



**1ST QUARTERLY REPORT
SEPTEMBER 30, 2020**



BUILDING SUSTAINABLE FUTURE

We believe in a sustainable development where needs of current are met without compromising the abilities of future generations to meet their own needs. We are striving to achieve economic development with a socially responsible and environment friendly attitude. We are committed to develop more and more renewable energy sources for clean-energy and water re-cycling facilities to stay green and eco-friendly for building a sustainable future.

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CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

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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	
Ms. Jahanara Saigol	
Mr. Shafiq Ahmed Khan	
Mr. Zulfikar Monnoo	
Syed Mohsin Raza Naqvi	

Audit Committee

Mr. Shafiq Ahmed Khan	Chairman
Mr. Zulfikar Monnoo	Member
Mr. Sayeed Tariq Saigol	Member
Mr. Waleed Tariq Saigol	Member

Human Resource & Remuneration Committee

Mr. Shafiq Ahmed Khan	Chairman
Mr. Zulfikar Monnoo	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. Abdul Rehman Qureshi
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
Habib 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

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 2020, in compliance with requirements of Section 237 of the Companies Act, 2017.

REVIEW OF OPERATIONS

The quarter under review has shown strong recovery after lifting of some COVID related restrictions. Export markets opened up with suppressed demand emerging which resulted in volumetric increases in the country's textile industry.

Financial results of the Company's Spinning, Weaving, and Cut & Sew divisions were favourable and similar results are expected in the second quarter.

Raw material procurement has begun in earnest but indications are that there is extreme shortage of cotton output in Pakistan which has resulted in price increases and will lead to higher imports. The Company has already taken cognizance and is acting appropriately, albeit cautiously.

Coronavirus cases in the country and worldwide appear to be on the rise again as we head into the winter months. We hope and pray this will be controlled by employing the intelligent policies followed by the Government driving the initial wave. Implementation of proper SOPs in all public areas will be key to controlling any spread.

The Company continues to invest in all segments of its businesses to enhance production and quality to reduce costs.

FINANCIAL REVIEW

During the period under review, Company's sales increased by 30.92% to Rs. 7,075 million (2019: Rs. 5,404 million), while cost of sales increased by 31.40% to Rs. 5,871 million (2019: Rs. 4,468 million). This resulted in gross profit of Rs. 1,205 million (2019: Rs. 936 million). Operating profit for the period under review stood at Rs. 782 million (2019: Rs. 594 million). The Company made an after-tax profit of Rs. 513 million (2019: Rs. 420 million). Earnings per share for the quarter ended 30 September 2020 were at Rs. 1.71 against Rs. 1.40 for the corresponding period last year.

ACKNOWLEDGEMENT

The Directors are grateful to the Company's members, financial institutions and customers for their cooperation 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 23, 2020

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

	Note	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
370,000,000 (30 June 2020: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2020: 30,000,000) preference shares of Rupees 10 each		300,000	300,000
		<u>4,000,000</u>	<u>4,000,000</u>
Issued, subscribed and paid up share capital			
299,296,456 (30 June 2020: 299,296,456) ordinary shares of Rupees 10 each		2,992,964	2,992,964
Reserves			
Capital reserves			
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
Revenue reserves			
General reserve		1,450,491	1,450,491
Unappropriated profit		9,211,432	8,698,514
		10,661,923	10,149,005
Total equity		<u>18,484,008</u>	<u>17,971,090</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	3,285,210	2,860,987
Deferred grant	5	13,266	-
Deferred income tax liability		591,950	550,564
		3,890,426	3,411,551
CURRENT LIABILITIES			
Trade and other payables		2,303,711	2,785,824
Accrued mark-up		147,752	196,614
Short term borrowings		6,597,824	7,479,127
Current portion of long term financing	5	274,311	107,296
Unclaimed dividend		29,759	29,769
Taxation - net		779,912	722,495
		10,133,269	11,321,125
Total liabilities		<u>14,023,695</u>	<u>14,732,676</u>
CONTINGENCIES AND COMMITMENTS			
	6		
TOTAL EQUITY AND LIABILITIES		<u>32,507,703</u>	<u>32,703,766</u>

