



FIRST QUARTER REPORT  
30 September 2015

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## Company Information

### Board of Directors

Mr. Tariq Sayeed Saigol	Chairman
Mr. Taufique Sayeed Saigol	Chief Executive
Mr. Sayeed Tariq Saigol	
Mr. Waleed Tariq Saigol	
Mr. Danial Taufique Saigol	
Mr. Shafiq Ahmed Khan	
Mr. Arif Ijaz	
Syed Mohsin Raza Naqvi	

### Audit Committee

Mr. Shafiq Ahmed Khan	Chairman
Mr. Arif Ijaz	Member
Mr. Sayeed Tariq Saigol	Member

### Human Resource & Remuneration Committee

Mr. Arif Ijaz	Chairman
Mr. Sayeed Tariq Saigol	Member
Mr. Danial Taufique Saigol	Member

### Chief Financial Officer

Syed Mohsin Raza Naqvi

### Company Secretary

Mr. Muhammad Ashraf

### Chief Internal Auditor

Mr. Bilal Hussain

### Auditors

M/s. Riaz Ahmad & Company  
Chartered Accountants

### Legal Adviser

Mr. Muhammad Salman Masood  
Advocate High Court

### Registered Office

42-Lawrence Road, Lahore.  
Tel: (92-042) 36302261-62  
Fax: (92-042) 36368721

### Share Registrar

Vision Consulting Ltd  
3-C, LDA Flats, First Floor,  
Lawrence Road, Lahore.  
Tel: (92-042) 36283096-97  
Fax: (92-042) 36312550  
E-mail: shares@vcl.com.pk  
Website: www.vcl.com.pk

### Bankers

Al Baraka Bank (Pakistan) Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Faysal Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
NIB Bank Limited  
Silk Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
The Bank of Punjab  
United Bank Limited

### Mills

- Peshawar Road, Rawalpindi  
Tel: (92-051) 5495328-32 Fax: (92-051) 5471795
- 8 K.M., Manga Raiwind Road, District Kasur  
Tel: (92-042) 35394133-35 Fax: (92-042) 35394132
- Gulyana Road, Gujar Khan, District Rawalpindi  
Tel: (92-0513) 564472-74 Fax: (92-0513) 564337

### Website

[www.kmgl.com](http://www.kmgl.com)

**Note:** KTML's Financial Statements are also available at the above website.

## Directors' Review

The Directors present un-audited accounts of the Company for the quarter ended September 30, 2015, in compliance with requirements of Section 245 of the Companies Ordinance, 1984.

### REVIEW OF OPERATIONS

During the period under review, results of the Company's Spinning divisions have registered a small decline due to reduction in yarn prices caused by unfettered imports of higher count yarns into Pakistan at very low import tariff. However, prices of Extra Long Staple (ELS) cottons are depicting a bearish trend which may lead to reduction in costs going forward. It is also hoped that the government will impose additional anti-dumping duties on Indian fine count yarns which may lead to stabilization in prices.

The results of the Weaving division in this quarter are similar to those of the previous quarter. However, we expect good improvement going forward as the equipment installed last year is now working to its optimum capacity.

The results of the Company's Processing and Cut & Sew divisions are stable. The Company is further investing to increase its value-added offerings in an effort to move away from commodity products being offered by India and China. We are hopeful of increasing both the quantities produced and the unit values of the products, which will lead to better financial results in the future.

The Company continues to invest steadily in all three segments to upgrade quality and reduce production costs. This capital expenditure will continue for the foreseeable future.

The results of the Power division have substantially improved due to further lowering of cost of Heavy Furnace Oil (HFO) and through receipt of refunds of amounts charged under Fuel Price Adjustments (FPA).

We are optimistic that the Company will be able to produce similar results in the coming quarter.

### FINANCIAL REVIEW

During the period under review, Company's sales increased by 1.16% to Rs.3,950 million (2014: Rs.3,905 million), while cost of sales decreased by 1.89% to Rs.3,245 million (2014: Rs.3,307 million). This resulted in increased gross profit to Rs.705 million (2014: Rs.597 million).

Operating profit for the period under review stood at Rs.465 million (2014: Rs.411 million). The Company made an after tax profit of Rs.379 million (2014: Rs.207 million). Earnings per share for the quarter ended September 30, 2015 were markedly higher at Rs.1.54 against Re. 0.84 for the same period last year.

### FUTURE OUTLOOK

The turmoil in international commodity prices, coupled with the slowdown in China should not have a major negative effect on the Company as it does not depend on the commodity end of the textile chain. The dramatic reduction in the Company's weighted average borrowing costs should have a positive effect on future profitability. We envisage a better marketing position in the made-ups division due to lower yarn prices and favourable exchange rates. Trading conditions in the US are stable, although Europe continues to face difficulties.

