

# **KOHINOOR INDUSTRIES LIMITED**

**HALF YEAR REPORT (Un-audited)  
31-12-2024**

**BOARD OF DIRECTORS**

Mr. M. Naseem Saigol	Chairman
Mr. M. Zeid Yousuf Saigol	Chief Executive Officer
Mr. Muhammad Murad Saigol	
Mr. Muhammad Omer Farooq	
Mrs. Sadaf Kashif	
Mr. Muhammad Athar Rafiq	
Sheikh Aftab Ahmad	

**AUDIT COMMITTEE**

Mrs. Sadaf Kashif	Chairperson/Member
Mr. Muhammad Murad Saigol	Member
Mr. Muhammad Omer Farooq	Member

**HR & REMUNERATION COMMITTEE**

Mrs. Sadaf Kashif	Chairperson/Member
Mr. M. Naseem Saigol	Member
Mr. M. Zeid Yousuf Saigol	Member

**COMPANY SECRETARY**

Mr. Muhammad Islam

**CHIEF FINANCIAL OFFICER**

Mr. Zahoor Ahmed

**AUDITORS**

M/s Rahman Sarfaraz Rahim Iqbal Rafiq & Co.  
Chartered Accountants

**REGISTRATION NUMBER**

0000214

**NTN**

0452891-3

**WEBSITE**

[www.kil.com.pk](http://www.kil.com.pk)

**BANKERS**

Askari Bank Limited  
Bank Alfalah Limited  
Faysal Bank Limited  
Habib Bank Limited  
NIB Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited  
Allied Bank Limited

**REGISTERED OFFICE**

10-G, Mushtaq Ahmed Gurmani Road,  
Gulberg-II, Lahore  
Tel: 042-35920151-59 (Pabx) & 042-35920133 (Direct)  
E-mail: [shares@saigols.com](mailto:shares@saigols.com)

**WORKS**

Kohinoor Nagar, College Road,  
Madina Town, Faisalabad.  
Tel: 8540211-12 Fax: 8541444

**SHARE REGISTRAR**

M/s Corplink (Pvt.) Limited  
Wings Arcade, 1-K, Commercial,  
Model Town, Lahore  
Tel: 35916714-19, 35839182 Fax: 35869037  
E-mail: [shares@corplink.com.pk](mailto:shares@corplink.com.pk)

**DIRECTORS' REPORT**

The Directors' of the Company presented before the Shareholders their report along with Interim Financial Statements of the Company for the period ended December 31, 2024.

<b><u>Financial Highlights</u></b>	<b><u>Half Year Ended Dec 31, 2024</u></b>	<b><u>Half Year Ended Dec 31, 2023</u></b>
Rental Income	42.883	42.799
Operating Profit	40.908	35.167
Profit before Tax	40.090	35.719
Profit after Tax	32.961	29.148
Earning per Share	1.09	0.96

**OPERATING FINANCIAL RESULTS**

During the period under review, the Company continued renting its premises and earned a gross revenue of Rs. 42.883 million as compared to Rs. 42.799 million in the corresponding period last year. The Company earned operating profit of Rs. 40.908 million as compared to Rs. 35.167 million in corresponding period last year. The said increase is mainly due to increase in value of investment and reduction in Administrative and other expenses of the Company.

**FUTURE OUTLOOK**

The management is continuously evaluating viable business propositions, which may have positive impact on the Company's financials.

**COMPOSITION OF BOARD**

Composition of the Board of Directors is as under;

<b>TOTAL NUMBER OF DIRECTORS</b>	
Male	6
Female	1
<b>COMPOSITION</b>	
Independent Directors/ Female Director	Sheikh Aftab Ahmad
	Mrs. Sadaf Kashif
Non-Executive Directors	Mr. M. Naseem Saigol
	Mr. Muhammad Murad Saigol
	Mr. Muhammad Athar Rafiq
	Mr. Muhammad Omer Farooq
Executive Director	Mr. Muhammad Zeid Yousuf Saigol

**COMMITTEE'S**

Detail of Committee's of Board is as under.