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

	Note	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	9,837,410	9,699,484
Investment properties		1,792,755	1,792,755
Long term investments		11,078,733	11,078,733
Long term deposits		52,958	52,958
		<u>22,761,856</u>	<u>22,623,930</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		807,727	705,750
Stock-in-trade		4,215,898	5,362,714
Trade debts		2,798,941	2,360,050
Advances		544,575	306,325
Short term prepayments		39,212	10,803
Other receivables		1,123,035	1,064,784
Short term investments		82,500	82,797
Cash and bank balances		133,959	186,613
		<u>9,745,847</u>	<u>10,079,836</u>
TOTAL ASSETS		<u><u>32,507,703</u></u>	<u><u>32,703,766</u></u>



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS (Un-Audited)**
For the quarter ended 30 September 2020

	30 September 2020	30 September 2019
	(Rupees in thousand)	
REVENUE	7,075,482	5,404,197
COST OF SALES	(5,870,876)	(4,468,314)
GROSS PROFIT	1,204,606	935,883
DISTRIBUTION COST	(261,254)	(182,382)
ADMINISTRATIVE EXPENSES	(143,987)	(148,683)
OTHER EXPENSES	(43,082)	(43,924)
	(448,323)	(374,989)
OTHER INCOME	756,283	560,894
	26,067	33,259
PROFIT FROM OPERATIONS	782,350	594,153
FINANCE COST	(159,774)	(104,838)
PROFIT BEFORE TAXATION	622,576	489,315
TAXATION		
- Current	(68,272)	(86,263)
- Deferred	(41,386)	17,081
	(109,658)	(69,182)
PROFIT AFTER TAXATION	512,918	420,133
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	1.71	1.40

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-Audited)

For the quarter ended 30 September 2020

	30 September 2020 (Rupees in thousand)	30 September 2019
PROFIT AFTER TAXATION	512,918	420,133
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	512,918	420,133

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)

For the quarter ended 30 September 2020

	RESERVES						TOTAL EQUITY		
	CAPITAL RESERVES		REVENUE RESERVES			Total reserves			
	Share premium	Surplus on revaluation of freehold land and investment properties	Sub-total	General reserve	Unappropri- ated profit			Sub-total	
Balance as at 30 June 2019 - (Audited)	2,992,964	986,077	3,843,044	4,829,121	1,450,491	7,694,239	9,144,730	13,973,851	16,966,815
Profit for the period	-	-	-	-	-	420,133	420,133	420,133	420,133
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	420,133	420,133	420,133	420,133
Balance as at 30 September 2019 - (Un-audited)	2,992,964	986,077	3,843,044	4,829,121	1,450,491	8,114,372	9,564,863	14,393,984	17,386,948
Transaction with owners: (Rupees in thousands)									
- final dividend for the year ended 30 June 2019 @ Rupees 0.75 per share	-	-	-	-	-	(224,472)	(224,472)	(224,472)	(224,472)
- interim dividend for the year ended 30 June 2020 @ Rupees 1.00 per share	-	-	-	-	-	(299,296)	(299,296)	(299,296)	(299,296)
Profit for the period	-	-	-	-	-	(523,768)	(523,768)	(523,768)	(523,768)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2020 - (Audited)	2,992,964	986,077	3,843,044	4,829,121	1,450,491	8,698,514	10,149,005	14,978,126	17,971,090
Profit for the period	-	-	-	-	-	512,918	512,918	512,918	512,918
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	512,918	512,918	512,918	512,918
Balance as at 30 September 2020 - (Un-audited)	2,992,964	986,077	3,843,044	4,829,121	1,450,491	9,211,432	10,661,923	15,491,044	18,484,008

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



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-Audited) For the quarter ended 30 September 2020

	Note	30 September 2020	30 September 2019
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	8	725,534	(484,782)
Finance cost paid		(208,636)	(103,083)
Income tax paid		(10,855)	(63,641)
Net cash generated from / (used in) operating activities		506,043	(651,506)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(310,849)	(114,894)
Proceeds from disposal of operating fixed assets		27,301	4,728
Long term investment made		-	(106,322)
Short term investments made		-	(14,306)
Proceeds from disposal of short term investments		297	-
Interest received		1,363	5,389
Net cash used in investing activities		(281,888)	(225,405)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		604,504	51,056
Repayment of long term financing		-	(105,182)
Short term borrowings - net		(881,303)	852,349
Dividend paid		(10)	(112)
Net cash (used in) / from financing activities		(276,809)	798,111
NET DECREASE IN CASH AND CASH EQUIVALENTS		(52,654)	(78,800)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		186,613	216,366
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		133,959	137,566

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) For the quarter ended 30 September 2020

1. THE COMPANY AND ITS OPERATIONS

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 stitching the cloth and trade of textile products.

