



# 1st Quarterly Report

September 30, 2018



DELIVERING QUALITY THROUGH  
EXCELLENCE



## DELIVERING QUALITY THROUGH EXCELLENCE

Entering in the era of third generation with expertise acquired over a period of more than half-century, our people have achieved excellence in production processes, product development and delivering unmatched quality products to our valued customers. Our commitment is to continue strengthening the value proposition by striving for operational excellence and efficiency across the organization. Innovative production technologies lead us to deliver the high-quality products while remaining cost effective.

## CONTENTS

### UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

Company Information	2
Directors' Review	3
Unconsolidated Condensed Interim Statement of Financial Position	4
Unconsolidated Condensed Interim Statement of Profit or Loss	6
Unconsolidated Condensed Interim Statement of Comprehensive Income	7
Unconsolidated Condensed Interim Statement of Cash Flows	8
Unconsolidated Condensed Interim Statement of Changes in Equity	9
Selected Notes to the Unconsolidated Condensed Interim Financial Information	10

### CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

Directors' Review on Consolidated Condensed Interim Financial Information	19
Consolidated Condensed Interim Statement of Financial Position	20
Consolidated Condensed Interim Statement of Profit or Loss	22
Consolidated Condensed Interim Statement of Comprehensive Income	23
Consolidated Condensed Interim Statement of Cash Flows	24
Consolidated Condensed Interim Statement of Changes in Equity	25
Selected Notes to the Consolidated Condensed Interim Financial Information	26

## 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
Mr. Waleed Tariq Saigol	Member

### Human Resource & Remuneration Committee

Mr. Shafiq Ahmed Khan	Chairman
Mr. Arif Ijaz	Member
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. Zeeshan Malik Bhutta

### Auditors

M/s. Riaz Ahmad & Company  
Chartered Accountants

### Legal Adviser

Mr. Muhammad Salman Masood  
Advocate High Court

### Registered Office

42-Lawrence Road, Lahore.  
Tel: (00-92-42) 36302261-62  
Fax: (00-92-42) 36368721

### Share Registrar

Vision Consulting Limited  
1st Floor, 3-C, LDA Flats,  
Lawrence Road, Lahore  
Tel: (00-92-42) 36283096-97  
Fax: (00-92-42) 36312550  
E-Mail: shares@vcl.com.pk

### Bankers of the Company

Al Baraka Bank (Pakistan) Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Faysal Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
PAIR Investment Company Limited  
The Bank of Punjab  
United Bank Limited

### Mills

- Peshawar Road, Rawalpindi  
Tel: (00-92-51) 5495328-32  
Fax: (00-92-51) 5495304
- 8 K.M., Manga Raiwind Road, District Kasur  
Tel: (00-92-42) 32560683-85  
Fax: (00-92-42) 32560686-87
- Gulyana Road, Gujar Khan, District Rawalpindi  
Tel: (00-92-51) 3564472-74

### Website

[www.kmlg.com](http://www.kmlg.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 30 September 2018, in compliance with requirements of Section 237 of the Companies Act, 2017.

### REVIEW OF OPERATIONS

In the quarter under review, results of the Company's Spinning divisions showed marked improvement over those of the previous quarter, largely due to its raw material procurement policy which allowed it to take advantage of fluctuations in the price of cotton and overcome adverse effects of depreciation of the Pakistani Rupee on its procurement. Further, the bottom line was positively impacted by increased selling prices for both fine and coarse count yarns.

The results of the Weaving division have improved in the first quarter of the current financial year on the back of increased exports resulting from the depreciating currency, as well as, the Company's continuous focus on cost-reduction and productivity-enhancing measures.

The Processing and Cut & Sew division gave a strong result in this quarter owing to improved margins as the Company continues to pursue its drive towards more value-added, higher-margin products. The results were also boosted by depreciation of the Pakistani Rupee, making the Pakistani Home Textiles industry more competitive in the world market.

Due to the positive steps taken by the new government, improved results can be expected over the coming year and the Company hopes to take full advantage of the improved atmosphere to push exports further. We feel the government needs to be congratulated as there seems finally to be a realization that increased exports are essential for macro economic stability.

The Company continues its policy of upgradation of its manufacturing facilities in order to improve quality, reduce costs and add new product lines.

The Company's solar power generation project has been successful and we are in the process of further expanding our capacity in renewables to continue reducing our carbon footprint and improve our standing as a "Green" Company.

### FINANCIAL REVIEW

During the period under review, Company's sales increased by 13.72% to Rs. 4,910 million (2017: Rs. 4,317 million), while cost of sales increased by 9.69% to Rs. 4,108 million (2017: Rs. 3,746 million). This resulted in gross profit of Rs. 801 million (2017: Rs. 572 million).

Operating profit for the period under review stood at Rs. 547 million (2017: Rs. 336 million). The Company made an after tax profit of Rs. 346 million (2017: Rs. 187 million). Earnings per share for the quarter ended 30 September 2018 were at Rs. 1.20 against Rs. 0.66 for the same period last year.

