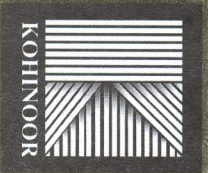
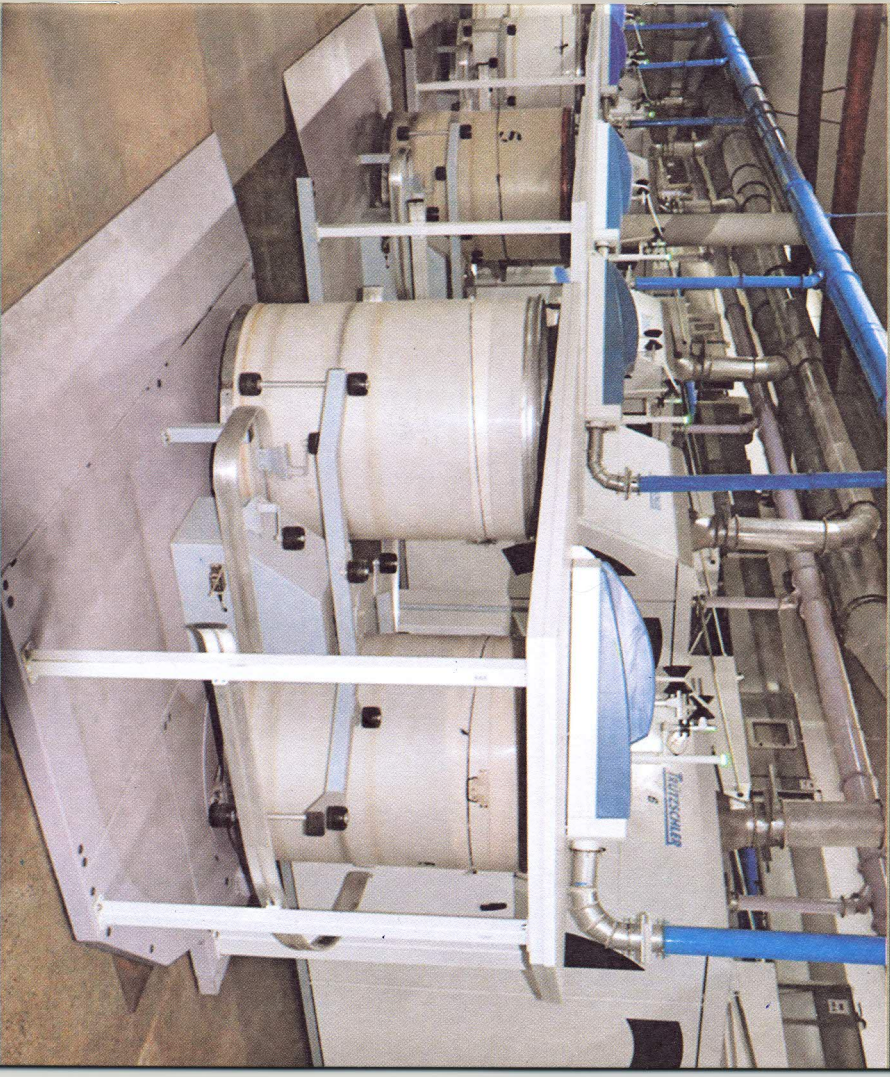


QUARTERLY REPORT
UN-AUDITED
For the 3rd Quarter Ended
March 31, 2015



Kohinoor
Spinning Mills Limited

COMPANY INFORMATION**BOARD OF DIRECTOR**

Mr. Mohammad Naveed	(Chief Executive)
Khawaja Mohammad Jawed	(Director)
Khawaja Mohammad Jahangir	(Director)
Khawaja Mohammad Tanveer	(Director)
Khawaja Mohammad Kaleem	(Director)
Khawaja Mohammad Nadeem	(Director)
Mr. Mohammad Hamza Yousef	(Director)
Mr. Mohammad Tariq Sufi	(Independent Director)

AUDIT COMMITTEE

Khawaja Mohammad Jahangir	(Chairman)
Khawaja Mohammad Kaleem	(Member)
Khawaja Mohammad Nadeem	(Member)

HR & REMUNERATION COMMITTEE

Khawaja Mohammad Kaleem	(Chairman)
Khawaja Mohammad Nadeem	(Member)
Mr. Mohammad Naveed	(Member)

