

**BOOK POST**  
**PRINTED MATTER**

**REVIEWED INTERIM FINANCIAL**  
**INFORMATION (CONDENSED)**  
**FOR THE HALF YEAR ENDED**  
**DECEMBER 31, 2020**



If undelivered please return to:

***MIAN TEXTILE***  
***INDUSTRIES LIMITED***

29-B/7, Model Town, Lahore.

Ph: 042-35831804-05 Fax: 042-35830844



***MIAN TEXTILE***  
***INDUSTRIES LIMITED***



**COMPANY INFORMATION**

**Board of Directors:**

**Chairperson** : Mrs. Nargis Jehangir

**Chief Executive Officer** : Mian Muhammad Jehangir

**Directors** : Mian Waheed Ahmad  
: Mian Waqar Ahmad  
: Ms. Ayesha Jehangir  
: Mr. Haroon Majid  
: Mr. Maqsood Ahmed Sajid

**Nominee Director – NIT** : Mr. Muhammad Arshad

**Company Secretary** : Mr. Muhammad Masud Mufti

**Chief Financial Officer** : Mr. Muhammad Irfan

**Auditors** : Sarwars  
Chartered Accountants

**Audit Committee** : Mr. Haroon Majid Chairman  
: Mian Waqar Ahmad Member  
: Ms. Ayesha Jehangir Member

**HR & Remuneration Committee** : Mr. Maqsood Ahmed Sajid Chairman  
: Mrs. Nargis Jehangir Member  
: Ms. Ayesha Jehangir Member

**Bankers** : Habib Bank Limited  
: NIB Bank Ltd. (formerly PICIC)  
: National Bank of Pakistan  
: The Bank of Punjab

**Head Office & Registered Office** : 29-B/7, Model Town, Lahore.  
Phone: 35831804-5 (2 lines)  
Fax: 35830844  
Email: info@miantextile.com

**Shares Registrar** : Hameed Majeed Associates (Pvt.) Ltd.  
H.M House 7-Bank Square, Lahore.  
Tel: 37235081-82 Fax: 37358817



**DIRECTOR'S REPORT**

The Directors of your company are pleased to present before you the condensed interim financial information of the company for the Half year ended December 31, 2020. During the period, the company incurred loss of Rs. 6.582 million against loss of Rs. 7.358 million in the corresponding period.

On 27<sup>th</sup> October, 2020, the Company received a letter from M/s Topline Securities Limited who are acting as Manager to the Offer on behalf of Mr. Danish Elahi of M/s Elahi Group of Companies (the 'Acquirer') along with a copy of Public announcement of intention under the provisions of the Securities Act, 2015 (the 'Act') read with the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 to acquire more than 51% shares and management control of the Company, beyond the thresholds prescribed under Section 111 of the Act.

The Directors/majority shareholders negotiated with the potential acquirer and consequently for the revival of operations of the Company and in the best interest of all Shareholders, entered into a Share Purchase Agreement with M/s Elahi Group of Companies (the 'Acquirer') for the sale of 15,473,640/- shares (which constitutes 70% of the total Paid up capital of the Company) along with management control of the Company.

The process of acquisition is in progress and expected to be completed within next couple of weeks. After fulfillment of all the terms and conditions, the 70% shares of the total Paid up capital along with management control of the Company shall be transferred to the Acquirer/their nominees.

The management appreciates the continued/devoted commitment, dedication and hard work shown by the employees of company in this tough time.

**ڈائریکٹرز رپورٹ**

کمپنی کے ڈائریکٹرز 31 دسمبر 2020 کو ختم ہونے والی مختصر ششماہی مالیاتی رپورٹ پیش کرتے ہیں۔ اس دورانیہ میں کمپنی کو 6.582 ملین روپے کا نقصان ہوا جبکہ گزشتہ سال اس دورانیہ میں کمپنی کو 7.358 ملین روپے کا نقصان ہوا تھا۔

