

Kohinoor Mills Limited



FIRST QUARTERLY REPORT
30 September 2017

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Rashid Ahmed	Chairman
Mr. Aamir Fayyaz Sheikh	Chief Executive
Mr. Asad Fayyaz Sheikh	Director
Mr. Ali Fayyaz Sheikh	Director
Mr. Riaz Ahmed	Director
Mr. Aamir Amin	Director (NIT Nominee)
Mr. Shahbaz Munir	Director

AUDIT COMMITTEE

Mr. Riaz Ahmed	Chairman
Mr. Rashid Ahmed	Member
Mr. Shahbaz Munir	Member
Mr. Ali Fayyaz Sheikh	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Rashid Ahmed	Chairman
Mr. Asad Fayyaz Sheikh	Member
Mr. Shahbaz Munir	Member

CHIEF FINANCIAL OFFICER

Mr. Kamran Shahid

HEAD OF INTERNAL AUDIT

Mr. Jamal Asif

LEGAL ADVISORS

- Raja Mohammad Akram & Co.,
Advocate & Legal Consultants,
Lahore.
- Malik Muhammad Ashraf Kumma
Advocate

COMPANY SECRETARY

Mr. Muhammad Rizwan Khan

AUDITORS

M/s. Riaz Ahmad & Co.,
Chartered Accountants

BANKERS

Allied Bank Limited
Al-Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited (formerly NIB Bank Limited)
National Bank of Pakistan
Silk Bank Limited
Standard Chartered Bank (Pakistan) Ltd
The Bank of Punjab
United Bank Limited

REGISTERED OFFICE & MILLS

8th K.M. Manga Raiwind Road,
District Kasur, Pakistan
UAN: (92-42) 111-941-941
Cell Lines: (92-333) 4998801-6
Land Line: (92-42) 36369340
Fax (92-42) 36369340 Ext: 444
Email: info@kohinoormills.com
Website : www.kohinoormills.com

SHARES REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd,
HM House, 7 Bank Square, Lahore.
Land Lines: (92-42) 37235081 & 82
Fax: (92-42) 37358817

OTHER CORPORATE INFORMATION

Kohinoor Mills Limited is registered in Pakistan with Securities and Exchange Commission of Pakistan. The registration number of the Company is 0017194

Kohinoor Mills Limited is listed on Pakistan Stock Exchange Limited as a Public Limited Company and its shares are traded under textile composite sector. Shares trading symbol is KML

The National Tax Number of the Company is 0658184-6

Financial statements are available on website of the Company i.e.,
www.kohinoormills.com



Financial Statements

For the quarter ended 30 September 2017

DIRECTORS' REPORT

The Directors of the Company are pleased to present the interim financial statements for the quarter ended 30 September 2017.

Operating & Financial Results

During the quarter ended 30 September 2017, your company earned a gross profit of Rs. 368 million on sales of Rs. 2,752 million compared to gross profit of Rs. 383 million on sales of Rs. 2,567 million for the corresponding period of previous financial year. During the period under review, your company recorded a net profit of Rs. 81 million (EPS: Rs. 1.60 per share), compared to net profit of Rs. 75 million (EPS: Rs. 1.48 per share) in the corresponding period.

Despite rising raw material prices, increasing competition from regional players and challenging demand situation in overseas markets and the resultant pressure on the profit margins, the Company was able to largely maintain its performance vis-a-vis last financial year.

Weaving Division

The increasing overseas competition has resulted in erosion in margins in this division, during the quarter under review.

In line with the management's BMR plans, 48 new high-speed state-of-the-art air jet looms were installed in this division, during the quarter under review. Erection is in process for the remaining 36 looms and they shall be operational in second quarter of the current financial year. This 60% additional production capacity will support growing export business and rising greige demand of the Company's dyeing division.

Dyeing Division

The overall dull demand in overseas market resulted in marginal decline in the performance of this division.

Under the management's BMR plan, erection of additional equipment, which would result in 20% increase in this division's production capacity, is underway and expected to be completed in third quarter of the current financial year. This will enable the company to better cater the demands of its customers and hence contribute to the overall performance of the Company.

Genertek Division

The recent rise in coal and HFO prices resulted in escalation in fuel and power costs and remains a cause of concern, going forward.

Future Prospects

Keeping in view the consistently declining textile exports over past few years, the government of Pakistan announced textile package for the industry during previous financial year. Whereas, the industry has welcomed this endeavour, the disbursement for the duty drawbacks and sales tax refunds under this package has been quite unsatisfactory. This coupled with uncertain political and security situation, has added to the woes of the industry.