### 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



**Syed Mohsin Raza Naqvi**  
Director



**Taufique Sayeed Saigol**  
Chief Executive

Lahore  
October 24, 2018

# Unconsolidated Condensed Interim Statement of Financial Position As at 30 September 2018

	Note	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
370,000,000 (30 June 2018: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2018: 30,000,000) preference shares of Rupees 10 each		300,000	300,000
		<u>4,000,000</u>	<u>4,000,000</u>
<b>Issued, subscribed and paid up share capital</b>			
299,296,456 (30 June 2018: 299,296,456 ) ordinary shares of Rupees 10 each		2,992,964	2,992,964
<b>Reserves</b>			
<b>Capital reserves</b>			
Share premium		986,077	986,077
Surplus on revaluation of freehold land and investment properties		3,843,044	3,843,044
		4,829,121	4,829,121
<b>Revenue reserves</b>			
General reserve		1,450,491	1,450,491
Unappropriated profit		6,893,782	6,548,050
		8,344,273	7,998,541
<b>Total equity</b>		16,166,358	15,820,626
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	5	1,367,589	1,335,099
Deferred income tax liability		516,991	515,577
		1,884,580	1,850,676
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,026,100	1,797,734
Accrued mark-up		78,088	63,351
Short term borrowings		4,318,840	4,635,384
Current portion of non-current liabilities		386,911	388,301
Unclaimed dividend		20,212	20,757
Provision for taxation		370,259	295,127
		7,200,410	7,200,654
<b>Total liabilities</b>		9,084,990	9,051,330
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>25,251,348</u>	<u>24,871,956</u>

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



CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

	Note	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	8,629,034	8,578,713
Investment properties		1,792,755	1,792,755
Long term investments		7,734,799	7,734,799
Long term deposits		49,624	49,624
		<b>18,206,212</b>	<b>18,155,891</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		544,679	530,567
Stock-in-trade		3,341,888	2,574,838
Trade debts		1,702,963	1,699,015
Advances		285,509	718,354
Security deposits and prepayments		18,424	9,564
Accrued Interest		602	725
Other receivables		939,027	1,013,055
Short term investments		19,606	8,042
Cash and bank balances		192,438	161,905
		<b>7,045,136</b>	<b>6,716,065</b>
<b>TOTAL ASSETS</b>		<b>25,251,348</b>	<b>24,871,956</b>



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**Unconsolidated Condensed Interim  
Statement of Profit or Loss (Un-Audited)  
For the quarter ended 30 September 2018**

	30 September 2018	30 September 2017
	(Rupees in thousand)	
SALES	4,909,925	4,317,393
COST OF SALES	(4,108,428)	(3,745,547)
GROSS PROFIT	801,497	571,846
DISTRIBUTION COST	(123,906)	(112,997)
ADMINISTRATIVE EXPENSES	(133,184)	(118,656)
OTHER EXPENSES	(32,217)	(16,353)
	(289,307)	(248,006)
OTHER INCOME	512,190	323,840
	35,087	12,288
PROFIT FROM OPERATIONS	547,277	336,128
FINANCE COST	(87,865)	(66,153)
PROFIT BEFORE TAXATION	459,412	269,975
PROVISION FOR TAXATION	(113,680)	(82,884)
PROFIT AFTER TAXATION	345,732	187,091
		<b>Restated</b>
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	1.20	0.66

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



CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



# Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-Audited) For the quarter ended 30 September 2018

	30 September 2018	30 September 2017
	(Rupees in thousand)	
<b>PROFIT AFTER TAXATION</b>	345,732	187,091
<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>345,732</b>	<b>187,091</b>

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# Unconsolidated Condensed Interim Statement of Cash Flow (Un-Audited) For the quarter ended 30 September 2018

	Note	30 September 2018	30 September 2017
(Rupees in thousand)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	8	601,592	671,224
Finance cost paid		(73,128)	(70,761)
Income tax paid		(37,134)	(27,678)
<b>Net cash generated from operating activities</b>		<b>491,330</b>	<b>572,785</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on property, plant and equipment		(179,653)	(95,969)
Proceeds from sale of property, plant and equipment		1,824	80
Intangible asset under development		-	(12,468)
Purchase of Investments		(595,458)	-
Proceeds from sale of investments		596,326	-
Interest received		2,116	1,092
Dividends received		37	1
<b>Net cash used in investing activities</b>		<b>(174,808)</b>	<b>(107,264)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from long term financing		119,476	12,685
Repayment of long term financing		(88,376)	(53,641)
Repayment of liabilities against assets subject to finance lease		-	(7,546)
Short term borrowings - net		(316,544)	8,923
Dividend Paid		(545)	(852)
<b>Net cash used in financing activities</b>		<b>(285,989)</b>	<b>(40,431)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>30,533</b>	<b>425,090</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>161,905</b>	<b>154,935</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>192,438</b>	<b>580,025</b>

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



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

## For the quarter ended 30 September 2018

	RESERVES						TOTAL EQUITY	
	CAPITAL RESERVES		REVENUE RESERVES			Total reserves		
	Share premium	Surplus on disposal of freehold land and investment properties	Sub-total	General reserve	Accumulated profit			Sub-total
Balance as at 30 June 2017 (Restated) - audited	144,919	3,822,453	3,967,372	1,450,491	5,681,382	7,131,873	11,099,245	13,922,796
Profit for the quarter ended 30 September 2017	-	-	-	-	187,091	187,091	187,091	187,091
Other comprehensive income for the quarter ended 30 September 2017	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended 30 September 2017	-	-	-	-	-	-	-	-
Balance as at 30 September 2017 (Restated) - Unaudited	144,919	3,822,453	3,967,372	1,450,491	5,868,473	7,318,964	11,286,336	14,109,887
Transactions with owners								
- final dividend for the year ended 30 June 2017 @ Rupees 1.50 per share	-	-	-	-	(423,533)	(423,533)	(423,533)	(423,533)
- interim dividend for the year ended 30 June 2018 @ Rupees 1.25 per share	-	-	-	-	(374,121)	(374,121)	(374,121)	(374,121)
- issuance of right shares	169,413	-	841,158	-	-	841,158	841,158	1,010,571
Balance as at 30 June 2018	169,413	-	841,158	-	(797,654)	(797,654)	43,504	212,917
Profit for the period ended 30 June 2018	-	-	-	-	1,477,231	1,477,231	1,477,231	1,477,231
Other comprehensive income for the period ended 30 June 2018	-	20,591	20,591	-	-	-	20,591	20,591
Total comprehensive income for the period ended 30 June 2018	-	20,591	20,591	-	1,477,231	1,477,231	1,497,822	1,497,822
Balance as at 30 June 2018 - audited	2,992,964	3,843,044	4,829,121	1,450,491	6,548,050	7,998,541	12,827,662	15,820,626
Profit for the quarter ended 30 September 2018	-	-	-	-	345,732	345,732	345,732	345,732
Other comprehensive income for the quarter ended 30 September 2018	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended 30 September 2018	-	-	-	-	-	-	-	-
Balance as at 30 September 2018 - Unaudited	2,992,964	3,843,044	4,829,121	1,450,491	6,893,782	8,344,273	13,173,394	16,166,368