127 اکتوبر 2020 کو میسرز الہی گروپ آف کمپنیز کے جناب دانش الہی (دی ایگوائیر) کی طرف سے مینیجر ٹو دی آفر مقرر کیے گئے میسرز ٹاپ لائین سیکورٹیز لمیٹڈ کی جانب سے کمپنی کو سیکورٹیز ایکٹ 2015 کی دفعات کے تحت ایک خط موصول ہوا، جس میں کمپنی کے 51% سے زیادہ شیئرز کے ساتھ ساتھ کمپنی کا انتظامی اختیار حاصل کرنے کی نیت کا اظہار کیا گیا۔

ڈائریکٹرز/اکثریتی شیئرز ہولڈرز نے مکنڈا ایگوائیر سے مذاکرات کیے، جس کے نتیجے میں کمپنی کے آپریشنز کی بحالی اور تمام شیئرز ہولڈرز کی بہتری کو مد نظر رکھتے ہوئے میسرز الہی گروپ آف کمپنیز کے جناب دانش الہی (دی ایگوائیر) کے ساتھ کمپنی کے -/15,473,640 شیئرز (جو کہ کمپنی کے ٹوٹل پیڈ اپ کیپٹل کا 70% بنتا ہے) کو بیچنے اور کمپنی کا انتظامی اختیار منتقل کرنے کا معاہدہ کر لیا۔ ایکویزیشن کے پروجیکٹ پر عمل درآمد جاری ہے جو کہ آئندہ کچھ ہفتوں میں مکمل ہونے کی توقع ہے۔ تمام شرائط و ضوابط کے پورے ہونے کے بعد، پیڈ اپ کیپٹل کے 70% شیئرز کے ساتھ ساتھ کمپنی کا اختیاری بھی ایگوائیر کو منتقل کر دیا جائے گا۔

کمپنی کی انتظامیہ اس مشکل وقت میں ملازمین کی محنت اور لگن سے کام کرنے کو سراہتی ہے۔

لاہور

مورخہ 23 فروری 2021

میان محمد جہانگیر - چیف ایگزیکٹو



## MIAN TEXTILE INDUSTRIES LIMITED

**SARWARS**  
CHARTERED ACCOUNTANTS

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Off:# 12-14, 2nd Floor, Lahore Centre,  
77-D, Main Boulevard, Gulberg-III, Lahore.

### Independent Auditor's Report on Review of Condensed Interim Financial Information to the Members

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **MIAN TEXTILE INDUSTRIES LIMITED** ("the Company") as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the condensed interim financial information for the six-month period then ended (here-in-after referred as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

#### Scope of review

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

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the six months period ended December 31, 2020 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. The figures for the quarters ended December 31, 2020 and December 31, 2019 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

Lahore:  
February 23, 2021

**SARWARS**  
CHARTERED ACCOUNTANTS  
Engagement Partner: Rashid Sarwar (FCA)



## MIAN TEXTILE INDUSTRIES LIMITED

### CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION - (UN-AUDITED) AS AT DECEMBER 31, 2020

		Dec 31, 2020 (Un-audited) Estimated Realisable/ settlement value (Rupees in '000')	June 30, 2020 (Audited) Estimated Realisable/ settlement value (Rupees in '000')
<b>NON-CURRENT ASSETS :</b>	<b>Note</b>		
Property, Plant And Equipment	5	2,381	2,635
Long Term Deposits And Deferred Cost		679	679
<b>CURRENT ASSETS :</b>			
Trade Debts		1,702	1,702
Trade Deposits And Short Term Prepayments		1,536	1,569
Tax Refunds Due From Government		16,855	16,780
Cash And Bank Balances		1,265	7,953
		21,358	28,004
Assets Held For Sale	6	605	605
<b>TOTAL ASSETS</b>		<b>25,023</b>	<b>31,923</b>
<b>CURRENT LIABILITIES :</b>			
Trade And Other Payables	7	7,894	7,911
Short Term Borrowings	8	82	590
Deferred Liabilities	9	4,447	4,239
Provision For Taxation		-	-
<b>TOTAL LIABILITIES</b>		<b>12,422</b>	<b>12,740</b>
<b>NET ASSETS</b>		<b>12,601</b>	<b>19,183</b>
<b>REPRESENTED BY:-</b>			
<b>Authorized share capital</b> 22,500,000 Ordinary shares of Rs. 10/- each		<b>225,000</b>	225,000
Issued, subscribed and Paid Up Capital		221,052	221,052
Reserves		(208,451)	(201,869)
<b>Share Holders' Equity</b>		<b>12,601</b>	19,183
Contingencies & Commitments		-	-
		<b>12,601</b>	<b>19,183</b>

