

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-2690

NOTICE

May 02, 2011

Reproduced hereunder letter received from **CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED**, for information of Members of the Exchange.

(Copy of the same is also available on our Website www.kse.com.pk).

MUHAMMAD FAROOQ TEXTILE MILLS LIMITED

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shakra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326061
URL: www.cdcpakistan.com
Email: info@cdcpak.com

NOTICE

To: - Chief Executive Officer, Muhammad Farooq Textile Mills Limited
CC: - Director (SROD), Securities and Exchange Commission of Pakistan
- Acting Managing Director, The Karachi Stock Exchange (Guarantee) Limited
- Managing Director, Lahore Stock Exchange (Guarantee) Limited
- The Chief Executive Officer, National Clearing Company of Pakistan Limited
- CDS Elements – Account Holders/ Participants/ Eligible Pledges
From: Fazal Hussain Gaffoor
CFO & Company Secretary
Date: April 27, 2011
Subject: **NOTICE OF INTENTION TO SUSPEND CDS ELIGIBILITY OF ORDINARY SHARES OF MUHAMMAD FAROOQ TEXTILE MILLS LIMITED UNDER THE CDC REGULATIONS**

In view of non-submission of R/TA Reconciliation Report by your company for half-year ended December 31, 2010, despite our follow-ups and notice dated March 15, 2011 under Regulation 13.7.1 of the CDC Regulations allowing further 3 Business Days to comply with the said notice, an amount of Rs. 10,000 was imposed on your company as fine where an invoice was raised in this regard.

As your company is continuously in default of the said regulatory requirement, this failure on part of your company is construed as contravention of the CDC Regulations, thus giving rise to Regulation 5.3.1 of the Regulations, which authorizes CDC to take action including suspension of CDS Eligibility of Securities of the Issuer in respect of which non-compliance has occurred.

You are therefore notified under Regulation 5.3.2 of the CDC Regulations that consequent to failure by your company to comply with Regulation 13.7.1 of the CDC Regulations with respect to submission of R/TA Reconciliation report for the period ending December 31, 2010 relating to the Ordinary Shares (Security Symbol: MFIM) of your company (the "said Securities"), CDC intends to suspend the CDS Eligibility of the said Securities with effect from May 06, 2011.

In view of the above, you are hereby advised to comply with Regulation 13.7.1 of the Regulations by submitting the R/TA Reconciliation Report correct as of December 31, 2010 along with payment of fine of Rs. 10,000/- without further delay but not later than May 06, 2011 to avoid suspension of CDS Eligibility of the said Securities as aforesaid.

As required by the said Regulation 5.3.2 of the CDC Regulations, a copy of this notice is being sent to the Stock Exchanges where the said Securities are listed.

Regards,

Note: As required under Regulation 5.3.4A of the CDC Regulations, Participants are required to notify contents of this notice to their Sub-Account Holders holding securities of the Issuer within 2 Business Days of receipt of this notice.