

**HAJI MOHAMMAD ISMAIL MILLS
LIMITED**

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

FOR THE FIRST QUATER ENDED SEPTEMBER 30, 2019

HAJI MOHAMMAD ISMAIL MILLS LIMITED

COMPANY INFORMATION

Board of Directors	Mr. Gulzar Siddiq Mr. Farrukh Shafiq Mr. Muhammad Sarfraz Mr. Noman Mustafa Zuberi Mr. Mohammad Sadiq Mr. Mohammad Irfan Mr. Ali Asghar	Chairman/Independent Chief Executive/Director Director/Non Executive Director/Non Executive Director/ Non Executive Director/ Non Executive Director/Independent
Audit Committee	Mr. Noman Mustafa Mr. Mohammad Irfan Mr. Muhammad Sadiq	Chairman Member Member
Human Resource & Remuneration Committee.	Mr. Muhammad Sarfraz Mr. Muhammad Sadiq Mr. Ali Asghar	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	Najeeb 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

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 1st quarter ended 30th September, 2019.

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 loss

Company's pretax loss for the reported period is Rs.15.43(m)

4. Earnings per share

The earning/(loss) per share for the period is Rs. (1.29)

5. Financial position

There is no outstanding liability against the company. The company is presently involved in small trading activities. Due to adverse market factors, financial position of the company is not encouraging.

6. Current and future summary and prospects

The board focused on new business dimensions for revival of the company. MOU was signed for new business plan. All the above efforts came to halt due to filing of winding up petition by the SECP in the High Court of Sindh. Management is defending the case and expecting early decision in favour of company. Matter is still subjudice in the High Court. Economic outlook of the country is uncertain due to which Stock market remains under pressure. Company suffered loss on securities investment.


7. Code of Corporate Governance

The company has taken necessary steps to comply with the provisions of Code of Corporate Governance Regulations of Securities & Exchange Commission of Pakistan.

8. Appreciation

We appreciate the hard work of all the staff members of the company and the support of its shareholders and bankers.

For and on behalf of the Board of Directors


Chief Executive
Karachi: Oct. 28, 2019

حاجی محمد اسماعیل ملز لمیٹڈ

ڈائریکٹرز رپورٹ برائے حصص یافتگان

کمپنی ڈائریکٹرز 30 ستمبر، 2019 کو ختم ہونے والی پہلی سہ ماہی کے لئے غیر آڈٹ شدہ مالی گوشوارے پیش کرنے میں خوشی محسوس کر رہے ہیں۔

1. بلز

اس مدت کے دوران کوئی فروخت یا خریداری یا مینوفیکچر کی سرگرمی نہیں ہے۔ گزشتہ سال بھی یہی حالت تھی۔

2. مجموعی منافع

اس مدت کے لئے کمپنی کو کوئی مجموعی منافع / (نقصان) نہیں ہے۔

3. پری ٹیکس نقصان

رپورٹ کی مدت کے لئے کمپنی کا پری ٹیکس نقصان 15,434,078 روپے ہے۔

4. فی شیر آمدنی

رپورٹ کی مدت کے لئے فی حصص / (نقصان) 1.29 روپے ہے۔

5. مالیاتی پوزیشن

کمپنی کے ذمہ کوئی بقایا جات نہیں ہے۔ کمپنی اس وقت چھوٹی تجارتی سرگرمیوں میں مصروف ہے۔ منفی مارکیٹ عوامل کی وجہ سے کمپنی کی مالی پوزیشن حوصلہ افزا نہیں ہے۔

6. موجودہ اور مستقبل کے امکانات

بورڈ نے اپنی توجہ کاروباری رجحان کی طرف کی ہوئی ہے تاکہ کمپنی کو بحال کیا جاسکے اسلئے کمپنی نے ایک MOU دستخط کیے تھے۔ یہ تمام کوششیں رک گئیں جب سندھ ہائی کورٹ میں SECP کی جانب سے کمپنی کو بند کرنے کی درخواست دائر ہوئی۔ بینجمنٹ کیس کا دفاع کر رہی ہے اور کمپنی کے حق میں جلدی فیصلے کی توقع ہے۔ کیس ابھی زیر سماعت ہے ملکی معاشی حالت کی غیر یقینی کی وجہ سے اسٹاک مارکیٹ پریشر میں ہے جسکی وجہ سے کمپنی کو اسٹاک مارکیٹ میں نقصان ہوا ہے۔

7. کوڈ آف کارپوریٹ گورننس کی تعمیل

کمپنی نے سیورٹیز اینڈ ایگریجینٹیشن آف پاکستان کے کارپوریٹ گورننس کے قوانین کی تعمیل کے لئے ضروری اقدامات کئے ہیں۔

