدتی قرضے، جہادتی و دیگر

واجبات اور کم مدتی ادھار پر مشتمل ہیں۔ ان مالی واجبات کا بنیادی مقصد کمپنی کی سرگرمیوں کو چلانے کے لئے پیسے کا انتظام کرنا ہے۔ کمپنی کے اولین مالی واجبات، تجارتی قرضے،

بٹھراؤ ایلیاں، کم مدتی ذخائر، دیگر قابل وصول رقم، نقدی اور بینک بیلنس پر مشتمل ہیں جو سرگرمیوں سے براہ راست حاصل ہوئے ہیں۔

کمپنی کی سرگرمیوں کی وجہ سے اس کو مختلف مالی خطرات لاحق ہیں: منڈی کا خطرہ (بشمول، نقدی خطرہ، سودی شرح کا خطرہ اور قیمت کا خطرہ)، ادھار کا خطرہ اور مالی ماییت کا خطرہ،

کمپنی کا مجموعی طور پر خطرات کو کم کرنے کا پروگرام مالی منڈی کی غیر یقینی صورت حال پر مرکوز ہے اور کمپنی کی مالی کارکردگی پر اثر انداز ہونے والے ممکنہ منفی اثرات کو کم کرنے کی کوشش کرتا ہے۔

ادھار کی عدم ادائیگیوں بارے معلومات

تمام بینکوں نے کمپنی کے خلاف ادھار کی وصولی کا دعویٰ دائر کر دیا ہے۔ ان میں جن رقم کا دعویٰ کیا گیا ہے وہ پہلے سے مالی حسابات میں درج ذیل ہیں۔ رقم کی عدم ادائیگیوں کی وجہ پچھلے چھ سالوں سے جاری کمپنی کو درپیش پیسے کا بحران ہے۔ جیسا کہ پہلے ہی بتایا جا چکا ہے، انتظامیہ نے بینک کے ساتھ قرض کی ری شیڈولنگ کے لیے بات چیت شروع کر دی ہے۔ ہم پر امید ہیں کہ کمپنی تخصص یافتگان کے مفادات کو بچائے بغیر بینکوں کے ساتھ معاملات کو خوش اسلوبی سے سنبھال سکتی ہے۔

قابل ذکر تبدیلیاں اور یقین دہانیاں

اس بیلنس شیٹ کی تاریخ (سال کے آخر) سے لے کر ڈائریکٹر رپورٹ کی تاریخ کے درمیان کوئی قابل ذکر تبدیلی یا یقین دہانی نہیں ہے جو کمپنی کی مالی حالت پر اثر انداز ہوئی ہو۔

ڈائریکٹرز کا قرض:

جب بھی فنڈ کی ضرورت پیش آتی ہے تو ڈائریکٹر ڈائریکٹرز کے قرض کے ذریعے ایکٹوئی لگاتے رہتے ہیں۔ مقصد یہ ہے کہ کل آپریشنز کو جاری رکھا جائے۔ تاہم، ڈائریکٹروں میں سے ایک نے، ایک بار پھر دئے گئے قرض کی واپسی کا مسئلہ اٹھایا ہے۔ موجودہ مصیبت کے نقد بہاؤ کو مد نظر رکھتے ہوئے، دیگر ڈائریکٹرز نے ان سے درخواست کی ہے کہ کمپنی کے نقد بہاؤ میں بہتری آنے تک کچھ دیر انتظار کریں۔

ڈائریکٹرز کا انتخاب:

09 ستمبر 2020 کو ہونے والی غیر معمولی عام میٹنگ میں کمپنی کے شیئر ہولڈرز نے نیا بورڈ آف ڈائریکٹرز منتخب کیا۔ ہمارے دو ڈائریکٹرز خواجہ محمد جاوید (نان ایگزیکٹو ڈائریکٹر) اور محمد طارق صوفی (آزاد ڈائریکٹر) نے خود کو دوبارہ تقرر کی / دوبارہ انتخاب کے لیے پیش نہیں کیا۔ ان کی جگہ پر دو نئے آزاد ڈائریکٹرز جناب فیصل قیوم اور محترمہ فضا فرحان منتخب ہوئے۔

محمد طارق صوفی (آزاد ڈائریکٹر) اوپر کے انتخابات تک آڈٹ کمیٹی اور HR & اجرت کمیٹی کے چیئرمین رہے۔ اس کے بعد جناب فیصل قیوم کو دونوں کمیٹیوں کا چیئرمین بھی مقرر کیا گیا۔ نیز، خواجہ محمد ندیم نے 05 جنوری 2021 کو استعفیٰ دے دیا۔ محترمہ فضا فرحان کی جگہ ڈائریکٹر مقرر کیا گیا۔ خواجہ محمد ندیم 05 جنوری 2021 تک آڈٹ کمیٹی کے رکن رہے۔ محترمہ فضا فرحان جہاگیر کو بھی اسی تاریخ کو آڈٹ کمیٹی کا رکن مقرر کیا گیا۔

اندرونی مالیاتی کنٹرول کی موزونیت:

بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کی تمام سطحوں پر منظم اندرونی کنٹرول کا نظام وضع اور لاگو کیا گیا ہے۔ اندرونی کنٹرول کا نظام اپنے ڈیزائن میں منظم ہے جو کمپنی کے مقاصد کو حاصل کرنے اور کارکردگی کو موثر بنانے، مالی حسابات کی پُر اعتماد پورنگ اور قوانین اور پالیسیوں پر عمل درآمد کو یقینی بناتا ہے۔

متعلقہ پارٹیاں

30 جون 2021 پر اختتام شدہ مالی سال کے دوران تمام متعلقہ پارٹیوں کے ساتھ لین دین کا آڈٹ کمپنی نے جائزہ لیا اور بورڈ آف ڈائریکٹرز نے اس کی منظوری دی۔ متعلقہ پارٹیوں نے تمام لین دین بورڈ آف ڈائریکٹرز سے منظور شدہ ٹرانسفر پر اسٹک کے طریقوں کے مطابق تھا۔

بورڈ کے ممبران:

(a) مرد: 6 (چھ) •

(ب) عورت: 2 (دو)

کمپوزیشن:

(i) آزاد ڈائریکٹر: 2 (دو)

(ii) دیگر نام ایگزیکٹو ڈائریکٹر: 4 (چار)

(iii) ایگزیکٹو ڈائریکٹر: 2 (دو)

1۔ ڈائریکٹرز کی کل تعداد: (a) مرد=06 (b) خواتین=02

2۔ بورڈ کے ممبران:

(a) خود مختار ڈائریکٹر=02

(b) دیگر نام ایگزیکٹو ڈائریکٹر: 04

(c) ایگزیکٹو ڈائریکٹر=02

ڈائریکٹرز کے نام:

1۔ خواجہ محمد جہانگیر (ڈپٹی مین)

2۔ خواجہ محمد تنویر۔

3۔ خواجہ محمد کلیم۔

4۔ محمد نوید (چیف ایگزیکٹو)

5۔ محمد حمزہ یوسف

6۔ اقصیٰ جہانگیر۔

7۔ فیصل قیوم (آزاد ڈائریکٹر)

8۔ نضار رحمان (آزاد ڈائریکٹر)

بورڈ کی کمیٹی۔

کوڈ آف کارپوریٹ گورننس کی قیمل میں، بورڈ آف ڈائریکٹرز نے مندرجہ ذیل کیٹیاں تھکیل دی تھیں۔

آڈٹ کمیٹی

قیمل قیوم

خوبہ محمد کلیم

اقسلی جہانگیر۔

انسانی وسائل اور معاوضہ کمیٹی

قیمل قیوم

خوبہ محمد جہانگیر

خوبہ محمد کلیم

مزید معلومات کیلئے اوپر دیے گئے "ڈائریکٹرز کا انتخاب" سے رجوع کریں۔

محاسب

کمپنی کے موجودہ محاسب نے 30 جون 2021 پر ختم شدہ سال کا سالانہ آڈٹ مکمل کر لیا ہے۔ موجودہ محاسب کی خدمات کمپنی کے سالانہ عام اجلاس میں واپس کر دی جائیں گی اور اہل ہونے

کے ناطے انہوں نے 30 جون 2022 پر اختتام پزیر ہونے والے سال کے لئے دوبارہ اپنی خدمات پیش کرنے کی خواہش ظاہر کی ہے۔

کوڈ آف کارپوریٹ گورننس کی قیمل:

کوڈ آف کارپوریٹ گورننس کی شرائط جو پاکستان سٹاک ایکچینج نے اپنے سسٹم کے اصولوں میں وضع کی ہیں کمپنی نے اختیار کی ہیں اور ان کی صحیح قیمل کی ہے۔ اس کی قیمل کا بیان رپورٹ کے ساتھ منسلک کیا گیا ہے۔

کارپوریٹ گورننس اور مالیاتی رپورٹنگ فریم ورک:

کوڈ آف کارپوریٹ گورننس کے مطابق، ڈائریکٹرز یہ بتاتے ہوئے خوشی محسوس کرتے ہیں کہ

(i) کمپنی کے منتظمین کی جانب سے تیار کردہ حسابات کمپنی کے معاملات، باقصدی بہاد اور ان کیلئے کی شفافیت کو ظاہر کرتے ہیں۔

(ii) کمپنی کے کمالات جات بالکل صحیح طور سے بنائے گئے ہیں۔

(iii) مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں یکساں طور پر لاگو کی گئی ہیں اور اکاؤنٹنگ تخمینہ جات (estimates) مناسب اور دانش مندانہ فیصلوں پر مبنی ہیں۔

(iv) بین الاقوامی مالیاتی رپورٹنگ معلومات (IFRS)، جیسے کہ پاکستان میں قابل عمل ہیں، پر حسابات بناتے وقت عمل کیا گیا ہے اور کسی بھی انحراف کا موزوں انکشاف اور وضاحت کی گئی ہے۔

(v) اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اس پر مؤثر طریقے سے عمل درآمد اور نگرانی کی جاتی ہے۔

(vi) کمپنی کا کاروبار جاری رکھنے سے متعلق آڈٹ اعتراض کی تفصیل مالی حسابات کے نوٹ نمبر 1.2 میں دی گئی ہے۔

(vii) کمپنی کے گزشتہ چھ سالوں کے چلنے اور مالیات سے متعلق کلیدی اعداد و شمار منسلک کئے گئے ہیں۔

(viii) واجب الادائیکس، ڈیوٹی بمصوب اور چارج مالی حسابات کے نوٹ میں درج کئے گئے ہیں۔

(ix) اس مالیاتی سال جس سے ان حسابات کا تعلق ہے کے اختتام سے لے کر ڈائریکٹر رپورٹ کی تاریخ تک حسابات پر اثر انداز ہونے والی کوئی اہم تبدیلی اور وعدے نہیں ہیں۔

(x) 30 جون 2021 پر اختتام پذیر ہونے والے سال کے دوران خسارہ کی وجہ سے کسی ڈیویڈنڈ کا اعلان اور بونس کا اجرا نہیں کیا گیا۔

(xi) کمپنی پاکستان سٹاک ایکسچینج کے اصولوں کے اصول نمبر 5.19.7 (ڈائریکٹروں کی ٹریڈنگ) پر پوری طرح عمل پیرا ہے۔
حصص کنندگان کی تفصیل

30 جون 2021 کی تاریخ میں کوڈ آف کارپوریٹ گورننس کے مطابق مطلوبہ تفصیل الف ہے۔

کارپوریٹ سماجی ذمہ داری:

