



KHALID SIRAJ TEXTILE MILLS LIMITED

135-UPPER MALL, LAHORE

Tel: +92-42-35761706-07, Fax: +92-42-35761708

Through Fax & Courier

3rd November 2021

The Securities & Exchange Commission of Pakistan,
Securities Market Division,
NIC Building, Blue Area,
63-Jinnah Avenue,
Islamabad

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building, Stock Exchange Road,
Karachi.

The General Manager,
Pakistan Stock Exchange Limited,
19-Khayaban-e-Aiwan-e-Iqbal,
Lahore.

Dear Sirs,

Subject: Inside/Material Information

In accordance with Section 15D of the Securities and Exchange Ordinance, 1969 read with SRO 1431 (1)/2012 dated 05 December 2012 and clause (xx) of the Listing Regulation No.35 'Code of Corporate Governance', we hereby convey the following information:

"The auditors, In their opinion and to the best of their information and according to the explanation given to them, because of the significance of the matters as discussed in basis for adverse opinion, in which have drawn attention of the members to the financial statements which describes that during the year ended June 30, 2021, the Company has incurred recurring losses resulting in accumulated losses of Rs. 427.556 million (2020: Rs. 457.438 million). The Company's current liabilities exceed its current assets by Rs. 173.327 million (2020: Rs. 209.679 million). Further an order has been passed by Securities and Exchange Commission of Pakistan, authorizing the Additional Registrar, Company Registration Office, Lahore to present a petition for winding up of the Company. Moreover, as explained in note 4.4 to the financial statements, the Company has entered into a lease agreement of its Land, building along with Plant and Machinery after passing a special resolution dated: 30 April, 2021 and operational activities to ASM Industries Private Limited to earn rentals. As per the terms of the agreement significant portion of rentals is withheld by the tenant for overhauling of plant and machinery and replacement of old machinery parts for smooth functioning. These conditions indicate the existence of material uncertainty which may cast a significant doubt about the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in normal course of business. However, the financial statements, are prepared on going concern basis".

Disclosure Form as required by SRO 1431/(1)/2012 dated 05 December 2012 is attached herewith.
You may inform the members of your Exchange accordingly.

Yours sincerely,

For and on behalf of
Khalid Siraj Textile Mills Limited


Haji Tariq Samad
Company Secretary



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DISCLOSURE FORM IN TERMS OF THE SECTION 15D OF THE SECURITIES AND EXCHANGE COMMISSION ORDINANCE, 1969

Name of the Company : Khalid Siraj Textile Mills Limited
Date of Report (Date of earliest event reported if applicable): N/A
Address of Registered Office: 135-Upper Mall, Lahore
Contact Information: Company Secretary Lahore

Disclosure of Inside Information by listed company in terms of Section 15D(1)

“The auditors, In their opinion and to the best of their information and according to the explanation given to them, because of the significance of the matters as discussed in basis for adverse opinion, in which have drawn attention of the members to the financial statements which describes that during the year ended June 30, 2021, the Company has incurred recurring losses resulting in accumulated losses of Rs. 427.556 million (2020: Rs. 457.438 million). The Company’s current liabilities exceed its current assets by Rs. 173.327 million (2020: Rs. 209.679 million). Further an order has been passed by Securities and Exchange Commission of Pakistan, authorizing the Additional Registrar, Company Registration Office, Lahore to present a petition for winding up of the Company. Moreover, as explained in note 4.4 to the financial statements, the Company has entered into a lease agreement of its Land, building along with Plant and Machinery after passing a special resolution dated: 30 April, 2021 and operational activities to ASM Industries Private Limited to earn rentals. As per the terms of the agreement significant portion of rentals is withheld by the tenant for overhauling of plant and machinery and replacement of old machinery parts for smooth functioning. These conditions indicate the existence of material uncertainty which may cast a significant doubt about the Company’s ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in normal course of business. However, the financial statements, are prepared on going concern basis”.

Intimation of decision of the listed company to delay disclosure of inside information in terms of Section 15D(2)


Disclosure of inside information by listed company where the listed company or the person acting on its behalf disclosed inside information to third party in terms of section 15D(3)

Disclosure of transaction conducted by person discharging managerial responsibilities within a listed company or person closely associated with them in terms of section 15D(5)

SIGNATURES

In case of the company, pursuant to the requirements of the Securities and Exchange Commission Ordinance 1969, (XVII of 1969), the company has duly caused this form/statement to be signed on its behalf by the undersigned hereunto duly authorized.

For and on behalf of
Khalid Siraj Textile Mills Limited
Khalid Siraj Textile Mills Ltd.


Company Secretary
Hajj Tariq Samad
Company Secretary