



National Clearing Company of Pakistan Limited

8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

NCCPL/CM/NOVEMBER-21/03

November 09, 2021

Placement of M/s. Service Fabrics Limited in the Defaulter Segment

Dear Clearing Members,

This is with reference to Pakistan Stock Exchange Notice No. PSX/N-1319 dated: November 09, 2021, regarding placement of M/s. Service Fabrics Limited (“SERF”) in the Defaulter’s segment with effective from Wednesday, November 10, 2021.

This event leads to action under Clauses 7A.3.5 and 7B.3.1.4 of NCCPL Regulations, 2015 that has been reproduced below for ready reference;

“Where a Security that has been quoted on the defaulter’s segment of the Exchange and notified to the Company, such Security shall not be eligible for trading in the SLB Market from the date it has been placed on the defaulter segment. However, all open SLB Contracts shall be released on Accelerated Maturity Date and/or Maturity Date as the case may be.”

“In case where such Security is reinstated during the review period, trading in SLB Market shall not be allowed during that review period.”
(Regulations 7A.3.5)

“Where a Security that have been quoted on the Defaulter segment of the Exchange and notified to the Company, such Security shall not be made available on MF Market from the date it has been placed on the defaulter segment. However, all MF (R) Transactions shall be released as per the terms and conditions defined in the Margin Financing Agreement between MF Participants.”

“In case where such Security is reinstated during the review period, trading in MF Market shall not be allowed during that review period.”
(Regulations 7B.3.1.4)

Accordingly, in pursuance of provisions stipulated in the above referred clauses of NCCPL Regulations, 2015, M/s. Service Fabrics Limited shall be excluded from the list of SLB Eligible Securities, and MF Eligible Securities with effect from Wednesday, November 10, 2021.

All concerned are requested to note the above.

For any further queries or concerns, please feel free to contact the Customer Support Department at UAN 021-111-111-622.

Regards,

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Muhammad Asif

General Manager / HOD - Operations

1. Director/HOD - Policy, Regulation and Development Department - SMD
Securities & Exchange Commission of Pakistan - Islamabad
2. Chief Executive Officer - Pakistan Stock Exchange Limited
3. Chief Executive Officer - Central Depository Company of Pakistan Limited
4. Chief Executive Officer - Mutual Fund Association of Pakistan
5. Chairman - Pakistan Banking Association
6. Pakistan Stock Broker Association.



NOTICE

PSX/N-1319

Dated: November 09, 2021

PLACEMENT OF M/S. SERVICE FABRICS LIMITED IN THE DEFAULTERS' SEGMENT UNDER PSX REGULATION NOS. 5.11.1.(b) & (i)

It is hereby notified to all concerned that as a consequence of defaults of Clauses 5.11.1. (b) & (i) of the PSX Regulations i.e suspended commercial production/business operations in its principle line of business for a continuous period of one year and adverse opinion of the statutory auditor in the audit report for the year ended June 30, 2021, M/s. Service Fabrics Limited ("SERF") will be placed in the Defaulters' Segment with effect from **Wednesday, November 10, 2021**.

The said clauses are reproduced hereunder for reference:

5.11.1. A listed company may be placed in the Defaulters' Segment if:

- (b) It has suspended commercial production/business operations in its principle line of business for a continuous period of one year;

Upon placement of such company on the Defaulters' Segment, the Exchange shall only initiate actions under Regulation 5.11.2(a) and 5.11.2(b).

- (i) Its statutory auditor has issued a qualified opinion on the going concern assumption or has issued a disclaimer or an adverse opinion in the audit report;

Upon placement of such company on the Defaulters' Segment, the Exchange shall only initiate actions under Regulation 5.11.2(a) and 5.11.2(b).

All concerned are requested to note the above.

Hafiz Maqsood Munshi
Senior Manager-RAD

Cc:

1. The Director / HOD (PRDD) - SECP
2. The Director (CSD) - SECP
3. The Additional Director (CMD-SMD) -SECP
4. The Chief Executive Officer-PSX
5. The Chief Regulatory Officer-PSX
6. All Departmental Heads-PSX
7. Company concerned
8. Company Concerned Registration Office
9. Registrar of Company
10. The Central Depository Company of Pakistan Limited
11. The National Clearing Company of Pakistan Limited
12. PSX Notice Board and Website
13. State Bank of Pakistan
14. Pakistan Banks' Association
15. Institute of Chartered Accountants of Pakistan
16. Auditor of the Company Concerned