

**HAJI MOHAMMAD ISMAIL MILLS
LIMITED**

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

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

HAJI MOHAMMAD ISMAIL MILLS LIMITED

COMPANY INFORMATION

Board of Directors	Mr. Gulzar Siddiq Mr. Najeed Mushtaq Vohra Mr. Muhammad Sarfraz Mr. Noman Mustafa Zuberi Mr. Mohammad Sadiq Mr. Mohammad Irfan Mr. Farrukh Shafiq	Chairman/Independent Chief Executive/ Director Director/Non Executive Director/Non Executive Director/ Non Executive Director/ Non Executive Director/Independent
Audit Committee	Mr. Farrukh Shafiq Mr. Mohammad Irfan Mr. Noman Mustafa Zuberi	Chairman Member Member
Human Resource & Remuneration Committee.	Mr. Muhammad Sarfraz Mr. Muhammad Sadiq Mr. Mohammad Irfan	Chairman Member Member
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 National Bank of Pakistan	
Share Registrar and Transfer Office	Najeed Consultants (Pvt) Ltd 406-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:	Distributor of fast moving Consumers goods.	
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 statements for the 3rd quarter ended 31st March, 2018.

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/(loss) for the reported period is Rs.(3.14) million.

4. Earnings per share

The earning/(loss) per share for the period is Rs.(0.27)

5. Financial position

Due to volatility in stock market and suspension of trading of company's shares in PSX, financial position of the company has come under pressure during the reporting period.

6. Current and future summary and prospects

The board was trying to revive the company through merger, corporate restructuring or through change of business dimensions. All the efforts came to halt when the SECP passed winding up order of the company on 13th April, 2017 even the board had offered for buy back of company's shares from minority shareholders without delisting the company. Company had filed appeal against the order before the Appellate Bench SECP. Matter is pending. Board continued its efforts for revival of the company and changed the business dimension of the company from textile and power generation to distribution of fast moving consumers' goods as per object clauses of Memorandum of Association of the company. Huge investment was required for fast moving consumers' goods. Board did an effort for the revival of the company by agreeing a MOU with a renewed construction company for supply of concrete mixing plant for their project at Islamabad but this effort could not succeed as SECP filed Petition in the High Court of Sindh for winding up the company and informed to the Pakistan Stock Exchange on 8th Dec.2017. Resultantly PSX suspended the trading of company's shares from 11th December, 2017. Company is defending the case. Company also challenged the suspension order of PSX in High Court of Sindh. Pending the final decision by the High Court of Sindh all efforts has come to halt again.

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. 26, 2018

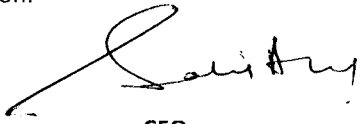
HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2018 (UN-AUDITED)

	Note	March 31, 2018 Rupees (Un-Audited)	June 30, 2017 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Long term deposits		50,000	50,000
CURRENT ASSETS			
Short term investments		26,769,790	25,378,030
Advances income tax		1,613,506	1,599,384
Other receivables		7,402,751	4,784,796
Cash and bank balances		10,015,730	15,445,806
		45,801,777	47,208,016
TOTAL ASSETS		45,851,777	47,258,016
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
12,000,000 (June 30, 2017: 12,000,000) ordinary shares of Rs. 10 each		120,000,000	120,000,000
Issued, subscribed and paid up capital	5	119,750,400	119,750,400
Reserves		(73,984,991)	(72,641,179)
		45,765,409	47,109,221
LONG TERM LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		86,368	148,795
TOTAL EQUITY AND LIABILITIES		45,851,777	47,258,016
CONTINGENCIES AND COMMITMENTS	6		

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


CHIEF EXECUTIVE


DIRECTOR


CFO

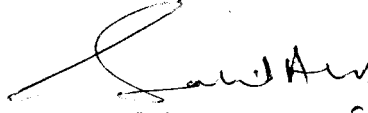
HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018 (UN-AUDITED)

