



**RAVI TEXTILE MILLS
LIMITED**

REGST. OFFICE: BUNGALOW NO. 120
DEFENCE OFFICERS HOUSING
SCHEME, SHER SHAH ROAD
MULTAN CANTT-PAKISTAN
TEL: +92-61-4503620-4503630
FAX: +92-61-4503640
E-mail: info@ravitextile.com

**RAVI TEXTILE MILLS LIMITED
NOTICE OF EXTRAORDINARY GENERAL MEETING**

NOTICE is hereby given that an Extraordinary General Meeting of the members of Ravi Textile Mills Limited ("the Company") will be held on Friday, 02 March 2018, at 9:00 a.m. at Bungalow No. 120, Defence Officers Housing Scheme Sher Shah Road, Multan Cantt., Multan, to transact the following business:

Special Business

To consider and approve the sale of freehold land, buildings on freehold land, plant and machinery and other assets of the Company located at 49 KM, Lahore-Multan Road, Chunian, District Kasur by passing following resolution(s) as special resolution(s) with or without any modification, addition or deletion in terms of Section 183(3)(a) of the Companies Act, 2017:

RESOLVED THAT approval of the members of Ravi Textile Mills Limited (the "Company") be and is hereby accorded in terms of Section 183(3)(a) of the Companies Act, 2017 to the disposal and sale of Company's assets located at 49 KM, Lahore-Multan Road, Chunian, District Kasur comprising of freehold land, buildings on freehold land, plant and machinery, electric fittings and installations, factory tools and equipment, furniture, fixtures and office equipment and other assets ("Assets").

RESOLVED FURTHER THAT approval be and is hereby accorded for utilization of the proceeds from sale of Assets to partially repay the liabilities of the Company and to utilize the remaining proceeds to start alternate business plan as approved and recommended by the Board of Directors of the Company.

RESOLVED FURTHER THAT the alternate business plan approved and recommended by the Board of Directors of the Company, placed before the meeting, be and is hereby approved and adopted.

FURTHER RESOLVED THAT as part and parcel of the foregoing consent, the Board of Directors be and are hereby authorized and empowered to sell the Assets and delegate any or all of its powers in this regard to the Chief Executive Officer (CEO) or any other person on such terms and conditions as they deem fit, to act on behalf of the Company in carrying out and performing all acts, matters, things and deeds to implement and/or give effect to the Asset sale and utilization of the proceeds thereof, which shall include, but not be limited to:-

- a) conducting negotiations, tendering and obtaining quotations etc. with interested parties in such manner and on such terms and conditions as are in the best interests of the Company and its members and which secure the best available market price for the assets;
- b) selling the assets to any individual, firm/partnership, bank or private/public limited company or organization or to any other person and, for that purpose, negotiating with financial institutions for vacating lien/charges against Assets if any, entering into an agreement to sell, executing a sale deed or any other agreement with the buyer(s) or any other person, receiving the sale consideration, executing, preparing and signing any sale deed, conveyance deed and/or transfer documents in favor of the buyer(s) or another person to effect the Asset sale in favor of the buyer(s) or any other person by representing the same before all parties & authorities concerned and admitting execution thereof;