**AUDIT COMMITTEE**

Mrs. Sadaf Kashif	Chairman/Member
Mr. Muhammad Omer Farooq	Member
Mr. Muhammad Murad Saigol	Member

**HR & REMUNERATION COMMITTEE**

Mrs. Sadaf Kashif	Chairman/Member
Mr. M. Naseem Saigol	Member
Mr. Muhammad Zeid Yousuf Saigol	Member

We wish to thank to the shareholders for their support. We are pleased to record our appreciation of the services rendered by the employees of the company and hope that the same spirit of devotion will continue in future.

For and on behalf of the Boards

Lahore  
February 28, 2025

  
**M. ZEID YOUSUF SAIGOL**  
Chief Executive

  
**M. MURAD SAIGOL**  
Director

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of KOHINOOR INDUSTRIES LIMITED  
Report on review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of KOHINOOR INDUSTRIES LIMITED [the Company] as at **31 December 2024** and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the 'interim financial statements'). Management is responsible for the preparation and presentation of these 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 interim financial statements based on our review. The figures for the three-month period ended **31 December 2024** of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income have not been reviewed as we are required to review only cumulative figures for the six-month period ended on that date.

### 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 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 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 **ALI RAZA JAFFERY**.

  
**RAHMAN SARFARAZ RAHIM IQBAL RAFIQ**  
Chartered Accountants

Lahore | 28 February 2025

UDIN: RR202410704XUjEIDzPt\*

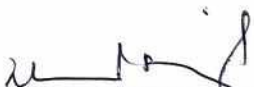


# KOHINOOR INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31-Dec-24 Rupees [Un-audited]	30-Jun-24 Rupees [Audited]
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<i>Authorized share capital</i>		400,000,000	400,000,000
Issued share capital		303,025,430	303,025,430
Share premium		187,394,755	187,394,755
Revaluation reserve		651,264,077	651,264,077
Accumulated losses		(430,827,230)	(463,788,415)
Loans from directors and other shareholders		353,682,503	353,682,503
<b>TOTAL EQUITY</b>		<b>1,064,539,535</b>	<b>1,031,578,350</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Employees retirement benefits		4,420,453	3,571,373
		4,420,453	3,571,373
<b>CURRENT LIABILITIES</b>			
Trade and other payables		32,799,436	36,815,676
Unclaimed dividend		2,230,400	2,239,099
Income tax payable		6,954,710	12,869,963
		41,984,546	51,924,738
<b>TOTAL LIABILITIES</b>		<b>46,404,999</b>	<b>55,496,111</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,110,944,534</b>	<b>1,087,074,461</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Chief Executive Officer  
RSRIR  
for identification only

# KOHINOOR INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31-Dec-24 Rupees [Un-audited]	30-Jun-24 Rupees [Audited]
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	7	4,776,643	5,218,852
Investment property	8	901,394,450	901,394,450
Long term investments	9	21,330,374	16,131,150
Long term deposits		166,376	166,376
Deferred taxation		860,520	860,520
		<b>928,528,363</b>	<b>923,771,348</b>
<b>CURRENT ASSETS</b>			
Lease rentals receivable		20,000	20,000
Advances, prepayments and other receivables		1,383,500	3,566,597
Short term investments		139,787,170	119,546,127
Advance income tax / income tax refundable		17,990,278	22,799,521
Cash and bank balances		23,235,223	17,370,868
		<b>182,416,171</b>	<b>163,303,113</b>
<b>TOTAL ASSETS</b>		<b>1,110,944,534</b>	<b>1,087,074,461</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements

  
\_\_\_\_\_  
Director

  
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Chief Financial Officer

  
\_\_\_\_\_  
Chief Executive Officer  
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# KOHINOOR INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