	Note	Nine months ended		Quarter ended	
		March 31, 2018 Rupees	March 31, 2017 Rupees	March 31, 2018 Rupees	March 31, 2017 Rupees
Operating expenses					
Administrative expenses		(2,095,883)	(2,070,486)	(587,966)	(881,312)
Other expenses		(1,902,442)	-	(1,338,677)	
Operating loss		(3,998,325)	(2,070,486)	(1,926,643)	(881,312)
Other income		858,403	9,301,843	30,634	4,221,036
		(3,139,922)	7,231,357	(1,896,009)	3,339,724
Finance cost		(2,035)	(2,633)	(1,000)	(1,283)
(Loss)/Profit before taxation		(3,141,957)	7,228,724	(1,897,009)	3,338,441
Taxation	7	(65,837)	(718,508)	-	(441,590)
(Loss)/Profit after taxation		(3,207,794)	6,510,216	(1,897,009)	2,896,851
(Loss)/Earning per share - basic and diluted		(0.27)	0.54	(0.28)	0.50

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


CHIEF EXECUTIVE


DIRECTOR


CFO

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018 (UN-AUDITED)

	Note	March 31, 2018 Rupees	March 31, 2017 Rupees	March 31, 2018 Rupees	March 31, 2017 Rupees
(Loss)/Profit after taxation		(3,207,794)	6,510,216	(1,897,009)	2,896,851
Other Comprehensive income for the period					
Profit/(Loss) on re-measurement on investments available for sale to fair value		1,863,982	(4,185,309)	5,031,775	(3,977,426)
Total comprehensive (loss)/profit for the period		<u>(1,343,812)</u>	<u>2,324,907</u>	<u>3,134,766</u>	<u>(1,080,575)</u>

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


 CHIEF EXECUTIVE


 DIRECTOR


 CFO

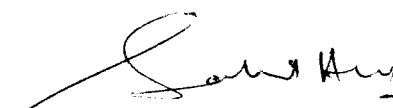
HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018 (UN-AUDITED)

	March 31, 2018 Rupees	March 31, 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(3,141,957)	7,228,724
Adjustments for:		
Finance cost	2,035	2,633
Fair value adjustment of investment	1,863,982	(4,923,893)
	1,866,017	(4,921,260)
Profit before working capital changes	(1,275,940)	2,307,464
(Increase) / Decrease in current assets:		
Short term investment - net	(1,391,760)	(10,308,287)
Trade deposit	-	200,000
Other receivables	(2,617,956)	3,160,968
	(4,009,716)	(6,947,319)
Increase / (decrease) in current liabilities:		
Trade creditors, accrued and other liabilities	(62,427)	(1,274,528)
Cash generated from operations	(5,348,083)	(5,914,383)
Taxes paid	(79,958)	(731,396)
Finance cost paid	(2,035)	(2,633)
	(81,993)	(734,029)
Net cash generated from operating activities	(5,430,076)	(6,648,412)
Net decrease in cash and cash equivalents	(5,430,076)	(6,648,412)
Cash and cash equivalents at beginning of the period	15,445,806	23,481,994
Cash and cash equivalents at end of the period	10,015,730	16,833,582

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


CHIEF EXECUTIVE


DIRECTOR


CFO

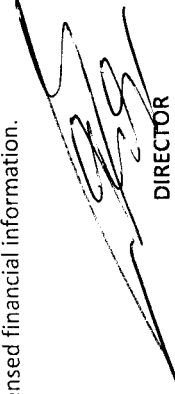
HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018 (UN-AUDITED)

