

MTM/24/302

December 16, 2024

Mr. Hafiz Maqsood Munshi
Head, Listed Companies Compliance Department-RAD,
Pakistan Stock Exchange Ltd.,
Karachi.

The Executive Director/HOD, Offsite-II Department,
Adjudication Department-I, Adjudication Division,
Securities & Exchange Commission of Pakistan,
2nd Floor, NICL Building, 63 Jinnah Avenue, Blue Area,
Islamabad.

Following is disseminated being material information for the Shareholders of the Company:

DISCLOSURE OF MATERIAL INFORMATION

"The Company entered into following various contracts for the import of Raw Cotton with M/s Louis Dreyfus Company Pakistan Pvt. Ltd., as per policy.

Contract No. LDCS220001-D dated 18.01.2022 Qty. 550 MT
Contract No. LDCS220030-D dated 27.06.2022 Qty. 150 MT
Contract No. LDCS220045-D dated 18.07.2022 Qty. 125 MT

At the instance of M/s LDC the above mentioned contracts were cancelled as par and subsequently two fresh contracts were made between the Company and M/s LDC detailed as below:

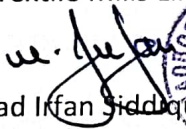
Contract No. LSDC230011D dated 28.09.2022 Qty. 425 MT
Contract No. LSDC230012D dated 28.09.2022 Qty. 400 MT



However the contract documents being vague in terms of the price clause not being well defined could not be performed as such. The above position was duly explained to M/s LDC who did not accept the factual position regarding the contracts being void due to having undefined price clause lacking the unit of currency as well as unit of quantity and approached ICA (International Cotton Association) for arbitration. In spite of our preliminary objection regarding the contracts being void due to vague price clause which lacked unit of currency as well as unit of quantity, the ICA in total disregard to the factual position proceeded with the arbitration and issued the impugned award. The company is fully confident that the impugned award is totally unenforceable and void in the eyes of law and will not stand any legal process. The impugned award also has no impact on trading of Company's stocks at the Pakistan Stock Exchange."

For,

Maqbool Textile Mills Limited


Muhammad Irfan Siddique
Company Secretary