(Rupees)

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# Selected Notes to the Unconsolidated Condensed Interim Financial Information (Un-audited)

## For the quarter ended 30 September 2018

### 1. REPORTING ENTITY

Kohinoor Textile Mills Limited is a public limited company incorporated in Pakistan under the Companies Act, 1913 (now the Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. 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 2018 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 Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 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 237 of the Companies Act, 2017. 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 2018.

### 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 2018.

### 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 2018.



	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>5. LONG TERM FINANCING</b>		
<b>Secured</b>		
Opening balance	1,723,400	1,553,740
Add : Obtained during the period / year	119,476	441,988
	1,842,876	1,995,728
Less: Repaid during the period / year	88,376	272,328
	1,754,500	1,723,400
Less: Current portion shown under current liabilities	386,911	388,301
	1,367,589	1,335,099

## 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 2018.

### 6.2 Commitments in respect of letters of credit

- a) Letters of credit for capital expenditure amount to Rupees 245.206 million (30 June 2018: Rupees 111.231 million).
- b) Letters of credit other than for capital expenditure amount to Rupees 254.769 million (30 June 2018: Rupees 156.753 million).
- c) Contracts for capital expenditure amounting to Rupees Nil (30 June 2018: Rupees 6.661 million).
- d) Future contracts - shares in respect of which the settlement is outstanding amounting Rupees 181.745 million (30 June 2018: Rupees 181.745 million).

	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets -Owned (Note 7.1)	8,452,751	8,367,262
Capital work-in-progress (Note 7.3)	176,283	211,451
	8,629,034	8,578,713
<b>7.1 Operating fixed assets - owned</b>		
Opening book value	8,367,262	8,050,453
Add : Cost of additions during the period / year (Note 7.1.1)	214,821	753,051
Add : Revaluation of freehold land during the period/year	-	20,591
Add : Transfer from leased assets (Note: 7.2)	-	56,730
	8,582,083	8,880,825
Less : Book value of deletions during the period / year (Note 7.1.2)	670	14,913
	8,581,413	8,865,912
Less : Depreciation charged during the period / year	128,662	498,650
	8,452,751	8,367,262

	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>7.1.1 Cost of additions / transfers</b>		
Buildings	17,634	43,932
Plant and machinery	181,313	683,778
Service and other equipment	-	509
Computers	2,295	3,849
Furniture and fixture	7	1,409
Office equipment	1,610	2,867
Vehicles	11,962	16,707
	<u>214,821</u>	<u>753,051</u>
<b>7.1.2 Book value of deletions / transfers</b>		
Plant and machinery	-	8,428
Computer & IT installation	-	317
Vehicles	670	6,087
Office equipment	-	81
	<u>670</u>	<u>14,913</u>
<b>7.2 Operating fixed assets - leased</b>		
Opening book value	-	58,681
Transfer to own assets Note : 7.2.1)	-	56,730
	-	1,951
Less : Depreciation charged during the period / year	-	1,951
Closing book value	<u>-</u>	<u>-</u>
<b>7.2.1 Book value of deletions / transfers</b>		
Plant and machinery	-	56,730
	<u>-</u>	<u>56,730</u>
<b>7.3 Capital work-in-progress</b>		
Civil works and buildings	40,555	14,309
Plant and machinery	130,890	98,519
Advances for capital expenditure	4,838	29,067
Letters of credit	-	69,556
	<u>176,283</u>	<u>211,451</u>



	Un-audited 30 September 2018	Un-audited 30 September 2017
	(Rupees in thousand)	
<b>8. CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	459,412	269,975
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	128,662	123,353
Finance cost	87,865	66,153
(Gain) / loss on sale of property, plant and equipment	(1,154)	11
Loss on remeasurement of fair value of investments at fair value	520	131
Gain on sale of investments	(868)	-
Unrealized gain on remeasurement of future contracts - shares	(12,084)	-
Dividend Income	(37)	(1)
Return on bank deposits	(1,993)	(1,092)
Working capital changes (Note 8.1)	(58,731)	212,694
	601,592	671,224
<b>8.1 Working capital changes</b>		
<b>(Increase) / decrease in current assets:</b>		
Stores, spare parts and loose tools	(14,112)	(96,175)
Stock-in-trade	(767,050)	63,074
Trade debts	(3,948)	(43,245)
Advances	432,845	(103,776)
Security deposits and prepayments	(8,860)	9,956
Other receivables	74,028	214,572
	(287,097)	44,406
<b>Increase in current liabilities:</b>		
Trade and other payables	228,366	168,288
	(58,731)	212,694



