

**ELLCOT SPINNING MILLS LTD.**  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of members of ELLCOT SPINNING MILLS LTD. will be held on **Thursday, October 28, 2021** at 11:30 a.m., electronically through video-link facility (Zoom App.), managed from registered office of the Company, to transact the following business:-

**ORDINARY BUSINESS**

- 1) To confirm minutes of the Annual General Meeting held on October 26, 2020
- 2) To receive, consider and adopt Audited Financial statement of the Company together with the Chairman's Review Report, Directors' and Auditors' reports thereon for the year ended June 30, 2021.
- 3) To approve and declare final cash dividend at Rs.2.50 per share i.e. 25%, in addition to the interim cash dividend already paid to the shareholders at Rs. 7.50 per share i.e. 75% for the year ended June 30, 2021, as recommended by the Board of Directors, thus making a total cash dividend at Rs. 10/- per share i.e.100% for the year.
- 4) To appoint Auditors for the year ending on June 30, 2022 and fix their remuneration.
- 5) To transact any other ordinary business with the permission of the Chair.

Statements under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 is annexed.

Lahore: September 28, 2021

By Order of the Board

  
Syed Mohsin Gilani  
Corporate Secretary



NOTES:

- 1) The share transfer books for ordinary shares of the Company will be closed from Friday, October 22, 2021 to Thursday, October 28, 2021 (both days inclusive). Valid transfer(s) received in order by our Share Registrar, M/s Hameed Majeed Associates (Pvt.) Limited, 1<sup>st</sup> Floor, H.M. House, 7-Bank Square, Lahore by the close of business on Thursday, October 21, 2021 will be in time to be passed for payment of dividend to the transferee(s).
- 2) A member entitled to attend and vote at the General Meeting is entitled to appoint another member as proxy. Proxies, in order to be effective, must be received at the Company's registered office not less than forty-eight (48) hours before the time of meeting. Members through CDC appointing proxies must attach attested copy of their Computerized National Identity Card (CNIC) with the proxy form.
- 3) The shareholders through CDC, who wish to attend the Annual General Meeting are requested to please bring, original CNIC with copy thereof duly attested by their bankers, account number and participant I.D number for identification purpose.
- 4) In case of corporate entity, certified copy of the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form of the Company.
- 5) Due to the current COVID-19 situation and directives of the Securities and Exchange Commission of Pakistan (SECP) vide its circular No.4 of 2021 dated February 15, 2021 and subsequent Circular No.6 of 2021 dated March 03, 2021, requiring listed companies to modify their usual planning for holding the general meetings. The Company prioritizing the well-being of its shareholders, directors and employees requests the members to participate in the AGM virtually through video-link only.

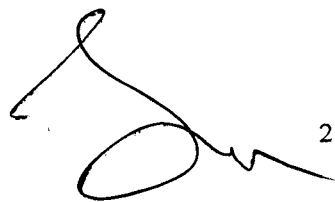
The entitled shareholders interested in attending the Annual General Meeting (AGM) through Zoom ("Zoom" which can be downloaded from Google Play or Apple App Store) are requested to get themselves registered with the Company Secretary office at least 48 hours before the time of holding AGM at nagina-agm21@nagina.com by providing the following details:-

Name of Shareholder	CNIC Number.	Folio Number.	Cell Number.	Email Address

Upon receipt of the above information from interested shareholders, the Company will send the login details to their email addresses.

On the AGM day, the shareholders will be able to login and participate in the AGM proceedings through their smartphone or computer devices from any convenient location.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address nagina-agm21@nagina.com.



- 6) In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividends) Regulation 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into their bank account designated by the entitled shareholders instead of issuing physical dividend warrants. Therefore, shareholders are requested to provide the particulars relating to name, folio number, bank account number, IBAN Number, title of account and complete mailing address of the bank directly to the Company's Share Registrar in case of physical shareholders and directly to the relevant Participant / CDC Investor Account Service in case of maintaining shareholding under Central Depository System (CDS).

In case of non-receipt of above information, the dividend shall be withheld.

- 7) The rates of deduction of income tax from dividend payments under Section 150 of the Income Tax Ordinance, 2001 shall be as follows:

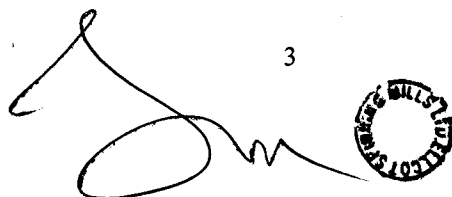
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| i) Rate of Withholding Income Tax deduction for the persons whose names are appearing on ATL.      | 15% |
| ii) Rate of Withholding Income Tax deduction for the persons whose names are not appearing on ATL. | 30% |

To enable the company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not appearing on Active Taxpayers' List (ATL) available on the website of FBR are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on "Filer/ Non-Filer" status of principal shareholder as well as joint-holders (s) based on their shareholding proportions, in case of joint accounts. In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of principal shareholder and joint-holder(s) in respect of shares held by them to our Share Registrar, in writing, within 10 days of this notice, otherwise it will be assumed that the shares are equally held by principal shareholder and joint-holder(s).

