



## MIAN TEXTILE INDUSTRIES LIMITED

H.O: 29-B/7 Model Town Lahore (Pakistan)  
Phone: 35831804-5, 35869884, Fax: (042) - 35830844  
E-mail : info@miantextile.com Website:www.miantextile.com



The General Manager,  
Pakistan Stock Exchange Ltd.  
Stock Exchange Bldg,  
Karachi-

February 26, 2018

Subject: FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2017

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held at 11:00 a.m. on Monday, February 26, 2018 recommended the following:

i)	CASH DIVIDEND	NIL
ii)	BONUS SHARES	NIL
iii)	RIGHT SHARES	NIL
iv)	ANY OTHER ENTITLEMENT	NIL

The financial results of the Company are enclosed as per annexure "A".

We will be sending you 200 copies of printed half yearly Accounts for the period ended December 31, 2017 for distribution amongst the members of the Exchange in due course of time.

Thanking You.

Yours truly,  
for MIAN TEXTILE INDUSTRIES LTD

Company Secretary

Amir A

**MIAN TEXTILE INDUSTRIES LIMITED**

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

	Half year ended		Quarter ended	
	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2017	Dec. 31, 2016
	(-----Rupees in '000'-----)			
<b>Rental income from investment property</b>	-	14,593	-	7,757
<b>Operating profit</b>	-	14,593	-	7,757
<b>Operating expenses</b>				
Administrative expenses	<b>14,351</b>	16,912	<b>6,846</b>	7,305
<b>Profit / (loss) from operations</b>	<b>(14,351)</b>	(2,319)	<b>(6,846)</b>	452
Other operating expenses	-	14,751	-	13,760
Other income	<b>(68,340)</b>	(42,818)	<b>(268)</b>	(42,511)
Finance cost	<b>6</b>	3,141	<b>4</b>	1,349
<b>Profit / (loss) before taxation</b>	<b>53,983</b>	22,608	<b>(6,582)</b>	27,855
Taxation	-	-	-	-
<b>Profit / (loss) after taxation</b>	<b>53,983</b>	22,608	<b>(6,582)</b>	27,855
<b>Profit / (loss) per share - basic</b>	<b>2.44</b>	1.02	<b>(0.30)</b>	1.26

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

Lahore:  
February 26, 2018

**MIAN MUHAMMAD JEHANGIR**  
Chairman & Chief Executive

**MIAN WAHEED AHMED**  
Director

Amir A

**MIAN TEXTILE INDUSTRIES LIMITED**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

	Half year ended Dec. 31, 2017	Dec. 31, 2016	Quarter ended Dec. 31, 2017	Dec. 31, 2016
	(-----Rupees in '000'-----)			
<b>Profit / (loss) after taxation</b>	<b>53,983</b>	22,608	<b>(6,582)</b>	27,855
<b>Other comprehensive income</b>				
Incremental depreciation for the period	<b>381</b>	1,473	<b>(84)</b>	505
Disposal of plant and machinery	<b>(2,016)</b>	-	<b>(2,227)</b>	-
Other comprehensive income before taxation	<b>52,348</b>	1,473	<b>(2,311)</b>	505
<b>Total comprehensive income / (loss) for the period</b>	<b>52,348</b>	24,081	<b>(8,893)</b>	28,360

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

Lahore:  
February 26, 2018

**MIAN MUHAMMAD JEHANGIR**  
Chairman & Chief Executive

**MIAN WAHEED AHMED**  
Director

## AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

### Introduction

We have reviewed the accompanying condensed interim balance sheet of **Mian Textile Industries Limited** as at December 31, 2017, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity and the notes forming part thereof (here-in-after referred to as the "condensed interim financial statements") for the half year then ended. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial statements based on our review. The figures of the condensed interim profit and loss account for the quarters ended December 31, 2017 and December 31, 2016 and the notes forming part thereof have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of condensed 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.