2. BASIS OF PREPARATION

2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2020. These unconsolidated condensed interim financial statements are un-audited, and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these unconsolidated condensed interim financial statements 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 2020

3.1 Government grant

The Company recognizes the benefit of a government loan at a below-market rate of interest as a Government grant. The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received and is presented as deferred grant. The recognition of government grants in profit or loss is done on a systematic basis over the periods in which the expenses for which the grants are intended to compensate.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements 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 these unconsolidated condensed interim financial statements, 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 2020.

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
5. LONG TERM FINANCING		
Secured		
Opening balance (Note 5.1)	2,968,283	1,946,718
Add : Obtained during the period / year (Note 5.1.1)	630,795	1,414,291
Less: amortization of loan as deferred grant (Note 5.1.2)	(44,158)	-
Add: unwinding of loan	4,601	-
	3,559,521	3,361,009
Less: Repaid during the period / year	-	392,726
	3,559,521	2,968,283
Less: Current portion shown under current liabilities	274,311	107,296
Closing balance	3,285,210	2,860,987

5.1 Long term financing includes following loan availed under SBP's refinance scheme for salaries and wages:

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
Opening balance	342,905	-
Add : Obtained during the period / year (Note 5.1.1)	494,096	342,905
Less: amortization of loan as deferred grant (Note 5.1.2)	(44,158)	-
Add: unwinding of loan	4,601	-
	797,444	342,905
Balance as at 30 September 2020		
Less: current portion of long term loan presented under current liabilities	161,209	125,001
	636,235	217,904

5.1.1 It includes 337 millions availed during the period which did not carry rate of interest of State Bank of Pakistan refinance scheme for payment of wages and salaries, hence does not contain any element of Government grant.

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
5.1.2 Deferred grant		
Balance as at 01 July	-	-
Transaction during the period	44,158	-
Amortisation during the period	(4,601)	-
Unamortised balance of deferred grant	39,557	-
Less: current maturity	26,291	-
Balance as at 30 September 2020	13,266	-

The Company availed term finance facility under “SBP refinance scheme for payment of wages and salaries” introduced by Government of Pakistan in order to prevent entities from laying-off employees during COVID-19 outbreak. The Company obtained Rs. 500 million for paying salaries under this scheme. The tenor of this facility is 2.5 years with 6 months grace period. The facility carry mark-up at the rate specified by State Bank of Pakistan plus relevant bank’s spread of 1% and repayable in 8 equal quarterly installments starting from 31 Jan 2021.

The loan has been measured at its fair value in accordance with IFRS 9 (Financial Instruments) using effective interest rate of 3 Months KIBOR + 0.5%. The difference between fair value of loan and loan proceeds has been recognised as deferred grant as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

The unavailed finance facility under this scheme available to the Company is Rupees. 163 million (30 June 2020: Rupees. 157.095 million).

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 2020.

6.2 Commitments

- a) Contracts for capital expenditure amounting to Rupees Nil (30 June 2020: Rupees 12.035 million).
- b) Letters of credit for capital expenditure amounting to Rupees 12.425 million (30 June 2020: Rupees 116.522 million).
- c) Letters of credit other than for capital expenditure amounting to Rupees 379.324 million (30 June 2020: Rupees 424.041 million).

