

Mr Abbas Mirza  
Acting Chief Regulatory Officer  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

CS/S&T/FT/PSX/HRN/18  
October 10, 2018

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Please Circulate  
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**PLACEMENT OF M/S PAKISTAN INTERNATIONAL AIRLINES CORPORATION  
LIMITED IN THE DEFAULTERS' SEGMENT  
UNDER CLAUSES 5.11.1. (C) & 5.11.1. (D) OF PSX REGULATIONS**

Dear Abbas Mirza,

1. This refers to PSX Notice No. PSX/N-5956 dated October 09, 2018 on the above subject. PSX has placed PIACL on Defaulters' Segment.
2. It is to bring to the notice of PSX that PIACL had implemented Oracle based new ERP system (ERP system) in 2016 and various key modules were made Go-Live during the year ended 31 December 2017. The collection and subsequent migration of opening balances data in the ERP system was required to be entered with party and invoice-wise details. The detailed exercise to identify and upload party and invoice wise data consumed a considerable amount of time.
3. During the audit, external auditors required various types of Reports for completing their audit procedures and due to ban imposed by Honorable Supreme Court of Pakistan on the external hiring, PIACL could not hire qualified IT programmers for preparing multi variant requisite Reports which is a specialized and time-consuming activity. As earlier informed to PSX through our letters dated September 06, and October 04, 2018, working tirelessly and in close coordination with ERP implementation team and auditors for the resolution of pending operational and audit related matters, we have been able to manage the pending audit matters to complete the assignment.
4. PIACL has scheduled Board Audit Committee as well as Board's Meetings on October 24 and 25, 2018 respectively whereas 2<sup>nd</sup> Annual General Meeting is being proposed to be scheduled at 1000 Hours on Saturday, November 24, 2018.
5. For the continued confidence of Shareholders, we also refer to the Ministry of Finance Letter dated February 19, 2018 which states that 'The Finance Division is cognizant of the



financial constraints and future funding requirements of PIACL with the aims to ensure that it continues to sustain in the long-term as a viable business entity. It has been assured that Government of Pakistan, being a majority shareholder, will extend all maximum support to maintain the going concern status of PIACL.

6. In view of above, it is requested that the subject Notice may be considered for withdrawal.

7. We would like to thank Management of PSX for its continued support and guidance on managing the affairs of the Company.

Yours sincerely,

  
**Muhammad SHUAIB**  
Company Secretary

cc: Chairman & CEO-PIACL  
cc: Chief Financial Officer  
cc: Assistant Company Secretary