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MALEK SPINNING MILLS LIMITED

Mehnaj Monsur Tower (2nd & 4th floor), House No. 11A, Road No. 130, Gulshan-1
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May 08, 2016

The Chairman

Bangladesh Securities and Exchange Commission
Jiban Bima Tower (14th, 15th, 16th & 20th Floor),
10, Dilkusha C/A, Dhaka

Fax: 880-2-9563721, 7176604

Sub: **Decision of the Board of Directors in a Meeting held on Sunday, the 08th May 2016 at 2.45 P.M. regarding Price Sensitive Information.**

Dear Sir,

We would like to inform you that the Board of Directors of the Company held its meeting today on 08th May, 2016 at 2.45 P.M at its Corporate Office at Mehnaj Monsur Tower, House No.11A, Road No.130, Gulshan-1, Dhaka-1212. The Meeting started at 2.45 P.M. and continued up to 3.30 P.M.

Agenda: (1) BMRE through re-structuring of the existing project:

The Board of Directors discussed, among others, regarding the operations of the Plant, competitiveness of the products, change in product lines, reconstruction/renovation of certain factory buildings, replacement of certain machinery & equipment for increased efficiency/productivity. The Board, after detailed review of the facts as presented by the Managing Director, considered the proposed investment outlay of Tk.32.75 crore which is expected to increase the production with improved quality of products making them more competitive with increased revenue and resultant increased profitability. Thereafter, the Board passed the following resolutions unanimously.

- (1) **"RESOLVED that** the BMRE proposal No-1/2016 for an investment of **Tk.32.75 crore** in re-structuring of the project by renovation/reconstruction in civil works, replacement/installation of new machinery and equipment for improved production/quality of products by funds to be borrowed from Banks/other sources be and is hereby approved."

Agenda: (2) Expansion by Salek Textile Limited (Subsidiary of Malek Spinning Mills Limited):

The Managing Director informed that the Board of Directors of Salek Textile Limited, a subsidiary company of Malek Spinning Mills Ltd. (which holds 97.925% shares) had approved a scheme of its expansion of fabric unit by an investment of **Tk.144.58 crore** which will result in increase of production, sales revenue and profitability. The investment will be met from internal generation of funds/borrowing from Banks/other sources by Salek Textile Ltd. Malek Spinning Mills Limited will not be required to make any investment which was noted with satisfaction.

Thanking you,

(A. Matin Chowdhury)
Managing Director

Copy to:

1. The Chief Regulatory Officer, Dhaka Stock Exchange Ltd. Fax: 880-2-9564727, 9569755
2. The Chief Regulatory Officer, Chittagong Stock Exchange Ltd. Fax: 880-31-726810, 9513906

