

# QUARTERLY REPORT

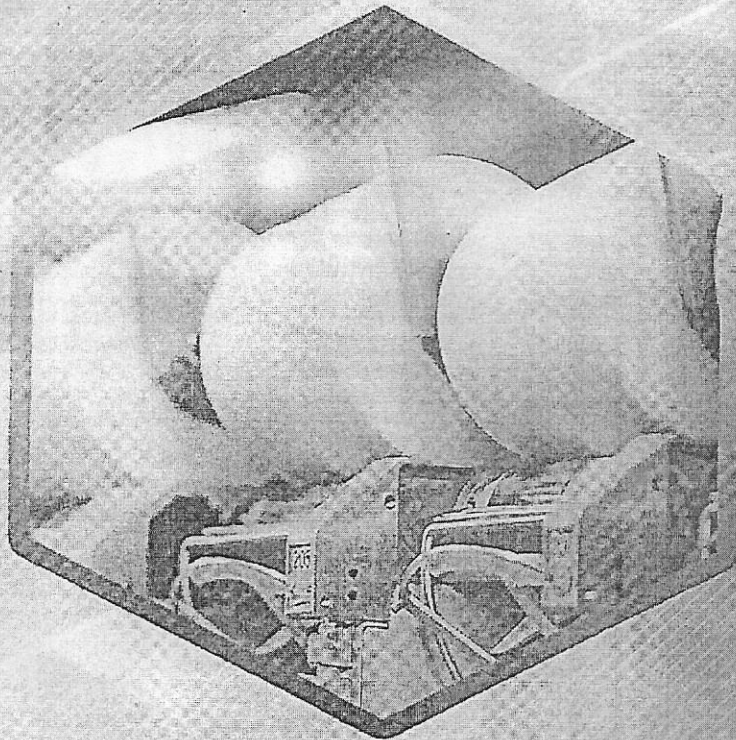
UN-AUDITED

For the Period Ended

March 31, 2024



Kohinoor Spinning Mills Limited



## COMPANY INFORMATION

### BOARD OF DIRECTOR

Khawaja Mohammad Jahangir	(Chairman)
Mohammad Naveed	(Chief Executive)
Khawaja Mohammad Kaleem	(Director)
Mohammad Hamza Yousaf	(Director)
Aqsa Jahangir	(Director)
Faisal Qaiyum	(Independent Director)
Abbas Ali	(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	FCA
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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 # 2, 3rd Floor, Pace Tower,  
Plot # 27, Block H, M.M. Alam road, Extension,  
Gulberg II, Lahore, 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



## DIRECTORS' REPORT

On behalf of the Directors of Kohinoor Spinning Mills Limited, it is our pleasure to present nine months accounts for the period ended 31st March 2024. The comparative figures for the corresponding period ended on 31st March 2023 are included for comparison, except in statement of financial position where figures are as of 30th June 2023.

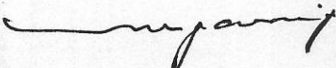
Your Company has incurred a net loss of Rs.114 million as compared to a net loss of Rs. 261 million for the corresponding period last year. The directors of the Company have injected funds worth Rs. 149 M in the Company. This would build confidence among the shareholders and creditors of the Company.


Textile industry is going through turbulent times. The global and domestic market is depressed. The costs such as wages, energy, financial, administration, packing material and transportation are under immense inflationary pressure. The value added chain is also complaining of low demand. This bearish trend in product demand is resulting in stressed yarn sale. While selling the product predictability of costs has become increasingly difficult because of ever increasing government administered energy costs. The outlook for the remaining three months of the financial year is bleak.

Due to above facts we are not hopeful of spinning industry revival in our country immediately.

Continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their gratitude to the shareholders for their continued support to the Company.

Lahore:  
30 April 2024

  
**Khawaja Mohammad Jahangir**  
(Chairman)

  
**Mohammad Naveed**  
(Chief Executive Officer)

## مجلس نظماء کی رپورٹ

مجلس نظماء کی جانب سے ہمیں خوشی ہے کہ نو ماہی (31 مارچ 2024ء) مالیاتی معلومات پیش کر رہے ہیں۔ آپ کی کمپنی کو گزشتہ سال 261 ملین روپے کے نقصان کے مقابلے میں 114 ملین روپے کا نقصان ہوا ہے۔ کمپنی کے نظماء نے کمپنی میں 149 ملین روپے کے فنڈ لگائے ہیں۔ اس سے کمپنی کے شیرز ہولڈرز اور قرض دہندگان میں اعتماد پیدا ہوا۔

