



CHAKWAL SPINNING MILLS LIMITED

ADDENDUM

Name of the Company: Chakwal Spinning Mills Limited

Date and time of Annual General Meeting: November 27, 2018 at 12:30 pm

Venue: Registered office, Chakwal Spinning Mills Limited, 7/1, E-3, Main Boulevard, Gulberg III, Lahore.

We have already sent notice of AGM as required by the Companies Act, 2017; however following further information is being submitted to the members as required by statement u/s 134 of the Companies Act 2017, concerning special business.

Date of lease agreement	November 10, 2017		
Lease term and termination	Temporary in nature and expired on March 31, 2018		
Lease rental	Rs. 1,500,000 per month		
Basis of determination of lease rentals	Lease rentals were mutually agreed based on general prudence, sound business judgment and without any undue influence, control and pressure and on arm's length basis.		
Utilization of lease rental	Amount of lease rentals are utilized by the Company to make payments against outstanding liabilities including workers' dues.		
Detail of assets leased to the associated company	All the production facilities of the Company including captive power plant used for manufacturing of yarn. The production unit is situated at 49- Km, Multan Road, Bhai Phero.		
Name of common and interested directors and their respective share holding in both companies	Name of Director	Shareholding % Chakwal Spinning Mills	Shareholding Yousaf Weaving Mills
	Kh. Mohammad Jawed	6.08%	24.33%
	Kh. Mohammad Kaleem	19.91%	16.70%
	Mr. Mohammad Tariq Sufi	0.001%	0.001%
	The above mentioned directors are interested with regard to their shareholding and directorship.		
Effect on the existing operational capacity	The Company has been able to revive its production capacity which was remained idle since March 2017; it also benefited to avoid any risk of physical damage, obsolescence and deterioration of machinery.		
Quantitative and qualitative benefits accrued to the members	The members of the Company will get benefit with continuation of production facility which was remained idle due to closure of mill. Continuous operations will strengthen the confidence of members of the Company. The management believes that sustained operations will lead to operating profitability which will ultimately provide return opportunities to the member.		
Recommendation of audit committee	The audit committee has subsequently reviewed the lease arrangement.		

November 19, 2018

Nadeem Anwar

(Company Secretary)