Additionally, despite challenging macro-economic scenario emanating from increasing competition from regional players and sluggish overseas demand, the management has kept its resolve for performance improvement through better marketing by winning customer confidence, improved capacity utilization and better supply chain management to keep costs low. Further, the BMR programme undertaken to ensure maintaining the competitiveness of the Company is nearing fruition. The management remains hopeful for the better performance of the Company in the long run.

Acknowledgment

The board places on record its profound gratitude for its valued shareholders, banks, financial institutions and customers, whose cooperation, continued support and patronage have enabled the company to strive for constant improvement. During the period under review, relations between the management and employees remained cordial and we wish to place on record our appreciation for the dedication, perseverance and diligence of the employees of the company.

For and on behalf of the Board

Kasur:
26 October 2017


AAMIR FAYYAZ SHEIKH
Chief Executive


ALI FAYYAZ SHEIKH
Director

CONDENSED INTERIM BALANCE SHEET

AS AT 30 SEPTEMBER 2017

	Un-audited 30 September 2017 Rupees	Audited 30 June 2017 Rupees
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized share capital		
80,000,000 (30 June 2017: 80,000,000) ordinary shares of Rupees 10 each	800,000,000	800,000,000
30,000,000 (30 June 2017: 30,000,000) preference shares of Rupees 10 each	300,000,000	300,000,000
	1,100,000,000	1,100,000,000
Issued, subscribed and paid-up share capital		
50,911,011 (30 June 2017: 50,911,011) ordinary shares of Rupees 10 each	509,110,110	509,110,110
Reserves	597,439,754	511,178,774
Total equity	1,106,549,864	1,020,288,884
Surplus on revaluation of operating fixed assets - net of deferred income tax	1,056,126,257	1,061,413,426
LIABILITIES		
Non-current liabilities		
Long term financing - secured	5 745,013,841	566,531,348
Deferred liabilities	254,260,912	241,726,596
	999,274,753	808,257,944
Current liabilities		
Trade and other payables	979,173,088	947,933,906
Accrued mark-up	44,835,699	35,603,152
Sponsor's loan	272,000,000	272,000,000
Short term borrowings - secured	2,260,021,002	2,132,770,001
Current portion of long term financing	5 172,613,810	160,576,164
Provision for taxation	27,534,864	99,325,921
	3,756,178,463	3,648,209,144
Total Liabilities	4,755,453,216	4,456,467,088
Contingencies and commitments	6	
TOTAL EQUITY AND LIABILITIES	6,918,129,337	6,538,169,398

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


AAMIR FAYYAZ SHEIKH
 Chief Executive

	Note	Un-audited 30 September 2017 Rupees	Audited 30 June 2017 Rupees
ASSETS			
Non-current assets			
Fixed Assets	7	3,566,743,460	3,602,681,364
Investment properties		22,066,121	22,163,203
Long term investments		49,118,229	49,118,229
Long term security deposits		21,942,757	21,818,487
		<u>3,659,870,567</u>	<u>3,695,781,283</u>
Current assets			
Stores, spares and loose tools		368,963,014	404,107,841
Stock-in-trade		998,421,503	909,069,104
Trade debts		899,190,887	642,491,874
Advances		180,939,521	58,529,249
Trade deposits and short term prepayments		24,953,962	15,408,976
Other receivables		476,737,967	486,589,317
Sales tax recoverable		234,169,255	256,826,002
Cash and bank balances		74,882,661	69,365,752
		<u>3,258,258,770</u>	<u>2,842,388,115</u>
TOTAL ASSETS		<u><u>6,918,129,337</u></u>	<u><u>6,538,169,398</u></u>



KAMRAN SHAHID
Chief Financial Officer




ALI FAYYAZ SHEIKH
Director

**CONDENSED INTERIM
PROFIT AND LOSS ACCOUNT** (Un-audited)
FOR THE QUARTER ENDED 30 SEPTEMBER 2017

	Note	30 September 2017 Rupees	30 September 2016 Rupees
REVENUE		2,752,458,659	2,566,753,261
COST OF SALES	8	(2,384,041,926)	(2,183,521,161)
GROSS PROFIT		368,416,733	383,232,100
DISTRIBUTION COST		(119,437,962)	(123,749,409)
ADMINISTRATIVE EXPENSES		(63,363,958)	(68,131,779)
OTHER EXPENSES		(25,318,834)	(17,768,087)
		(208,120,754)	(209,649,275)
OTHER INCOME		160,295,979	173,582,825
		10,298,972	6,011,085
PROFIT FROM OPERATIONS		170,594,951	179,593,910
FINANCE COST		(62,086,460)	(79,146,428)
PROFIT BEFORE TAXATION		108,508,491	100,447,482
TAXATION		(27,217,454)	(25,321,891)
PROFIT AFTER TAXATION		81,291,037	75,125,591
EARNINGS PER SHARE - BASIC AND DILUTED		1.60	1.48

