



M O H A M M A D F A R O O Q
T E X T I L E M I L L S L T D

October 08, 2016

The Secretary
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Sub: **Financial Results of Mohammad Farooq Textile Mills Ltd for the year ended June 30, 2016**

Dear Sir,

We have to inform you that the Board of Directors of Mohammad Farooq Textile Mills Ltd in their meeting held on Saturday, October 08, 2016 at 3:30 p.m. at 50-B, South Circular Avenue, Phase II, Defence Housing Authority, Karachi, recommended the following:

- (i) CASH DIVIDEND --NIL-- AND/OR
(ii) BONUS ISSUE -NIL- AND/OR
(iii) RIGHT SHARES--NIL-- AND/OR
(iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION -NIL - AND/OR
(v) ANY OTHER PRICE-SENSITIVE INFORMATION -NIL -

The Financial Results of the Company is as follows.

	For year ended 30-06-2016	For year ended 30-06-2015
	(Rupees in '000)	(Rupees in '000)
Sales	--	--
Cost of goods sold	--	--
Gross (Loss)	-	-
Other operating income	-	5,176
	-	5,176
Distribution cost	-	--
Administrative expenses	(1,596)	(19,651)
Finance cost	(6)	(8)
Writeoffs to net realizable values	--	--
	(1,602)	(19,659)
(Loss) before taxation	(1,602)	(14,483)
Taxation	-	-
(Loss) after taxation	(1,602)	(14,483)
Other comprehensive income	-	-
Total (loss) after other comprehensive income	(1,602)	(14,483)
(Loss) / Profit per share	(0.08)	(0.77)

Registered Address:- 56B, 5th Floor, Fared Chamber, Abdullah Haroon Road, Saddar. Karachi Phone #021-35630478.

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The auditors' observation in its report are as under:

- (a) Company has borrowings from ORIX Investment Bank and Faysal Bank of Rs. 3 million and 0.996 million respectively. We were unable to obtain sufficient appropriate audit evidence of such borrowings as at June 30, 2016 as we have not received confirmations from these institutions and also we were unable to perform alternate audit procedure. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
- (b) We have not received confirmations from legal advisor against various litigations and consequently, were not able to verify the current status.
- (c) We have not received confirmations from tax advisor against various cases and consequently, are not able to verify the current status.

We draw attention to Note 1.2, 2 and 3 to the financial statements whereby during the previous year. Company has entered into a compromise agreement with financial institution to repay its outstanding liabilities and also provided the reason for not considering the Company a going concern and also disclosed the basis of preparation based on which the annexed financial statements have been prepared.

As more explained in note 1.3 to the financial statements, subsequent to the balance sheet date, SECP has passed an order to file a petition before competent Court for winding up of the Company.

Our opinion is not qualified in respect of this matter.

The Annual General Meeting of the Company will be held at 50-B, South Circular Avenue Phase-II, Defence Housing Authority, Karachi on Monday, October 31, 2016 at 3:30 p.m.

The Share Transfer Books of the Company will be closed from October 24, 2016 to October 31, 2016 (both days inclusive).

We will be sending you the required copies of printed accounts for distribution amongst Members of the Exchange in due course.

Yours truly,

Sabiha Sumar
Chief Executive

Registered Address:- 56B, 5th Floor, Fareed Chamber, Abdullah Haroon Road, Saddar. Karachi Phone #021-35630478.

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