ٹیکسٹائل انڈسٹری مشکل ادوار سے گزر رہی ہے۔ عالمی اور مقامی مارکیٹ کشیدہ ہے۔ اجرت، توانائی، مالیاتی، انتظامی، پیکنگ میٹریل اور ٹرانسپورٹیشن جیسے اخراجات مہنگائی کے دباؤ میں ہیں۔ ویلیو ایڈڈ چین بھی کم طلب کا شکار ہے۔ مصنوعات کی طلب میں مندی کے اس رجحان کے نتیجے میں دھاگے کی فروخت کم ہے۔ حکومت کے ذریعہ انتظام توانائی کے بڑھتے ہوئے اخراجات کی وجہ سے مصنوعات کی فروخت کے دوران لاگت کی پیش گوئی مشکل ہوتی جا رہی ہے۔ مالی سال کے باقی ماندہ تین ماہ کا جائزہ روشن نہیں ہے۔ مندرجہ بالا حقائق کو مد نظر رکھتے ہوئے ہم فوری طور پر اپنے ملک میں دھاگے کی صنعت کی بحالی کے لئے پرامید نہیں ہیں۔

کمپنی کے عملے اور کارکنوں کی مسلسل محنت اور جذبہ اور تمام سطحوں پر اچھے انسانی تعلقات کا اعتراف کرتے ہیں۔ ڈائریکٹرز کمپنی کی مسلسل حمایت پر شیر ہولڈرز کا بھی شکریہ ادا کرتے ہیں۔

محمد نوید

چیف ایگزیکٹو

خواجہ محمد جہانگیر

چیرمین

بمقام لاہور

30 اپریل 2024



**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024 (UN-AUDITED)**

	Notes	Un-Audited March 31, 2024 (Rupees)	Audited June 30, 2023 (Rupees)	Notes	Un-Audited March 31, 2024 (Rupees)	Audited June 30, 2023 (Rupees)
<b>EQUITY AND LIABILITIES</b>						
<b>Share Capital and Reserves</b>						
Authorised Capital		2,200,000,000	2,200,000,000			
440,000,000 (June 30, 2022 - 440,000,000) ordinary shares of Rs.5 each						
Issued, subscribed and paid up capital	5	2,060,533,925	1,078,571,425			
412,106,785 (June 30, 2023 - 215,714,285) ordinary shares of Rs.5 each		(1,256,943,551)	(1,143,021,845)			
Reserves		803,590,374	(64,450,420)			
<b>NON-CURRENT LIABILITIES</b>						
Long term Loans		479,461,269	1,311,969,419			
Deferred liabilities		30,412,524	30,597,599			
		509,873,793	1,342,567,018			
<b>CURRENT LIABILITIES</b>						
Trade and other payables		606,527,753	741,609,796			
Accrued Interest on loans and borrowings		471,877,939	471,877,939			
Short-term borrowings		1,463,142,972	1,463,142,972			
Current portion of long term loan		364,705,882	364,705,882			
Supplier's credit		246,303,832	253,371,914			
Un-claimed dividend		1,915,117	1,915,117			
Provision for taxation		18,637,070	19,053,059			
		3,173,110,565	3,315,676,679			
<b>ASSETS</b>						
<b>NON CURRENT ASSETS</b>						
Property, plant and equipment	6	3,506,150,516	3,608,194,635			
Long term deposits		44,221,312	44,221,312			
Long term investments		349,272	349,272			
		3,550,721,100	3,652,613,868			
<b>CURRENT ASSETS</b>						
Stores and spares		12,937,933	12,937,933			
Stock-in-trade		793,861,294	793,861,294			
Trade debts		114,934,202	119,095,124			
Loans and advances		13,062,030	14,438,587			
Cash and bank balances		1,058,173	846,470			
		935,853,632	941,179,409			
		4,486,574,732	4,593,793,277			

The annexed notes form an integral part of these condensed interim financial information.

Lahore,  
April 30, 2024

CHAIRMAN

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER


**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2024**

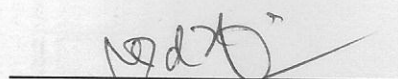
	Half Year Ended		Quarter Ended	
	Un-Audited March 31,2024 (Rupees)	Un-Audited March 31,2023 (Rupees)	Un-Audited March 31,2024 (Rupees)	Un-Audited March 31,2023 (Rupees)
<b>SALES - NET</b>	-	115,435,392	-	8,761,995
<b>COST OF SALES</b>	-	(268,230,371)	-	(32,939,918)
<b>GROSS (LOSS)</b>	-	(152,794,979)	-	(24,177,923)
<b>OPERATING EXPENSES</b>				
Distribution Cost	-	-	-	-
Administrative	(131,495,496)	(75,123,563)	(36,287,623)	(26,381,226)
	(131,495,496)	(75,123,563)	(36,287,623)	(26,381,226)
<b>OPERATING (LOSS)</b>	(131,495,496)	(227,918,542)	(36,287,623)	(50,559,149)
Financial cost	(17,465,624)	(39,806,239)	(5,806,815)	(2,756,686)
Other operating income	35,585,939	8,462,811	10,500,000	-
	18,120,315	(31,343,428)	4,693,185	(2,756,686)
<b>(LOSS) BEFORE TAXATION</b>	(113,375,181)	(259,261,970)	(31,594,438)	(53,315,835)
<b>TAXATION</b>	(697,876)	(1,333,417)	(93,750)	(109,525)
<b>(LOSS) AFTER TAXATION</b>	(114,073,057)	(260,595,387)	(31,688,188)	(53,425,360)
<b>(LOSS) PER SHARE - BASIC &amp; DILUTED</b>	(0.28)	(1.21)	(0.08)	(0.25)