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


AAMIR FAYYAZ SHEIKH
Chief Executive


KAMRAN SHAHID
Chief Financial Officer



ALI FAYYAZ SHEIKH
Director

CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
 FOR THE QUARTER ENDED 30 SEPTEMBER 2017

	30 September 2017 Rupees	30 September 2016 Rupees
PROFIT AFTER TAXATION	81,291,037	75,125,591
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	81,291,037	75,125,591

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


 AAMIR FAYYAZ SHEIKH
 Chief Executive


 KAMRAN SHAHID
 Chief Financial Officer



 ALI FAYYAZ SHEIKH
 Director


CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2017

	30 September 2017 Rupees	30 September 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	108,508,491	100,447,482
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	46,514,009	50,987,547
Loss on sale of operating fixed assets	-	304,029
Impairment Loss on operation fixed assets	13,919,651	-
Depreciation on Investment property	97,082	-
Impairment loss on investment in subsidiary company	-	1,200,720
Adjustment due to impact of IAS - 39	10,039,941	28,111,971
Finance cost	52,046,519	51,034,457
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE ADJUSTMENT OF WORKING CAPITAL CHANGES	231,125,693	232,086,206
(Increase) / decrease in current assets		
Stores, spares and loose tools	35,144,826	37,701,361
Stock-in-trade	(89,352,399)	(109,069,681)
Trade debts	(256,699,013)	(341,059,046)
Advances	(122,410,272)	(5,585,733)
Trade deposits and short term prepayments	(9,544,986)	(7,130,003)
Other receivables	(64,659,185)	1,158,108
Sales tax recoverable	22,656,747	171,559,804
Increase / (decrease) in current liabilities		
Trade and other payables	31,239,183	5,696,885
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES	(453,625,099)	(246,728,305)
CASH USED IN OPERATIONS	(222,499,406)	(14,642,099)
Income tax paid	(24,815,202)	(14,485,267)
Long term security deposits paid	(124,270)	-
Finance cost paid	(30,279,656)	(34,876,640)
	(55,219,128)	(49,361,907)
NET CASH USED IN OPERATING ACTIVITIES	(277,718,534)	(64,004,006)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(24,495,756)	(11,828,397)
Proceeds from sale of operating fixed assets	-	1,730,307
NET CASH USED IN INVESTING ACTIVITIES	(24,495,756)	(10,098,090)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - net	180,480,198	(43,584,585)
Short term borrowings - net	127,251,001	129,195,035
NET CASH GENERATED FROM FINANCING ACTIVITIES	307,731,199	85,610,450
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,516,909	11,508,354
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	69,365,752	53,903,002
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	74,882,661	65,411,356

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


AAMIR FAYYAZ SHEIKH
Chief Executive


KAMRAN SHAHID
Chief Financial Officer


ALI FAYYAZ SHEIKH
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited) FOR THE QUARTER ENDED 30 SEPTEMBER 2017

	RESERVES							TOTAL EQUITY	
	CAPITAL RESERVES		REVENUE RESERVES			Total reserves			
	Share premium reserve	Fair value reserve	Sub-total	General reserve	Accumulated loss	Sub-total			
Balance as at 01 July 2016 - (audited)	509,110,110	213,406,310	39,523,592	252,929,902	1,058,027,640	(952,717,428)	105,310,212	368,240,114	867,350,224
Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax	-	-	-	-	-	5,220,388	-	5,220,388	-
Profit for the quarter ended 30 September 2016	-	-	-	-	-	75,125,591	-	75,125,591	-
Other comprehensive income for the quarter ended 30 September 2016	-	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended 30 September 2016	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2016 - (Un-audited)	509,110,110	213,406,310	39,523,592	252,929,902	1,058,027,640	(872,371,449)	185,656,191	438,586,093	947,686,203
Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax	-	-	-	-	-	15,705,688	-	15,705,688	-
Profit for the nine months ended 30 June 2017	-	-	-	-	-	58,889,690	-	58,889,690	-
Other comprehensive loss for the nine months ended 30 June 2017	-	-	(2,002,697)	(2,002,697)	-	-	-	(2,002,697)	-
Total comprehensive income for the nine months ended 30 June 2017	-	-	(2,002,697)	(2,002,697)	-	58,889,690	-	56,886,993	-
Balance as at 30 June 2017 - (audited)	509,110,110	213,406,310	37,520,895	250,927,205	1,058,027,640	(797,776,071)	260,251,569	511,178,774	1,020,288,884
Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax	-	-	-	-	-	4,969,943	-	4,969,943	-
Profit for the quarter ended 30 September 2017	-	-	-	-	-	81,291,037	-	81,291,037	-
Other comprehensive income for the quarter ended 30 September 2017	-	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended 30 September 2017	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2017 - (Un-audited)	509,110,110	213,406,310	37,520,895	250,927,205	1,058,027,640	(711,515,091)	346,512,549	597,439,754	1,106,549,864

