



Through PUCARS / Courier

October 05, 2021

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi-74000

Sub: **NOTICE OF 31st ANNUAL GENERAL MEETING**

Dear Sir,

We are pleased to enclose herewith a copy of the Notice of 31st Annual General Meeting of Reliance Weaving Mills Limited to be held on Thursday, October 28, 2021 at 12:30 pm for circulation amongst the TRE Certificate Holders of the Exchange.

The aforementioned Notice would be published on October 7, 2021 in English and Urdu languages respectively in the Newspapers, having nation-wide circulation.

Yours sincerely,
For Reliance Weaving Mills Limited


Aftab Ahmed Qaiser
Company Secretary

CC: Director/HOD, Surveillance, Supervision and Enforcement Department
Securities & Exchange Commission of Pakistan, NIC Building
63 – Jinnah Avenue, Blue Area
Islamabad

Encl.: As above



Notice of the 31st Annual General Meeting of
Reliance Weaving Mills Limited

Notice is hereby given that the 31st Annual General Meeting of the shareholders of **Reliance Weaving Mills Limited** (the "Company") will be held on Thursday, October 28, 2021, at 12:30 pm at 2nd Floor, Trust Plaza, L.M.Q. Road, Multan, to transact the following business:

Ordinary Business:

1. To confirm the minutes of the Extraordinary General Meeting held on May 04, 2021.
2. To receive, consider and adopt the audited financial statements of the Company together with the Directors' and Auditors' Reports thereon for the year ended June 30, 2021;
3. To Consider and approve payment of Rs. 2.50/- (25%) per share as final cash dividend in addition to 50% interim cash dividend announced and already paid, making a total dividend of Rs. 7.50/- (75%) per share for the financial year ended June 30, 2021 as recommended by the Board of Directors;
4. To appoint Auditors for year ending June 30, 2022 and to fix their remuneration. The present Auditors, M/s. Shinewing Harneed Chaudhri & Co. Chartered Accountants retire and being eligible have offered themselves for re-appointment;

Special Businesses:

5. **To consider and, if deemed fit, pass the following Resolution(s) as Ordinary Resolution(s) with or without modification(s), addition(s) or deletion(s), as recommended by the Board of Directors:**

"RESOLVED THAT approval of the members of Reliance Weavings Mills Limited (the "Company") be and is hereby accorded for making an aggregate investment of up to Rupees 3,500,000,000 (Rupees Thirty Five Hundred Million Only), Rupees 200,000,000 (Rupees Two Hundred Million Only) and Rupees 500,000,000 (Rupees Five Hundred Million) in "Spinning Project", "Stitching Project" and Investment in land respectively to be financed by way of internal cash flows of the Company and debt financing and subject to the compliance of all statutory and legal requirements.

RESOLVED FURTHER THAT Chief Executive and/or the Chief Financial Officer and/or Company Secretary of the Company be and are hereby singly empowered and authorized to take all necessary acts, matters, deeds, things and actions to complete all legal formalities and to execute and submit all relevant documents / forms / applications and file all necessary documents, if required, as may be necessary or incidental for the purpose of giving effect to the spirit and intent of the above resolution.

RESOLVED FURTHER THAT the Company Secretary be and is hereby directed to fulfill all the requisite, legal, procedural and corporate formalities, if any, for giving effect to above resolutions."

6. **To ratify and approve the transactions carried out by the Company with related parties as disclosed in the financial statements for the year ended June 30, 2021 and to pass the following Special Resolution(s), with or without modification(s) in terms of Section 208 of the Companies Act, 2017:**

"RESOLVED THAT related party transactions carried out by the Company during the year in which majority of Directors are interested as disclosed in Note 45 of the financial statements for the year ended June 30, 2021, be and are hereby ratified, approved and confirmed."

7. **To authorize the Board of Directors of the Company to approve related party transaction for the financial year ending June 30, 2022, and to pass the following Special Resolution(s), with or without modification(s):**

"RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to approve the transactions to be conducted with related parties on case to case basis for the financial year ending June 30, 2022.

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FURTHER RESOLVED THAT these transactions approved by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval where required."