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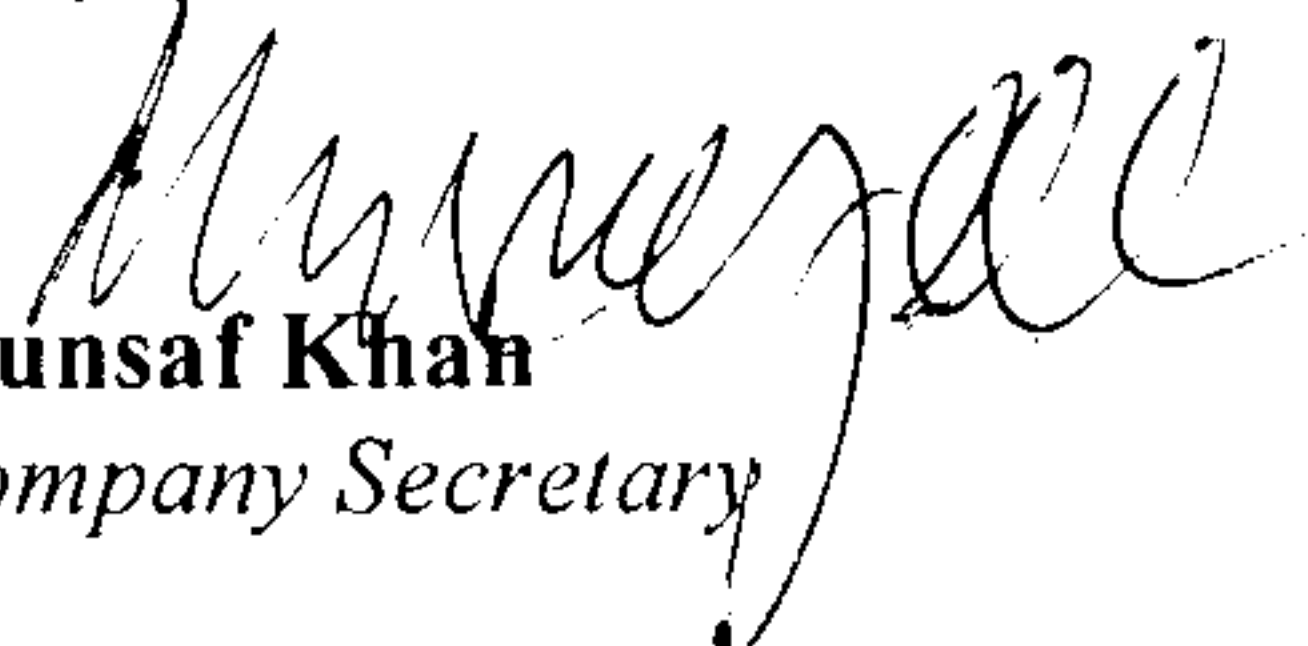
- c) representing before the Sub-Registrar or any other competent authority and getting any sale deed or other documents registered and collecting the consideration amount in respect of the sale of Assets;
- d) To utilize the proceeds of the Asset sale for settling the liabilities of the Company and for start of new business; and
- e) generally performing and executing in respect of the assets all lawful deeds, agreements, acts and things as they may think fit and proper in order to implement and complete the sale of Assets.

FURTHER RESOLVED THAT the Company be and is hereby authorized to take all actions incidental or ancillary thereto with regard to asset sale.

FURTHER RESOLVED THAT the Board be and is hereby empowered to agree upon modification in these resolutions that may be directed/required by the SECP without the need for passing any fresh resolution by the members.

FURTHER RESOLVED THAT certified copies of this resolution be communicated to the concerned authorities, wherever required and shall remain in force until notice in writing to the contrary be given.

By Order of the Board


Munsaf Khan
Company Secretary

Multan
08 February 2018

NOTES:

1. The Share Transfer Books of the Company will remain closed from 24 February 2018 to 02 March 2018 (both days inclusive). Physical transfers / CDS Transaction IDs received at the Company's Share Registrar, M/s. Hameed Majeed Associates (Private) Limited, H.M. House, 7-Bank Square, Lahore, at the close of business on 23 February 2018 will be considered in time to determine voting rights of the shareholders for attending the meeting.
2. A member of the Company, entitled to attend, speak and vote at the Meeting is entitled to appoint another person as his / her proxy to attend, speak and vote instead of him / her and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the Meeting as are available to the Member. Proxy form, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the Meeting. The proxy must be a Member of the Company. The proxy shall produce his/her original Computerized National Identity Card (CNIC) or passport to prove his identity. Form of proxy is attached to the Notice.

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3. Members are requested to send copies of their CNIC's to the Company's Share Registrar to enable the Company to comply with the direction of the Securities and Exchange Commission of Pakistan (SECP) contained in SRO 831(1)/2012.
4. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee should be attached with the proxy form.
5. Shareholders are requested to notify change in their addresses, in case of book entry securities in CDS to their respective CDS participants and in case of physical shares to the Share Registrar, if not earlier notified.
6. Pursuant to S.R.O 470(I)/2016 dated 31 May, 2016, the SECP has allowed for the transmission of the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company through CD or DVD or USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copy of the aforesaid documents may send to the Company Secretary / Share Registrar, the Standard Request Form provided in the annual report and also available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. The shareholders who intend to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website: <http://www.ravitextile.com/Web/Home.aspx>.
7. If the Company receives consent from members holding aggregate 10% or more shareholding, residing in geographical location to participate in the meeting through video conference at least 07 days prior to the date of meeting, the Company will arrange video conference facility.

In this regard, please fill the following and submit at Registered Office of the Company situated at Bungalow No. 120, Defence Officers Housing Scheme Sher Shah Road, Multan Cantt., Multan, at least 07 days prior to the date of Extraordinary General Meeting.

"I/We, _____ of
_____, being a member of Ravi Textile Mills
Limited, holder of _____ Ordinary Share(s) as per Registered Folio / CDC A/c #
_____ hereby opt for video conference facility at _____.