	Note	Six-month period ended		Three-month period ended	
		31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
		Rupees [Un-audited]	Rupees [Un-audited]	Rupees [Un-audited]	Rupees [Un-audited]
Rental income		42,883,620	42,799,092	21,441,810	21,399,547
Other income		17,473,258	17,831,161	7,622,125	12,861,650
Administrative expenses		(19,503,809)	(24,733,871)	(7,890,692)	(14,093,871)
Other expenses		-	(728,977)	-	(375,957)
		(19,503,809)	(25,462,848)	(7,890,692)	(14,469,828)
<b>Operating profit</b>		<b>40,853,069</b>	<b>35,167,405</b>	<b>21,173,243</b>	<b>19,791,369</b>
Finance costs		(4,926)	(6,775)	(4,121)	(3,640)
Share of profit of associate		60,596	559,241	19,463	663,023
<b>Profit before statutory levies and income taxes</b>		<b>40,908,739</b>	<b>35,719,871</b>	<b>21,188,585</b>	<b>20,450,752</b>
Provision for statutory levies	10	(817,950)	-	(423,548)	-
<b>Profit before income taxes</b>		<b>40,090,789</b>	<b>35,719,871</b>	<b>20,765,037</b>	<b>20,450,752</b>
Provision for income taxes	11	(7,129,604)	(6,571,498)	(4,151,956)	(2,094,616)
<b>Profit after income taxes</b>		<b>32,961,185</b>	<b>29,148,373</b>	<b>16,613,081</b>	<b>18,356,136</b>
<b>Basic earnings per share</b>		<b>1.09</b>	<b>0.96</b>	<b>0.55</b>	<b>0.61</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements

  
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Director

  
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Chief Financial Officer


  
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Chief Executive Officer  
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# KOHINOOR INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

	Six-month period ended		Three-month period ended	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	<i>Rupees</i> [Un-audited]	<i>Rupees</i> [Un-audited]	<i>Rupees</i> [Un-audited]	<i>Rupees</i> [Un-audited]
(Loss)/profit after income taxes	32,961,185	29,148,373	16,613,081	18,356,136
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>32,961,185</b>	<b>29,148,373</b>	<b>16,613,081</b>	<b>18,356,136</b>

*The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements*

  
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Director

  
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Chief Financial Officer

  
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Chief Executive Officer

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# KOHINOOR INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

	Share capital	Capital reserves			Loan from directors and sponsors	Accumulated losses	Total equity
	Issued share capital	Share Premium	Revaluation reserve	Total			
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 01 July 2023 - [Audited]	303,025,430	187,394,755	651,264,077	838,658,832	353,682,503	(502,458,226)	992,908,539
<b>Comprehensive income</b>							
Profit after income taxes	-	-	-	-	-	29,148,373	29,148,373
Other comprehensive income	-	-	-	-	-	-	-
	-	-	-	-	-	29,148,373	29,148,373
<b>Balance as at 31 December 2023 - [Un-audited]</b>	<b>303,025,430</b>	<b>187,394,755</b>	<b>651,264,077</b>	<b>838,658,832</b>	<b>353,682,503</b>	<b>(473,309,853)</b>	<b>1,022,056,912</b>
Balance as at 01 January 2024 - [Un-audited]	303,025,430	187,394,755	651,264,077	838,658,832	353,682,503	(473,309,853)	1,022,056,912
<b>Comprehensive income/(loss)</b>							
Profit after income taxes	-	-	-	-	-	9,571,732	9,571,732
Other comprehensive income/(loss)	-	-	-	-	-	(50,294)	(50,294)
	-	-	-	-	-	9,521,438	9,521,438
<b>Balance as at 30 June 2024 - [Audited]</b>	<b>303,025,430</b>	<b>187,394,755</b>	<b>651,264,077</b>	<b>838,658,832</b>	<b>353,682,503</b>	<b>(463,788,415)</b>	<b>1,031,578,350</b>
Balance as at 01 July 2024	303,025,430	187,394,755	651,264,077	838,658,832	353,682,503	(463,788,415)	1,031,578,350
<b>Comprehensive income/(loss)</b>							
Profit after income taxes	-	-	-	-	-	32,961,185	32,961,185
Other comprehensive income	-	-	-	-	-	-	-
	-	-	-	-	-	32,961,185	32,961,185
<b>Balance as at 31 December 2024 - [Un-audited]</b>	<b>303,025,430</b>	<b>187,394,755</b>	<b>651,264,077</b>	<b>838,658,832</b>	<b>353,682,503</b>	<b>(430,827,230)</b>	<b>1,064,539,535</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements

  
Director

  
Chief Financial Officer

  
Chief Executive Officer


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# KOHINOOR INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

	31-Dec-24 Rupees	31-Dec-23 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	40,090,789	35,719,871
Adjustments for non-cash and other items	(15,148,978)	(7,782,934)
<b>Profit before changes in working capital</b>	<b>24,941,811</b>	<b>27,936,937</b>
Changes in working capital	(4,174,240)	(964,809)
<b>Cash generated from operations</b>	<b>20,767,571</b>	<b>26,972,128</b>
Payments for:		
Levies and taxes under ITO,2001	(5,894,517)	(7,930,106)
Employees retirement benefits	-	(411,000)
<b>Net cash generated from operating activities</b>	<b>14,873,054</b>	<b>18,631,022</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of short term investments	(9,000,000)	-
Purchase of property and equipment	-	(90,179,801)
<b>Net cash used in investing activities</b>	<b>(9,000,000)</b>	<b>(90,179,801)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(8,699)	(9,072)
<b>Net cash used in financing activities</b>	<b>(8,699)</b>	<b>(9,072)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>5,864,355</b>	<b>(71,557,851)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>17,370,868</b>	<b>96,847,306</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>23,235,223</b>	<b>25,289,455</b>

*The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements*

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Chief Executive Officer

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# KOHINOOR INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

### 1 LEGAL STATUS AND OPERATIONS

Kohinoor Industries Limited ['the Company'] was incorporated in Pakistan as a Public Limited Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 17-Aziz Avenue, Canal Bank, Gulberg-V, Lahore. The Company was initially engaged in manufacture and sale of yarn, with the manufacturing facility located at Madina Town, Near Government Girls College, Faisalabad.

Board of Directors of the Company in its meeting held on 30 April 2008 decided to close down the business as due to increase in prices of raw material and other inputs without increase in yarn sales prices in the local and international market, the operations of the textile unit had become uneconomical and huge losses were expected to arise if the business was carried on.

Subsequently, the Company amended its memorandum of association to include in its objects, leasing out of its buildings under operating lease arrangements, as and when considered fit.

### 2 BASIS OF PREPARATION

These interim financial statements are un-audited and have been presented in condensed form and do not include all information as is required to be provided in a full set of annual financial statements. These interim financial statements should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024.

These interim financial statements have been subjected to limited scope review by auditors of the company, as required under section 237 of the Companies Act, 2017. The comparative condensed interim statement of financial position as at 30 June 2024 and the related notes to the interim financial statements are based on audited financial statements. The comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and related notes to the condensed interim financial statements for the six-month period ended 31 December 2023 are based on unaudited, reviewed interim financial statements. The condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended 31 December 2024 and 31 December 2023 are neither audited nor reviewed.

#### 2.1 Statement of compliance

These 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 comprises of:

International Accounting Standard 34 'Interim Financial Reporting' [IAS 34], issued by International Accounting Standards Board as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017

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

#### 2.2 Basis of measurement

These interim financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis as at the reporting date.

