

# RELIANCE COTTON SPINNING MILLS LIMITED

## Notice Of Extraordinary General Meeting

Notice is hereby given that an Extra-Ordinary General Meeting of Reliance Cotton Spinning Mills Limited will be held on Tuesday the 22nd April 2025 at 11:00 a.m. at 312, Cotton Exchange Building, I.I. Chundrigar Road, Karachi to transact the following business:

### Ordinary Business

1. To confirm the minutes of the last general meeting.

### Special Business

2. To consider and, if thought fit, pass, with or without modification, the following special resolution under Section 199 of the Companies Act, 2017 to make equity investment in associated company:

(a) **RESOLVED THAT** consent and approval of shareholders be and is hereby accorded under Section 199 of the Companies Act, 2017 and Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, for investment up to Rs. 1,000,000,000 (Rupees One Billion) by way of equity investment in Sapphire Fibres Limited, an associated company, through market purchase of ordinary shares at the negotiated price on the date of purchase/transaction on such terms and conditions as authorized by Board of Directors, from time to time over a period of one (1) year.

(b) **FURTHER RESOLVED THAT** the Chief Executive of the company be and is hereby authorized to take all necessary actions which may be required for the purchase of said shares of Sapphire Fibres Limited.

“ A Statement under Section 134(3) of the Companies Act, 2017 read with Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 is being sent to the members along with copy of this notice.

### Other business

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

By order of the Board

Karachi  
March 27, 2025

(RAMEEZ GHANUSI)  
COMPANY SECRETARY

### NOTE:

1. The share transfer books of the Company shall remain closed from 16th April 2025 to 22nd April 2025 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar i.e. Hameed Majeed Associates (Private) Limited, situated at 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi, before the close of business on April 15, 2025, will be considered in time, to entitle the transferees to attend and vote at the meeting.
2. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. Proxies in order, to be valid must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. An instrument of proxy applicable for the Meeting is being provided with the notice sent to the members. Further copies of the instrument may be obtained from the registered office of the Company during

normal office hours. The proxy form can also be downloaded from the Company's website: [www.sapphire.com.pk/rcsml](http://www.sapphire.com.pk/rcsml)

4. In order to comply with the directives of the Securities and Exchange Commission of Pakistan, including in terms of Circular No. 4 of 2021, the Company has also arranged video conference facility for those members who are interested in participating virtually in the EOGM.

Special arrangements for participating in the EOGM through electronic means will be as under:

- a. EOGM will be held through Zoom application – a video link facility.
- b. Members interested in attending the EOGM through Zoom application are hereby requested to get themselves registered with the Company Secretary office by sending an e-mail with subject: "Registration for RCSML EOGM" at the earliest but not later than 48 hours before EOGM on E-mail: [contact@sapphiretextiles.com.pk](mailto:contact@sapphiretextiles.com.pk) along with a valid copy of both sides of CNIC.

Members are advised to mention their Name, Folio/CDC Account Number, CNIC Number, Valid email address and cell number.

Upon receipt of the above information from the interested members, the Company will send the login credentials at their e-mail address. On the date of EOGM, members will be able to login and participate in the EOGM proceedings through their smartphone/computer devices. The login facility shall be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after identification/ verification process.

5. If the Company receives consent from the members holding at least 10% shareholding residing in a city, to participate in the meeting through video-link at least 07 days prior to date of the meeting, the Company will arrange facility of video-link in that city subject to availability of such facility in that city.
6. The Members are requested to submit a copy of their Computerized National Identity Card (CNIC), if not already provided and immediately notify changes if any, in their addresses to our Share Registrar Hameed Majeed Associates (Pvt) Ltd.
7. CDC shareholders will further have to follow the below mentioned guidelines as laid down in Circular 1, dated 26 January, 2000 issued by Securities and Exchange Commission of Pakistan:

