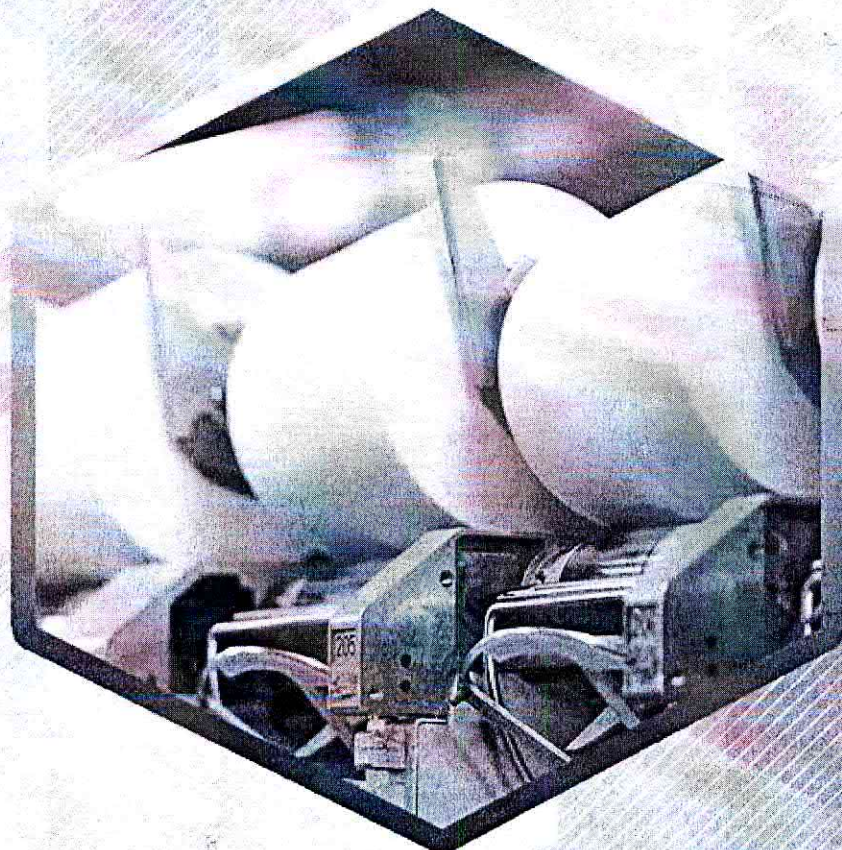


# QUARTERLY REPORT

UN-AUDITED  
1st Quarter Ended  
September 30, 2022



Kohinoor Spinning Mills Limited



## COMPANY INFORMATION

### BOARD OF DIRECTOR

Khawaja Mohammad Jahangir	(Chairman)
Mohammad Naveed	(Chief Executive)
Khawaja Mohammad Tanveer	(Director)
Khawaja Mohammad Kaleem	(Director)
Mohammad Hamza Yousaf	(Director)
Aqsa Jahangir	(Director)
Faisal Qaiyum	(Independent Director)
Fiza Farhan	(Independent Director)

### AUDIT COMMITTEE

Faisal Qaiyum	(Chairman)
Khawaja Mohammad Kaleem	(Member)
Aqsa Jahangir	(Member)

### HR & REMUNERATION COMMITTEE

Faisal Qaiyum	(Chairman)
Khawaja Mohammad Jahangir	(Member)
Khawaja Mohammad Kaleem	(Member)

### CORPORATE SECRETARY

Hasan Ahmad Khan	ACA
------------------	-----

### CHIEF FINANCIAL OFFICER

Mr. Muhammad Saeed Zafar	M.B.A
--------------------------	-------

### BANKERS

Habib Metro Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Allied Bank of Pakistan  
Meezan Bank Limited  
Askari Bank Limited  
Saudi Pak Industrial and Agricultural Investment Company

### AUDITOR

Nasir Javaid Maqsood Imran  
Chartered Accountants  
Office # 17, 2nd Floor, Hill View Plaza,  
Above Fresco Sweets, Blue Area,,  
Islamabad, Pakistan.

