

Gulistan Spinning Mills Limited

1st Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore, Pakistan.
UAN: +92-42-111-200-000, Tel: +92-42-35941819-23 Fax: +92-42-35941737-38
E-mail: info@gulistangroup.com.pk, G.N. Comtext: A21PK002



June 7, 2013

Mr. Muhammad Ghuffran
Deputy General Manager,
Karachi Stock Exchange (Guarantee) Limited,
Stock Exchange Building, Stock Exchange Road,
Karachi, Pakistan.

In Re: **MERGER BY WAY OF AMALGAMATION**

Dear Sir,

We refer to your letter No. KSE/C-717-2897 dated May 24, 2013 referring our letter dated 17.08.2011 on the captioned subject, and submit as hereunder, to update your record in connection with merger of Gulshan Spinning Mills Limited and Gulistan Spinning Mills Limited with and into Paramount Spinning Mills Limited.

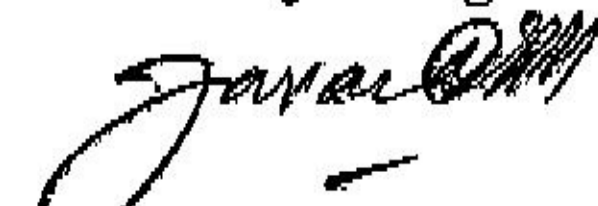
It is submitted that the Honorable Sindh High Court at Karachi (the Court) while disposing off our petition CMA No. 161/2011 in JM No. 22.2011 vide its order dated 30.05.2011 appointed Mr. Tanveer Ahmed (CEO of all the merging companies) as Chairman to convene meetings of the shareholders and creditors of the three merging companies to elicit independent opinion for approval of Scheme of Arrangement for Amalgamation dated 05.04.2011 as required under the Companies Ordinance, 1984 and submit reports thereof with Court.

In this connection an Extra Ordinary General Meeting of the shareholders was convened on 01.08.2011 wherein shareholders of the Company have unanimously approved the Scheme of Arrangement for Amalgamation dated 05.04.2011 and a report to that effect has also been submitted to the Honorable Court on 11.08.2011. Copy of the report is attached. However, some banks have not given so far their NOC in respect of proposed Scheme of Arrangement for Amalgamation. Resultantly, the meeting of the Creditors is still not convened and therefore matter is pending. Once required NOCs are made available to the Company, an extra ordinary general meeting of the Creditors of the Company will be convened under the chairmanship of Mr. Tanveer Ahmed and report thereof will be submitted to the Court in terms of the supra referred Court Order for further processing of the proposed merger by the Court.

We hope that above information regarding the status of merger process would suffice your queries.

Yours sincerely,

For and on behalf of
Gulistan Spinning Mills Limited


(Javaid Iqbal)
Company Secretary
Enclosures: As Above

