



Sunrays Textile Mills Ltd.

SUTM/02/C&SD/2024/(KHI)

October 07, 2024

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

Subject: Notice of Annual General Meeting

Dear Sir,

We write to our letter Notice October 04, 2024 on the captioned subject.

We enclose herewith newspaper clippings of Notice of Annual General Meeting of Sunrays Textile Mills Limited to be held on October 28, 2024 at Karachi, published in the daily "Business Recorder" and "Nawa-i-Waqt" of October 06, 2024.

This is for your information.

Yours Sincerely,

Ahmed Faheem Niazi
Company Secretary

Enclosed: As stated above

5th Floor, Office No.508 Beaumont Plaza, Beaumont Road, Civil Lines Quarters, Karachi, Pakistan.

Tel # (92-21) 111-404-404 & 5693641 to 5693660(20 Lines). Fax # (92-21) 5693593 & 5693594

E-mail: info@indus-group.com & indus@fascom.com

SUNRAY'S TEXTILES MILLS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of Sunray's Textiles Mills Limited will be held at Indus Dyeing & Manufacturing Company Limited, Plot No. 3 & 7, Sector No. 25, Korangi Industrial Area, Karachi on Monday, October 28, 2024 at 11:45 A.M. to transact the following business:

- ORDINARY BUSINESS:-**
- To confirm minutes of the Annual General Meeting held on October 27, 2023.
 - To receive, consider, approve and adopt the audited consolidated and unconsolidated financial statements of the Company for the financial year ended June 30, 2024, together with the Directors' and Auditor's Reports thereon and Chairman's Review Report.
 - In accordance with Section 222 of the Companies Act, 2017 and pursuant to S.R.O. 3581/2023 dated March 21, 2023, the annual report of the Company, including the annual audited financial statements, auditor's report, Director's report, Chairman's review report and other reports contained therein, can be accessed through the following website and QR enabled code:

WebLink
<https://indus-group.com/financial-information-sutm/>

- To approve the Statutory Auditors for the year ending June 30, 2025 and to fix their remuneration. The Board of Directors on the recommendation of Audit Committee has recommended the appointment of auditing auditors, Messrs Yusuf Aidi, Chartered Accountants who is being eligible have offered themselves for re-appointment.
- SPECIAL BUSINESS:-**
- To ratify the transactions carried out by the Company with related parties disclosed in the Financial Statements for the year ended June 30, 2024 by passing the following resolution with or without modification:
 Resolved That all related parties transactions carried out by the Company as disclosed in Note No. 44 of the Financial Statements of the Company for the year ended June 30, 2024 be and are hereby noted, ratified and approved.
 To approve potential transactions with related parties intended to be carried out in the financial year 2024-2025 and to authorize the Board of Directors of the Company to carry out such related party transactions to the discretion of the Board to the extent, irrespective of the composition of the Board of Directors affected due to majority of Board members are interested in any agenda item.
 The resolutions also, approve of the request with or without modification to special resolutions are an order.
 Resolved Further That in accordance with the policy approved by the Board and subject to such conditions as may be specified from time to time, the Company be and is hereby authorized to carry out transactions with the related parties for the fiscal year 2024-25.
 Resolved Further That the board of directors of the Company may, at its discretion, approve specific related party transactions (transaction) from time to time, irrespective of the composition of the Board, affected due to majority of Board members are interested in any agenda item to be used Annual General Meeting, however, in order to ensure transparency in these transactions, all such transactions shall be placed before the shareholders in the next Annual General Meeting for their noting ratification/approval.

To transact any other business with the permission of the chair.

