



KTM
Kohinoor Textile Mills Limited

half yearly report
december
2022



COVER STORY

The inspiringly innovative journey of fibre to fabric – where cotton staples are tangled, weaved, and processed to perfection with multitudes of colours paving their way through stupendous designs – has always been envisioned at KTML to bring vibrancy and delight to the lives of its stakeholders. Our people are committed to the organisation's sustainable growth, ensuring our contribution to Pakistan's economy by empowering connected communities and socioeconomic segments in realising their dreams for a better tomorrow!

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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. Muhammad Younus
Advocate High Court

Registered Office

42-Lawrence Road, Lahore.
Tel: (0092-42) 36302261-62
Fax: (0092-42) 36368721

Share Registrar

Vision Consulting Limited
5-C, LDA Flats,
Lawrence Road, Lahore
Tel: (0092-42) 36283096-97
Fax: (0092-42) 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
Samba Bank Limited
The Bank of Punjab
The Bank of Khyber
United Bank Limited

Mills

- Peshawar Road, Rawalpindi
Tel: (0092-51) 5495328-32
Fax: (0092-51) 5495304
- 8 K.M., Manga Raiwind Road, District Kasur
Tel: (0092-42) 32560683-85
Fax: (0092-42) 32560686-87
- Gulyana Road, Gujar Khan, District Rawalpindi
Tel: (0092-51) 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 half year ended 31 December 2022, in compliance with requirements of Section 237 of the Companies Act, 2017.

Review of Operations

The results of the Company for the first two quarters were fairly similar overall: improvements were seen in the Home Textiles division-due to rapid devaluation, where some one-time gains were felt on existing contracts-and the KTM Spinning division-where cheaper raw material carried forward from the previous year; these were somewhat offset by a shortage of orders in the Weaving division, an effect exacerbated by high levels of inventory in importing countries.

The construction of sheds for alternative Spinning technologies at the Company's Rawalpindi site is nearly complete, however there have been some delays from machinery manufacturers; we expect these expansions will be completed and operational by the end of the fourth quarter. The raw material procurement policy of the Company has been adapted considering extremely high interest rates, focusing on efficient procurement of raw materials to control inventory carrying costs. Further caution is being taken on procurement in view of volatility in markets.

Work on installation of the new grid station is proceeding satisfactorily, and should be online before the end of June, allowing further expansion into solar energy production, greater energy security, and decreased power costs.

The expansion in the Weaving division is complete and fully operational. We expect that as soon as the market improves, a significant contribution will be felt. The alternative weaving technologies ordered have already resulted in an uptick in orders, which should further improve over time.

In the Home Textiles division, the Company's focus continues to be on higher value-added products and more quality conscious customers. As freight rates return to their pre-pandemic levels, we expect a general increase in orders, dependent on the economies of North American and European countries.

The last two quarters will be difficult due to the withdrawal of regionally competitive energy rates to the exporting industry, withdrawal of the Long-Term Financing Facility (LTFF), and dramatically increased interest rates. All this is expected to lead to a large-scale rebasing of costs, and some smaller companies may find it difficult to remain viable in the industry.

The efforts of the Management of the Company are focused on repeating the results of the first half-year.

Financial Review

During the period under review, Company's sales increased by 3.95% to Rs. 19,318 million (2021: Rs. 18,583 million), while cost of sales increased by 19.23% to Rs. 15,990 million (2021: Rs. 13,411 million). This resulted in gross profit of Rs. 3,328 million (2021: Rs. 5,172 million). Operating profit for the period under review stood at Rs. 2,059 million (2021: Rs. 4,001 million). The Company made an after-tax profit of Rs. 978 million (2021: Rs. 2,837 million). Earnings per share for the half year ended 31 December 2022 were at Rs. 3.27 against Rs. 9.48 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
February 22, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Kohinoor Textile Mills Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of KOHINOOR TEXTILE MILLS LIMITED as at 31 December 2022 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review. The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2022.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Raheel Arshad.



RIAZ AHMAD & COMPANY
Chartered Accountants

Date: 24 February 2023

ISLAMABAD

UDIN: RR202210187RByZL1DvM

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
370,000,000 (30 June 2022: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2022: 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 2022: 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		3,861,708	3,871,774
		<u>4,847,785</u>	<u>4,857,851</u>
Revenue reserves			
General reserve		1,450,491	1,450,491
Unappropriated profit		15,986,780	14,998,382
		<u>17,437,271</u>	<u>16,448,873</u>
		<u>22,285,056</u>	<u>21,306,724</u>
Total equity		25,278,020	24,299,688
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	6,435,052	4,303,554
Deferred government grants		15,352	17,400
Deferred income tax liability		1,083,262	860,560
		<u>7,533,666</u>	<u>5,181,514</u>
CURRENT LIABILITIES			
Trade and other payables		3,759,017	2,962,356
Accrued mark-up		300,961	108,158
Short term borrowings		7,486,942	5,234,795
Current portion of non-current liabilities		1,087,386	1,180,230
Unclaimed dividend		32,283	32,634
Taxation - net		884,898	923,139
		<u>13,551,487</u>	<u>10,441,312</u>
Total liabilities		21,085,153	15,622,826
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	6	46,363,173	39,922,514

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

	Note	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	17,943,328	13,112,163
Investment properties	8	-	1,824,360
Long term investments		11,093,771	11,106,754
Long term deposits		54,484	54,473
		<u>29,091,583</u>	<u>26,097,750</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		1,087,240	985,823
Stock-in-trade		9,452,839	5,967,667
Trade debts		3,923,991	4,413,988
Advances		830,214	705,247
Short term prepayments		47,551	31,506
Other receivables		1,146,965	998,782
Short term investments		478,282	412,122
Cash and bank balances		304,508	309,629
		<u>17,271,590</u>	<u>13,824,764</u>
TOTAL ASSETS		<u><u>46,363,173</u></u>	<u><u>39,922,514</u></u>



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS (Un-audited)**
For the half year ended 31 December 2022

Note	Half year ended		Quarter ended	
	December 2022	December 2021	December 2022	December 2021
 (Rupees in thousand)			
REVENUE	19,318,038	18,583,488	9,732,787	10,620,240
COST OF SALES	(15,990,197)	(13,411,468)	(7,957,114)	(7,529,987)
GROSS PROFIT	3,327,841	5,172,020	1,775,673	3,090,253
DISTRIBUTION COST	(638,841)	(722,847)	(303,141)	(389,230)
ADMINISTRATIVE EXPENSES	(548,928)	(362,033)	(261,843)	(177,075)
OTHER EXPENSES	(205,545)	(301,987)	(147,604)	(176,160)
	(1,393,314)	(1,386,867)	(712,588)	(742,465)
	1,934,527	3,785,153	1,063,085	2,347,788
OTHER INCOME	124,718	215,436	41,789	129,669
PROFIT FROM OPERATIONS	2,059,245	4,000,589	1,104,874	2,477,457
FINANCE COST	(587,052)	(409,723)	(300,929)	(222,738)
PROFIT BEFORE TAXATION	1,472,193	3,590,866	803,945	2,254,719
TAXATION				
- CURRENT	(271,159)	(648,667)	(143,266)	(393,816)
- DEFERRED	(222,702)	(105,074)	(158,981)	(19,063)
	(493,861)	(753,741)	(302,247)	(412,879)
PROFIT AFTER TAXATION	978,332	2,837,125	501,698	1,841,840
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	3.27	9.48	1.68	6.15

