

# Ideal Spinning Mills Ltd.



## NOTICE OF 33RD ANNUAL GENERAL MEETING

Notice is hereby given that the **33rd Annual General Meeting** of the Shareholders of **IDEAL SPINNING MILLS LIMITED** will be held at 404/5, Business Centre 4th Floor Mumtaz Hasan Road Near "SBP" Karachi on Thursday, October 28, 2021 at 11:30 a.m. to transact the following business:-

1. To confirm Minutes of the Last Annual General Meeting held on October 26, 2020
2. To receive, consider and adopt the audited accounts of the Company for the year ended on 30th June, 2021 together with the Directors' Report and Auditors' Report thereon.
3. To approve and declare final cash dividend of Rs. 1.80 per share i.e. @ 18.00 % as recommended by the Board of Directors for the year ended June 30, 2021.
4. To appoint Auditor for the year 2021-2022 and to fix their remuneration. The present auditors M/s. Riaz Ahmed & Co., Chartered Accountants, retire and being eligible have offered themselves for reappointment.
5. To transact any other business with the permission of the chair.

By order of the Board  
**IDEAL SPINNING MILLS LTD.**

**Company Secretary**  
**MUHAMMAD NADEEM**  
**Company Secretary**

**Karachi**

**Dated: September 30, 2021**

### **NOTES:**

1. In light of the threat by the evolving coronavirus (COVID-19) situation, the Securities & Exchange Commission of Pakistan vide Circular No. 5 dated March 17, 2020 has advised the Company to modify their usual planning for Annual General Meeting in order to protect the well-being of the shareholders. The Shareholders who are interested to attend the AGM through Video Conference, are hereby requested to get themselves registered with the Company Secretary office by providing the following detail at the earliest but not later than 48 hours before the time of AGM (i.e. before 11:30 am on October 26, 2021) through Email: nadeem@idealsm.com  
Shareholders are advised to mention Name, CNIC Number, Folio/CDC Account Number, cell number and email ID for identification.  
Upon receipt of the above information from the interested shareholders, the Company will send the login credentials at their e-mail address.  
On the date of AGM, shareholders will be able to login and participate in the AGM proceedings through their smartphone / computer devices.  
The login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after identification process and verification process  
In view of the above the Shareholders can also provide their comments/suggestions for the proposed agenda items of the AGM by using the aforesaid means:
2. The Share Transfer Books of the Company will remain closed from 19, October 2021 to 28, October 2021 (both days inclusive). Transfer received at the Share Registrar office M/s. F.D Registrar Services (SMC-Pvt) Ltd, 17th Floor Saima Trade Tower-A, I.I. Chundrigar Road Karachi 74000 at the close business on 18 October 2021 be treated in time.

### **Head Office:**

1088-Jail Road,  
Faisalabad-Pakistan  
Ph: +92 41 2632 301-5

### **Mills:**

35 Km, Sheikhpura Road,  
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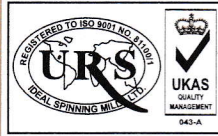
### **Lahore Office:**

506-D, 5th Floor, City Tower,  
6-K, Main Boulevard Gulberg II, Lahore  
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### **Karachi Office:**

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3. A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend the meeting and vote instead of him/her. The proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. CDC Account holders will further have to follow the under mentioned guidelines as laid down in Circular No.1 dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

4. **PARTICIPATION IN THE ANNUAL GENERAL MEETING**

A member entitled to participate and vote at this meeting is also entitled to appoint another proxy to participate and vote on his/her behalf through video link. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not later than 48 hours before the time of the meeting

**For appointing proxies**

- a. In case of individuals, the account holders or sub account holders whose registration details are uploaded as per 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 proxy form. Copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form
- b. In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has not been provided earlier) along with proxy form to the Company

5. **CONFIRMATION OF "FILER" STATUS OF INCOME TAX RETURN FOR APPLICATION OF RATES PURSUANT TO THE PROVISIONS OF FINANCE ACT, 2021:**

Pursuant to the provisions of Finance Act, 2021, effective July 01, 2021, reforms have been made with regards to deduction of income tax. For cash dividend, the rates of deduction of income tax, under section 150 of the Income Tax Ordinance, 2001 are as follows:

- a. Rate of tax deduction for filer of income tax returns 15.00%
- b. Rate of tax deduction for non-filer of income tax returns 30.00%

In case of joint account, each holder is to be treated individually as either a filer or non-filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing to the Company / Share Registrar. If no notification is received, each joint holder shall be assumed to have an equal number of shares.