### CORPORATE & REGISTERED OFFICE

7/1-E-3 Main Boulevard Gulberg III, Lahore  
Tel : (042) 35717510  
Fax : (042) 35755760

### SHARE REGISTRARS

Corplink (Pvt) Limited  
Wings Arcade, 1-K, Commercial,  
Model Town, Lahore  
Tel : (042) 35839182  
Fax : (042) 35869037

### MILLS

#### Unit I & II

Aminabad, Chakwal  
Tel : (0543) 644254 - 644281

#### Unit III

Yousaf Nagar, Bhoun Road,  
Chakwal.  
Tel: (0543)452070-71



## DIRECTORS' REPORT

On behalf of the Directors of Kohinoor Spinning Mills Limited, it is our pleasure to present three months accounts for the period ended 30<sup>th</sup> September 2022.

Your Company has incurred a net loss of Rs.123 million as compared to a net loss of Rs. 74 million for the corresponding period last year. The sales of the Company has reduced from Rs. 562 million to Rs. 102 million for the corresponding period last year. This drastic reduction in sales is due to factors like global recession, non-existent demand for fabric, recent flood, current political turmoil in the country etc. The directors of the Company have injected funds worth Rs. 171 M in the Company to run it smoothly in this quarter as well. This would build confidence among the shareholders and creditors of the Company.


Due to Russia-Ukraine war, food and energy inflation has increased many fold globally. In coming winter, this inflation is also expected to rise further. These two items (food and inflation) are most important needs of human kind. Thereafter lies the priority of clothing. As masses are coping to get these two items, they are spending less on third one (clothing). We are not foreseeing any betterment in clothing demand till December 2022.


In our opinion, this is the worst crisis being faced by the textile industry in recent times with no recipe in sight. We can hope for the best in this scenario. If this crisis continues, it would be difficult for us to run our mills despite all out financial support from the directors.

One of the directors have once again requested that the amount borrowed by the Company from him should be returned to him due to his personal needs. However, remaining directors have requested him to drop this demand for the time being as the Company is still in crises.

In the end, we assure you that the management will continue its efforts to improve the overall performance of the Company through increased productivity, cost control and by devising optimal production strategies.

Lahore:  
29 October 2022

  
**Khawaja Mohammad Jahangir**  
(Chairman)

  
**Mohammad Naveed**  
(Chief Executive Officer)

## ڈائریکٹرز رپورٹ

کوہ نور سپنگ ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 ستمبر 2022 پر اختتام شدہ سہ ماہی کے حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

آپ کی کمپنی کو پچھلے سال کے بعد از ٹیکس 74 ملین روپے کے خسارے کے مقابلے میں اس سال 123 ملین بعد از ٹیکس خسارہ ہوا ہے۔ ہماری کمپنی کی فروخت 102 ملین روپے رہ گئی جو کہ پچھلے سال کی اسی مد کے لیے 562 ملین روپے تھی۔ فروخت میں یہ زبردست کمی عالمی کساد بازاری، فیبرک کی غیر موجود مانگ، حالیہ سیلاب، ملک میں موجودہ سیاسی بحران وغیرہ جیسے عوامل کی وجہ سے ہے۔ کمپنی کے ڈائریکٹرز نے روپے کے فنڈز لگائے ہیں۔ اس سہ ماہی میں بھی اسے آسانی سے چلانے کے لیے کمپنی میں 171 ملین روپے دیئے۔ اس سے کمپنی کے شیئر ہولڈرز اور قرض دہندگان میں اعتماد پیدا ہوگا۔

روس یوکرین جنگ کی وجہ سے عالمی سطح پر خوراک اور توانائی کی افراط زر میں کئی گنا اضافہ ہوا ہے۔ آنے والے موسم سرما میں اس مہنگائی میں مزید اضافے کا بھی خدشہ ہے۔ یہ دو ایشیا (خوراک اور افراط زر) نوع انسانی کی اہم ترین ضروریات ہیں۔ اس کے بعد ترجیح اور لباس ہے۔ چونکہ عوام ان دو اشیاء کو حاصل کرنے کے لئے مقابلہ کر رہے ہیں، وہ تیسرے (کپڑے) پر کم خرچ کر رہے ہیں۔ ہم دسمبر 2022 تک کپڑوں کی مانگ میں کسی بہتری کی پیش گوئی نہیں کر رہے ہیں۔

