

Janana De Malucho Textile Mills Ltd.

SHARES DEPARTMENT
HABIBABAD KOHAT

Ref.No.JM/Secy/16/203

Dated: June 18, 2016

Mr. Muhammad Ghufan
Deputy General Manager—Operations,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
KARACHI

Subject: TRADING VOLUME & PRICE OF JANANA DE MALUCHO TEXTILE MILLS LIMITED SHARE

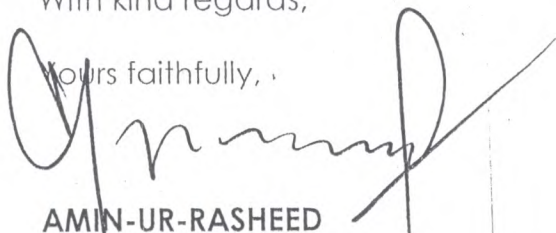
Dear Sir,

Please refer to your Letter No.PSX/C-125-4783 dated June 14, 2016 on the subject cited above.

We are forwarding herewith a copy of reply sent by the company vide Letter No.JM/Accts/16/1319 dated 14/06/2016 to Ms. Najia Ubaid, Joint Director/Head of Wing (SSED), Securities and Exchange Commission of Pakistan (SECP) and copies endorsed to Chairman, SECP and Managing Director, PSX for your further necessary action.

With kind regards,

Yours faithfully,



AMIN-UR-RASHEED

Company Secretary &
Sr. General Manager Corporate Affairs

Encl: (as above)

cc:

1- Ms. Najia Ubaid
Joint Director/Head of Wing (SSED)
Securities and Exchange
Commission of Pakistan,
NIC Building, Jinnah Avenue,
Blue Area, Islamabad

2-Managing Director,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi

Accepted
M/ab o/c

JM/Accts/16/1319

Dated: 14/06/2016

Miss. Najia Ubaid
Joint Director (SSED),
Securities & Exchange Commission of Pakistan,
Securities Market Division,
NIC Building, Blue Area,
Islamabad.
Tel: 051-9100438.

RE: Trading Volume & Price of Janana Shares.

Madam,

This has reference to your letter No.5MD/55ED/JDMT/262/2016/4428-30 dated June 10, 2016 where in we have been asked to narrate the reasons for volatile price increase in the shares of our Company running from Rs. 71.50 (02 May 2016) to Rs. 179/= (09 June 2016).

In view of the provisions of section 97 of Securities Act 2015, we have to state that:-

1. We confirm that there is no material change what so ever in the machinery lay out of the company and neither we have planned any B & MR in the near future.
2. We confirm that we have not made any change in the product mix of the company. Average count spun on 2nd May 2016 was NE 56.93 & average count spun on 9 June 2016 was 56.94.
3. We confirm that that the prices of the company's product are on the declining trend since 02 May 2016 viz a viz 9th June 2016 as narrated below.
4. We confirm that there is no hope of any volatile increase in the rates of the textile spun yarn in the near future due to rampant dumping of cheap Indian yarn in the Pakistan market which is already surplus and due to this phenomena about 100 textile spinning units have been closed.
5. We confirm further that none of the beneficial, owners, Directors, their associates, sponsors and executives have made any deal of shares during this period which should have affected the price of the shares.
6. The financial results of the company are tabulated below for your information which clearly show that profit earned by the company from 2010 to 2015 is on declining trend and there was no hope of any improvement in it on 02nd May 2016 viz a viz 09th June 2016. This information has already been disseminated to the share holders on page 12 of the printed balance sheet of the company for the year ended 30th June 2015.

Particulars	2015	2014	2013	2012	2011	2010
Profit after taxation	16.271	180.597	235.790	144.662	152.048	116.642
Earnings per share	3.40	37.74	49.28	30.23	33.57	30.54
Breakup Value Per share	218.22	213.86	174.63	125.56	91.50	61.15

M/ab

7. The profit after tax of the company for 9 months period ended i.e. 31 March 2016 is Rs.16.523 million & we feel that in the 4th quarter, the company will incur loss due to steep decline in the sale rates of the company as shown in the comparison given below:

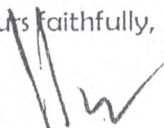
Sale rates decreased or increased		
	02-05-2016	09-06-2016
Specification	Billing Rate	Billing Rate
10/1 OE	509	509
40/1 CDD	1533	1474
52/1 CMD CPT	1847	1818
72/1 WARP	2589	2456
80/1 CPT PIMA	3173	2972
105/1 CMD CPT	3537	3498

8. None of the parameters of the company's working as narrated above are supporting the share price hike and in our considered opinion, the Punters are doing "Satta" i.e. hedging on the shares of the company for making quick profits on the shares of the company which shall be probed by SECP in its own way. We feel that above facts will satisfy you that there is no such information being held by the company which is affecting the volatile increase in the price of the shares. Since none of the provisions of section 97 are applicable to the company which would have affected the price variance therefore we feel that we were not obliged to disseminate any information to SECP, Stock Exchange or share holders of the company.

We shall be pleased to provide any other information to the SECP which it may require in this regard.

Thanking you,

Yours faithfully,


AMIN-UR-RASHEED
Company Secretary &
Sr. General Manager (Corp. Affairs)

CC:

1. The Chairman
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue, Islamabad

2. The Managing Director
Pakistan Stock Exchange (Guarantee)Ltd,
Stock Exchange Road, Karachi.

NOOCC: The Chief Executive
JDM Textile Mills Ltd.
C/o Gammon Pakistan Ltd., Rawalpindi

- Copy of SECP letter attached