The CNIC number / NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR) from time to time

6. **PAYMENT OF DIVIDEND THROUGH BANK ACCOUNT OF THE SHAREHOLDERS:**

In accordance with the section 242 of the Companies Act, 2017 cash dividend can only be paid through electronic mode directly into the respective bank account designated by the entitled shareholder. Shareholders are requested to provide their bank account details (IBAN format) directly to our share registrar (for physical shares) or to their respective participant / broker (for CDS shares) as the case may be. Form for updating of bank account details (IBAN Format) is available at Company's website i.e. <http://www.idealsm.com> In case of unavailability of IBAN, the Company would be constrained to withhold dividend in accordance with the Companies (Distribution of Dividends) Regulations, 2017.

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**Company Secretary**

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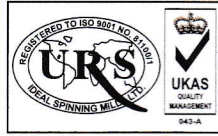
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## 7. EXEMPTION FROM DEDUCTION OF INCOME TAX / ZAKAT:

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

CDC account holders are requested to submit their declaration for non-deduction of zakat to the relevant member stock exchange or to CDC if maintaining CDC investor account.

## 8. SUBMISSION OF COMPUTERIZED NATIONAL IDENTITY CARD (CNIC) FOR PAYMENT OF FINAL CASH DIVIDEND 2020-21:

Pursuant to the directives of SECP, CNIC number of shareholders is MANDATORILY required for payment of dividend. Shareholders are therefore, requested to submit a copy of their valid CNIC (if not already provided) to the Company on its registered address / Share Registrar.

In the absence of a member's valid CNIC, the Company will be constrained to withhold payment of cash dividend to such members.

CDC account holders are requested to submit attested copy of their CNIC to the relevant member stock exchange or to CDC if maintaining CDC investor account.

## 9. Circulation of Annual Financial Statements through Email

SECP through its Notification SRO 787(I)/2014 dated September 8, 2014, has allowed the circulation of Audited Financial Statements along with the Notice of Annual General Meeting to the shareholders of the Company through email. Therefore, shareholders who wish to receive the soft copy of Annual Report are requested to send their email address. The consent form for electronic transmission can be downloaded from the Company's website. The Company shall, however, continue to provide hard copy of the Audited Financial Statements to its shareholders, on request, free of cost, within seven days of receipt of such request.

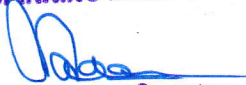
## 10. Placement of Financial Accounts on Website

Pursuant to the notification of the SECP (SRO 634(I)/2014) dated: 10th July 2014 the financial Statements of the Company have been placed on Company's website at [www.idealsm.com](http://www.idealsm.com)

## 11. DEPOSIT OF PHYSICAL SHARES INTO CENTRAL DEPOSITORY:

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017. Further SECP vide its letter dated March 26, 2021 has advised to comply Section 72 of the Act and encourage shareholders to convert their shares in book-entry form. In light of above, shareholders holding physical share certificates are requested to deposit their shares in Central Depository by opening CDC sub-accounts with any of the brokers or Investor Accounts maintained directly with CDC to convert their physical shares into scrip less form. This will facilitate the shareholders to streamline their information in member's register enabling the Company to effectively communicate with the shareholders and timely disburse any entitlements. Further, shares held shall remain secure and maintaining shares in scrip less form allows for swift sale/purchase.

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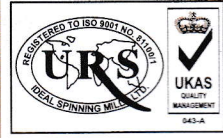
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## 12. Unclaimed Dividends And Share Certificates

Shareholders of the Company are hereby informed that as per the record, there are some unclaimed/ uncollected /unpaid dividends and shares.

Shareholders who could not collect their dividends/shares are advised to contact our Share Registrar M/s. F.D Registrar Services (SMC-Pvt) Ltd 17th Floor, Saima Trade Tower-A, I.I.Chundrigar Road, Karachi during working hours. Ph: 0092-21-32271905 Email: fdregistrar@yahoo.com to collect/enquire about their unclaimed dividend or shares, if any.

## 13. Change of Address and Quote Folio No. in Correspondence

Members are also requested to notify any change in address immediately. The shareholders are further requested to quote their folio number in all correspondence with the Company and at the time of attending the Annual General Meeting.

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