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
7. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets:		
Owned (Note 7.1)	9,627,868	9,260,304
Capital work-in-progress (Note 7.2)	209,542	439,180
	<u>9,837,410</u>	<u>9,699,484</u>
7.1 Operating fixed assets - owned		
Opening book value	9,260,304	8,831,769
Add: Cost of additions during the period / year (Note 7.1.1)	540,487	1,033,086
	9,800,791	9,864,855
Less : Book value of deletions during the period / year (Note 7.1.2)	17,422	39,900
	9,783,369	9,824,955
Less : Depreciation charged during the period / year	155,501	564,651
Closing book value	<u>9,627,868</u>	<u>9,260,304</u>
7.1.1 Cost of additions		
Buildings	40,330	134,946
Plant and machinery	496,364	833,437
Services and other equipment	-	400
Computers	408	19,260
Furniture and fixture	-	4,791
Office equipment	3,385	6,899
Vehicles	-	33,353
	<u>540,487</u>	<u>1,033,086</u>
7.1.2 Book value of deletions		
Plant and machinery	17,026	36,238
Computer and IT installations	-	88
Vehicles	396	3,574
	<u>17,422</u>	<u>39,900</u>
7.2 Capital work-in-progress		
Civil works and buildings	116,657	142,104
Plant and machinery	92,885	297,076
	<u>209,542</u>	<u>439,180</u>

	Un-audited 30 September 2020 (Rupees in thousand)	Un-audited 30 September 2019
8. CASH GENERATED FROM / (USED IN) OPERATIONS		
Profit before taxation	622,576	489,315
Adjustments for non-cash charges and other items:		
Depreciation	155,501	136,731
Finance cost	159,774	104,838
Gain on sale of operating fixed assets	(9,879)	(2,579)
Return on bank deposits	(1,660)	(5,389)
Working capital changes (Note 8.1)	(200,778)	(1,207,698)
	<u>725,534</u>	<u>(484,782)</u>
8.1 Working capital changes		
Decrease / (increase) in current assets:		
Stores, spare parts and loose tools	(101,977)	(48,441)
Stock-in-trade	1,146,816	(30,490)
Trade debts	(438,891)	(916,589)
Advances	(238,250)	7,971
Short term prepayments	(28,409)	(15,750)
Other receivables	(57,954)	(314,379)
	<u>281,335</u>	<u>(1,317,678)</u>
(Decrease) / Increase in trade and other payables	<u>(482,113)</u>	<u>109,980</u>
	<u>(200,778)</u>	<u>(1,207,698)</u>

9. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary companies, associated undertakings, directors of the Company 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 unconsolidated condensed interim financial statements are as follows:

	Un-audited 30 September 2020 (Rupees in thousand)	Un-audited 30 September 2019
i) Transactions		
Subsidiary companies		
Maple Leaf Cement Factory Limited		
Purchase of goods and services	29,572	31,160
Interest income on loans and advances	-	2,943
Maple Leaf Capital Limited		
Mark-up on loan	2,046	-
Other related parties		
Company's contribution to provident fund trust	15,483	13,847
Remuneration of Chief Executive Officer, Directors and Executives	70,162	52,853
	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
ii) Period end balances		
Maple Leaf Cement Factory Limited		
Other receivables	11,189	35,528
Maple Leaf Capital Limited		
Short term borrowing	-	445,216
Accrued mark up	-	23,231

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 2020.

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
Assets				
Through profit or loss:				
Short term investments	82,500	-	-	82,500
	82,500	-	-	82,500
	82,500	-	-	82,500

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 statements approximate their fair value.

12. GENERAL

12.1 These unconsolidated condensed interim financial statements were approved by the Board of Directors and authorised for issue on 23 October 2020.

12.2 No significant reclassification / rearrangement 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

CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS

FOR THE PERIOD ENDED
30 SEPTEMBER 2020

DIRECTORS' REVIEW

The Directors are pleased to present the unaudited consolidated condensed interim 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 (82.92%) and Maple Leaf Power Limited (55.22%) (Together referred to as the Group) for the quarter ended 30 September 2020.

GROUP RESULTS

The Group has earned gross profit of Rupees 2,748 million as compared to Rupees 1,129 million of corresponding period. The group made / incurred pre-tax profit / (loss) of Rupees 2,685 million in this period as compared to Rupees (446) million during the corresponding period.