## 9. SEGMENT INFORMATION

9.1

	Spinning		Weaving		Processing and home textile		Elimination of inter-segment transactions		Company	
	Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Audited
	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended
	30 September 2018	30 September 2017	30 September 2018	30 September 2017	30 September 2018	30 September 2017	30 September 2018	30 September 2017	30 September 2018	30 September 2017
<b>SALES :</b>										
EXTERNAL INTER-SEGMENT	2,482,280	2,198,825	989,076	835,300	1,438,569	1,283,268	-	-	4,909,925	4,317,393
	138,702	130,365	295,925	352,364	-	-	(434,627)	(482,729)	-	-
	2,620,982	2,329,190	1,285,001	1,187,664	1,438,569	1,283,268	434,627	482,729	4,909,925	4,317,393
COST OF SALES	(2,203,539)	(2,047,942)	(1,191,837)	(1,120,556)	(1,147,679)	(1,059,778)	434,627	482,729	(4,108,428)	(3,745,547)
GROSS PROFIT	417,443	281,248	93,164	67,108	290,890	223,490	-	-	801,497	571,846
SELLING AND DISTRIBUTION EXPENSES	(9,151)	(9,384)	(17,690)	(19,734)	(97,065)	(63,879)	-	-	(123,906)	(112,997)
ADMINISTRATIVE EXPENSES	(49,955)	(40,147)	(36,147)	(37,398)	(47,062)	(40,761)	-	-	(133,184)	(118,656)
PROFIT BEFORE TAX AND UNALLOCATED INCOME AND EXPENSES	(59,106)	(49,881)	(53,837)	(57,132)	(144,147)	(124,640)	-	-	(257,090)	(231,653)
UNALLOCATED INCOME AND EXPENSES	358,337	231,367	39,327	9,976	146,743	98,850	-	-	544,407	340,193
OTHER EXPENSES										
OTHER INCOME										
FINANCE COST										
PROVISION FOR TAXATION										
PROFIT AFTER TAXATION										
Reconciliation of reportable segment assets and liabilities:										
	Un-audited 2018	Audited 2018	Un-audited 2018	Audited 2018	Un-audited 2018	Audited 2018	Un-audited 2018	Audited 2018	Un-audited 2018	Audited 2018
TOTAL ASSETS FOR REPORTABLE SEGMENTS	6,045,218	5,910,038	2,828,452	3,404,394	2,605,668	3,112,506	11,479,338	12,426,938	13,772,010	12,445,018
UNALLOCATED ASSETS							25,251,348	24,871,956		
TOTAL ASSETS AS PER BALANCE SHEET							6,541,258	6,759,518		
All segment assets are allocated to reportable segments other than those directly relating to corporate and tax assets.							2,543,732	2,291,812		
TOTAL LIABILITIES FOR REPORTABLE SEGMENT	1,297,143	1,194,478	1,040,601	1,387,908	4,203,514	4,177,132	9,084,990	9,051,330		
UNALLOCATED LIABILITIES										
All segment liabilities are allocated to reportable segments other than trade and other payables, corporate borrowings and current and deferred tax liabilities.										

9.2

## 9.2 Reconciliation of reportable segment assets and liabilities:

	Spinning		Weaving		Processing and home textile		Company	
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended
	30 September 2018	30 June 2018	30 September 2018	30 June 2018	30 September 2018	30 June 2018	30 September 2018	30 June 2018
TOTAL ASSETS FOR REPORTABLE SEGMENTS	6,045,218	5,910,038	2,828,452	3,404,394	2,605,668	3,112,506	11,479,338	12,426,938
UNALLOCATED ASSETS							13,772,010	12,445,018
TOTAL ASSETS AS PER BALANCE SHEET							25,251,348	24,871,956
All segment assets are allocated to reportable segments other than those directly relating to corporate and tax assets.							6,541,258	6,759,518
TOTAL LIABILITIES FOR REPORTABLE SEGMENT	1,297,143	1,194,478	1,040,601	1,387,908	4,203,514	4,177,132	9,084,990	9,051,330
UNALLOCATED LIABILITIES								

All segment liabilities are allocated to reportable segments other than trade and other payables, corporate borrowings and current and deferred tax liabilities.



## 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 2018 (Rupees in thousand)	Un-audited 30 September 2017
<b>Subsidiary companies</b>		
<b>Maple leaf cement factory limited</b>		
Purchase of goods and services	2,666	5,916
Interest income / (expense) on loan and advances	3,030	(896)
<b>Maple leaf capital limited</b>		
Mark-up on loan	7,735	-
<b>Other related parties</b>		
Company's contribution to provident fund trust	12,052	11,346
Remuneration paid to Chief Executive Officer, Directors and Executives	43,016	29,877
	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>Period end balances</b>		
Receivable from Maple leaf cement factory limited	53,625	259,192
Payable to Maple leaf capital limited	(326,746)	(441,235)

## 11. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 11.1 Financial risk factors

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 2018.

### 11.2 Fair value estimation

The table below analyzes financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: Inputs for the asset or liability that are not based on observable market data.

	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Through profit and loss:				
Short term investments	19,606	-	-	19,606
	<u>19,606</u>	<u>-</u>	<u>-</u>	<u>19,606</u>

There were no transfers amongst the levels during the period.

There were no changes in the valuation techniques during the period.

### 11.3 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair value.

## 12. GENERAL

**12.1** This unconsolidated condensed interim financial information was approved by the Board of Directors and authorised for issue on 24 October 2018.

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

**12.3** No significant reclassification / rearrangement of corresponding figures has been made.



CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



KOHINOOR TEXTILE MILLS LIMITED

CONSOLIDATED CONDENSED INTERIM  
FINANCIAL INFORMATION

FOR THE PERIOD ENDED  
30 SEPTEMBER 2018



## Directors' Review

The Directors are pleased to present the unaudited consolidated condensed financial statements of Kohinoor Textile Mills Limited (the Holding Company) and its Subsidiary Companies Maple Leaf Cement Factory Limited (55.22%), Maple Leaf Capital Limited (82.93%) and Maple Leaf Power Limited (55.22%) (together referred to as Group) for the quarter ended 30 September 2018.

### GROUP RESULTS

The Group has earned gross profit of Rupees 2,534 million as compared to Rupees 2,798 million of corresponding period. The group made pretax profit of Rupees 1,298 million this period as compared to Rupees 1,938 million during the last period.