We are confident that the Company will be able to meet the challenges presented by international conditions.

### ACKNOWLEDGEMENT

The Directors are grateful to the Company's members, financial institutions and customers for their co-operation and support. They also appreciate hard work and dedication of all the employees working at the various divisions.

For and on behalf of the Board



**Taufique Sayeed Saigol**  
Chief Executive

Lahore  
October 20, 2015

# Unconsolidated Condensed Interim Balance Sheet

As at 30 September 2015

	Note	Un-audited 30 September 2015	Audited 30 June 2015
(Rupees in thousand)			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
370,000,000 (30 June 2015: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2015: 30,000,000) preference shares of Rupees 10 each		300,000	300,000
		4,000,000	4,000,000
<b>Issued, subscribed and paid up share capital</b>			
245,526,216 (30 June 2015: 245,526,216) ordinary shares of Rupees 10 each		2,455,262	2,455,262
<b>Reserves</b>		5,934,091	5,554,966
<b>Total equity</b>		8,389,353	8,010,228
<b>Surplus on revaluation of land and investment properties</b>		3,673,825	3,673,825
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	5	432,412	334,229
Liabilities against assets subject to finance lease		42,405	47,963
Deferred income tax liability		310,990	361,602
		785,807	743,794
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,615,774	1,434,212
Accrued mark-up		41,367	64,161
Short term borrowings		3,146,384	3,596,588
Current portion of non-current liabilities		61,195	90,792
		4,864,720	5,185,753
<b>Total liabilities</b>		5,650,527	5,929,547
<b>CONTINGENCIES AND COMMITMENTS</b>	6		
<b>TOTAL EQUITY AND LIABILITIES</b>		17,713,705	17,613,600

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



CHIEF EXECUTIVE OFFICER

	Note	Un-audited 30 September 2015 (Rupees in thousand)	Audited 30 June 2015
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	6,518,176	6,565,198
Investment properties		1,783,133	1,783,133
Long term investments		3,867,089	3,867,089
Long term deposits		63,564	60,158
		12,231,962	12,275,578
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		626,128	456,460
Stock-in-trade		1,876,743	1,987,603
Trade debts		1,121,080	1,130,300
Advances		254,749	153,862
Security deposits and prepayments		32,551	24,924
Other receivables		552,947	638,939
Taxation recoverable		109,275	109,521
Short term investments		645,794	721,598
Cash and bank balances		262,476	114,815
		5,481,743	5,338,022
<b>TOTAL ASSETS</b>		17,713,705	17,613,600

  
DIRECTOR

**Unconsolidated Condensed Interim Profit and Loss Account (Un-Audited)**  
For the quarter ended 30 September 2015

	<b>30 September 2015</b>	<b>30 September 2014</b>
	<b>(Rupees in thousand)</b>	
SALES	3,949,904	3,904,623
COST OF SALES	(3,244,836)	(3,307,191)
<b>GROSS PROFIT</b>	<b>705,068</b>	<b>597,432</b>
DISTRIBUTION COST	(164,837)	(133,449)
ADMINISTRATIVE EXPENSES	(93,079)	(82,727)
OTHER EXPENSES	(22,031)	(14,314)
	<b>(279,947)</b>	<b>(230,490)</b>
OTHER INCOME	425,121	366,942
	39,493	43,668
<b>PROFIT FROM OPERATIONS</b>	<b>464,614</b>	<b>410,610</b>
FINANCE COST	(82,579)	(143,401)
<b>PROFIT BEFORE TAXATION</b>	<b>382,035</b>	<b>267,209</b>
PROVISION FOR TAXATION	(2,910)	(60,640)
<b>PROFIT AFTER TAXATION</b>	<b>379,125</b>	<b>206,569</b>
<b>EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)</b>	<b>1.54</b>	<b>0.84</b>

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

**Unconsolidated Condensed Interim  
Statement of Comprehensive Income (Un-Audited)**  
For the quarter ended 30 September 2015

	<b>30 September 2015</b>	<b>30 September 2014</b>
	<b>(Rupees in thousand)</b>	
<b>PROFIT AFTER TAXATION</b>	379,125	206,569
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the period - net of tax	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>379,125</b>	<b>206,569</b>

