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## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting (“EOGM”) of Pakistan Cables Limited (the “Company”) will be held on 13<sup>th</sup> August 2024 at 10:00 a.m. at Jasmine Hall, Beach Luxury Hotel, M.T. Khan Road, Karachi and through online Zoom Application to transact the following business:

### ORDINARY BUSINESS

1. To confirm the Minutes of the Extraordinary General Meeting held on March 18, 2024.

### SPECIAL BUSINESS

2. To consider and if deemed fit, pass with or without modification(s), addition(s) or deletion(s), the following Special Resolution(s) under Section 199 of the Act, as recommended by the Board of Directors of the Company:

**“RESOLVED THAT** subject to compliance with the applicable laws, the Company be and is hereby authorized to subscribe up to 4,845,000 ( Four Million Eight Hundred Forty-Five Thousand only) ordinary shares with a par value of PKR 10 (Pakistani Rupees Ten) each making a total of Rs.48,450,000/- (Pakistani Rupees Forty-Eight Million Four Hundred Fifty Thousand only) or 17% of the post-issuance paid up capital of Chinoy Engineering & Construction (Private) Limited (“CECL”) by subscribing to such shares of CECL and is therefore empowered to take all such actions including, but not limited to, filing the requisite applications for seeking the permission of the SECP, if any, and/or any other regulatory approvals that may be required under the applicable laws for the issuance of the ordinary shares.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to issue a Corporate Guarantee in favor of Habib Bank Limited for CECL to secure financing of up to PKR 1.5 billion.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to issue a guarantee to ensure that CECL performs its obligations under the contract with Reko Diq Mining Company Ltd (“RDMC”), with joint and several liability with associated companies International Industries Limited and International Steels Limited.

**FURTHER RESOLVED THAT** Chief Executive Officer and/or Chief Financial Officer and/or Company Secretary of the Company or such other person(s) as may be authorized by any of them, be and are hereby, jointly and severally, authorized and empowered to execute and deliver all necessary documents, take all necessary steps, and do all such acts, deeds, and things including, but not limited to, carrying out all filings, submissions and applications with the PSX and the SECP and /or with any other authority for and on behalf, and in the name, of the Company as may be necessary or required or as any of them may think fit for or in connection with or incidental to fulfill the above resolutions and fulfill the objectives thereof.

**FURTHER RESOLVED THAT** the aforesaid resolutions shall be subject to any amendments, modifications, additions, or deletions as may be suggested, directed, or required by the SECP or any other regulatory body, which changes shall be deemed to be part of these special resolutions without the need of the shareholders to pass fresh resolutions unless the same is substantial.”

### ANY OTHER BUSINESS

3. To transact any other business as may be placed before the Meeting with the permission of the Chair.

By Order of the Board

**Natasha Mohammad**

Head of Legal Affairs and Company Secretary

KARACHI: 18<sup>th</sup> July 2024



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## **NOTES:**

The Shares Transfer Books of the Company will remain closed from 7<sup>th</sup> August 2024 to 13<sup>th</sup> August 2024 (both days inclusive). No transfers will be accepted for registration during this period. Transfers received in good order at the Offices of our Share Registrar, CDC Share Registrar Services Limited, CDC House, 99-B, Block B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, by the close of Business on 6<sup>th</sup> August 2024 will be treated in time for the purpose of attendance of the EOGM and as applicable.

