



**Faisal Spinning Mills Limited
Notice of Extra Ordinary General Meeting**

Notice is hereby given that the Extra Ordinary General Meeting (“EOGM”) of the Faisal Spinning Mills Limited “Company” will be held on Saturday, 30th January, 2021 at 10:30 am.

Due to severity of the prevailing pandemic situation in the country and in pursuant to circular 5 and 33 issued by the Securities and Exchange Commission of Pakistan the meeting will be held virtually through video link facility, “Zoom” which is available on Google Play and Apple App Store.

Ordinary Business:

To confirm the minutes of 36th annual general meeting of the company held on October 27, 2020.

Special Business:

The Special Resolution as set out in this notice, is proposed for consideration by the members of Faisal Spinning Mills Limited (“Company”) to transact the following special business:

The provisions of section 183 empowered board of directors to execute the aforementioned transaction for sale of land measuring 266.25 acres by means of a resolution passed in their meeting held on December 30, 2020. However, the board of directors have decided to seek the approval of members also by holding an Extra Ordinary General Meeting (EOGM) and approving the following special resolution(s):

To consider and approve the sale of freehold land of the company by passing the following resolution(s) as special resolution(s) with or without modification in terms of section 183(3)(a) of the Companies Act, 2017 (“Act”).

“Resolved That approval of the members of Faisal Spinning Mills Limited (“Company”) be are hereby accorded under the provision of section 183(3)(a) of Companies Act, 2017 for sale of freehold land measuring 266.25 acres located in Sindh.

Further Resolved That approval be and is hereby accorded for utilization of the proceeds from the sale of land for running and managing the working capital requirement for the newly established finishing unit located in Sheikhpura Punjab as approved and recommended by the board of directors of the company.

Further Resolved That Mr. Mohammad Salim and Mr. Muhammad Sharif be are hereby singly authorized and empowered to do all acts, deeds and things, sign, submit and deliver the required documents to fulfil the legal formalities with sub-registrar, banks, financial institutions and with the concerned authorities necessary to execute the transaction smoothly which shall include but not limited to conducting negotiations with the interested parties in the most beneficial interests of shareholders and the company which secure the best available market price for the land.

Further Resolved That any other person(s), officers(s) or employee(s) as authorized by the board of directors of the company is/are hereby empowered to take all actions incidental or ancillary thereto with regard to sale of land.

The statement of material facts in relation to aforesaid special business as required under section 134(3) of the Act and SRO 423 (I)/2018 is enclosed.

Moreover, the notice along with statement of material fact have been dispatched to the shareholders by post and also been placed on company website at:

www.umergroup.com”.

The copy of minutes of the 36th annual general meeting of the company held on October 27, 2020 has also been enclosed with aforesaid notice of EOGM.

Karachi

December 30, 2020

(By the order of the Board)

Adeel-ur-Rehman Ansari
Company Secretary

Notes:

1. For attending meeting electronically due to COVID 19 Pandemic

In pursuance of circular 5 & 33 of 2020 issued by SECP the shareholders are requested to attend the EOGM of the company virtually through video link facility, “Zoom” which is available on Google Play or Apple App Store. The entitled member(s) are requested to get themselves registered at least 2 working days before holding of the time of EOGM at fsm.corporate@umergroup.com by providing the details on the following format:

Name of Shareholder	CNIC No.	Folio No.	Cell No.	Email Address

- The company will send login details to the members email address for participation in EOGM proceedings either through their smart phones or computer devices.
 - The login facility will be opened (10) ten minutes prior to the schedule of meeting for verification process.
 - While accessing the application "Zoom" members are requested to enter full name and folio number on the following format "Full Name - Folio Number" to mark proper attendance.
 - Members are requested to stay on 'Mute' and 'off Camera' unless moderator request for the members consent/comments/questions to approve the resolutions for ordinary and special business.
2. The Shares Transfer Books of the Company will remain closed from 23rd January 2021 to 30th January, 2021 (both days inclusive). Transfers received in order at the registered office of the company i.e. Umer House, 23/I, Sector 23, S. M. Farooq Road, Korangi Industrial Area, Karachi at CoB on by 29th January 2021 will be treated in time for the purpose of entitlement to attend the Extra Ordinary General Meeting of the company.
 3. Members are requested to immediately inform of any change in their addresses and bank details to our share Registrar, Hameed Majeed Associates (Private) Limited.
 4. Due to severity of prevailing pandemic situation no physical presence is allowed to the members on the day of the EOGM at the registered office of the company.

Statement of Material Facts Under Section 134(3) of the Companies Act, 2017

This statement set the material facts pertaining to the special business to be transacted at the Extra Ordinary General Meeting of the company to be held on Saturday January 30, 2021@ 10:30 am.

Particulars of the Asset

Description of Asset	Date of Acquisition *	Cost	**Approximate Fair Value / Current Market Value
Freehold agriculture land measuring 265 Acres and 25 Ghuntas located at Deh Kalo Khokar, Taluka Thano Bula Khan, District Jamshooro, Sindh and Leasehold industrial land measuring 1 Acre situated at Plot No. D/45, SITE, Nooriabad, Sindh.	2005	10,276,104	PKR 489,000,00.00

* The exact date of acquisition of the land as per fixed assets register has been kept at the registered office of the company which can be inspected by the shareholders from 9:00 am to 5:30 pm on any working day, upto the last working day before the EOGM.

** The independent valuation of the asset has been conducted by the surveyors & valuers M/s Joseph Lobo (Pvt) Ltd on January 1, 2021.

The land was acquired way back in the year 2005 and it is highly probable that the sale price will be much higher than the cost of asset.

Proposed manner of sale

The land be disposed through negotiations with the buyers through persons authorized by the board of directors in a way that is most beneficial for the shareholders and the company.

Purpose of the sale

As in near future there has been no consideration for expansion plan in the province of Sindh, the board of directors have decided to sell the land.

Utilization of proceeds

The proceeds will be utilized for running and managing the working capital requirements of newly established finishing unit in Sheikhpura Punjab.

Impact of sale on the operations of the company

There will be no impact on business as no economic activity has not been carried out on this land.

Quantitative and qualitative benefits expected to accrue to the members

The utilization of the proceeds from sale of land for the newly established finishing will result in lesser borrowing by the banks. This will eventually led to better financial performance by the company and enhancing the shareholders' value.

Expected time of completion of the transaction

It is expected that transaction will be completed by March 2021.

Undertaking by the directors

The board of directors have carried out necessary due diligence for the proposed transaction.