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 half year ended 31 December 2022

	Half year ended		Quarter ended	
	December 2022	December 2021	December 2022	December 2021
 (Rupees in thousand)			
Profit after taxation	978,332	2,837,125	501,698	1,841,840
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	978,332	2,837,125	501,698	1,841,840

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

For the half year ended 31 December 2022

	RESERVES						TOTAL EQUITY	
	SHARE CAPITAL		CAPITAL RESERVES		REVENUE RESERVES			
	Share premium	Surplus on revaluation of freehold land	Sub-total	General reserve	Unapprop- riated profit	Sub-total		Total reserves
2,992,964	986,077	3,871,774	4,857,851	1,450,491	10,856,251	12,306,742	17,164,593	20,157,557
-	-	-	-	-	(299,296)	(299,296)	(299,296)	(299,296)
-	-	-	-	-	2,837,125	2,837,125	2,837,125	2,837,125
-	-	-	-	-	2,837,125	2,837,125	2,837,125	2,837,125
2,992,964	986,077	3,871,774	4,857,851	1,450,491	13,394,080	14,844,571	19,702,422	22,695,396
-	-	-	-	-	(299,296)	(299,296)	(299,296)	(299,296)
-	-	-	-	-	1,903,598	1,903,598	1,903,598	1,903,598
-	-	-	-	-	1,903,598	1,903,598	1,903,598	1,903,598
2,992,964	986,077	3,871,774	4,857,851	1,450,491	14,998,382	16,448,873	21,306,724	24,299,688
-	-	(10,066)	(10,066)	-	10,066	10,066	-	-
-	-	-	-	-	978,332	978,332	978,332	978,332
-	-	-	-	-	978,332	978,332	978,332	978,332
2,992,964	986,077	3,861,708	4,847,785	1,450,491	15,986,780	17,437,271	22,285,056	25,278,020

-----Rupees in thousand-----

Balance as at 30 June 2021 - (audited)

Transaction with owners - Final dividend for the year ended 30 June 2021 @ Rupee 1 per share

Profit for the period

Other comprehensive income for the period

Total comprehensive income for the period

Balance as at 31 December 2021 - (un-audited)

Transaction with owners - Interim dividend for the year ended

30 June 2022 @ Rupee 1.00 per share

Profit for the period

Other comprehensive income for the period

Total comprehensive income for the period

Balance as at 30 June 2022 - (audited)

Surplus on revaluation of investment property

Profit for the period

Other comprehensive income for the period

Total comprehensive income for the period

Balance as at 31 December 2022 - (un-audited)

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 half year ended 31 December 2022

	Note	December 2022 (Rupees in thousand)	December 2021 (Rupees in thousand)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	10	(151,474)	76,562
Finance cost paid		(394,074)	(321,548)
Income tax paid		(309,400)	(360,480)
Worker's welfare fund paid		(58,307)	(29,740)
Payment received from / (made to) Workers' profits participation fund		32,418	(172,341)
Gas Infrastructure Development Cess (GIDC) paid		-	(9,222)
Net increase in long term deposits		(11)	(154)
Net cash used in operating activities		(880,848)	(816,923)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(3,445,878)	(1,424,052)
Proceeds from disposal of property, plant and equipment		18,113	41,711
Proceeds from disposal of long term investments		12,983	-
Short term investments - net		(66,160)	(170,000)
Interest received		49,642	9,738
Dividend received		18,800	-
Net cash used in investing activities		(3,412,500)	(1,542,603)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		2,592,785	617,623
Repayment of long term financing		(556,354)	(526,302)
Short term borrowings - net		2,252,147	2,623,039
Dividend paid		(351)	(299,077)
Net cash from financing activities		4,288,227	2,415,283
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(5,121)	55,757
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		309,629	249,886
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		304,508	305,643

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 half year ended 31 December 2022

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 standards 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 from 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 2022. These unconsolidated condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors 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 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 2022.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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 applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2022.

	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
5. LONG TERM FINANCING - SECURED		
Balance at beginning of the period / year	5,164,912	4,206,688
Add : Obtained during the period / year	2,592,785	1,946,684
Less: discounting adjustments for recognition at fair value - deferred government grant	-	(2,481)
Add: unwinding of discount on liability	6,968	37,671
	7,764,665	6,188,562
Less: Repaid during the period / year	(556,354)	(1,023,650)
	7,208,311	5,164,912
Less: Current portion shown under current liabilities	(773,259)	(861,358)
	6,435,052	4,303,554

- 5.1** Long term financing includes loans obtained under “SBP Temporary Economic Refinance Facility for import of plant and machinery”. These loans have been measured at their fair value in accordance with IFRS 9 (Financial Instruments) using market rates. The difference between fair value of loans and loan proceeds have been recognised as deferred government grant as per requirements of IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance).

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 2022.

6.2 Commitments in respect of:

- a) Letters of credit for capital expenditure amounting to Rupees 1,146.299 million (30 June 2022: Rupees 2,994.800 million).
- b) Letters of credit other than for capital expenditure amounting to Rupees 962.710 million (30 June 2022: Rupees 2,244.977 million).

	Note	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	14,875,341	11,272,055
Capital work-in-progress	7.2	3,067,987	1,840,108
		<u>17,943,328</u>	<u>13,112,163</u>
7.1 Operating fixed assets			
Net book value at the beginning of the period / year		11,272,055	10,119,371
Add : Cost of additions / transfers during the period / year		2,217,999	1,933,784
Add : Transferred from investment properties	8	1,824,360	-
	7.1.1	4,042,359	1,933,784
		<u>15,314,414</u>	<u>12,053,155</u>
Less : Book value of deletions during the period / year	7.1.2	11,168	26,177
		<u>15,303,246</u>	<u>12,026,978</u>
Less : Depreciation charged during the period / year		427,905	754,923
		<u>14,875,341</u>	<u>11,272,055</u>
7.1.1 Cost of additions / transfers			
Freehold land		1,799,335	-
Buildings		206,803	265,526
Plant and machinery		1,963,799	1,562,904
Services and other equipment		9,007	670
Computers and IT installations		4,360	8,791
Furniture and fixtures		263	5,823
Office equipment		2,740	15,210
Vehicles		56,052	74,860
		<u>4,042,359</u>	<u>1,933,784</u>
7.1.2 Book value of deletions			
Plant and machinery		7,763	17,215
Computer and IT installations		63	238
Vehicles		3,342	8,724
		<u>11,168</u>	<u>26,177</u>