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



## Unconsolidated Condensed Interim Cash Flow Statement (Un-Audited)

For the quarter ended 30 September 2015

	Note	30 September 2015 (Rupees in thousand)	30 September 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	8	626,938	492,138
Finance cost paid		(105,373)	(148,142)
Income tax paid		(53,276)	(31,655)
Net increase in long term deposits		(3,406)	(4,554)
<b>Net cash generated from operating activities</b>		464,883	307,787
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on property, plant and equipment		(40,678)	(379,111)
Proceeds from sale of property, plant and equipment		2,470	1,720
Purchase of Investments		(186,343)	(211,433)
Proceeds from sale of investments		242,647	175,099
Interest received		455	344
Dividends received		51,481	-
<b>Net cash generated from / (used in) investing activities</b>		70,032	(413,381)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from long term financing		79,020	295,188
Repayment of long term financing		(10,800)	(31,908)
Repayment of liabilities against assets subject to finance lease		(5,192)	(1,010)
Short term borrowings - net		(450,204)	8,111
Dividend Paid		(78)	-
<b>Net cash (used in) / generated from financing activities</b>		(387,254)	270,381
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		147,661	164,787
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		114,815	100,937
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		262,476	265,724

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

## Unconsolidated Condensed Interim Statement of Changes in Equity (Un-Audited)

For the quarter ended 30 September 2015

	Reserves						Total Equity
	Capital Reserve		Revenue Reserves			Total Reserves	
	Share Premium	General Reserve	Unappropriated Profit	Sub Total			
	------(Rupees in thousand)-----						
<b>Balance as at 30 June 2014 - (Audited)</b>	2,455,262	144,919	1,450,491	2,118,249	3,568,740	3,713,659	6,168,921
Profit for the quarter ended 30 September 2014	-	-	-	206,569	206,569	206,569	206,569
Other comprehensive income for the quarter ended 30 September 2014	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended 30 September 2014	-	-	-	206,569	206,569	206,569	206,569
<b>Balance as at 30 September 2014 - (Un-Audited)</b>	2,455,262	144,919	1,450,491	2,324,818	3,775,309	3,920,228	6,375,490
Transaction with owners - Interim dividend @ Rupee 1 per share, related to the year ended 30 June 2015	-	-	-	(245,526)	(245,526)	(245,526)	(245,526)
Profit for the period ended 30 June 2015	-	-	-	1,880,264	1,880,264	1,880,264	1,880,264
Other comprehensive income for the period ended 30 June 2015	-	-	-	-	-	-	-
Total comprehensive income for the period ended 30 June 2015	-	-	-	1,880,264	1,880,264	1,880,264	1,880,264
<b>Balance as at 30 June 2015 - (Audited)</b>	2,455,262	144,919	1,450,491	3,959,556	5,410,047	5,554,966	8,010,228
Profit for the quarter ended 30 September 2015	-	-	-	379,125	379,125	379,125	379,125
Other comprehensive income for the quarter ended 30 September 2015	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended 30 September 2015	-	-	-	379,125	379,125	379,125	379,125
<b>Balance as at 30 September 2015 - (Un-Audited)</b>	2,455,262	144,919	1,450,491	4,338,681	5,789,172	5,934,091	8,389,353

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



CHIEF EXECUTIVE OFFICER

DIRECTOR

# Selected Notes to the Unconsolidated Condensed Interim Financial Information (Un-audited) For the quarter ended 30 September 2015

## 1. THE COMPANY AND ITS OPERATIONS

Kohinoor Textile Mills Limited is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Ordinance, 1984) and listed on the Karachi, Lahore and Islamabad Stock Exchanges. The registered office of the Company is situated at 42 Lawrence Road, Lahore. The principal activity of the Company is manufacturing of yarn and cloth, processing and home textile and trading textile products.

## 2. BASIS OF PREPARATION

This unconsolidated condensed interim financial information of the Company for the quarter ended 30 September 2015 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This unconsolidated condensed interim financial information is un-audited and is being submitted to the shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This unconsolidated condensed interim financial information should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2015.

## 3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this unconsolidated condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

	<b>Un-audited 30 September 2015 (Rupees in thousand)</b>	<b>Audited 30 June 2015</b>
<b>5. LONG TERM FINANCING</b>		
<b>Secured</b>		
Opening balance	404,079	150,707
Add : Obtained during the period / year	79,020	317,680
	<u>483,099</u>	<u>468,387</u>
Less: Repaid during the period / year	10,800	64,308
	<u>472,299</u>	<u>404,079</u>
Less: Current portion shown under current liabilities	39,887	69,850
	<u>432,412</u>	<u>334,229</u>

## **6. CONTINGENCIES AND COMMITMENTS**

### **6.1 Contingencies**

There is no significant change in the status of contingencies, as disclosed in preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

### **6.2 Commitments in respect of letters of credit**

- a) Letters of credit for capital expenditure amount to Rupees 342.742 million (30 June 2015: Rupees 72.365 million).
- b) Letters of credit other than for capital expenditure amount to Rupees 326.509 million (30 June 2015: Rupees 227.489 million).