8. **To consider and if deemed fit, to pass the following special resolutions under Section 199 of the Companies Act 2017, with or without modification(s), addition(s) or deletion(s):**

"RESOLVED THAT consent of the shareholders of the Company be and is hereby accorded under Section 199 of the Act for investment in associated companies, as per following details, in the form of working capital loan from time to time for a period of one year starting from the date of approval by the shareholders provided that the return on any outstanding amount of loan shall be KIBOR plus 2.50% (which shall not be less than the average borrowing cost of the Company) and as per other terms and conditions of the agreement to be executed in writing and as disclosed to the members:

Sr. No.	Name of Associated Company	Amount of Loan
1	Fatima Sugar Mills Limited (FSML)	PKR 400 million
2	Reliance Commodities (Pvt.) Limited (RCL)	PKR 200 million
3	Fatima Transmission Company Limited (FTCL)	PKR 300 million
4	Fazal Cloth Mills Limited (FCML)	PKR 200 million
5	Fatima Holding Limited (FHL)	PKR 200 million

FURTHER RESOLVED that any Director/Chief Executive Officer and/or Chief Financial Officer and/or Company Secretary of the Company be and are hereby singly empowered and authorized to undertake the decision of said investment as and when required by above associated companies and to take all steps and actions necessary, incidental and ancillary thereto including execution of any and all documents and agreements as may be required in this regard and to do all acts, matters, deeds and things including filing of documents as may be necessary or incidental or expedient for the purpose of implementing the aforesaid resolution."

Statement under Section 134(3) of the Companies Act, 2017 concerning special business is annexed to this notice of meeting circulated to the shareholders of the Company.

By Order of the Board


Aftab Ahmed Qaiser
Company Secretary

Place: Multan

Dated: October 06, 2021

Notes:

1. The Share Transfer Books will remain closed from October 22, 2021 to October 28, 2021 (both days inclusive). Transfers received in order at the office of our Share Registrar by the close of the business on October 21, 2021 will be treated in time for the aforesaid purpose.
2. Only those persons whose names appear in the Register of Members of the Company as at October 21, 2021 are entitled to attend and vote at the Annual General Meeting.
3. The members are requested to notify the change of address, Zakat Declaration and Tax Exemption Status with its valid certificate, if any, immediately to our Shares Registrar.

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4. Participation in the Annual General Meeting

A member entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him/her.

In order to be effective, duly completed and signed Proxy Form must be received at the Company's Registered Office address at 2nd Floor, Trust Plaza, L.M.Q. Road, Multan at least 48 hours before the time of the meeting. For the convenience of the members, a Proxy Form is being dispatched with the Annual Report 2021.

Shareholders will be encouraged to participate in the AGM to consolidate their attendance and participation through proxies.

CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

FOR ATTENDING THE MEETING:

- i) In case of individuals, the account holder or sub-account holder and their registration details are uploaded as per CDC regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting; and
- ii) In case of corporate entities, the board of directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

FOR APPOINTING PROXIES:

a) In case of Individuals

- i) In case of individuals, the account holder or sub-account holder and their registration details are uploaded as per CDC regulations, shall submit the Proxy Form as per the above requirement.
- ii) Proxy Form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the Passport of 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;

b) In case of corporate entities

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 along with the proxy form to the Company. A corporate entity, being member, may appoint any person, regardless of whether they are a member or not, as its proxy.

Video Conference Facility

Pursuant to the provisions of the Companies Act, 2017; the shareholders residing in a city and collectively holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in the meeting. The demand for video-link facility shall be received by the Company at least 7 days prior to the date of the meeting.

I/we _____ of _____ being members of Reliance Weaving Mills Limited holder _____ Ordinary Shares(s) as per Registered Folio No. CDC/Account No. _____ hereby opt for video conference facility at [name of city] in respect of Annual General Meeting of the Company.

Signature of Member



The Company will intimate respective members regarding venue of the video-link facility before five days of the meeting along with complete information necessary to enable them to access the facility.