Items	Measurement basis
Financial liabilities	Amortized cost
Financial assets	Fair value/amortized cost
Investment property	Fair value
Employee retirement benefits	Present value

#### 2.3 Judgments, estimates and assumptions

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

#### 2.4 Functional currency

These interim financial statements have been prepared in Pak Rupees which is the Company's functional currency. The amounts reported in these interim financial statements have been rounded to the nearest Rupees unless specified otherwise.

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# KOHINOOR INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

### 2.5 Date of authorization for issue

These interim financial statements have been approved by the Board of Directors of the Company and authorized for issue on 28 February 2025.

### 3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE YEAR.

The following new and revised International Financial Reporting Standards [IFRS] and International Accounting Standards [IAS], interpretations and amendments to IFRS and IAS are effective in the current period but are either not relevant to the Company or their application does not have any material impact on the interim financial statements of the Company other than presentation and disclosures, except as stated otherwise.

#### 3.1 Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

#### 3.2 Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

#### 3.3 Non-current Liabilities with Covenants (Amendments to IAS 1)

The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

#### 3.4 Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

### 4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.

	Effective date (annual periods beginning on or after)
Lack of Exchangeability (Amendments to IAS 21)	01 January 2025
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	01 January 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	01 January 2026
IFRS 17 Insurance Contracts	01 January 2026
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial	01 July 2026
IFRS S2 Climate-related Disclosures	01 July 2026

Other than afore mentioned standards, interpretations and amendments, IASB has also issued the following standards which have not been notified by the Securities and Exchange Commission of Pakistan for adoption.

- IFRS 1 - First Time Adoption of International Financial Reporting Standards
- IFRS 18 Presentation and Disclosures in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Company intends to adopt these new standards on their effective dates, subject to notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will not have a material impact on the Company's interim financial statements other than in presentation/disclosures.

# KOHINOOR INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

### 5 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended 30 June 2024.

### 6 CONTINGENCIES AND COMMITMENTS

#### 6.1 Contingencies

6.1.1 Sales tax and other liabilities of Rs. 5.730 million (30-Jun-22: Rs. 5.730 million) are pending in appeals. The Company has filed reference application before the Honorable Lahore High Court, Lahore and other appellate forums. The subject reference is still pending before the Honorable Lahore High Court, Lahore.

6.1.2 Suit filed by United Investment Limited against the State and the Company for possession of land at Kala Shah Kaku, Tehsil Ferozewala, District Sheikhpura acquired by the State. However, no liability involving financial burden on the Company is expected to arise. Case is pending for hearing as confirmed by legal advisor.

6.1.3 Securities and Exchange Commission of Pakistan ['SECP'] filed a petition with the Honorable Lahore High Court, Lahore on the request of the shareholders against the improper management of operations of the Company. In response to this petition, The Lahore High Court issued a notice of hearing to the Company. The Company in this respect attended hearing and submitted its reply accordingly. The subject reference is still pending before the Honorable Lahore High Court, Lahore.

#### 6.2 Commitments

There are no known commitments as at the reporting date.

	31-Dec-24	30-Jun-24
	<i>Rupees</i>	<i>Rupees</i>
	[Un-audited]	[Audited]
<b>7 PROPERTY AND EQUIPMENT</b>		
Net book value at the beginning of the period/year	5,218,852	2,714,700
Addition during the period/year	-	2,969,000
Depreciation for the period/year	(442,209)	(464,848)
	<b>4,776,643</b>	<b>5,218,852</b>

### 8 INVESTMENT PROPERTY

This represents Company land and building transferred from property and equipment at fair value. The Company has leased out this investment property under operating lease arrangements. For basis of determination of fair value, refer to note 14.2.1.

8.1 Investment property of the Company is located at Collage Road, Madina Town Faisalabad with a total area of 96.5 Kanal (30-Jun-24: 96.5 Kanal).

