



## SAPPHIRE TEXTILE MILLS LIMITED NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of the Shareholders of Sapphire Textile Mills Limited (The "Company") will be held on Monday, June 15, 2020 at 312, Cotton Exchange Building, I.I. Chundrigar Road, Karachi at 03:30 p.m. to transact the following business:

1. To confirm the minutes of last Annual General Meeting held on October 25, 2019.
2. To elect Ten (10) Directors as fixed by the Board under section 159(1) of the Companies Act, 2017 for three years. The name of retiring Directors are:
  1. Mr. Mohammad Abdullah
  2. Mr. Shahid Abdullah
  3. Mr. Nadeem Abdullah
  4. Mr. Amer Abdullah
  5. Mr. Yousuf Abdullah
  6. Mr. Shayan Abdullah
  7. Mr. Nabeel Abdullah
  8. Mr. Nadeem Karamat
3. **Other business**  
To transact any other business with the permission of the Chair.

A statement under Section 166 (3) of the Companies Act 2017 pertaining to the material facts is being sent to the shareholders along with this notice.

By Order of the Board

Zeeshan  
Company Secretary

Karachi  
Dated: May 21, 2020

### For attending the meeting through video link due to COVID 19 Pandemic:

In pursuance of SECP Circular Nos. 5 and 10 of 2020 dated 17 March 2020 and 01 April 2020 respectively regarding Regulatory Relief to dilute impact of Corona Virus (COVID 19) for Corporate Sector, the entitled shareholders interested in attending the Extraordinary General Meeting (EOGM) through video link facility ("Zoom" which can be downloaded from Google Play or Apple App Store) are requested to get themselves registered with the Company Secretary office at least two working days before the holding of the time of EOGM at [contact@sapphiretextiles.com.pk](mailto:contact@sapphiretextiles.com.pk) by providing the following details:-

Name of shareholder	CNIC no.	Folio no.	Cell no.	Email address

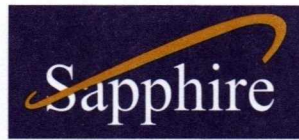
- Upon receipt of the above information from interested shareholders, the Company will send the login details at their email addresses.
- On the EOGM day, the shareholders will be able to login and participate in the EOGM proceedings through their smart phone or computer devices from their any convenient location.



- The login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after identification process and verification process.
- Shareholders will be encouraged to participate in the EOGM to consolidate their attendance and participation through proxies.

## NOTE:

- 1) Share Transfer Books will be remain closed and no transfer of shares will be accepted for registration from 09<sup>th</sup> June, 2020 to 15<sup>th</sup> June, 2020 (both days inclusive). Transfers received in order, by the M/s. Hameed Majeed Associates (Private) Limited Company Registrar, 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi, up to 08<sup>th</sup> June, 2020, will be considered in time to entitle the transferees to attend and vote at the meeting.
- 2) A member entitled to attend and vote at this meeting is entitled to appoint another member as his/her proxy to attend and vote. An instrument of proxy applicable for the Meeting is being provided with the notice sent to the members. Further copies of the instrument may be obtained from the registered office of the Company during normal office hours. The proxy form can also be downloaded from the Company's website: [www.sapphire.com.pk/stml](http://www.sapphire.com.pk/stml)
- 3) Duly completed instrument of proxy, and the other authority under which it is signed, thereof, must be lodged with the secretary of the company at the company's registered office 212, Cotton Exchange Building, I.I.Chundrigar Road, Karachi at least 48 hours before the time of the meeting.
- 4) Any change of address of members should be immediately notified to the company's share registrars, Hameed Majeed Associates (Private) Limited, 4th Floor, Karachi Chambers, HasratMohani Road, Karachi.
- 5) The CDC account holders will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:
  - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original computerized national identity card (CNIC) or original passport at the time of attending the meeting.
  - ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.
  - a) **For appointing proxies:**
    - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form accordingly.
    - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
    - iii) Attested copies of CNIC or the passport.
    - iv) The proxy shall produce his/her original CNIC or original passport at the time of meeting.
    - v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.



- 6) In compliance with regulatory directives issued from time to time, members who have not yet submitted copy of their valid CNIC/NTN are requested to submit the same to the Company, with members' folio number mentioned thereon for updating record.
- 7) Pursuant to Companies (Postal Ballot) Regulations 2018, for the purpose of election of directors' where in case number of contestants are more than number of directors to be elected, members will be allowed to exercise their right to vote through postal ballot, that is voting by post in accordance with the requirements and procedures contained in the aforesaid regulation.
- 8) The Company shall provide video conference facility to its members for attending the General Meeting at places other than the town in which general meeting is taking place, provided that if members, collectively holding 10% or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video conference at least 07 days prior to date of the meeting, the Company shall arrange video conference facility in that city subject to availability of such facility in that city.

