



PAKISTAN STOCK EXCHANGE LIMITED

PSX/N-4784

NOTICE

August 15, 2017

Reproduced hereunder letter dated August 10, 2017 received from **NADEEM TEXTILE MILLS LIMITED**, alongwith the relevant details/information pertaining to issuance of Rights letters by the Company/Bank and the schedule of trading, for information of all concerned.
(Copy of the same is also available on our Website www.psx.com.pk).



NADEEM TEXTILE MILLS LIMITED

801-804, 8th Floor, Lakson Square, Building No. 3, Block-A,
Sarwar Shaheed Road, Karachi-74200, Pakistan. Tel.: (+92-21) 35220481-88
Fax : (+92-21) 35220495-96 E-mail: info@nadeem.com.pk

URL: www.nadeem.com.pk

August 10, 2017

Mr. Muhammad Ghufraan
Deputy General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

Re: **23% RIGHT ISSUE AT PREMIUM OF RS. 15/- (i.e. Rs. 25/-) PER SHARE**

With reference to our application for Issuance of Right Shares, we hereby further confirm as under:

We shall abide by the CDC and PSX procedures relating to Right Shares and shall deposit the unpaid right in (Book Entry) within the time frame as stipulated under the CDC procedure letter No. OPS/RS/2017-585 dated July 11, 2017 as well as PSX Regulations.

The payment of unpaid Right Letter will be made by cash or crossed cheque or demand draft or pay order made out to the credit of "NADEEM TEXTILE MILLS LIMITED – RIGHT SHARES SUBSCRIPTION (R-2)" account through all branches of Habib Bank Limited in Pakistan as per tentative schedule submitted to you.

The Shareholders holding shares of the Company in physical form should please note that under the CDC Applicable Right Shares procedures, the physical shareholders can renounce his/her letter of Right (LOR) by routing through his/her own CDC IAS Account/Sub-Account to a shareholder who is the IAS account holder or sub account holder with CDC and no credit of Right Share will be allowed in book entry from against subscription of physical Letter of Right (LOR).

We shall request you to please approve the letter of intimation, Letter of Right to Physical Shareholders, Circular under Section 83 and the Tentative Schedule of Right Issue and Right Subscription Request which are earlier provided to you.

Should you need any other documents / information, please contact the undersigned.

Yours truly,
for NADEEM TEXTILE MILLS LIMITED

Abdul Amin
Company Secretary



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Nadeem Textile Mills

Schedule for Issuance of Letter of Rights

Book Closure: From 11.07.2016 to 18.07.2017 (both days inclusive)

Serial	Procedure	Day	Date
1	Date of credit of unpaid Rights into CDC in Book Entry Form	Wednesday	16.08.2017
2	Dispatch of Letter of Right (LOR) to physical shareholders	Friday	18.08.2017
3	Intimation to Stock Exchange (s) for dispatch of physical Letter of Rights	Friday	18.08.2017
4	Commencement of trading of unpaid Rights on the Karachi Stock Exchange Limited	Monday	21.08.2017
5	Last date for splitting and deposit of Requests into CDS	Thursday	31.08.2017
6	Last date of trading of Rights Letter	Tuesday	12.09.2017
7	Last date for acceptance and payment of shares in CDC and physical form - Last payment date	Tuesday	19.09.2017
8	Allotment of shares and credit of book entry of Preference Shares into CDC	Monday	09.10.2017
9	Date of dispatch of physical shares certificates	Thursday	19.10.2017



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INTIMATION LETTER REGARDING RIGHT ENTITLEMENT CONFIRMATION FOR CDC ACCOUNT HOLDERS

CDS Account # : _____

Date : August 15, 2017

Name : _____

Father's/Husband's Name : _____

Right Issue #

Address : _____

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Dear Shareholder,

In accordance with the provisions of Section 83 of the Companies Act, 2017 and the provisions of the Companies (Issue of Capital) Rules 1996 and the decision of the Board of Directors of the Company, we are pleased to inform you that your right offer in the ratio of 23 right offer for every 100 Shares registered in your name as of July 10, 2017, have been credited into your CDS Account. Thus, physical letter of right is not required to be issued to you.

CDS Account #	No. of securities	Right Offer credited*

*This right offer is now available for trading & settlements in book entry form.

The right offer (at the rate of Rupees 25 per share including premium of Rupees 15 per share) must be accepted and paid for in full to the extent of such subscription on or before September 19, 2017. For the purpose of exercising the right offer, you will have to request the CDC participant / Investor Account Services (IAS) department (on behalf of IAS account holders) to initiate Right Subscription Request transaction into CDS on your behalf. Upon execution of right subscription request, CDC participant / IAS department will provide two copies of Right Subscription Request printouts to you to make the payment with authorized banker to the right issue as mentioned in the right subscription request printout.

The right shares are being issued at Rs. 25/- per share including premium of Rs. 15/- per share. The premium has been determined on the basis of lower than market and breakup value and higher than par value and dividend payouts during last five years.