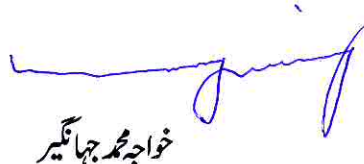
ہماری رائے میں، یہ حالیہ دنوں میں ٹیکسٹائل انڈسٹری کو درپیش بدترین بحران ہے جس کا کوئی نسخہ نظر نہیں آتا۔ ہم اس منظر نامے میں بہترین کی امید کر سکتے ہیں۔ اگر یہ بحران جاری رہا تو ڈائریکٹرز کی جانب سے ہر طرح کی مالی مدد کے باوجود ہمارے لیے ملوں کو چلانا مشکل ہو جائے گا۔

ڈائریکٹرز میں سے ایک نے ایک بار پھر درخواست کی ہے کہ کمپنی نے ان سے جو رقم ادھاری ہے وہ ان کی ذاتی ضروریات کے پیش نظر اسے واپس کر دی جائے۔ تاہم، بقیہ ڈائریکٹرز نے ان سے درخواست کی ہے کہ وہ اس وقت کے لیے اس مطالبے کو ترک کر دیں کیونکہ کمپنی ابھی تک بحران کا شکار ہے۔

آخر میں، ہم آپ کو یقین دلاتے ہیں کہ انتظامیہ پیداواری صلاحیت میں اضافہ، لاگت پر کنٹرول اور بہترین پیداواری حکمت عملی وضع کر کے کمپنی کی مجموعی کارکردگی کو بہتر بنانے کی اپنی کوششیں جاری رکھے گی۔

  
محمد نوید

(چیف ایگزیکٹو آفیسر)

  
خواجہ محمد جلالگیر

(تاریخ: 29 اکتوبر 2022 لاہور) (چیئرمین)

**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2022 (UN-AUDITED)**

	Un-Audited September 30, 2022 (Rupees)	Audited June 30, 2022 (Rupees)	Notes	Un-Audited September 30, 2022 (Rupees)	Audited June 30, 2022 (Rupees)
<b>EQUITY AND LIABILITIES</b>					
<b>Share Capital and Reserves</b>					
Authorised Capital 440,000,000 (June 30, 2022 - 440,000,000) ordinary shares of Rs.5 each	2,200,000,000	2,200,000,000			
Issued, subscribed and paid up capital 215,714,285 (June 30, 2020 - 215,714,285) ordinary shares of Rs.5 each	1,078,571,425 (2,718,920,985)	1,078,571,425 (2,606,110,373)	5	1,500,246,272	1,512,275,386
Reserves (1,640,349,560)	(1,640,349,560)	(1,527,538,948)		44,221,312	44,221,312
<b>NON-CURRENT LIABILITIES</b>					
Long term Loans	1,138,959,419	968,254,259		249,480	322,661
Deferred liabilities	43,269,787	48,292,487		1,544,717,064	1,556,819,359
	1,182,229,206	1,016,546,746 (170,705,160)			
<b>CURRENT LIABILITIES</b>					
Trade and other payables	991,256,569	1,044,696,307			
Accrued interest on loans and borrowings	471,877,939	471,877,939			
Short-term borrowings	1,463,142,972	1,463,142,972		15,589,412	17,241,452
Current portion of long term long	364,705,882	364,705,882		1,104,132,584	1,018,002,853
Supplier's credit	175,195,971	175,195,971		314,910,927	392,236,228
Un-claimed dividend	1,915,117	1,915,117		48,055,190	45,831,264
Provision for taxation	19,866,480	21,288,688		2,435,399	1,699,518
	3,487,960,930	3,542,822,876		1,485,123,512	1,475,011,315
	<b>3,029,840,576</b>	<b>3,031,830,674</b>		<b>3,029,840,576</b>	<b>3,031,830,674</b>