The annexed notes form an integral part of these condensed interim financial information.

Lahore,  
April 30, 2024

  
 CHAIRMAN

  
 CHIEF EXECUTIVE

  
 CHIEF FINANCIAL OFFICER

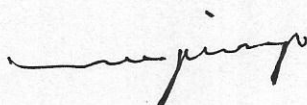


**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2024**

	<u>Half Year Ended</u>		<u>Quarter Ended</u>	
	March 31, 2024 (Rupees)	March 31, 2023 (Rupees)	March 31, 2024 (Rupees)	March 31, 2023 (Rupees)
(Loss) after taxation	(114,073,057)	(260,704,912)	(38,835,952)	(185,467,807)
<b>Other Comprehensive income</b>				
Items that may be reclassified subsequently to profit and loss	-	-	-	-
Unrealized gain/(loss) due to change fair value of long term investment	151,351	(139,709)	-	(56,549)
Items that will not reclassified to profit and loss	-	-	-	-
<b>Total comprehensive (Loss)</b>	<u>(113,921,706)</u>	<u>(260,844,621)</u>	<u>(38,835,952)</u>	<u>(185,524,356)</u>

The annexed notes form an integral part of these condensed interim financial information.

Lahore,  
April 30, 2024



CHAIRMAN



CHIEF EXECUTIVE

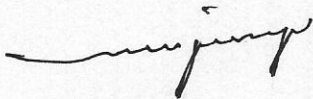


CHIEF FINANCIAL OFFICER

**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY (UN-ADITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2024**

	Share Capital	Capital Reserves	Revenue		Reserves	Total
		Share Premium	Accumulated (Loss)	Gain on Revaluation Surplus	Fair Reserves	
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
<b>Balance as at July 01, 2022</b>	1,078,571,425	171,428,570	(2,341,717,971)	-	(552,599)	(1,092,270,575)
Loss for the period ended after taxation			(308,647,194)	-	-	(308,647,194)
Unrealized gain due to change in fair Value of long term investment	-	-	-	-	(114,761)	(114,761)
<b>Balance as on March 31, 2023</b>	<u>1,078,571,425</u>	<u>171,428,570</u>	<u>(2,650,365,165)</u>	-	<u>(667,360)</u>	<u>(1,401,032,530)</u>
<b>Balance as on July 01, 2023</b>	1,078,571,425	171,428,570	(3,503,246,334)	2,189,597,998	(802,079)	(64,450,420)
Issue of shares other than right issue	981,962,500					981,962,500
Loss for the period ended after taxation	-	-	(114,073,057)	-	-	(114,073,057)
Unrealised gain to change in fair value of long term investment	-	-	-	-	151,351	151,351
<b>Balance as on March 31, 2024</b>	<u>2,060,533,925</u>	<u>171,428,570</u>	<u>(3,617,319,391)</u>	<u>2,189,597,998</u>	<u>(650,728)</u>	<u>803,590,374</u>

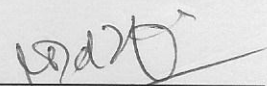
Lahore,  
April 30, 2024



CHAIRMAN



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2024**

	Un-Audited March 31, 2024 (Rupees)	Un-Audited March 31, 2023 (Rupees)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(113,375,181)	(259,261,970)
Adjustments of non cash charges and other items:		
Depreciation / amortization	101,389,627	59,590,620
Gratuity	631,125	2,597,498
Gain/loss on sale of fixed assets	(6,017,857)	(8,462,811)
Financial cost	17,465,624	8,399,426
Operating profit before working capital changes	93,338	(197,137,237)
(Increase)/decrease in current assets		
Stores and spares	-	(448,806)
Stock-in-trade	-	(80,062,279)
Trade debts	4,160,922	227,974,872
Loan & advances	1,376,557	(44,204,270)
Other receivables	-	(1,150,266)
	5,537,479	102,109,251
Increase in current liabilities		
Trade and other payables	(142,150,125)	(241,471,676)
	(136,519,308)	(336,499,662)
Financial cost paid	(17,465,624)	(8,399,426)
Income tax paid	(1,113,865)	(3,219,475)
Gratuity paid	(816,200)	(10,230,400)
<b>Net cash used in operations</b>	<b>(155,914,997)</b>	<b>(358,348,963)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, Plant & Equipment	-	(8,860,000)
Proceeds from disposal property, plant and equipment	6,672,350	9,787,000
<b>Net cash used in investing activities</b>	<b>6,672,350</b>	<b>927,000</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayments)/proceeds from:		
Increase in shares capitan other than right issue	981,962,500	31,406,813
Decrease in long term loan from directors	(832,508,150)	326,330,160
<b>Net cash generated from financing activities</b>	<b>149,454,350</b>	<b>357,736,973</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	211,703	315,011
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	846,470	1,699,518
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>1,058,173</b>	<b>2,014,529</b>

