

**HAJI MOHAMMAD ISMAIL MILLS
LIMITED**

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

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

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 Beamont 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	
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 3rd quarter ended 31st March, 2020.

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.21.53(m)

4. Earnings per share

The earning/(loss) per share for the period is Rs. (1.80)

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. 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


Director

Karachi: April. 28, 2020

حاجی محمد اسماعیل ملز لمیٹڈ

ڈائریکٹرز رپورٹ برائے حصص یافتگان

کمپنی ڈائریکٹرز 31 مارچ، 2020 کو ختم ہونے والی تیسری سہ ماہی کے لئے غیر آڈٹ شدہ مالی گوشوارے پیش کرنے میں خوشی محسوس کر رہے ہیں۔

1. سیلز

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 21535634 روپے ہے۔

4. فی شیر آمدنی

رپورٹ کی مدت کے لئے فی حصص / (نقصان) 1.80 روپے ہے۔

5. مالیاتی پوزیشن

کمپنی کے ذمہ کوئی بھاریا 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 نئے 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۔ مینجمنٹ کیس کا دفاع کر رہی 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 انوسٹمنٹ میں نقصان ہوا ہے۔

7. کوڈ آف کارپوریٹ گورننس کی تعمیل

کمپنی نے سیکورٹیز اینڈ ایکسچینج کمیشن 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۔

ڈائریکٹر

منجانب بورڈ آف ڈائریکٹرز

چیف ایگزیکٹو آفیسر

کراچی: اپریل، 28، 2020

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

	Note	March 31, 2020 Rupees (Un-Audited)	June 30, 2019 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Long term deposits		50,000	50,000
CURRENT ASSETS			
Short term investments		53,900	12,266,880
Advance tax-net of provision		862,081	810,207
Other receivables		4,861,313	4,808,857
Cash and bank balances		17,418,554	6,543,601
		23,195,848	24,429,545
TOTAL ASSETS		23,245,848	24,479,545
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital			
12,000,000 (June 30,2019: 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
Accumulated losses		<u>(96,525,358)</u>	<u>(95,447,422)</u>
		23,225,042	24,302,978
CURRENT LIABILITIES			
Accrued and other liabilities		20,806	176,567
TOTAL EQUITY AND LIABILITIES		23,245,848	24,479,545
CONTINGENCIES AND COMMITMENTS	6	-	-

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


Farrukh Shahid
CHIEF EXECUTIVE


Muhammad Sarfraz
DIRECTOR


Suhail Ahmed
CHIEF FINANCIAL OFFICER

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020 (UN-AUDITED)

	Half year ended		Quarter ended	
	March 31, 2020 Rupees	March 31, 2019 Rupees	March 31, 2020 Rupees	March 31, 2019 Rupees
Loss for the period	(21,554,421)	(3,389,234)	(224,676)	(755,425)
Other Comprehensive profit/(loss) for the period				
Item that may be reclassified subsequently to Profit/(Loss) :				
Reclassification adjustment relating to gain/(loss) on disposal of investment	20,476,485	(5,447,081)	-	(1,431,204)
Total comprehensive (loss) for the period	(1,077,936)	(8,836,315)	(224,676)	(2,186,629)

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


Farrukh Shahid
CHIEF EXECUTIVE


Muhammad Sarfraz
DIRECTOR


Suhail Ahmed
CHIEF FINANCIAL OFFICER

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASHFLOW
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020 (UN-AUDITED)

	March 31, 2020 Rupees	March 31, 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(21,535,634)	(3,350,959)
Adjustments for:		
Finance cost	70	70
Fair value adjustment of investment	20,476,485	(5,447,081)
	20,476,555	(5,447,011)
Loss before working capital changes	(1,059,079)	(8,797,970)
Decrease in current assets:		
Short term investment - net	12,212,980	8,278,825
Other receivables	(52,457)	291,774
	12,160,523	8,570,599
Increase/ (Decrease) in current liabilities:		
Accrued and other liabilities	(155,761)	(45,001)
Cash used in operations	10,945,683	(272,372)
Taxes paid	(70,660)	(43,269)
Finance cost paid	(70)	(70)
	(70,730)	(43,339)
Net Increase/ (decrease) in cash and cash equivalents	10,874,953	(315,711)
Cash and cash equivalents at beginning of the period	6,543,601	7,504,794
Cash and cash equivalents at end of the period	17,418,554	7,189,083