SUBSIDIARY COMPANIES

Maple Leaf Cement Factory Limited (MLCFL)

MLCFL has made / incurred after tax profit / (loss) of Rupees 309 million during the current period as compared to Rupees (1,305) million during the corresponding period.

Maple Leaf Power Limited (MLPL)

MLPL has made after tax profit of Rupees 246 million during the current period as compared to Rupees 323 million during the corresponding period.

Maple Leaf Capital Limited (MLCL)

MLCL has made after tax profit of Rupees 1,106 million during the current period as compared to Rupees 7.5 million during the corresponding period.

ACKNOWLEDGMENT

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

For and on behalf of the Board



Syed Mohsin Raza Naqvi
Director



Taufique Sayeed Saigol
Chief Executive

Lahore
October 23, 2020

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

	Note	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
370,000,000 (30 June 2020: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2020: 30,000,000) preference shares of Rupees 10 each		300,000	300,000
		<u>4,000,000</u>	<u>4,000,000</u>
Issued, subscribed and paid-up share capital 299,296,456 (30 June 2020: 299,296,456) ordinary shares of Rupees 10 each.		2,992,964	2,992,964
Reserves			
Capital reserves			
Share premium		986,077	986,077
Surplus on revaluation of freehold land and investment properties		4,041,716	4,041,716
		<u>5,027,793</u>	<u>5,027,793</u>
Revenue reserves			
General reserve		1,450,491	1,450,491
Unappropriated profit		20,136,778	18,368,673
		<u>21,587,269</u>	<u>19,819,164</u>
Equity attributable to equity holders of the Holding Company		<u>29,608,026</u>	<u>27,839,921</u>
Non-controlling interest		<u>15,219,883</u>	<u>14,756,901</u>
Total equity		<u>44,827,909</u>	<u>42,596,822</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	14,899,323	15,067,045
Deferred grant	5	32,814	-
Long term deposits		8,664	8,664
Retirement benefits		228,996	214,952
Retention money payable		372,755	366,069
Deferred income tax liability		2,874,978	2,529,503
		<u>18,417,530</u>	<u>18,186,233</u>
CURRENT LIABILITIES			
Trade and other payables		10,136,547	10,890,994
Accrued mark-up		462,962	683,317
Unclaimed dividend		58,466	77,822
Short term borrowings		11,951,965	14,215,726
Current portion of long term financing	5	684,817	232,296
		<u>23,294,757</u>	<u>26,100,155</u>
Total liabilities		<u>41,712,287</u>	<u>44,286,388</u>
CONTINGENCIES AND COMMITMENTS			
	6		
TOTAL EQUITY AND LIABILITIES		<u>86,540,196</u>	<u>86,883,210</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

	Note	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	54,142,662	54,678,017
Investment properties		1,792,755	1,792,755
Intangibles		7,877	9,024
Long term investment		42,000	42,000
Long term loans to employees		19,314	19,196
Long term deposits		109,383	109,378
		56,113,991	56,650,370
CURRENT ASSETS			
Stores, spare parts and loose tools		8,566,891	9,568,983
Stock -in- trade		6,143,246	7,142,118
Trade debts		5,308,618	5,413,514
Loans and advances		1,082,042	798,948
Security deposits and short term prepayments		291,770	204,498
Other receivables		1,205,963	792,085
Taxation - net		1,081,764	1,012,570
Short term investments		6,345,515	3,904,641
Cash and bank balances		400,396	1,395,483
		30,426,205	30,232,840
TOTAL ASSETS		86,540,196	86,883,210



 CHIEF EXECUTIVE OFFICER



 DIRECTOR



 CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS (Un-Audited)**
For the quarter ended 30 September 2020

