



KHALID SIRAJ TEXTILE MILLS LIMITED

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Ref: 2019/07/004

November 04, 2020

Mr. Hafiz MaqsoodMunshi

Manager,
Companies & Securities Compliance-RAD,
The Pakistan Stock Exchange,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: **Non-compliance of Clause 5.11.1. (b)(i) & (l) of PSX Regulations**

Dear Sir,

Reference to your letter no Gen-2146 dated October 29, 2020 on the subject matter. In response to such letter, we are submitting a brief explanation about the resumption of our business.

Today the entire world, and our country also, has been affected by COVID-19. Its devastating impact on our daily life including the economy is now evident and future appears to be challenging. We are unable at this time to assess how prevailing situation will impact the Company's operation to start. We have tried to restart business but unfortunately, market and government policies don't support textile sector in a proficient way, resulting in heavy losses. Further, Government has imposed increased rate from 7.5 cents/kwh to 9 cents/kwh of electricity Units, which burdened heavy cost in business operations.

The future of the Company mainly depends on the future of textile sector in Pakistan. However, the management of the Company is putting its best professional efforts for turnaround of the project and get it operational. Meanwhile the management has been working on lease options whereas we have also been looking for other best possible and workable business options simultaneously. Those will surly impact in coming December or March Quarter Financials.

In this regard, we request to show progress in next few months to get the business in operational form. We hope that above mentioned explanations/clarifications will suffice your requirement and allow more time for compliance of Clause 5.11.1 of PSX Regulations.

Thanking You


Mian Tayyab Qbal
Chief Executive