By Order of the Board
 Ahmed Fikrullah Niaz
 Company Secretary

- Karachi
 Date: October 04, 2024
- NOTES**
- The Share Transfer Books of the Company will remain closed for the period from October 22, 2024 to October 28, 2024 (both days inclusive). The dividend record date for the Company's Share Register Ms. Jewell Registrar Services (Pvt) Ltd, 407-408 Al-Ameera Center, Shaheen-e-Quaid, Saddar, Karachi, (Registrar) at the close of business on October 21, 2024 will be considered final unless altered and sent at the Meeting.
 - Availability of Financial Statements and Reports on the Website**
 The Annual Report of the Company for the year ended June 30, 2024 has been placed on the Company's website <https://indus-group.com>. The Annual Reports and audited financial statements of other periods are also available. <https://indus-group.com/financial>
 - Access and Transmission of Annual Report**
 In accordance with the provision of section 223 of the Companies Act, 2017, and pursuant to S.R.O. 3581/2023 dated March 21, 2023, the Company has equipped the notice of AGM with QR enabled code and web link to view and download the audited financial statements of the Company for the year ended June 30, 2024.
 - Transmission of Annual Report through Email**
 Pursuant to the S.R.O. 3581/2023 dated, September 08, 2014, issued by the Securities and Exchange Commission of Pakistan, permitted the Company to circulate its Annual Business Sheet, Profit and Loss Account, Auditor's Report and Director Report etc., (Annual Report) along with the notice of Annual General Meeting (Notice), to its shareholders by email. Shareholders of the Company, who wish to receive the Company's Annual Report and Notice by email, are requested to provide complete Electronic Communication Details to the Share Registrar of the Company. However, the Company may provide a hard copy of the Annual Report to a shareholder upon their request, free of cost, within seven days of receipt of such request.
 All Members (Non-CDC) are requested to promptly notify the Company's Registrar of any change in their address and submit, if applicable to them, the copy of the document of Zakat Form CD-20 with the Registrar of the Company Ms. Jewell Registrar Services (Pvt) Ltd, 407-408 Al-Ameera Center, Shaheen-e-Quaid, Saddar, Karachi.
 A member of the Company who is unable to attend and vote at this meeting, may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding 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.

- FOR ATTENDING THE MEETING:**
- In case of individuals, the accounts holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate their identity by showing the original CNIC or Passport at the time of attending the Meeting.
 - In case of corporate entity, the Board of Director's resolution, power of attorney and the requisite stamp be produced (unless it has been provided earlier) at the time of the Meeting.
- FOR APPOINTING PROXIES:**
- In case of individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirements.
 - The proxy form shall be filled with the name of the proxy holder, name, address and CNIC number and be filled on the form, it. Attached copies of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.
 - The proxy form shall be filled with the original CNIC or original Passport at the time of meeting.
 - In case of corporate entity, the Board of Director's resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

- Members are requested to notify Change in their address, if any, in case of bank or other facilities in CDC to their respective parties/bank/financial institution and in case of physical shares to the Registrar of the Company by sending their full name and address and name of the Agent at the above mentioned address, if not earlier notified/submitted.
- Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001**
 Pursuant to the provisions of the Finance Act 2018 effective July 1, 2018, the rates of deduction of income tax from dividend payments under the Income Tax Ordinance, have been revised as follows:

(a)	Rate of tax deduction for the income tax returns	15%
(b)	Rate of deduction for non-dividend income tax returns	30%

The income tax is deducted from the payment of dividend according to Active Tax-Payers List (ATL) provided on the website of FBR. All those shareholders who are listed in income tax returns are therefore advised to ensure that their names are entered into ATL to enable the Company to withhold income tax from payment of cash dividend at 15% instead of 30%. Further, according to clarification received from FBR, withholding tax will be determined separately on "File-Non-File" status of Principal Shareholder as well as joint-holders based on their shareholding proportions in case of joint account held by the shareholders.

In this regard, all shareholders who hold shares jointly are requested to provide the shareholding proportions of Principal Shareholder and Joint-holders in respect of shares held by them to our Share Registrar, in writing. The joint account information must reach to our Share Registrar within 10 days of the notice. In case of non-receipt of the information, it will be assumed that the shares are equally held by Principal Shareholder and the Joint-holders.

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be.

- Dividend Mandate and Payment of Cash Dividend through Electronic Mode**
 The provisions of Section 242 of the Companies Act, 2017 require that the dividend payable in cash shall only be paid through electronic mode directly into the bank accounts designated by the entitled shareholder. Therefore, for making compliance to the provisions of the law, all those joint shareholders who have not yet submitted their IBAN bank account details to the Company are requested to provide the same on the Dividend Mandate Form available on Company website at <https://indus-group.com>. Non-CDC shareholders are requested to send valid and signed copy of CNIC/Passport (in case of individuals) and NTN Certificate (in case of corporate entity) to the Registrar of the Company. Please note that CNIC number is mandatory for issuance of dividend warrants and in the absence of this information payment of dividend shall be withheld.
 Participants in CDC are requested to ensure that their IBAN bank account details are also requested to provide the same to the CDC. Shareholders who have not yet provided their IBAN bank account details are also requested to provide the same to the Company. Video Link Arrangement for online Participation in the 33rd Annual General Meeting of the Company
 Shareholders interested in attending the Annual General Meeting (AGM) through video link facility are requested to get themselves registered with the Company Secretary office at least two working days before the holding of the time of AGM at secretary@indus-group.com by providing the following details:-