- 8) Individual Members who have not yet submitted a copy of their valid Computerized Identity Card (CNIC) to the Company are once again requested to send a copy of their valid CNIC at the earliest directly to the office of Share Registrar of the Company, M/s. Hameed Majeed Associates (Pvt) Ltd., 1<sup>st</sup> Floor, H.M. House, 7-Bank Square, Lahore. Corporate Members are requested to provide their National Tax Number (NTN) and folio number thereon while sending the copies to the Share Registrar of the Company. In case of non-receipt of the copy of a valid CNIC or NTN (as the case may be), the Company would be unable to comply with the requirements of the Companies Act, 2017 and SROs issued there under.
- 9) Shareholders are requested to contact the Registered Office of the Company or the Share Registrar, M/s Hameed Majeed Associates (Pvt.) Limited, 1<sup>st</sup> Floor, H.M. House, 7-Bank Square, Lahore for collection of their unclaimed shares / unpaid dividend which they have not received due to any reasons.
- 10) The financial statements for the year ended June 30, 2021 shall be uploaded on the Company's website [www.nagina.com](http://www.nagina.com) twenty-one days prior to the date of holding of annual general meeting.

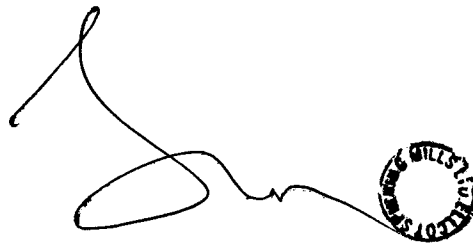
3



- 11) Pursuant to SECP Notification S.R.O. 787(I)/ 2014 dated September 8, 2014, members may inform the Company to receive the Audited Financial Statements and notices through e-mail by submitting Standard Request Form available on Company's website.
- 12) Members can exercise their right to demand a poll subject to meeting requirements of Section 143 -145 of Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.
- 13) If the Company receives consent from the members holding at least 10% shareholding residing in a city, to participate in the meeting through video-link at least 07 days prior to date of the meeting, the Company will arrange facility of video-link in that city subject to availability of such facility in that city.
- 14) As per Section 72 of the Companies Act, 2017, every existing listed 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, i.e. May 30, 2017.

The shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Ltd.

- 15) Members are requested to promptly notify the Company of any change in their registered address.

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "PACIFIC MILLS LTD" around the perimeter. The signature is a cursive, flowing line that starts with a large loop and ends with a smaller loop.

**STATEMENT AS REQUIRED UNDER THE COMPANIES (INVESTMENT IN ASSOCIATED)  
COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017.**

Members had approved a special resolution u/s 199 of the Companies Act, 2017 on October 26, 2020. The Company has not made any investment under the resolution. Following is the status:

a) Total investment approved;	Rs.100,000,000/= (Rupees one hundred million only) to each of the following associated company: i) Prosperity Weaving Mills Ltd. (PWML) ii) Nagina Cotton Mills Ltd. (NCML)																																			
b) Amount of investment made to date;	Nil																																			
c) Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time; and	Due to better cash flows, the associated companies did not need funds envisaged u/s 199 of the Companies Act, 2017. Therefore, no investment transaction took place during the year 2020-21.																																			
d) Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment.	<table border="1"> <thead> <tr> <th></th> <th align="center" colspan="2">Present Financial Position as on June 30, 2021</th> <th align="center" colspan="2">Financial Position at the time of Approval as on June 30, 2020</th> </tr> <tr> <th></th> <th align="center">PWML</th> <th align="center">NCML</th> <th align="center">PWML</th> <th align="center">NCML</th> </tr> <tr> <th></th> <th align="center" colspan="4">Rupees in Millions</th> </tr> </thead> <tbody> <tr> <td>Net sales</td> <td align="right">8,150.567</td> <td align="right">7,184.635</td> <td align="right">6,018.541</td> <td align="right">7,070.172</td> </tr> <tr> <td>Gross profit</td> <td align="right">1,169.127</td> <td align="right">1,419.328</td> <td align="right">529.557</td> <td align="right">593.821</td> </tr> <tr> <td>Profit before tax</td> <td align="right">814.539</td> <td align="right">988.876</td> <td align="right">247.969</td> <td align="right">100.274</td> </tr> <tr> <td>Profit after tax</td> <td align="right">641.577</td> <td align="right">743.498</td> <td align="right">154.755</td> <td align="right">7.629</td> </tr> </tbody> </table>		Present Financial Position as on June 30, 2021		Financial Position at the time of Approval as on June 30, 2020			PWML	NCML	PWML	NCML		Rupees in Millions				Net sales	8,150.567	7,184.635	6,018.541	7,070.172	Gross profit	1,169.127	1,419.328	529.557	593.821	Profit before tax	814.539	988.876	247.969	100.274	Profit after tax	641.577	743.498	154.755	7.629
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