### SUBSIDIARY COMPANIES

#### Maple Leaf Cement Factory Limited (MLCFL)

It has earned after tax profit of Rupees 342 million during the current period as compared to Rupees 1,049 million during the corresponding period of previous period.

#### Maple Leaf Power Limited (MLPL)

Subsidiary Company (MLCFL) holds 100.00% shares of MLPL.

#### Maple Leaf Capital Limited (MLCL)

MLCL has earned after tax profit of Rupees 69 million during the current period as compared to Rupees 97 million during the corresponding period of previous period.

For and on behalf of the Board



**Syed Mohsin Raza Naqvi**  
Director



**Taufique Sayeed Saigol**  
Chief Executive

Lahore  
October 24, 2018

# Consolidated Condensed Interim Statement of Financial Position As at 30 September 2018

	Note	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
370,000,000 (30 June 2018: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2018: 30,000,000) preference shares of Rupees 10 each		300,000	300,000
		<u>4,000,000</u>	<u>4,000,000</u>
<b>Issued, subscribed and paid up share capital</b> 299,295,456 (30 June 2018: 299,295,456) ordinary shares of Rupees 10 each.		2,992,964	2,992,964
<b>Reserves</b>			
<b>Capital reserves</b>			
Share premium		986,077	986,077
Surplus on revaluation of land and investment properties		4,036,717	4,036,717
		<u>5,022,794</u>	<u>5,022,794</u>
<b>Revenue reserves</b>			
General reserve		1,450,491	1,450,491
Unappropriated profit		18,237,802	17,480,368
		<u>19,688,293</u>	<u>18,930,859</u>
<b>Equity attributable to equity holders of the Holding Company</b>		<u>27,704,051</u>	<u>26,946,617</u>
<b>Non-controlling interest</b>		<u>13,169,269</u>	<u>12,869,953</u>
<b>Total equity</b>		<u>40,873,320</u>	<u>39,816,570</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	5	16,075,254	14,277,179
Long term deposits		8,714	8,715
Retirement benefits		192,106	183,764
Retention money payable		362,563	310,735
Deferred income tax liability		2,738,821	2,850,450
		<u>19,377,458</u>	<u>17,630,843</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		6,923,634	7,079,339
Accrued mark-up		463,891	339,808
Unclaimed dividend		130,277	131,500
Short term borrowings		11,018,089	9,988,756
Current portion of non-current liabilities		1,243,361	1,198,917
		<u>19,779,252</u>	<u>18,738,320</u>
<b>Total liabilities</b>		<u>39,156,710</u>	<u>36,369,163</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
<b>TOTAL EQUITY AND LIABILITIES</b>	6	<u>80,030,030</u>	<u>76,185,733</u>

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



CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

	Note	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	52,781,560	50,049,675
Investment properties		1,792,755	1,792,755
Intangibles		15,399	16,811
Long term loans to employees		13,387	9,472
Long term deposits		106,178	106,178
		<b>54,709,279</b>	<b>51,974,891</b>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		8,115,620	7,554,693
Stock -in- trade		4,922,967	3,768,345
Trade debts		2,960,113	2,977,474
Loans and advances		2,360,968	3,253,082
Security deposits and short term prepayments		204,000	133,919
Accrued interest		2,402	2,454
Other receivables		990,687	970,407
Taxation - net		557,868	564,605
Short term investments		4,262,804	3,881,120
Cash and bank balances		943,322	1,104,743
		<b>25,320,751</b>	<b>24,210,842</b>
<b>TOTAL ASSETS</b>		<b>80,030,030</b>	<b>76,185,733</b>



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**Consolidated Condensed Interim  
Statement of Profit or Loss (Un-Audited)  
For the quarter ended 30 September 2018**

	30 September 2018	30 September 2017
	(Rupees in thousand)	
SALES	10,562,235	10,111,971
COST OF SALES	(8,027,859)	(7,313,668)
GROSS PROFIT	2,534,376	2,798,303
DISTRIBUTION COST	(505,985)	(379,147)
ADMINISTRATIVE EXPENSES	(344,423)	(297,683)
OTHER EXPENSES	(110,885)	(140,546)
	(961,293)	(817,376)
OTHER INCOME	1,573,083	1,980,927
	142,929	166,118
PROFIT FROM OPERATIONS	1,716,012	2,147,045
FINANCE COST	(417,940)	(209,347)
PROFIT BEFORE TAXATION	1,298,072	1,937,698
PROVISION FOR TAXATION	(241,322)	(525,064)
PROFIT AFTER TAXATION	1,056,750	1,412,634
SHARE OF PROFIT ATTRIBUTABLE TO :		
EQUITY HOLDERS OF HOLDING COMPANY	757,434	890,577
NON CONTROLLING INTEREST	299,316	522,057
	1,056,750	1,412,634
		<b>Restated</b>
EARNING PER SHARE - BASIC AND DILUTED (RUPEES)	2.53	3.12

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



CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



# Consolidated Condensed Interim Statement of Comprehensive Income (Un-Audited) For the quarter ended 30 September 2018

	30 September 2018	30 September 2017
	(Rupees in thousand)	
<b>PROFIT AFTER TAXATION</b>	1,056,750	1,412,634
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that will not be classified to profit or loss	-	-
Items that may be classified subsequently to profit or loss	-	-
Other comprehensive income for the period - net of tax	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>1,056,750</b>	<b>1,412,634</b>
<b>Share of total comprehensive income attributable to :</b>		
Equity holders of Holding Company	757,434	890,577
Non-controlling interest	299,316	522,057
	<b>1,056,750</b>	<b>1,412,634</b>

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

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# Consolidated Condensed Interim Statement of Cash Flows (Un-Audited) For the quarter ended 30 September 2018

