

# Notice of Meeting

Notice is hereby given that the Forty First Annual General Meeting of Rupali Polyester Limited ("the Company") will be held at Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore on Wednesday, 27 October 2021 at 10:30 a.m. (through Zoom and with compliance of quorum requirement) to transact the following business:

## Ordinary Business:

- 1) To confirm the minutes of Fortieth Annual General Meeting of the Company held on 27 October 2020.
- 2) To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors and Auditors Reports thereon for the year ended 30 June 2021.
- 3) To approve payment of final cash dividend @ 50% i.e. Rs.5.00 per share for the year ended 30 June 2021 as recommended by the Board of Directors in its 112th meeting held on 21 September 2021.
- 4) To elect eight (8) Directors of the Company as per the number fixed by the Board of Directors of the Company under Section 159(1) of the Companies Act, 2017 for a term of three (3) years commencing from 30 October 2021.

The following are the names of retiring Directors, who are eligible for re-election:

1. Mr. Nooruddin Feerasta
2. Mr. Muhammad Rashid Zahir
3. Mrs. Aymna Feerasta
4. Mr. Shehzad Feerasta
5. Mr. Zeeshan Feerasta
6. Mr. Yaseen M. Sayani
7. Mr. Sultan Ali Rajwany
8. Mr. Abdul Hayee

- 5) To appoint Auditors of the Company and to fix their remuneration. The retiring Auditors M/s. Iqbal Yasir & Company, Chartered Accountants being eligible have offered themselves for reappointment.

## Special Business:

- 6) (a) To approve transactions conducted with associated companies (related parties) for the year ended 30 June 2021 by passing with or without modification the following special resolution:

**"RESOLVED THAT** the following transactions conducted with associated companies (related parties) for the year ended 30 June 2021 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	665,920	71,180	-
Rupali Nylon (Pvt.) Limited.	Purchase of goods and services	2,647	-	-
Spintex Limited	Sale/purchase of goods	3,478	-	-
Soneri Bank Limited	Profit on Bank deposits	-	-	3,420

(b) To authorize Chief Executive Officer of the Company to approve transactions with Related Parties for the year ending 30 June 2022 by passing the following special resolution with or without modification:

**"RESOLVED THAT** (b) To authorize Chief Executive Officer of the Company to approve transactions with Related Parties for the year ending 30 June 2022 by passing the following special resolution with or without modification:

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

## Other Business

- 7) 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 2021

S. Ghulam Shabbir Gilani  
Company Secretary

## Notes:

### 1) Share Transfer Books

Share transfer books of the Company will remain closed from 22 October 2021 to 27 October 2021 (both days inclusive). Transfers received at the registered office or Share Registrar M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi-75500 before close of business on 21 October 2021 will be treated in time for the purpose of above entitlement to the transferees.

## 2) Election of Directors

2.1 In accordance with Section 159 (1) of the Companies Act, 2017 ("the Act"), the Board of Directors of the Company in its meeting held on 21 September 2021 has fixed the number of Directors to be elected as eight (8) to be elected in the AGM. The retiring Directors are eligible to offer themselves for re-election.

2.2 Any person who seeks to contest the election to the office of a director, whether the retiring director or otherwise, shall file the following documents with the Company Secretary, at the Registered Office of the Company located at Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore, not later than 14 days before the date of AGM:

- a. Notice of his / her intention to offer him / herself for the election to the Office of Director in terms of section 159(3) of the Act;
- b. Consent to act as Director in Form-28 under Section 167 of the Act, as prescribed under the Companies (General Provisions and Forms) Regulation, 2018;
- c. A detailed profile along with his/her office address as required under SRO 1196(1)2019 dated 3 October 2019 issued by the Securities and Exchange Commission of Pakistan (SECP);
- d. Declaration in respect of being compliant with the requirement of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria, as set out in Section 153 of the Act, to act as director or an independent director of a listed company;
- e. A director must be holding qualification shares of the Company at the time of filing his / her consent to act as director. The aforesaid qualification shall not be applicable for instances mentioned in Section 153(i) of the Act;
- f. Attested copy of valid CNIC and NTN;
- g. Independent directors will be elected through the process of election of directors in terms of Section 159 of the Act and he/she shall meet the criteria laid down in Section 166 of the Act, the Companies (Manner and Selection of Independent Directors) Regulations, 2018 and Guide Book on Corporate Governance and

Frequently Asked Question dated 5 June 2020, accordingly the following additional documents are to be submitted by the candidates intending to contest election of directors as an Independent Director:

- In case of Independent Director, a declaration of independence in terms of requirements of Section 166(2) of the Act read with Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulation, 2019;
- Undertaking on non-judicial stamp paper that he / she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018;

Minority shareholders are encouraged to participate to elect director if the criteria as specified in law is met.

The final list of contesting directors will be circulated not later than seven days before the date of said meeting, in term of section 159 (4). Further, the website of the Company will be updated with the required information.

## 3) Zoom Link

In line with the guidelines of the Securities and Exchange Commission of Pakistan, the Company will convene this AGM through Zoom link while ensuring compliance with the quorum requirements and request to the Members to consolidate their attendance and voting at the AGM through proxies.