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


Farrukh Shaikh
CHIEF EXECUTIVE



Muhammad Sarfraz
DIRECTOR

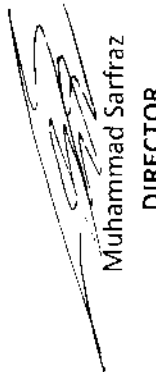

Suhail Ahmed
CHIEF FINANCIAL OFFICER

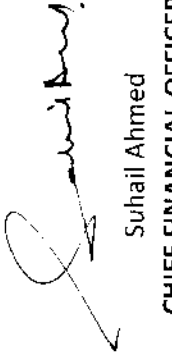
HAJI MOHAMMAD ISMAIL MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Reserves				Total
		Capital		Revenue		
		Share premium	Fair value reserve	Accumulated Losses	Sub total	
		----- Rupees -----				
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	-	-	-	(3,389,234)	(3,389,234)	(3,389,234)
Other comprehensive loss for the period	-	-	(5,447,081)	-	(5,447,081)	(5,447,081)
Total Comprehensive loss for the Period	-	-	(5,447,081)	(3,389,234)	(8,836,315)	(8,836,315)
Balance as at March 31, 2018	119,750,400	6,912,000	(17,030,322)	(81,197,083)	(91,315,405)	28,434,995
Balance as at July 01, 2019	119,750,400	6,912,000	(20,511,147)	(81,848,275)	(95,447,422)	24,302,978
Loss for the period	-	-	-	(21,554,421)	(21,554,421)	(21,554,421)
Other comprehensive profit for the period	-	-	20,476,485	-	20,476,485	20,476,485
Total Comprehensive profit/(loss) for the Period	-	-	20,476,485	(21,554,421)	(1,077,936)	(1,077,936)
Balance as at March 31, 2020	119,750,400	6,912,000	(34,662)	(103,402,696)	(96,525,358)	23,225,042

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


Farrukh Sarfaraz
CHIEF EXECUTIVE


Muhammad Sarfaraz
DIRECTOR


Suhail Ahmed
CHIEF FINANCIAL OFFICER

HAJI MOHAMMAD ISMAIL MILLS LIMITED
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020 (UN-AUDITED)

1 THE COMPANY AND ITS OPERATIONS

- 1.1** 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 enactment of Companies Act, 2017). Shares of the company were 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 Memorandum of Association from Textile / Power Generation to trading/distribution of fast moving consumer goods.

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

1.2 GOING CONCERN ASSUMPTION

The management has disposed off the assets of the Company including land, building, plant & machinery during the year 2013 and pay off its major debts during the year ended June 30, 2015. The management of the company has changed the business dimensions of the company from textile and power generation to fast moving consumer goods. Subsequent to the year ended June 30, 2017 management has added new business object clauses in Memorandum of Association.

Management is planning to 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. The management is also negotiating with financial institutions for financing of the proposed business plan. The company is presently involve in trading activities. In view of the new business dimensions, the company shall remain as a going concern company.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- This condensed interim financial information has been prepared in accordance with International Accounting Standard - 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017.

These interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2019.

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) March 31, 2020	(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

6.1 Contingencies

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 11th December, 2017 under PSX Regulations till the rectification of default. The matter is still subjudice before the Honourable High Court of Sindh

6.2 Commitments

There is no commitments as at March 31, 2020 (June 2019: NIL)

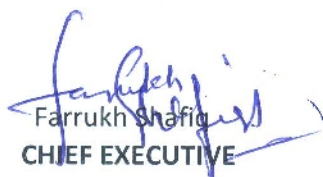
	(Unaudited) March 31, 2020	(Unaudited) December 31, 2018
7 TAXATION		
Current	<u>18,787</u>	<u>38,275</u>

8 DATE OF AUTHORISATION FOR ISSUE

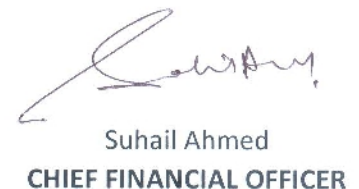
This financial information has been authorized for issue on April 28,2020 by the Board of Directors of the Company

9 GENERAL

Figures have been rounded off to the nearest rupee.


Farrukh Shafiq
CHIEF EXECUTIVE


Muhammad Sarfraz
DIRECTOR


Suhail Ahmed
CHIEF FINANCIAL OFFICER