



## Notice of Meeting

Notice is hereby given that the Thirty Ninth Annual General Meeting of Rupali Polyester Limited (“the Company”) will be held at Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore on Saturday, 26 October 2019 at 10:00 a.m. to transact the following business:

### Ordinary Business:

- 1) To confirm the minutes of Thirty Eighth Annual General Meeting of the Company held on 27 October 2018.
- 2) To receive, consider and adopt Annual Audited Accounts of the Company together with the Directors and Auditors Reports thereon for the year ended 30 June 2019.
- 3) To approve payment of final cash dividend @ 10% i.e. Re.1.00 per share for the year ended 30 June 2019 as recommended by the Board.
- 4) To appoint Auditors of the Company for the year 2019-20 and to fix their remuneration. The retiring Auditors M/s. Qavi & Co., Chartered Accountants being eligible have offered themselves for reappointment.

### Special Business:

- 5) (a) To approve transactions conducted with associated companies (related parties) for the year ended 30 June 2019 by passing the following special resolution:

**“RESOLVED THAT** the following transactions conducted with associated companies (related parties) for the year ended 30 June 2019 be and are hereby ratified, approved and confirmed:

Name	Description of Transaction	Amount in Rs. '000		
		Purchase	Sale	Others
Rupafil Limited	Sale/purchase of goods and services	1,397,148	479,792	-
Rupali Nylon (Pvt.) Limited.	Purchase of goods and services	186	-	-
Soneri Bank Limited	Profit on Bank deposits	-	-	2,250

(b) To authorize Chief Executive Officer of the Company to approve transactions with Related Parties for the year ending 30 June 2020 by passing the following special resolution with or without modification:

**“RESOLVED THAT** the Chief Executive Officer of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis during the year ending 30 June 2020.

**FURTHER RESOLVED THAT** these transactions shall be placed before the shareholders in the next general meeting for their ratification/approval.”

#### Other Business

- 6) To transact such other ordinary business as may be placed before the meeting with the permission of the Chair.

By order of the Board

Lahore:  
21 September 2019

S. Ghulam Shabbir Gilani  
Company Secretary

#### Notes:

- 1) Share transfer books of the Company will remain closed from 22 October 2019 to 26 October 2019 (both days inclusive) for determining the entitlement of dividend. This dividend will be paid to shareholders whose names shall be appearing in the Register of Members of the Company on 21 October 2019. Transfers received at the Share Registrar Office M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi – 75400 before close of business on 21 October 2019 will be treated in time for the purpose of above entitlement to the transferees.
- 2) A member entitled to attend and vote at this meeting may appoint another member as his or her proxy to attend and vote. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before the time of holding the meeting. Proxy Form attached.
- 3) Accountholders/sub-accountholders holding book entry securities of the Company in Central Depository System (CDS) of Central Depository Company of Pakistan Limited (CDC) who wish to attend the Annual General Meeting are requested to please bring their original Computerized National Identity Card (CNIC) or original passport with a photocopy duly attested by their bankers alongwith participant's I.D. number and their account number in CDS for identification purposes.

In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee together with the original proxy form duly filled in must be received at the registered office of the Company not less than 48 hours before the time of holding the meeting. The nominees shall produce their original CNIC or original passport at the time of attending the meeting for identification purpose.

#### 4) Submission of copy of CNIC (Mandatory):

In order to comply with the directives of the Securities and Exchange Commission of Pakistan (SECP) issued from time to time, the shareholders are requested to kindly send photocopy of their CNICs to us immediately at our address "Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore-54000 or our Share Registrar M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi. The shareholders who have already provided CNIC number to us need not re-submit it unless the CNIC is expired. Corporate shareholders are requested to provide their National Tax Numbers (NTN). In case of non submission of copy of CNIC all future dividend warrants may be withheld.

