



Reliance Cotton Spinning Mills Limited

312-Cotton Exchange Building,
I.I Chundrigar Road, Karachi – 74000 Pakistan
Phone: 92-21-111-000-100
Fax: 92-21-2416705, 92-21-2417418
E-Mail: contact@sapphiretextiles.com.pk

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra-Ordinary General Meeting of Reliance Cotton Spinning Mills Limited will be held on Wednesday the 21st June 2023 at 11:30 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, the following special resolutions, with or without modification:
 - (a) **RESOLVED THAT** the authorized share capital of the company be increased from Rs. 120,000,000/- (Rupees One Hundred Twenty Million) to Rs. 7,620,000,000/- (Seven Billion Six Hundred Twenty Million).
 - (b) **RESOLVED THAT** the Memorandum of Association of the Company be altered by substituting for the figures and words Rs. 120,000,000 (Rupees One Hundred Twenty Million) and 12,000,000 (Twelve Million) appearing in clause V, with the figures and words Rs. 7,620,000,000/- (Seven Billion Six Hundred Twenty Million) and 762,000,000 (Seven Hundred Sixty Two Million) respectively.
 - (c) **RESOLVED THAT** the Articles of Association of the Company be altered by substituting for the figures and words Rs. 120,000,000 (Rupees One Hundred Twenty Million) and 12,000,000 (Twelve Million) appearing in article 5, with the figures and words Rs. 7,620,000,000/- (Seven Billion Six Hundred Twenty Million) and 762,000,000 (Seven Hundred Sixty Two Million) respectively.
 - (d) **FURTHER RESOLVED THAT** the Chief Financial Officer and/ or Company Secretary be and are hereby authorized to take any and all actions necessary to give effect to the above resolution and/ or to complete any or all necessary corporate and legal formalities.
3. To consider and approve, with or without modification, the following ordinary resolution in respect of transmission of Annual Audited Accounts:

RESOLVED THAT the consent of the members be and is hereby accorded to circulate the Audited Financial Statements to its members through QR enabled code and web link in pursuant of Notification No. 389(1)/ 2023 dated March 21, 2023 of Securities Exchange Commission of Pakistan.

Other business

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

Statement under Section 134(3) of the Companies Act 2017 along with status of investment pertaining to the material facts are being sent to the shareholders along with this notice.

Karachi
May 30, 2023

By Order of the Board

Rameez Ghausi
Company Secretary



NOTE:

1. The share transfer books of the Company shall remain closed from 15th June 2023 to 21st June 2023 (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 June 14, 2023, will be considered in time, to entitle the transferees to attend and vote at the meeting.



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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.
4. 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 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 identity by showing his 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 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.
5. Any change of address of members should be immediately notified to the company's share registrar, M/s. Hameed Majeed Associates (Private) Limited, situated at 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.
 6. 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 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.

7. 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.



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8. Pursuant to Companies (Postal Ballot) Regulations 2018, for 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] shall be placed on the company's website seven (7) days before the meeting.
9. Deposit of physical certificate(s) in CDC Account: As per section 72 of Companies Act, 2017, every listed company shall be required to replace its physical certificates 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 Companies Act, 2017.

Accordingly, a member having physical shares are encouraged to open a CDC sub-account with a broker or Investor Account directly with CDC to place their physical certificates into scrip less form.
10. An updated list of unclaimed dividends/shares of the Company is available on the Company's website www.sapphire.com.pk/rcsml. These are unclaimed dividends/shares which have remained unclaimed or unpaid for three years from the date these have become due and payable.
11. The Company shall provide video conference facility to its members for attending the General Meeting at places other than the town in which general meeting is taking place, provided that if members, collectively holding 10% or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video conference at least 07 days prior to date of the meeting, the Company shall arrange video conference facility in that city subject to availability of such facility in that city.

In this regard, please fill the following form and submit to registered address of the Company 07 days before holding of the General Meeting:

"I/We, _____ of _____ being a member of Reliance Cotton Spinning Mills Ltd, holder of _____ Ordinary Shares as per registered folio # _____ hereby opt for video conference facility at _____."

Signature of Member

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

Agenda no. 2

The Board of Directors in the meeting held on 29 May 2023 proposed to increase authorized capital of the Company from Rs 120,000,000/- to Rs 7,620,000,000/-. The purpose of this enhancement is to cater for future increase in paid up share capital as and when deemed necessary and in the best interest of the company and its stakeholders.

Comparison of existing and proposed alterations in the capital clauses of Memorandum & Articles of Association, are provided below:

Memorandum of Association	
Existing Clause V	Proposed / New Clause V
The share capital of the Company is Rs 120,000,000 (Rupees One Hundred Twenty Million) divided into 12,000,000 (Twelve Million) Ordinary Shares of Rs 10/- each, with powers to increase or reduce the capital, and to consolidate or subdivide the shares and to issue shares of higher or lower denomination.	The share capital of the Company is Rs. 7,620,000,000/- (Seven Billion Six Hundred Twenty Million) divided into 762,000,000 (Seven Hundred Sixty Two Million) Ordinary Shares of Rs 10/- each, with powers to increase or reduce the capital, and to consolidate or subdivide the shares and to issue shares of higher or lower denomination.

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Articles of Association	
Existing 5	Proposed/ New Article 5
The share capital of the Company is Rs 120,000,000 (Rupees One Hundred Twenty Million) divided into 12,000,000 (Twelve Million) Ordinary Shares of Rs 10/- each, with powers to increase or reduce the capital, and to consolidate or subdivide the shares and to issue shares of higher or lower denomination.	The share capital of the Company is Rs. 7,620,000,000/- (Seven Billion Six Hundred Twenty Million) divided into 762,000,000 (Seven Hundred Sixty Two Million) Ordinary Shares of Rs 10/- each, with powers to increase or reduce the capital, and to consolidate or subdivide the shares and to issue shares of higher or lower denomination.

None of the directors are in any way interested or concerned in the resolution except to the extent of their shareholding in the Company. The said alteration will not affect anyone's interest unfavorably in the company. Such new shares, whenever issued, shall rank pari passu with existing shares in all respect.

Agenda no. 3

In pursuance of SRO 389(I)/ 2023 dated March 21, 2023, the Securities and Exchange Commission of Pakistan has allowed the listed companies 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 web link subject to approval of shareholders in the general meeting.

Further, the notice of meeting shall be dispatched to members as per requirements of the Act, on their registered address, containing the QR code and the web link address to view and download the annual audited financial statements together with the reports and documents required to be annexed thereto under the Act;

Provided that:

- The companies shall circulate the annual audited financial statements through email in case email address has been provided by the member to the company and the consent of member to receive the copies through email is not required.
- The companies shall be required to send the complete financial statements with relevant documents in hard copy to the shareholders, at their registered addresses, free of cost, within one week, if a request has been made by the member on the standard request form available on the website of the company.

STATUS OF INVESTMENT UNDER CLAUSE 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017

Company	Amount of Investment approved	Investment made to date	Reason
Sapphire Fibres Limited	Investment of Rs. 1 Billion was approved	Rs. 426.558 million	This amount was approved in the EOGM dated 27 th March 2023 and is in the process of implementation.