



PAKISTAN STOCK EXCHANGE LIMITED

PSX/N-3726

NOTICE

June 14, 2018

Reproduced hereunder letter received from **KHURSHID SPINNING MILLS LIMITED**, for information of all TREC Holders of the Pakistan Stock Exchange.

(Copy of the same is also available on our Website www.psx.com.pk).

KHURSHID SPINNING MILLS LTD.



KSML/06-2018/385

June 11, 2018

Mr. Muhammad Ghufraan
Deputy General Manager
Company Affairs
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Dear Sir

**KHURSHID SPINNING MILLS LIMITED ("the Company")
SHIFTING OF THE NAME OF THE COMPANY FROM DEFAULTERS' SEGMENT
TO NORMAL COUNTER AND RESUMPTION OF TRADING IN THE SHARES OF
THE COMPANY**

Please refer to your letter no. PSX/C-630-2481 dated May 25, 2018 on captioned subject; the company has paid all the outstanding dues / fees to PSX. We are glad to read your intention to shift the name of the company from Defaulters' Segment to Normal Counter.

We are pleased to inform you that as a result of stern efforts of the sponsors and directors of the Company:

- The spinning business operations of the Company are now on the brink of revival.
- The existing lessee of plant and machinery and other facilities located at mills of the Company i.e. M/s Beacon Impex (Private) Limited is willing to acquire ordinary shares of the Company from the sponsors of the Company and hence control of the Company.

After the planned acquisition of ordinary shares from sponsors and hence control of the Company, M/s Beacon Impex (Private) Limited will take following steps:

- Discontinue the existing lease arrangement
- Immediately start the commercial spinning business operations of the Company
- So that, Khurshid Spinning Mills Limited, the listed company shall resume the spinning business in its own name and in its own legal structure.

The proposed acquisition of ordinary shares from sponsors of the Company and resumption of spinning business is in the interest of all stakeholders and will benefit the shareholders of at large. Therefore, the acquirer i.e. M/s Beacon Impex (Private) Limited has made following arrangements in this regard:

- Appointed the Manager to the Offer, M/s BMA Capital Management Limited,
- The acquirer is proceed with "Public Announcement of Intention to Acquire 67.25% Shares (8,860,650 Shares) or control of Khurshid Spinning Mills Limited under the

KHURSHID SPINNING MILLS LTD.



However, the Company is placed in defaulters' segment and trading in shares of the Company is suspended. We stress here that the Company is not in default in making payment of any dues of PSX. You would agree that the formalities and essence of Securities Act, 2015 and related substantial acquisition regulations can be achieved only if a company is in normal counter and trading in shares of that company is activated.

Public Offer under the Securities Act, 2015 mainly to minority shareholders is an essential required compliance by the acquirer as it shall be acquiring control of the Company and the Public Offer by the acquirer under the Securities Act, 2015 cannot be implemented under the current state of listing affairs of the Company.

Although going by strict interpretation of law and regulations, the public announcement of intention to acquire shares and control of the Company is mandated as of now, being a price sensitive information but as trading in shares of the Company is suspended and sponsors have not / cannot trade in their shares, hence, delay in completion of the public announcement of intention process is only due to the aforesaid facts and has no bearing on share price of the Company.

In the light of above said situation, **we request your honor:**

- To facilitate the execution of the aforesaid revival plan of the Company by issue directions for removal of Company's name from defaulters' segment and resumption in trading of shares of the Company
- Unblock of sponsors' shares so that M/s Beacon Impex (Private) Limited through its Manager to the Offer can complete all formalities of the Securities Act, 2015 and related substantial acquisition regulations within the shortest possible time.

However, as you have required detail presentation with the shareholders / market participants on non-compliance of PSX regulations and future plans of the company, we assure your good self that we will take our shareholders in confidence on the basis of published accounts for the year ended June 30, 2018. In this regard, the Company and M/s Beacon Impex (Private) Limited, are willing to make the disclosure(s) as directed.

We thank in advance for the understanding and its role in revival of operations of a listed company.

Sincerely
for KHURSHID SPINNING MILLS LIMITED

COMPANY SECRETARY

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Faisalabad.

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ISO 9002 CERTIFIED COMPANY

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Mills: 35-Kilometers, Sheikhpura Road, Faisalabad.

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