

**THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED**

KSE/N-435

**NOTICE**

January 29, 2010

**SHAHZAD TEXTILE MILLS LIMITED**

Source: "BUSINESS RECORDER" Dated: January 29, 2010

**SHAHZAD TEXTILE MILLS LIMITED****NOTICE OF EXTRAORDINARY GENERAL MEETING**

NOTICE IS HEREBY GIVEN pursuant to order dated 18-01-2010 passed by Honourable judge of the Lahore High Court, Lahore in Civil Original No. 3 of 2010, that an Extraordinary General Meeting of the shareholders of, Shahzad Textile Mills Limited will be held on Friday, February 19, 2010 at registered office of the company i.e. 19A, Off Zafar Ali Road, Gulberg V, Lahore at 3.30 PM to consider and if thought fit, approve, adopt and agree to the Scheme of Arrangement dated October 22, 2009 between Shahzad Textile Mills Limited and its members and Shaheen Cotton Mills Limited and its members and in that connection to consider and if thought fit to pass the following special resolution with or without modification:

**SPECIAL BUSINESS:**

"RESOLVED THAT the Scheme of Arrangement for amalgamation/merger dated October 22, 2009 (the "Scheme") between Shahzad Textile Mills Limited and its members and Shaheen Cotton Mills Limited and its members, considered by this meeting and initialled by the chairman of this meeting for purposes of identification, be and is hereby approved, adopted and agreed"

A print of the Scheme of Arrangement and a Statement of Information explaining its effect and Proxy form are being sent along with printed copy of this notice through post/courier. Further copies of the Scheme of Arrangement and of the Statement of Information may be obtained from the Registered Office of the Company during normal office hours on application prior to the meeting by the members and other persons entitled to attend the meeting

Mian Mohsin Mehmood, Advocate, having office at 16km, Shahpur Multan Road, Lahore has been appointed by the Honourable Lahore High Court, Lahore to jointly convene and to act as the Chairmen of the meeting and to report the result thereof to the Honourable Lahore High Court, Lahore.

The Scheme of Arrangement will be subject to subsequent approval and sanction of the Honourable Lahore High Court, Lahore.

Hassan-ud-Din Ansari  
Company Secretary  
Shahzad Textile Mills Limited

Mian Mohsin Mehmood  
Chairman

Place: Lahore  
Dated: January 29, 2010

**STATEMENT UNDER SECTION 159(1) (b) OF THE COMPANIES ORDINANCE, 1984**

The management of the Company has considered various options for consolidating its activities and thereby effecting economies for the benefit of the company and ultimately for the shareholders. It has therefore been decided that the Shaheen Cotton Mills Limited be merged into Shahzad Textile Mills Limited.

The merger of two companies will rationalize business structure, bring economies and significantly improve the flexibility, efficiency and financial strength. The proposed merger will reduce the expenses, curtail the reporting requirements, save tax and will enhance the profitability of the company and as a consequence benefit the shareholders.

Shaheen Cotton Mills Limited is a public limited company quoted on Karachi and Lahore Stock Exchanges. Its authorized share capital is Rupees 160,000,000 divided into 16,000,000 ordinary shares of Rs.10/- each and its paid capital is Rupees 147,293,440 divided into 14,729,344 ordinary shares of Rupees 10/- each.

The Directors of the Company may be deemed to be interested to the extent of their shareholding or by the companies in which they are Directors.

**Notes:**

1. The share transfer books of the Company shall remain closed from 17-02-2010 to 24-02-2010 (both days inclusive).
2. Members are requested to attend in person along with Computerized National Identity Card (CNIC) or appoint some other members as proxy and send their proxy duly witnessed so as to reach the registered office of the Company not later than 48 hours before the time of holding the meeting.
3. Any Individual Beneficial Owner of CDC, entitled to attend and vote at the meeting, must bring his/her original CNIC or passport, Account and participants, I.D. Numbers to prove his/her identity, and in case of proxy must enclose an attested copy of his/her CNIC or passport. Representatives of corporate members should bring the usual documents required for such purpose.
4. Shareholders are requested to immediately notify change in address, if any, to the Company's Registered Office at 19A, Off Zafar Ali Road, Gulberg V, Lahore, and also furnish attested photocopy of their CNIC as per Listing Regulations, if not provided earlier.