

**Amtex Limited**

1-Km. Khurrianwala Jaranwala Road, Faisalabad. (Pakistan)  
Tel: 92-41-2428500 (10 Line) Fax: +92-41-2428512  
E-mail: amtex@amtextile.com URL: http://www.amtextile.com

**AMTEX LIMITED**

**Notice of Extraordinary General Meeting**

Notice is hereby given that Extraordinary General Meeting of the members of Amtex Limited (the "Company") will be held on Tuesday August 29, 2017 at 11.30 A.M. at mills premises (processing unit) 1- K.M. Khurrianwala Jaranwala Road Faisalabad to transact the following business:

**ORDINARY BUSINESS**

To confirm the minutes of last extraordinary general meeting held on December 31, 2016.

**SPECIAL BUSINESS**

To consider, and if thought fit, authorize the Board of Directors by way of Special Resolution, in terms of Sections 183 (3) and all other applicable provisions of Companies Act, 2017, to sale the Weaving Division situated at Zeenat Town, Sargodah Road, Faisalabad that includes its Land, Building, Plant & Machinery, Equipment and all other assets installed therein, Plant & Machinery of Processing Division situated at 1-KM Khurrianwala Jaranwala Road, Faisalabad and Land and Building of Godown situated at Chak No. 120 JB Sargodah Road, Faisalabad and Land situated at Chak No. 199 RB, Gatwala, Shiekhupura Road, Faisalabad as a part of debt restructuring / rescheduling plan under negotiation between the company and its lender banks"

To consider, and if thought fit, authorize the Board of Directors to lease the part of Company's processing and dyeing unit land and building situated at Chak 76 R.B. 1 K.M. Khurrianwala Jaranwala Road Faisalabad.

By order of the Board

*Tahir Javed*  
Tahir Javed

Company Secretary

Faisalabad  
August 07, 2017

**NOTES: -**

1. The share transfer books of the company will remain closed from August 21 to August 29, 2017 (both days inclusive). Transfers received at (Vision Consulting Limited, 3-C Lawrence Road, LDA Flats, Lahore) close of business on August 19, 2017 will be treated in time.
2. A member eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time of holding the meeting.
3. Members are requested to notify immediately changes, if any, in their registered address.
4. CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

**For Attending the Meeting:**

- In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulation, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the Meeting.



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- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

#### **For Appointing Proxies:**

- In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of the CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Members can avail video conference facility for attending the meeting at places other than the town in which general meeting is taking place. In this regard, please fill the enclosed consent for video conference facility and submit to registered address of the company, ten (10) before holding of the general meeting. If Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference ten (10) days prior to the date of the meeting, Company will arrange a video conference facility in the city subject to availability of such facility in that city. The Company will intimate to members regarding venue of video conference facility at least five (5) days before the date of the meeting along with all the information necessary to enable them to access the facility.

#### **Statement of material facts under section 134(3) of the Companies Act 2017**

This statement is being furnished in terms of the requirements under section 134(3) of the Companies Act, 2017 read with SRO 1227 / 2005 dated December 12, 2005 and sets out the material facts pertaining to the special business to be transacted at the Extraordinary General Meeting of Amtext Limited (the "Company") to be held on August 29, 2017.

#### **Sale of Assets**

Consent of the Shareholders is sought in an extraordinary general meeting for sale of Weaving Division situated at Zeenat Town, Sargodah Road, Faisalabad that includes its Land, Building, Plant & Machinery, Equipment and all other assets installed therein, Plant & Machinery of Processing Division situated at 1-KM Khurrianwala Jaranwala Road, Faisalabad and Land and Building of Godown situated at Chak No. 120 JB Sargodah Road, Faisalabad and Land situated at Chak No. 199 RB, Gatwala, Shiekhupura Road, Faisalabad as a part of debt restructuring / rescheduling plan under negotiation between the company and its lender banks having mortgage charge over respective assets. The Board of Directors had already approved the sale of these assets subject to the consent/authorization of the Company's Shareholders in an extraordinary general meeting along with all necessary corporate and regulatory approvals. The information required under Notification No. SRO 1227/2005 dated December 12, 2005 is as follows:

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Particular of assets	Cost	Revalued	WDV	Approximate	Forced Sale
		Amounts	As at	Current Market	Value
		30.06.2017	30.06.2017	Value/ Fair Price	
------(Rupees in million)-----					
1 Land measuring 22.53 kanal situated at Chak No. 199 RB, Gatwala, Shiekhupura Road, Faisalabad	10.472	67.584	67.584	67.584	54.067
2 Land & Building of godown measuring 4 Kanal 18 Marla situated at Chak No. 120 JB Sargodah Road, Faisalabad	8.272	32.400	29.765	32.400	25.920
3 Weaving Division situated at Zeenat Town, Sargodah Road, Faisalabad that includes its Land, Building measuring 48.15 kanals, Plant & Machinery, Equipment	161.054	436.834	357.595	436.834	349.467
4 Plant & Machinery of Processing Division situated at 1-KM Khurrianwala Jaranwala Road, Faisalabad	292.910	301.250	367.948	301.250	241.000