	<b>Un-audited 30 September 2015 (Rupees in thousand)</b>	<b>Audited 30 June 2015</b>
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets :		
Owned (Note 7.1)	6,409,536	6,470,251
Leased (Note 7.2)	79,413	81,381
Capital work-in-progress (Note 7.3)	29,227	13,566
	<u>6,518,176</u>	<u>6,565,198</u>
<b>7.1 Operating fixed assets - owned</b>		
Opening book value	6,470,251	5,896,546
Add : Cost of additions during the period / year (Note 7.1.1)	25,017	907,489
	<u>6,495,268</u>	<u>6,804,035</u>
Less : Book value of deletions during the period / year (Note 7.1.2)	707	9,294
	<u>6,494,561</u>	<u>6,794,741</u>
Less : Depreciation charged during the period / year	85,025	324,490
	<u>6,409,536</u>	<u>6,470,251</u>

	<b>Un-audited 30 September 2015</b>	<b>Audited 30 June 2015</b>
	<b>(Rupees in thousand)</b>	
<b>7.1.1 Cost of additions</b>		
Free hold land	-	145,269
Buildings	-	157,915
Plant and machinery	16,756	564,587
Service and other equipment	482	1,726
Computers	2,743	1,736
Furniture and fixture	461	3,967
Office equipment	324	3,656
Vehicles	4,251	28,633
	<u>25,017</u>	<u>907,489</u>
<b>7.1.2 Book value of deletions</b>		
Plant and machinery	-	4,940
Computer & IT installation	19	51
Office equipment	-	288
Vehicles	688	4,015
	<u>707</u>	<u>9,294</u>
<b>7.2 Operating fixed assets - leased</b>		
Opening book value	81,381	11,836
Add : Cost of additions during the period / year (Note 7.2.1)	-	74,495
	<u>81,381</u>	<u>86,331</u>
Less : Depreciation charged during the period / year	1,968	4,950
Closing book value	<u>79,413</u>	<u>81,381</u>
<b>7.2.1 Cost of additions</b>		
Plant and machinery	-	74,440
Vehicles	-	55
	<u>-</u>	<u>74,495</u>
<b>7.3 Capital work-in-progress</b>		
Civil works and buildings	19,598	13,093
Plant and machinery	9,629	473
	<u>29,227</u>	<u>13,566</u>

	Un-audited 30 September 2015 (Rupees in thousand)	Un-audited 30 September 2014
<b>8. CASH GENERATED FROM OPERATIONS</b>		
<b>Profit before taxation</b>	382,035	267,209
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	86,993	77,312
Finance cost	82,579	143,401
Gain on sale of property, plant and equipment	(1,763)	(1,450)
Loss / (gain) on remeasurement of fair value of investments at fair value	17,999	(19,029)
Loss / (gain) on sale of investments	1,501	(4,395)
Dividend Income	(51,481)	-
Return on bank deposits	(455)	(344)
Working capital changes (Note 8.1)	109,530	29,434
	626,938	492,138
<b>8.1 Working capital changes</b>		
<b>(Increase) / decrease in current assets:</b>		
Stores, spare parts and loose tools	(169,668)	(92,677)
Stock-in-trade	110,860	(14,837)
Trade debts	9,220	(83,234)
Advances	(100,887)	(82,544)
Security deposits and prepayments	(7,627)	(11,392)
Other receivables	85,992	168,094
	(72,110)	(116,590)
<b>Increase in current liabilities:</b>		
Trade and other payables	181,640	146,024
	109,530	29,434
	109,530	29,434



## 10. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary companies, associated companies, key management personnel and provident fund trust. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in this unconsolidated condensed interim financial information are as follows:

	Un-audited 30 September 2015	Un-audited 30 September 2014
	(Rupees in thousand)	
<b>Subsidiary companies</b>		
<b>Maple Leaf Cement Factory Limited</b>		
Purchase of goods and services	5,078	6,404
<b>Maple Leaf Capital Limited</b>		
Dividend received	50,000	-
<b>Other related parties</b>		
Company's contribution to provident fund trust	9,237	7,118
Remuneration paid to Chief Executive Officer, Directors and Executives	49,516	37,220

## 11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

## 12. GENERAL

- 12.1** This unconsolidated condensed interim financial information was approved by the Board of Directors and authorised for issue on 20 October 2015.
- 12.2** No significant reclassification / rearrangements of corresponding figures has been made.
- 12.3** Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR







**KOHINOOR TEXTILE MILLS LIMITED**

**CONSOLIDATED CONDENSED INTERIM  
FINANCIAL INFORMATION**

**FOR THE PERIOD ENDED  
30 SEPTEMBER 2015**



## Directors' Review

The Directors are pleased to present their report together with un-audited condensed consolidated interim financial information of Kohinoor Textile Mills Limited and its subsidiaries, Maple Leaf Cement Factory Limited and Maple Leaf Capital Limited for the quarter ended September 30, 2015.