Name of Share Holder	CNIC No.	Folio CDC No.	Cell No.	Email Address
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- The Link will remain open from 11:30 A.M. till the end of the meeting.
 - Shareholders will be encouraged to participate in the AGM to consolidate their attendance and participation through proxies.
 - Shareholders will be asked to sign and participate in AGM proceedings through their smart phone or computer devices from their home after complying with the facilities required for the identification and verification of the shareholders.
- The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measure are in place for the well-being of its members.
- Video Conference Facility**
 Members may avail video conference facility for this Annual General Meeting other than Karachi, provided the Company receives consent (in standard format) from below listed 7 days prior to the date of the Meeting from member holding in aggregate 10% or more shareholding as of the respective date.
 The Company will initiate respective members regarding venue of the video-link facility before the date of Meeting along with complete information necessary to enable them to access the facility.
 I/we _____ of _____ being member(s) of Sunray's Textiles Mills Limited, holder of _____ Ordinary Share(s) as per Register/Folio No./CDC Account No. _____ hereby opt for video conference facility at _____ in respect of 33rd Annual General Meeting of the Company.

Signature of Member

- Deposit of Physical Shares into Central Depository**
 As per Section 72 of the Companies Act, 2017, every existing listed 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 Act, i.e. May 30, 2017. Further SECP vide Letter dated March 26, 2014 has also set a compulsory Section 72 of the Act and encourage shareholders to convert their shares into book-entry form.
 In light of above, shareholders holding physical share certificates are requested to deposit their shares in Central Depository by opening CDC sub-account with any of the banks or financial institutions maintained directly with CDC to convert their physical shares into book-entry form. This will facilitate the shareholders in streamlining their information in transfer Register enabling the Company to effectively communicate with the shareholders and timely disburse any entitlements. Further, shares held shall remain secure and non-transferable unless and until they are allowed to be sold or purchased.
 - Unclaimed Dividends and Bonus Shares**
 Shareholders, who for any reason, could not claim their dividend and/or bonus shares are advised to contact our Share Registrar Ms. Jewell Registrar Services (Pvt) Limited to collect/claim about their unclaimed dividends and/or bonus shares if any.
 - Postal Ballot**
 Pursuant to company's Postal Ballot Regulations, 2018 for the agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through e-voting, in accordance with the requirements and procedure contained in the aforesaid regulations.
- Statement of Material Facts concerning special business pursuant to section 134 (3) of the Companies Act, 2017**
 This statement sets out the material facts concerning the Special Business given in agenda item(s) 3, 4 & 5 of the Notice of AGM, which will be considered to be transacted in the AGM of the Company. The purpose of this statement is to set forth the material facts concerning such Special Business.
- Agenda Item No. 3 & 4 of the Notice**
 The related parties transactions carried out in normal course of business with associated companies and related parties were being approved by the Board of Directors as recommended by the Audit Committee on quarterly basis pursuant to Section 208 of the Companies Act, 2017 and Regulations 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. However, the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the group companies. The request of directors could not be formed for approval of these transactions pursuant to Section 207 of the Companies Act, 2017 and therefore, these transactions have to be approved by the shareholders in General Meeting, as a special resolution in terms of section 208 of the said Act.
 The transactions with related parties carried out during the fiscal year 2023-2024 to be ratified as disclosed in Note No. 44 of the Financial Statements of the Company for the year ended June 30, 2024.
 Likewise, since related party transactions are an ongoing process and a tradition to carry out business with related parties merely due to existence of valid special would adversely affect the business of the Company. Therefore, shareholders are being approached to grant the broad approval for such transactions to be entered into by the Company, from time to time, to the discretion of the Board and irrespective of the composition affected due to majority of Board members are interested in any agenda item. The Company shall comply with its policy pertaining to transactions with related parties as stated above to ensure that the same continue to be carried out in a fair and transparent manner and on an arm's length basis. This would also ensure compliance with the Section 208(1) of the Companies Act, 2017 of which requires that shareholder approval shall be required where the majority directors are interested in any related party transactions and regulation 4 of the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2019 which sets out the conditions for transactions with related parties to be characterized as "arm's length" transactions and states that the parties to the transaction must be unrelated to each other. Further, it is not possible for the Company or the directors to accurately predict the nature of the related party transactions or the supply during the year. The Company seeks the broad approval of the shareholders that the Board may cause the Company to enter into transactions with related party parties from time to time in its wisdom and in accordance with the policy of the Company for the fiscal year 2024-25.
 All such transactions will be clearly stipulated at the end of the next financial year in the company's Annual Report. In however-in-advance to this all such transactions shall also be placed before the shareholders in the next Annual General Meeting for their noting approval/ratification.
 The Directors are interested in these resolutions only to the extent of their common directorship and shareholding in the associated companies.
Directors' Interest:
 The Directors do not have any interest in the Special Business, whether directly or indirectly, except to the extent of their shareholding in the Company.

BUSINESS RECORDER
 OCTOBER 06, 2024