CORPORATE SECRETARY

Mr. Muhammad Jahangir Khan
jahangir@ohakwalgroup.com.pk

CHIEF FINANCIAL OFFICER

Mr. Muhammad Saeed Zafar

M.B.A

BANKERS

Habib Metro Bank Limited
MCB Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
Allied Bank of Pakistan
Meezan Bank Limited
Askari Bank Limited

AUDITOR

Aslam Malik & Co.
Chartered Accountants
Suite # 18-19, 1st Floor,
Central Plaza, Civic Centre,
New Garden Town, Lahore, Pakistan

CORPORATE & REGISTERED OFFICE

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

SHARE REGISTRARS

Corp link (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 Kobinoor Spinning Mills Limited, it is my pleasure to present nine months accounts for the period ended 31st March 2015.

Your Company has incurred a net loss of Rs. 104 million as compared to a net profit of Rs. 91 million for the corresponding period last year. This drastic change in results is mainly attributed to the carrying forward of costly opening inventory, overall depressed sentiments of yarn market, and depreciation of US Dollar against Pak Rupee.

The fluctuation in raw material prices remained our top priority concern as raw material cost constitutes 60 to 65 percent of our total cost. After raw material management, fuel and power availability have now become our most serious concern. The availability of WAPDA supplied electricity is erratic. During this period, we got electricity between 14 hours per day to 24 hours per day. These days, we are getting electricity from WAPDA on 16 hours basis. Gas supply is another conflicting matter between industry and Government. As per agreement with Sui Northern Gas Pipelines Limited (SNGPL), our captive power plant is entitled to 09-months per annum gas supply. However, this commitment is not being fulfilled by SNGPL. To mitigate the losses due to power shut down, we are using diesel run generators in our unit-3. With better fuel and power supplies, our spinning industry has the potential to earn precious foreign exchange for the country.

Due to inefficient and unfriendly socio-economic environment, the cost of operating business in Pakistan is considerably high. Consequently, Pakistani businesses are at a comparative disadvantage in respect of operating costs as compared to their competitors in the region. The future outlook of spinning industry seems hanging in balance depending on many factors like rational electricity and gas rates, continuous power supply and consistent monetary policy by State Bank of Pakistan (SBP).

In the end, I 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.

For and on behalf of the Board

Lahore
April 30, 2015

MOHAMMAD NAVEED
(Chief Executive Officer)

CONDENSED INTERIM BALANCE SHEET

	Notes	Un-Audited March 31, 2015 (Rupees)	Audited June 30, 2014 (Rupees)
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital		650,000,000	650,000,000
130,000,000 (June 30, 2014 - 130,000,000) ordinary shares of Rs.5 each			
Issued, subscribed and paid up capital		650,000,000	650,000,000
130,000,000 (June 30, 2014 - 130,000,000) ordinary shares of Rs.5 each	5	378,064,287	488,020,366
Accumulated profit		1,028,064,287	1,138,020,366
Sub-ordinated loan from directors		700,000,000	700,000,000
NON-CURRENT LIABILITIES			
Long term loans		350,000,000	-
Liabilities against assets subject to finance lease		18,068,038	36,792,879
Supplier's credit		51,838,869	119,363,604
Deferred liabilities for gratuity		118,877,828	98,355,936
		538,784,735	254,512,419
CURRENT LIABILITIES			
Trade and other payables		458,303,446	469,415,415
Accrued interest on loans and borrowings		41,739,085	50,828,993
Short-term borrowings		1,486,134,044	1,572,548,727
Current portion of non current liabilities		127,485,284	184,869,367
Provision for taxation		16,854,383	11,313,375
		2,130,516,242	2,288,975,877
CONTINGENCIES AND COMMITMENTS			
	6	4,397,365,264	4,381,508,661

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

Lahore:
April 30, 2015

(Mohammad Naveed)
Chief Executive

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AS AT MARCH 31, 2015 (UN-AUDITED)

