



# FAZAL CLOTH MILLS LIMITED

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FCML/Secy/23/1361

Dated: May 08, 2023

The General Manager,  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

Subject: Notice of Extra Ordinary General Meeting

Dear Sir,

Enclosed please find a copy of Notice of Extra Ordinary General Meeting for circulation amongst your members. The Extraordinary General Meeting will be held on May 30, 2023 at 11:30 A.M. and the aforementioned notices will publish in newspapers on May 09, 2023.

Best Regards



Azher Iqbal  
Company Secretary



## NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting (EOGM) of the shareholders of Fazal Cloth Mills Limited (the "Company") will be held on Tuesday, May 30, 2023 at 11:30 a.m. at FG Head Office, E/110, Khayaban-e-Jinnah, Defence Chowk, Lahore to transact the following business.

### **ORDINARY BUSINESS:**

1. To elect nine (09) Directors of the Company, as fixed by the Board of Directors, for a period of three years commencing from May 30, 2023 in accordance with the provisions of Section 159 of the Companies Act, 2017. The names of retiring Directors of the Company are as follows:

- |                     |                            |                              |
|---------------------|----------------------------|------------------------------|
| 1. Sh. Naseem Ahmad | 2. Mr. Amir Naseem Sheikh  | 3. Mr. Rehman Naseem         |
| 4. Mr. Faisal Ahmed | 5. Mr. Fahd Mukhtar        | 6. Muhammad Mukhtar Sheikh   |
| 7. Mr. Babar Ali    | 8. Mr. Masood Karim Sheikh | 9. Mrs. Parveen Akhtar Malik |

The retiring directors are eligible for re-election. Statement required under section 166(3) of the Companies Act, 2017 is annexed.

### **SPECIAL BUSINESS:**

2. To consider and approve circulation/ dissemination of Annual Audited Financial Statements through QR enabled code and web-link and to pass the following Special Resolution(s) with or without modification(s):

**RESOLVED THAT** circulation/ dissemination of Annual Audited Financial Statements to the shareholders through QR enabled code and web-link as notified by the Securities and Exchange Commission of Pakistan vide its S.R.O. 389 (I)/2023 dated March 21, 2023 or any other transmission medium allowed by the regulators, be and is hereby approved.

**RESOLVED FURTHER THAT** Chief Executive Officer and/or Company Secretary be and are hereby singly authorized to take and do all necessary actions, deeds and things which are or may be necessary, incidental and/or consequential to give effect to the aforesaid resolution.

(A statement under Section 134(3) of the Companies Act, 2017 pertaining to the aforesaid special business is annexed to this notice circulated to the shareholders).

### **OTHER BUSINESS:**

3. To transact any other business with the permission of the Chair.

BY ORDER OF THE BOARD  
Fazal Cloth Mills Ltd.



*Azher Iqbal*  
Azher Iqbal, ACA  
Company Secretary

Multan  
Dated: May 08, 2023



**NOTES:**

**1. CLOSURE OF SHARE TRANSFER BOOKS**

The Share Transfer Books of the Company will remain closed from May 23, 2023 to May 30, 2023 (both days inclusive). Physical transfers / CDS Transaction IDs received at the Company's Share Registrar, M/s. Vision Consulting Ltd, 5-C, LDA Flats, Lawrence Road, Lahore, at the close of business on May 22, 2023 will be considered in time for the purpose to determine voting rights of the shareholders for attending the meeting.

**2. PARTICIPATION IN EXTRA ORDINARY GENERAL MEETING:**

- i. A member entitled to attend and vote at the Extra Ordinary General Meeting is entitled to cast his/ her vote by proxy. Proxies must be deposited at the Head Office of the Company i.e. 59/3 Abdali Road, Multan, not later than forty-eight (48) hours before the time for holding the meeting.
- ii. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular No. 1 of 2000 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan:

**A. For Attending the Meeting:**

- i. 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 authenticate his/ her identity by showing his/ her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. 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.

**B. For Appointing Proxies:**

- i. 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.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his/ her original CNIC or original passport at the time of the EOGM.

**3. PARTICIPATION IN THE EOGM VIA THE VIDEO CONFERENCING FACILITY:**

Shareholders interested in attending the meeting through video conferencing are requested to email the following information with the subject "Registration for Fazal Cloth Mills Limited EOGM" along with a valid copy of both sides of their Computerized National Identity Card (CNIC) at corporate@fazalcloth.com. Video link and login credentials can be shared with only those members whose emails, containing all the required particulars, are received at least 48 hours before the time of EOGM.

Registration to attend Extra Ordinary General Meeting through Video Conferencing Facility:

**4. ELECTRONIC VOTING**

In accordance with the Companies (Postal Ballot) Regulations 2018, for the purpose of approval of any agenda item at the EOGM, members will be allowed to exercise their vote



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through postal ballot i.e., by post or e-voting, in the manner and subject to conditions contained in the Companies (Postal Ballot) Regulations, 2018.

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of Fazal Cloth Mills Limited, holder of \_\_\_\_\_ ordinary share(s) as per Registered Folio/CDC Account No. \_\_\_\_\_ hereby opt for video link facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of Member



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## STATEMENTS UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017

Section 166 of the Companies Act 2017 requires that a statement be annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing the appointee for appointment as independent director.

Being a listed company, Fazal Cloth Mills Limited is required to have at least three independent directors on its Board in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019. Accordingly, the Company shall ensure that at least three independent directors are elected in accordance with the procedures for election of directors laid down in Section 159 of the Companies Act 2017.

After the contestants file their notice / intention to stand for elections, the Company shall apply following criteria for choosing the appointee for appointment as independent director:

- Inclusion of name of independent directors in the data bank maintained by Pakistan Institute of Corporate Governance (PICG) duly authorized by SECP.
- Respective competencies, diversity, skill, knowledge and experience of the election contestants shall be assessed.
- The Independent directors will be elected through the process of election of director in term of section 159 of the Act and they shall meet the criteria laid down in section 166 of the Act and the Companies (Manner and Selection of Independent Directors) Regulations 2018, accordingly the following additional documents are required to be submitted by the candidates intending to contest the election of directors as independent.:
  - i. Declaration by independent director(s) under clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
  - ii. Undertaking non-judicial stamp paper that he /she meet the requirement of sub-regulation (1) of the Regulation 4 of the Companies (manner and selection of independent Directors) Regulations 2018
- The names of Independent Directors will be published in the Notice under Section 159 (4) of the Companies Act, 2017.

## STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts pertaining to the special business to be transacted at the extra ordinary general meeting of Fazal Cloth Mills Limited (the "Company") to be held on May 30, 2023.

### ITEM 2 OF THE AGENDA:

Circulation/Dissemination of Annual Audited Financial Statements through QR enabled code and web-link.

SECP has notified through S.R.O. 389 (I)/2023 dated March 21, 2023, whereby subject to the approval of shareholders in the general meeting, the listed companies have been allowed to circulate the annual balance sheet and profit and loss account, auditor's report and directors report, etc. ("annual audited financial statements") to its members through QR enabled code and weblink and considering technological advancements and old technology becoming obsolete, the circulation of annual financial statements through CD/DVD/USB may be discontinued. Accordingly, approval is hereby sought from shareholders to comply with the requirements of the said SRO.

None of the directors have any interest whether directly or indirectly in the proposed business except to the extent of their respective shareholding/directorship.



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