Measures taken owing to prevailing situation of Covid-19 Pandemic

To ensure the safety and well-being of all the Members keeping in view of the prevailing situation due to COVID-19 pandemic and pursuant to the guidelines issued by Securities and Exchange Commission of Pakistan, vide its Circular No. 04 of 2021 dated February 15, 2021, members interested in attending the AGM through ZOOM are requested to get themselves registered by sending an Email at aftab.qaiser@fatima-group.com and by providing the following details:

Name of the Member	CNIC No.	Folio / CDS No.	Cell No.	Email Address

Log-in facility will be opened thirty minutes before the meeting time to enable the participants to join the meeting after the identification process. Members will be able to login and participate in the Annual General Meeting proceedings through their devices after completing all the formalities required for the identification and verification.

5. Computerized National Identity Card (CNIC) / National Tax Number (NTN):

All those individual members holding physical shares who have not yet recorded their CNIC No. are once again reminded to immediately submit the copy of their CNIC to the Company's Share Registrar. Members while sending CNIC must quote their respective folio numbers. The corporate members having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate entities having physical shares should send a copy of their NTN certificates to Company's Share Registrar. The corporate members while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

6. Withholding Tax on Dividend

Pursuant to the Finance Act, 2020, effective July 01, 2020, the rate of deduction of income tax under section 150 of the Income Tax Ordinance, 2001, from payment of dividend to a NON-FILER of income tax return is prescribed as 30% and for FILER of tax return as 15%. List of filers is available at Federal Board of Revenue's (FBR) website: <http://www.fbr.gov.pk>. Members are therefore advised to update their tax FILER status latest by October 21, 2021.

Further, according to clarification received from FBR, withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Folio / CDC A/C No.	Total No. of Shares	Principal Shareholder		Joint Holder(s)	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

The required information must reach our Share Registrar by the close of business on October 21, 2021; otherwise, it will be assumed that the shares are equally held by principal shareholder and joint-holder(s).

The Corporate shareholders having CDC accounts are required to have their National Tax Numbers (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of



their NTN certificate to the Company or Share Registrar. The shareholders while sending NTN or NTN Certificates, as the case may be, must quote company name and their respective folio numbers.

The information received within the above specified time would enable the Company to deduct income tax at the applicable rates from the payment of dividend, if announced by the Company.

Members seeking exemption from deduction of income tax or deduction at a reduced rate under the relevant provisions of the Income Tax Ordinance, 2001, are requested to submit a valid tax certificate or necessary documentary evidence, as the case may be, latest by October 21, 2021.

7. Payment of Cash Dividend Electronically

Under Second proviso to Section 242 of the Companies Act, 2017, listed companies are required to pay declared cash dividends only through electronic mode directly into the bank accounts designated by the entitled shareholders.

Accordingly, the shareholders of the Company are requested to provide the following information for payment of cash dividend to be declared by the Company through electronic mode directly in the bank account designated by you.

Name of Shareholder	
Folio Number/CDC participant account Number	
CNIC Number	
Title of Bank Account	
Account Number	
IBAN Number	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Shareholder	
Signature of Member	

Note: Signature must match specimen signature registered with the Company.

The shareholders are also required to intimate the changes, if any in the above-mentioned information to the Company and the Share Registrar as soon as these occur. In case of shares held electronically, then the above electronic credit mandate form must be submitted directly to shareholder(s)' broker/participant/CDC account services.

8. E-Voting:

Members can exercise their right to poll subject to meeting of requirement of Section 143-145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018.

9. Deposit of Physical Shares into CDC Accounts

As per Section 72 of the Companies Act, 2017, every existing 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 Companies Act, 2017 i.e., May 31, 2017.

The shareholder having physical shareholding may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited.

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10. Dissemination of Annual Audited Accounts and Notice of Annual General Meeting:

The Company shall place the financial statements and reports on the Company's website at least twenty-one (21) days prior to the date of the Annual General Meeting. Further, this is to inform that in accordance with SRO 470(I)/2016 dated May 31, 2016, through which Commission has allowed companies to circulate the annual audited accounts to its members through CD/DVD/USB instead of transmitting the hard copies at their registered addresses. Accordingly, Annual Report of the Company for the year ended June 30, 2021 is dispatched to the shareholders through CD. However, if a shareholder requests for a hard copy of Annual Report, the same shall be provided free of cost within seven (7) days of receipt of such request. Further, in terms of SRO No. 787(I)/2014 dated September 8, 2014, shareholders can also opt to obtain annual balance sheet and profit and loss account, auditors' report and directors' report etc. along with the Notice of the Annual General Meeting through email. For this purpose, we hereby give you the opportunity to send us your written request along with your valid Email address to provide you the same.