7.2 Capital work-in-progress

	Civil works and buildings	Plant and machinery	Advances for capital expenditure	Total
----- Rupees in thousand -----				
At 30 June 2021	175,859	408,896	2,155	586,910
Additions during the year	500,798	2,178,994	413,427	3,093,219
Less: Transferred to operating fixed assets during the year	(240,421)	(1,556,654)	(42,946)	(1,840,021)
At 30 June 2022	436,236	1,031,236	372,636	1,840,108
Additions during the period	445,471	2,080,708	860,096	3,386,275
Less: Transferred to operating fixed assets during the period	(167,635)	(1,618,125)	(372,636)	(2,158,396)
At 31 December 2022	714,072	1,493,819	860,096	3,067,987

8. INVESTMENT PROPERTIES

Investment properties comprising land and building situated at Rawalpindi and Lahore has been transferred to property, plant and equipment due to change in use. The fair value of investment properties have been determined by an independent valuer, Anderson Consulting (Private) Limited (Evaluators, Surveyors, Stock Inspectors, Architects & Engineers) at the date of transfer (i.e. 31 December 2022) on the basis of their professional assessment of the current prices in an active market for similar properties in the same location and condition.

	Un-audited			
	Half year ended		Quarter ended	
	December 2022	December 2021	December 2022	December 2021
----- (Rupees in thousand) -----				
9. REVENUE				
Revenue from contracts with customers:				
- Export sales	5,832,141	6,637,505	2,301,370	3,808,135
- Local sales	13,452,488	11,907,758	7,415,544	6,789,946
	19,284,629	18,545,263	9,716,914	10,598,081
Export rebate	33,409	38,225	15,873	22,159
	19,318,038	18,583,488	9,732,787	10,620,240
	15,740,371	13,927,351	8,674,650	7,938,077
Less: sales tax	(2,287,883)	(2,019,593)	(1,259,106)	(1,148,131)
	13,452,488	11,907,758	7,415,544	6,789,946

Un-audited
Half year ended
December 2022 December 2021
(Rupees in thousand)

10. CASH (USED IN) / GENERATED FROM OPERATIONS

Profit before taxation	1,472,193	3,590,866
Adjustments for non-cash charges and other items:		
Depreciation	427,905	360,278
Finance cost	587,052	409,723
Gain on disposal of property, plant and equipment	(6,945)	(29,936)
Gain on remeasurement of GIDC payable	-	(5,424)
Allowance for expected credit losses	49,910	31,224
Dividend income	(18,800)	-
Return on bank deposits	(49,642)	(14,936)
Provision for Workers' profits participation fund	76,317	190,838
Provision for Workers' welfare fund	30,045	73,283
Working capital changes (Note 10.1)	(2,719,509)	(4,529,354)
	<u>(151,474)</u>	<u>76,562</u>

10.1 Working capital changes

Increase in current assets:

Stores, spare parts and loose tools	(101,417)	(79,584)
Stock-in-trade	(3,485,172)	(3,675,036)
Trade debts	440,087	(641,219)
Advances	(124,967)	(385,814)
Short term prepayments	(16,045)	(44,980)
Other receivables	(148,183)	(201,705)
	<u>(3,435,697)</u>	<u>(5,028,338)</u>

Increase in trade and other payables

	716,188	498,984
	<u>(2,719,509)</u>	<u>(4,529,354)</u>

11. TRANSACTIONS WITH RELATED PARTIES

	Un-audited			
	Half year ended		Quarter ended	
	December 2022	December 2021	December 2022	December 2021
 (Rupees in thousand)			
i) Transactions				
Subsidiary companies				
Maple Leaf Cement Factory Limited				
Purchase of goods and services	700	88,175	-	56,278
Common expenses	21,816	11,065	10,022	4,608
Expenses paid by Maple Leaf Cement Factory Limited on behalf of the Company	-	1,020	-	-
Maple Leaf Capital Limited				
Expenses on behalf of the Maple Leaf Capital Limited	3,225	-	1,553	-
Payment received against expenses	4,613	-	1,569	-
Funds transferred	-	500,000	-	200,000
Receipts	-	300,000	-	200,000
Mark up charged	-	5,269	-	5,269
Key management personnel				
Remuneration and other benefits	270,468	119,418	102,415	61,145
Post employment benefit plan				
Company's contribution to provident fund trust	45,901	36,586	23,159	18,519
ii) The Saim Family Trust, British Virgin Islands (BVI) through Mercury Management Inc., BVI and Hutton Properties Limited, BVI (related parties) holds 73,390,896 [24.52%] (30 June 2022: 73,390,896) and 55,256,992 [18.46%] (30 June 2022: 55,256,992) ordinary shares respectively of the Company on which dividend amounting to Rupees Nil (30 June 2022: Rupees 146,781,792) and Rupees Nil (30 June 2022: Rupees 99,279,984) respectively was paid during the period.				
iii) TRG Pakistan Limited is the associated company of the Company due to common directorship. The Company has not entered into any transaction with TRG Pakistan Limited during the period.				

	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
iv) Period / Year end balances		
Maple Leaf Cement Factory Limited		
Trade and other payables	(18,308)	(38,402)
Maple Leaf Capital Limited		
Other receivables	2,851	4,240

13. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classify its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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

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

14. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

Fair value hierarchy

Judgments and estimates are made in determining the fair value of non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

At 31 December 2022	Level 1	Level 2	Level 3	Total
	----- (Rupees in thousand) -----			
Freehold land	-	4,567,622	-	4,567,622
Total non-financial assets	-	4,567,622	-	4,567,622

At 30 June 2022	Level 1	Level 2	Level 3	Total
----- (Rupees in thousand) -----				
Investment properties - land and building	-	1,824,360	-	1,824,360
Freehold land	-	2,768,287	-	2,768,287
Total non-financial assets	-	4,592,647	-	4,592,647

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further, there was no transfer in and out of level 3 measurements.

Valuation techniques used to determine level 2 fair values

The Company obtains independent valuations for its investment properties and freehold land (classified as property, plant and equipment) at least annually. At the end of each reporting period, the management updates the assessment of the fair value of each property, taking into account the most recent independent valuations. The management determines a property's value within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building.

Valuation processes

The Company engages external, independent and qualified valuers to determine the fair value of the Company's investment properties and freehold land at the end of every financial year. As at 31 December 2022, the fair values of the investment properties and freehold land have been determined by Anderson Consulting (Private) Limited (an approved valuer).

