



KOHINOOR SPINNING MILLS LIMITED



ISO 9001:2000
CERTIFIED

CORPORATE AND SHARE DEPARTMENT

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October 5, 2015

The General Manager
Karachi Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

**RE : MATERIAL INFORMATION.
CONVERSION OF DIRECTORS LOAN INTO EQUITY**

Sir,

In accordance with Section 15D of the Security & Exchange Ordinance, 1969 and Clause (xx) of the Listing Regulation No. 35 of Code of Corporate Governance, We hereby convey the following information :

The company is converting director's loan of Rs. 700 million into equity . The purpose of this loan was to meet the cost of BMR, working capital requirements of the company and to avoid un-necessary delay in execution of proposed projects.

In the first phase the shareholders of the Company have already approved for the conversion of Rs. 300 millions vide resolution passed in extra ordinary general meeting (EOGM) dated 10-09-2014, Necessary documents have already been submitted with SECP and are in process of final acknowledgment /approval.

After conversion of Rs. 300 million loan into equity, The directors intend to convert remaining portion of Rs. 400 million directors' loan into equity in next month.

Yours faithfully
for Kohinoor Spinning Mills Limited


Muhammad Jahangir Khan,
Company Secretary