If any right offer is not taken up by the CDS account holder, then these right offers shall be deemed to have declined by you and will be treated as cancelled. In that event these will be offered to and taken up as decided by the Board of Directors of the Company as per requirement of section 83(1)(a) of the Companies Act 2017.

The fractional right entitlements will be consolidated and disposed of on the Stock Exchange and proceeds of such sale will be distributed in due course by the company in the manner prescribed under the provisions of the applicable laws and its articles of association.

Please note that once the Right Subscription Request has been initiated by CDC Participant / IAS Department into CDS, right offer to the extent included in such request will be blocked and therefore cannot be traded further.

Please also note that securities against paid Right Subscription Request will be credited into your respective CDS account within 14 business days from the last payment date.

Circular under section 83(1) of the Companies Act 2017, along with trading and payment details are enclosed.

Yours sincerely,

Abdul Amin
Company Secretary

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NADEEM TEXTILE MILLS LIMITED

PAYMENT OF RIGHT OFFER BY CDS ACCOUNT HOLDERS

Details of Trading, Subscription and Credit of right securities for CDS Account holders:

Activities	Date
Date of commencement of trading of unpaid right at Stock Exchange	21-08-2017
Last date of trading of unpaid right	12-09-2017
Subscription of right offer start date	21-08-2017
Last date of subscription of right offer	19-09-2017
Date of credit of right securities into CDS	09-10-2017

PAYMENT PROCEDURES:

1) BANKER TO THE RIGHT ISSUE:

Habib Bank Limited

2) EXERCISING THE RIGHT OFFER IN CDS:

- a) For subscription of right offer, CDS account holder will request in writing to his CDC participant / IAS Dept to initiate Right Subscription Request into CDS on his behalf and CDC participant / IAS department will provide him two copies of Right Subscription Request printouts enabling him to make the payment with authorized banker to the right issue.
- b) Right Subscription Request can be initiated for full or partial right offer.

3) PAYMENT:

- a) Payment as indicated on Right Subscription Request should be made by cash or crossed cheque or demand draft or pay order made out to the credit of "Nadeem Textile Mills Limited Right Shares Subscription Account" (R-2) through any of the authorized branch of above mentioned bank on or before 19/09/2017 along with Right Subscription Request duly filled in and signed by the subscriber(s).
- b) In case of Non-Resident Pakistani / Foreign shareholder, the demand draft of equivalent amount in Pak Rupees should be sent to the Company Secretary, (Issuer Name) at the registered office of the company along with Right Subscription Request (both copies) duly filled and signed by the subscriber(s) with certified copy of NICOP / Passport well before the last date of payment.
- c) All cheques and drafts must be drawn on a bank situated in the same city where Right Subscription Request is deposited. Cheque is subject to realization.
- d) The Bank will not accept Right Subscription Request delivered by post which may reach after the closure of business on 19/09/2017, unless evidence is available that these have been posted before the last date of payment.

4) ACCEPTANCE OF PAYMENT THROUGH RIGHT SUBSCRIPTION REQUEST:

- a) Payment of the amount indicated on Right Subscription Request to the Company's Banker to the issue on or before 19/09/2017 shall be treated as acceptance of the Right offer.
- b) Two copies of Right Subscription Requests should be handed over to the Company's Banker to the issue intact. Client's copy of Right Subscription Request will be returned to the subscriber whilst Issuer's copy will be retained by the Banker for onward transmission to the Company. The Client's copy must be preserved and retained safely by the subscriber.

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5) JUSTIFICATION OF PREMIUM ON RIGHT ISSUE:

Nadeem Textile Mills Limited is a public limited company, incorporated in Pakistan on July 15, 1984 under the Companies Ordinance, 1984 and listed on Pakistan Stock Exchange Limited. The Company is engaged in the business of manufacturing & sale of yarn.

The right share offer price is less than the average of closing price of ordinary shares of Nadeem Textile Mills Limited on Pakistan Stock Exchange Limited, Breakup value per share of the company with and without surplus on revaluation of assets of the Company. The detail of above is as under:

Average Price on Pakistan Stock Exchange Ltd.	Rs. 34.71
The breakup value, without surplus on revaluation of assets per share on the basis of un-audited accounts as on March 31, 2017 (before issuance of right shares)	Rs. 27.28
The breakup value, with surplus on revaluation of assets per share on the basis of un-audited accounts as on March 31, 2017 (before issuance of right shares)	Rs. 49.10
The breakup value, without surplus on revaluation of assets per share on the basis of un-audited accounts as on March 31, 2017 (after issuance of right shares)	Rs. 26.85
The breakup value, with surplus on revaluation of assets per share on the basis of un-audited accounts as on March 31, 2017 (after issuance of right shares)	Rs. 44.59

The future projections of the Company also justify the charge of premium. The future financial projections of ensuing five years are as under:

Particulars	2018	2019	2020	2021	2022
	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	5,504,432,985	5,575,024,751	5,630,774,998	5,630,774,998	5,630,774,998
Net Profits	59,929,425	78,351,028	89,111,384	89,111,384	89,111,384
EPS (Rs.)	3.12	4.08	4.64	4.64	4.64

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