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

Lahore,  
October 29, 2022



**CHAIRMAN**



**CHIEF EXECUTIVE**



**CHIEF FINANCIAL OFFICER**



**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	Notes	Un-Audited September 30, 2022 (Rupees)	Un-Audited September 30, 2021 (Rupees)
SALES - NET		102,337,158	562,252,778
COST OF SALES		<u>(191,029,540)</u>	<u>(602,081,129)</u>
GROSS (LOSS)		(88,692,382)	(39,828,351)
<b>OPERATING EXPENSES</b>			
Distribution Cost		-	(33,605)
Administrative		<u>(28,174,322)</u>	<u>(23,379,897)</u>
		<u>(28,174,322)</u>	<u>(23,413,502)</u>
OPERATING (LOSS)		(116,866,704)	(63,241,853)
Financial cost		<u>(3,054,324)</u>	<u>(2,886,171)</u>
Other operating income		<u>8,462,811</u>	<u>-</u>
		<u>5,408,487</u>	<u>(2,886,171)</u>
(LOSS) BEFORE TAXATION		<u>(111,458,217)</u>	<u>(66,128,024)</u>
TAXATION		<u>(1,279,214)</u>	<u>(8,433,792)</u>
(LOSS) AFTER TAXATION		<u><u>(112,737,431)</u></u>	<u><u>(74,561,816)</u></u>
(LOSS) PER SHARE - BASIC & DILUTED		<u><u>(0.52)</u></u>	<u><u>(0.35)</u></u>

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

Lahore,  
October 29, 2022

CHAIRMAN

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFIC

**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	Un-Audited September 30, 2022 (Rupees)	Un-Audited September 30, 2021 (Rupees)
(Loss) after taxation	(112,737,431)	(74,561,815)
<b>Other Comprehensive income</b>		
Items that may be reclassified subsequently to profit and loss	-	-
Unrealized (loss)/gain due to change fair value of long term investment	(73,181)	(83,160)
Items that will not reclassified to profit and loss	-	-
<b>Total comprehensive (Loss)</b>	<b>(112,810,612)</b>	<b>(74,644,975)</b>

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

Lahore,  
October 29, 2022

  
\_\_\_\_\_  
CHAIRMAN

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

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

**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	Share Capital	Capital Reserves Share Premium	Revenue Reserves		Total
			Accumulated (Loss)	Fair Value Reserves	
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
<b>Balance as at July 01, 2021</b>	1,078,571,425	171,428,570	(2,341,717,971)	(552,589)	(1,092,270,565)
Loss for the period ended after taxation		-	(74,561,815)	-	(74,561,815)
Unrealized loss due to change in fair Value of long term investment	-	-	-	(83,160)	(83,160)
<b>Balance as on September 30, 2021</b>	<u>1,078,571,425</u>	<u>171,428,570</u>	<u>(2,416,279,786)</u>	<u>(635,749)</u>	<u>(1,166,915,540)</u>
<b>Balance as on July 01, 2022</b>	1,078,571,425	171,428,570	(2,776,861,604)	(677,339)	(1,527,538,948)
Loss for the period ended after taxation	-	-	(112,737,431)	-	(112,737,431)
Unrealised loss due to change in fair value of long term investment	-	-	-	(73,181)	(73,181)
<b>Balance as on September 30, 2022</b>	<u>1,078,571,425</u>	<u>171,428,570</u>	<u>(2,889,599,035)</u>	<u>(750,520)</u>	<u>(1,640,349,560)</u>

Lahore,  
October 29, 2022



CHAIRMAN



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

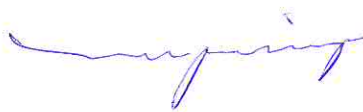


**KOHINOOR SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

	Un-Audited September 30, 2022 (Rupees)	Un-Audited September 30, 2021 (Rupees)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(111,458,217)	(66,128,024)
Adjustments of non cash charges and other items:		
Depreciation / amortization	19,564,925	20,713,563
Gratuity	3,107,700	3,222,900
Gain on sale of fixed assets	(8,462,811)	-
Financial cost	3,054,324	2,886,171
Operating (Loss) before working capital changes	(94,194,079)	(39,305,390)
(Increase)/decrease in current assets		
Stores and spares	1,652,040	8,910,327
Stock-in-trade	(86,129,731)	(13,167,056)
Trade debts	77,325,301	(42,020,077)
Loan & advances	1,266,874	(1,548,196)
Trade deposits, prepayments & other receivables	(3,490,800)	(3,272,875)
	(9,376,316)	(51,097,877)
Increase/decrease in current liabilities		
Trade and other payables	(53,439,738)	92,343,928
	(157,010,133)	1,940,661
Financial cost paid	(3,054,324)	(2,886,171)
Income tax paid	(2,701,422)	(8,393,604)
Gratuity paid	(8,130,400)	(6,110,935)
<b>Net cash used in operations</b>	(170,896,279)	(15,450,048)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, Plant & Equipment	(8,860,000)	(1,337,746)
Long term loans	170,705,160	20,264,000
Proceeds from disposal property, plant and equipment	9,787,000	-
<b>Net cash used in investing activities</b>	171,632,160	18,926,254
<b>NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS</b>	735,881	3,476,206
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	1,699,518	2,476,109
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	2,435,399	5,952,315