	Notes	Un-Audited March 31, 2015 (Rupees)	Audited June 30, 2014 (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	2,022,510,389	1,979,823,212
CURRENT ASSETS			
Long term loans		20,974,979	15,863,190
Long term deposits		10,561,342	10,561,342
Long term investments	8	695,217	790,019
		32,231,538	27,214,551
CURRENT ASSETS			
Stores and spares		86,667,656	104,229,569
Stock-in-trade		1,751,914,631	1,772,659,213
Trade debts	9	396,053,882	379,248,864
Loans and advances		47,766,316	60,623,579
Trade deposits, short term prepayments and other receivables		46,796,816	46,799,590
Cash and bank balances		13,424,036	10,910,082
		2,342,623,337	2,374,470,898
CONTINGENCIES AND COMMITMENTS			
		4,397,365,264	4,381,508,661

(Khawaja Mohammad Jahangir)
Director

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CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

Notes	Period Ended		Quarter Ended	
	March 31, 2015 (Rupees)	March 31, 2014 (Rupees)	March 31, 2015 (Rupees)	March 31, 2014 (Rupees)
SALES - NET	4,526,857,506	5,191,915,501	1,486,119,551	1,779,084,275
COST OF SALES	10 (4,203,950,846)	(4,625,082,163)	(1,387,074,080)	(1,628,092,805)
GROSS PROFIT	322,906,660	566,833,338	99,045,471	150,991,470
OPERATING EXPENSES				
Distribution Cost	(116,890,619)	(116,335,912)	(34,533,118)	(35,340,377)
Administrative	(85,862,988)	(110,158,924)	(28,036,830)	(39,376,835)
	(202,753,607)	(226,494,836)	(62,569,948)	(74,717,212)
OPERATING PROFIT	120,153,053	340,338,502	36,475,523	76,274,258
Financial cost	(206,000,766)	(190,291,667)	(74,964,880)	(47,630,589)
Other operating expense	27,386,473	(7,516,530)	-	(1,432,184)
Other operating Income	(178,614,293)	283,750	27,742	-
(LOSS)/PROFIT BEFORE TAXATION	(58,461,240)	(197,524,447)	(74,937,138)	(49,062,783)
	142,814,055	142,814,055	(38,461,615)	27,211,475
TAXATION	11 (45,268,575)	(51,919,155)	(14,861,195)	(17,790,843)
(LOSS)/PROFIT AFTER TAXATION	(103,729,815)	90,894,900	(53,322,810)	9,420,632
(LOSS)/EARNING PER SHARE - BASIC 12	(0.80)	0.70	(0.41)	0.07

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

Lahore: (Mohammad Naveed)
April 30, 2015 Chief Executive

(Khawaja Mohammad Jahangir)
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015

	3rd Quarter Ended		Quarter Ended	
	March 31, 2015 Un-Audited (Rupees)	March 31, 2014 Un-Audited (Rupees)	March 31, 2015 Un-Audited (Rupees)	March 31, 2014 Un-Audited (Rupees)
(Loss)/Profit after taxation	(103,729,815)	90,894,900	(53,322,810)	9,420,632
Other Comprehensive Income				
Items that may be reclassified subsequently to profit and loss	-	-	-	-
Unrealized (loss)/gain due to change in fair value of long term investment	(94,802)	(374,220)	121,414	266,112
Items that will not reclassified to profit and loss	-	-	-	-
Total comprehensive (Loss)/Income	(103,824,617)	90,520,680	(53,201,396)	9,686,744

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

Lahore: (Mohammad Naveed)
April 30, 2015 Chief Executive

(Khawaja Mohammad Jahangir)
Director

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**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015**

