

Taha Spinning Mills Limited

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Karachi: 03rd July, 2010

The General Manager Operation,
Karachi Stock Exchange (Guarantee) Ltd.,
Stock Exchange Bldg.,
Stock Exchange Road,
Karachi.

Dear Sir,

Sub: Default of the Listing Regulation.

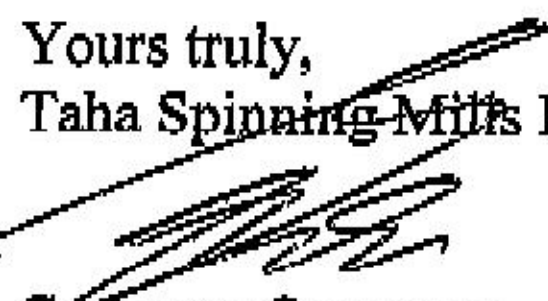
Please refer to your letter No.KSE/Gen-4621 dated 1st July, 2010. We have to state that:

1. Textile industry is still passing through crises due to high cost of production, including high rate of mark up, utility charges, wages, salaries, energy crises and abnormal increase in cotton prices.
2. Law and order situation, international recession and adverse government policies are also hurting textile industry.
3. We suffered heavy loss of Rs.162.463 million on the assassination of Motharma BeNazir Bhutto. Due to late/short settlement of insurance claim, our bankers hold the renewal of working capital facilities which compelled the management to close down the mills operation.
4. We are facing financial constrains and liquidity crunch, therefore could not restart the operation of the mills. We are looking a prosperous buyer to purchase the production for longer period or to sell the project if not succeeded.

Keeping in view the above facts, we request you to allow us further two years to comply the listing regulation and oblige.

Thanking you,

Yours truly,
Taha Spinning Mills Ltd


Company Secretary.