### 9 LONG TERM INVESTMENTS

This represents investment in ordinary shares of Kohinoor Power Company Limited ['KPCL'], an associate. KPCL is a Public Limited Company incorporated in Pakistan under the repealed Companies Ordinance, 1984 and is listed on Pakistan Stock Exchange Limited. KPCL was formed with the objective of generation and sale of electric power. Subsequently, it amended its memorandum of association to change its principal activity to leasing out machinery and buildings under operating lease arrangements. The Boards of Directors of KPCL and Saritow Spinning Mills Limited ['SSML'], a related party of the Company, in their respective meetings have approved amalgamation of KPCL into SSML. The proposed amalgamation, once affected, will result in the Company holding ordinary shares in SSML in accordance with the swap ratio approved with scheme of amalgamation. Registered office of KPCL is situated in the province of Punjab at 17-Aziz Avenue, Canal Bank, Gulberg V, Lahore.

The investment has been accounted for by using equity method. Particulars of investment are as follows:

	31-Dec-24	30-Jun-24
Percentage of ownership interest	22.50%	22.50%

# KOHINOOR INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

	31-Dec-24 Rupees [Un-audited]	30-Jun-24 Rupees [Audited]
Cost of investment		
2,835,000 (30-Jun-24: 2,835,000) fully paid ordinary shares of Rs. 10 each	90,000,000	90,000,000
Share of post acquisition loss	(20,974,417)	(21,035,013)
Dividend income from investment in associate	(10,800,000)	(10,800,000)
	58,225,583	58,164,987
Accumulated impairment	(36,895,209)	(42,033,837)
	21,330,374	16,131,150
<b>9.1 Extracts of financial statements of associate</b>		
Non-current assets	75,169,677	77,204,037
Current assets	40,143,653	37,699,934
Non-current liabilities	-	-
Current liabilities	3,853,401	3,713,358
Rental Income	2,724,337	11,118,458
Profit/(Loss) for the year	269,316	(15,728,146)
Other comprehensive income	-	-
Break-up value per share	9	8.82
Share of gain and other adjustments to net assets	60,596	(3,538,833)
Market value per share	7.52	5.69
<b>9.1.1</b> This includes the following:		
Share of profit/(loss) for the year	60,596	(3,538,833)
Share of other comprehensive income for the year	-	-
	60,596	(3,538,833)
	<b>Six-month period ended</b>	
	<b>31-Dec-24</b>	<b>31-Dec-23</b>
	<b>Rupees</b>	<b>Rupees</b>
	<b>[Un-audited]</b>	<b>[Un-audited]</b>
<b>10 PROVISION FOR STATUTORY LEVIES</b>		
Workers' Welfare Fund	817,950	-
Levies under Income Tax Ordinance, 2001	-	-
	817,950	-
<b>10.1</b> Provision for levies under Income Tax Ordinance, 2001 [ITO 2001] has been made in accordance with the requirements of sections 5, 113,150 and 154 of ITO 2001.		
<b>11 PROVISION FOR INCOME TAXES</b>		
Current taxation		
for current year	7,129,604	6,571,498
for prior years	-	-
	7,129,604	6,571,498
Deferred taxation		
attributable to origination and reversal of temporary differences	-	-
attributable to changes in tax rates	-	-
	-	-
	7,129,604	6,571,498
<b>11.1</b> Provision for current tax has been made in accordance with the requirements of section 18 of the ITO 2001.		

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# KOHINOOR INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

### 12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise Associated Companies and Key Management Personnel. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company. The details of Company's related parties, with whom the Company had transactions during the year or has balances outstanding as at the reporting date are

The Company has lease agreements with associated companies which are priced as mutually agreed. Key management personnel do not draw any compensation from the Company. Transactions with key management personnel ['KMP'] and their close relatives are limited to provision of interest free temporary loans. The Company in the normal course of business obtains advertising services from associated companies and continues to have a policy whereby such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction. Details of transactions and balances with related parties is as follows:

		Six-month period ended	
		31-Dec-24	31-Dec-23
		Rupees [Un-audited]	Rupees [Un-audited]
<b>12.1 Transactions with related parties</b>			
<b>Nature of relationship</b>	<b>Nature of transaction</b>		
Associated companies	Rental income	929,820	845,292
	Advertising expense	55,600	81,000
		<b>31-Dec-24</b>	<b>30-Jun-24</b>
		Rupees [Un-audited]	Rupees [Audited]

### 12.2 Balances with related parties

<b>Nature of relationship</b>	<b>Nature of balances</b>		
Associated companies	Advance rent	309,948	309,944
Associated companies	Payable balance	54,348	-
Associated companies	Lease rentals receivables	81,000	81,000
Key management personnel	Borrowings	151,157,503	151,157,503
Close relative of KMP	Borrowings	202,525,000	202,525,000

### 13 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

		31-Dec-24	30-Jun-24
		Rupees [Un-audited]	Rupees [Audited]
<b>13.1 Financial assets</b>			
<b>Cash in hand</b>		<b>1,476,110</b>	<b>727,404</b>
<b>Financial assets at amortized cost</b>			
Long term deposits		166,376	166,376
Lease rentals receivable		20,000	20,000
Advances to employees		1,383,500	1,225,500
Cash at bank		21,759,113	16,643,464
		<b>24,805,099.00</b>	<b>18,782,744.00</b>
<b>13.2 Financial liabilities at amortized cost</b>			
Trade creditors		199,388	912,682
Accrued liabilities		1,559,932	3,346,322
Unclaimed dividend		2,230,400	2,239,099
		<b>5,664,876,372</b>	<b>5,327,186,970</b>

# KOHINOOR INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

### 14 FAIR VALUE MEASUREMENTS

The Company measures some of its assets at fair value. The fair value hierarchy of financial instruments measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

#### 14.1 Financial instruments

There are no recurring or non-recurring fair value measurements as at the reporting date. The management considers the carrying amount of all the financial instruments to approximate their fair values.

#### 14.2 Assets and liabilities other than financial instruments.

##### 14.2.1 Recurring fair value measurements

For recurring fair value measurements, the fair value hierarchy and information about how the fair values are determined is as

	Level 1	Level 2	Level 3	31-Dec-24 Rupees [Un-audited]	30-Jun-24 Rupees [Audited]
Investment property - Land	-	772,000,000	-	772,000,000	772,000,000
Investment property - Buildings	-	129,394,450	-	129,394,450	129,394,450

For fair value measurements categorised into Level 2 the following information is relevant:

	Valuation technique	Significant inputs	Sensitivity
Land	Market comparable approach that reflects recent transaction prices for similar properties	Estimated purchase price, including non-refundable purchase taxes and other costs directly attributable to the acquisition.	A 5% increase in estimated purchase price, including non-refundable purchase taxes and other costs directly attributable to the acquisition would result in a significant increase in fair value of land by Rs. 38.6 million (30-Jun-24: Rs. 38.6 million).
Buildings	Cost approach that reflects the cost to the market participants to construct assets of comparable utility and age, adjusted for obsolescence and depreciation. There was no change in valuation technique during the year.	Estimated construction costs and other ancillary expenditure.	A 5% increase in estimated purchase price, including non-refundable purchase taxes and other costs directly attributable to the acquisition would result in a significant increase in fair value of land by Rs. 6.47 million (30-Jun-24: Rs. 6.47 million).

##### 14.2.2 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

### 15 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require adjustment of and/or disclosure in these interim financial statements.

### 16 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these interim financial statements.

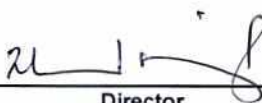
# KOHINOOR INDUSTRIES LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2024

### 17 GENERAL

- 17.1 There are no other significant activities since 30 June 2023 affecting the interim financial statements.
- 17.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period.



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Director



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Chief Financial Officer



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Chief Executive Officer

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