Balance as at 01 July 2016 - (audited)

Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax

Profit for the quarter ended 30 September 2016
Other comprehensive income for the quarter ended 30 September 2016

Total comprehensive income for the quarter ended 30 September 2016

Balance as at 30 September 2016 - (Un-audited)
Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax

Profit for the nine months ended 30 June 2017
Other comprehensive loss for the nine months ended 30 June 2017
Total comprehensive income for the nine months ended 30 June 2017

Balance as at 30 June 2017 - (audited)

Transferred from surplus on revaluation of operating fixed assets in respect of incremental depreciation - net of deferred income tax


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

Balance as at 30 September 2017 - (Un-audited)

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


AAMIR FAYYAZ SHEIKH

Chief Executive


KAMRAN SHAHID

Chief Financial Officer


ALI FAYYAZ SHEIKH

Director

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Un-audited) FOR THE QUARTER ENDED 30 SEPTEMBER 2017

1. THE COMPANY AND ITS OPERATIONS

Kohinoor Mills Limited ("the Company") is a public limited company incorporated on 21 December 1987 in Pakistan under the Companies Ordinance, 1984 (Now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 8-K.M., Manga Raiwind Road, District Kasur. The Company is principally engaged in the business of textile manufacturing covering weaving, bleaching, dyeing, buying, selling and otherwise dealing in yarn, cloth and other goods and fabrics made from raw cotton and synthetic fiber and to generate, and supply electricity.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to shareholders as required by the Companies Act, 2017. This condensed interim financial information of the Company for the quarter ended 30 September 2017 has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the repealed Companies Ordinance, 1984 and Circular No. 17/2017 issued by The Institute of Chartered Accountants of Pakistan. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed. This condensed interim financial information should be read in conjunction with the audited annual published financial statements for the year ended 30 June 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2017.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2017.

	Un-audited 30 September 2017 Rupees	Audited 30 June 2017 Rupees
5. LONG TERM FINANCING -SECURED		
Financing from banking companies	917,627,651	727,107,512
Less: Current portion shown under current liabilities	172,613,810	160,576,164
	745,013,841	566,531,348

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no significant change in the status of contingencies as reported in the preceding audited annual published financial statements of the Company for the year ended 30 June 2017.

6.2 Commitments

- (i) Aggregate commitments for capital expenditures and revenue expenditures are amounting to Rupees 192.81 million and Rupees 105.04 million (30 June 2017: Rupees 223.947 million and Rupees 56.075 million) respectively.
- (ii) Post dated cheques issued to suppliers are amounting to Rupees 273.655 million (30 June 2017: Rupees 128.590 million).

	Un-audited 30 September 2017 Rupees	Audited 30 June 2017 Rupees
7. FIXED ASSETS		
Property, plant and equipment		
Operating fixed assets (Note 7.1)	3,325,687,622	3,384,933,889
Capital work-in-progress (Note 7.2)	241,055,838	217,747,475
	3,566,743,460	3,602,681,364
Intangible asset - computer software (Note 7.3)	-	-
	3,566,743,460	3,602,681,364
7.1 Operating fixed assets		
Opening net book value	3,384,933,889	3,585,296,846
Add: Cost of additions during the period / year (Note 7.1.1)	1,187,393	77,992,523
	3,386,121,282	3,663,289,369
Less: Book value of deletions during the period / year (Note 7.1.2)	-	28,910,068
Depreciation charged during the period / year	46,514,009	206,773,141
Impairment loss	13,919,651	42,672,271
	3,325,687,622	3,384,933,889
7.1.1 Cost of additions		
Residential Building	-	397,803
Factory Building	-	7,108,925
Plant and machinery	1,187,393	47,384,874
Electric installations	-	5,647,758
Furniture, fixtures and equipments	-	399,175
Computers	-	578,146
Motor Vehicles	-	16,475,842
	1,187,393	77,992,523

