

SURC/PSX

October 27, 2023

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

Subject: RESOLUTIONS PASSED IN THE ANNUAL GENERAL MEETING OF THE
COMPANY HELD ON FRIDAY, OCTOBER 27, 2023

Dear Sir,

In accordance with the requirements of Regulation No. 5.6.9 (b) of the Rule Book of Pakistan Stock Exchange Limited, we are pleased to submit herewith certified copy of the resolutions passed and adopted by the members of the Company in its 39th Annual General Meeting held on October 27, 2023.

The above is submitted for information of the Exchange.

Yours sincerely,

For Suraj Cotton Mills Limited



Company Secretary

S.E.C.P	Executive Director / HOD, Offsite-II, Department of Supervision and Enforcement, Securities & Exchange Commission of Pakistan, Nic Building, 63- Jinnah Avenue, Blue Area, Islamabad.
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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY SHAREHOLDERS IN THEIR MEETING HELD ON OCTOBER 27, 2023.

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Audited Accounts together with the Directors' and Auditor's reports thereon for the year ended June 30, 2023.

Resolved that the Audited Accounts of the Company for the year ended June 30, 2023 together with Directors' and Auditors' Reports thereon be and the same are hereby received, approved and adopted.

2. To approve as recommended by Directors, the payment of Final Cash Dividend @ 10% i.e. Rs. 1/- per share for the year ended June 30, 2023.

Resolved that as recommended by Directors, the payment of cash dividend @ 10% (i.e. Rs. 1.00 per share) is hereby approved and declared payable for the year ended June 30, 2023.

Resolved further that the aforesaid cash dividend 10% (i.e. Rs. 1.00 per share) shall be paid, to such members of the Company whose names are borne on the Register of members at the close of business on October 20, 2023.

Resolved further that the Chief Executive Officer/Director/Chief Financial Officer/Secretary be and is hereby singly authorized to give effect to this resolution and take or cause to be taken all necessary actions in respect of the payment of dividend and settle any question or difficulties whatsoever (including any question or difficulty which may arise in connection with any deceased or insolvent shareholder or any shareholder suffering from any disability) as they/he may deem fit in their/his absolute discretion in accordance with applicable laws.

3. To appoint auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.

Resolved that M/s Riaz Ahmad & Co., Chartered Accountants of Lahore be and are hereby appointed as Auditors of the Company from the conclusion of this Meeting until the conclusion of the next annual general meeting at the remuneration to be fixed by the Chief Executive.

SPECIAL BUSINESS:

4. To consider and, if thought fit, pass, with or without modification, the following special resolution in terms of Section 199 of the Companies Act, 2017 for loan to Shams Textile Mill Limited an associated company of the Company of Rs. 250,000,000 (Two Fifty Million) for working capital.

Resolved that Suraj Cotton Mills Limited (the "Company") shall sanction the loan extended to its associated company Shams Textile Mills limited of Rs. 250,000,000 (Two Fifty Million) on terms and conditions to be contained in the agreement to be executed between the Company and Associated Company in terms of Section 199 of Companies Act, 2017,

Further Resolved That the Chief Executive and Company Secretary be and are hereby singly authorized to do all acts, deeds and things and take all steps and necessary actions ancillary and incidental including filing of requisite documents and returns as may be required with the Registrar of Companies, Securities and Exchange Commission of Pakistan and complying with all other regulatory requirements to effectuate and implement this resolution.

5. To consider and, if thought fit, to pass with or without modification(s), the resolutions appearing below as ordinary resolutions for the capitalization of free reserves to issue bonus shares as recommended by the Directors.

"Resolved That a sum of Rs. 44,372,287/- be capitalized out of the free reserves of the Company and applied towards issue of 4,437,228 ordinary shares of Rs. 10 each, as 10 % fully paid bonus shares i.e. in the proportion of one (01) ordinary share for every ten (10) ordinary shares held by the members of the Company whose names appear in the Members' Register as at the close of the business on October 20, 2023".

"Further Resolved That the bonus shares shall rank pari passu in all respects with the existing shares of the Company as regards the future entitlements, however, these shares shall not be eligible for final dividend declared by the Company for the year ended June 30, 2023".

"Further Resolved That member's fractional entitlement, as a result of their entitlement to a fraction of a bonus share due to their respective shareholdings shall be deposited into a charity account to be proposed and approved by the

Shareholders in the Annual General Meeting on October 27, 2023".

6. To consider and, if though fit, to pass the following resolution as a special resolution, with or without modifications

Resolved That the approval of the members of Suraj Cotton Mills Limited ("the Company") be and is hereby accorded to increase authorized share capital of the Company from Rs. 500,000,000 (Rupees Five Hundred Million Only) divided into 50,000,000 ordinary shares of Rs. 10/- each to Rs. 1,000,000,000 (Rupees One Billion Only) divided into 100,000,000 ordinary shares of Rs. 10/- each.

Further Resolved That, in consequence of the said increase in the authorized share capital of the Company, the existing Clause V of the Memorandum of Association and clause 5 of the Articles of Association of the Company be and is hereby amended accordingly, to read as follows:

Clause V of Memorandum of Association:

The Capital of the Company is Rs. 1,000,000,000 (Rupees One Billion Only) divided into 100,000,000 (One Hundred Million) ordinary shares of Rs. 10/- (Rupees Ten only) each with powers to the Company from time to time increase and reduce its capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary modify or abrogate any such right privileges or conditions in such manner as may for the time being be provided by the regulations of the Company in accordance with law provided however, that rights as between various classes or ordinary shares, if any, as to profits, votes and other benefits shall be strictly proportionate to the paid up value of the shares.

Clause 5 of Articles of Association:

The Capital of the Company is Rs. 1,000,000,000 (Rupees One Billion Only) divided into 100,000,000 (One Hundred Million) ordinary shares of Rs. 10/- (Rupees Ten only) each with power to increase, decrease, consolidate any otherwise re-organise the share capital of the Company in accordance with the provision of the Ordinance. The minimum subscription shall be Rs. 1,000,000 (Rupees One Million)

Further Resolved That, the ordinary shares when issued shall carry equal voting rights and rank pari passu with the existing ordinary shares of the company in all respects/matters in conformity with the provisions of the Companies Act, 2017.

Further Resolved That the Chief Executive and Company Secretary be and are hereby singly authorized to do all acts, deeds and things and take all steps and necessary actions ancillary and incidental including filing of requisite documents and returns as may be required with the Registrar of Companies, Securities and Exchange Commission of Pakistan and complying with all other regulatory requirements to effectuate and implement this resolution.

7. To consider and, if thought fit, to pass with or without modification(s), the resolutions appearing below as ordinary resolutions for the circulation of Annual Audited Financial Statements to their members through QR enabled code and weblink as recommended by the Directors.

“Resolved That the dissemination of information regarding annual audited financial statements to the shareholders through QR enabled code and weblink as notified by the Securities and Exchange Commission of Pakistan vide its SRO 389 (I)/2023 dated 21 March, 2023, be and is hereby approved while considering technological advancements and old technology becoming obsolete, the circulation of annual financial statements through CD/DVD/USB be discontinued.”

FOR SURAJ COTTON MILLS LIMITED



COMPANY SECRETARY