Signature of Member / Attorney"

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

This Statement sets out the material facts pertaining to the special business to be transacted at the Extraordinary General Meeting of the Company to be held on 02 March 2018.

The Board of Directors has approved the disposal of freehold land, buildings on freehold land, plant and machinery, electric fittings and installations, factory tools and equipment, furniture, fixtures and

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office equipment and other assets and to utilize the proceeds thereof for partially settling the liabilities of the Company and reaming funds for the start of new business subject to approval of the Company's members in Extraordinary General Meeting. The information required under SRO 1227/2005 dated 12 December 2005 is as follows:

Description of Asset(s)	Cost as at 30-06-2017	Book Value as at 30-06-2017 (without surplus on revaluation)	Revalued Amount / Fair Value / Current Market Value
	----- Rupees -----		
Freehold land 217 Kanals and 16 Marlas 49 KM, Lahore-Multan Road, Chunian, District Kasur	5,818,014	5,818,014	119,790,000
Buildings on freehold land	44,871,404	4,731,328	52,250,000
Plant & Machinery	202,721,316	26,071,576	29,222,000
Electric fittings and installations	24,252,596	4,122,617	4,500,000
Factory tools and equipment	11,852,521	-	75,000
Furniture, fixtures and office equipment	4,698,097	74,386	100,000
Vehicles	2,722,546	1,018,097	1,200,000
Stores, spares & loose tools	2,645,212	2,645,212	2,650,950

The proposed manner of disposal

The assets will be disposed of through tender in newspapers.

Reason for the disposal of assets

There are multiple factors which have led to the decision by the Directors of the Company to dispose of the assets, as aforesaid. The equity of the Company stands at a negative Rupees 303.415 million due to accumulated losses of Rupees 562.415 million as on 30 September 2017. The operations of the mill were resumed during the year ended 30 June 2015 after more than three years with the support of Directors' loans. However, in August 2015, the operations of the mill were suspended again. Due to poor economic/market conditions for the spinning sector, high energy costs, scheduled and unscheduled extensive load shedding of electricity, high mark-up rates charged by banks and scarce availability of funds, the operation of textile mill cannot be run profitably.

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Further, the lender Banks are reluctant to further finance the Company and the existing liabilities of Banks stand at Rupees 81,682,330 as at 30 September 2017. Further, Directors' loans as at 30 September 2017 are of Rupees 91,786,220 and payables to the associated company as at 30 September 2017 stand at Rupees 82,031,915.

The Board of Directors, after trying all alternatives, has now decided to get NOCs from financial institutions for the sale of assets and clear the borrowings of the Company. The Board of Directors has approved the disposal plan as mentioned above.

The borrowings from financial institutions/banks are secured against first *pari passu* charge over movable and immovable assets of the Company, etc. The amount of charge of each bank on movable and immovable assets of the Company is as follows:

Name of Bank	Amount of Charge in Rs.
Bank Alfalah Limited	90,000,000
National Bank of Pakistan	<u>160,000,000</u>
Total	250,000,000

The members are being informed that the assets of the Company under reference can only be disposed of by obtaining NOCs from the lender banks and resultant clearance of the borrowings of the Company from them.

The disposal of assets under reference is expected before the end of the financial year 2017-18.

Benefits expected to accrue to the shareholders

The proceeds from the disposal of the assets will be utilized for repayment of liabilities of the Company. This will result in better performance of the Company as a whole and will enhance the shareholders' value.

Future Business Plan

The Board of Directors has proposed to dispose of land and other assets in order to enter into the business of cotton ginning. The total cost of this project is expected to be approximately Rupees 50 million. 100% of the Project cost shall be funded through remaining proceeds from disposal of assets under reference after repayment of liabilities of the Company. Expected time of completion of the Project will be 1 year after disposal of assets i.e. cotton ginning operations will commence from financial year 2018-19.

None of the Directors have any direct or indirect interest in the sale/disposal of the said assets except as shareholders of the Company and three (3) directors of the Company, Mr. Muhammad Riaz, Mr. Aamir Khurshid Chandia and Mr. Shahbaz Manzoor have given interest free directors' loans of Rupees 31,411,220, Rupees 35,175,000 and Rupees 25,200,000 respectively to the Company who are also interested in repayment of their loans.

Availability of Relevant Documents

The documents pertaining to above resolutions (including the future business plan) are available for inspection at the Registered Office of the Company on any working day up to 01 March 2018 during business hours and also at the time of the Meeting.

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