Note	30 September 2018 (Rupees in thousand)	30 September 2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from operations	8 1,024,817	3,664,270
Finance cost paid	(293,857)	(193,609)
Compensated absences paid	(4,427)	(12,092)
Income tax paid	(371,296)	(140,656)
Net increase in long term deposits	-	(15)
<b>Net cash generated from operating activities</b>	<b>355,237</b>	<b>3,317,898</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant and equipment	(3,393,780)	(2,734,533)
Intangible Assets	-	(12,468)
Long term loan to employees- net	(3,915)	(2,947)
Interest received	6,613	6,254
Proceeds from sale of property, plant and equipment	4,468	6,244
Dividend received	37	1
<b>Net cash used in investing activities</b>	<b>(3,386,577)</b>	<b>(2,737,449)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceed from long term financing	1,930,895	702,921
Short term borrowings (net)	1,028,640	461,746
Repayment of long term financing	(88,376)	(53,641)
Repayment of liabilities against assets subject to finance lease	-	(487,246)
Redemption of preference shares	(16)	-
Dividend paid	(1,224)	(2,436)
<b>Net cash generated from financing activities</b>	<b>2,869,919</b>	<b>621,344</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(161,421)</b>	<b>1,201,793</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>1,104,743</b>	<b>1,817,174</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>943,322</b>	<b>3,018,967</b>

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



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

## For the quarter ended 30 September 2018

SHARE CAPITAL	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY							NON CONTROLLING INTEREST	TOTAL EQUITY	
	CAPITAL RESERVES		REVENUE RESERVES			Total reserves				
	Share premium	Surplus on revaluation of freehold land and investment properties	Sub-total	General reserve	Unappropriated profit		Sub-total			
	-	-	-	-	-		-			
2,823,551	144,919	4,016,126	4,161,045	1,450,491	14,743,113	16,193,604	20,354,649	23,179,200	9,600,270	32,778,470
-	-	-	-	-	890,577	890,577	890,577	890,577	522,057	1,412,634
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	890,577	890,577	890,577	890,577	522,057	1,412,634
2,823,551	144,919	4,016,126	4,161,045	1,450,491	15,633,690	17,084,181	21,245,226	24,068,777	10,122,327	34,191,104
-	-	-	-	-	(423,533)	(423,533)	(423,533)	(423,533)	-	(423,533)
-	-	-	-	-	(352,944)	(352,944)	(352,944)	(352,944)	-	(352,944)
169,413	841,158	-	841,158	-	-	841,158	841,158	1,010,571	1,899,522	2,910,093
169,413	841,158	-	841,158	-	(776,477)	(776,477)	64,681	234,094	1,087,181	1,321,275
-	-	-	-	-	2,634,351	2,634,351	2,634,351	2,634,351	1,669,524	4,303,875
-	-	20,591	20,591	-	(11,196)	(11,196)	9,395	9,395	(9,079)	316
-	-	20,591	20,591	-	2,623,155	2,623,155	2,643,746	2,643,746	1,660,445	4,304,191
2,992,964	986,077	4,036,717	5,022,794	1,450,491	17,480,388	18,930,869	23,953,653	26,946,617	12,869,953	39,816,570
-	-	-	-	-	757,434	757,434	757,434	757,434	299,316	1,056,750
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	757,434	757,434	757,434	757,434	299,316	1,056,750
2,992,964	986,077	4,036,717	5,022,794	1,450,491	18,237,802	19,688,293	24,711,087	27,704,051	13,169,269	40,873,320

(Rupees in thousand)

Balance as at 30 June 2017 (Restated) - Audited

Profit for the quarter ended 30 September 2017  
 Other comprehensive income for the quarter ended 30 September 2017  
 Total comprehensive income for the quarter ended 30 September 2017

Balance as at 30 September 2017 (Restated) - Unaudited

Transactions with owners:

- Final dividend for the year ended 30 June 2017 @ Rupees 1.50 per share
- Interim dividend for the year ended 30 June 2018 @ Rupees 1.25 per share
- Issuance of right shares
- Dividend paid to non-controlling interest holders

Profit for the period ended 30 June 2018  
 Other comprehensive income for the period ended 30 June 2018  
 Total comprehensive income for the period ended 30 June 2018

Balance as at 30 June 2018 - (Audited)  
 Profit for the quarter ended 30 September 2018  
 Other comprehensive income for the quarter ended 30 September 2018  
 Total comprehensive income for the quarter ended 30 September 2018

Balance as at 30 September 2018 - (Unaudited)

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



CHIEF EXECUTIVE OFFICER

DIRECTOR



CHIEF FINANCIAL OFFICER

# Selected Notes to the Consolidated Condensed Interim Financial Information (Un-audited)

## For the quarter ended 30 September 2018

### 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 Act 2017) and listed on Pakistan Stock Exchange (PSX). 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 2018: 55.22%) shares of Maple Leaf Cement Factory Limited and 82.93% (30 June 2018: 82.93%) shares of Maple Leaf Capital Limited and 55.22% (30 June 2018: 55.22%) shares of Maple Leaf Power Limited

#### 1.2 Subsidiary Companies

##### 1.2.1 Maple Leaf Cement Factory Limited (MLCFL)

Maple Leaf Cement Factory Limited (MLCFL) was incorporated in Pakistan on 13 April, 1960 under the Companies Act, 1913 (now the Companies Act, 2017) as a public company limited by shares and was listed on stock exchange 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 (MLCL)

Maple Leaf Capital Limited (MLCL) was incorporated in Pakistan on 25 April, 2014 under the Companies Ordinance, 1984 (Now the Companies Act 2017) 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.