	30 September 2020 (Rupees in thousand)	30 September 2019
REVENUES	14,566,768	12,520,079
COST OF SALES	(11,819,199)	(11,390,785)
GROSS PROFIT	2,747,569	1,129,294
DISTRIBUTION COST	(423,653)	(356,356)
ADMINISTRATIVE EXPENSES	(376,472)	(379,057)
OTHER EXPENSES	(91,302)	(161,334)
	(891,427)	(896,747)
OTHER INCOME	1,856,142	232,547
	1,419,214	223,236
PROFIT FROM OPERATIONS	3,275,356	455,783
FINANCE COST	(589,996)	(901,472)
PROFIT / (LOSS) BEFORE TAXATION	2,685,360	(445,689)
PROVISION FOR TAXATION	(454,273)	(54,324)
PROFIT / (LOSS) AFTER TAXATION	2,231,087	(500,013)
SHARE OF PROFIT / (LOSS) ATTRIBUTABLE TO : EQUITY HOLDERS OF HOLDING COMPANY	1,768,105	(85,893)
NON-CONTROLLING INTEREST	462,982	(414,120)
	2,231,087	(500,013)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)	5.91	(0.29)

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-Audited)

For the quarter ended 30 September 2020

	30 September 2020 (Rupees in thousand)	30 September 2019
PROFIT / (LOSS) AFTER TAXATION	2,231,087	(500,013)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	2,231,087	(500,013)
Share of total comprehensive income / (loss) attributable to:		
Equity holders of Holding Company	1,768,105	(85,893)
Non-controlling interest	462,982	(414,120)
	2,231,087	(500,013)

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)

For the quarter ended 30 September 2020

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY										Non-controlling interest	Total equity	
	Reserves												Total
	Capital reserves			Revenue reserves			Total reserves						
	Share capital	Share premium	Sub - total	General reserves	Unappropriated profit	Sub-total							
Surplus on revaluation of freehold land and investment properties	Sub - total	General reserves	Unappropriated profit	Sub-total	Total reserves	Total	Non-controlling interest	Total equity					
..... (Rupees in thousand)													
Balance as at 30 June 2019 - Audited	2,992,964	986,077	4,036,717	5,022,794	1,450,491	19,940,200	21,390,691	26,413,485	29,406,449	13,801,463	43,207,912		
Loss for the period	-	-	-	-	-	(85,893)	(85,893)	(85,893)	(85,893)	(414,120)	(500,013)		
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-		
Total comprehensive loss for the period	-	-	-	-	-	(85,893)	(85,893)	(85,893)	(85,893)	(414,120)	(500,013)		
Balance as at 30 September 2019 - Un-audited	2,992,964	986,077	4,036,717	5,022,794	1,450,491	19,854,307	21,304,798	26,327,592	29,320,556	13,387,343	42,707,899		
Transactions with owners:													
- Issuance of right shares to Non-controlling interest holders - net of issue cost	-	-	-	-	-	(58,968)	(58,968)	(58,968)	(58,968)	2,684,596	2,625,628		
- Final dividend for the year ended 30 June 2019 @ Rupees 0.75 per share	-	-	-	-	-	(224,472)	(224,472)	(224,472)	(224,472)	-	(224,472)		
- Interim dividend for the year ended 30 June 2020 @ Rupees 1.00 per share	-	-	-	-	-	(299,296)	(299,296)	(299,296)	(299,296)	(182,929)	(299,296)		
- Dividend paid to non-controlling interest holders	-	-	-	-	-	(582,736)	(582,736)	(582,736)	(582,736)	2,551,667	1,968,931		
Loss for the period	-	-	-	-	-	(906,413)	(906,413)	(906,413)	(906,413)	(1,189,013)	(2,095,426)		
Other comprehensive income for the period	-	-	4,999	4,999	-	3,515	3,515	8,514	8,514	6,904	15,418		
Total comprehensive income / (loss) for the period	-	-	4,999	4,999	-	(902,898)	(902,898)	(897,899)	(897,899)	(1,182,109)	(2,080,008)		
Balance as at 30 June 2020 - Audited	2,992,964	986,077	4,041,716	5,027,793	1,450,491	18,368,673	19,819,164	24,846,967	27,839,921	14,756,901	42,596,822		
Profit for the period	-	-	-	-	-	1,768,105	1,768,105	1,768,105	1,768,105	462,982	2,231,087		
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the period	-	-	-	-	-	1,768,105	1,768,105	1,768,105	1,768,105	462,982	2,231,087		
Balance as at 30 September 2020 - Un-audited	2,992,964	986,077	4,041,716	5,027,793	1,450,491	20,136,778	21,587,269	26,615,062	29,608,026	15,219,883	44,827,909		

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-Audited)

