QUETTA TEXTILE MILLS LIMITED

Nadir House, I. I. Chundrigar Road, Karachi – 74000, Pakistan
Tel: +92 (21) 3241-4334~6 Fax: +92 (21) 3241-9593
Mail: sales@QuettaGroup.com Web: www.QuettaGroup.com

Dated: 9th October 2018

Member(s) / Shareholder(s)

Quetta Textile Mills Limited

Corrigendum to Annual Report of the Company for the Financial Year 2017-2018

Dear Sir(s),

The members/shareholders of the Company are requested to note the corrections as appearing hereunder with respect to and in connection with the annual report of the Company for the Financial Year 2017-2018 as dispatched to its members/shareholders on 4th October 2018.

1. Second last paragraph in the Directors' Report to the Members stands deleted, on page number 13 of annual report Financial Year 2017-2018:

   Quote:

   "Due to this ...... key staff members"

   Unquote.

This corrigendum should be read in connection with the printed annual report 2017-2018. Except deleted of second last para on Page Number 13, there is no other revision in the printed annual report 2017-2018.

We sincerely regret for the inconveniences caused. We request you to take the above corrections on your record.

Thanking you,

Yours faithfully

For Quetta Textile Mills Ltd.

Quetta Textile Mills Ltd. Karachi

Company Secretary

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DIRECTORS' REPORT TO THE MEMBERS

d) The International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.

e) There is no significant doubt upon the Company's ability to continue as a going concern.

f) The system of internal control is sound in design and has been effectively implemented and monitored.

g) Key operating and financial data for the last six years in summarized from is annexed.

h) Outstanding duties, statutory charges and taxes if any, have been adequately disclosed in the annexed audited financial statements.

Reservations in Independent Auditors' Report to the Members

The auditors have given some remarks over financial stability of the company by pointing towards use of going concern assumption. The management very briefly explains in note 3.5 various mitigating factors that are in company's favor to be in going concern for feasible future.

The main factor in the company's favour is that the company is getting complete co-operation from our main bankers who have not only re-structured our Cash Finance loans, but have also given the company substantial grace period of around 18 months for principal re-payments. Along-with this, rate of mark-ups has been reduced between K + 0%--1%. Mark-up amounts have been re-scheduled to be paid at 'tail-end', after all re-payments of principal amounts. This has been done to enable the company start positive cash flow generation and to retain liquidity.

Conclusion

In the end, I would like to thank all the financial institutions for their continued support and confidence they have shown towards the company. To the workers, staff and officers, I extend my gratitude for their dedication and honesty.

For and on behalf of the Board

OMER KHALID
Director

TARIQ IQBAL
Chief Executive

Karachi: October 03rd 2018