کمپنی اپنی کارپوریٹ سماجی ذمہ داریوں سے مکمل طور پر آگاہ ہے اور سماجی بہبود کے لئے مسلسل کوشش کرتی ہے خواہ سماج ہمارے کاروبار سے بالواسطہ یا بلاواسطہ اثر انداز ہو۔

• ویب حوالہ:

2014(1)634 SRO تاریخ 10 جولائی 2014 کے تحت کمپنی کی ویب سائٹ www.kohinoorspinningmills.com فنکشنل ہے جس پر سالانہ، ششماہی اور سہ ماہی اکاؤنٹس اپ لوڈ کئے جاتے ہیں۔

ماحول، صحت اور حفاظت:

ہم یقین رکھتے ہیں اور سمجھتے ہیں کہ ایک صحت مند، محفوظ اور معاون ماحول بنانے سے لوگوں اور تنظیم کو پنپنے میں مدد ملتی ہے۔ کمپنی حفاظت پر بہت زور دیتی ہے اور نہ صرف کمپنی کے ساتھ بلکہ اس کے گاہکوں کے ساتھ صحت کی تمام سرگرمیوں سے متعلق ہے۔ کمپنی نے صحت اور حفاظت کے ماحول سے متعلق مختلف ٹریڈنگ کا اہتمام کیا اور ان کا انعقاد کیا تاکہ ملازمین کو صحت اور حفاظت سے متعلق امور پر آگاہی بڑھائی جاسکے۔

کمپنی اپنے ملازمین کے لیے سازگار ماحول رکھتی ہے کہ وہ چوٹ اور بیماری سے پاک کھم کریں۔ ملازمین کام سے متعلقہ چوٹوں اور بیماری کو روکنے کے لیے قابل اور جواہر ہیں۔

اعتراف:

بورڈ آف ڈائریکٹرز اپنے حصص یافتگان اور قابل قدر گاہکوں کی جانب سے مسلسل تعاون کی تعریف کرتے ہیں۔ بورڈ کمپنی کے ملازمین کی خدمات، وفاداری اور کوششوں کی مسلسل تعریف کرنے کا بھی اظہار کرتا ہے۔

بورڈ آف ڈائریکٹرز کی طرف سے


محمد نادیہ

(چیف ایگزیکٹو آفیسر)


خواجہ محمد جلال

(چیرمین)

(تاریخ: 08 اکتوبر 2021ء بور)

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سرمایہ کاری کی آگاہی کے لیے انقلابی اقدام



’جہاں رہیے، آگاہ رہیے‘

SECP کی جانب سے پیش کی جانے والی ’جمع پونجی‘ ایک ایسا ویب پورٹل جو آپ کو سرمایہ کاری سے متعلق ہر قسم کی معلومات فراہم کرتا ہے، تاکہ آپ ایک اچھی سرمایہ کاری کا فیصلہ کر سکیں۔ جمع پونجی میوبائل فونز، فیشن فٹرز، مسلاک کی ٹینک، کپڑوں کی مارکیٹ، لیزنگ کمپنیز اور انوشنٹ بینک وغیرہ میں سرمایہ کاری سے متعلق آپ کے سوالات کے جوابات فراہم کرتا ہے، اور ساتھ ہی آن لائن ٹوکے کے ذریعے کھیلی کھیل میں منافع بخش سرمایہ کاری کے سلسلے میں آپ کو رہنمائی بھی فراہم کرتا ہے۔

ملت آن لائن فورم:

- سکیم میٹر
- ماک ٹریڈنگ
- رسک پروفاکٹر
- جی ٹی سیٹر
- کالکولیٹر
- نیوز لیٹر سکرپشن



**کھیل ہی کھیل
میں سیکھیں
سرمایہ کاری کا ہنر**

Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

KEY FINANCIAL DATA OF LAST SIX YEARS

		Year ended June 30					
		2021	2020	2019	2018	2017	2016
Profit and Loss Summary							
Sales-Net	Pak-Rs.	2,807,075,051	1,662,982,360	4,260,538,818	3,070,193,676	2,063,046,395	4,139,297,510
Gross (Loss)/Profit	Pak-Rs.	(213,386,403)	(134,845,574)	1,632,745	(165,293,612)	(380,244,852)	(19,050,576)
(Loss) after tax	Pak-Rs.	(369,335,887)	(245,041,618)	(339,402,784)	(414,618,270)	(720,905,747)	(466,024,678)
Balance Sheet Summary							
Share Capital	Pak-Rs.	1,078,571,425	1,078,571,425	1,078,571,425	1,078,571,425	650,000,000	650,000,000
Accumulated (Loss)/Profit	Pak-Rs.	(2,170,841,999)	(1,801,334,702)	(1,555,812,643)	(1,185,044,837)	(982,015,938)	(260,250,218)
Share Holder's Equity	Pak-Rs.	(1,092,270,574)	(722,763,277)	(477,241,218)	(106,473,412)	(332,015,938)	389,749,782
Non Current Liabilities (Excluding loan from directors)	Pak-Rs.	45,064,213	49,523,071	64,593,059	115,610,152	244,314,193	393,728,427
Loan From Directors	Pak-Rs.	575,210,259	503,649,521	470,149,521	438,376,521	1,000,526,516	700,000,000
Property, plant and Equipment	Pak-Rs.	1,594,114,680	1,652,107,503	1,738,573,442	1,821,121,203	1,913,004,745	2,027,131,797
Other Non Current Assets	Pak-Rs.	44,221,312	39,325,312	39,325,312	39,325,312	10,977,142	32,010,739
Total Assets	Pak-Rs.	2,619,534,273	2,824,856,050	2,899,859,631	3,018,021,074	3,183,195,343	3,468,865,660
Total Liabilities (Excluding loan from directors)	Pak-Rs.	3,136,594,588	3,043,969,806	2,906,951,328	2,686,117,964	2,514,684,765	2,379,115,879
Profitability and Operating Ratios							
Gross Profit Margin	%	(7.60)	(8.11)	0.04	(5.38)	(18.43)	(0.40)
Net Profit to sales	%	(13.16)	(14.74)	(7.97)	(13.50)	(34.94)	(11.26)
Liquidity Ratios							
Current	Times	0.32	0.38	0.39	0.45	0.57	0.71
Quick/Acid test	Times	0.05	0.06	0.10	0.12	0.11	0.18
Activity/Turnover Ratios							
Inventory Turnover	Times	3.40	2.00	5.05	3.49	2.37	3.34
Debtors Turnover	Times	24.57	11.41	20.40	12.13	12.87	14.96
Creditors Turnover	Times	9.57	7.41	85.21	42.25	32.86	36.64
Investment/Market Ratios							
Earning Per share	Times	(1.71)	(1.14)	(1.57)	(2.13)	(5.55)	(3.58)

KOHINOOR SPINNING MILLS LIMITED

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 FOR THE YEAR ENDED JUNE 30, 2021

The Company has complied with the requirements of the listed companies (code of Corporate Governance) regulations, 2019 in the following manner:

1. The total number of directors are eight as per the following:

- a) Male Six
- b) Female Two

2. The composition of the Board of Directors is as follows:

Category	Names	
Independent Director	1.	Faisal Qaiyum
	2.	Fiza Farhan
Non Executive Directors	1.	Khawaja Mohammad Tanveer
	2.	Khawaja Mohammad Jahangir
	3.	Khawaja Mohammad Kaleem
	4.	Aqsa Jahangir
Executive Directors	1.	Mohammad Naveed
	2.	Mohammad Hamza Yousaf

The shareholders of the Company in the extraordinary general meeting held on 09th September 2020 elected new board of directors. Our two directors, Khawaja Muhammad Jawed (non-executive director) and Mohammad Tariq Sufi (independent director) did not offer themselves for re-appointment/re-election. In their places, two new independent directors, Mr. Faisal Qaiyum and Ms. Fiza Farhan were elected.

Mohammad Tariq Sufi (independent director) was Chairman of Audit committee and HR & Remuneration Committee till above election. Thereafter, Mr. Faisal Qaiyum was appointed Chairman of both committees as well.

Also, Khawaja Mohammad Nadeem resigned on 05th January 2021. Ms. Aqsa Jahangir was appointed director in his place on same date. Khawaja Mohammad Nadeem remained a member of audit committee till 05 January 2021. Ms. Aqsa Jahangir was also appointed a member of audit committee on same date.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company. (excluding the listed subsidiaries of listed holding companies wherever applicable)
4. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The Board has developed a vision /mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the board/shareholders as empowered by the relevant provisions of the companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019.
7. The meetings of the Board were presided over by the Chairman and in his absence by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. All the directors of the company (except Mr. Mohammad Hamza Yousaf) are exempted from directors training program due to 14 years of education and 15 years of experience on the board of listed company which covered compliance of relevant provision of Regulations. Mr. Mohammad Hamza Yousaf, Director of the company has completed directors training program through institute of Chartered Accountants of Pakistan.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. The financial statements of the company were duly endorsed by CEO and CFO before approval of the Board.
12. The Board has formed committees comprising of members given below:

Audit Committee

1. Faisal Qaiyum (Chairman)
2. Khawaja Mohammad Kaleem
3. Aqsa Jahangir

HR & Remuneration Committee


1. Faisal Qaiyum (Chairman)
2. Khawaja Mohammad Jahangir
3. Khawaja Mohammad Kaleem


For further information, please also see Note No. 2 above.

13. The term of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the aforesaid committees were as per following:
 - a) Audit Committee: Four quarterly meetings during the financial year ended June 30, 2021.
 - b) HR and Remunerations Committee: One meeting during the financial year ended June 30, 2021.
15. The Board has set up an effective internal audit function. The staff is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.
16. The statutory auditors of the company have confirmed that they have been given satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with.

For and on behalf of the Board

Lahore :
October 08, 2021


Mr. Muhammad Naveed
Chief Executive


Khawaja Muhammad Jahangir
Chairman



To the members of Kohinoor Spinning Mills Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Kohinoor Spinning Mills Limited for the year ended June 30, 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in Regulations as applicable to the Company for the year ended June 30, 2021.