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

**MIAN MUHAMMAD JEHANGIR**  
Chief Executive Officer

**MIAN WAHEED AHMAD**  
Director

**MUHAMMAD IRFAN**  
Chief Financial Officer



## MIAN TEXTILE INDUSTRIES LIMITED

### CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS - (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	HALF YEAR ENDED		QUARTER ENDED	
	DEC 31, 2020	DEC 31, 2019	DEC 31, 2020	DEC 31, 2019
	(-----Rupees in '000'-----)		(-----Rupees in '000'-----)	
<b>Income from trading</b>	-	-	-	-
	-	-	-	-
Cost of trading	-	-	-	-
<b>Operating Profit</b>	-	-	-	-
<b>Operating Expenses</b>				
Administrative expenses	<b>6,580</b>	7,155	<b>3,562</b>	3,346
<b>Loss from Operations</b>	<b>(6,580)</b>	(7,155)	<b>(3,562)</b>	(3,346)
Other operating charges	-	200	-	200
Finance cost	<b>1</b>	2	<b>1</b>	1
<b>Loss before Taxation</b>	<b>(6,582)</b>	(7,358)	<b>(3,564)</b>	(3,547)
Taxation	-	-	-	-
<b>Loss after Taxation</b>	<b>(6,582)</b>	(7,358)	<b>(3,564)</b>	(3,547)
<b>Loss per Share - Basic</b> Rupees	<b>(0.30)</b>	(0.33)	<b>(0.16)</b>	(0.16)

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

#### Lahore

February 23, 2021

MIAN MUHAMMAD JEANGIR  
Chief Executive Officer

MIAN WAHEED AHMAD  
Director

MUHAMMAD IRFAN  
Chief Financial Officer



## MIAN TEXTILE INDUSTRIES LIMITED

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	HALF YEAR ENDED		QUARTER ENDED	
	DEC 31, 2020	DEC 31, 2019	DEC 31, 2020	DEC 31, 2019
	(-----Rupees in '000'-----)		(-----Rupees in '000'-----)	
Loss after Taxation	<b>(6,582)</b>	(7,358)	<b>(3,564)</b>	(3,547)
Other comprehensive income	-	-	-	-
<b>Total comprehensive Loss for the period</b>	<b>(6,582)</b>	(7,358)	<b>(3,564)</b>	(3,547)

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

PARTICULARS	SHARE CAPITAL	ACCUMULATED LOSS	SHAREHOLDER'S EQUITY
<b>Balance as at June 30, 2019</b>	<b>221,052</b>	<b>(187,255)</b>	<b>33,797</b>
Loss for the period after taxation	-	(14,614)	(14,614)
Total comprehensive income for the period	-	-	-
<b>Balance as at June 30, 2020</b>	<b>221,052</b>	<b>(201,869)</b>	<b>19,183</b>
Loss for the period after taxation	-	(6,582)	(6,582)
Total comprehensive income for the period	-	-	-
<b>Balance as at December 31, 2020</b>	<b>221,052</b>	<b>(208,451)</b>	<b>12,601</b>