Changes in fair values are analyzed at each reporting date during the annual valuation discussion between the Chief Financial Officer and the valuers. As part of this discussion the team presents a report that explains the reason for the fair value movements.

15. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2022.

	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
16. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX		
Description		
Loans / advances obtained as per Islamic mode: Contract liabilities	84,664	140,743
Shariah compliant bank deposits / bank balances: Bank balances	100,875	140,776
	Un-audited Half year ended	
	December 2022	December 2021
	(Rupees in thousand)	
Profit earned from shariah compliant bank deposits / bank balances	5,311	1,295
Revenue earned from shariah compliant business	19,318,038	18,583,488
Dividend earned from shariah compliant investments	18,800	-
Exchange gain earned	-	112,539
Profits earned or interest paid on any conventional loan / advance:		
Interest income on loans and advances to Maple Leaf Capital Limited - Subsidiary Company	-	5,269
Profit earned on deposits with banks	44,331	13,641
Interest paid on loans	539,699	345,294
Relationship with shariah compliant banks:		
Name	Relationship	
Al-Baraka Bank (Pakistan) Limited	Bank balance	
Bank Alfalah Limited	Bank balance	
Bank Islami Pakistan Limited	Bank balance	
MCB Islamic Bank Limited	Bank balance	
Meezan Bank Limited	Bank balance	
Askari Bank Limited	Bank balance	

17. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 22 February 2023.

18. NON-ADJUSTING EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors of Kohinoor Textile Mills Limited (the Company) in its meeting held on 06 February 2023, has accorded approval to the Company, subject to approval of shareholders by way of special resolution in the extraordinary general meeting to be held on 03 March 2023, in order to purchase/buy-back of its own shares through Pakistan Stock Exchange Limited upto a maximum of 30,000,000 (Thirty Million) constituting 10.023% of the issued ordinary shares of the face value of Rupees 10 each at the spot / current share price prevailing during the purchase period in cash and out of distributable profits of the Company for cancellation purpose under Section 88 of the Companies Act, 2017 read with the Listed Companies (Buy-Back of Shares) Regulations, 2019.

19. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the unconsolidated condensed interim statement of financial position and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

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

20. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless other wise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



KOHINOOR TEXTILE MILLS LIMITED

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS**

**FOR THE HALF YEAR ENDED
31 DECEMBER 2022**

DIRECTORS' REVIEW ON UN-AUDITED CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

The Directors are pleased to present the un-audited consolidated condensed interim financial statements of Kohinoor Textile Mills Limited (the Holding Company) and its Subsidiary Companies Maple Leaf Cement Factory Limited (57.43%), Maple Leaf Power Limited (57.43%) and Maple Leaf Capital Limited (82.92%) (Together referred to as Group) for the half year ended 31 December 2022.

GROUP RESULTS

The Group has earned gross profit of Rupees 13,020 million as compared to Rupees 11,622 million of corresponding period. The Group has earned pre-tax profit of Rupees 8,390 million this period as compared to Rupees 4,707 million during the previous period. The overall Group financial results are as follows:

	December 2022	December 2021
	(Rupees in million)	
Revenue	49,369	40,596
Gross profit	13,020	11,622
Profit from operations	10,146	5,876
Financial charges	1,756	1,169
Net profit after taxation	5,958	3,245
	----- (Rupees) -----	
Earnings per share - Basic and diluted	13.19	7.90

SUBSIDIARY COMPANIES

Maple Leaf Cement Factory Limited (MLCFL)

It has recorded an increase of 35.97% in its sales over previous period and has earned gross profit of 28.76% (31 Dec 2021: 25.83%) amounting to Rupees 8,641 million (31 Dec 2021: Rupees 5,709 million).

It has earned after tax profit of Rupees 3,556 million (31 Dec 2021: Rupees 2,404 million).

Maple Leaf Power Limited (MLPL)

MLPL has earned after tax profit of Rupees 777 million (31 Dec 2021: Rupees 408 million).

Maple Leaf Capital Limited (MLCL)

MLCL has earned after tax profit of Rupees 367 million as compared to after tax loss of Rupees 2,764 million during corresponding period last year.

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



Taufique Sayeed Saigol
Chief Executive Officer



Syed Mohsin Raza Naqvi
Director

Lahore
February 22, 2023

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
370,000,000 (30 June 2022: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2022: 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 2022: 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		4,060,380	4,070,446
Fair value reserve		2,978	2,978
		<u>5,049,435</u>	<u>5,059,501</u>
Revenue reserves			
General reserve		1,450,491	1,450,491
Unappropriated profit		33,185,809	29,263,044
		<u>34,636,300</u>	<u>30,713,535</u>
Equity attributable to equity holders of the Holding Company		42,678,699	38,766,000
Non-controlling interest		19,984,072	18,114,640
Total equity		<u>62,662,771</u>	<u>56,880,640</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	24,292,953	21,051,422
Deferred government grant		708,149	804,158
Long term liability against right of use assets		29,900	27,136
Long term deposits		8,214	8,214
Retirement benefits		249,491	235,329
Retention money payable		1,426,735	-
Deferred income tax liability		6,352,816	5,372,229
		<u>33,068,258</u>	<u>27,498,488</u>
CURRENT LIABILITIES			
Trade and other payables		14,010,663	12,367,040
Accrued mark-up		1,158,728	764,694
Short term borrowings		9,857,399	9,793,373
Current portion of non-current liabilities		4,512,874	4,302,719
Unclaimed dividend		59,732	60,203
Taxation - net		701,918	328,266
		<u>30,301,314</u>	<u>27,616,295</u>
Total liabilities		<u>63,369,572</u>	<u>55,114,783</u>
CONTINGENCIES AND COMMITMENTS	6	-	-
TOTAL EQUITY AND LIABILITIES		<u>126,032,343</u>	<u>111,995,423</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 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	80,925,775	71,468,745
Investment properties	8	-	1,824,360
Intangibles		8,666	10,415
Long term loans to employees		21,491	19,366
Long term investments		352,780	350,763
Long term deposits		112,374	112,073
		81,421,086	73,785,722
CURRENT ASSETS			
Stores, spare parts and loose tools		13,864,150	14,311,149
Stock -in- trade		12,885,979	8,609,732
Trade debts		7,401,017	6,480,200
Loans and advances		1,319,028	1,311,235
Security deposits and short term prepayments		599,424	592,411
Other receivables		1,395,776	1,063,074
Short term investments		5,901,469	4,680,242
Cash and bank balances		1,244,414	1,161,658
		44,611,257	38,209,701
TOTAL ASSETS		126,032,343	11,995,423


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS (Un-audited)**
For the half year ended 31 December 2022