#### 5) Circulation of Audited Financial Statements through email

Members are hereby informed that the Securities and Exchange Commission of Pakistan (SECP) vide SRO No. 787(I)/2014 dated 8 September 2014 has allowed companies to circulate annual balance sheet and profit and loss account, auditor's report and directors report etc. (Audited Financial Statements) along with notice of annual general meeting (Notice) to their members through e-mail subject to compliance with the conditions outlined in the said Notification. In this regard a written notice may please be sent to us as soon as possible at our following email addresses and for convenience of the members, a standard request form has also been placed on the Company's website.

Company Secretary: shabbir.gilani@rupaligroup.com  
THK Associates: aa@thk.com.pk

#### 6) E-Voting

Members can exercise their right of vote under applicable clauses of Companies (Postal Ballot) Regulations, 2018. If required, the Company will facilitate as per the procedure laid down in said regulations.

#### 7) E-Dividend

In accordance with the provisions of Section 242 of the Companies Act, 2017, a listed company (if declares dividend) is required to pay cash dividend to the shareholders ONLY through electronic mode directly into the Bank Accounts designated by the entitled shareholders.

In order to receive dividends directly into their bank accounts, shareholders are requested to fill

in Dividend Mandate Request form available at Company's website [www.rupaligroup.com](http://www.rupaligroup.com) and sent it duly signed along with copy of CNIC to the Shares Registrar of the Company in case of physical shares. In case the shares are held in CDC, then the Form must be submitted directly to shareholders' broker / participant / CDC Account Services.

#### 8) Bank Mandate with International Bank Account Number (IBAN) for payment of Cash dividend

Under the provision of Section 242 of the Companies Act, 2017, Securities & Exchange Commission of Pakistan (SECP) has directed all listed companies to pay cash dividends only through electronic mode directly into the bank accounts of the shareholders. Therefore, please provide us your Bank Mandate details including International Bank Account Number (IBAN) alongwith a copy of valid CNIC at the earliest, if not already provided to:

1. your respective CDC Participant / CDC Investor Account Services (in case your shareholding is in book entry form) or
2. our Share Registrar, M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi - 75400 (in case your shareholding is in physical form).

In case of non provision of bank mandate with IBAN Bank Account detail, cash dividend will be withheld to comply with SECP directions issued vide Circular No. 18 of 2017 dated 01 August 2017 directing that all dividend payments will effect from 1 November 2017 shall be paid through electronic mode only.

#### 9) Withholding Tax on Dividend

- (i) The Government of Pakistan through Finance Act, 2019 has made certain amendments in withholding tax provisions by substituting the definition of "filers" with "Active Taxpayer List" (ATL) whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:
  - a) For persons appearing in Active Taxpayers List 15%
  - b) For persons not appearing in Active Taxpayers List 30%

All the shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, are advised to make sure that their names are entered into ATL.

- (ii) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company or its Share Registrar i.e. THK Associates (Pvt.) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

In case of Joint account, each holder is to be treated individually as having or not his/their name(s) on ATL of FBR and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, or if no notification, each joint holder shall be assumed to have an equal number of shares.

Folio/CDC Account No.	Total Shares	Principal Shareholding		Joint Shareholding	
		Name & CNIC No.	Shareholding proportion (No. of Shares)	Name & CNIC No.	Shareholding proportion (No. of Shares)

#### 10) Transmission of Annual Financial Statements through CD/DVD/USB

SECP through an SRO No.470(I)/2016 dated 31 May 2016 has allowed companies to circulate their annual balance sheet, profit and loss account, auditors' report and directors' report (Annual Report) to the members through CD/DVD/USB at their registered addresses. In view of this the Company has sent its Annual Report to the shareholders in the form of CD. Any Member desiring the copy of Annual Report in printed form may send request on standard request form placed under the Investor Information sections in the website [www.rupaligroup.com](http://www.rupaligroup.com).

#### 11) Consent for the Facility of video-link

Members may participate in the meeting via video-link facility. If the Company receives a demand from members holding an aggregate 10% or more shareholding residing at a geographical location outside Lahore to participate in the meeting through video link at least 7 days prior to the date of meeting, the Company will arrange video link facility in that city.