**A. For attending the meeting:**

- i) 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 above Regulations, shall submit the proxy form as per the above requirement.
  - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the proxy 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 Meeting.
  - v) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the proxy form to the Company.
8. Pursuant to Companies (Postal Ballot) Regulations 2018, in case of special business, members will be allowed to exercise their right to vote through postal ballot, that is voting by post or through E-voting, in accordance with the requirements and procedures contained in the aforesaid regulations. The procedure of postal ballot [e-voting and voting by post] is hereby given below:

**E-voting Procedure:**

- (a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the company by the close of business on 15 April 2025.
- (b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of Hameed Majeed Associates (Private) Limited (being the e-voting service provider).
- (c) Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- (d) E-Voting lines will start from 17 April 2025, 09:00 a.m. and shall close on 21 April 2025 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

**Procedure for voting through Postal Ballot:**

The members shall ensure that duly filled and signed ballot paper, along with copy of CNIC, should reach the Chairman of the meeting through post at the registered address of the Company / Share Registrar or through email at [contact@sapphiretextiles.com.pk](mailto:contact@sapphiretextiles.com.pk), by close of business on April 21, 2025. The signature on the ballot paper shall match with the signature on CNIC.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES  
ACT, 2017 REGARDING SPECIAL BUSINESS**

Sapphire Fibres Limited (SFL) is a public listed company formed for the purpose of Textile Composite Unit. It is an associated Company of Reliance Cotton Spinning Mills Limited (RCSML) having Authorized Capital of Rs. 350,000,000 divided into 35,000,000 shares of Rs.10 each and the Issued & Paid-Up Capital of the SFL is Rs. 206,718,750 divided into 20,671,875 ordinary shares of Rs.10 each. Four (4) Directors of SFL are also the Directors in RCSML. Other information is as under:

(i)	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Sapphire Fibres Limited (SFL). An associated undertaking due to 3.86% shareholding in SFL and common directorship
(ii)	Purpose, benefits and period of Investment	For the benefit of the Company and to earn better returns in the long run-on strategic investment. Approval of limits shall remain valid for a period one (1) year and shall be renewable thereon for further period(s)
(iii)	Maximum Amount of the Investment	Investment of Rs. 1,000,000,000/-
(iv)	Maximum Price at which securities will be acquired	At negotiated price prevailing on the date of purchase / transaction.
(v)	Maximum Number of Securities to be acquired	Number of shares would depend upon the negotiated price on the date of purchase / transaction
(vi)	Number of securities and percentage held before and after investment	<p><b>Before Investment</b> 798,796 Ordinary shares of Rs.10 each (3.86%)</p> <p><b>After Investment</b> Exact number of securities cannot be determined at this stage however, expected number based on negotiated price applicable would be around 500,000 Ordinary shares of Rs.10 each (2.42%)</p>