For the quarter ended 30 September 2020

	Note	30 September 2020	30 September 2019
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	8	2,753,241	(605,872)
Finance cost paid		(810,351)	(744,669)
Compensated absences paid		(5,039)	(4,351)
Income tax paid		(523,467)	(313,691)
Net increase in long term deposits		(5)	(90)
Net cash generated from / (used in) operating activities		1,414,379	(1,668,673)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(477,287)	(231,800)
Long term loan to employees- net		(118)	(5,546)
Interest received		6,142	12,143
Proceeds from disposal of operating fixed assets		27,301	9,531
Long term investment made		-	(106,322)
Net cash used in investing activities		(443,962)	(321,994)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceed from long term financing		604,504	51,056
Short term borrowings (net)		(2,263,761)	2,317,141
Repayment of long term financing		(286,891)	(312,914)
Redemption of preference shares		-	(5)
Dividend paid		(19,356)	(12,465)
Net cash (used in) / from financing activities		(1,965,504)	2,042,813
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(995,087)	52,146
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		1,395,483	992,951
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		400,396	1,045,097

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) For the quarter ended 30 September 2020

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 2020: 55.22%) shares of Maple Leaf Cement Factory Limited, 82.92% (30 June 2020: 82.92%) shares of Maple Leaf Capital Limited and 55.22% (30 June 2020: 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 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

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These consolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 30 June 2020. These consolidated condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Group for the year ended 30 June 2020.

3.1 Government grant

The Group recognizes the benefit of a government loan at a below-market rate of interest as a Government grant. The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received and is presented as deferred grant. The recognition of government grants in profit or loss is done on a systematic basis over the periods in which the expenses for which the grants are intended to compensate.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements 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 these consolidated condensed interim financial statements, 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 2020.

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
5. LONG TERM FINANCING		
Secured		
Opening balance (Note 5.1)	15,299,341	19,252,080
Add : Obtained during the period / year (Note 5.1.1)	661,578	1,414,291
Less: Repaid during the period/ year	(286,891)	(5,367,030)
Less: amortization of loan as deferred grant (Note 5.1.2)	(96,078)	-
Add: unwinding of loan	6,190	-
	15,584,140	15,299,341
Less: Current portion shown under current liabilities	684,817	232,296
	14,899,323	15,067,045

5.1 Long term financing includes following loan availed under SBP's refinance scheme for salaries and wages:

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
Opening balance	776,084	-
Add : Obtained during the period / year (Note 5.1.1)	774,649	776,084
Less: amortization of loan as deferred grant (Note 5.1.2)	(96,078)	-
Add: unwinding of loan	6,190	-
	1,460,845	776,084
Less: current portion of long term loan presented under current liabilities	376,260	268,368
	1,084,585	507,716

5.1.1 It includes 337 millions availed during the period which did not carry rate of interest of State Bank of Pakistan scheme for payment of wages and salaries, hence does not contain any element of Government grant.

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
5.1.2 Deferred grant		
Balance as at 01 July	-	-
Transaction during the year	96,078	-
Amortisation during the year	(6,190)	-
Unamortised balance of deferred grant	89,888	-
Less: current maturity	57,074	-
Balance as at 30 September 2020	32,814	-

The Group availed term finance facility under “SBP refinance scheme for payment of wages and salaries” introduced by Government of Pakistan in order to prevent entities from laying-off employees during COVID-19 outbreak. The Group obtained Rs. 1,214 million for paying salaries under this scheme. The tenor of this facility is 2.5 years with 6 months grace period. The facility carry mark-up at the rate specified by State Bank of Pakistan plus relevant bank’s spread that varies from 0.50% to 1% and repayable in 8 equal quarterly instalments.

The loan has been measured at its fair value in accordance with IFRS 9 (Financial Instruments) using effective interest rate. The difference between fair value of loan and the loan proceeds has been recognised as deferred grant as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

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 2020.

6.2 Commitments

- (i) Contracts for capital expenditure amounting to Rupees Nil (30 June 2020: Rupees 12.035 million).
- (ii) Letters of credit for capital expenditure amounting to Rupees 830.234 million (30 June 2020: Rupees 121.610 million).
- (iii) Letters of credit other than for capital expenditure amounting to Rupees 792.510 million (30 June 2020: Rupees 691.750 million).

