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(Colony) Sarhad Textile Mills Limited.

(Manufacturers & Exporters of Cotton Cloth & Cotton Yarn)

Ref. No. 002/PSE/108

Dated 21-03-2016

The General Manager
Pakistan Stock Exchange
Stock Exchange Building
Stock Exchange Road
Karachi

Re: **Material Information**

Dear Sir,

The Shareholders of the Company considered and voted upon the following Special Resolutions relating to the proposed merger of the Company with (Colony) Sarhad Textile Mills Limited.

A Joint Extraordinary General Meeting of the shareholders of **Suhail Jute Mills Limited** and **(Colony) Sarhad Textile Mills Limited** held at 14-B Civil Lines, Rawalpindi, on **Saturday 19 March, 2016 at 1500 Hours** under the Chairmanship of Mr. Muhammad Azam Chughtai, Advocate, (Appointed by Hon. Lahore High Court, Lahore), considered and transacted the following business:

SPECIAL BUSINESS:

RESOLUTION NO: 1

CONSIDERATION (AT THE DIRECTION OF THE COURT) AND APPROVAL OF THE ALTERED VALUE OF LAND OF (COLONY) SARHAD TEXTILE MILLS LIMITED IN ACCORDANCE WITH THE VALUATION CONDUCTED SUBSEQUENTLY AT THE DIRECTION OF THE SECP.

The Hon. Court has ordered that the raised price of the property, which should form part of the swap ratio to be finalized, be placed before the meeting. The following Resolution is being proposed to give effect to the Hon Court's order:

Resolved that: The value of Land of (Colony) Sarhad Textile Mills Limited, amounting to RS 254,100,000 (as per the valuation Report of M/s Impulse (Pvt) Ltd., dated 25 September

Head Office:- 14-B.Civil Line, P.O. Box No. 341, Rawalpindi (Pakistan).
Mills :- Ismail Kot Railway Station, Khushal Kot, Nowshera, N.W.F.P

2014) shall hereby form part of the swap ratio in respect of shares in connection with the scheme of arrangement.

RESULT: The members REJECTED Resolution No: 1

RESOLUTION NO: 2

CONSIDERATION AND APPROVAL OF THE SCHEME OF ARRANGEMENT INVOLVING A MERGER:

To consider the Scheme of Arrangement (the 'Scheme') involving the merger of (Colony) Sarhad Textile Mills Limited ('CSTM'), with and into, Suhail Jute Mills Limited, ('SJM'), in terms of Sections 284 to 288 of the Companies Ordinance, 1984 and to pass the following Resolution, with or without modification:

"Resolved that: the Scheme of Arrangement for merger / amalgamation of (Colony) Sarhad Textile Mills Limited into Suhail Jute Mills Limited considered by this meeting be and is hereby approved, adopted and agreed subject to the sanction by the Honorable High Court of Jurisdiction, in terms of the provisions of the Companies Ordinance, 1984".

Further Resolved that: the (common) Chief Executive of both Companies be and is hereby authorized to take all necessary steps in connection with the implementation of the Scheme, as sanctioned by the Honorable High Court of jurisdiction."

RESULT: The members ADOPTED Resolution No: 2

Yours Sincerely,

For (Colony) Sarhad Textile Mills Limited

Chief Executive