The Group has earned gross profit of Rupees 2,618 million during period under review as compared to Rupees 2,263 million during the corresponding period. The Group made pre-tax profit of Rupees 1,590 million during this period as compared to Rupees 1,144 million during the corresponding period last year.

### **Subsidiary Companies**

#### **Maple Leaf Cement Factory Limited**

It has earned after tax profit of Rupees 847 million during current period as compared to Rupees 545 million during corresponding period of previous year.

#### **Maple Leaf Capital Limited**

It has earned after tax profit of Rupees 15 million during current period.

For and on behalf of the Board



**Taufique Sayeed Saigol**  
Chief Executive

Lahore  
October 20, 2015

# Consolidated Condensed Interim Balance Sheet

As at 30 September 2015

	Note	Un-audited 30 September 2015	Audited 30 June 2015
<b>(Rupees in thousand)</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
370,000,000 (30 June 2015 : 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2015 : 30,000,000) preference shares of Rupees 10 each		300,000	300,000
		4,000,000	4,000,000
<b>Issued, subscribed and paid up share capital</b>		2,455,262	2,455,262
245,526,216 (30 June 2015: 245,526,216) ordinary shares of Rupees 10 each			
<b>Reserves</b>		10,777,996	9,930,580
<b>Equity attributable to equity holders of the Holding Company</b>		13,233,258	12,385,842
<b>Non-controlling interest</b>		6,745,950	6,354,388
<b>Total equity</b>		19,979,208	18,740,230
<b>Surplus on revaluation of land and investment properties</b>		4,035,644	4,047,111
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	5	441,475	372,343
Redeemable capital- secured		966,500	1,933,011
Liabilities against assets subject to finance lease		645,554	676,193
Long term deposits		6,619	6,619
Retirement benefits		109,258	109,688
Deferred income tax liability		1,581,192	1,472,126
		3,750,598	4,569,980
<b>CURRENT LIABILITIES</b>			
Trade and other payables		4,628,687	4,604,628
Accrued mark-up		128,615	172,293
Short term borrowings		5,721,415	6,152,330
Current portion of non-current liabilities		2,809,336	2,270,254
Provision for taxation		104,180	28,897
		13,392,233	13,228,402
<b>Total liabilities</b>		17,142,831	17,798,382
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6		
<b>TOTAL EQUITY AND LIABILITIES</b>		41,157,683	40,585,723

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



CHIEF EXECUTIVE OFFICER

	Note	Un-audited 30 September 2015 (Rupees in thousand)	Audited 30 June 2015
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	24,012,577	24,317,602
Investment properties		1,783,133	1,783,133
Long term loans to employees		7,929	6,513
Long term deposits		118,742	115,216
		25,922,381	26,222,464
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		5,022,966	4,652,174
Stock -in- trade		2,978,221	3,194,176
Trade debts		2,037,514	1,700,884
Loans and advances		1,250,480	1,101,858
Security deposits and short term prepayments		168,317	113,893
Accrued interest		509	963
Other receivables		777,258	788,401
Short term investments		2,318,705	2,425,049
Cash and bank balances		681,332	385,861
		15,235,302	14,363,259
<b>TOTAL ASSETS</b>		41,157,683	40,585,723

DIRECTOR

**Consolidated Condensed Interim  
Profit and Loss Account (Un-Audited)  
For the quarter ended 30 September 2015**

	Quarter ended	
	30 September 2015	30 September 2014
	(Rupees in thousand)	
SALES	8,910,673	8,351,525
COST OF SALES	(6,292,225)	(6,088,236)
GROSS PROFIT	2,618,448	2,263,289
DISTRIBUTION COST	(467,868)	(433,557)
ADMINISTRATIVE EXPENSES	(213,594)	(172,929)
OTHER EXPENSES	(98,617)	(59,205)
	(780,079)	(665,691)
OTHER INCOME	1,838,369 20,163	1,597,598 55,921
PROFIT FROM OPERATIONS	1,858,532	1,653,519
FINANCE COST	(268,454)	(509,887)
PROFIT BEFORE TAXATION	1,590,078	1,143,632
PROVISION FOR TAXATION	(336,817)	(335,958)
PROFIT AFTER TAXATION	1,253,261	807,674
SHARE OF PROFIT ATTRIBUTABLE TO :		
EQUITY HOLDERS OF HOLDING COMPANY	841,084	555,571
NON CONTROLLING INTEREST	412,177	252,103
	1,253,261	807,674
EARNING PER SHARE - BASIC AND DILUTED (RUPEES)	3.43	2.26

