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# MALEK SPINNING MILLS LIMITED

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## Price Sensitive Information

This is for kind information of all concerned that the Board of Directors of the Company (MSML) in its meeting held on 3<sup>rd</sup> April, 2023 at 1.45 P.M. at its Corporate Office at Tower-117, 117/A, Tejgaon Industrial Area, Dhaka-1208 approved the following decisions:

### **Agenda-03. To approve proposals on Price Sensitive Related subjects:**

- (a) **Cancellation of Price Sensitive Information published on 22<sup>nd</sup> June 2021 relating to setting-up of a new Spinning Mill at Bhaluka, Mymensingh, as per provision of BSEC Rule/Regulation dated 28 December, 2022, Gazetted on January 30, 2023.**
- (b) **Replacement of some old/worn out machinery by a new set of machinery at the existing/operating project unit at Shafipur, Kaliakoir, Gazipur.**


The Board of Directors approved the following decisions on the above agenda:

- (1) **RESOLVED that** due to global market situation/recession resulting decrease in yarn prices as well as decrease of yarn demand locally and internationally, over capacity of Spinning Sector, fluctuation of Dollar exchange rate resulting in abnormally increase of project implementation cost and increase of power cost etc. the proposal for postponement of implementation of new plant for the time being, at Bhaluka, Mymensingh for which cancellation of Price Sensitive Information which was published on 22<sup>nd</sup> June 2021 for Tk. 213.19 crore be and is hereby approved.
- (2) **RESOLVED FURTHER that** the proposal for Replacement of some vital existing machinery at the existing mill at Shafipur, Kaliakoir, Gazipur having gone worn out and losing efficiency, at a total estimated investment of Tk.106.64 crore be implemented by funds generated from internal sources and taking loan from Banks & other sources be and is hereby approved.

The Board expected that postponing of the new plant at Bhaluka, Mymensingh and implementation of the Replacement scheme would enable the project to utilize all its latent capacity and give it the economy of scale by which it will become more viable due to land, building, utilities etc. are in place. As a result, there will be value addition due to improvement of product quality which will enable the company to sell its product at higher prices and earn a better margin.

Dated, Dhaka  
April 03, 2023

By order of the Board

  
Syed Saiful Haque  
Company Secretary