11. Comments and Suggestions

Shareholders may send their comments and suggestions relating to the agenda items of the AGM to the Company Secretary office at least two working days before the AGM, at given email address, WhatsApp or SMS on 0301-8460217. Shareholders are required to mention their full name, CNIC Number and Folio Number for this purpose or can be emailed afab.gaiser@fatima-group.com. The shareholders may also contact Share Registrar at CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi.



STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT 2017

The statement sets out the material facts under Section 134(3) of the Companies Act, 2017 concerning the special business to be transacted at the Annual General Meeting of Reliance Weaving Mills Limited to be held on Thursday, October 28, 2021.

1) Special Business Relating to Investment in Spinning Project, Stitching Project and Land

The Board considers it necessary that such decisions should be implemented with the consent / approval of the shareholders as a good corporate governance practice, although, the Company is not required to seek approval from the shareholders as per powers conferred upon by the Board of Directors under the provisions of Section 183 of the Companies Act, 2017. The calendar year 2020 changed the dynamics of the whole world owing to outbreak of Covid-19 pandemic but at the same time, it provides great business opportunities in time to come which requires the companies to make investment in its infrastructure and production capacity. The ground realities favor to undertake fresh investment to the extent of Rupees 3,500,000,000 (Rupees Thirty-Five Hundred Million Only), Rupees 200,000,000 (Rupees Two Hundred Million Only) and Rupees 500,000,000 (Rupees Five Hundred Million Only) in "Spinning Project", "Stitching Project" and investment in land respectively. The Board of Directors has unanimously decided that the Company should focus on its yarn and stitching business which is likely to show improvement in future and will be beneficial for the Company. The investment in "Spinning Project" and "Stitching Project" would be made to enhance its spinning capacity and carry out the new project of stitching respectively to manufacture and sell finished products. The investment in land shall benefit the Company in form of capital appreciation in future. The investment in "Spinning Project", "Stitching Project" and land will be financed through internal cash flows along with debt financing subject to compliance of corporate and regulatory formalities.

2) Special Business Relating to Approval of Related Party Transactions

The transactions carried out with the associated companies/related parties have been approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to the provisions of applicable laws. However, the majority of Directors of the Company were interested in certain transactions due to their common directorship or on account of holding of shares in the associated companies with which such transactions were held. Therefore, due to absence of quorum, the Board has recommended that these transactions be placed before the shareholders of the Company in the general meeting for ratification/approval pursuant to the provisions of the Companies Act, 2017 (the "Act"). These transactions are given in Note 45 of the financial statements for the year ended June 30, 2021.

All the related party transactions for the year ended June 30, 2021 were executed at Arm's Length basis in the normal course of business and there were no departures from the guidelines in the Code of Corporate Governance for such transactions. Pursuant to above, these transactions have to be approved/ratified by the shareholders in the General Meeting. The Directors and their relatives do not have any direct or indirect interest in the aforesaid except to the extent of their shareholding/common directorship with related parties.

3) Special Business Relating to Related Party Transactions for year ending June 30, 2022

The Company shall be conducting transactions with its related parties during the year ending June 30, 2022 on an arm's length basis as per the approved policy with respect to "transactions with the related parties" in the normal course of business. There could be cases where majority of the Directors hold common directorship with these associated companies. In order to promote transparent business practices, it is recommended that the Board of Directors of the Company be authorized to approve transactions with related parties from time-to-time on case to case basis for the year ending June 30, 2022, which transactions shall be deemed to be approved by the shareholders. The nature and scope of related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification. The directors are interested in the resolution to the extent of their shareholding in the companies.



4) Investment in associated companies

As per requirements of the regulations; the Company is required to seek approval from shareholders every year for providing working capital loan to the associated companies to meet its business requirements.

Considering the average borrowing cost of the Company and the return offered by the banks on term deposits, the Directors of the Company have recommended to invest surplus funds from the retained earnings of the Company to the associated companies as per their request at the interest rate of KIBOR plus 2.50% which shall not be less than the average borrowing cost of the Company.