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

**Consolidated Condensed Interim  
Statement of Comprehensive Income (Un-Audited)**  
For the quarter ended 30 September 2015

	Quarter ended	
	30 September 2015	30 September 2014
	(Rupees in thousand)	
<b>PROFIT AFTER TAXATION</b>	1,253,261	807,674
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Items that will not be classified to profit or loss</b>		
Surplus on revaluation of land	11,467	-
<b>Items that may be classified subsequently to profit or loss</b>	11,467	-
	-	-
Other comprehensive income for the period - net of tax	11,467	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	1,264,728	807,674
<b>Share of total comprehensive income attributable to :</b>		
Equity holders of Holding Company	847,416	555,571
Non-controlling interest	417,312	252,103
	1,264,728	807,674

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

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR



**Consolidated Condensed Interim Cash Flow Statement (Un-Audited)**  
For the quarter ended 30 September 2015

	Note	30 September 2015	30 September 2014
(Rupees in thousand)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	8	1,680,193	1,610,797
Finance cost paid		(292,511)	(493,621)
Compensated absences paid		(3,858)	(4,139)
Income tax paid		(158,645)	(85,157)
Net increase in long term deposits		(3,526)	(6,741)
<b>Net cash generated from operating activities</b>		<b>1,221,653</b>	<b>1,021,139</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on property, plant and equipment		(189,020)	(549,113)
Long term loan to employees		(1,416)	-
Interest received		3,672	2,311
Proceeds from sale of property, plant and equipment		30,339	1,720
Short term investments made		(1,465,106)	(211,433)
Proceeds from sale of short term investments		1,560,534	175,099
Dividend received		1,481	-
<b>Net cash used in investing activities</b>		<b>(59,516)</b>	<b>(581,416)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceed from long term financing		79,020	295,188
Short term borrowings (net)		(430,915)	185,258
Repayment of long term financing		(108,320)	(207,570)
Repayment of redeemable capital		(375,011)	(600,000)
Repayment of liabilities against assets subject to finance lease		(5,192)	(28,209)
Dividend paid		(26,248)	(1)
<b>Net cash used in financing activities</b>		<b>(866,666)</b>	<b>(355,334)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>295,471</b>	<b>84,389</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>385,861</b>	<b>307,781</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>681,332</b>	<b>392,170</b>

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

# Consolidated Condensed Interim Statement of Changes in Equity (Un-Audited)

## For the quarter ended 30 September 2015

ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY									
SHARE CAPITAL	RESERVES					TOTAL	NON CONTROLLING INTEREST	TOTAL EQUITY	
	CAPITAL RESERVE		REVENUE RESERVES		Total Reserves				
	Share premium	General Reserve	Unappropriated profit	Sub Total					
2,455,262	144,919	1,450,491	4,765,031	6,215,522	6,360,441	8,815,703	4,088,973	12,904,676	
-	-	-	555,571	555,571	555,571	555,571	252,103	807,674	
-	-	-	-	-	-	-	-	-	
2,455,262	144,919	1,450,491	5,320,602	6,771,093	6,916,012	9,371,274	4,341,076	13,712,350	
----- (Rupees in thousand) -----									
-	-	-	568,520	568,520	568,520	568,520	-	514,855	
-	-	-	(245,526)	(245,526)	(245,526)	(245,526)	-	900,787	
-	-	-	-	-	-	-	-	332,267	
-	-	-	-	-	-	-	-	(245,526)	
-	-	-	322,994	322,994	322,994	322,994	625,794	948,788	
-	-	-	2,700,412	2,700,412	2,700,412	2,700,412	1,394,605	4,095,017	
-	-	-	(8,838)	(8,838)	(8,838)	(8,838)	(7,087)	(15,925)	
-	-	-	2,691,574	2,691,574	2,691,574	2,691,574	1,387,518	4,079,092	
2,455,262	144,919	1,450,491	8,335,170	9,785,661	9,930,580	12,385,842	6,354,888	18,740,230	
-	-	-	-	-	-	-	(25,750)	(25,750)	
-	-	-	841,084	841,084	841,084	841,084	412,177	1,253,261	
-	-	-	6,332	6,332	6,332	6,332	5,135	11,467	
-	-	-	847,416	847,416	847,416	847,416	417,312	1,264,728	
2,455,262	144,919	1,450,491	9,182,586	10,633,077	10,777,996	13,233,258	6,745,950	19,979,208	

