



**PAKISTAN STOCK EXCHANGE LIMITED**

PSX/N-6560

**NOTICE**

**December 24, 2018**

Reproduced hereunder letter No. EMD/233/631/2002-655 dated December 21, 2018 received from **Securities & Exchange Commission of Pakistan**, regarding Right Issue by Ghani Automobile Industries Limited at 10% discount, for information of all concerned.



**Say No to Corruption**

Corporate Supervision Department  
Company Law Division

No. EMD/233/631/2002 - 655

December 21, 2018

The Company Secretary  
Ghani Automobile Industries Limited  
40-L, Model Town  
Lahore.

DEM - Trading  
24/12

Subject: **Right issue by Ghani Automobile Industries Limited at 10% discount**

Dear Sir,

Please refer to letter dated December 19, 2018, in terms whereof Securities and Exchange Commission of Pakistan (the "Commission") has been requested to provide guidance on following issues;

- a) Whether the Company should return the amount to the shareholders and abandon the 100% right issue; or
- b) Whether the company should issue shares to the shareholders who have already made payment for the subscription of right issue and abandon the remaining unsubscribed part of the right issue.

2. In connection with this, it is once again reiterated that clause x of Rule 5 of the Companies (Issue of Capital) Rules, 1996 does not permit the withdrawal of right issue, same is reproduced below for ease of reference;

*A right issue once announced shall not be varied, postponed, withdrawn or cancelled.*

Further your attention is invited to the provisions of clause (a) (iv) of sub-section (1) of section 83 of the Companies Act 2017 which states;

*if the whole or any part of the shares offered under this section is declined or is not subscribed, the directors may allot such shares in such manner as they may deem fit within a period of thirty days from the close of the offer as provided under sub-clause (ii) above or within such extended time not exceeding thirty day with the approval of the Commission:*

3. In view of the express provisions of the law and the rules, the Company must ensure compliance of applicable legal provisions.

Regards,

Anwaar Ahmed  
Deputy Director (CSD)

Cc:

The board of directors  
Deputy GM, Pakistan Stock Exchange

SECURITIES AND EXCHANGE  
COMMISSION OF PAKISTAN  
NIC Building, 63 Jinnah Avenue,  
Islamabad, Pakistan