### Basis for qualified conclusion

- (a) All fixed assets held-for-sale at note (11) are presented at fair value of Rs. 317.745 million which had been determined as per revaluation done on June 30, 2017 and the Company is in the process of locating prospective buyer for sale of assets held-for-sale. Advance of Rs. 15.445 million obtained during this condensed interim financial statement is through brokers without firm commitment from any party. Under such conditions the assets held-for-sale have gone through impairment and test for determination of any impairment loss in current fair value of assets held-for-sale should have been carried out. Office equipments, Furniture & fixtures and Vehicles not revalued are appearing in Condensed interim financial statements at historical cost at note (9) amounting Rs. 4.591 million are also subject to impairment loss. The Company has not followed its procedure for provision of impairment loss on assets held-for-sale and other assets not revalued. Impact on this condensed interim financial statement of impairment loss has not been determined and profits are overstated.

- (b) Non-Current assets and Non-Current liabilities are stated at Fair Market Value but are not presented in their Liquidity order.
- (c) In this condensed interim financial statements the Company has written off Habib Bank Limited loan liability of Rs. 23.813 million and accrued markup of Rs. 44.245 million aggregating to Rs. 68.058 million while no provision is made in these condensed interim financial statements for exchange rate difference Rs. 79.559 million and markup Rs 64.700 million aggregating to Rs. 144.259 million on foreign currency loan, provided by Habib Bank Limited. These amounts have not so far written off by the bank from its books up to June 30, 2017. Since the waiver is subject to approval as per settlement agreement dated 22-11-2013 by State Bank of Pakistan, this liability of Rs 144.259 million should be written off in the year when the matter is finally approved by the State Bank of Pakistan. Profits for the condensed interim financial statements are overstated by Rs. 212.317 million and accumulated losses are understated by that extent.
- (d) Included in Advances from customers at note (7) are Rs. 5 million from Messer Sheikh Noor-ud-Din & Sons (Pvt) Ltd as reported in the annual audit report for the year ended June 30, 2017 which still remained un-confirmed.
- (e) Depreciation charged Rs. 3.497 million on non-current assets held-for-sale at note (11) is non-compliance of IFRS-5. Instead of raising provision for depreciation the Company should have carried out impairment test for determining impairment loss.

(f) **Qualified conclusion**

Based on our review, except for the matters discussed in above paragraphs (a) to (e), nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as of and for the half year ended on December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

(g) **Emphasis of Matter**

Attention is invited to note (3) of condensed interim financial statements. In the Extra Ordinary meeting of shareholders held on 29<sup>th</sup> April 2017, it was resolved that operation of industrial unit was not viable and unit be closed down due to depressed market, uneconomical conditions, political upheavals and continuous losses sustained. Chief Executive was authorized to sell out the fixed assets of the Company. The accounts for the half year ended on December 31, 2017 are prepared by the management as a Non-going Concern for the reason recorded at note (3). Fixed assets comprising of Land, Building, machinery spinning as well as left over weaving machinery were revalued by an independent valuer as at June 30, 2017 vide report dated August 3, 2017. Basis of preparation of financial statements are appropriate except that indicated otherwise at paragraphs (a) to (e). Our report is not qualified in respect of this matter.

**(h) Other matter paragraph**

The condensed interim financial statements for the half year ended 2016 were audited by another auditor (Sarwars chartered accountants) and they issued adverse report dated February 27, 2017 and observed that material uncertainty existed which cast doubt on the Company ability to continue as a going concern because of adverse equity and excess of current liabilities over the current assets, short terms loans and liabilities were wrongly classified as long term, unprovided markup & foreign currency exchange rate translation loss, unamortized directors loan and non-valuation of gratuity. All such Errors including incorrect classification of loans liabilities were rectified in the year ended June 30, 2017. Other matters were resolved as a result of settlement with banks with exception of Habib Bank Limited (Refer to Para 'c').

(MANZOOR HUSSAIN MIR & CO.)  
CHARTERED ACCOUNTANTS  
Engagement Partner: Manzoor Hussain Mir

LAHORE.