The repayment of the principal amount of loan and interest thereon shall be made as per terms and conditions of the agreements along with payment of interest. The management expects that the transactions are to be beneficial for the Company as this will enhance the return on funds available with the Company.

The Directors of the Company undertake that the proposed investment is being recommended after due diligence and financial health of the borrowing companies are such that these companies have the ability to repay the loan as per agreement. The duly signed recommendation of the due diligence report and directors' undertaking/certificate shall be made available to the members for inspection at the meeting. The Company holds following shares in associated companies where the Company is seeking approval from shareholders for making investment in associated companies:

Name of the Company	No. of Shares
Fatima Transmission Company Limited	7,187,500

Information under Regulation 3 of the Companies' (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

	Fatima Sugar Mills Limited	Reliance Commodities (Pvt.) Limited	Fatima Transmission Company Limited	Fazal Cloth Mills Limited	Fatima Holding Limited
Registration No. and date	0076592, 15.07.2011	0036107, 28.01.1996	0091244, 26.12.2014	0002266, 14.05.1966	0018591, 11.01.2014
Registered Office Address	E-110, Khayaban-e-Jinnah, Lahore	2 nd Floor Trust Plaza LMQ Road, Multan	E-110, Khayaban-e-Jinnah, Lahore	697, Abid Majeed Road, Survey No. 248/7, Lahore Cantt.	E-110, Khayaban-e-Jinnah, Lahore Cantt.
Authorized share capital	PKR 2,200(M)	PKR100 (M)	PKR 250(M)	PKR 700(M)	PKR 1,180(M)
Paid up capital	PKR 2,102 (M)	PKR 80.05(M)	PKR 230(M)	PKR 300(M)	PKR 1,172(M)
Basis of Relationship	Common Directorship	Common Directorship	Common Directorship	Common Directorship	Common Directorship

Earnings per share of the associated companies are as under:

Year	FSML	RCL	FTCL	FCML	FHL
			PKR		
2019	1.76	26.05	(2.8292)	50.52	4.30
2020	1.57	36.22	(4.0687)	13.36	5.38
2021	5.79	25.06	(2.5063)	181.06	4.33

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Breakup value per share of the associated companies are as under:

Year	FSML	RCL	FTCL	FCML	FHL
			PKR		
2019	17.10	267.31	4.7239	697.5	104.3
2020	18.67	303.53	(0.6551)	694.74	109.7
2021	22.89	292.37	(1.8557)	1093.33	88.9

Latest financial position, including main items of the financial position and statement of profit or loss of the associated companies or associated undertakings;

Particulars	FSML	RCL	FTCL	FCML	FHL
			PKR in Million		
Paid up capital	2,101.71	80.05	230.00	300.00	1,171.5
Un-appropriated profit/(loss)	2,709.69	1,837.65	(272.68)	13,208.60	6,109.9
Current liabilities	2,461.249	5,612.46	513.25	18,615.26	6,003.5
Current assets	3,801.94	7,269.132	17.50	25,656.03	11,414.6
Sales	10,318.65	4,005.87	N/A	38,179.07	773.9
Gross profit/(loss)	2,350.81	416.35	(57.65)	5,210.57	770.22
Net Profit/loss	1,217.22	200.63	(57.65)	3,082.75	507.46

* On the basis of financial statements for the year ended June 30, 2021

In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, further information as per Regulations are as under:

Fatima Transmission Company Limited		
I	Description of the project and its history since conceptualization	<p>Fatima Transmission Company Limited (the "FTCL") was incorporated in Pakistan on December 26, 2014 as a public company under the Companies Ordinance, 1984. The principal activity of the Company is to lay down power transmission line.</p> <p>The National Power Electric Regulatory Authority (NEPRA) has granted permission to FTCL for constructing and owning transmission facilities in 2015. Under the license, FTCL would setup a 37 km long transmission line for evacuating 120MW electricity from generation facilities, to supply to a number of Bulk Power Consumers.</p>
II	Starting date and expected date of completion of work	The project was taken over from EPC contractor in May 2017 and duly tested through dispatch during the period from August 2019 to December 2019 under wheeling arrangement. COD is yet to be declared.
III	Time by which such project shall become commercially operational	The commercial operations of the Company are directly linked with the operations of the Fatima Energy Limited. As soon as the commercial operations of the Fatima Energy Limited commences; the commercial operations of the FTCL shall also be commenced simultaneously.
IV	Expected time by which the project shall start paying return on investment	In addition to above, the management of FTCL expects that it would be able to achieve its optimum capacity in next couple of years, which will enable sufficient cash flows to repay its obligations as well as payout to its shareholders.
V	Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking	100 percent investment in Cash.