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

#### Lahore

February 23, 2021

MIAN MUHAMMAD JEANGIR  
Chief Executive Officer

MIAN WAHEED AHMAD  
Director

MUHAMMAD IRFAN  
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS - (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	DEC, 2020	DEC, 2019
	( Rupees in '000' )	
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
Loss before taxation	(6,582)	(7,358)
<b>Adjustments for:</b>		
- Depreciation	255	605
- Gratuity	214	202
- Finance cost	1	2
<b>Operating (loss) / profit before working capital changes</b>	<b>(6,112)</b>	<b>(6,549)</b>
<b>(Increase) / decrease in current assets</b>		
- Stores and spares	-	-
- Trade debts	-	154
- Trade deposits, prepayments and other receivables	33	35
- Tax refunds due from Government	(64)	(649)
	<b>(31)</b>	<b>(460)</b>
<b>(Decrease) / increase in current liabilities</b>		
- Trade and other payables	(17)	(1,082)
	<b>(48)</b>	<b>(1,542)</b>
<b>Cash generated from operations</b>	<b>(6,160)</b>	<b>(8,091)</b>
- Financial charges paid	(1)	(2)
- Gratuity paid	(7)	(170)
- Income tax paid	(11)	(13)
<b>Net Cash from / (used in) Operating Activities</b>	<b>(6,179)</b>	<b>(8,276)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
- Fixed capital expenditure	(1)	(3)
<b>Net Cash from Investing Activities</b>	<b>(1)</b>	<b>(3)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
- Short term borrowings	(508)	(34,034)
<b>Net Cash used in Financing Activities</b>	<b>(508)</b>	<b>(34,034)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(6,688)</b>	<b>(42,314)</b>
Cash and cash equivalents at the beginning of the period	<b>7,953</b>	57,524
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>1,265</b>	15,210

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

**Lahore**

February 23, 2021

**MIAN MUHAMMAD JEHANGIR**  
Chief Executive Officer

**MIAN WAHEED AHMAD**  
Director

**MUHAMMAD IRFAN**  
Chief Financial Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Mian Textile Industries Limited, "the Company", was incorporated in Pakistan on December 01, 1986 as a Public Limited Company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange. The registered office of the Company is situated at 29-B/7, Model Town, Lahore and its manufacturing facilities were located at 48.5 K.M. Multan Road, Bhai Pheru, Tehsil Chunian, District Kasur. The Company was principally engaged in the business of manufacturing, sale and export of textile products. The company resolved in extra-ordinary general meeting held on 29th April, 2017 that operation of manufacturing unit was not viable and unit to be closed down and authorized the Chief Executive to implement the resolutions. Accordingly the fixed assets were sold off other than assets used for administrative purposes and the outstanding loans of banks and directors and their family members, were liquidated till June-2019. In this condensed interim financial period, no trading business was conducted and sales are amounting to Nil (December 31, 2019: Nil).

**2. STATEMENT OF COMPLIANCE**

**2.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2** These condensed interim financial statements are un-audited. It has been prepared and is being submitted to the members as required by section 237 of the Companies Act, 2017. The condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting " as applicable in Pakistan and have been reviewed by the auditors as required by the Codes of Corporate Governance. These condensed interim financial statements do not include all the statements required for annual financial statements and therefore, should be read in conjunction with the annual financial statements for the year ended June 30, 2020.

**2.3** These condensed interim financial statements comprise of the condensed interim statement of financial position as at December 31, 2020 and the condensed interim statement of profit or loss, the condensed interim statement of changes in equity, the condensed interim statement of cash flows and notes thereto for the six months period then ended which have been subjected to a review in accordance with the listing regulation but not audited. These condensed interim financial statements also included the condensed interim statement of profit and loss for the quarter ended December 31, 2020 which have neither been reviewed nor audited.

**2.4** The comparative statement of financial position presented in these condensed interim financial statements as at June 30, 2020 has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2020 whereas the comparative condensed interim statement of profit or loss, condensed interim statement of changes in equity and condensed interim statement of cashflows for the six months period ended December 31, 2019 have been extracted from condensed interim financial statements of the Company for the six months period then ended, which were subjected to a review but not audited. The comparative condensed interim statement of profit or loss for the quarter ended December 31, 2019 included in these condensed interim financial statements was neither subjected to a review nor audited.

**2.5** There were certain other new standards and amendments to the international accounting and reporting standards which came effective during the period but are considered not to be relevant or did not have any significant impact on the accounting policy of the Company.



