



DAR ES SALAAM TEXTILE MILLS LIMITED

House No 37,
Street No 14, Cavalry Ground,
LAHORE – 54662, PAKISTAN

Telephone No. +92 42 36610643-4
Email: in-
fo@daressalaamtextilemills.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of the members of the Dar es Salaam Textile Mills Limited will be held on September 30, 2023 at 09:30 a.m. at the Company's registered office, located at House No 37, Street No 14, Cavalry Ground, Lahore Cantt., Lahore, to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2023 together with the Auditors' and Directors' Reports thereon and the Review Report of the Chairman;
2. To appoint auditors of the Company for the year ending June 30, 2024 and to fix their remuneration. The members are hereby notified that the Board of Directors and the Board Audit Committee have recommended the name of M/S Rizwan & Co. Chartered Accountants, for re-appointment as auditors of the Company for the year ending June 30, 2024.

Special Resolution:

3. RESOLVED THAT, subject to the approval and sanction of the Securities and Exchange Commission of Pakistan, the consent and approval of the members of the Company be and is hereby accorded to change the registered office of the Company from the province of Punjab to the province of Sindh i.e., from House No 37, Street No 14, Cavalry Ground Lahore Cantt to 210, 2nd Floor, Marine Point, Khayaban -e -Iqbal Clifton Block 9, Karachi. Pakistan.
4. FURTHER RESOLVED THAT, subject to the approval and sanction of the Securities and Exchange Commission of Pakistan, the consent and approval of the members of the Company, be and is hereby accorded to amend and substitute Clause II of the Memorandum of Association of the Company as follows:

"REGISTERED OFFICE: The Registered Office of the Company will be situated in the province of Sindh, Pakistan."
5. FURTHER RESOLVED, that the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Under takings) Regulations, 2017 to ratify the investment in Super Bird (Pvt) Limited amounting to Rs. 3.5 million already made and recovered, in full, along with markup for the sake of good corporate governance.
6. To transact any other business, as may be placed before the meeting with the permission of the chair.

Statement under Section 134(3) OF THE Companies Act 2017, pertaining to the Special Business referred to the above is annexed to this notice of meeting, being sent to you.

By Order of the Board

(Shahid Amin)
Company Secretary

Lahore: September 08, 2023

Notes:

- 1) The Members Register and Share Transfer Books will remain closed from 23-09-2023 to 30-09-2023 (both days inclusive) for the purpose of the Annual General Meeting. Transfers received at M/s Corplink (Pvt.) Limited, Wing Arcade, 1-K Commercial, Model Town, Lahore, the Registrar and Shares Transfer Office of the Company, by the close of business on 22-09-2023 will be treated in time for the purpose of Annual General Meeting.

Only those persons whose names appear in the Register of Members of the Company as at 22-09-2023 are entitled to attend and vote at the Annual General Meeting.

A. FOR ATTENDING THE MEETING:

- i. In case of individuals, the account holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his original CNIC or Passport of 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 (unless it has been provided earlier) at the time of the Meeting.

B. FOR APPOINTING PROXIES:

- i. In case of individuals, the account holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirements.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.
- 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 (unless it has been provided earlier) along with proxy form to the Company.

Members are requested to notify/submit the following information/documents, in case of book entry securities in CDC to their respective participant/investor account services and in case of physical shares to the Registrar of the Company by quoting their folio number and name of the Company at the above-mentioned address, if not earlier notified/submitted:

- Members are requested to notify any change in their registered address immediately.
- Valid and legible copy of CNIC/Passport (in case of individual) and NTN Certificate (in case of corporate entity). Please note that CNIC Number is mandatory for issuance of dividend warrants and in the absence of this information payment of dividend shall be withheld.
- Dividend mandate information mentioning title of bank account, International Bank Account Number (IBAN) bank name, branch name, branch code, and address towards direct transfer/credit of cash dividend in your account. Please note that all future dividends shall only be paid through online bank transfer as required under Section 242 of the Companies Act, 2017.

C. E-Voting / Postal ballot

Members can exercise their right to poll/postal ballot subject to meeting the requirement of Section 143-145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website <https://daresalaamtextilemills.com> to download.

Procedure for e-Voting

- a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on September 22, 2023.
- b) The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- c) Identity of the Members intending to cast vote through e Voting shall be authenticated

- through electronic signature or authentication for login.
- d) Members shall cast vote online at any time from September 27,2023, 9:00 a.m. to September 28, 2023. Voting shall close on September 28, 2023, at 5:00 p.m. Once the vote on the resolution is casted by a Member, he/she shall not be allowed to change it subsequently.

Procedure for voting through postal ballot paper

The members shall ensure that duly filled and signed ballot paper along with copy of CNIC should reach the chairman of the meeting through post on the Company's address at House No 37, Street No 14, Cavalry Ground, Lahore Cantt., Lahore, or email at info@daressalaamtextilemills.com one day before the day of poll, during working hours. The signature on ballot paper shall match with signature on CNIC.