The annexed notes form an integral part of these condensed interim financial information.

Lahore,  
April 30, 2024

CHAIRMAN

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

**KOHINOOR SPINNING MILLS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2024**

**1.1 NATURE AND STATUS OF BUSINESS**

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 Pakistan 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 Aminabad 8 Km Pindi Road, Chakwal

Unit 03 8 Km Bhaun Road, Chakwal

1.2 The company has incurred loss after taxation of Rs.114,073,057 (June 30, 2023: Rs.726,336,215) as at March 31, 2024 total accumulated losses of the company stand at 3,617,319,391 (June 30, 2023; Rs.3,503,246,334) and the current liabilities exceeds its current assets by Rs.2,237,256,933 (June 30, 2023: Rs.2,374,497,270). these factors along with sharp decline in revenue material uncertainties that casts significant doubt on entitys ability to continue as going concern.

1.3 These financial statements have been prepared on going concern assumptions owing to continued financial support assurance from the directors in the shape of contribution and loans when required. Total loan provided to company by directors during the period Rs.149 million (June 30, 2023: Rs.393 million) together with expected negotiation and favorable terms of engagement with financial institutions. Also from July 2023 company has leased out its production facilities to party against annual rent Rs. 30 million, company expects to earn Rs. 4.0 million cash surplus upto June 30, 2024. The contract is renewable on mutual consent of both.

**2. BASIS OF PRESENTATION**

This interim condensed financial statement is unaudited and are being submitted to the shareholders as required under section 245 of the Companies Act 2017 and section 245 with section 237. These interim condensed financial statements has been prepared in accordance with the International Accounting Standard 34 (Interim Financial Reporting). In case where requirement differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements should be read in conjunction with the audited annual published Financial statements of the company for the year ended June 30, 2023.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2023.

Amendments to certain existing standards and new interpretation on approved accounting standards that become effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

**4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June 2023.

4.2 The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2023.

**5. SHARE CAPITAL**

**Issued, subscribed and paid up**

	<b>Un-Audited March 31, 2024 (Rupees)</b>	<b>Audited June 30, 2023 (Rupees)</b>
409,831,785 (June 30, 2023 -213,439,285) ordinary shares of Rupees 5/- each, issued for cash	2,049,158,925	1,067,196,425
2,275,000 (June 30, 2023 -2,275,000) ordinary shares of Rupees 5/- each, issued as bonus shares	11,375,000	11,375,000
	2,060,533,925	1,078,571,425



		Un-Audited March 31, 2024 (Rupees)	Audited June 30, 2023 (Rupees)
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>			
Opening writtendown value		3,608,194,635	1,512,275,387
Additions during the period	6.1	-	8,860,000
Revaluation Surplus		-	2,189,597,998
Impairment		-	(23,809,044)
		<u>3,608,194,635</u>	<u>3,686,924,341</u>
Deletion during the period	6.3	<u>(5,605,000)</u>	<u>(13,945,619)</u>
		3,602,589,635	3,672,978,722
Depreciation charged during the period		(101,389,626)	(78,728,704)
Depreciation Adjusted during the period		4,950,507	13,944,618
		<u>3,506,150,516</u>	<u>3,608,194,635</u>
<b>6.1 ADDITION DURING THE PERIOD</b>			
Vehicle		-	8,860,000
		<u>-</u>	<u>8,860,000</u>
<b>6.2 DELECTION DURING THE PERIOD</b>			
Vehicle		5,605,000	13,945,619
		<u>5,605,000</u>	<u>13,945,619</u>

**7. AUTHORISATION FOR ISSUE**

These condensed interim Financial statement have been authorised for issue on April 30, 2024 by the Board of Directors of the company.

**8. GENERAL**

Figures have been rounded off to the nearest rupee.

Lahore,  
April 30, 2024

  
\_\_\_\_\_  
CHAIRMAN

  
\_\_\_\_\_  
CHIEF EXECUTIVE

  
\_\_\_\_\_  
CHIEF FINANCIAL OFFICER