



INTERLOOP LIMITED

FORM-17

Ref: ILP/PSX/07/2022

Date: 02/02/2022

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

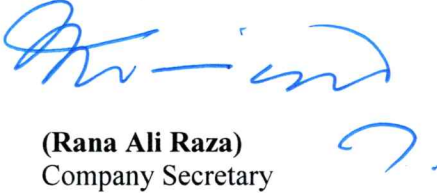
Subject: Notice of Extraordinary General Meeting

Dear Sir,

Enclosed please find a copy of the Notice of Extraordinary General Meeting to be held on February 24, 2022 (Thursday) at 10.00 AM through video link (on Zoom) for consideration of Special Resolution u/s 199 of Companies Act, 2017.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Thanking You,


(Rana Ali Raza)
Company Secretary



CC: The Director / HOD
Surveillance, Supervision and Enforcement Department
NIC Building, 63 Jinnah Avenue, Blue Area,
Islamabad

CC: CRO
Securities & Exchange Commission of Pakistan
2nd Floor FCCI Building, Ease Canal Road,
Faisalabad

Office:

Al-Sadiq Plaza P-157, Railway Road.
Faisalabad - Pakistan
T: +92-41-2619724
F: +92-41-2639400

Factory:

1- Km Khurrianwala - Jaranwala Road,
Khurrianwala, Faisalabad - Pakistan
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NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that the Extra Ordinary General Meeting ("EOGM") of the Shareholders of Interloop Limited ("ILP" or "the Company") will be held on Thursday, February 24, 2022 at 10:00 A.M. through video link (on Zoom), to transact the following businesses:

We hereby inform our members that due to current 5th wave of Covid-19 (Omicron) amid unprecedented rise in daily cases, the Company internal SOPs & National Command and Operation Center (NCOC) has imposed certain restrictions including indoor/outdoor gatherings; therefore we will conduct EOGM via Zoom video link only.

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting of the Company held on October 15, 2021.

SPECIAL BUSINESS:

2. To consider and, if thought fit, approve the following resolution as a special resolution under section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 with or without modification:-

"RESOLVED THAT pursuant to the requirement of section 199 and other applicable provisions of the Companies Act, 2017, the Company be and is hereby authorized, to make long term equity investment up to an amount not exceeding Rs. 200.0 million (Two hundred million only) in one or more tranches by way of subscription of shares at the face value of Rs. 10.00 per share of a newly incorporated Company **"Tapal YDF (Private) Limited"** and as per other terms and conditions disclosed to the members."

"RESOLVED FURTHER THAT the Chief Executive Officer, the Company Secretary and/or the Chief Financial Officer of the Company be and are hereby singly empowered and authorized to take and do and/or cause to be taken or done any/all necessary acts, deeds and things and to take all steps and actions necessary, incidental and ancillary including execution of any and all legal documents and agreements as may be required in this regard and to do all acts, matters, deeds and things as may be necessary or expedient for the purpose of implementing the aforesaid resolutions."

OTHER BUSINESS:


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

(Attached to this notice being sent to the members is a Statement pertaining to the Special Business under Section 134(3) of the Companies Act, 2017)

Place: Faisalabad
Dated: February 02, 2022



By Order of the Board



(Rana Ali Raza)
Company Secretary

Notes:**1. Closure of Share Transfer Books:**

The Share Transfer Books of the Company will be closed from February 17, 2022 to February 24, 2022 (both days inclusive). Transfers received at the M/s. CDC Share Registrar Services Limited, CDC House, 99 –B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400 by 5:00 P.M. on February 16, 2022 shall be treated in time for the purpose of attending this meeting.

2. Coronavirus Contingency Planning for Extra Ordinary General Meeting of Interloop Limited:

The Members are requested to attend and participate in the EOGM through video link facility. To attend through video link, Members can download the app/software through <https://zoom.us/download> and login via video-link to participate in the EOGM proceedings.

Shareholders are requested to get themselves registered at least two working days before the EOGM by email or WhatsApp at awais.abid@interloop.com.pk / awaisabidraja@gmail.com & 0321-7171676 by providing the following details:

Folio No/ CDC Account No	Name of Company	Name of Shareholder	CNIC No	Cell No	Email Address
	Interloop Limited				

Video-link for the meeting will be sent to members at their provided email addresses enabling them to attend the meeting on the given date and time.

Login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the meeting proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

All members, entitled to attend the meeting, are entitled to appoint another person in writing as their proxy to attend on their behalf. A proxy must be a member of the Company.

• For appointing proxies

In order to be effective, duly completed and signed proxy forms available with this notice as well as Interloop website (<https://www.interloop-pk.com>) must be emailed at aliraza.rana@interloop.com.pk / aliraza.ca@gmail.com and send to our Company's Registered Office, Interloop Limited, Al-Sadiq Plaza P-157, Railway Road, Faisalabad, not less than 48 hours before the time of the meeting.

