

**HAJI MOHAMMAD ISMAIL MILLS
LIMITED**

**CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)**

FOR THE NINE MONTHS ENDED MARCH 31, 2016

HAJI MOHAMMAD ISMAIL MILLS LIMITED

COMPANY INFORMATION

Board of Directors	Mr. Najeeb Mushtaq Vohra – Chief Executive Mr. Mohammad Sarfraz - Executive Director Mr. Gulzar Siddiq - Independent Mr. Mohammad Sadiq- Non Executive Mr. Mohammad Irfan – Non Executive Mr. Farrukh Shafiq - Non Executive Mr. Amer Zaheer - Non Executive
Audit Committee	Mr. Gulzar Siddiq - Chairman Mr. Mohammad Irfan Mr. Farrukh Shafiq
Human Resource & Remuneration Committee.	Mr. Muhammad Sarfraz Mr. Muhammad Sadiq Mr. Farrukh Shafiq
Chief Financial Officer	Mr. Suhail Ahmed
Company Secretary	Mr. Muhammad Sarfraz
Auditors	Naveed Zafar Ashfaq Jaffery & Co Chartered Accountants 1 st floor, Modern House Beamount Road Karachi.
Legal Advisor	Farooq Rashid & Co., Advocates & Corporate Consultants, 403-Commerce Centre, Hasrat Mohani Road, Karachi-74200
Bankers	Habib Bank Limited Askari Bank Limited National Bank of Pakistan
Share Registrar and Transfer Office	Najeeb Consultants (Pvt) Ltd 408-Commerce Centre, Hasrat Mohani Road. Karachi-74200
Registered office	409-Commerce Centre, Hasrat Mohani Road, Karachi-74200
Phone No.:	92-21-32638521-3
Fax No.:	92-21-32639843
E-mail:	info@hmiml.com
Website	www.hmiml.com

Business:	Cotton yarn manufacturer and Electric Power Generation.
Status of Company	Public listed company (SSC)
Company Registration No.	K-0007483
National Tax No.	0231147-0
Contact person:	Mr.Muhammad Sarfraz Phone:92-21-32638521-3 E-mail:sarfrazinfo@hotmail.com

HAJI MOHAMMAD ISMAIL MILLS LIMITED
DIRECTORS' REPORT TO THE MEMBERS OF THE COMPANY

The directors are pleased to present the un-audited financial statement for the 3rd quarter ended 31st March, 2016.

1. Sales

There is no sale/purchase or manufacturing activity during the period as compared to the corresponding period sale of Rs.Nil

2. Gross profit

The company has no gross profit/(loss) for the period.

3. Pre-Tax profit

Company's pretax profit for the reported period is Rs.0.815 million.

4. Earnings per share

The earning per share for the period is Rs.0.04

5. Financial position

Due to small trading activity, financial position of the company is improving slightly.

6. Current and future summary and prospects

Due to law and order situation, electric and gas load shedding and adverse government policies, textile industry is in crises. Management could not implement its plan for setting of small spinning unit. Negotiations with the banks for financial assistance for setting up a small solar or wind power plant are continue. Positive response from the financer has been received. Management is also negotiating with the prosperous companies for merger or restructure of the company. Other options are also in consideration. Available funds in hand are insufficient for the proposed business plan. All future business plans depends on the financial assistance by financial institutions. Management is also looking other business opportunities in the best interest of the company and its shareholders.

7. Code of Corporate Governance

The company has taken necessary steps to comply with the provision of Code of Corporate Governance as incorporated in the regulations of the Pakistan Stock Exchange.

We appreciate the hard work of all the company's staff and the support of its bankers.

For and on behalf of the Board of Directors



Chief Executive

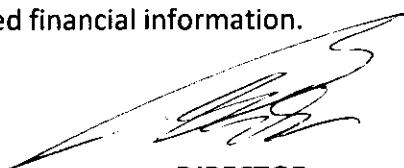
Karachi: April 25, 2016

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2016 (UN-AUDITED)

	Note	March 31, 2016 Rupees (Un-Audited)	June 30, 2015 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Long term deposits		50,000	50,000
Deffered tax		598,939	30,170
CURRENT ASSETS			
Short term investments		39,366,393	41,046,200
Advances income tax		1,552,882	1,549,239
Security deposits		200,000	200,000
Other receivables		4,391,618	8,311,968
Cash and bank balances		1,646,091	705,993
		<u>47,156,984</u>	<u>51,813,400</u>
TOTAL ASSETS		<u><u>47,805,923</u></u>	<u><u>51,893,570</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
12,000,000 (2015: 12,000,000) ordinary shares of Rs. 10 each		<u>120,000,000</u>	<u>120,000,000</u>
Issued, subscribed and paid up capital	5	119,750,400	119,750,400
Reserves		<u>(72,052,400)</u>	<u>(69,408,001)</u>
		47,698,000	50,342,399
CURRENT LIABILITIES			
Trade and other payables		107,923	1,551,171
TOTAL EQUITY AND LIABILITIES		<u><u>47,805,923</u></u>	<u><u>51,893,570</u></u>
CONTINGENCIES AND COMMITMENTS	6		

