



Securities and Exchange Commission of Pakistan
Securities Market Division
Market Supervision and Registration Department

No. Misc./MSW/SMD/1 (5) 2004/1725

April 22, 2013

The Chief Executive Officer,
Ashfaq Textile Mills Limited,
8 – A, Officers Colony No.1,
Susan Road, Madina Town,
Faisalabad.

Subject: Warning with respect to the Violation of the Listing Regulations of the Karachi Stock Exchange (“KSE”)


Ashfaq Textile Mills Limited (“ASHT”) vide letter dated February 27, 2013 communicated its financial results to KSE for the quarter ended December 2012. However, the comparison of the financial results of ASHT with printed financial statement for the same period indicated difference in Earning Per Share (“EPS”). The summary is presented as below:

	Communicated to KSE	Printed Financial Results
Quarterly EPS (Oct – Dec)	Rs. 2.30	Rs. 0.77
Half Yearly EPS (Jul – Dec)	Rs. 4.39	Rs. 1.46

2. The KSE vide its letter dated March 5, 2013, communicated ASHT that it has failed to fulfill the requirements as laid down under the Listing Regulations and the Correspondence Manual of the KSE, whereby ASHT was required to communicate the accurate financial results of the company. It further stated that ASHT has not taken due care while communicating such price sensitive / material information to the KSE. In response ASHT vide letter dated March 25, 2013 admitted that it was a clerical mistake in typing of EPS in its letter dated February 27, 2013 written to the KSE. Further, it added that error was inadvertent and not willful.

3. In this connection, please note that by not communicating the accurate financial results of the company, ASHT appears to be in violation of Regulation No. 16 of the Listing Regulations of the KSE and the requirements as laid down in the KSE Correspondence Manual.

4. It is the responsibility of every listed company to ensure compliance with all applicable rules and regulations and you being the Chief Executive Officer of ASHT have the prime responsibility to ensure it. However, the aforesaid violation shows sheer negligence on your part. It may be noted that the Securities and Exchange Ordinance, 1969 empowers the Commission to take punitive action in case of violation of any regulation made under it. However, taking a lenient view, on this occasion, a strict warning is being issued with the instruction to ensure compliance with all the applicable rules and regulations in future.


Imran Inayat Butt
Director/ HOD (MSRD)

CC: The Managing Director, Karachi Stock Exchange Limited.

SECURITIES & EXCHANGE
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