	Un-Audited March 31, 2015 (Rupees)	Un-Audited March 31, 2014 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES	(58,461,240)	142,814,055
(Loss)/Profit before taxation		
Adjustments of non cash charges and other items:		
Depreciation / amortization	75,344,123	67,520,811
Gratuity	32,452,098	25,688,261
Gain on sale of fixed assets	(1,180,903)	(283,750)
Financial cost	206,000,766	190,291,667
Operating profit before working capital changes	254,154,844	426,031,044
(Increase)/decrease in current assets		
Stores and spares	17,561,913	27,632,148
Stock-in-trade	20,744,582	(269,586,772)
Trade debts	(16,805,016)	(24,250,892)
Loan & advances	12,857,265	(12,805,121)
Trade deposits, prepayments & other receivables	2,772	19,124,234
	34,361,516	(259,886,403)
Increase/decrease in current liabilities		
Trade and other payables	(11,324,360)	(2,723,433)
	277,192,000	163,421,208
Financial cost paid	(215,090,674)	(183,408,082)
Income tax paid	(39,727,568)	(46,491,390)
Dividend paid	(5,919,071)	(2,530,031)
Gratuity paid	(11,930,205)	(14,452,136)
Net cash used in operations	4,524,482	(83,460,431)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant & Equipment	(118,470,397)	(107,317,798)
Long term loans	(5,111,789)	(197,143)
Proceeds from disposal property, plant and equipment	1,620,000	575,000
Net cash used in investing activities	(121,962,186)	(106,939,941)
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments)/proceeds from:		
Increase/Decrease in long term financing	400,000,000	(25,000,003)
Decrease/increase in finance lease liabilities	(26,549,223)	7,155,356
Decrease in supplier's credit	(167,084,436)	(70,385,457)
Decrease/increase in short term borrowings	(86,414,683)	279,119,351
Net cash generated from financing activities	119,951,658	190,889,247
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	2,513,954	488,875
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	10,910,082	9,584,765
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	13,424,036	10,073,640

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

Lahore:
April 30, 2015
(Mohammad Naveed)
Chief Executive

(Khawaja Mohammad Jahangir)
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015**

	Share Capital	Accumulated Profit	Total
(Rupees)	(Rupees)	(Rupees)	
Balance as at July 01, 2013	650,000,000	392,500,276	1,042,500,276
Profit for the period ended after taxation	-	90,894,900	90,894,900
Unrealized (loss) due to change in fair value of long term investment	-	(374,220)	(374,220)
Value of long term investment			
Balance as on March 31, 2014	650,000,000	483,020,956	1,133,020,956
Dividend for the year 2013-2014			
Unrealised (loss) due to change in fair value of long term investment			
Balance as on July 01, 2014	650,000,000	488,020,366	1,138,020,366
(Loss) for the period ended after taxation			
Dividend for the year 2013-2014			
Unrealised (loss) due to change in fair value of long term investment			
Balance as on March 31, 2015	650,000,000	378,064,287	1,028,064,287

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

Lahore:
April 30, 2015
(Mohammad Naveed)
Chief Executive

(Khawaja Mohammad Jahangir)
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2015**

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 Ordinance, 1984 and is quoted on Karachi stock exchange. The registered office of the company is situated at 7/1, E/3, Main Boulevard Gulberg III, Lahore. The company is engaged in the business of textile spinning.

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 Ordinance, 1984. 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 Ordinance, 1984 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, 2014.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and 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, 2014. 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 2014.

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 2014.

5. SHARE CAPITAL

Issued, subscribed and paid up

	Un-Audited March 31, 2015 (Rupees)	Audited June 30, 2014 (Rupees)
127,725,000 (June 30, 2014 -127,725,000) ordinary shares of Rupees 5/- each, issued for cash	638,625,000	638,625,000
2,275,000 (June 30, 2014 -2,275,000) ordinary shares of Rupees 5/- each, issued as bonus shares	11,375,000	11,375,000
	650,000,000	650,000,000

6. COMMITMENTS

- (i) Letter of credits for import of raw material
- (ii) Letter of credits machinery & parts

	Notes	Un-Audited March 31, 2015 (Rupees)	Audited June 30, 2014 (Rupees)
(i)		38,690 Million	26,945 Million
(ii)		5,543 Million	1,461 Million

7. PROPERTY, PLANT AND EQUIPMENT

- Opening writedown value
- Additions during the period
- Transfer during the period
- Deletion/transfer during the period
- Depreciation charged during the period
- Eliminated on disposal

LEASED

	1,608,864,503	1,513,846,130
	118,470,397	224,840,680
	278,233,037	-
	2,005,567,937	1,738,686,810
	(1,522,954)	(45,926,433)
	2,004,044,983	1,692,760,377
	(70,114,358)	(83,895,874)
	1,083,857	-
	1,935,014,482	1,608,864,503

Opening writedown value

Additions/transfer during the period

Deletion/transfer during the period

Amortization charged during the period

CAPITAL WORK IN PROGRESS

- Plant and machinery
- Civil works

	92,725,673	52,472,554
	92,725,673	45,969,203
	92,725,673	98,441,757
	92,725,673	98,441,757
	(5,229,766)	(5,716,084)
	87,495,907	92,725,673