(vii)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and;	As at 26 <sup>th</sup> March 2025: Current price per share: PKR 1,121. Weighted average market price per share of preceding twelve weeks: PKR 1,449.												
(viii)	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not Applicable												
(ix)	Break-up value of securities intended to be acquired on the basis of latest audited financial statements	Rs. 1,671.90 per Share												
(x)	Earnings per share of the associated company or associated undertaking for the last three years	Earnings per share for the last 3 years: 2024 - Rs. 163.17 2023 - Rs. 247.72 2022 - Rs. 300.70												
(xi)	Sources of funds from which shares will be acquired	Internally Generated Funds												
(xii)	Where the securities are intended to be acquired using borrowed funds, - (I) justification for investment through borrowings; and	I) Not Applicable												
	(II) detail of guarantees and assets pledged for obtaining such funds;	II) Not Applicable												
(xiii)	Salient features of all agreements, if any	Not Applicable												
(xiv)	Interest of directors, majority shareholders and their relatives	Mr. Shahid Abdullah, Mr. Amer Abdullah, Mr. Shayan Abdullah & Mr. Yousuf Abdullah Directors of the Company are also Directors of M/s Sapphire Fibres Limited; however, they have no direct or indirect interest except to the extent of shareholding in the investing company.												
(xv)	Any other important details necessary for the members to understand the transaction	The company will purchase these shares from the existing shareholders.												
(xvi)	Financial Position of the Associated Company [SFL]	Financial Position from Audited Accounts of 30 <sup>th</sup> June 2024 <table><tr><td>Property Plant &amp; Equipment</td><td>Rs. 16,045,333,501</td></tr><tr><td>Current Assets</td><td>Rs. 29,653,644,868</td></tr><tr><td>Non-Current Liabilities</td><td>Rs. 4,630,604,154</td></tr><tr><td>Current Liabilities</td><td>Rs. 17,084,910,381</td></tr><tr><td>Revenue</td><td>Rs. 47,420,211,276</td></tr><tr><td>Net Profit after tax</td><td>Rs. 3,373,031,740</td></tr></table>	Property Plant & Equipment	Rs. 16,045,333,501	Current Assets	Rs. 29,653,644,868	Non-Current Liabilities	Rs. 4,630,604,154	Current Liabilities	Rs. 17,084,910,381	Revenue	Rs. 47,420,211,276	Net Profit after tax	Rs. 3,373,031,740
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In pursuance to Regulation No. 3(3) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 under SRO 1240(I)/2017 dated 6 December, 2017, the directors of the Company have carried out due diligence for the proposed investment in associated company.

The following documents shall be available to the members of the Company for inspection in the EOGM to be held on April 22, 2025.

- 1) Recommendations of due diligence report of investing company
- 2) Last three years annual reports of associated Company

## PROXY FORM

# RELIANCE COTTON SPINNING MILLS LIMITED

I/We \_\_\_\_\_ of \_\_\_\_\_ a member(s) of **Reliance Cotton Spinning Mills Limited** and a holder of \_\_\_\_\_ ordinary shares, do hereby appoint \_\_\_\_\_ of or failing him/ her \_\_\_\_\_ of \_\_\_\_\_ who is also a member of **Reliance Cotton Spinning Mills Limited**, vide Registered Folio No. \_\_\_\_\_ as my/ our Proxy to act on my/ our behalf at Extra Ordinary General Meeting of the Company to be held at 312, Cotton Exchange Building, I.I Chundrigar Road, Karachi and/ or through video conference on Tuesday the 22nd April 2025 at 11:00 a.m. and / or any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

Signature of shareholder \_\_\_\_\_

CNIC No: \_\_\_\_\_

Folio No/ CDC and/or Sub Account No: \_\_\_\_\_

Email: \_\_\_\_\_

Signature of proxy: \_\_\_\_\_

CNIC No: \_\_\_\_\_

Folio No/ CDC and/or Sub Account No: \_\_\_\_\_

Email: \_\_\_\_\_

(Signature should agree with the specimen signature registered with the Company)

REVENUE  
STAMP OF  
RS.5/-

### Notice:

1. No proxy shall be valid unless it is duly stamped with a revenue stamp of Rs.5/-
2. In the case of Bank or Company, the proxy form must be executed under its company seal and signed by its authorized person.
3. Power of attorney or other authority (if any) under which this proxy form is signed then a certified copy of that power of attorney must be deposited along with this proxy form.
4. This form of proxy duly completed must be deposited at the Registered Office of the Company at least 48 hours before the time of holding the meeting.
5. In case of CDC account holder:
  - i. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
  - ii. Attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
  - iii. The proxy shall produce his original CNIC or original passport at the time of meeting.
  - iv. In case of corporate entity, the board of directors' resolution/power of attorney with specimen signature of the proxy holder shall be submitted (unless it has been provided earlier) along with proxy form to the company.

### Witness:

Name	
Address	
NIC No.	

Name	
Address	
NIC No.	