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

- In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per above requirements.
- Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
- Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

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EXPLANATORY STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

AGENDA NO. 2

Interloop's Hosiery segment had been looking for commercial Spun dyeing units to dye shades in different colours & supply them as per quality standards of the Company within shorter lead times. So far, smaller to medium size Yarn Dyeing units have been facilitating Interloop Hosiery requirements but a lot of hardship was being faced in maintaining quality and arranging timely deliveries. Accordingly, management of the Company has decided to go into collaborative arrangement through a venture with Tapal Group to save investment into a new dye yarn (YD) facility. To facilitate this investment, a new Company has just been incorporated in the name of "TAPAL YDF (PRIVATE) LIMITED (hereinafter referred as "TYDF")".

At the initial stage, TYDF will be processing dyed yarn only for Interloop Limited, which will be governed by a separate long-term agreement. The project cost is estimated at Rs. 1.45 billion and will be financed by 60:40 Debt/Equity ratio. The maximum amount of investment by ILP shall be restricted to Rs. 200.0 million. The project timelines have been shared in below disclosures.

This statement sets out the material facts pertaining to the special business to be transacted at the forthcoming Extra Ordinary General Meeting of the Company to be held on Thursday, February 24, 2022 at 10:00 A.M. The Directors in their meeting held on January 26, 2022 have recommended to the shareholders to pass the special resolution set out all material facts concerning special business in accordance with section 199 and other applicable provisions of the Companies Act, 2017 and S. R. O. 1240(I)/2017 dated December 06, 2017 issued by the SECP.

In pursuance to Regulation No. 3 (3) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 under SRO 1240(I)/2017, the directors of the Company have carried out due diligence for the proposed investment and due diligence report shall be available for inspection of members in the general meeting. As the Company has just been incorporated, its audited accounts are not available.

The information required under SRO 1240(I)/2017 dated December 06, 2017 in respect of Agenda item No. 2 is as under:

DISCLOSURES:

Regarding associated Company or associated undertaking:-

Sr#	Requirement	Information
i.	Name of the Associated Company	TAPAL YDF (PRIVATE) LIMITED. (TYDF)
ii.	Basis of Relationship	Associate Company by virtue of equity investment up to Rs. 200.0 Million
iii.	Earnings/(Loss) per share for the last three years	Not applicable to TYDF as it has yet to commence any business.
iv.	Breakup value per share, based on latest audited Financial statements	Not applicable to TYDF as it has yet to commence any business.
v.	Financial position, including main items of balance sheet and profit and loss account on the basis of its latest Financial statements;	Not applicable to TYDF as it has yet to commence any business.

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vi.	In case of investment in relation to a project of associated Company or associated undertaking that has not commenced operations, following further information, namely,-	Please see below info.
	a) Description of the project and its history since conceptualization;	Yarn Dyeing unit for commercial knitting. It will provide services to ILP.
	b) Starting date and expected date of completion of work;	In mid of March 2022 and will start production in March 2023.
	c) Time by which such project shall become commercially operational;	March 2023.
	d) Expected time by which the project shall start paying return on investment; and	Since it will provide services to ILP so it will be at breakeven in first year and start generating profits from Second year.
	e) Funds invested or to be invested by the promoters, sponsors, associated Company or associated undertaking distinguishing between cash and non-cash amounts;	ILP will make equity investment in the form of cash injection in TYDF of maximum Rs. 200.0 million.

General Disclosures:-

vii.	Maximum amount of investment to be made	Rs. 200.0 Million.
viii.	Purpose, benefits likely to accrue to the investing Company and its members from such investment and period of investment;	As briefed in the explanatory statement supra.
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-	Surplus Funds of the Company.
	a) justification for investment through borrowings;	Not Applicable as no borrowings are proposed to be made.
	b) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	Not Applicable as no borrowings are proposed to be made.
	c) cost benefit analysis	Not Applicable as no borrowings are proposed to be made.
x.	Salient features of the agreement(s), if any, with associated Company or associated undertaking with regards to the proposed investment;	Will be available, if any, subsequently.

Signature



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xi. 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;	None of the directors, sponsors, majority shareholders of the Company and their relatives have any interest in the TYDF, except to the extent that the Company will subscribe up to 25% shares of the TYDF with Company's nominated director on the TYDF Board.
xii. In case 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	No investment has yet been made.
xiii. Any other important details necessary for the members to understand the transaction;	The Company shall complete all legal requirements and procure all regulatory approvals prior to any issuance of shares in associate Company.

In case of Equity Investment:-

xiv. Maximum price at which securities will be acquired;	Each At face value of Rs. 10.00 per share.
xv. In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof;	Not Applicable.
xvi. Maximum number of securities to be acquired;	20,000,000 Shares.
xvii. Number of securities and percentage thereof held before and after the proposed investment;	No. of shares and share holding before investment : NIL No. of shares after investment: 20,000,000 Shares or 25% shareholding in TYDF.
xviii. Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in Listed Securities: and	Not Applicable.
xix. Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	Since the shares are being issued at par value and TYDF is non – operational, this is not applicable.
xx. The Directors of the Company certify to the Members that necessary due diligence has been carried out for the proposed investment before recommending it for Members' approval.	

Handwritten signature



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