	Un-audited 30 September 2017 Rupees	Audited 30 June 2017 Rupees
7.1.2 Book value of deletions		
Plant and machinery	-	11,194,608
Furniture, fixtures and equipment	-	167,873
Motor Vehicles	-	17,547,587
	-	28,910,068
7.2 Capital work-in-progress		
Civil works	6,893,549	6,743,813
Plant and machinery	87,320,469	88,507,834
Advances for Capital expenditures	42,154,885	22,861,952
Stores held for capital expenditures	104,686,935	99,633,876
	241,055,838	217,747,475
7.3 Intangible asset - computer software has been fully amortized but still in the use of the Company.		
	Un-audited 30 September 2017 Rupees	Un-audited 30 September 2016 Rupees
8. COST OF SALES		
Raw material consumed	1,759,236,930	1,677,288,449
Chemicals consumed	199,820,473	202,769,835
Salaries, wages and other benefits	127,334,545	106,010,941
Employee's provident fund contributions	4,503,888	3,546,246
Cloth conversion and processing charges	6,655,573	20,462,632
Fuel, oil and power	208,623,198	180,373,672
Stores, spares and loose tools	49,015,486	42,092,863
Packing material	19,951,067	17,386,519
Repair and maintenance	17,390,281	7,279,041
Insurance	1,998,802	1,990,264
Other manufacturing expenses	12,036,041	13,703,616
Depreciation on operating fixed assets	43,749,234	47,253,051
	2,450,315,518	2,320,157,129
Work-in-process inventory		
Opening stock	185,313,571	136,625,320
Closing stock	(263,152,580)	(253,330,135)
	(77,839,009)	(116,704,815)
Cost of goods manufactured	2,372,476,509	2,203,452,314
Cost of yarn and cloth purchased for resale	6,156,708	1,227,947
	2,378,633,217	2,204,680,261
Finished goods inventory		
Opening stock	535,748,907	472,334,811
Closing stock	(530,340,198)	(493,493,911)
	5,408,709	(21,159,100)
	2,384,041,926	2,183,521,161

9. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary company, other related parties, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with related parties. Detail of transactions with related parties are as follows:

	Un-audited 30 September 2017 Rupees	Un-audited 30 September 2016 Rupees
Remuneration paid to Chief Executive Officer, Directors and Executives	21,310,416	16,281,690
Contribution to employees' provident fund trust	6,246,629	4,966,904

10. ANALYSIS BY SEGMENT (Un-audited)

10.1 Operating Segment

Quarter ended 30 September 2017

	Weaving Rupees	Dyeing Rupees	Power Generation Rupees	Total- Company Rupees
Total Sale	1,147,876,427	2,118,640,412	199,042,680	3,465,559,519
Intersegment Sale	(495,724,074)	(18,334,106)	(199,042,680)	(713,100,860)
External Sale	652,152,353	2,100,306,306	-	2,752,458,659
Profit from operation before taxation and unallocated income / expense	20,150,840	166,829,179	(1,365,206)	185,614,813
Other income and expense-Net				(15,019,862)
Profit from operations				170,594,951
Finance Cost				(62,086,460)
Taxation				(27,217,454)
Profit after taxation				81,291,037

Quarter ended 30 September 2016

Total Sale	971,882,998	1,940,820,261	176,207,954	3,088,911,213
Intersegment Sale	(327,680,971)	(18,269,027)	(176,207,954)	(522,157,952)
External Sale	644,202,027	1,922,551,234	-	2,566,753,261
Profit / (loss) before taxation and unallocated income / expense	18,245,562	175,177,386	(2,072,036)	191,350,912
Other income and expense-Net				(11,757,002)
Profit from operations				179,593,910
Finance Cost				(79,146,428)
Taxation				(25,321,891)
Profit after taxation				75,125,591

10.2 There is no material change in segment assets from amount disclosed in preceding audited annual published financial statements.

11. 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 2017.

12. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company has proposed a cash dividend for the year ended 30 June 2017 of Rupees 1.10 per share (2016: Nil) at their meeting held on 12 September 2017.

This will be payable upon approval by the company in its Annual General Meeting

13. AUTHORIZED FOR ISSUE

This condensed interim financial information was authorized for issue on 26 October 2017 by the Board of Directors of the Company.

14. CORRESPONDING FIGURES

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

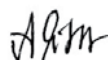
Corresponding figures have been rearranged / regrouped, wherever necessary, for the purpose of comparison. However, no significant rearrangements / groupings have been made in these financial statements.



AAMIR FAYYAZ SHEIKH
Chief Executive



KAMRAN SHAHID
Chief Financial Officer



ALI FAYYAZ SHEIKH
Director



Kohinoor Mills Limited

8-Kilometer, Manga Raiwind Road,
District Kasur, Pakistan