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



CHIEF EXECUTIVE OFFICER

DIRECTOR

Balance as at 30 June 2014 - (Audited)

Profit for the quarter ended 30 September 2014

Other comprehensive income for the quarter ended 30 September 2014

Total comprehensive income for the quarter ended 30 September 2014

Balance as at 30 September 2014 - (Un-Audited)

Transactions with owners:

- Non-controlling interest arising on investment in Subsidiary Company

- Maple Leaf Capital Limited

- Disposal of interest to non-controlling interest holders

- Interim dividend @ Rupee 1 per share, related to the year ended 30 June 2015

- Dividend paid to non-controlling interest holders

Profit for the period ended 30 June 2015

Other comprehensive income for the period ended 30 June 2015

Total comprehensive income for the period ended 30 June 2015

Balance as at 30 June 2015 - (Audited)

Transactions with owners:

- Dividend paid to non-controlling interest holder

- Profit for the quarter ended 30 September 2015

Other comprehensive income for the quarter ended 30 September 2015

Total comprehensive income for the quarter ended 30 September 2015

Balance as at 30 September 2015 - (Un-Audited)

# Selected Notes to the Consolidated Condensed Interim Financial Information (Un-Audited) For the quarter ended 30 September 2015

## 1. THE GROUP AND ITS OPERATIONS

### 1.1 Holding Company

Kohinoor Textile Mills Limited ("the Holding Company") is a public limited company incorporated in Pakistan under the Companies Act, 1913 (now Companies Ordinance, 1984) and listed on all Stock Exchanges of Pakistan. The registered office of the Company is situated at 42-Lawrence Road, Lahore. The principal activity of the Holding Company is manufacturing of yarn and cloth, processing and stitching the cloth and trade of textile products.

The Holding Company holds 55.22% (30 June 2015: 55.22%) shares of Maple Leaf Cement Factory Limited and 66.01% (30 June 2015: 66.01%) shares of Maple Leaf Capital Limited .

### 1.2 Subsidiary Companies

#### 1.2.1 Maple Leaf Cement Factory Limited

Maple Leaf Cement Factory Limited was incorporated in Pakistan on 13 April, 1960 under the Companies Act, 1913 (now the Companies Ordinance, 1984) as a public company limited by shares and was listed on stock exchanges in Pakistan on 17 August, 1994. The registered office of the Subsidiary is situated at 42-Lawrence Road, Lahore. The Subsidiary is engaged in production and sale of cement.

#### 1.2.2 Maple Leaf Capital Limited

Maple Leaf Capital Limited was incorporated in Pakistan on 25 April, 2014 under the Companies Ordinance, 1984 as a public company. The registered office of the Subsidiary is situated at 42-Lawrence Road, Lahore. The principal objects of the Subsidiary are to buy, sell, hold, or otherwise acquire or invest the capital in any sort of financial instruments.

## 2. BASIS OF PREPARATION

This consolidated condensed interim financial information is unaudited and is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984. This consolidated condensed interim financial information has been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This consolidated interim financial information should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 30 June 2015.

## 3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the financial statements for the preceding annual published financial statements of the Group for the year ended 30 June 2015.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the company for the year ended 30 June 2015.

	<b>Un-audited 30 September 2015 (Rupees in thousand)</b>	<b>Audited 30 June 2015</b>
<b>5. LONG TERM FINANCING</b>		
<b>Secured</b>		
Opening balance	992,836	2,003,710
Add : Obtained during the period / year	79,020	317,680
Less: Repaid during the period / year	107,852	1,328,554
	964,004	992,836
Less: Current portion shown under current liabilities	522,529	620,493
	441,475	372,343

## **6. CONTINGENCIES AND COMMITMENTS**

### **6.1 Contingencies**

There is no significant change in the status of contingencies, as disclosed in preceding audited annual published financial statements of the Group for the year ended 30 June 2015.

### **6.2 Commitments in respect of letters of credit**

- a) Contracts for capital expenditure are Rupees 354.115 million (30 June 2015: Rupees 83.738 million).
- b) Letters of credit other than for capital expenditure amount to Rupees 1,138.318 million (30 June 2015: Rupees 1,089.298 million).