7.1 ADDITIONS DURING THE PERIOD

- Factory building on freehold land
- Plant and machinery
- Electric installation
- Office equipment
- Furniture and fixture
- Vehicles

	10,066,319	12,053,159
	106,162,403	205,346,246
	1,726,675	4,240,313
	359,100	659,962
	-	175,000
	155,900	2,366,000
	118,470,397	224,840,680

7.2 TRANSFER DURING THE PERIOD

- Factory building on freehold land
- Plant and machinery

	149,167,319	-
	129,065,718	-
	278,233,037	-

7.3 DELETION/TRANSFER DURING THE PERIOD

- Plant and machinery
- Vehicles

	-	44,815,403
	1,439,554	1,111,030
	1,439,554	45,926,433

	Un-Audited March 31, 2015 (Rupees)	Audited June 30, 2014 (Rupees)
8. LONG TERM INVESTMENTS		
Held as available for sale		
Others - Quoted		
KASB Modaraba (Former First Mehran Modaraba) 166,320 modaraba certificates of Rupees 10 each.	695,217	790,019
	<u>695,217</u>	<u>790,019</u>

	3rd Quarter Ended March 31, 2015	Quarter Ended March 31, 2014	Quarter Ended March 31, 2015	Quarter Ended March 31, 2014
9. STOCK-IN-TRADE				
Raw material	1,318,372,207	1,331,618,902	1,331,618,902	1,331,618,902
Work-in-process	131,861,085	125,987,330	125,987,330	125,987,330
Finished goods	295,284,120	311,423,510	311,423,510	311,423,510
Waste	6,397,219	3,629,471	3,629,471	3,629,471
	<u>1,751,914,631</u>	<u>1,772,659,213</u>	<u>1,772,659,213</u>	<u>1,772,659,213</u>

	3rd Quarter Ended March 31, 2015	Quarter Ended March 31, 2014	Quarter Ended March 31, 2015	Quarter Ended March 31, 2014
10. COST OF SALES				
Cost of goods manufactured	4,190,579,204	4,762,899,005	4,190,579,204	4,762,899,005
Opening stock of finished goods	315,052,981	216,047,220	315,052,981	216,047,220
Closing stock of finished goods	(301,681,339)	(353,864,062)	(301,681,339)	(353,864,062)
	<u>4,203,950,846</u>	<u>4,625,082,163</u>	<u>4,203,950,846</u>	<u>4,625,082,163</u>

	Un-Audited March 31, 2015 (Rupees)	Audited June 30, 2014 (Rupees)
11. TAXATION		
Opening balance	11,313,375	4,696,724
For the current period	45,268,576	16,719,342
Less: adjusted	56,581,951	21,416,066
Closing balance	<u>(39,727,568)</u>	<u>(12,939,933)</u>
	<u>16,854,383</u>	<u>8,476,133</u>

	Period Ended		Quarter Ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
12. (LOSS)/EARNING PER SHARE - Basic				
(Loss)/Profit after taxation	(103,729,815)	90,894,900	(53,322,810)	9,420,532
Weighted average number of ordinary shares	130,000,000	130,000,000	130,000,000	130,000,000
(Loss)/Earning per share - Basic	<u>(0.80)</u>	<u>0.70</u>	<u>(0.41)</u>	<u>0.07</u>

12.1 Diluted earning per share
There is no dilution effect on the basic earning per share of the company as the company has no such commitments.

13. TRANSACTION WITH RELATED PARTIES
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 March 31, 2015 entered to following transactions with its related parties:

	March 31, 2015 (Rupees)	March 31, 2014 (Rupees)
14. AUTHORISATION FOR ISSUE		
Sale of material and goods (Yousaf Weaving Mills Ltd.)	3,389,460	13,326,022
Sale of material and goods (Chakwal Spinning Mills Ltd.)	-	2,622,000

These condensed interim Financial statement have been authorised for issue on April 30, 2015 by the Board of Directors of the company.

15. GENERAL
Figures have been rounded off to the nearest rupee.

Lahore:
April 30, 2015
(Mohammad Naveed) Chief Executive
(Khawaja Mohammad Jahangir) Director

Book Post

Printed Matter

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Kohinoor Spinning Mills Limited

Corporate & Shares Department

7/1-E-3, Main Boulevard, Gulberg III, Lahore.

Tel: (042) 35757108 Fax: (042) 35755760