## فارم برائے قائم مقام / متبادل

### ریلائنس کاٹن اسپننگ ملز لمیٹڈ

میں / ہم \_\_\_\_\_ جس کا تعلق \_\_\_\_\_ سے ہے:

ریلائنس کاٹن اسپننگ ملز لمیٹڈ کے ممبر کی حیثیت سے \_\_\_\_\_ شیئرز کی تحویل رکھتا / رکھتی ہوں۔ میں / ہم \_\_\_\_\_ کو یا \_\_\_\_\_ ان کی عدم حاضری کی صورت میں \_\_\_\_\_ کو جس / جن کا تعلق \_\_\_\_\_ سے ہے، کو \_\_\_\_\_ میری / ہماری غیر موجودگی میں قائم مقام / متبادل کمپنی عمومی اجلاس عام میں شرکت کریں گے جو بروز منگل 22 اپریل 2025ء کو بوقت 11:00 بجے صبح، 312، کاٹن اسپننگ بلڈنگ، آئی آئی چندریگر روڈ، کراچی میں منعقد ہوگی۔

ریونیوٹکٹ  
پانچ روپے

اس دستاویز پر مورخہ \_\_\_\_\_ 2025 کو دستخط ہوئے۔

شیئر ہولڈر کے دستخط

شیئر ہولڈر کا فوئیو نمبر \_\_\_\_\_

اور / یا CDC \_\_\_\_\_

شریک ہونے والے CNIC نمبر \_\_\_\_\_

اور سب اکاؤنٹ نمبر \_\_\_\_\_

پراکسی کے دستخط

شیئر ہولڈر کا فوئیو نمبر \_\_\_\_\_

اور / یا CDC \_\_\_\_\_

شریک ہونے والے CNIC نمبر \_\_\_\_\_

اور سب اکاؤنٹ نمبر \_\_\_\_\_

نوٹس

- 1۔ کوئی بھی پراکسی اس وقت تک درست نہیں سمجھی جائے گی جب تک اس پر پانچ (05) روپے کا محصول ٹکٹ نا لگایا جائے۔
- 2۔ بینک یا کمپنی کی صورت میں پراکسی فارم پر authorized person کے دستخط کے ساتھ کمپنی کی مشترکہ مہر لازم ہوگی۔
- 3۔ پاور آف اٹارنی یا دیگر authority کی صورت میں پراکسی فارم کے ساتھ اس کی تصدیق شدہ کاپی جمع کرنی ہوگی۔
- 4۔ دستخط شدہ پراکسی فارم کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں جمع کرانا ہوگا۔

سی ڈی سی اکاؤنٹ ہولڈر کی صورت میں

- (i) پراکسی فارم پر دو افراد تصدیق کریں گے اور ان کے نام، پتے اور CNIC نمبر فارم پر موجود ہونا چاہئے۔
- (ii) Beneficial owners کے CNIC یا پاسپورٹ کی اسکین شدہ کاپی پراکسی فارم کے ساتھ جمع کرانے ہوں گے۔
- (iii) پراکسی میٹنگ کے وقت اپنا اصل CNIC یا پاسپورٹ پیش کرے۔
- (iv) کارپوریٹ اثاثہ کی صورت میں، پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز Resolution/power of attorney کے ساتھ پراکسی ہولڈر کے دستخط بھی جمع کروائے جائیں گے (اگر یہ پہلے فراہم نہیں کیا گیا ہو)۔

گواہان:

(1) دستخط: \_\_\_\_\_ (2) دستخط: \_\_\_\_\_

نام: \_\_\_\_\_ نام: \_\_\_\_\_

پتہ: \_\_\_\_\_ پتہ: \_\_\_\_\_

CNIC یا پاسپورٹ نمبر \_\_\_\_\_ CNIC یا پاسپورٹ نمبر \_\_\_\_\_



**BOOK POST**  
Under Postal Certificate

*If undelivered please return to :*

**RELIANCE COTTONSPINNING MILLS LIMITED**  
312, Cotton Exchange Building,  
I.I. Chundrigar Road,  
Karachi.