8. خدمات کا اعتراف

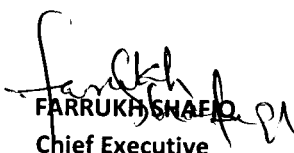
ہم کمپنی کے تمام عملے کے ارکان کی خدمات کو سرہاتے ہیں اور کمپنی کے حصے داران اور بینکوں کے تعاون کی تعریف کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز
چیف ایگزیکٹو
کراچی: اکتوبر 28، 2019

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019 (UN-AUDITED)

	Note	September 30, 2019 Rupees (Un-Audited)	June 30, 2019 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Long term deposits		50,000	50,000
CURRENT ASSETS			
Investment-available for sale		10,943,295	12,266,880
Advance tax - net of provision		811,311	810,207
Other receivables		4,881,293	4,808,857
Cash and bank balances		5,788,331	6,543,601
		22,424,230	24,429,545
TOTAL ASSETS		<u>22,474,230</u>	<u>24,479,545</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
12,000,000 (JUNE,2019: 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
Reserve		<u>(97,460,877)</u>	<u>(95,447,422)</u>
		22,289,523	24,302,978
CURRENT LIABILITIES			
Trade and other payables		184,707	176,567
TOTAL EQUITY AND LIABILITIES		<u>22,474,230</u>	<u>24,479,545</u>
CONTINGENCIES AND COMMITMENTS	6		

The annexed notes from 1 to 9 form an integral part of these financial statements.


FARRUKH SHAHEED
 Chief Executive

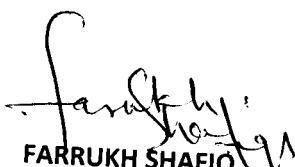

MUHAMMAD SARFRAZ
 Director


SOHAIL AHMED
 Chief Financial Officer

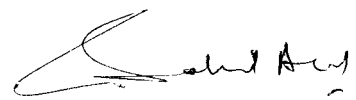
HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

	Note	September 30, 2019	September 30, 2018
		Rupees	Rupees
Operating expenses			
Administrative expenses			
Operating loss		(645,571)	(679,879)
		<u>(645,571)</u>	<u>(679,879)</u>
Other expenses		(14,809,945)	(1,319,246)
Other income		21,473	1,396
		<u>(15,434,043)</u>	<u>(1,997,729)</u>
Finance cost			
(Loss) before taxation	7	<u>(35)</u>	-
		(15,434,078)	(1,997,729)
Taxation		(2,234)	-
(Loss) after taxation		<u>(15,436,312)</u>	<u>(1,997,729)</u>
(Loss) per share - basic and diluted		<u>(1.29)</u>	<u>(0.17)</u>

The annexed notes from 1 to 9 form an integral part of these financial statements.


FARRUKH SHAFIQ
 Chief Executive

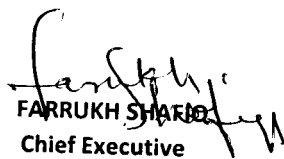

MUHAMMAD SARFRAZ
 Director


SOHAIL AHMED
 Chief Financial Officer

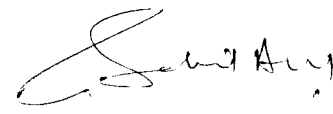
HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

	September 30, 2019 Rupees	September 30, 2018 Rupees
Loss after taxation	(15,436,312)	(1,997,729)
Items that may be reclassified subsequently to profit and loss		
Loss on re-measurement on investments available for sale to fair value - net of tax	13,422,857	(1,241,428)
Total comprehensive loss	(2,013,455)	(3,239,157)

The annexed notes from 1 to 9 form an integral part of these financial statements.


FARRUKH SHAHID
 Chief Executive


MUHAMMAD SARFRAZ
 Director


SOHAIL AHMED
 Chief Financial Officer

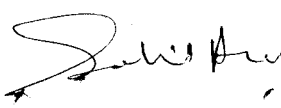
HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

Note	September 30, 2019 Rupees	September 30, 2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(15,434,078)	(1,997,729)
Adjustments for:		
Finance cost	35	-
Loss before working capital changes	<u>(15,434,043)</u>	<u>(1,997,729)</u>
Decrease(Increase) in current assets:		
Short term investment - net	14,746,442	4,022,127
Other receivables	(72,436)	181,519
	14,674,006	4,203,646
Decrease in current liabilities:		
Trade and other payables	8,140	(1)
Cash used in operations	<u>(751,897)</u>	<u>2,205,916</u>
Taxes paid	(3,338)	(140)
Finance cost paid	(35)	-
	<u>(3,373)</u>	<u>(140)</u>
Net cash used in operating activities	<u>(755,270)</u>	<u>2,205,776</u>
Net (decrease) in cash and cash equivalents	<u>(755,270)</u>	<u>2,205,776</u>
Cash and cash equivalents at beginning of the period	6,543,601	7,504,794
Cash and cash equivalents at end of the period	<u>5,788,331</u>	<u>9,710,570</u>

The annexed notes from 1 to 9 form an integral part of these financial statements.


