



Securities and Exchange Commission of Pakistan
Securities Market Division
Primary Market Approvals and Development Department

No. EMD/CI/80/2008/58

January 31, 2022

Mr. Ch. Muhammad Shafique,
Chief Executive Officer,
Beco Steel Limited,
Florets Luxury Apartments G-7,
Ground Floor, 127 – Ahmad Block,
Garden Town, Lahore.

Subject: Further issue of shares by way of other than right issue under Section 83(1) (b) of the Companies Act, 2017 read with regulation 5 of the Companies (Further Issue of Shares) Regulations, 2020

Dear Sir,

This is with reference to application of Beco Steel Limited (formerly Ravi Textile Mills Limited) (the Company) dated June 03, 2021 email dated January 27, 2022 and subsequent correspondence regarding the captioned subject.

2. In this regard, I am directed to inform you that the competent authority considered the Company's request and has allowed it to issue **99,962,510** ordinary shares having par value of **Rs.10** per share with premium of **Rs. 20** per share amounting to **Rs. 2,998,875,300/-** by way of other than right offer against consideration of non-cash assets including land, building, plant & machinery to the following persons under Section 83 of the Companies Act, 2017 read with regulation 5 of the Companies (Further Issue of Shares) Regulations, 2020. The approval is based on the special resolution passed by the shareholders of the Company in the Extraordinary General Meeting (EOGM) held on May 11, 2021 and the information/documents submitted to the Commission thereafter:-

S.No	Name of the shareholders	Shares to be issued	Consideration against non-cash assets
1	Ch. Muhammad Shafiq	48,636,667	i 6 K 10 marla - Shaikhabad, Mauza Bela Basti, Ram Noor, Badami Bagh Lahore ii 10K 6 marla - Siddiqui Colony, Mauza Bela Basti, Ram Noor, Badami Bagh Lahore
2	Sarwar Sultana	13,040,000	6 K 10 marla - Shaikhabad, Mauza Bela Basti, Ram Noor, Badami Bagh Lahore
3	Ch. Muhammad Zafar	2,173,334	
4	Najma Aziz	2,173,334	
5	Salma Aziz (Um-e-Salma)	2,173,334	
6	Shabana Aziz	2,173,334	
7	Uzma Zafar	2,173,334	
8	Chaudhry Steel Re-Rolling Mills Ltd. (CSRM)	27,419,177	
	Total	99,962,510	

3. The approval is however, subject to the following conditions:
- The shares shall be issued only in the book entry form within 60 days from the date of approval by the Commission;
 - The company shall intimate the Commission and the securities exchange about issuance of the shares within seven days of the issuance;



Securities and Exchange Commission of Pakistan
Securities Market Division
Primary Market Approvals and Development Department

- iii. The non-cash assets (land, building, plant & machinery) against which the shares are being issued shall be transferred in the name of Beco Steel Limited, within 90 days of approval by the Commission;
- iv. Mr. Ch. Muhammad Shafiq (CNIC: 35202-0217025-7), Ms. Sarwar Sultana (CNIC: 35202-3779689-2) and Chaudhry Steel Re-Rolling Mills Ltd (CUIN:0029561), being the sponsor, shall retain their entire shareholding for at least twelve months; and at least twenty five percent of their shareholding for at least three years;
- v. M. Zafar (CNIC: 35202-5136888-5), Najma Aziz (CNIC:35202-2450662-4), Salma Aziz (CNIC: 35202-5655435-0), Shabana Aziz (CNIC:35202-1569844-4), Uzma Zafar (CNIC:35202-1748083-6) being person other than sponsor, shall retain their entire shareholding for a period of at least one year;
- vi. The Company shall as part of the material announcement, while disclosing the Commission's approval of further issue of shares, shall include valuation report based on which the above-referred shares are being issued;
- vii. The Company shall invite claims on non-cash assets through placing an advertisement in two widely circulated Newspapers both English & Urdu language with respect to the non-cash assets mentioning that these assets shall be transferred in the name of Beco Steel Limited from the owners and any claims in the context shall be submitted within 7 days of the advertisement;
- viii. The Company shall intimate the Commission confirming details of claims received and settled in the context along with an affidavit stating that information shared is correct to the best of their knowledge;
- ix. The Company shall provide following information:
 - a. Production capacity of the installed plant and machinery;
 - b. Amount of capital expenditure required to be incurred on said plant and machinery during next three year, if any. If capital expenditure is required, the source to finance such capital expenditure is also to be provided; and
 - c. Amount of working capital requirements and funding source to meet such requirements.

4. Please note that further shares as mentioned at point 2 above shall only be issued after sharing the information referred in para 3 (vii, viii & ix) above, with the Commission.

Regards,

Saima Ahrar
Joint Director

Cc:

- i. Mr. Nadir Rehman, COO, PSX, Stock Exchange Building, Stock Exchange Road, Karachi.
- ii. Company Registration Office, 3rd & 4th Floor, Associated House, 7-Egerton Road, Lahore.
- iii. Central Depository Company, CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahrah-e-Faisal Karachi.
- iv. Hameed Majeed Associates (Pvt) Limited, Share Registrar, H.M House7-Bank Square, Lahore.