3. In accordance with the Regulation 11 of the Regulations, the Board of the Company has appointed M/s Rizwan & Company, Chartered Accountants, (a QCR rated audit firm and external auditors of the Company) to act as the Scrutinizer of the Company for the special business to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11A of the Regulations.
4. As per Circular No. 05 of 2020 dated March 16, 2020 read with Circular No. 4 of 2021 dated February 15, 2021; the shareholders may contact the Company at either of following:

Email: info@daressalaamtextilemills.com
Whatsapp: 0300-4010996
Mobile: 0300-4010996

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

Item 3 and 4 of the Agenda:

Pursuant to Memorandum of Understanding (MOU) with TPL Life Insurance Limited (TPL Life), the Company will explore the possibility of and enter into discussions and negotiations for a potential merger of TPL Life and the Company, by way of a scheme of arrangement. In order to resolve the jurisdictional issues in the High Court for the scheme of arrangement, the board has decided to change the registered office of the Company from the province of Punjab to the province of Sindh. Consequential changes are proposed to be made in the memorandum of association of the Company.

- (i) Existing registered office is located at House No 37, Street No 14, Cavalry Ground, Lahore Cantt., Lahore. Proposed registered office will be 210, 2nd Floor, Marine Point, Khayaban -e -Iqbal Clifton Block 9, Karachi Pakistan.
- (ii) The reason for change in registered office is to resolve the jurisdictional issues in the High Court for the scheme of arrangement.
- (iii) Geographical dispersion of the members of the company (of total as well as of those who attended last three annual general meetings) is given below:
Punjab
- (iv) The Company will be saving the cost of filing scheme of arrangement at two different high court.
- (v) At present no inquiry, inspection or investigation or prosecution has been pending against the company.

Item 5 of Agenda

For As per the disclosure requirement of Para 4(1) of the S.R.O. 1240(I)/2017 dated December 06, 2017, it is informed that the following directors of the Company are also the directors in the investee company, however, the directors have no direct or indirect interest except to the extent of shareholding/directorship in the investee company:

Directors:

- 1) Abida Mukhtar
- 2) Faisal Mukhtar

The Directors have carried out the required due diligence for the purpose of this loan.

The information required under S.R.O 1240(I)/2017 is provided below:

Sr. No.	Description	Information Required
(a) Disclosure for all types of Investments		
(A) Disclosure regarding associated company		
(i)	Name of associated company or associated undertaking	Super Bird (Pvt) Limited
(ii)	Basis of relationship	Due to common directorship by the following 1) Abida Mukhtar 2) Faisal Mukhtar
(iii)	Earnings per share for the last three years	PKR 4.94% per share for the year 2020

		PKR 9.5% per share for the year 2021 PKR 4.42% for the year 2022																				
(iv)	Break-up value per share, based on latest audited financial statements	PKR 20.30																				
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	As per the audited Financial Statements for the year ended June 30, 2022 <div style="text-align: right; margin-right: 20px;">PKR in Million</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Authorized Capital</td> <td style="text-align: right;">132.266</td> </tr> <tr> <td>Paid-up capital and reserves</td> <td style="text-align: right;">254.102</td> </tr> <tr> <td>Non-Current Liabilities</td> <td style="text-align: right;">30.000</td> </tr> <tr> <td>Current Liabilities</td> <td style="text-align: right;">79.020</td> </tr> <tr> <td>Current Assets</td> <td style="text-align: right;">80.020</td> </tr> <tr> <td>Non-Current Assets</td> <td style="text-align: right;">283.102</td> </tr> <tr> <td>Revenue</td> <td style="text-align: right;">209.438</td> </tr> <tr> <td>Gross Profit</td> <td style="text-align: right;">62.894</td> </tr> <tr> <td>Finance Cost</td> <td></td> </tr> <tr> <td>Profit After Tax</td> <td style="text-align: right;">5.847</td> </tr> </table>	Authorized Capital	132.266	Paid-up capital and reserves	254.102	Non-Current Liabilities	30.000	Current Liabilities	79.020	Current Assets	80.020	Non-Current Assets	283.102	Revenue	209.438	Gross Profit	62.894	Finance Cost		Profit After Tax	5.847
Authorized Capital	132.266																					
Paid-up capital and reserves	254.102																					
Non-Current Liabilities	30.000																					
Current Liabilities	79.020																					
Current Assets	80.020																					
Non-Current Assets	283.102																					
Revenue	209.438																					
Gross Profit	62.894																					
Finance Cost																						
Profit After Tax	5.847																					
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations.	Not applicable																				
(B) General Disclosures																						
(i)	Maximum amount of investment to be made	Loan facility up to PKR 3.5 Million (Already made & recovered).																				
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	To support the functionality and operations of the associated undertaking and to investment Company's funds at an attractive rate of mark-up for a further period of one year.																				
(iii)	Sources of funds to be utilized for investment.	Already given/Own sources of the Company and fully recovered.																				
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	TOR was approved by Board of Directors																				
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	The following directors of the Company are also the directors in the investee company, however, the directors have no direct or indirect interest except to the extent of shareholding/directorship in the investee company: Directors 1) Abida Mukhtar 2) Faisal Mukhtar																				
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	A loan of an aggregate amount of up to PKR3.5 million has already been granted and recovered along with mark up @ 15.36%.																				
(vii)	Any other important details necessary for the members to understand the transaction	None																				
(b) Additional Disclosures regarding Loan Investment																						
(i)	Category-wise amount of investment	Loan amounting to PKR 3.5 Million (Already made & recovered).																				
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period	The average borrowing cost of investing company is 0.%.																				

(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	15.36 % per annum but not less than the borrowing cost
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment	No security was obtained owing to a small amount.
(v)	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	None
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	The Loan will be repayable within a year and was fully recovered.