Place: Islamabad

Date: October 08, 2021


Nasir Javaid Maqsood Imran

Chartered Accountants

Lahore Office:

3rd Floor, Pace Tower, Plot No. 27, Block "H", Gulberg 2 Lahore
Tel: 042-35754821-22, Fax: 042-36317513, Email: nasirgulzar@njmi.net

Karachi Office:

Office No. 807, 8th Floor, Q.M. House, Plot No. 11/2, Ellander Road,
Opposite to Shaheen Complex, Off. I.I Chundrigar Road.
Tel: 021-32212382, 32212383, 32211516, Fax: 021-32211515, Email: khi@njmi.net



INDEPENDENT AUDITOR'S REPORT

To the members of Kohinoor Spinning Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements Kohinoor Spinning Mills Limited (the Company), which comprise the statement of financial position as at June 30, 2021 and the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2021 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

We draw attention to note 1.2 of the financial statements and to the fact that the company's total liabilities exceed total assets by Rupees 1,092,270,574 (2020: 722,763,277/-) as at 30 June 2021 due to recurring losses. The company may not be able to continue as a going concern, however management does not intend to liquidate this company in the near future therefore these financial statements have been prepared on going concern assumption.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Lahore Office:

3rd Floor, Pace Tower, Plot No. 27, Block "H", Gulberg 2 Lahore
Tel: 042-35754821-22, Fax: 042-36317513, Email: nasirgulzar@njmi.net

Karachi Office:

Office No. 807, 8th Floor, Q.M. House, Plot No. 11/2, Ellander Road,
Opposite to Shaheen Complex, Off. I.I Chundrigar Road.
Tel: 021-32212382, 32212383, 32211516, Fax: 021-32211515, Email: khi@njmi.net

Following are the Key audit matter(s):

S.NO	Key Audit Matter	How the matter was addressed in our audit
1.	<p>Litigations</p> <p>The company has significant amounts of borrowings from banks and other financial institutions amounting to Rs. 2.568 Billion at the reporting date in respect of which various legal cases are pending adjudication before the Lahore High Court.</p> <p>Given the significant amounts of borrowings and related finance costs, this is considered to be a key audit matter.</p>	<p>Our audit procedures in this respect included the following:</p> <ul style="list-style-type: none"> • Assessing management's processes to identify new possible litigations, obligations and changes in existing obligations through inquiries from management and review of the minutes of meetings of the Board of Directors and Audit Committee. • Obtaining confirmation from the legal counsel of the Company to evaluate the status of the pending litigations and view point of the Company's legal counsel thereon. • Examining legal and professional expenses to confirm that all pending legal matters are identified and disclosed. • Re-computing the amounts of obligations and recorded liabilities based on available underlying information. • Assessing the appropriateness of the related disclosures to be made in the accompanying financial statements in light of IAS 37 "Provisions and Contingencies".
2.	<p>Stock in trade</p> <p>The Company has significant levels of stock in trade amounting to Rs. 798.3 million as at the reporting date, being 30% of total Assets of the Company. A number of estimates and judgments are involved in valuation of stock in trade.</p> <p>The significance of the balance coupled with the estimates and judgments involved in their valuation has resulted in the stock in trade being considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Attending the year end stock taking to gain comfort over existence and condition of inventories and internal controls designed by the company. • Understanding the internal controls designed by the company over recording of purchases and valuation and costing of inventories. • Assessing historical costs recorded in the inventory valuation by performing test of details on purchases. • Obtaining the valuation sheets of the inventories and tracing / reconciling quantities from working papers to observation of physical stock taking including NRV assessment. • Considering the adequacy of the Company's disclosures in respect of inventories.



Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

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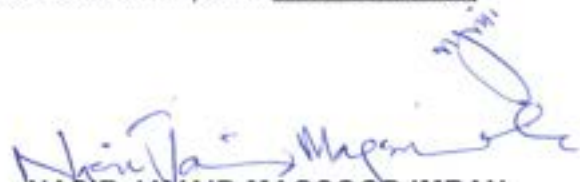


- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mr. Imran Ul Haq.

Place: Islamabad

Date: October 08, 2021


NASIR JAVAID MAQSOOD IMRAN
CHARTERED ACCOUNTANTS

KOHINOOR SPINNING MILLS LIMITED
STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

	Note	2021 (Rupees)	2020 (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	13	1,594,114,680	1,652,107,503
Long term deposits	14	44,221,312	39,325,312
Long term investments	15	447,401	149,688
		1,638,783,394	1,691,582,504
CURRENT ASSETS			
Stores and spares	16	24,687,499	39,841,455
Stock-in-trade	17	798,335,748	916,048,119
Trade debtors	18	112,761,783	145,789,167
Short term advances	19	40,984,456	21,781,211
Other receivables	20	-	-
Cash and bank balances	21	2,476,109	9,813,594
		979,245,596	1,133,273,546
TOTAL ASSETS		2,618,028,990	2,824,856,050

The annexed notes form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


CHAIRMAN

KOHINOOR SPINNING MILLS LIMITED
STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

	Note	2021 (Rupees)	2020 (Rupees)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital:			
300,000,000 ordinary shares of Rupees 5/- each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid up capital			
215,714,285 ordinary shares of Rupees 5/- each	3	1,078,571,425	1,078,571,425
Reserves	4	(2,170,842,000)	(1,801,334,702)
		(1,092,270,575)	(722,763,277)
NON-CURRENT LIABILITIES			
Long term loans	5	575,210,259	503,649,521
Deferred liabilities	6	45,064,213	49,523,071
		620,274,472	553,172,592
CURRENT LIABILITIES			
Trade and other payables	7	594,767,783	493,988,374
Accrued Interest on loans and borrowings	8	471,877,939	471,877,939
Short-term borrowings	9	1,463,142,972	1,463,142,972
Current portion of long term loan	10	364,705,882	364,705,882
Supplier's credit	11	165,601,168	167,080,699
Un-claimed dividend		1,915,117	1,915,117
Provision for taxation	29	28,014,232	31,735,752
		3,090,025,092	2,994,446,735
CONTINGENCIES AND COMMITMENTS			
	12	-	-
TOTAL EQUITY AND LIABILITIES		<u>2,618,028,990</u>	<u>2,824,856,050</u>

The annexed notes form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


CHAIRMAN

KOHINOOR SPINNING MILLS LIMITED
STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 (Rupees)	2020 (Rupees)
Sales - net	22	2,807,075,051	1,662,982,360
Cost of sales	23	(3,020,461,453)	(1,797,827,934)
GROSS (LOSS)/PROFIT		(213,386,403)	(134,845,574)
OPERATING EXPENSES:			
Distribution cost	24	(4,967,256)	(2,291,424)
Administrative	25	(94,996,670)	(70,770,732)
		(99,963,926)	(73,062,156)
OPERATING (LOSS)		(313,350,328)	(207,907,730)
Finance cost	26	(9,509,744)	(8,338,468)
Other operating expenses	27	(7,154,766)	(4,137,747)
Other operating income	28	2,785,077	287,062
		(13,879,433)	(12,189,153)
(LOSS) BEFORE TAXATION		(327,229,762)	(220,096,883)
TAXATION			
Current	29	(42,106,126)	(24,944,735)
Deferred	6.2	-	-
		(42,106,126)	(24,944,735)
(LOSS) AFTER TAXATION		(369,335,888)	(245,041,618)
(LOSS) PER SHARE - BASIC & DILUTED	30	(1.71)	(1.14)

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

19/06/21

CHIEF FINANCIAL OFFICER

CHAIRMAN

KOHINOOR SPINNING MILLS LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	2021 (Rupees)	2020 (Rupees)
(Loss) after taxation	(369,335,888)	(245,041,618)
Other comprehensive income		
Items that may not be reclassified subsequently to profit and loss:		
Experience adjustment due to actuarial valuation (Note 6.1.1)	(469,124)	(463,809)
Unrealized gain/(loss) due to change in fair value of long term investments	297,713	(16,632)
	(171,411)	(480,441)
Total comprehensive (Loss) for the year	<u>(369,507,299)</u>	<u>(245,522,059)</u>

The annexed notes form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


CHAIRMAN

KOHINOOR SPINNING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	SHARE CAPITAL	RESERVES			Total
		CAPITAL RESERVES	REVENUE RESERVES		
		Share Premium	Accumulated (Loss)	Fair Value Reserve	
Rupees					
Adjusted balance as on July 01, 2019	1,078,571,425	171,428,570	(1,726,407,533)	(833,680)	(477,241,218)
(Loss) after taxation for the year	-	-	(245,041,618)	-	(245,041,618)
Experienced adjustment due to actuarial valuation	-	-	(463,809)	-	(463,809)
Unrealized (loss) due to change in fair value of long term investment	-	-	-	(16,632)	(16,632)
Balance as on June 30, 2020	1,078,571,425	171,428,570	(1,971,912,960)	(850,312)	(722,763,277)
Balance as on July 01, 2020	1,078,571,425	171,428,570	(1,971,912,960)	(850,312)	(722,763,277)
(Loss) after taxation for the year	-	-	(369,335,888)	-	(369,335,888)
Experienced adjustment due to actuarial valuation	-	-	(469,124)	-	(469,124)
Unrealized gain/(loss) due to change in fair value of long term investment	-	-	-	297,713	297,713
Balance as on June 30, 2021	1,078,571,425	171,428,570	(2,341,717,971)	(552,599)	(1,092,270,575)

The annexed notes form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


CHAIRMAN

KOHINOOR SPINNING MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 (Rupees)	2020 (Rupees)
CASH GENERATED FROM OPERATIONS			
Cash generated from operations	31	18,783,510	44,722,851
Increase in long term deposits		(4,896,000)	-
Finance cost paid		(1,320,872)	(8,338,468)
Income tax paid		(45,827,646)	(28,170,472)
Gratuity paid		(17,819,597)	(31,525,392)
Net cash outflow from operating activities		<u>(51,080,606)</u>	<u>(23,311,481)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(28,917,957)	(3,859,500)
Proceeds from disposal of property, plant and equipment		2,200,000	486,000
Net cash (used in)/generated from investing activities		<u>(26,717,957)</u>	<u>(3,373,500)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Lease rentals paid		(1,099,660)	(1,300,000)
Increase in directors loan		71,560,738	33,500,000
Net cash generated from financing activities		<u>70,461,078</u>	<u>32,200,000</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(7,337,485)	5,515,019
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		9,813,594	4,298,576
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	21	<u>2,476,109</u>	<u>9,813,594</u>

The annexed notes form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


CHAIRMAN

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Kohinoor Spinning Mills Limited was incorporated on 23rd July, 1970 as a public limited company in Pakistan under the Companies Act, 1913 (Now Companies Act 2017) and is quoted on Karachi stock exchange. The company is engaged in the business of textile spinning.

Geographical Location of Head office and business units:	
Registered Office	7-E, 3/1 Main Boulevard, Gulberg III, Lahore.
Unit 01 / 02	Ameenabad 8 Km Pindi Road, Chakwal.
Unit 03	8 Km Bhoun road Chakwal

- 1.2 The company has been incurring losses since financial year 2015 with total negative equity of Rupees 1,092,270,574/- (2020: 722,763,277) representing excess of total liabilities over total assets as at 30 June 2021. This situation casts doubtfulness over the going concern of the company and company may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on going concern assumptions owing to continued financial support assurance from the directors in the shape of equity contribution and loans as and when required together with negotiation and favorable terms of engagement with financial institutions, changes in top management to bring more efficiency in operations.

2 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved International Accounting Standards as applicable in Pakistan. Approved International Accounting Standards comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Company's Act 2017, and
- Provisions of and directives issued under the Company's Act 2017.

In case requirements differ, the provisions of, or directives issued under Company's Act 2017 shall prevail.

2.2 ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention except retirement benefits and investments at fair value the valuation basis of which are described in relevant notes.

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to the nearest thousand unless otherwise specified.

2.4 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimate and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements.

Staff retirement benefits

Certain actuarial assumption has been adopted as disclosed in note 6.1, the financial statements for valuation of present value of defined benefit obligations.

Inventories


Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realizable value and an allowance is recorded against the inventory balances for any such declines.

Property, plant and equipment

The Company has made certain estimations with respect to residual value and depreciable lives of property, plant and equipment. The Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the remaining amounts of respective items of property, plant and equipments with a corresponding effect on the depreciation charge and impairment.

Income Taxes

In making the estimates for income taxes payable by the Company, the management considers current Income Tax law and the decisions of appellate authorities on certain cases issued in past.



KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

2.5 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS


The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after July 01, 2020:

2.5.1 Standards and amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on July 01, 2020 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements, except for the following:

IAS 1 & IAS 8 Definition of material

Amendments to IAS 1, 'Presentation of financial statements' and IAS 8, 'Accounting policies, changes in accounting estimates and errors' are effective for annual periods beginning on or after January 01, 2020. The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRSs. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRSs.



KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

2.5.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the IFRSs and interpretations that are mandatory for companies having accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

(a) IAS 1 Classification of liabilities

Amendment to IAS 1 is effective for period beginning on July 01, 2021. The IASB issued a narrow-scope amendment to IAS 1, 'Presentation of financial statements', to clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.


In particular, the amendment clarifies that:

- liabilities are classified as non-current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendment no longer refers to unconditional rights;
- the assessment determines whether a right exists, but it does not consider whether the entity will exercise the right. So, management's expectations do not affect the classification;
- the right to defer only exists if the entity complies with any relevant conditions at the reporting date. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date; and
- settlement is defined as the extinguishment of a liability with cash, other economic resources or an entity's own equity instruments.

The Company has assessed that the impact of this amendment is not expected to be significant.

(b) IAS 16 Proceeds before an asset's intended use

Amendment to IAS 16 'Property, plant and equipment' is effective from January 01, 2022 prohibits a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sale proceeds and related cost in profit or loss. The amendment applies retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendment.

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KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

(c) IAS 37 Onerous contracts

Amendments to IAS 37 is effective from January 01, 2022. Under IAS 37 'Provisions, contingent liabilities and contingent assets', a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations i.e. the lower of the costs of fulfilling the contract and the costs of terminating it outweigh the economic benefits. The amendments clarify that the 'costs of fulfilling a contract' comprise both the incremental costs e.g. direct labour and materials; and an allocation of other direct costs e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

2.5.3 Standards, interpretations and amendments to approved published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2021 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.6 TAXATION

Current

The Charge for current taxation is based on taxable income at current tax rates after taking into account all tax credits and rebates available, if any. In case of loss minimum tax liability is provided in these accounts based on liability worked out under section 113, 113(c) and final tax under sections 154 of the Income Tax Ordinance, 2001.


Deferred

Deferred tax is provided in full using the liability method on all temporary differences arising at the statement of financial position date, between the tax bases of the assets and liabilities and their carrying amounts.

Deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits, if any to the extent that it is probable that future taxable profit will be available against which the temporary differences, tax losses and unused tax credits can be utilized.

The carrying amount of all deferred tax assets is reviewed at each statement of financial position date and adjusted to the appropriate extent, if it is probable that sufficient taxable profits will not be available to allow all or part of the deferred tax assets to be utilized.

The tax rates enacted at the statement of financial position date are used to determine deferred income tax.



KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

2.7 PROPERTY, PLANT AND EQUIPMENT

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation except freehold land and capital work-in-progress which are stated at cost. Cost of tangible operating assets consists of historical cost, borrowing cost pertaining to the erection period borrowing cost directly attributable to the Qualifying Assets.

Depreciation on property, plant and equipment except free hold land is charged to income applying the reducing balance method as to write off the cost of property, plant and equipment including the related exchange differences over their expected useful life at the rates given in Note 13.

Depreciation on additions is charged from the month in which the assets become available for use, while on disposal depreciation is charged up to the month of disposal.

Gains or losses on disposal of property plant and equipment are charged to income during the period in which they are incurred.

2.8 STORES AND SPARES

These are valued at cost, applying moving average method except for stock-in-transit which are valued at cost.

2.9 FINANCIAL INSTRUMENTS


Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument and assets and liabilities are stated initially at cost which is the fair value of consideration given or received. The financial assets are subsequently measured at fair value, amortized cost or cost as the case may be with classifications into i) at fair value through profit or loss (FVTPL), ii) at fair value through other comprehensive income (FVTOCI) and iii) at amortized cost. Subsequently:

(i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income / (loss).

(ii) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.



KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

2.12 STAFF RETIREMENT BENEFITS

The company operates an unfunded and unapproved gratuity scheme for its employees, which is a defined benefit plan based upon the last salary drawn by an employee. Present value of defined benefit obligation is calculated on the basis of actuarial valuation at the end of the year. The valuation in these accounts is worked out on the Projected Unit Credit Actuarial Cost method.

2.13 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are accounted for in Pak Rupees at the exchange rates prevailing on the date of transactions. Assets and liabilities in foreign currencies are translated into Pak rupees at the exchange rates prevailing on the statement of financial position date except where forward exchange rates are booked, which are translated at the contracted rates.

2.14 REVENUE RECOGNITION

Sales revenue is recognized when the goods are dispatched and significant risks and rewards of ownership are transferred to the customer, which is the only performance obligation. Dividend income on equity investments is recognized as income when the right of receipt is established. Profit on short-term deposits is accounted for on time-apportioned basis on the principal outstanding by using the rate applicable.

2.15 IMPAIRMENT OF NON FINANCIAL ASSETS

The company assesses at each statement of financial position date whether there is any indication that assets except deferred tax assets, if any, may have been impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of initial cost of the asset. Reversal of impairment loss is recognized as income.

2.16 TRADE AND OTHERS PAYABLES

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

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KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

2.17 PROVISIONS

Provisions are recognized when the company has a legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made.

2.18 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash and bank balances.

2.19 BORROWING COST

Borrowing costs are charged to income as and when incurred except to the extent costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of asset.

2.20 OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the company has legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.21 TRANSACTIONS WITH RELATED PARTIES AND TRANSFER PRICING


Transactions with related parties are accounted for using arm's length price in ordinary course of business in accordance with uncontrolled price method except in exceptional circumstances as decided by board of directors.

2.22 DIVIDEND

The dividend distribution to the shareholders is recognized as a liability in the period in which it is approved by the shareholders.

2.23 SEGMENT REPORTING

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment; however, certain information about the Company's products, as required by the approved accounting standards, is presented in note 39 to these financial statements.



KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 (Rupees)	2020 (Rupees)
3 SHARE CAPITAL			
Issued, subscribed and paid up			
127,725,000 (2020:127,725,000) ordinary shares of Rupees 5/- each (2020: Rupees 5/- each) fully paid in cash		638,625,000	638,625,000
85,714,285 (2020: 85,714,285) ordinary shares of Rupees 5/- each (2020: Rupees 5/- each) issued against director's loan		428,571,425	428,571,425
2,275,000 (2020:2,275,000) ordinary shares of Rupees 5/- each (2020: Rupees 5/- each) issued as fully paid bonus shares.		11,375,000	11,375,000
		<u>1,078,571,425</u>	<u>1,078,571,425</u>
3.1 Reconciliation of number of shares			
Number of shares at 1 July		215,714,285	215,714,285
Shares issued against directors loan		-	-
Number of shares at 30 June		<u>215,714,285</u>	<u>215,714,285</u>
4 RESERVES			
Accumulated (loss)		(2,321,415,701)	(1,952,079,814)
Share Premium	4.1	171,428,570	171,428,570
Cash dividend		(12,612,848)	(12,612,848)
Unrealized (loss) on long term investments		(552,599)	(850,312)
Actuarial re-measurement-experience adjustments		(7,689,422)	(7,220,298)
		<u>(2,170,842,000)</u>	<u>(1,801,334,702)</u>
4.1 This reserve can be utilized by the company only for the purposes specified in section 81 of the Companies Act 2017.			
5 LONG TERM LOANS	Note	2021 (Rupees)	2020 (Rupees)
From directors and relatives			
Sub-ordinate loan	5.1 & 5.2	397,000,000	397,000,000
Free loan	5.1 & 5.3	178,210,259	106,649,521
		<u>575,210,259</u>	<u>503,649,521</u>
From banking companies - secured			
Demand finance	5.4	364,705,882	364,705,882
Less:			
Overdue installment		(364,705,882)	(364,705,882)
Current portion	10	(364,705,882)	(364,705,882)
		<u>575,210,259</u>	<u>503,649,521</u>

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KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

- 5.1 The directors and their relatives have injected unsecured and interest free loans for the repayment of the liabilities of the banks and BMR of the Company. The loan is repayable at the convenience of the directors and relatives. The directors of the company and their relatives have confirmed that they would not demand repayment of loan for a period of 12 months of the statement of financial position date. Hence the loan has been classified as long term liability.
- 5.2 This loan is sub-ordinate to the finance facilities together with mark up, additional mark, damages, liquidated damages, costs, charges, fees costs of funds, commissions and expenses thereon or related thereto to the extent provided in the sub-ordinate agreements.
- 5.3 This loan is not sub-ordinate to any finance facility.
- 5.4 This loan is secured by a first pari passu charge with 25% margin fixed assets of unit-3 of the company. It carries mark up based on six months KIBOR plus 2.75%. The loan was repayable in 17 equal quarterly installments of Rs.23.53 million each commencing from December, 2015 and ending on December 2019.

		2021 (Rupees)	2020 (Rupees)
6 DEFERRED LIABILITIES	Note		
Gratuity	6.1	45,064,213	49,523,071
Deferred tax liability	6.2	-	-
		<u>45,064,213</u>	<u>49,523,071</u>

Company operates unfunded gratuity scheme for its employees that pays a lump sum gratuity to members on leaving company's service after completion of one year of continuous service. The future contribution rates of the scheme include allowances for deficit and surplus. Projected unit credit method based on below mentioned significant assumptions used for valuation of this scheme. The latest actuarial valuation was carried out by M/S TRT Associates as on June 30, 2021.

The main risk of Gratuity Benefit Scheme is that the accrued benefits may not be paid when they fall due. The Gratuity benefit scheme is a defined benefit.

- **Interest rate Risk-** The present value of defined benefit liability is calculated using a discount rate determined by reference to the market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on Government bonds. Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.
- **Salary risk-** The present value of the defined benefit liability is calculated by reference to the future salaries of Plan Participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.
- **Withdrawal Rate Risk-** The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase/ decrease the liability and vice versa depending on the age-service distribution of the exiting employees.
- **Mortality rate risk-** The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An improvement in the mortality rates of the participants may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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6.1 Staff Gratuity-Defined Benefit Plan

The amounts recognized in financial statements are determined as follows :-

		2021 (Rupees)	2020 (Rupees)
6.1.1 Movement in liability recognized in the statement of financial position			
At the beginning of the year		49,523,071	64,593,059
Amount recognized during year - as shown above		12,891,615	15,991,595
Experience adjustment		469,124	463,809
Benefit payments		(17,819,597)	(31,525,392)
		<u>45,064,213</u>	<u>49,523,071</u>
6.1.2 Expense charged to statement of profit or loss			
Current service cost		9,543,863	10,872,968
Interest cost		3,347,752	5,118,627
		<u>12,891,615</u>	<u>15,991,595</u>
6.1.3 Allocation of charge for the year			
Cost of sales	23	7,815,289	12,017,802
Administrative expenses	25	5,076,326	3,973,793
		<u>12,891,615</u>	<u>15,991,595</u>
6.1.4 The principal actuarial assumptions used were as follows			
Discount rate		10.00%	8.50%
Expected rate of increase in salary		9.00%	7.50%
Average expected remaining working life of employees		9 years	9 years
Average duration of liability		9 years	9 years

6.1.5 Sensitivity analysis as at 30.06.2021

	Discount Rate + 1%	Discount Rate - 1%	Salary Increase + 1%	Salary Increase - 1%
PVDBO	38,958,937	46,600,519	46,599,489	38,958,458

6.2 Deferred tax

On temporary differences arising on:

Property, plant and equipment	361,748,309	365,925,306
Gratuity	(13,068,622)	(14,361,691)
Leased assets	-	4,241,722
Tax losses and credits	(806,638,802)	(355,805,337)
Deferred Tax (Asset) / Liability	<u>-</u>	<u>-</u>

- 6.2.1** Due to year over year tax losses, the company is only recognizing deferred tax asset to the extent of available taxable temporary differences from previous years. The excess deferred tax asset amounting to Rs. 457,959,114 (2020: 243,766,838) from tax losses and credits has not been recognized.