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distinguishing between cash and non-cash amounts

General disclosures:

Requirements	Fatima Sugar Mills Limited	Reliance Commodities (Pvt.) Limited	Fatima Transmission Company Limited	Fazal Cloth Mills Limited	Fatima Holding Limited
	PKR in Million				
Maximum amount of investment	400	200	300	200	200
In case any loan has already been granted to the said associated companies or associated undertakings, the complete details thereof.	Given in below.				
Purpose of loans or advances and benefits likely to accrue to the investing company and its members from such loans;	Purpose: To earn income on the loans/advances to be provided to the associated companies to meet working capital needs of the associated companies. Benefits: The Company will receive markup above the borrowing cost of the Company, which will benefit the Company's cash flow by earning profit on its surplus funds. Period: For a period of one year from the date of Annual General Meeting.				
Sources of funds to be utilized for investment	Loan/advance will be given out of own funds of the Company.				
Where loans or advances are being granted using borrowed funds:					
(I) Justification for granting loan or advance out of borrowed funds	Not Applicable				
(II) Detail of guarantees/assets pledged for obtaining such funds, if any;	Not Applicable				
(III) Cost benefit analysis	Not Applicable				
Salient features of all agreements entered or to be entered with its associated company or associated undertaking with regards to proposed investment.					
- Nature	Loan/advance				

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- Purpose	To earn mark-up on loan being provided to FSML, FTCL, RCL, FCML and FHL, this will augment the Company's cash flow.
- Period	Maximum period of one year.
- Rate of markup	KIBOR+2.5% but above borrowing cost of the Company.
- Repayment	Investee Company shall pay loan and mark-up to investing company on one-month notice or at maturity.
Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	The directors of the Company are sponsors and directors of the Investee Companies. None of the Directors or their relatives or associates is interested in above resolution in any way except as members of the Company.
In case of any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	There is no impairment and/or write off against any facility given to any associated company.
Any important details necessary for the members to understand the transaction.	Not Applicable
Category-wise amount of investment;	Short term loan for working capital requirements for a period of one year as detailed in preamble.
Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period;	7.73%
Rate of interest, markup, profit, fees or commission to be charged;	KIBOR+2.50%
Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any;	Not Applicable
If loans carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time	Not Applicable

Mills Site: Fazalpur, Khanewal Road, Multan. PABX: +92 61 6740020-4, Fax: +92 61 6740039

Mills Site: Mukhtarabad, Chak Beli Khan Road, Rawat, Rawalpindi. PABX: +92 51 4611579-81, Fax: +92 51 4611092

Registered Office: 2nd Floor, Trust Plaza, LMQ Road, Multan. PABX: +92 61 4512031-2, Fax: +92 61 4511677, 4584288

Head Office: E-110, Khayaban-e-Jinnah, Lahore Cantt., PABX: +92 42 111-FATIMA (111-328-462), Fax: +92 42 36621389, Web: www.fatima-group.com



when the conversion may be exercisable:	
(a) Conversion formula	Not Applicable
(b) Circumstances in which conversion may take place	Not Applicable
(c) Time when conversion may be exercisable;	Not Applicable
Repayment schedule and terms and conditions of loans or advances to be given to Investee companies.	Loan will be paid back by each investee company with-in one-month Notice or at maturity.

Inspection of Documents

Memorandum of Association and Articles of Association of the Company and the Investee Company, annual and quarterly accounts of the Company, statement of material facts, financing agreements including any modification / amendments, financial projections of the Company and the Investee Company, register of investments, register of transactions with associate companies, register of directors, shareholding list of the company and the investee company and any other related information of the Company and the Investee Company as may be relevant shall be available for inspection from the date of the notice of the general meeting to the conclusion of the same.