In this regard, Members who wish to participate through video-link facility, should send a duly signed request as per the following format to the Registered Address of the Company.

I/we \_\_\_\_\_ of \_\_\_\_\_  
being a member of Rupali Polyester Limited holder  
of \_\_\_\_\_ ordinary share(s) as per Registered  
Folio / CDC Account No. \_\_\_\_\_ hereby opt for  
video link facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of Member

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 this Act. The shareholders having  
physical shares may open CDC sub-account with any  
of the broker or investor account directly with CDC to  
place their physical shares into scrip-less form.

Shareholders are requested to notify any change in  
their addresses immediately.

#### 12) Availability of Audited Financial Statements on Company's Website

The audited financial statements of the Company for the  
year ended 30 June 2019 have been made available on  
the Company's website [www.rupaligroup.com](http://www.rupaligroup.com)

#### 13) Requirement of Companies (Postal Ballot) Regulations, 2018

Pursuant to Companies (Postal Ballot) Regulations,  
2018, for any other agenda items subject to  
the requirements of Section 143 and 144 of the  
Companies Act, 2017, members present in person,  
through video-link or by proxy, and having not less  
than one-tenth of the total voting power can also  
demand a poll and exercise their right of vote through  
postal ballot, that is voting by post or through any  
electronic mode, in accordance with requirements and  
procedure contained in the aforesaid Regulations.

#### 14) Unclaimed Dividends

As per the provision of Section 244 of the Companies  
Act, 2017, any shares issued or dividend declared by  
the Company which have remained unclaimed/unpaid  
for a period of three years from the date on which it  
was due and payable are required to deposited with  
the Commission for the credit of Federal Government  
after issuance of notices to the shareholders to file  
their claim. In this regards, a notice to shareholder was  
sent at their provided addresses and subsequently  
final notice was published in newspapers having  
nationwide circulation.

Shareholders are requested to ensure that their claims  
for unclaimed dividend and shares are lodged timely.  
In case, no claim is lodged with the Company in the  
given time, the Company shall proceed to deposit  
the unclaimed/unpaid amount and shares with the  
Federal Government pursuant to the provision of  
Section 244(2) of the Companies Act, 2017.

#### 15) Deposit of Physical Shares into CDC Accounts

In accordance with the requirement of Section 72 of  
the Companies Act, 2017 every existing company  
shall be required to replace its physical shares with

#### Statement under Section 134 (3) of the Companies Act, 2017

This statement sets out the material facts concerning  
the special business to be transacted at the Thirty  
Ninth Annual General Meeting of Rupali Polyester  
Limited to be held on 26 October 2019.

#### Agenda Item No. 5 (a) – Transactions carried out with associated companies (related parties) during the year ended 30 June 2019 to be approved by way of Special Resolution

The transactions carried out in normal course of  
business with associated companies (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 Rule 15 (1) of the Listed Companies (Code  
of Corporate Governance) Regulations, 2017 and  
Rule 5.6.19(b) of the PSX Regulations.

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 quorum 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.

#### Agenda Item No. 5 (b) – Authorization to Chief Executive Officer for Related Party Transactions to be carried out with associated companies during the year ending 30 June 2020 to be approved by way of special resolution

The Company shall be conducting Related Party  
Transactions with associated companies during the  
year ending 30 June 2020 in the normal course of  
business. The majority of Directors are interested  
in these transactions due to their common  
directorship and shareholding in the associated  
companies. Therefore, these transactions with  
associated companies have to be approved by the  
shareholders.

In order to ensure smooth supply during the year, the shareholders may authorize the Chief Executive Officer to approve transactions with associated companies on case to case basis for the year ending 30 June 2020. The summary of commercial reasons, nature and scope of Related Party Transactions are explained in the proposed resolution. However, these

transactions shall be placed before the shareholders in the next General Meeting for their approval/ ratification.

The Directors are interested in these resolutions to be extent of their common directorship and shareholding in the associated companies.

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\*Mobile apps are also available for download for android and ios devices