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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6.2.2 Business Losses and tax credits will expire as follows:

Year of Expiry	Business Losses (Rupees)	Minimum Tax (Rupees)
2027	185,396,993	42,106,126
2026	122,544,713	24,944,735
2025	209,897,318	53,256,735
2024	298,808,640	38,377,421
2023	510,536,766	20,499,243
2022	247,550,692	-

		2021 (Rupees)	2020 (Rupees)
7 TRADE AND OTHER PAYABLES	Note		
Un-secured:			
Creditors	7.1	185,752,788	154,894,215
Advance from Customers		10,948,400	10,429,653
Accrued expenses	7.2	185,871,515	130,832,713
Sales tax payable		113,018,715	105,744,640
Workers' profit participation fund	7.3	99,176,364	90,987,492
Overdue lease rentals		-	1,099,660
		<u>594,767,783</u>	<u>493,988,374</u>

7.1 These include Rs.3,792,162 (2020: 5,340,807) payable to Chakwal Textile Mills Limited-an associated undertaking.

7.2 These include following balances to Related parties:

Related Parties	As at June 30, 2020	Addition During the Year	As at June 30, 2021
Khawaja Jawed (Ex Director)	6,730,000	-	6,730,000
Khawaja Tanveer (Director)	13,975,800	275,000	14,250,800
Khawaja Hamza (Director)	9,074,191	450,000	9,524,191
Khawaja Naveed (Chief Executive)	7,302,126	1,092,160	8,394,286
Khawaja Shahzad (Director)	1,760,000	103,110	1,863,110
	<u>38,842,117</u>	<u>1,920,270</u>	<u>40,762,387</u>

		2021 (Rupees)	2020 (Rupees)
7.3 Workers' profit participation fund			
Opening balance		90,987,492	83,474,760
Interest recognized during the year	7.3.1	<u>8,188,872</u>	<u>7,512,732</u>
		<u>99,176,364</u>	<u>90,987,492</u>

7.3.1 The company retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is paid at prescribed rate under the companies Profit (Workers Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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	Note	2021 (Rupees)	2020 (Rupees)
8 ACCRUED INTEREST ON LOANS AND BORROWINGS			
Accrued interest / mark up on:			
Long term loans (Secured)		103,765,431	103,765,431
Short term finances (Secured)		368,112,508	368,112,508
		<u>471,877,939</u>	<u>471,877,939</u>
9 SHORT-TERM BORROWINGS			
Banking companies - Secured			
Running finance	9.1/9.2	168,248,211	168,248,211
Others	9.1	1,010,530,280	1,010,530,280
Export finance	9.1	284,364,481	284,364,481
		<u>1,463,142,972</u>	<u>1,463,142,972</u>

9.1	NATURE OF FACILITY			Expiry	Security
		LIMIT	MARK UP / COMMISSION		
	Running Finance	169,452,613	3 Months KIBOR plus 2.00 % to 2.50%	Ranges from 9/30/2016 to 12/31/2016	PP charge on Current Assets of the company and Personal Guarantee of the Sponsoring Directors of the Company.
	Others	1,150,000,000	3 Months KIBOR plus 2.00 % to 3.50%		Pledge of stock of raw material and finished goods under the supervision and control of Bank Mucaddam. Personal Guarantee of the Sponsoring Directors of the Company.
	Export Finance	285,000,000	3 Months KIBOR plus 2.00 % to 3.50%		Lien on contract / export documents. 1st PP Charged over Fixed Assets of Company. Personal Guarantees of the Sponsoring Directors of the Company

- 9.2 In October 2017, SNGPL encashed bank guarantee amounting to Rs. 32,725,004/- against detection bill of the company. After adjusting for guarantee margin of Rs. 5,272,391/-, balance amount of Rs. 27,452,613/- was added to the running finance.

	Note	2021 (Rupees)	2020 (Rupees)
10 CURRENT PORTION OF LONG TERM LOAN			
Long term loans	5	364,705,882	364,705,882
		<u>364,705,882</u>	<u>364,705,882</u>
11 SUPPLIER'S CREDIT-UNSECURED			
Loan for machinery - Overdue installments	11.1	165,601,168	167,080,699
		<u>165,601,168</u>	<u>167,080,699</u>

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KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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11.1 This loan is unsecured and interest free. This loan is repayable in 6 equal half year installments of Rs. 25.761 million (Euro 221,486.69) each commencing from August 2014 and ending on August, 2017 with 15% payment at the time of presentation of shipping documents of machinery.

12 CONTINGENCIES AND COMMITMENTS

12.1 CONTINGENCIES

12.1.1 There are pending litigations against the company by various banks/financial institutions before Lahore High Court wherein they claimed recovery of Rs. 1948.923 million inclusive of principal and markups. These cases are being vigorously and diligently contested by the company and there are good chances of a favorable result. Related provisions has been made in these accounts.

12.1.2 For tax year 2014, an amendment order was passed by Additional Commissioner Inland Revenue (Audit) creating a demand of Rs. 144,576,581/-. The case is remanded back to Commissioner Inland Revenue for re assessment by the Commissioner (Appeals), however the company has preferred appeal before Appellate Tribunal against order of Commissioner Appeals.

13 PROPERTY, PLANT AND EQUIPMENT	Note	2021 (Rupees)	2020 (Rupees)
Fixed assets:			
Owned assets	13.1	1,594,114,680	1,636,381,216
Leased assets	13.2	-	15,726,287
		<u>1,594,114,680</u>	<u>1,652,107,503</u>

14 LONG-TERM DEPOSITS

Security deposits:

Utilities	14.1	44,071,312	39,175,312
Others		150,000	150,000
		<u>44,221,312</u>	<u>39,325,312</u>

14.1 In October 2017, SNGPL encashed bank guarantee amounting to Rs. 32,725,004/- against detection bill of the company of Rs. 35,164,844. The company filed a complaint to OGRA relating to the encashment in which OGRA decided that detection charges and late payment charges shall be set aside and the amount of encashed bank guarantee will be treated as cash security with SNGPL after adjusting outstanding dues of Rs. 3,961,034.

15 LONG TERM INVESTMENTS	Note	2021 (Rupees)	2020 (Rupees)
At fair value through other comprehensive income - Quoted			
* KASB Modaraba 166,320 modaraba certificates of Rupees 10 each.		<u>447,401</u>	<u>149,688</u>

16 STORES AND SPARES

Stores		17,166,331	33,320,325
Spares		7,521,168	6,521,130
		<u>24,687,499</u>	<u>39,841,455</u>

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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13.1 PROPERTY AND EQUIPMENT

	C O S T										Total
	Land (Freehold)	Building (Freehold)	Plant and Machinery	Tube Wells	Electric Installation	Tools and Equipment	Telephone Installation	Office Equipment	Furniture and Fixture	Vehicles	
	(Rupees)										
At June 30, 2019											
Cost	11,675,239	603,599,123	2,948,468,920	1,545,577	84,147,538	4,243,343	1,017,190	19,657,369	10,158,992	60,061,688	3,744,575,580
Accumulated depreciation	-	297,311,725	1,588,863,592	1,391,744	57,894,446	4,050,826	929,137	12,832,859	8,446,303	54,836,093	2,032,556,129
Net book amount	11,675,239	306,287,398	1,359,605,328	153,833	26,253,092	191,117	87,853	6,824,510	1,712,689	5,227,595	1,712,019,451
Year ended June 30, 2020											
Opening net book amount	11,675,239	306,287,398	1,359,605,328	153,833	26,253,092	191,117	87,853	6,824,510	1,712,689	5,227,595	1,712,019,451
Additions	-	-	-	-	-	-	-	-	-	1,859,500	1,859,500
Disposal/Deficit	-	-	-	-	-	-	-	-	-	(856,485)	(856,485)
Depreciation charge	-	(15,314,369)	(67,980,314)	(15,385)	(2,625,309)	(19,113)	(8,791)	(682,435)	(171,267)	(2,481,821)	(89,298,802)
Adjustment	-	-	-	-	-	-	-	-	-	657,547	657,547
Transfer	-	-	-	-	-	-	-	-	-	-	-
Closing net book amount	11,675,239	290,973,029	1,291,625,014	138,448	23,627,783	172,006	79,062	6,142,075	1,541,424	10,406,336	1,636,381,216
At June 30, 2020											
Cost	11,675,239	603,599,123	2,948,468,920	1,545,577	84,147,538	4,243,343	1,017,190	19,657,369	10,158,992	60,061,688	3,744,575,580
Accumulated depreciation	-	312,626,094	1,656,841,906	1,487,129	60,518,755	4,069,137	938,128	13,515,294	8,637,568	52,680,367	2,111,197,378
Net book amount	11,675,239	290,973,029	1,291,626,014	138,448	23,627,783	172,006	79,062	6,142,075	1,541,424	10,406,336	1,636,381,216
Year ended June 30, 2021											
Opening net book amount	11,675,239	290,973,029	1,291,626,014	138,448	23,627,783	172,006	79,062	6,142,075	1,541,424	10,406,336	1,636,381,216
Additions	-	-	27,229,427	-	-	-	-	-	-	1,688,480	28,917,957
Adjustment /Transfer from leased asset	-	-	21,600,000	-	-	-	-	-	-	-	21,600,000
Disposal/Deficit	-	-	-	-	-	-	-	-	-	(4,311,725)	(4,311,725)
Depreciation charge	-	(14,548,647)	(66,075,619)	(13,845)	(2,362,775)	(17,209)	(7,908)	(814,189)	(154,146)	(2,221,994)	(86,016,320)
Adjustment /Transfer from leased asset	-	-	(5,873,713)	-	-	-	-	-	-	3,417,271	(2,456,442)
Transfer	-	-	-	-	-	-	-	-	-	-	-
Closing net book amount	11,675,239	276,424,382	1,268,506,158	124,603	21,265,008	154,803	71,154	5,327,686	1,387,278	8,978,368	1,594,114,680
At June 30, 2021											
Cost	11,675,239	603,599,123	2,997,299,197	1,545,577	84,147,538	4,243,343	1,017,190	19,657,369	10,158,992	60,443,458	3,793,784,827
Accumulated depreciation	-	327,174,741	1,728,793,238	1,420,974	62,882,330	4,086,340	946,036	14,329,483	8,771,714	51,465,090	2,399,670,146
Net book amount	11,675,239	276,424,382	1,268,506,158	124,603	21,265,008	154,803	71,154	5,327,686	1,387,278	8,978,368	1,594,114,680

13.1.1 DISPOSAL OF PROPERTY AND EQUIPMENT

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain	Mode of disposal	Buyer's Name	Particulars
LE-13-7442	770,485	574,356	196,129	500,000	303,871	Negotiation	Mr. Ishaq	Chakwal
LEC-13-6158	3,541,240	2,842,915	698,325	1,700,000	1,001,675	Negotiation	Muhammad Akram Akhi	House # 24 canal park gulberg 8, Lahore
	4,311,725	3,417,271	894,454	2,200,000	1,305,546			