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
7. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets:		
Owned (Note 7.1)	52,925,372	53,313,404
Capital work-in-progress (Note 7.2)	1,217,290	1,364,613
	<u>54,142,662</u>	<u>54,678,017</u>
7.1 Operating fixed assets - owned		
Opening book value	53,313,404	55,748,674
Add: Cost of additions during the period / year (Note 7.1.1)	624,610	1,494,835
Add : Revaluation surplus on freehold land during the period/year	-	9,053
	<u>53,938,014</u>	<u>57,252,562</u>
Less: Book value of deletions during the period / year (7.1.2)	17,422	70,363
	<u>53,920,592</u>	<u>57,182,199</u>
Less : Depreciation charged during the period / year	995,220	3,868,795
Closing book value	<u>52,925,372</u>	<u>53,313,404</u>
7.1.1 Cost of additions		
Buildings	40,330	288,488
Plant and machinery	578,611	1,100,391
Service and other equipment	-	400
Computer and IT installations	408	19,807
Furniture and fixture	1,818	17,184
Office equipment	3,443	6,899
Quarry equipment	-	14,853
Vehicles	-	46,813
	<u>624,610</u>	<u>1,494,835</u>
7.1.2 Book value of deletions		
Plant and machinery	17,026	52,983
Computer and IT installations	-	151
Vehicles	396	17,229
	<u>17,422</u>	<u>70,363</u>

	Un-audited 30 September 2020 (Rupees in thousand)	Audited 30 June 2020
7.2 Capital work-in-progress		
Plant and machinery	446,629	615,489
Civil Works	706,171	666,194
Stores held for capitalization	54,047	54,047
Advances to suppliers against:		
Plant and machinery	10,027	28,468
Civil works	416	415
	1,217,290	1,364,613
	Un-audited 30 September 2020 (Rupees in thousand)	Un-audited 30 September 2019
8. CASH GENERATED FROM / (USED IN) OPERATIONS		
Profit / (Loss) before taxation	2,685,360	(445,689)
Adjustment for non-cash charges and other items		
Depreciation	995,220	963,021
Amortization	1,145	1,133
Finance cost	589,996	901,472
Employees' compensated absences	19,097	14,496
Bad debts written off	-	5,643
Advances written off	-	1,467
(Gain) / loss on sale of operating fixed assets	(9,879)	(4,635)
Gain on remeasurement of investments at fair values through profit or loss	(12,049)	(2,363)
Return on bank deposits	(6,497)	(11,619)
Working capital changes (Note 8.1)	(1,509,152)	(2,028,798)
	2,753,241	(605,872)

	Un-audited 30 September 2020 (Rupees in thousand)	Un-audited 30 September 2019
8.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	1,002,092	8,019
Stock-in-trade	998,872	(925,912)
Trade debts	104,896	(1,002,766)
Loans and advances	(283,094)	14,936
Short Term investment - net	(2,440,874)	10,767
Security deposits and short term prepayments	(87,272)	(83,363)
Other receivables	(69,194)	(198,552)
	<u>(774,574)</u>	<u>(2,176,871)</u>
Decrease / Increase in current liabilities		
Trade and other payables	(734,578)	148,073
	<u>(1,509,152)</u>	<u>(2,028,798)</u>

9. 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 2020 (Rupees in thousand)	Un-audited 30 September 2019
Other related parties		
Group's contribution to Employee's Provident Fund Trust	47,665	52,272
Groups contribution to Employees Gratuity Fund Trust	1,937	2,053
Remuneration paid to Chief Executive Officers, Directors and Executives	172,163	145,533

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 Group for the year ended 30 June 2020.

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
Assets				
Through profit or loss:				
Short term investments	6,345,515	-	-	6,345,515
	<u>6,345,515</u>	<u>-</u>	<u>-</u>	<u>6,345,515</u>

12. GENERAL

12.1 These consolidated condensed interim financial statements were approved by the Board of Directors and authorised for issue on 23 October 2020.

12.2 No significant reclassification / rearrangement 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