	<b>Un-audited 30 September 2015 (Rupees in thousand)</b>	<b>Audited 30 June 2015</b>
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets :		
Owned (Note 7.1)	23,296,007	23,621,130
Leased (Note 7.2)	559,140	566,890
Capital work-in-progress (Note 7.3)	157,430	129,582
	24,012,577	24,317,602
<b>7.1 Operating fixed assets - owned</b>		
Opening book value	23,621,130	23,611,710
Add: Cost of additions during the period / year (Note 7.1.1)	161,169	1,630,214
Add : Transferred from leased assets (Note 7.2)	-	198,935
	23,782,299	25,440,859
Less: Book value of deletions during the period / year (7.1.2)	40,758	94,010
	23,741,541	25,346,849
Less : Depreciation charged during the period / year	445,534	1,725,719
Closing book value	23,296,007	23,621,130

	<b>Un-audited 30 September 2015</b>	<b>Audited 30 June 2015</b>
	<b>(Rupees in thousand)</b>	
<b>7.1.1 Cost of additions / transfers</b>		
Land	-	147,840
Buildings	36,205	285,736
Plant and machinery	102,284	1,030,650
Service and other equipment	482	1,726
Computer and IT installations	2,743	2,286
Furniture and fixture	12,733	65,949
Office equipment	344	3,876
Vehicles	6,378	92,151
	<u>161,169</u>	<u>1,630,214</u>
<b>7.1.2 Book value of deletions</b>		
Land	13,117	-
Buildings	-	12,418
Plant and machinery	26,934	72,338
Computer and IT installations	19	51
Furniture and fixture	-	2,195
Office equipment	-	288
Vehicles	688	6,720
	<u>40,758</u>	<u>94,010</u>
<b>7.2 Operating fixed assets - leased</b>		
Opening book value	566,890	720,424
Add: Cost of additions during the period / year (Note 7.2.1)	-	74,495
	<u>566,890</u>	<u>794,919</u>
Less : Transferred to owned assets (Note 7.1)	-	198,935
	<u>566,890</u>	<u>595,984</u>
Less : Depreciation charged during the period / year	7,750	29,094
	<u>559,140</u>	<u>566,890</u>
<b>7.2.1 Cost of additions</b>		
Plant and machinery	-	74,495
	<u>-</u>	<u>74,495</u>

	<b>Un-audited 30 September 2015 (Rupees in thousand)</b>	<b>Audited 30 June 2015</b>
<b>7.3 Capital work-in-progress</b>		
Civil works and buildings	19,598	-
Plant and machinery	116,602	100,523
Expenditure	-	13,093
Un-allocated capital expenditure	1,001	1,001
Advances to suppliers against:		
- purchase of land	2,000	2,000
- plant and machinery	10,538	9,788
- vehicles	7,691	3,177
	<u>157,430</u>	<u>129,582</u>
	<b>Un-audited 30 September 2015 (Rupees in thousand)</b>	<b>Un-audited 30 September 2014</b>
<b>8. CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	1,590,078	1,143,632
<b>Adjustment for non-cash charges and other items</b>		
Depreciation	453,284	423,901
Finance cost	268,509	509,887
Employees' compensated absences	3,425	3,112
Provision for doubtful debts	10,877	-
Stock in trade written off	3,268	-
Loss / (gain) on sale of property, plant and equipment	10,419	(1,450)
Loss / (gain) on remeasurement of investments at fair values through profit or loss	64,307	(19,899)
Gain on disposed of investment at fair values through profit or loss	(53,391)	(4,395)
Return on bank deposits	(3,218)	(344)
Dividend received	(1,481)	-
Working capital changes (Note 8.1)	(665,884)	(443,647)
	<u>1,680,193</u>	<u>1,610,797</u>
<b>8.1 Working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
Stores, spare parts and loose tools	(370,792)	(124,212)
Stock-in-trade	212,687	134,480
Trade debts	(347,520)	(86,349)
Loans and advances	(146,535)	94,894
Security deposits and short term prepayments	(53,818)	(69,958)
Other receivables	11,144	228,098
	<u>(694,834)</u>	<u>176,953</u>
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	28,950	(620,600)
	<u>(665,884)</u>	<u>(443,647)</u>



## 10. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries, associated undertakings, directors of the Group and their close relatives, key management personnel and staff retirement fund. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

	Un-audited 30 September 2015	Un-audited 30 September 2014
	(Rupees in thousand)	
<b>Other related parties</b>		
Group's contribution to employee's benefits	27,597	22,108
Remuneration paid to Chief Executive Officers, Directors and Executives	102,588	85,773

## 11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

## 12. GENERAL


**12.1** This unconsolidated condensed interim financial information was approved by the Board of Directors and authorised for issue on 20 October 2015.

**12.2** No significant reclassification / rearrangements of corresponding figures has been made.

**12.3** Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR







**KTM**

Kohinoor Textile Mills Limited

A Kohinoor Maple Leaf Group Company

42-Lawrence Road, Lahore, Pakistan