Note	Half year ended		Quarter ended	
	December 2022	December 2021	December 2022	December 2021
..... (Rupees in thousand)				
Revenues	49,368,707	40,596,404	26,956,812	22,769,496
Cost of sales	(36,348,804)	(28,974,399)	(19,364,341)	(15,627,483)
Gross profit	13,019,903	11,622,005	7,592,471	7,142,013
Distribution cost	(1,523,452)	(1,482,160)	(770,411)	(749,012)
Administrative expenses	(1,331,736)	(866,705)	(632,002)	(439,384)
Other expenses	(837,043)	(3,652,338)	(937,500)	(1,482,012)
	(3,692,231)	(6,001,203)	(2,339,913)	(2,670,408)
	9,327,672	5,620,802	5,252,558	4,471,605
Other income	818,612	255,005	96,139	117,373
Profit from operations	10,146,284	5,875,807	5,348,697	4,588,978
Finance cost	(1,756,396)	(1,169,027)	(870,270)	(636,018)
Profit before taxation	8,389,888	4,706,780	4,478,427	3,952,960
Provision for taxation	(2,431,747)	(1,461,735)	(1,458,518)	(1,020,617)
Profit after taxation	5,958,141	3,245,045	3,019,909	2,932,343
Share of profit attributable to:				
Equity holders of Holding Company	3,946,581	2,364,083	1,811,505	2,196,305
Non controlling interest	2,011,560	880,962	1,208,404	736,038
	5,958,141	3,245,045	3,019,909	2,932,343
Earnings per share - basic and diluted (Rupees)	13.19	7.90	6.05	7.34

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 half year ended 31 December 2022

	Half year ended		Quarter ended	
	December 2022	December 2021	December 2022	December 2021
 (Rupees in thousand)			
Profit after taxation	5,958,141	3,245,045	3,019,909	2,932,343
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 For the period	5,958,141	3,245,045	3,019,909	2,932,343
Share of total comprehensive income attributable to:				
Equity holders of Holding Company	3,946,581	2,364,083	1,811,505	2,196,305
Non-controlling interest	2,011,560	880,962	1,208,404	736,038
	5,958,141	3,245,045	3,019,909	2,932,343

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

For the half year ended 31 December 2022

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY										Non- controlling interest	Total equity
	Reserves											
	Share capital	Capital reserves			Revenue reserves			Total reserves	Total	Non- controlling interest		
		Share premium	Surplus on revaluation of freehold land	Fair value reserve	Sub-total	General reserves	Unappropriated profit					
Sub-total												
Balance as at 30 June 2021 - audited	2,992,964	986,077	4,070,446	-	5,056,623	1,450,491	26,092,086	27,642,577	32,599,100	35,592,064	17,048,451	52,640,515
Transaction with owners:	-	-	-	-	-	-	-	-	-	-	-	-
- Final dividend for the year ended 30 June 2021 @ Rupee 1.00 per share	-	-	-	-	-	-	(299,296)	(299,296)	(299,296)	(299,296)	-	(299,296)
Profit for the period	-	-	-	-	-	-	2,364,083	2,364,083	2,364,083	2,364,083	880,962	3,245,045
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	2,364,083	2,364,083	2,364,083	2,364,083	880,962	3,245,045
Balance as at 31 December 2021 - (Un-audited)	2,992,964	986,077	4,070,446	-	5,056,623	1,450,491	28,156,873	29,607,364	34,663,887	37,656,851	17,929,413	55,586,264
Transactions with owners:	-	-	-	-	-	-	-	-	-	-	-	-
- Transaction with non-controlling interests @ Rupee 1.00 per share	-	-	-	-	-	-	(101,699)	(101,699)	(101,699)	(101,699)	(394,730)	(496,429)
Profit for the period	-	-	-	-	-	-	1,506,510	1,506,510	1,506,510	1,506,510	578,831	2,085,341
Other comprehensive income for the period	-	-	-	2,978	2,978	-	656	656	3,634	3,634	1,126	4,760
Total comprehensive income for the period	-	-	-	2,978	2,978	-	1,507,166	1,507,166	1,510,144	1,510,144	579,957	2,090,101
Balance as at 30 June 2022 - (Audited)	2,992,964	986,077	4,070,446	2,978	5,059,501	1,450,491	29,263,044	30,713,535	35,773,036	38,766,000	18,114,640	56,880,640
Transaction with owners:	-	-	-	-	-	-	-	-	-	-	-	-
- Transaction with non-controlling interests	-	-	-	-	-	-	(33,882)	(33,882)	(33,882)	(33,882)	(142,128)	(176,010)
- Surplus on revaluation of investment property	-	-	(10,066)	-	(10,066)	-	10,066	10,066	-	-	-	-
Profit for the period	-	-	-	-	-	-	3,946,581	3,946,581	3,946,581	3,946,581	2,011,560	5,958,141
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	3,946,581	3,946,581	3,946,581	3,946,581	2,011,560	5,958,141
Balance as at 31 December 2022 - (un-audited)	2,992,964	986,077	4,080,380	2,978	5,049,435	1,450,491	33,185,809	34,636,300	39,685,735	42,678,699	19,984,072	62,662,771

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 half year ended 31 December 2022

	Note	December 2022 (Rupees in thousand)	December 2021 (Rupees in thousand)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	10	7,264,528	1,279,859
Net increase in long term loans to employees		(2,125)	(4,001)
Net increase in long term deposits		(301)	(152)
Net increase / (decrease) in retention money		1,426,735	(391,694)
Gas Infrastructure Development Cess (GIDC) paid		-	(32,187)
Worker's welfare fund paid		(125,258)	(52,925)
Payment received from / (made to)			
Workers' profits participation fund		32,418	(172,341)
Employee benefits paid		(30,906)	(17,215)
Finance cost paid		(1,357,017)	(1,035,484)
Income tax paid		(1,077,508)	(819,377)
Net cash generated from / (used in) operating activities		6,130,566	(1,245,517)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(9,487,490)	(4,456,883)
Proceeds from disposal of property, plant and equipment		55,108	48,155
Long term investment made		(15,000)	(207)
Proceeds from disposal of long term investment		12,983	-
Interest received		69,672	20,759
Dividend received		81,326	-
Net cash used in investing activities		(9,283,401)	(4,388,176)
CASH FLOWS FROM FINANCING ACTIVITIES			
Transaction with non-controlling interests		(176,010)	-
Proceeds from long term financing		5,801,531	1,686,990
Repayment of long term financing		(2,450,007)	(991,498)
Lease rentals paid during the period		(3,478)	-
Short term borrowings - net		64,026	5,346,479
Dividend paid		(471)	(299,436)
Net cash from financing activities		3,235,591	5,742,535
NET INCREASE IN CASH AND CASH EQUIVALENTS		82,756	108,842
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		1,161,658	844,039
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		1,244,414	952,881

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 half year ended 31 December 2022

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 57.43% (30 June 2022: 56.12%) shares of Maple Leaf Cement Factory Limited, 82.92% (30 June 2022: 82.92%) shares of Maple Leaf Capital Limited and 57.43% (30 June 2022: 56.12%) shares of Maple Leaf Power Limited.