##### 1.2.3 Maple Leaf Power Limited (MLPL)

Maple Leaf Power Limited (“the Subsidiary”) was incorporated in Pakistan on 15 October 2015 as a public limited company under the Companies Ordinance, 1984 (Now the Companies Act 2017). The registered office of MLPL is located at 42-Lawrence Road, Lahore. The principal objective of MLPL is to develop, design, operate and maintain electric power generation plant and in connection therewith to engage in the business of generation, sale and supply of electricity to MLCFL.

### 2. BASIS OF PREPARATION

This condensed interim consolidated financial information is unaudited and is being submitted to the shareholders as required by section 237 of the Companies Act, 2017. 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 condensed interim financial information should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 30 June 2018.



### 3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the Group for the year ended 30 June 2018.

### 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 Group'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 Group for the year ended 30 June 2018.

	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>5. LONG TERM FINANCING</b>		
<b>Secured</b>		
Opening balance	15,476,096	4,657,500
Add : Obtained during the period / year	1,930,895	11,090,924
Less: Repaid during the period/ year	88,376	272,328
	17,318,615	15,476,096
Less: Current portion shown under current liabilities	1,243,361	1,198,917
	16,075,254	14,277,179

### 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 2018.

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

- (i) Letter of credit for capital expenditure are Rupees 3,512.575 million (30 June 2018: Rupees 5,284.011 million).
- (ii) Letters of credit other than for capital expenditure amount to Rupees 511.485 million (30 June 2018: Rupees 1,549.443 million).
- (iii) Contracts for capital expenditure amounting to Rupees Nil (30 June 2018: Rupees 747.312 million).
- (iv) Future contracts - shares in respect of which the settlement is outstanding amounting Rupees 181.745 million (30 June 2018: Rupees 181.745 million).

	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets :		
Owned (Note 7.1)	31,353,373	31,760,197
Leased (Note 7.2)	-	-
Capital work-in-progress (Note 7.3)	21,428,187	18,289,478
	<u>52,781,560</u>	<u>50,049,675</u>
<b>7.1 Operating fixed assets - owned</b>		
Opening book value	31,760,197	24,580,786
Add : Cost of additions during the period / year (Note 7.1.1)	306,897	9,373,151
Add : Revaluation of freehold land during the period/year	-	20,591
Add : Transferred from leased assets (Note 7.2)	-	400,728
	<u>32,067,094</u>	<u>34,375,256</u>
Less : Book value of deletions during the period / year (7.1.2)	25,958	69,217
	<u>32,041,136</u>	<u>34,306,039</u>
Less : Depreciation charged during the period / year	687,763	2,545,842
	<u>31,353,373</u>	<u>31,760,197</u>
<b>7.1.1 Cost of additions</b>		
Buildings	34,643	2,159,520
Plant and machinery	234,897	7,003,992
Service and other equipment	-	509
Computer and IT installations	2,295	4,882
Furniture and fixture	3,333	61,782
Office equipment	2,653	2,867
Quarry equipment	7,080	-
Vehicles	21,996	139,599
	<u>306,897</u>	<u>9,373,151</u>
<b>7.1.2 Book value of deletions</b>		
Buildings	-	400
Plant and machinery	23,800	48,833
Computer and IT installations	59	361
Furniture and fixture	-	35
Office equipment	-	81
Vehicles	2,099	19,305
Quarry equipment	-	202
	<u>25,958</u>	<u>69,217</u>



	Un-audited 30 September 2018 (Rupees in thousand)	Audited 30 June 2018
<b>7.2 Operating fixed assets - leased</b>		
Opening book value	-	418,292
Less : Transferred to owned assets (Note 7.1)	-	400,728
	-	17,564
Less : Depreciation charged during the period / year	-	17,564
Closing book value	-	-
<b>7.3 Capital work-in-progress</b>		
Tangible Assets		
Plant and machinery	12,991,315	11,015,292
Civil Works	5,089,862	4,319,448
Purchase of land	738,818	736,048
Other directly attributable costs		
Letters of credit	-	69,556
Store held for capitalization	1,349,372	1,204,297
Unallocated capital expenditure	754,080	477,072
Advances to suppliers against:		
Plant and machinery	231,093	108,343
Civil works	238,372	322,626
Mechanical items	2,919	4,615
Vehicles	32,356	3,114
Others- major spare parts and stand-by equipments	-	29,067
	<u>21,428,187</u>	<u>18,289,478</u>

	Un-audited 30 September 2018 (Rupees in thousand)	Un-audited 30 September 2017 (Rupees in thousand)
<b>8. CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	1,298,072	1,937,698
<b>Adjustment for non-cash charges and other items</b>		
Depreciation	687,762	549,578
Amortization held to maturity investment	-	2,116
Finance cost	417,940	210,229
Employees' compensated absences	12,772	4,697
Loss / (gain) on sale of property, plant and equipment	21,491	(3,526)
Return on bank deposits	(6,561)	(4,621)
Dividend received	(37)	(1)
Working capital changes (Note 8.1)	(1,406,622)	968,100
	<u>1,024,817</u>	<u>3,664,270</u>
<b>8.1 Working capital changes</b>		
<b>(Increase) / decrease in current assets:</b>		
Stores, spare parts and loose tools	(560,927)	(322,743)
Stock-in-trade	(1,154,622)	(118,926)
Trade debts	17,361	(381,014)
Loans and advances	892,114	(12,555)
Short term investment - net	(381,684)	680,605
Security deposits and short term prepayments	(70,081)	(298,567)
Other receivables	6,737	302,446
	<u>(1,251,102)</u>	<u>(150,754)</u>
<b>Increase in current liabilities</b>		
Trade and other payables	(155,520)	1,118,854
	<u>(1,406,622)</u>	<u>968,100</u>