*Note: Revalued Amounts, Approximate Current Market Value / Fair Price and Forced Sale Value are determined by an independent valuator.*

**1) The proposed manner of sale**

The Assets will be sold through negotiations with charge holder banks and interested parties (prospective buyers) and all sale proceeds will be directly deposited by buyers in bank accounts of the Company. The sale amount shall not be less than value determined by independent valutors.

**2) Reason for the sale of assets**

There are multiple factors which have led to the decision by the directors of the Company to sale the above mentioned assets. Value added textile industry of Punjab (especially Faisalabad) badly suffered during last few years due to high cost of doing business, energy crises, cotton prices fluctuations and disturbed international textile products demand which resulted in non-utilization of production capacities. Consequently the Company lost its major export business/customers, suffering huge losses and defaulted in servicing of loans with its banks and certain banks have filed legal suits for recovery of loans along with markup and other costs. In the current scenario, the management is negotiating debt restructuring with its lenders with the objective of reducing the existing debt by sale of certain fixed assets of the Company. The management is, therefore, proposing the sale of aforesaid assets.

**3) Benefits expected to accrue to the shareholders**

The proceeds from the sale of assets will be utilized for debt payment as part of debt restructuring arrangements with lender banks. It will reduce the financial expenses, further company will settle ongoing litigation and will regularize loan accounts with lender banks having respective mortgage charge on these assets. Resultantly, the company will be able to focus on its business.

For the purposes of above, it is proposed to consider and if thought fit, pass the following Special Resolution, with or without modification, in terms of Sections 183 (3) and all other applicable provisions of Companies Act, 2017,

**“RESOLVED** that the Board of Directors are hereby authorized under section 183(3)(a) of the Companies Act, 2017 to sale the Weaving Division situated at Zeenat Town, Sargodah Road, Faisalabad that includes its Land, Building, Plant & Machinery, Equipment and all other assets installed therein, Plant & Machinery of Processing Division situated at 1-KM Khurrianwala Jaranwala Road, Faisalabad, Land and Building of Godown situated at Chak No. 120 JB Sargodah Road, Faisalabad and Land situated at Chak No. 199 RB, Gatwala, Shiekhupura Road, Faisalabad”



**AMTEX**  
THE TEXTILE EXPERTS

### Lease of land & building

Consent of the Shareholders is sought in an extraordinary general meeting to lease the Company's Processing and Dyeing unit, land measuring 173 Kanal 11 Marla and 3 Sarsahi along with buildings constructed thereon, situated at chak 76 R.B. 1 K.M. Khurrianwala Jaranwala Road Faisalabad.

The Board of Directors had earlier approved the proposed lease of said land and building in their meeting held on July 25, 2017, subject to all necessary corporate and regulatory approvals. Approval of the shareholders is being sought under provisions of the Companies Act 2017.

### Particulars of the property (land & building) proposed for lease is as follows:

Description	Land measuring 173 Kanals 11 Marla and 3 Sarsahi, along with Buildings constructed thereon situated at Chak 76 R.B. 1 K.M. Khurrianwala Jaranwala Road Faisalabad.
Cost as at June 30, 2017	Rs. 1,491,859,011
WDV as at June 30, 2017	Rs. 984,698,946
Revalued amount as at June 30, 2017	Rs. 1,013,732,540
Current market / fair price value as at June 30, 2017	Rs. 1,013,732,540

The aforementioned transaction would allow the Company to diversify business and generate revenues from its idle assets while at the same time focus on its business and the Company is expected to benefit from the revenue generated from the rent.

For the purpose of the above, it is proposed to consider and if thought fit, pass the following resolution as Special Resolution with or without modification:

**“RESOLVED** that the Board of Directors are hereby authorized under section 183(3)(a) of the Companies Act, 2017 to lease the full or part of Company's processing and dyeing unit land and building situated at Chak 76 R.B. 1 K.M. Khurrianwala Jaranwala Road Faisalabad on terms and conditions in the best interest of the Company, considering following:

1. The yearly rent including applicable taxes shall not be less than 2% of the average market value of land and building along with minimum fifteen (15) percent increase after every 3 years.
2. The prospective lessee may / shall have the right to modify, develop and construct buildings on the said land for establishing, operating and running of any business and shall provide the possession on expiry of lease if not renewed.