## MIAN TEXTILE INDUSTRIES LIMITED

### 3. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS ON NON- GOING CONCERN ASSUMPTION

- 3.1** The company being a Non-going concern, the interim financial statements have been prepared under fair market value method against historical cost convention in earlier years. Assets and liabilities are stated at fair value except for vehicles which are stated on historical cost basis.
- 3.2** In this condensed interim financial statements the Company has incurred a comprehensive loss of Rs. 6,582 Million during the half year ended December 31, 2020 (December 31, 2019: comprehensive loss was Rs. 7,358 Million). Accumulated losses are Rs. 208,451 Million (June 30, 2020: Rs. 201,869 Million). These condensed interim financial statements are prepared on non-going concern basis under fair market value as stated in annual audited financial statements of the Company for the preceding financial year ended June 30, 2020 at Note. (3) and there is no change in basis of preparation of condensed interim financial statement as at December 31, 2020.

### 4. SIGNIFICANT ACCOUNTING POLICIES

- 4.1** The accounting policies and methods adopted for preparation of this condensed interim financial statements are the same as those were followed in the preparation of annual financial statements of the Company for the preceding financial year ended June 30, 2020.
- 4.2** Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less cost to sell, if their carrying value is to be recovered principally through a sale transaction with in one year of the date of statement of financial position rather than through continuing use and depreciation on such assets cease. Refer to Note No. 6.

Un-Audited Dec. 31, 2020	Audited Jun. 30, 2020
( Rupees in thousand )	

### 5. PROPERTY, PLANT AND EQUIPMENT

Opening balance (at book value)	2,635	3,267
Additions during the period/year (at cost)		
Office equipment	1	3
Furniture and fixture	-	-
Vehicles	-	-
	<u>1</u>	<u>3</u>
	2,636	3,270
Transfer / Disposal during the period/year (at book value)	-	-
	2,636	3,270
Depreciation charged for the period/year (net of disposals)	(255)	(635)
Closing balance (at book value)	<u>2,381</u>	<u>2,635</u>

### 6. ASSETS HELD FOR SALE

#### 6.1 Store & spares held for sale

Opening balance	605	605
Disposed off / written off during the year	-	-
	<u>605</u>	<u>605</u>

### 7. TRADE AND OTHER PAYABLES

<u>7,894</u>	<u>7,911</u>
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- 7.1** Trade and Other Payables includes an amount of Rs. 0.415 million against unclaimed dividend. The company is in process of complying with the requirements of section 244 of the Companies Act 2017.



## MIAN TEXTILE INDUSTRIES LIMITED

Un-Audited Dec. 31, 2020	Audited Jun. 30, 2020
( Rupees in thousand )	

### 8. SHORT TERM BORROWING

#### From related parties - unsecured

Loan from Chief Executive	<u>82</u>	<u>590</u>
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- 8.1** An amount of Rs. 508 thousand against total amount of outstanding loan of Rs. 590 thousand has been settled off with the Chief Executive.

### 9. DEFERRED LIABILITIES

Staff retirement benefits - unfunded gratuity scheme	<u>4,447</u>	<u>4,239</u>
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### 10. CONTINGENCIES AND COMMITMENTS

There are no significant changes in contingencies since the last audited published financial statements and there are no commitments at the reporting date.

### 11. TAXATION

- 11.1** In view of losses, no tax is payable by the Company on income basis. Accordingly, no provision for tax has been recognized.
- 11.2** Income tax assessments have been completed up to financial year ended June 30, 2020 (tax year 2020) as deemed assessment.

### 12. RELATED PARTY TRANSACTIONS

The related parties and associated undertakings as defined in section 2(4) of the Companies Act, 2017 comprise of related group companies, associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings, other than remuneration and benefits to key management personnel under the term of their employment are as follows:

Un-Audited Dec. 31, 2020	Un-Audited Dec. 31, 2019
( Rupees in thousand )	

Nature of transactions	Relationship with the company		
Rent of office premises	Director	504	480
Short term borrowing	Chief executive	82	34,034

### 13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements has been authorised for issue on February 23, 2021 by the Board of Directors of the Company.

### 14. GENERAL

- Figures have been rounded off to the nearest thousands of rupees, and
- Corresponding figures for the period / previous year have been rearranged wherever necessary, for the purposes of comparison. However, no significant rearrangements have been made in these condensed interim financial statements.

**MIAN MUHAMMAD JEHANGIR**  
Chief Executive Officer

**MIAN WAHEED AHMAD**  
Director

**MUHAMMAD IRFAN**  
Chief Financial Officer