1.2 Subsidiary Companies

1.2.1 Maple Leaf Cement factory Limited (MLCFL)

Maple Leaf Cement Factory Limited (“the Subsidiary Company”) 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. MLCFL is listed on Pakistan Stock Exchange Limited. The registered office of MLCFL is situated at 42-Lawrence Road, Lahore. MLCFL is engaged in production and sale of cement.

1.2.2 Maple Leaf Capital Limited (MLCL)

Maple Leaf Capital Limited (“the Subsidiary Company”) was incorporated in Pakistan on 25 April 2014 under the Companies Ordinance, 1984 (now the Companies Act, 2017) as a public company limited by shares. The registered office of MLCL is situated at 42-Lawrence Road, Lahore. The principal objects of MLCL are to buy, sell, hold or otherwise acquire or invest the capital in any sort of financial instruments and commodities.

1.2.3 Maple Leaf Power Limited (MLPL)

Maple Leaf Power Limited was incorporated in Pakistan on 15 October 2015 as a public company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017). It is subsidiary of MLCFL, which is subsidiary of the Holding company. MLPL has been established to set up and operate a 40-megawatt coal fired power generation plant at Iskanderabad, District Mianwali for generation of electricity. The registered office of MLPL is located at 42-Lawrence Road, Lahore. The principal object 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 from 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 2022. 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 2022.

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 2022.

	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
5. LONG TERM FINANCING - SECURED		
Balance at beginning of the period / year	24,532,580	17,548,049
Add : Obtained during the period / year	5,801,531	11,935,164
Less: discounting adjustments for recognition at fair value - deferred government grant	(1,121)	(952,948)
Add: unwinding of discount on liability	100,615	116,370
	30,433,605	28,646,635
Less: Repaid during the period / year	(2,450,007)	(4,114,055)
	27,983,598	24,532,580
Less: Current portion shown under current liabilities	(3,690,645)	(3,481,158)
	24,292,953	21,051,422

5.1 Long term financing include loans obtained under “SBP Temporary Economic Refinance Facility”. These loans have been measured at their fair value in accordance with IFRS 9 (Financial Instruments) using market rates. The difference between fair value of loans and loan proceeds have been recognised as deferred government grant as per requirements of IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance).

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 2022.

6.2 Commitments in respect of:

- (i) Letters of credit for capital expenditure amounting to Rupees 4,071.163 million (30 June 2022: Rupees 8,617.945 million).
- (ii) Letters of credit other than for capital expenditure amounting to Rupees 2,143.693 million (30 June 2022: Rupees 4,640.741 million).
- (iii) Future contracts - shares in respect of which the settlement is outstanding amounting to Rupees 965.839 million (30 June 2022: Rupees 491.136 million).

	Note	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets			
- Owned	7.1	56,307,273	53,959,084
- Leased	7.2	41,568	36,098
Capital work-in-progress	7.3	24,195,728	17,192,908
Major spare parts and stand-by equipments		381,206	280,655
		80,925,775	71,468,745
		80,925,775	71,468,745

	Note	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
7.1 OPERATING FIXED ASSETS - OWNED			
Net book value at the beginning of the period / year		53,959,084	52,462,922
Add : Cost of additions / transfers during the period / year		2,384,119	5,138,405
Add : Transferred from investment properties	8	1,824,360	-
	7.1.1	4,208,479	5,138,405
		58,167,563	57,601,327
Less : Book value of deletions during the period / year	7.1.2	34,860	57,030
		58,132,703	57,544,297
Less : Depreciation charged during the period / year		1,825,430	3,585,213
Net book value at the end of the period / year		56,307,273	53,959,084
7.1.1 Cost of additions / transfers			
Freehold land		1,799,335	-
Buildings		209,228	886,613
Plant and machinery		2,046,930	4,023,345
Service and other equipment		9,007	670
Computer and IT installations		4,360	9,265
Furniture and fixture		9,116	35,217
Office equipment		2,791	15,245
Quarry equipment		-	-
Vehicles		127,712	168,050
		4,208,479	5,138,405
7.1.2 Book value of deletions			
Buildings		-	3,147
Plant and machinery		23,830	34,603
Computer and IT installations		233	238
Furniture and fixture		-	451
Vehicles		10,797	18,591
		34,860	57,030
7.2 OPERATING FIXED ASSETS - LEASED			
Net book value at the beginning of the period / year		36,098	-
Add : Cost of additions during the period / year	7.2.1	10,006	44,021
		46,104	44,021
Less : Depreciation charged during the period / year		4,536	7,923
Net book value at the end of the period / year		41,568	36,098

	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
7.2.1 Cost of additions / transfers		
Land	-	29,001
Building	10,006	15,020
	<u>10,006</u>	<u>44,021</u>

7.2 Capital work-in-progress

	Civil works and buildings	Plant and machinery	Advances for capital expenditure	Total
----- Rupees in thousand -----				
At 30 June 2021	1,063,380	974,888	1,402,935	3,441,203
Add: Additions during the year	3,577,653	14,428,025	419,548	18,425,226
Less: Transferred to operating fixed assets during the year	(857,484)	(3,679,902)	(136,135)	(4,673,521)
At 30 June 2022	3,783,549	11,723,011	1,686,348	17,192,908
Add: Additions during the period	1,487,808	6,849,557	897,912	9,235,277
Less: Transferred to operating fixed assets during the period	(170,060)	(1,430,329)	(632,068)	(2,232,457)
At 31 December 2022	<u>5,101,297</u>	<u>17,142,239</u>	<u>1,952,192</u>	<u>24,195,728</u>

8. INVESTMENT PROPERTIES

Investment properties of the Holding Company comprising land and building situated at Rawalpindi and Lahore has been transferred to property, plant and equipment due to change in use. The fair value of investment properties have been determined by an independent valuer, Anderson Consulting (Private) Limited (Evaluators, Surveyors, Stock Inspectors, Architects & Engineers) at the date of transfer (i.e. 31 December 2022) on the basis of their professional assessment of the current prices in an active market for similar properties in the same location and condition.