FARRUKH SHAFIQ
 Chief Executive

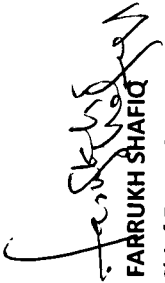

MUHAMMAD SARFRAZ
 Director


SOHAIL AHMED
 Chief Financial Officer


HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Reserves				Total
		Capital		Revenue		
		Share premium	Fair value reserve (Loss)	Accumulated loss	Sub total	
Balance as at July 01, 2018	119,750,400	6,912,000	(11,583,241)	(77,807,849)	(82,479,090)	37,271,310
Loss for the period	-	-	-	(4,040,426)	(4,040,426)	(4,040,426)
Other comprehensive loss for the period - net of tax	-	-	(8,927,906)	-	(8,927,906)	(8,927,906)
Total Comprehensive loss for the period	-	-	(8,927,906)	(4,040,426)	(12,968,332)	(12,968,332)
Balance as at June 30, 2018	119,750,400	6,912,000	(20,511,147)	(81,848,275)	(95,447,422)	24,302,978
Loss for the period	-	-	-	(15,436,312)	(15,436,312)	(15,436,312)
Other comprehensive loss for the period - net of tax	-	-	13,422,857	-	13,422,857	13,422,857
Total Comprehensive loss for the period	-	-	13,422,857	(15,436,312)	(2,013,455)	(2,013,455)
Balance as at June 30, 2019	119,750,400	6,912,000	(7,088,290)	(97,284,587)	(97,460,877)	22,289,523

The annexed notes from 1 to 9 form an integral part of these financial statements.


FARRUKH SHAFIQ
 Chief Executive


MUHAMMAD SARFRAZ
 Director


SOHAIL AHMED
 Chief Financial Officer

HAJI MOHAMMAD ISMAIL MILLS LIMITED
NOTES TO THE CONDENSED FINANCIAL STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (Un Audited)

1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a Private Limited Company on February 5, 1980 under the then Companies Act, 1913 and subsequently converted to public limited company on October 15, 1987 under the repealed Companies Ordinance 1984 (now replaced with the enactment of Companies Act, 2017). Shares of the company were subsequently listed on the Stock Exchange on November 29, 1994.

The main objective of the company was manufacturing and sale of yarn and power generation. Subsequently during the Year ended June 30, 2017 management added new object clauses in the Memorandum of Association from Textile / Power Generation to trading/distribution of fast moving consumer goods and other lawful business objects.

- 1.1 The registered office of the company is situated at 409-Commerce Centre, Hasrat Mohani Road, Karachi 74200.

2 BASIS OF PREPARATION

- 2.1 This condensed interim financial information of the Company for the three months ended September 30, 2017 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. 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, 2019.
- 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 The comparative balance sheet presented has been extracted from annual financial statements for the year ended June 30, 2019, 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 three month ended

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, 2019.

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, 2019.

5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	(Unaudited) September 30, 2019	(Audited) June 30, 2019
9,576,240 (June 30, 2019: 9,576,240) Ordinary shares of Rs.10 each fully paid in cash	95,762,400	95,762,400
2,398,800 (June 30, 2019 : 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

	(Unaudited) September 30, 2019	(Unaudited) September 30, 2018
7 FINANCIAL COST		
Bank Charges	35	-
	<u>35</u>	<u>-</u>

8 DATE OF AUTHORISATION FOR ISSUE


These financial information have been authorised for issue on October 28, 2019 by the Board of Directors of the Company

9 GENERAL

Figures have been rounded off to the nearest rupee.


FARRUKH SHAFIQ
Chief Executive

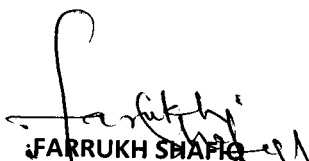

MUHAMMAD SARFRAZ
Director


SUHAIL AHMED
Chief Financial Officer

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2019 (UN-AUDITED)

	Note	September 30, 2019	September 30, 2018
		Rupees	Rupees
Operating expenses			
Administrative expenses		(645,571)	(679,879)
Operating loss		<u>(645,571)</u>	<u>(679,879)</u>
Other expenses		(14,809,945)	(1,319,246)
Other income		21,473	1,396
		<u>(15,434,043)</u>	<u>(1,997,729)</u>
Finance cost	7	<u>(35)</u>	-
(Loss) before taxation		<u>(15,434,078)</u>	<u>(1,997,729)</u>
Taxation		(2,234)	-
(Loss) after taxation		<u><u>(15,436,312)</u></u>	<u><u>(1,997,729)</u></u>
(Loss) per share - basic and diluted		<u><u>(1.29)</u></u>	<u><u>(0.17)</u></u>

The annexed notes from 1 to 9 form an integral part of these financial statements.


FARRUKH SHAFIQ
 Chief Executive


MUHAMMAD SARFRAZ
 Director


SOHAIL AHMED
 Chief Financial Officer