In this regard, please fill the following form and submit to registered address of the Company 07 days before holding of the General Meeting:

"I/We, \_\_\_\_\_ of \_\_\_\_\_ being a member of Sapphire Textile Mills Ltd, holder of \_\_\_\_\_ Ordinary Shares as per registered folio # \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_."

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

### Important for contesting Election of Directors:

Any member who seeks to contest the election to the office of Director shall, whether he/she is a retiring Director or otherwise, file with the Company at its Registered Office not later than fourteen days before the date of the Meeting, the following details/ documents:

- i Notice of intention to offer himself/herself for election as a Director in terms of section 159 (3) of the Companies Act. 2017.
- ii Consent to act as a Director on duly signed and completed Form-28 under Section 167(1) of the Companies Act,2017.
- iii Detailed profile along with his/her office address for placement on Company's website.
- iv Attested copy of valid CNIC/Passport and National Tax Number(NTN).
- v His/her Folio Number/CDC Investor Account Number/CDC Participant ID Number/Sub Account Number. A person must have qualifying shares of the Company at the time of filing of his/her consent to act as Director. The aforesaid qualification shall not be applicable to persons mentioned in proviso to Section 153(i) of this Act.
- vi Detail of other directorship and offices held.
- vii Signed declaration to the effect that he/she is aware of duties and powers of Directors under the Companies Act, 2017, Memorandum and Articles of Association of the Company, Rule Book of Pakistan Stock Exchange Limited, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws and regulations.



- viii Signed declaration to the effect that he/she is compliant with requirements and eligibility/qualification criteria as set out in the Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws and regulations for appointment as Director/Independent Director of a listed company.
- ix Declaration by independent Director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulation 2019; and
- x Undertaking on non-judicial stamp paper that he / she meet the requirements of sub regulation (1) of Regulation 4 of the Companies (Manner and selection of Independent Directors) Regulations, 2018.

## STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017

Any person who is eligible under section 153 and meets the criteria under section 166 of the Companies Act, 2017, may submit nomination to be elected as Independent Director. However, it is noteworthy to mention here that Independent Director shall be elected in the same manner as other directors are elected in terms of section 159 of the Companies Act, 2017. The company shall exercise due diligence before selecting a person from the data bank that the contestant meets the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017.

The list of contesting directors will be published in Newspapers not later than seven days before the date of the said meeting in terms of section 159(4). Further website of the company will also be updated with the required information for each Director.

No Director have direct interest in the above said business except they may contest for election of directors accordingly.

## Status of Investment under Clause 4(2) of the Companies (Investment in Associated Undertakings) Regulations, 2017

Company / Date of Resolution	Amount of Investment approved	Amount of Investment made to date	Reason
Sapphire Wind Power Company (SWPCL) Limited 17th February, 2014 & subsequently amended on 26th Oct, 2015	Collateral/security as may be required by the issuing bank to issue a Stand by Letter of Credit(SBLC) in PKR equivalent upto approximately USD 10 Million in order to secure certain obligations of SWPCL	Nil	This amount was amended in AGM held on 26th Oct, 2015 in order to secure the obligation of SWPCL in relation to the required balance of the Debt Service Reserve
Triconboston Consultancy Corporation (Private) Limited (TBCCPL), 27th March 2017	Security / collateral as may be required by the issuing banks in order for the same to issue debt service reserve standby letters of credit together with any replacement standby letters of credit in order to secure the amount up-to USD 24 Million (United States Dollars Twenty Four Million);	SBLC = USD 18.59 Million	This amount was approved in the EOGM Dated 27th March, 2017 and is in the process of implementation as and when required.



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<p>Triconboston Consultancy Corporation (Private) Limited (TBCCPL), 27<sup>th</sup> March 2017</p>	<p>Security / collateral as may be required by the issuing banks in order for the same to issue excess debt standby letters of credit together with any replacement standby letters of credit in order to secure the amount up-to USD 15 Million (United States Dollars Fifteen Million); and</p>	<p>Nil</p>	<p>This amount was approved in the EOGM Dated 27<sup>th</sup> March, 2017 and is in the process of implementation as and when required</p>
<p>Triconboston Consultancy Corporation (Private) Limited (TBCCPL), 27<sup>th</sup> March 2017</p>	<p>To invest by way of loans and advances in the PKR equivalent upto USD 11.3 Million (United States Dollars Eleven Million Three Hundred Thousand) for a period of up-to five (5) years from the commercial operations date of the last of the three (approximately) 150MW wind power Pproject, and to arrange and deliver: (i) standby letters of credit together with any replacement standby letters of credit in order to secure the Available Contingency Commitment Amount, in favour of the agent/security trustee</p>	<p>NIL</p>	<p>This amount of loan was approved in the EOGM Dated 27<sup>th</sup> March, 2017 and is in the process of implementation as and when required</p>