9 SEGMENT INFORMATION

9.1

	Spinning		Weaving		Processing and home textile		Cement		Investments		Power		Elimination of inter-segment transactions		Group	
	Un-Audited Quarter ended 30 September 2018	Audited Quarter ended 30 September 2017	Un-Audited Quarter ended 30 September 2018	Audited Quarter ended 30 September 2017	Un-Audited Quarter ended 30 September 2018	Audited Quarter ended 30 September 2017	Un-Audited Quarter ended 30 September 2018	Audited Quarter ended 30 September 2017	Un-Audited Quarter ended 30 September 2018	Audited Quarter ended 30 September 2017	Un-Audited Quarter ended 30 September 2018	Audited Quarter ended 30 September 2017	Un-Audited Quarter ended 30 September 2018	Audited Quarter ended 30 September 2017	Un-Audited Quarter ended 30 September 2018	Audited Quarter ended 30 September 2017
SALES:	2,482,280	2,198,825	989,076	835,300	1,438,569	1,283,268	5,652,310	5,794,578	-	-	-	-	-	-	10,562,235	10,111,971
EXTERNAL INTER-SEGMENT	138,702	130,365	295,925	352,364	-	-	2,666	5,976	-	-	-	-	(437,293)	(488,645)	10,562,235	10,111,971
COST OF SALES	(2,620,982)	(2,329,190)	(1,285,001)	(1,187,644)	(1,438,569)	(1,283,268)	(5,654,976)	(5,800,494)	-	-	-	-	(437,293)	(488,645)	(8,027,859)	(7,313,668)
GROSS PROFIT	417,443	281,248	93,164	67,108	290,890	223,490	1,752,879	2,226,457	-	-	-	-	437,293	488,645	2,534,376	2,798,303
DISTRIBUTION COST	(9,151)	(9,384)	(17,690)	(19,734)	(97,065)	(83,879)	(882,079)	(264,150)	-	-	-	-	-	-	(505,985)	(379,147)
ADMINISTRATIVE EXPENSES	(49,955)	(40,497)	(36,147)	(37,398)	(47,082)	(40,761)	(188,632)	(149,600)	(1,612)	(26,215)	(20,995)	(3,212)	-	-	(344,423)	(297,683)
PROFIT BEFORE TAX AND UNALLOCATED INCOME AND EXPENSES	(69,881)	(69,881)	(69,881)	(69,881)	(69,881)	(69,881)	(69,881)	(69,881)	(1,612)	(26,215)	(20,995)	(3,212)	-	-	(850,408)	(676,830)
UNALLOCATED INCOME AND EXPENSES	358,337	231,367	39,327	9,976	146,743	98,850	1,162,168	1,810,707	(1,612)	(26,215)	(20,995)	(3,212)	-	-	1,683,968	2,121,473
FINANCE COST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(417,940)	(299,347)
OTHER EXPENSES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(110,885)	(140,546)
OTHER INCOME	-	-	-	-	-	-	-	-	-	-	-	-	-	-	142,979	166,118
TAXATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(241,322)	(525,064)
PROFIT AFTER TAXATION	6,045,218	5,910,038	2,828,452	3,404,394	2,659,293	3,112,506	50,090,951	48,707,078	4,972,213	4,908,649	7,604,431	6,912,962	74,200,558	72,955,647	1,056,750	1,412,634
UNALLOCATED ASSETS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	582,747	3,230,086
TOTAL ASSETS AS PER BALANCE SHEET	1,297,143	1,194,478	1,040,601	1,387,908	3,876,168	4,177,132	22,782,877	24,535,172	-	-	496,887	-	80,030,030	76,185,733	29,494,256	31,294,690
REPORTABLE SEGMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,662,454	5,074,473
UNALLOCATED LIABILITIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,156,710	36,369,163
TOTAL LIABILITIES AS PER BALANCE SHEET	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,156,710	36,369,163

9.2 Reconciliation of reportable segment assets

	Spinning		Weaving		Processing and home textile		Cement		Investments		Power		Group	
	Un-Audited 30 June 2018	Audited 30 September 2018	Un-Audited 30 June 2018	Audited 30 September 2018	Un-Audited 30 June 2018	Audited 30 September 2018	Un-Audited 30 June 2018	Audited 30 September 2018	Un-Audited 30 June 2018	Audited 30 September 2018	Un-Audited 30 June 2018	Audited 30 September 2018	Un-Audited 30 June 2018	Audited 30 September 2018
TOTAL ASSETS FOR REPORTABLE SEGMENT	6,045,218	5,910,038	2,828,452	3,404,394	2,659,293	3,112,506	50,090,951	48,707,078	4,972,213	4,908,649	7,604,431	6,912,962	74,200,558	72,955,647
UNALLOCATED ASSETS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AS PER BALANCE SHEET	1,297,143	1,194,478	1,040,601	1,387,908	3,876,168	4,177,132	22,782,877	24,535,172	-	-	496,887	-	80,030,030	76,185,733
REPORTABLE SEGMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNALLOCATED LIABILITIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES AS PER BALANCE SHEET	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## 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 2018 (Rupees in thousand)	Un-audited 30 September 2017 (Rupees in thousand)
<b>Other related parties</b>		
Group's contribution to employee's benefits	52,629	63,567
Remuneration paid to Chief Executive Officers, Directors and Executives	128,752	96,661

## 11. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 11.1 Financial risk factors

The Group'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 2018.

### 11.2 Fair value estimation

The table below analyzes financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

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

	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Through profit and loss:				
Short term investments	4,262,804	-	-	4,262,804
	<u>4,262,804</u>	<u>-</u>	<u>-</u>	<u>4,262,804</u>

## 12. GENERAL

12.1 This consolidated condensed interim financial information was approved by the Board of Directors and authorised for issue on 24 October 2018.

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

CHIEF FINANCIAL OFFICER





Kohinoor Textile Mills Limited

A Kohinoor Maple Leaf Group Company

42-Lawrence Road,  
Lahore, Pakistan