The special arrangement for attending the AGM through electronic means will be as under:

- a) AGM will be held through Zoom application.
- b) Shareholders / Proxy holders interested in attending the AGM through Zoom are hereby requested to get themselves registered with the Company Secretary office by sending an e-mail with subject: "Registration for AGM" at [info@rupaligroup.com](mailto:info@rupaligroup.com) at least 48 hours before the AGM:

Name of Shareholders	CNIC Number	Folio Number/CDC Account No.	Cell Number	Email Address

Members will be registered, after verification as per the above requirement and will be provided a Zoom link by the Company via email provided by them.

The login facility will remain open from 10:00 a.m. till conclusion of the meeting.

The shareholders are also encouraged to send their comments/suggestions, related to the Agenda items of the Annual General Meeting on the above mentioned email address or WhatsApp/SMS on 0323-4123854 or 0300-4799881 by 25 October 2021 before close of business hours (5.00 pm).

#### **4) Proxy Holders**

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.

#### **CDC Account Holders**

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.

#### **5) Submission of copy of CNIC (Mandatory):**

In order to comply with the directives of Securities and Exchange Commission of Pakistan 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, Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi-75500". The shareholders who have already provided CNIC 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 the dividend may be withheld.

#### **6) Circulation of Audited Financial Statements through email**

Members are hereby informed that Securities and Exchange Commission of Pakistan vide SRO No. 787(I)/2014 dated 8 September 2014 has allowed companies to circulate Audited Financial Statements along with notice of annual general meeting to their members through email 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

#### **7) 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.

#### **8) 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).

**9) Bank Mandate with International Bank Account Number (IBAN) for payment of Cash dividend**

Under the provisions of Section 242 of the Companies Act, 2017, Securities & Exchange Commission of Pakistan 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, Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi-75500 (in case your shareholding is in physical form).

**10) Withholding tax on dividend income for Non-Filers and payment of cash dividend through electronic mode**

The shareholders are hereby informed that pursuant to amendments in Section 150 of the Income Tax Ordinance, 2001 through Finance Act, 2019, Income Tax will be deducted at source @15% for person appearing in ATL and @30.00% for person not appearing in ATL at the time of processing dividend (determined as per "Active Tax Payer List (ATL)" available on Federal Board of Revenue's website) from the dividend amount, if any.

**11) Joint Account Holders**

In case of joint account, each holder is to be treated individually as either a filer or non-filer 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. In case no such notification is received by us, equal deduction of tax will be made where proportionate holding is not available with us.

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

**12) Unclaimed dividend and shares**

Pursuant to Section 244 of the Act, any shares issued or dividend declared by the Bank, which

remain unclaimed or unpaid for a period of three years from the date it became due and payable shall rest with the Federal Government after compliance of procedures prescribed under the Act. In this respect, we had already initiated the process and concerned shareholders were advised vide our letter dated 28 December 2017 to claim their unclaimed dividend/Shares. However, only few shareholders have claimed their pending entitlements so far.

Shareholders are again advised to approach the Company's Share Registrar to claim their pending dividend/shares at the earliest failing which the Company shall proceed further in terms of requirement of Section 244(2) (a) & (b) of the Act.

**13) 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 Member

**14) Deposit of Physical Shares into CDC Account**

The SECP, through its letter No. CSD/ED/Misc./2016-639-640 dated 26 March 2021, has advised all listed companies to adhere to the provision of Section 72 of the Companies Act, 2017 (the "Act"), which requires all companies to replace shares issued in physical form to book-entry form within four years of the promulgation of the Act.



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 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.

**15) Availability of Audited Financial Statements on Company's Website**

The audited financial statements of the Company for the year ended 30 June 2021 have been made available on the Company's website [www.rupaligroup.com](http://www.rupaligroup.com)

**16) 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 Zoom/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.

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

**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 Forty First Annual General Meeting of Rupali Polyester Limited to be held on 27 October 2021.

**Agenda Item No. 6 (a) – Transactions carried out with associated companies (related parties) during the year ended 30 June 2021 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, Rule 15, Chapter IV of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Rule 5.6.6(a) 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. 6 (b) – Authorization to Chief Executive Officer for Related Party Transactions to be carried out with associated companies (related parties) during the year ending 30 June 2022 to be approved by way of special resolution**

The Company shall be conducting Related Party Transactions with associated companies (related parties) during the year ending 30 June 2022 in the normal course of business. The majority of Directors shall be interested in these transactions due to their common directorship and shareholding in the associated companies. Therefore, these transactions with associated companies (related parties) shall 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 (related parties) on case to case basis for the year ending 30 June 2022. 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 the resolution to be extent of their common directorship and shareholding in the associated companies.

**Statement under Section 166 (3) of the Companies Act, 2017**

This statement sets out the material facts relating to justification for choosing the appointees for appointment as independent directors.

In compliance with Section 166 (3) of the Companies Act, 2017, consent papers will be accepted from those persons who are in compliance with Section 166 (2) of the Companies Act, 2017.

[rupaligroup.com](http://rupaligroup.com)

**RUPALI POLYESTER LIMITED**

Registered Office

Rupali House, 241 - 242 Upper Mall Scheme,

Anand Road, Lahore - 54000

Pakistan.