Rate of depreciation in %

1	5	5	10	10	10	10	10	10	20
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13.1.2 PARTICULARS OF IMMOVABLE PROPERTIES

Manufacturing Units	Address	Area of Land (Kanals)	Covered area (sq foot)
Unit 1/2	Ameenabad 8 Km Pindi Road, Chakwal.	385.55	467,535
Unit 3	8 Km Bhoun road Chakwal	244.00	372,236
		<u>629.55</u>	<u>839,771</u>

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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13.2 Leasehold property and equipment

		Total
Plant and Machinery	Vehicles	
R U P E E S		

Year ended June 30, 2020

Opening net book amount	16,553,986	-	16,553,986
Additions	-	-	-
Depreciation charge	(827,699)	-	(827,699)
Transferred to owned assets	-	-	-
Adjustment	-	-	-
Closing net book amount	15,726,287	-	15,726,287

At June 30, 2020

Cost	21,600,000	-	21,600,000
Accumulated depreciation	5,873,713	-	5,873,713
Net book amount	15,726,287	-	15,726,287

Year ended June 30, 2021

Opening net book amount	15,726,287	-	15,726,287
Additions	-	-	-
Depreciation charge	(399,708)	-	(399,708)
Transferred to owned assets	(21,600,000)	-	(21,600,000)
Adjustment	6,273,421	-	6,273,421
Closing net book amount	-	-	-

At June 30, 2021

Cost	-	-	-
Accumulated depreciation	-	-	-
Net book amount	-	-	-

13.3 Depreciation/amortization has been apportioned as under :-

		2021 (Rupees)	2020 (Rupees)
Cost of sales	23	83,794,335	87,644,680
Administrative expenses	25	2,221,990	2,481,821
		86,016,325	90,126,501

KOHINOOR SPINNING MILLS LIMITED
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FOR THE YEAR ENDED JUNE 30, 2021

	2021 (Rupees)	2020 (Rupees)
17 STOCK-IN-TRADE		
Raw material	718,057,572	718,356,364
Work-in-process	20,315,766	24,887,962
Finished goods	56,030,837	171,313,600
Waste	3,931,573	1,490,193
	<u>798,335,748</u>	<u>916,048,119</u>

17.1 This include raw material amounting Rs.250 Million (2020: 250 Million) pledged against cash finance facility.

	Note	2021 (Rupees)	2020 (Rupees)
18 TRADE DEBTORS - CONSIDERED GOOD			
Local - Unsecured	18.1	146,950,447	179,977,831
Allowance for expected credit loss	18.2	(34,188,664)	(34,188,664)
		<u>112,761,783</u>	<u>145,789,167</u>

18.1 This includes balances receivables from the following associated undertakings: -

Chakwal Spinning Mills Limited	-	2,061,975
Yousaf Weaving Mills Limited	-	21,931,392
	<u>-</u>	<u>23,993,367</u>

18.2 Allowance for expected credit loss

Opening balance	34,188,664	34,188,664
Add: Recognized as on 01 July, 2020	-	-
	<u>34,188,664</u>	<u>34,188,664</u>
Add: Recognized during the year	-	-
Closing balance	<u>34,188,664</u>	<u>34,188,664</u>

19 SHORT TERM ADVANCES

Advances to suppliers - considered good

Suppliers	25,183,553	12,786,115
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Advances to employees - considered good

Executive	19.1/19.3	5,662,000	1,615,000
Non- executive	19.2/19.3	10,138,903	7,380,096
		<u>40,984,456</u>	<u>21,781,211</u>

19.1 This includes advance of Rs. 3,115,000 (2020: 1,615,000) to Mr. Saeed Zafar (Chief Financial Officer) and loan of Rs. 2,547,000 (2020: 200,000) to Mr. Hassan Ahmed (Company Secretary).

19.2 This includes the following advance exceeding Rupees 1 million:

Asif Qazi (I.T Manager)	2,448,309	1,925,809
Zulfiqar Ali (Assistant Manager)	2,193,916	1,733,916

19.3 These loans are secured against gratuity balances of the employees

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	Note	2021 (Rupees)	2020 (Rupees)
20 OTHER RECEIVABLES			
Receivable from CDC		-	-
		<u>-</u>	<u>-</u>
21 CASH AND BANK BALANCES			
Cash in hand		414,776	1,097,754
Cash at bank:			
In current accounts		1,972,186	7,043,403
In saving accounts	21.1	89,148	1,672,437
		<u>2,476,109</u>	<u>9,813,594</u>
21.1 Saving account carries interest @ 5.5% p.a (2020: 6.5% p.a)			
22 SALES			
Local			
Yarn		3,291,499,225	1,947,965,232
Waste		41,204,335	20,267,692
Less: Sales tax		(525,628,509)	(305,250,564)
		<u>2,807,075,051</u>	<u>1,662,982,360</u>
23 COST OF SALES			
Raw material consumed	23.1	1,876,978,386	1,214,390,915
Salaries, wages and benefits	23.2	352,642,311	234,620,897
Fuel and power		390,032,085	273,884,505
Insurance		4,819,805	5,002,523
Packing material		63,502,130	29,778,483
Repairs and maintenance		27,612,056	18,802,729
Stores and spares consumed		86,897,596	27,032,432
Vehicle running and maintenance		3,396,860	2,708,650
Communication		676,985	520,196
Travelling and Conveyance		1,489,128	2,457,182
Miscellaneous		11,206,161	8,833,587
Depreciation	13.3	83,794,335	87,644,680
		<u>2,903,047,838</u>	<u>1,905,676,779</u>
Work-in-process			
Opening		24,887,962	43,072,249
Closing		(20,315,766)	(24,887,962)
Cost of goods manufactured		<u>2,907,620,034</u>	<u>1,923,861,066</u>
Finished goods and waste			
Opening stock		172,803,829	46,770,661
Closing stock		(59,962,410)	(172,803,793)
		<u>3,020,461,453</u>	<u>1,797,827,934</u>

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KOHINOOR SPINNING MILLS LIMITED
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	Note	2021 (Rupees)	2020 (Rupees)
23.1 RAW MATERIAL CONSUMED			
Opening stock		718,356,055	709,028,305
Purchases		<u>1,896,087,270</u>	<u>1,225,169,672</u>
		2,614,443,325	1,934,197,977
Cost of raw material sold		<u>(19,407,367)</u>	<u>(1,450,698)</u>
		2,595,035,958	1,932,747,279
Closing stock		<u>(718,057,572)</u>	<u>(718,356,364)</u>
		<u>1,876,978,386</u>	<u>1,214,390,915</u>
23.2	It includes Rs. 7,815,289 (2020 : Rs. 12,017,802) in respect of gratuity.		
24 DISTRIBUTION COST			
Commission on local sales		4,325,322	1,841,554
Local Freight		<u>641,934</u>	<u>449,870</u>
		<u>4,967,256</u>	<u>2,291,424</u>
25 ADMINISTRATIVE			
Salaries, wages and benefits	25.1	49,432,952	34,146,957
Travelling and conveyance		961,154	3,253,239
Rent, rates and taxes		226,144	333,852
Printing and stationery		563,025	544,036
Communications		1,608,708	1,824,047
Entertainment		1,105,295	875,714
Electricity and gas		7,924,888	6,851,759
Vehicles running		8,946,466	5,774,143
Fee and subscription		6,607,721	4,791,483
Legal and Professional		586,000	1,184,000
Repairs and maintenance		1,479,668	1,067,318
Miscellaneous		13,234,674	7,442,364
Depreciation	13.3	2,221,990	2,481,821
Donations	25.2	<u>97,985</u>	<u>200,000</u>
		<u>94,996,670</u>	<u>70,770,733</u>
25.1	It includes Rs. 5,076,326 (2020 : Rs.3,973,793) in respect of gratuity.		
25.2	None of the directors or their spouses had any interest in any of the donees.		
26 FINANCE COST			
Interest / mark-up on:			
Mark up on vehicle		600,000	-
Bank charges and commissions		720,872	825,736
Workers profit participation fund		<u>8,188,872</u>	<u>7,512,732</u>
		<u>9,509,744</u>	<u>8,338,468</u>

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	Note	2021 (Rupees)	2020 (Rupees)
27 OTHER OPERATING EXPENSES			
Auditors' remuneration	27.1	875,000	875,000
Loss on sale of raw material		6,279,766	82,198
Exchange loss		-	3,180,549
		<u>7,154,766</u>	<u>4,137,747</u>
27.1 Auditors' remuneration			
Statutory audit		700,000	700,000
Half yearly review and review of code of corporate governance		175,000	175,000
		<u>875,000</u>	<u>875,000</u>
28 OTHER OPERATING INCOME			
Income from non financial assets:			
Gain on sale of fixed asset		1,305,546	287,062
Exchange gain		1,479,531	-
		<u>2,785,077</u>	<u>287,062</u>
29 PROVISION FOR TAXATION			
Opening balance		31,735,752	34,961,489
For the year	29.1	42,106,126	24,944,735
Prior year		-	-
		42,106,126	24,944,735
Less: Paid / adjusted		(45,827,646)	(28,170,472)
		<u>28,014,232</u>	<u>31,735,752</u>

29.1 This represents liability provided under Section 113 and 154 of the Income Tax Ordinance, 2001 on the basis of gross turnover from all sources.

29.2 The income tax assessment of the company has been finalized up to and including tax year 2020 by deeming provisions of income tax ordinance 2001, except for tax year 2014, the assessment is pending different legal forums.

29.3 No numeric tax rate reconciliation is presented in these financial statements as the Company is liable to pay minimum tax under Section 113 and final tax under Section 154 of the Income Tax Ordinance 2001.

	Note	2021 (Rupees)	2020 (Rupees)
30 (LOSS) PER SHARE - Basic			
(Loss) after taxation		(369,335,888)	(245,041,618)
Weighted average number of ordinary shares		215,714,285	215,714,285
(Loss) per share - Basic		(1.71)	(1.14)

30.1 Diluted earning per share

There is no dilution effect on the basic earning per share of the Company as the company has no such commitments.

