

Ref: CEO-15/22041
September 30, 2015

RESHAM
TEXTILE INDUSTRIES LTD.
NTN: 0711007-3



Incorporation No. 0021882

Securities and Exchange Commission of Pakistan
National Insurance Corporation Building,
Jinnah Avenue,
Islamabad-44000, Pakistan.

Immediate by E-mail/ TCS

Attn: Mr. Anwar Hashmi
Deputy Director – Corporate Supervision

Subject: Extension of Finalization of Annual Accounts for the year ended 30th June 2015 and Holding of Annual General Meeting

Dear Sir,

We had never sought extension for finalization of annual accounts in the last 25 years or so and have promptly been issuing quarterly and annual accounts, last AGM was held on October 31, 2014 for discussing the accounts of financial year 2013-14.

This year a strange situation has emerged during September when we received gas bill for Rs.39,884,730 payable within due date. We approached SNGPL and were told that in August 2013 tariff of Captive Power Plants was increased as compared to industrial tariff. Earlier both tariffs were the same. However, they never informed us nor made any changes in the tariff on our bills. According to the bill we have a Stay Order on GIDC amounting to Rs.13,114,629 and they amended the bill to Rs.26,770,000 on account of difference of tariff and other charges since August 2013, which was promptly paid by us because the SNGPL did not give any extension for payment or checking of the bill and we assumed that calculations made by such a big company must be correct and made bona-fide payment. Later, the company made its own calculations and it was discovered that calculations made by SNGPL were not correct which dispute remains unresolved inspite of promises by SNGPL Sahiwal. During the month, Eid holidays also started and some of the accountants of SNGPL are still on leave even after Eid.

Our accountants visit Sahiwal every day and yesterday we held a meeting with Senior General Manager Mr. Amjad Latif and Mr. Sohail Gulzar, another Senior General Manager at SNGPL Lahore. Also one of the reasons for confusion at Sahiwal office of Sui Gas was the removal of Ex Managing Director Mr. Arif Hameed. Our audit has been conducted but this issue needs to be resolved fairly and honestly and in addition to finalization of accounts, we will have to allocate and restate the last year's accounts because the arrears amount is applicable from 23rd August 2013, as no provision was made for increase in tariff in the earlier accounts.

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We are enclosing copies of the sui gas bills mentioned above and also a certificate from our Chartered Accountants that due to this issue accounts cannot be finalized, particularly when we have to give 21 days' notice and circulate the accounts to shareholders before AGM (follows by TCS).

In view of the above, we humbly request that 30 days extension for finalization of accounts and holding of AGM upto November 30, 2015 may kindly be granted. It is solemnly declared that as per our previous behavior as soon as the accounts are finalized we will have the necessary formalities completed and will go ahead for publication and circulation of accounts even before November 30, 2015, if possible.

Thanking you and assuring you of our best cooperation at all times.

Sincerely,

(Muhammad Arshad Saeed)
Chief Executive Officer
Cell: 0333 4255666

Encls:

1. Copy of gas bill for July 2015
2. Copy of gas bill for August 2015 (with correction and payment stamp).
3. Receipt for payment of Rs.15,000 as advised (follows by TCS).
4. Certificate from our Chartered Accountants (follows by TCS).
5. Last year's audited financial accounts (follows by TCS)