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

Lahore,  
October 29, 2022



CHAIRMAN



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

**KOHINOOR SPINNING MILLS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

**1. NATURE AND STATUS OF BUSINESS**

KOHINOOR SPINNING MILLS LIMITED was incorporated on 23rd July, 1970 as a public limited company in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is quoted on Pakistan stock exchange. The company is engaged in the business of textile spinning.

**Geographical Location of Head Office and business Units :**

Registered Office	7-E, 3/1, Main Boulevard, Gulberg III, Lahore.
Unit 01/02	Aminabad 8 Km Pindi Road, Chakwal
Unit 03	8 Km Bhaun Road, Chakwal

**2. BASIS OF PRESENTATION**

This interim condensed financial statement is unaudited and are being submitted to the shareholders as required under section 245 of the Companies Act 2017 and section 245 with section 237. These interim condensed financial statements has been prepared in accordance with the International Accounting Standard 34 (Interim Financial Reporting). In case where requirement differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements should be read in conjunction with the audited annual published Financial statements of the company for the year ended June 30, 2022.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2022.

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

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

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

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June 2022.

**4.2** The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2022.

<b>5. SHARE CAPITAL</b>	<b>September 30, 2022</b> <b>(Rupees)</b>	<b>June 30, 2022</b> <b>(Rupees)</b>
<b>Issued, subscribed and paid up</b>		
213,439,285 (June 30, 2021 -213,439,285) ordinary shares of Rupees 5/- each, issued for cash	<b>1,067,196,425</b>	1,067,196,425
2,275,000 (June 30, 2021 -2,275,000) ordinary shares of Rupees 5/- each, issued as bonus shares	<b>11,375,000</b>	11,375,000
	<b><u>1,078,571,425</u></b>	<b><u>1,078,571,425</u></b>

		Un-Audited September 30, 2022 (Rupees)	Audited June 30, 2022 (Rupees)
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>			
Opening writtendown value		1,512,275,386	1,594,114,680
Additions during the period	6.1	<u>8,860,000</u>	<u>90,900</u>
		<b>1,521,135,386</b>	<b>1,594,205,580</b>
Deletion during the period	6.2	<u>(11,095,724)</u>	<u>(69,900)</u>
		<b>1,510,039,662</b>	<b>1,594,135,680</b>
Depreciation charged during the period		(19,564,926)	(81,860,294)
Depreciation adjusted during the period		<u>9,771,535</u>	<u>-</u>
		<b><u>1,500,246,272</u></b>	<b><u>1,512,275,386</u></b>
<b>6.1 ADDITION DURING THE PERIOD</b>			
Vehicle		<u>8,860,000</u>	<u>90,900</u>
		<b><u>8,860,000</u></b>	<b><u>90,900</u></b>
<b>6.2 DELETION DURING THE PERIOD</b>			
Vehicle		<u>11,095,724</u>	<u>69,900</u>
		<b><u>11,095,724</u></b>	<b><u>69,900</u></b>
<b>7. TRANSACTION WITH RELATED PARTIES</b>			

The transactions between the company and related parties are at arm's length prices determined in accordance with comparable uncontrolled price method. The company during the period ending September 30, 2022 entered to following transactions with its related parties:

#### 8. AUTHORISATION FOR ISSUE

These condensed interim Financial statement have been authorised for issue on October 29, 2022 by the Board of Directors of the company.

#### 9. GENERAL

Figures have been rounded off to the nearest rupee.

Lahore,  
October 29, 2022

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER



**Book Post**  
**Printed Matter**

*If undelivered please return to:*

**Kohinoor Spinning Mills Limited**  
**Corporate & Shares Department**  
7/1-E-3, Main Boulevard, Gulberg III, Lahore.  
Tel: (042) 35757108 Fax: (042) 3575 5760