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	Note	2021 (Rupees)	2020 (Rupees)
31 CASH FLOW FROM OPERATING ACTIVITIES			
(Loss) before taxation		(327,229,762)	(220,096,883)
Adjustments of non cash charges and other items			
Depreciation		86,016,326	90,126,501
Gratuity		12,891,615	15,991,595
Gain on sale of fixed assets		(1,305,546)	(287,062)
Loss on sale of raw material		6,279,766	-
Finance cost		9,509,744	8,338,468
Exchange loss/(gain)		(1,479,531)	3,180,549
Operating cash flows before working capital changes		(215,317,387)	*(102,746,832)
(Increase)/decrease in current assets			
Stores and spares		15,153,955	6,558,040
Stock-in-trade		111,432,605	(117,176,904)
Trade debts		33,027,384	63,096,463
Loan and advances		(19,203,245)	41,555,930
Other receivables		-	2,500
		140,410,699	(5,963,972)
(Decrease)/Increase in current liabilities			
Trade and other payables		93,690,198	153,433,655
		<u>18,783,510</u>	<u>44,722,851</u>

31.1 Reconciliation of movement of liabilities to cash flows arising from financing activities:

2021

	Liabilities from financing activities				TOTAL
	Long term loans (Directors)	Short term borrowings	Finance Lease	Supplier's Credit	
	Rupees				
Balance at 1 July, 2020	503,649,521	1,463,142,972	1,099,660	167,080,699	2,134,972,852
Long term loan obtained	71,560,738	-	-	-	71,560,738
Lease rentals paid	-	-	(1,099,660)	-	(1,099,660)
Exchange gain	-	-	-	(1,479,531)	(1,479,531)
Balance at 30 June, 2021	575,210,259	1,463,142,972	-	165,601,168	2,203,954,399

2020

	Liabilities from financing activities				TOTAL
	Long term loans (Directors)	Short term borrowings	Finance Lease	Supplier's Credit	
	Rupees				
Balance at 1 July, 2019	470,149,521	1,463,142,972	2,399,660	163,900,150	2,099,592,303
Long term loan obtained	33,500,000	-	-	-	33,500,000
Lease rentals paid	-	-	(1,300,000)	-	(1,300,000)
Exchange loss	-	-	-	3,180,549	3,180,549
Balance at 30 June, 2020	503,649,521	1,463,142,972	1,099,660	167,080,699	2,134,972,852

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32 CHIEF EXECUTIVE, EXECUTIVE DIRECTORS AND EXECUTIVES REMUNERATION

	2021 (Rupees)			2020 (Rupees)		
	CHIEF EXECUTIVE	EXECUTIVE DIRECTORS	EXECUTIVES	CHIEF EXECUTIVE	EXECUTIVE DIRECTORS	EXECUTIVES
Remuneration	4,600,000	1,400,000	13,698,640	4,600,000	1,400,000	13,054,880
House rent	2,070,000	630,000	6,164,388	2,070,000	630,000	5,874,696
Gratuity	-	-	1,562,330	-	-	987,907
Interest on lease rentals	-	2,902,553	-	-	-	-
Utilities	230,000	70,000	684,932	230,000	70,000	652,744
	6,900,000	5,002,553	22,110,290	6,900,000	2,100,000	20,570,227
Number of persons	1	1	6	1	1	7

32.1 The Chief Executive, Executive Director and certain Executives are provided with company maintained cars.

33 TRANSACTIONS WITH RELATED PARTIES

33.1	Name of Related Party	Basis of relationship	Transactions during the year	Percentage of Shareholding
	(Yousaf Weaving Mills Limited)	Common Directorship	Yes	No
	(Chakwal Spinning Mills)	Common Directorship	Yes	No
	(Chakwal Textile Mills Limited)	Director's relative is director	Yes	No

33.1 Transactions with related parties comprise associated undertakings and other related parties through directorship and close family members and relatives of the directors of the company.

Transactions with related parties undertaken during the year were as follows:-

	Note	2021 (Rupees)	2020 (Rupees)
Purchases of raw materials and goods			
(Chakwal Textile Mills Limited)	33.1.1	628,779	11,561,394
		628,779	11,561,394

33.1.1 Payment against purchases during the year Rs.1,093,300 (2020: Rs. 9,947,000)

Sales of raw materials and goods			
(Chakwal Textile Mills Limited)	33.1.2	551,124	-
		551,124	-

33.1.2 Receipts against sales during the year Rs. Nil (2020: Rs. Nil)

Loan from Directors			
Loan received from directors during the year		71,560,738	33,500,000

33.1.3 Amount received from Chakwal Spinning Mills Limited **2,061,975**

33.1.4 Amount received from Yousaf Weaving Mills Limited **21,931,392**

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KOHINOOR SPINNING MILLS LIMITED
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Aggregate maximum balance due at the end of any month during the year.

(Chakwal Spinning Mills)	-	2,061,975
(Chakwal Textile Mills Limited)	(3,792,162)	5,340,807
(Yousaf Weaving Mills Limited)	-	21,931,293
Directors loan	575,210,259	503,649,521

33.1.5 The company's head office premises is being provided free of cost by the Director of the Company.

34 FINANCIAL RISK MANAGEMENT

34.1 The company has exposures to the following risks from its use of financial instruments:

Market Risk
 Credit Risk
 Liquidity Risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

a) Market Risk

i) Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures. Primarily with respect to Euros. Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable from / payable to foreign entities. The Company's exposure to currency risk was as follows:

	2021	2020
Supplier's credit-EURO	885,947	885,947

The following significant exchange rates were applied during the year.

Average rate (Rupees per Euro)	N/A	N/A
Reporting date rate (Rupees per Euro)	186.92	185.59

Foreign Exchange Risk Management

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings and balances held in foreign currency. However the company is not materially exposed to foreign currency risk on assets and liabilities. As at June 30, 2021, financial liabilities include Rs. 165.601 million (2020: Rs. 167.080 million) which are subject to foreign currency risk against Euros.

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Foreign Currency Sensitivity Analysis

At June 30, 2021 if the Rupee had weakened / strengthened by 5% against the Euro with all other variables held constant, loss for the year would have been lower / higher by Rs. 8.280 million (2020: Rs. 8.354 million) mainly as a result of foreign exchange gains / losses on translation of foreign currency Euro denominated borrowings.

ii) Other Price Risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is exposed to other price risk only in respect of investment in KASB modaraba certificates amount to Rs. 447,401 (2020: Rs. 149,688).

Sensitivity analysis

At June 30, 2021 if the price had decreased/increased by 5% against with all other variable held constant, loss for the year would have been lower/higher by Rs. 22,370 (2020: Rs.7,484) mainly as a result of price variations.

iii) Interest Rate Risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from long term financing, lease liabilities and short-term borrowings. As the borrowings are obtained at variable rates, these expose the Company to cash flow interest rate risk.

At the statement of financial position date the interest rate profile of the Company's interest bearing financial instruments was:

	2021 (Rupees)	2020 (Rupees)
Floating rate instruments		
Financial Liabilities:		
Long term financing	-	-
Liabilities against assets subject to finance lease	-	-
Short term borrowings	1,463,142,972	1,463,142,972
Financial Assets:		
Bank balance - Saving account	89,148	1,672,437

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b) Credit Risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:-

Long term deposits	44,221,312	39,325,312
Trade debts	112,761,783	145,789,167
Loans and advances	40,984,456	21,781,211
Bank balance	2,061,334	8,715,840

The credit risk on liquid funds (cash and bank balances) is limited because the counter parties are banks with a reasonably high credit rating. The names and credit rating of major banks where the Company maintains its bank balances are as follows.

Name of Bank	Rating Agency	Credit Rating		2021	2020
		Short term	Long term	-----Rupees-----	
Askari bank Limited	PACRA	A1+	AA+	31,955	31,955
MCB Bank Limited	PACRA	A1+	AAA	102,480	163,543
National Bank of Pakistan	PACRA	A1+	AAA	41,581	41,581
Habibmetro Bank Limited	PACRA	A1+	AA+	976,728	976,728
Meezan Bank Limited	VIS	A-1+	AA+	414,601	4,980,487
Allied Bank Limited	PACRA	A1+	AAA	89,148	1,672,437
Habib Bank Limited	VIS	A1+	AA+	0	69,504
Bank Al Falah Limited	PACRA	A1+	AA+	383,922	485,327
J S Bank Limited	PACRA	A1+	AA-	20,919	294,279
				<u>2,061,334</u>	<u>8,715,840</u>

The Company's exposure to credit risk and impairment losses related to trade debts is as follow:

The impairment analysis of trade debts at the reporting date was:

	2021		2020	
	Gross	Impairment	Gross	Impairment
	-----Rupees-----			
Trade Debtors	146,950,447	(34,188,664)	179,977,831	(34,188,664)
	<u>146,950,447</u>	<u>(34,188,664)</u>	<u>179,977,831</u>	<u>(34,188,664)</u>

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c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through working capital and from contribution from sponsors. As at the statement of financial position date, the Company had Rs. 2.45 million cash and bank balances. Following are the contractual maturities of financial liabilities, including interest payments.

Contractual maturities of financial liabilities as at June 30, 2021:

	Carrying Amount Rupees	Contractual cash flows Rupees	Less than 1 year Rupees	More than 1 year Rupees
Gratuity	45,064,213	-	-	45,064,213
Supplier's credit	165,601,168	165,601,168	165,601,168	-
Long-term finances	364,705,882	364,705,882	364,705,882	-
Director's loan	575,210,259	-	-	575,210,259
Trade and other payables	596,682,901	596,682,901	596,682,901	-
Accrued interest	471,877,939	471,877,939	471,877,939	-
Short term finances	1,463,142,972	1,463,142,972	1,463,142,972	-

Contractual maturities of financial liabilities as at June 30, 2020:

	Carrying Amount Rupees	Contractual cash flows Rupees	Less than 1 year Rupees	More than 1 year Rupees
Gratuity	49,523,071	-	-	49,523,071
Supplier's credit	167,080,699	167,080,699	163,900,150	-
Long-term finances	364,705,882	364,705,882	364,705,882	-
Liabilities against leased assets	1,099,660	1,099,660	1,099,660	-
Director's loan	503,649,521	-	-	503,649,521
Trade and other payables	494,803,831	494,803,831	494,803,831	-
Accrued interest	471,877,939	471,877,939	471,877,939	-
Short term finances	1,463,142,972	1,463,142,972	1,463,142,972	-

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at 30 June. The rates of interest mark up have been disclosed in respective notes to these financial statements.

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34.2 Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Financial assets as per statement of financial position

	At amortized cost		Fair value through profit or loss		Fair value through other comprehensive income	
	2021	2020	2021	2020	2021	2020
	Rupees					
Long term deposits	44,221,312	39,325,312				
Long term investments	-	-	-	-	447,401	149,688
Trade debts	112,761,783	145,789,167	-	-	-	-
Loans and advances	15,800,903	8,995,096	-	-	-	-
Cash and bank balances	2,476,109	9,813,594	-	-	-	-
	175,260,108	203,923,169	-	-	447,401	149,688

Financial liabilities as per statement of financial position

	At amortized cost		Fair value through profit or loss	
	2021	2020	2021	2020
Long term finance	364,705,882	364,705,882	-	-
Supplier's credit	165,601,168	167,080,699	-	-
Lease liability	-	1,099,660	-	-
Trade and other payable	583,819,383	483,558,720	-	-
Advance from customers	10,948,400	10,429,653	-	-
Accrued interest on loans and borrowings	471,877,939	471,877,939	-	-
Short term borrowings	1,463,142,972	1,463,142,972	-	-
	3,060,095,744	2,961,895,525	-	-

34.3 Capital Risk Management

The Company's prime object when managing capital to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and bank balances. Total capital is calculated as equity as shown in the statement of financial position plus net debt.

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Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There was no transfer between any level during the year.

	2021 (Rupees)	2020 (Rupees)
36 PLANT CAPACITY AND PRODUCTION		
Number of spindles installed	78,492	78,492
Installed capacity in 20's count based on triple shift for 365 (2020 - 365) days (kgs) - Approximately	35,331,147	35,331,147
Actual production after conversion into 20's count (kgs)	18,557,623	12,851,321

The conversion into 20's count depicts the approximate efficiency as it fluctuates with changes in count of yarn spun and count mix in a particular period.

Under utilization of available capacity was due to normal maintenance power outages and time cost in shifting of counts together with decrease in sales.