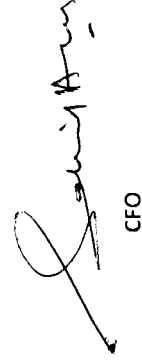
	Issued, subscribed and paid-up capital	Reserves			Sub total	Total
		Capital		Revenue		
		Share premium	Fair value reserve	Accumulated Losses		
Balance as at July 01, 2016	119,750,400	6,912,000	148,941	(77,875,944)	(70,815,003)	48,935,397
Profit for the period	-	-	-	6,510,216	6,510,216	6,510,216
Other comprehensive loss for the period	-	-	(4,185,309)	-	(4,185,309)	(4,185,309)
Total Comprehensive (loss) for the Period	-	-	(4,185,309)	6,510,216	2,324,907	2,324,907
Balance as at March 31, 2017	119,750,400	6,912,000	(4,036,368)	(71,365,728)	(68,490,096)	51,260,304
Balance as at July 01, 2017	119,750,400	6,912,000	(7,881,714)	(71,671,465)	(72,641,179)	47,109,221
Loss for the period	-	-	-	(3,207,794)	(3,207,794)	(3,207,794)
Other comprehensive Profit for the period	-	-	1,863,982	-	1,863,982	1,863,982
Total Comprehensive (loss) for the Period	-	-	1,863,982	(3,207,794)	(1,343,812)	(1,343,812)
Balance as at March 31, 2018	119,750,400	6,912,000	(6,017,732)	(74,879,259)	(73,984,991)	45,765,409

----- Rupees -----

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


CHIEF EXECUTIVE


DIRECTOR


CFO

HAJI MOHAMMAD ISMAIL MILLS LIMITED
NOTES TO THE CONDENSED FINANCIAL INFORMATION
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2018 (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 public limited company on October 15, 1987. Shares of the company were subsequently listed on the Pakistan Stock Exchange on November 29, 1994. The registered office of the company is situated at 409-Commerce Centre, Hasrat Mohani Road, Karachi 74200.

- 1.1** The management has disposed off the assets of the Company including land, building, plant & machinery to pay off its major debts during the year ended June 30, 2015. The management of the company has decided to change the business dimensions of the company from textile to fast moving consumers goods and get involve in distribution business itself or through merger, corporate restructuring or through prosperous investors for revival of the company as sufficient funds are required to implement new business plan. Management has also succeeded to sign MOU with renewed construction company for supply of concrete mixing plant. In view of the new business dimensions, the company shall remain as a going concern company.
- 1.2** SECP has issued order dated 13th April, 2017 u/s.309 read with section 305 of the Companies Ordinance, 1984 for winding up of the company. The company has filed appeal against the order before the Appellate Bench of the SECP. Pending the decision by the Appellate Bench, SECP filed winding up petition in the High Court of Sindh consequently Pakistan Stock Exchange Limited suspended the trading of company's shares on 8th December, 2017 under PSX Regulations till the rectification of default. The company has challenged the suspension order of PSX in the High court of Sindh and matter is subjudice.

2 BASIS OF PREPARATION

- 2.1** These condensed interim financial statement of the Company for the nine months ended March 31, 2018 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 Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These 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, 2017.
- 2.2** These condensed interim financial statement is presented in Pak Rupees which is also the Company's functional currency and figures presented in these condensed interim financial information has been rounded off to the nearest rupee.
- 2.3** The comparative balance sheet presented has been extracted from annual financial statements for the year ended June 30, 2017, 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 30, 2017.

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, 2017.

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, 2017.

5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	(Unaudited) March 31, 2018	(Audited) June 30, 2017
9,576,240 (June 30, 2017: 9,576,240) Ordinary shares of Rs.10 each fully paid in cash	95,762,400	95,762,400
2,398,800 (June 30, 2017 : 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, 2017.

	(Unaudited) March 31, 2018	(Unaudited) March 31, 2017
7 TAXATION		
Current	(65,837)	(718,508)
	<u>(65,837)</u>	<u>(718,508)</u>

8 DATE OF AUTHORISATION FOR ISSUE

These financial information have been authorised for issue on April 26, 2018 by the Board of Directors of the Company

9 GENERAL

Figures have been rounded off to the nearest rupee.


CHIEF EXECUTIVE


DIRECTOR


CFO

حاجی محمد اسماعیل ملز لمیٹڈ

ڈائریکٹرز رپورٹ برائے ممبران

1- ڈائریکٹرز کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے تیسری سہ ماہی جو کہ 31 مارچ 2018ء میں اختتام پذیر ہوا ہے پیش کرنے میں خوشی محسوس کر رہے ہیں۔

2- فروخت:

اس عرصہ میں کمپنی نے نہ کوئی خرید و فروخت اور نہ ہی کوئی سرگرمی کی ہے گزشتہ عرصہ میں بھی یہ صفر تھی۔

