

**KARACHI STOCK EXCHANGE LIMITED**

KSE/N-6598

**NOTICE**

December 21, 2015

Reproduced hereunder letter received from KHURSHID SPINNING MILLS LIMITED, for information of TRE Certificate Holders of the Exchange.

(Copy of the same is also available on our Website [www.kse.com.pk](http://www.kse.com.pk)).

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**KHURSHID SPINNING MILLS LTD.**



KSML/12-2015/134

Dated: December 15, 2015

(Through fax and courier)

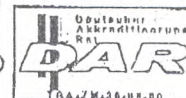
The Manager  
Companies and Securities Compliance-RAD  
Karachi Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Subject: **Removal of the Name of the Company from Defaulters' Segment and Resumption of its Trading**

Dear Sir,

In reference to your letter no. KSE/C-630-9199 dated November 02, 2015; we would like to explain you that the adverse opinion given by the auditors in their auditor report accompanying part of the annual financial statements for the year ended June 30, 2015 was based due to heavy accumulated losses of Rupees 467.999 million and closure of operations of the mills since October 2011 due to overdue debts and non availability of working capital.

The management of the Company is very anxious towards the revival of its operations and has taken many steps in this regard. The management has leased out its production facilities at monthly lease rent of Rupees 2.000 million since May 2012. Since then, the operations are being carried out by the lessee and proper arrangements have been made by the lessee to keep the assets in good running condition. The lessee has also given loan amounting to Rupees 208.559 million to the Company for payment of overdue liabilities of bank, creditors and for Balancing, Modernization and Replacement of plant and machinery and related equipment of the Company. Moreover, the Company has also fully repaid the overdue liabilities of several banks like Bankers Equity Limited, Habib Bank Limited, Albarka Bank (Pakistan) Limited and Meezan Bank Limited. The Company has received clearance letters from all



# KHURSHID SPINNING MILLS LTD.

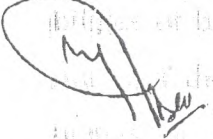


aforementioned banks. The Company has also rescheduled its outstanding liabilities with The Bank of Punjab and is regularly paying its installments since 2013.

As already mentioned that the Company has fully repaid / rescheduled the overdue liabilities of banks, resultantly, the Company has earned some reputation in banking sector and the management believes that after complete repayment of outstanding liabilities of The Bank of Punjab and favorable Government textile policies the Company would be able to resume its own operations and would be able to continue as a going concern. Meanwhile, the Company will continue its operations on lease and there is every possibility that the amount of lease rental would be enhanced in future to earn more profit.

In view of the above explanation, you are requested to transfer the name of our Company from Defaulters Segment to Normal Counter and resume the trading in its shares at your earliest.

Yours sincerely,  
For **KHURSHID SPINNING MILLS LIMITED**

  
**COMPANY SECRETARY**

has fully repaid / rescheduled the overdue liabilities of banks and has earned some reputation in banking sector. After complete repayment of outstanding liabilities of The Bank of Punjab and favorable Government textile policies the Company would be able to resume its own operations and would be able to continue as a going concern. Meanwhile, the Company will continue its operations on lease and there is every possibility that the amount of lease rental would be enhanced in future to earn more profit.