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


CHIEF EXECUTIVE


DIRECTOR

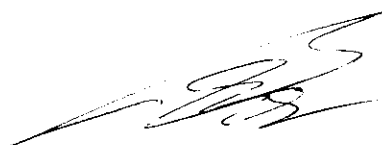
HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS END QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

	Note	Nine Months ended		Quarter ended	
		March 31, 2016 Rupees	March 31, 2015 Rupees	March 31, 2016 Rupees	March 31, 2015 Rupees
Administrative expenses		<u>(1,215,399)</u>	<u>(1,135,255)</u>	<u>(367,466)</u>	<u>(305,497)</u>
Operating loss		<u>(1,215,399)</u>	<u>(1,135,255)</u>	<u>(367,466)</u>	<u>(305,497)</u>
Other income		<u>2,031,906</u>	<u>13,245,493</u>	<u>(782,630)</u>	<u>9,439,783</u>
		<u>816,507</u>	<u>12,110,238</u>	<u>(1,150,096)</u>	<u>9,134,286</u>
Finance cost		<u>(1,808)</u>	<u>(1,032)</u>	<u>(228)</u>	<u>(230)</u>
Profit/(loss) before taxation		<u>814,699</u>	<u>12,109,206</u>	<u>(1,150,324)</u>	<u>9,134,056</u>
Taxation	7	<u>(276,298)</u>	<u>(1,409,760)</u>	<u>121,958</u>	<u>(1,167,388)</u>
Profit /(loss) after taxation		<u>538,401</u>	<u>10,699,446</u>	<u>(1,028,366)</u>	<u>7,966,668</u>
Earning per share - basic and diluted	8	<u>0.04</u>	<u>0.89</u>	<u>(0.09)</u>	<u>0.66</u>

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



CHIEF EXECUTIVE



DIRECTOR

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS END QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

	Note	Nine Months ended		Quarter ended	
		March 31, 2016 Rupees	March 31, 2015 Rupees	March 31, 2016 Rupees	March 31, 2015 Rupees
Profit after taxation		538,401	10,699,216	(1,028,366)	7,966,668
Other Comprehensive income for the period					
(Loss) / gain on re-measurement on investments available for sale to fair value - net of tax		(3,182,800)	(11,061,323)	(1,553,702)	(11,811,423)
Total comprehensive Loss for the period		<u>(2,644,399)</u>	<u>(362,107)</u>	<u>(2,582,068)</u>	<u>(3,844,755)</u>

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


CHIEF EXECUTIVE


DIRECTOR

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UN-AUDITED)

	Nine Months ended	
	March 31, 2016 Rupees	March 31, 2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	814,699	12,108,976
Adjustments for:		
Finance cost	1,808	1,262
Fair value adjustment of investment	(3,751,569)	(11,061,323)
	(3,749,761)	(11,060,061)
Profit before working capital changes	(2,935,062)	1,048,915
(Increase) / Decrease in current assets:		
Short term investment - net	1,679,807	5,972,956
Other receivables	3,920,350	-
	5,600,157	5,972,956
Increase / (decrease) in current liabilities:		
Trade creditors, accrued and other liabilities	(1,443,248)	397,256
Cash generated from operations	1,221,847	7,419,127
Taxes paid	(279,941)	(1,629,288)
Finance cost paid	(1,808)	(1,262)
	(281,749)	(1,630,550)
Net cash generated from operating activities	940,098	5,788,577
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short term loan	-	(5,678,165)
Net cash used in financing activities	-	(5,678,165)
Net increase in cash and cash equivalents	940,098	110,412
Cash and cash equivalents at beginning of the period	705,993	634,962
Cash and cash equivalents at end of the period	1,646,091	745,374

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


CHIEF EXECUTIVE


DIRECTOR

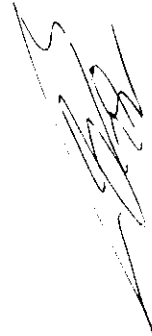
HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UN-AUDITED)