3- مجموعی منافع:

اس عرصہ میں کمپنی نے کوئی مجموعی منافع نہیں کمایا۔

4- ٹیکس سے پہلے منافع:

کمپنی کا ٹیکس سے پہلے اس عرصے کا نقصان 3.14 ملین روپے ہے۔

5- فی حصص آمدنی:

اس عرصہ میں کمپنی کا فی حصص نقصان 0.27 روپے فی حصص ہے۔

6- مالی حالت:

اسٹاک مارکیٹ میں کساد بازاری اور کمپنی کے شیئرز کی خرید و فروخت پر پابندی کے باعث کمپنی کی مالی حیثیت اس عرصہ میں دباؤ کا شکار رہی۔

7- موجودہ اور مستقبل کا جائزہ:

بورڈ کوشش کر رہا تھا کہ کمپنی کو کاروبار کی تبدیلی، یا ادغام یا مستند تبدیلی کے ساتھ بحال کیا جائے۔ یہ تمام کوششیں SECP کے آرڈر مورخہ 13 اپریل 2017ء کی وجہ سے رک گئیں کیونکہ اس آرڈر میں کمپنی کو بند کرنے کو کہا گیا ہے۔ باوجود اس کے کہ کمپنی کے بورڈ نے چھوٹے ٹیئرز ہولڈرز سے کمپنی کے شیئرز خریدنے کی آفر بھی دی تھی بغیر ڈی لسٹنگ کے کمپنی نے SECP کے اپیلیٹ بنج کے سامنے اپیل بھی داخل کی ہوئی ہے۔ معاملہ زیر سماعت ہے۔ بورڈ نے کمپنی کی بحالی کے لئے اپنی کوششیں جاری رکھی ہوئی ہیں اور اس سلسلے میں بورڈ نے کمپنی کے کاروبار کی رجحان کو بھی ٹیکسٹائل اور بجلی کی پیداوار سے ہٹا کر صارفین میں فوری مانگ والی تقسیم کار کمپنی میں تبدیل کیا ہے۔ جو کہ کمپنی کے میمورنڈم آف ایسوسی ایشن کے مطابق ہے۔ صارفین کی فوری طلب والی تقسیم کار کمپنی بننے کے لیے کافی سرمایہ کی ضرورت تھی۔ کمپنی کی بحالی کے لئے بورڈ نے ایک اور کوششیں کی اور ایک مشہور کنسٹرکشن کمپنی کے ساتھ ایک یادداشت مرتب کی۔ جس کے تحت کمپنی کنکریٹ مکسنگ پلانٹ لے کر تعمیراتی کمپنی کے اسلام آباد والے پروجیکٹ کے لیے دہتی مگر یہ کوشش بھی ناکام ہو گئی کیونکہ SECP نے کمپنی کو بند کرنے کیلئے سندھ ہائی کورٹ میں پٹیشن داخل کر دی اور اس سلسلے میں پاکستان اسٹاک ایکسچینج کو 8 دسمبر 2017ء مطلع کر دیا نتیجتاً اسٹاک ایکسچینج نے کمپنی کے حصص کی خرید و فروخت 11 دسمبر 2017ء سے بند کر دی۔ کمپنی ہائی کورٹ میں کیس کا دفاع کر رہی ہے۔ کمپنی نے پاکستان اسٹاک ایکسچینج کے معطل حکم نامہ کو بھی سندھ ہائی کورٹ میں چیلنج کر دیا ہے۔ جب تک ہائی کورٹ سے کیس کا فیصلہ نہیں ہو جاتا اس وقت تک بحالی کی تمام کوششیں رکی رہیں گی۔

8- کوڈ آف کارپوریٹ گورننس

کمپنی نے اسٹاک ایکسچینج کے ریگولیشن کی تعمیل کے لئے ضروری اقدامات کئے ہیں۔

9- ہم اپنے اسٹاک کی انتھک محنت اور بنکوں کے تعاون کو سراہتے ہیں۔

اپنے اور بورڈ کی جانب سے

چیف ایگزیکٹو

کراچی: ۲۶ اپریل ۲۰۱۸ء