	2021	2020
37 NUMBER OF EMPLOYEES		
Average during the year	1221	1224
As at 30 June	1218	1224

38 IMPACT OF COVID-19

The pandemic of COVID-19 that rapidly spread all across the world has not only endangered human lives but has also adversely impacted the global economy. On 23 March 2020, the Government of the Punjab and the Government of Sindh announced a temporary lock down as a measure to reduce the spread of the COVID-19. Complying with the lockdown, the Company temporarily suspended its operations from 24 March 2020. After implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees, the Company resumed its operations from 28 April 2020 and took all necessary steps to ensure smooth and adequate continuation of its business in order to maintain business performance despite slowdown in economic activity. The lockdown caused disruptions in supply chain including supply of goods to the customers resulting in a decline in sales. Subsequent to the year ended 30 June 2020, due to significant reduction in outbreak, demand for the Company's goods is fast reverting back to normal levels. Due to this, management has assessed the accounting implications of these developments on these financial statements, including but not limited to the following areas:

- expected credit losses under IFRS 9 'Financial Instruments';
- the impairment of tangible assets under IAS 36 'Impairment of Assets';
- the net realizable value of inventory under IAS 2, 'Inventories';
- provisions and contingent liabilities under IAS 37 Provisions, Contingent Liabilities and Contingent Assets'; and
- going concern assumption used for the preparation of these financial statements.

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

According to management's assessment, there is no significant accounting impact of the effects of COVID-19 in these financial statements.

39 OPERATING SEGMENT

- These financial statements have been prepared on the basis of single reportable segment.
 - Yarn sales represent 99% (2020: 99%) of the total sales of the Company.
 - 100% (2020: 100%) of the Company's sales relate to customers in Pakistan.
 - All non-current assets of the Company as at June 30, 2021 are located in Pakistan.
- The Company have three major customers having sales of ten percent or more during the year ended June 30, 2021 and 2020

40 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue on 08 October 2021 by the Board of Directors of the Company.

41 GENERAL

Figures have been rounded off to the nearest rupees.


CHIEF EXECUTIVE
CHIEF FINANCIAL OFFICER
CHAIRMAN

THE COMPANIES ACT, 2017
(Section 227(2)(f))
PATTERN OF SHAREHOLDING

1.1 Name of the Company

KOHINOOR SPINNING MILLS LIMITED

2.1. Pattern of holding of the shares held by the shareholders as at

30-06-2021

2.2 No. of Sharehold	-----Shareholdings-----		Total Shares Held
	From	To	
160	1	100	3,396
281	101	500	133,727
392	501	1,000	386,800
900	1,001	5,000	2,896,215
437	5,001	10,000	3,635,257
159	10,001	15,000	2,128,500
123	15,001	20,000	2,318,700
97	20,001	25,000	2,334,269
63	25,001	30,000	1,840,259
29	30,001	35,000	988,000
38	35,001	40,000	1,472,000
24	40,001	45,000	1,035,000
101	45,001	50,000	5,021,500
11	50,001	55,000	575,600
14	55,001	60,000	813,567
6	60,001	65,000	382,000
9	65,001	70,000	621,000
6	70,001	75,000	444,500
9	75,001	80,000	698,500
5	80,001	85,000	421,000
15	85,001	90,000	1,336,500
8	90,001	95,000	743,000
51	95,001	100,000	5,091,500
4	100,001	105,000	406,000
4	105,001	110,000	429,000
6	110,001	115,000	675,500
7	115,001	120,000	837,500
7	120,001	125,000	868,500
5	125,001	130,000	641,000
3	130,001	135,000	397,500
2	135,001	140,000	280,000
5	145,001	150,000	741,000
1	150,001	155,000	150,500
1	155,001	160,000	160,000
2	160,001	165,000	327,500
4	165,001	170,000	674,000
4	170,001	175,000	700,000
3	180,001	185,000	551,000
1	185,001	190,000	185,500
1	190,001	195,000	195,000
11	195,001	200,000	2,200,000
3	200,001	205,000	607,000
1	205,001	210,000	207,500
1	210,001	215,000	213,500
3	235,001	240,000	710,000
2	240,001	245,000	486,500

3	245,001	250,000	745,500
1	250,001	255,000	255,000
3	255,001	260,000	769,500
1	260,001	265,000	265,000
1	270,001	275,000	274,000
4	295,001	300,000	1,200,000
1	315,001	320,000	320,000
1	345,001	350,000	350,000
1	365,001	370,000	370,000
1	370,001	375,000	375,000
3	395,001	400,000	1,200,000
1	420,001	425,000	423,500
2	495,001	500,000	1,000,000
2	500,001	505,000	1,003,827
1	540,001	545,000	544,000
1	595,001	600,000	597,000
1	625,001	630,000	627,000
1	630,001	635,000	635,000
2	665,001	670,000	1,338,000
1	680,001	685,000	684,500
1	725,001	730,000	729,500
1	750,001	755,000	753,000
2	765,001	770,000	1,539,000
1	895,001	900,000	900,000
1	915,001	920,000	919,000
1	970,001	975,000	975,000
1	1,120,001	1,125,000	1,125,000
1	1,250,001	1,255,000	1,250,500
1	2,245,001	2,250,000	2,250,000
1	4,555,001	4,560,000	4,560,000
1	8,780,001	8,785,000	8,783,000
1	10,005,001	10,010,000	10,007,643
1	12,865,001	12,870,000	12,869,000
1	44,665,001	44,670,000	44,667,028
1	63,440,001	63,445,000	63,444,997
<hr/>			
3067			215,714,285

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	119,348,596	55.3272
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	0	-
2.3.3 NIT and ICP	506,613	0.2349
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	5,539	0.0026

2.3.5 Insurance Companies	53,100	0.0246
2.3.6 Modarabas and Mutual Funds	157,000	0.0728
2.3.7 Shareholders holding 10% or more	119,153,596	55.2368
2.3.8 General Public		
a. Local	90,959,738	42.1668
b. Foreign	0	-
2.3.9 Others (to be specified)		
1- Joint Stock Companies	3,611,800	1.6743
2- Foreign Companies	14,900	0.0069
3- Pension Funds	55,067	0.0255
4- Others	1,001,932	0.4645

KOHINOOR SPINNING MILLS LIMITED
Categories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2021

Sr. No.	Name	No. of Shares Held	Percentage
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Associated Companies, Undertakings and Related Parties (Name Wise Detail):

Mutual Funds (Name Wise Detail)

1	GOLDEN ARROW SELECTED STOCK FUND	500	0.0002
2	PRUDENTIAL STOCK FUND LTD. (CDC)	6,000	0.0028
3	PRUDENTIAL STOCKS FUND LTD (03360) (CDC)	50,000	0.0232
4	CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND (CDC)	100,000	0.0464

Directors and their Spouse and Minor Children (Name Wise Detail):

1	KHAWAJA MOHAMMAD JAHANGIR (CDC)	181,500	0.0841
2	KHAWAJA MOHAMMAD TANVEER (CDC)	500	0.0002
3	KHAWAJA MOHAMMAD KALEEM	63,453,568	29.4156
4	MR. MOHAMMAD NAVEED	55,700,028	25.8212
5	MR. MOHAMMAD HAMZA YOUSAF	11,500	0.0053
6	MRS. FIZA FARHAN	500	0.0002
7	MR. FAISAL QAIYUM	500	0.0002
8	MRS. AQSA JAHANGIR	500	0.0002

Executives:

Public Sector Companies & Corporations:

Banks, Development Finance Institutions, Non Banking Finance 114,206 0.0529

Companies, Insurance Companies, Takaful, Mudarabas and Pension Funds:

Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)

S. No.	Name	Holding	%Age
1	KHAWAJA MOHAMMAD KALEEM	63,453,568	29.4156
2	MR. MOHAMMAD NAVEED	55,700,028	25.8212
3	MR. NADEEM BASHEER (CDC)	12,869,000	5.9658

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

Form of Proxy – 49th Annual General Meeting

The Corporate Secretary
Kohinoor Spinning Mills Limited
7/1 E-3 Main Boulevard Gulberg III, Lahore

Folio # / CDC A/C #.	
Participant I.D	
Account #	
Shares held	

I/We _____ of _____
being a member (s) of Kohinoor Spinning Mills Limited hold _____ ordinary
shares hereby appoint Mr./Mrs./Miss _____ of
_____ or failing him/her _____ of
_____ as my /our Proxy to attend and vote for me/us and on
my/our behalf at the 48th Annual General Meeting of the Company to be held on
Friday, October 28, 2021 at 10:00 a.m. at 7/1 E-3 Main Boulevard Gulberg III,
Lahore and at every adjournment thereof.

Signed this _____ day of _____ 2021.

1. Witness:
Signature _____
Name _____
Address _____
CNIC _____
2. Witness:
Signature _____
Name _____
Address _____
CNIC _____

**AFFIX
REVENUE
STAMP of Five rupees**

Signature _____
(Signature appended above
should agree with the
specimen signatures
registered with the
Company.)

IMPORTANT

1. This Form of proxy, duly completed and signed, must be received at the registered office of the company, at 7/1 E-3 Main Boulevard Gulberg III, Lahore Pakistan, not less than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.

مختار نامہ

کمپنی سیکرٹری

کوئٹہ سپرنگ ٹرولمنڈ

E-3, 7/1 مین بلیوارڈ گلبرگ III،

لاہور

فولیو نمبر ای ڈی سی اکاؤنٹ نمبر:
ملکیتی حصص:

کا/ے

میں اہم

بیشیت رکن کوئٹہ سپرنگ ٹرولمنڈ بذریعہ ہذا محترم/محترمہ۔ کو اپنے/ہمارے ایماء پر بروز جمعہ مورخہ 28 اکتوبر 2021ء صبح 10:00 بجے، بمقام E-3, 7/1 مین بلیوارڈ گلبرگ III، لاہور میں منعقد ہونے والے کمپنی کے سالانہ اجلاس میں شرکت اور حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت اپنا/ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں کرتے ہیں۔

آج بروز تاریخ 2021ء کو دستخط کے لئے۔

رہیدی نکت یہاں چسپاں کریں

دستخط:

(دستخط کمپنی کے نمونہ دستخط سے مماثل ہونے چاہئیں)

گواہان

1-

دستخط:

نام:

پتہ:

2-

دستخط:

نام:

پتہ:

نوٹ:

- 1۔ ایک ممبر (رکن) جو اجلاس میں شرکت اور ووٹ دینے کا اہل ہو، اپنی جگہ کسی کو بطور نائب شرکت کرنے اور ووٹ دینے کا حق تفویض کر سکتا ہے۔
- 2۔ پراکسی تقرری کے آلات پر رکن یا اس کے باقاعدہ بااختیار انارنی کی طرف سے دستخط شدہ ہونے چاہئیں۔ اگر رکن ایک کارپوریشن ہے تو اس کی مشترکہ مہر آلات پر ثبت ہونی چاہئے۔
- 3۔ سی ڈی سی حصص داران سے التماس ہے کہ متعلقہ حصص داران کی شناخت کی سہولت کے لئے غیر معمولی اجلاس عام میں شرکت کے وقت اپنے کمپیوٹرائزڈ قومی شناختی کارڈ مع پارٹیشنڈ سی ڈی نمبرز اور اپنے اکاؤنٹ نمبرز لازماً ہمراہ لائیں۔
- 4۔ پراکسی تقرری کے آلات مع پاور آف انارنی، اگر کوئی ہو، جس کے تحت یہ دستخط شدہ ہے یا اس کی نوٹریلی کاپی، اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے دفتر میں جمع کرائے جانے چاہئیں۔