	Un-audited			
	Half year ended December 2022	December 2021	Quarter ended December 2022	December 2021
----- (Rupees in thousand) -----				
9. REVENUE				
Revenue from contracts with customers:				
- Export sales	6,642,954	7,114,725	2,726,599	4,024,587
- Local sales	42,692,344	33,443,454	24,214,340	18,722,750
	<u>49,335,298</u>	<u>40,558,179</u>	<u>26,940,939</u>	<u>22,747,337</u>
Export rebate	33,409	38,225	15,873	22,159
	<u>49,368,707</u>	<u>40,596,404</u>	<u>26,956,812</u>	<u>22,769,496</u>
Local sales	54,942,485	44,341,509	31,176,625	24,729,507
Less: sales tax	(8,619,824)	(6,894,935)	(4,895,534)	(3,844,613)
Less: federal excise duty	(3,071,226)	(3,503,529)	(1,764,715)	(1,862,033)
Less: discount	(414,289)	(357,928)	(224,434)	(218,869)
Less: commission	(144,802)	(141,663)	(77,602)	(81,242)
	<u>42,692,344</u>	<u>33,443,454</u>	<u>24,214,340</u>	<u>18,722,750</u>

9.1 Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (Note 12).

	Spinning		Weaving		Processing and Home Textile		Cement		Group	
	Un-audited		Un-audited		Un-audited		Un-audited		Un-audited	
	Half year ended	December 2021	Half year ended	December 2021	Half year ended	December 2021	Half year ended	December 2021	Half year ended	December 2021
	December 2022	December 2021	December 2022	December 2021	December 2022	December 2021	December 2022	December 2021	December 2022	December 2021
----- RUPEES IN THOUSAND -----										
Primary geographical markets										
Europe	-	1,133,320	1,822,667	1,277,292	-	-	-	-	2,955,987	3,193,867
United States of America and Canada	-	-	2,293,192	2,874,364	-	-	-	-	2,293,192	2,874,364
Asia, Africa, Australia	-	102,921	480,041	413,373	810,813	477,220	-	-	1,393,775	1,046,494
Pakistan	10,805,087	10,190,957	157,604	127,644	29,239,856	21,535,696	-	-	42,692,344	33,443,454
Export rebate	-	-	33,409	38,225	-	-	-	-	33,409	38,225
	10,805,087	10,190,957	4,786,913	4,730,898	30,050,669	22,012,916	-	-	49,368,707	40,596,404
Major product / service lines										
Yarn	10,683,478	10,165,253	-	-	-	-	-	-	10,683,478	10,165,253
Greige fabric	-	-	3,726,038	3,661,633	-	-	-	-	3,726,038	3,661,633
Made-ups	-	-	4,421,260	4,411,381	-	-	-	-	4,421,260	4,411,381
Finished fabric	-	-	246,821	251,657	-	-	-	-	246,821	251,657
Processing income	-	-	72,494	11,032	-	-	-	-	72,494	11,032
Cement	121,609	25,704	12,929	18,603	30,050,669	22,012,916	-	-	30,050,669	22,012,916
Waste	-	-	33,409	38,225	-	-	-	-	33,409	38,225
Export rebate	-	-	-	-	-	-	-	-	-	-
	10,805,087	10,190,957	3,726,038	3,661,633	4,786,913	4,730,898	30,050,669	22,012,916	49,368,707	40,596,404
Revenue from contracts with customers	10,805,087	10,190,957	3,726,038	3,661,633	4,753,504	4,692,673	30,050,669	22,012,916	49,335,298	40,558,179
Export rebate	-	-	-	-	33,409	38,225	-	-	33,409	38,225
	10,805,087	10,190,957	3,726,038	3,661,633	4,786,913	4,730,898	30,050,669	22,012,916	49,368,707	40,596,404
Timing of revenue recognition										
Products transferred at a point in time	10,805,087	10,190,957	3,726,038	3,661,633	4,786,913	4,730,898	30,050,669	22,012,916	49,368,707	40,596,404
Products and services transferred over time	-	-	-	-	-	-	-	-	-	-
External revenue as reported	10,805,087	10,190,957	3,726,038	3,661,633	4,786,913	4,730,898	30,050,669	22,012,916	49,368,707	40,596,404

Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

	Un-audited Half year ended	
	December 2022	December 2021
	(Rupees in thousand)	
10. CASH GENERATED FROM OPERATIONS		
Profit before taxation	8,389,888	4,706,780
Adjustment for non-cash charges and other items		
Depreciation	1,825,430	1,740,789
Amortization of intangible assets	1,749	1,010
Finance cost	1,756,396	1,169,027
Retirement benefits	45,067	38,165
Allowance for expected credit losses	109,910	77,749
Other receivables written off	2,509	-
Gain on disposal of property, plant and equipment	(20,248)	(23,611)
Return on bank deposits	(69,672)	(27,106)
Dividend income	(81,326)	-
Gain on remeasurement of GIDC payable	-	(5,424)
Provision for Workers' profits participation fund	402,410	394,467
Provision for Workers' welfare fund	52,605	145,905
Working capital changes (Note 10.1)	(5,150,190)	(6,937,892)
	7,264,528	1,279,859
10.1 Working capital changes		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	446,999	(3,985,296)
Stock-in-trade	(4,276,247)	(3,712,263)
Trade debts	(1,030,727)	(1,512,770)
Loans and advances	(7,793)	(497,720)
Security deposits and short term prepayments	(7,013)	(404,053)
Other receivables	(335,211)	(149,698)
Short Term investment - net	(1,221,227)	2,113,372
	(6,431,219)	(8,148,428)
Increase in trade and other payables	1,281,029	1,210,536
	(5,150,190)	(6,937,892)

11. 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			
	Half year ended		Quarter ended	
	December 2022	December 2021	December 2022	December 2021
 (Rupees in thousand)			
i) Key management personnel				
Remuneration and other benefits	529,180	266,049	192,670	143,928
Post employment benefit plan				
Contribution to provident fund	171,236	141,509	90,775	74,291
Contribution to Gratuity fund	21,020	11,114	11,128	6,099
ii)	The Saim Family Trust, British Virgin Islands (BVI) through Mercury Management Inc., BVI and Hutton Properties Limited, BVI (related parties) holds 73,390,896 [24.52%] (30 June 2022: 73,390,896) and 55,256,992 [18.46%] (30 June 2022: 55,256,992) ordinary shares respectively of the Holding Company on which dividend amounting to Rupees Nil (30 June 2022: Rupees 146,781,792) and Rupees Nil (30 June 2022: Rupees 99,279,984) respectively was paid during the period.			
iii)	TRG Pakistan Limited is the associated company of the Holding Company due to common director ship. The Holding Company has not entered into any transaction with TRG Pakistan Limited during the period.			

13. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group classify its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 31 December 2022	Level 1	Level 2	Level 3	Total
---	---------	---------	---------	-------

----- (Rupees in thousand) -----

Recurring fair value measurements Financial assets

Financial assets at fair value through profit or loss	4,754,077	-	-	4,754,077
Total financial assets	4,754,077	-	-	4,754,077

Financial liability Unrealized loss on re-measurement of futures contracts - shares	44,346	-	-	44,346
Total financial liabilities	44,346	-	-	44,346

Recurring fair value measurements At 30 June 2022	Level 1	Level 2	Level 3	Total
---	---------	---------	---------	-------

----- (Rupees in thousand) -----

Recurring fair value measurements Financial assets

Financial assets at fair value through profit or loss	4,096,150	-	-	4,096,150
Total financial assets	4,096,150	-	-	4,096,150

Financial liabilities

Unrealized loss on re-measurement of futures contracts - shares	4,386	-	-	4,386
Total financial liabilities	4,386	-	-	4,386

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further, there was no transfer in and out of level 3 measurements.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

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

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

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices.

14. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

Fair value hierarchy

Judgments and estimates are made in determining the fair value of non-financial assets that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets into the following three levels.

At 31 December 2022	Level 1	Level 2	Level 3	Total
----- (Rupees in thousand) -----				
Freehold land	-	4,567,622	1,192,037	5,759,659
Total non-financial assets	-	4,567,622	1,192,037	5,759,659

At 30 June 2022	Level 1	Level 2	Level 3	Total
----- (Rupees in thousand) -----				
Investment properties - land and building	-	1,824,360	-	1,824,360
Freehold land	-	2,768,287	1,192,037	3,960,324
Total non-financial assets	-	4,592,647	1,192,037	5,784,684

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further, there was no transfer in and out of level 3 measurements.

Valuation techniques used to determine level 2 fair values

The Group obtains independent valuations for its investment properties and freehold land (classified as property, plant and equipment) at least annually. At the end of each reporting period, the management updates the assessment of the fair value of each property, taking into account the most recent independent valuations. The management determines a property's value within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building.

Valuation processes

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties and freehold land at the end of every financial year. As at 31 December 2022, the fair values of the investment properties and freehold land of the Holding Company have been determined by Anderson Consulting (Private) Limited (an approved valuer). MLCFL's freehold land was revalued by Arif Evaluators, an independent valuer approved by Pakistan Banks' Association (PBA) in "any amount" category, at 30 June 2020.

Changes in fair values are analyzed at each reporting date during the annual valuation discussion between the Chief Financial Officer and the valuers. As part of this discussion the team presents a report that explains the reason for the fair value movements.

15. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Group for the year ended 30 June 2022.

	Un-audited 31 December 2022 (Rupees in thousand)	Audited 30 June 2022
16. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX		
Description		
Holding Company		
Loans / advances obtained as per Islamic mode:		
Contract liabilities	84,664	140,743
Shariah compliant bank deposits / bank balances:		
Bank balances	100,875	140,776
	Un-audited Half year ended December 2022 (Rupees in thousand)	December 2021
Profit earned from shariah compliant bank deposits / bank balances	5,311	1,295
Revenue earned from shariah compliant business	19,318,038	18,583,488
Dividend earned from shariah compliant investments	18,800	-
Exchange gain earned	-	112,539
Profits earned or interest paid on any conventional loan / advance:		
Interest income on loans and advances to Maple Leaf Capital Limited - Subsidiary Company	-	5,269
Profit earned on deposits with banks	44,331	13,641
Interest paid on loans	539,699	345,294
Relationship with shariah compliant banks:		
Name	Relationship	
Al-Baraka Bank (Pakistan) Limited	Bank balance	
Bank Alfalah Limited	Bank balance	
Bank Islami Pakistan Limited	Bank balance	
MCB Islamic Bank Limited	Bank balance	
Meezan Bank Limited	Bank balance	
Askari Bank Limited	Bank balance	

Description	Un-audited	Audited
	31 December 2022 (Rupees in thousand)	30 June 2022 (Rupees in thousand)
Subsidiary company (MLCFL)		
Loans / advances obtained as per Islamic mode:		
Loans	2,983,228	2,494,425
Contract liabilities	327,069	345,495
Shariah compliant bank deposits / bank balances		
Bank balances	34,163	28,980
	Un-audited Half year ended	
	December	December
	2022	2021
	(Rupees in thousand)	
Profit earned from shariah compliant bank deposits / bank balances	51	228
Revenue earned from shariah compliant business	30,051,369	22,101,091
Mark-up paid on islamic mode of financing	101,940	52,402
Profits earned or interest paid on any conventional loan / advance		
Profit earned on deposits with banks	19,083	11,333
Interest paid on loans	1,050,212	620,752
Relationship with shariah compliant banks:		
Name	Relationship	
MCB Islamic Bank Limited	Bank balance and financing	
Faysal Bank Limited	Bank balance and financing	
Bank Alfalah Limited	Bank balance	
Bank Islami Pakistan Limited	Bank balance	
Dubai Islamic Bank Pakistan Limited	Bank balance	
Al-Baraka Bank (Pakistan) Limited	Bank balance	

Description	Un-audited Half year ended	
	December 2022	December 2021
	(Rupees in thousand)	
Subsidiary company (MLPL)		
Profits earned or interest paid on any conventional loan / advance		
Profit earned on deposits with banks	448	609
Interest paid on loans	-	8,603

Description	Un-audited 31 December 2022	Audited 30 June 2022
		(Rupees in thousand)

Subsidiary company (MLCL)		
Shariah compliant bank deposits / bank balances		
Bank balances	225,747	30,382

Description	Un-audited Half year ended	
	December 2022	December 2021
	(Rupees in thousand)	

Profit earned from shariah compliant bank deposits / bank balances	1,713	1,940
Gain / (loss) or dividend earned from shariah compliant investments		
Realized gain on disposal of quoted shares - net	21,053	30,077
Realized gain on redemption of units of mutual funds - net	-	10
Realized (loss) / gain on future contracts - Stocks	81,941	(650,108)
Dividend income	62,526	644
Profits earned or interest paid on any conventional loan / advance		
Profit earned on deposits with banks	167	183
Interest paid on loans	85,275	88,333

Relationship with shariah compliant banks:

Name	Relationship
MCB Islamic Bank Limited	Bank balance

17. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors of the Holding Company and authorized for issue on 22 February 2023.

18. NON-ADJUSTING EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors of Kohinoor Textile Mills Limited (the Holding Company) in its meeting held on 06 February 2023, has accorded approval to the Holding Company, subject to approval of shareholders by way of special resolution in the extraordinary general meeting to be held on 03 March 2023, in order to purchase/buy-back of its own shares through Pakistan Stock Exchange Limited upto a maximum of 30,000,000 (Thirty Million) constituting 10.023% of the issued ordinary shares of the face value of Rupees 10 each at the spot / current share price prevailing during the purchase period in cash and out of distributable profits of the Holding Company for cancellation purpose under Section 88 of the Companies Act, 2017 read with the Listed Companies (Buy-Back of Shares) Regulations, 2019.

19. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 “Interim Financial Reporting”, the consolidated condensed interim statement of financial position and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

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

20. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless other wise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



Kohinoor Textile Mills Limited

A Kohinoor Maple Leaf Group Company

42-Lawrence Road,
Lahore, Pakistan