	Reserves					Total
	Capital		Revenue			
	Share premium	Fair value reserve	Accumulated Losses	Sub total		
	----- Rupees -----					
Balance as at July 01, 2014	119,750,400	6,912,000	826,406	(81,152,336)	(73,413,930)	46,336,470
Profit for the period	-	-	-	10,699,216	10,699,216	10,699,216
Other comprehensive income for the period	-	-	(11,061,323)	-	(11,061,323)	(11,061,323)
Total comprehensive income for the period	-	-	(11,061,323)	10,699,216	(362,107)	(362,107)
Balance as at March 31, 2015	<u>119,750,400</u>	<u>6,912,000</u>	<u>(10,234,917)</u>	<u>(70,453,120)</u>	<u>(73,776,037)</u>	<u>45,974,363</u>
Balance as at July 01, 2015	119,750,400	6,912,000	(211,186)	(76,108,815)	(69,408,001)	50,342,399
Profit for the period	-	-	-	538,401	538,401	538,401
Other comprehensive loss for the period - net of tax	-	-	(3,182,800)	-	(3,182,800)	(3,182,800)
Total Comprehensive (loss) / income for the Period	-	-	(3,182,800)	538,401	(2,644,399)	(2,644,399)
Balance as at March 31, 2016	<u>119,750,400</u>	<u>6,912,000</u>	<u>(3,393,986)</u>	<u>(75,570,414)</u>	<u>(72,052,400)</u>	<u>47,698,000</u>

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



CHIEF EXECUTIVE



DIRECTOR

HAJI MOHAMMAD ISMAIL MILLS LIMITED
NOTES TO THE CONDENSED FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED MARCH 31, 2016 (UN-AUDITED)

1 STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan as a Private Limited Company on February 5, 1980 and subsequently converted to a Public Limited Company on October 15, 1987. Shares of the company were subsequently listed on the Karachi Stock Exchange on November 29, 1994. However, due to integration of Karachi, Lahore and Islamabad Stock Exchanges into Pakistan Stock Exchange effective January 11, 2016 the shares of the Company are now quoted on Pakistan Stock Exchange. The registered office of the Company is situated at 409, Commerce Centre, Hasrat Mohani Road, Karachi. Principal business of the Company is manufacture and sale of yarn and power generation.

- 1.1** Liabilities of the banks and creditors have been settled. Clearance of CIB report is in process. Available security for proposed business plan is insufficient. Management is negotiating with financiers. Pending arrangements with banks/financiers for future business plan, management is also looking other business opportunities with available funds in hand.

2 BASIS OF PREPARATION

- 2.1** This condensed interim financial information of the Company for the nine months ended March 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information does not include all the information required for the full financial statements and therefore should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2015.
- 2.2** This condensed interim financial information is presented in Pak Rupees which is also the Company's functional currency and figures presented in this condensed interim financial information has been rounded off to the nearest rupee.
- 2.3** This condensed interim financial information is unaudited. However, a limited scope review of this condensed interim financial information has been performed by the external auditors of the Company in accordance with the requirements of clause (xix) of the Code of Corporate Governance. This condensed interim financial information is being submitted to the shareholders as required by section 245 of the Companies Ordinance 1984.

The comparative balance sheet presented has been extracted from annual financial statements for the year ended June 30, 2015, whereas comparative condensed profit and loss account, condensed interim statement of other comprehensive income, condensed cash flow statement and condensed statement of changes in equity are stated from the unaudited condensed interim financial information for the nine month ended March 31, 2015.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, estimates, judgments and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of annual audited financial statements of the Company for the year ended June 30, 2015.

4 FINANCIAL RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2015.

5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	(Unaudited) March 31, 2016	(Audited) June 30, 2015
9,576,240 (June 30, 2015: 9,576,240) Ordinary shares of Rs.10 each fully paid in cash	95,762,400	95,762,400
2,398,800 (June 30, 2015 : 2,398,800) Ordinary shares of Rs.10 each issued as fully paid bonus share	23,988,000	23,988,000
	<u>119,750,400</u>	<u>119,750,400</u>

6 CONTINGENCIES AND COMMITMENTS

There is no major changes in contingencies and commitments as have been disclosed in the audited financial statements for the year ended June 30, 2015.

	(Unaudited) March 31, 2016	(Unaudited) December 31, 2014
7 TAXATION		
Prior	-	205,616
Current	(276,298)	(1,615,376)
	<u>(276,298)</u>	<u>(1,409,760)</u>

8 DATE OF AUTHORISATION FOR ISSUE

These financial information have been authorised for issue on April 25, 2016 by the Board of Directors of the Company

9 GENERAL

Figures have been rounded off to the nearest rupee.


CHIEF EXECUTIVE


DIRECTOR