1. A Member entitled to attend and vote at the EOGM is entitled to appoint a proxy to attend and vote instead of him. A proxy must be a Member of the Company. An instrument of proxy applicable for the EOGM is being provided with this notice. Proxy forms may also be downloaded from the Company's Website: [www.pakistancables.com](http://www.pakistancables.com).
2. The instrument appointing the proxy and the Power of Attorney or other Authority under which it is signed, or a Notarially Certified copy thereof, must be lodged either at the Company's registered Office i.e. B-21, Pakistan Cables Road, SITE, Karachi-75700, Pakistan or at [investor.relations@pakistancables.com](mailto:investor.relations@pakistancables.com) not later than 48 hours before the time of the Meeting.
3. CDC Account Holders will have to follow the guidelines below as laid down in Circular 1 dated January 26, 2000 issued by Securities and Exchange Commission of Pakistan:

### **A. For attending the Meeting:**

- (i) In case of individual, the Account holder or Sub-Account holder whose securities and their registration details are up-loaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card ("CNIC") or original Passport at the time of attending the EOGM.
- (ii) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and attested copy of valid CNIC 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 individual, the Account holder or Sub-Account holder whose Securities and their registration details are up-loaded as per the CDC Regulations, shall submit the proxy form as per above requirement.
- (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 owners 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 the EOGM.
- (v) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and an attested copy of valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with proxy form to the Company.

### **4. Postal Ballot & E- Voting:**

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming EOGM to be held on 13<sup>th</sup> August 2024 at 10:00 a.m. in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.



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For the convenience of the Members, ballot paper is annexed to this notice and the same is also available on the Company's website at [www.pakistancables.com](http://www.pakistancables.com) for download.

**A. Procedure for E – Voting:**

- (i) 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 of August 6<sup>th</sup> 2024.
- (ii) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- (iii) Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- (iv) E-voting lines will start from 8<sup>th</sup> August 2024, 9:00 a.m. and shall close on 12<sup>th</sup> August 2024 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

**B. Procedure for Voting Through Postal Ballot:**

The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address, B-21, Pakistan Cables Road, SITE, Karachi-75700, Pakistan or email at [chairman.pcl@pakistancables.com](mailto:chairman.pcl@pakistancables.com) on 12<sup>th</sup> August 2024 till 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC.

**C. Scrutinizer:**

UHY Hassan Naeem & Co. is appointed as Scrutinizer under the Companies (Postal Ballot) Regulation 2018. UHY Hassan Naeem & Co fulfils all the eligibility conditions laid down by the Regulations and have the necessary knowledge and experience to independently scrutinize the voting process.

**5. Zoom Video Link**

The Shareholders may also attend the EOGM through Video link facility via Zoom. Accordingly, those Shareholders who are interested in attending the EOGM are requested to register themselves at the following link latest by Close of Business on 12<sup>th</sup> August 2024:

Link: [https://docs.google.com/forms/d/e/1FAIpQLScSj420MiYy2fhkzuFkn\\_498laV4YZoCOerKthQC3jrSvUw0Q/viewform?usp=pp\\_url](https://docs.google.com/forms/d/e/1FAIpQLScSj420MiYy2fhkzuFkn_498laV4YZoCOerKthQC3jrSvUw0Q/viewform?usp=pp_url)



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### **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 Extraordinary General Meeting (“**EOGM**”) of Pakistan Cables Limited (the “**Company**”) to be held on 13<sup>th</sup> August 2024 at 10:00 a.m. at Jasmine Hall, Beach Luxury Hotel, M.T. Khan Road, Karachi and through online Zoom Application. The Directors in their meeting held on 18<sup>th</sup> July 2024 have recommended to the shareholders to approve the transaction.

### **AGENDA ITEM 2- Investment in Associated Company – Chinoy Engineering & Construction (Private) Limited**

The Company is desirous to:

- (i) subscribe up to 4,845,000 ( Four Million Eight Hundred Forty-Five Thousand only) ordinary shares Chinoy Engineering & Construction (Private) Limited (“**CECL**”) under Section 83(1)(c) of the Companies Act, 2017, Companies Regulations 2024 at a par value of PKR 10 (Pakistani Rupees Ten) each making a total of PKR 48,450,000/- (Pakistani Rupees Forty-Eight Million Four Hundred Fifty Thousand only) or constituting 17% of the post-issuance paid-up capital of CECL.
- (ii) to issue a Corporate Guarantee in favor of Habib Bank Limited for CECL to obtain financing of up to PKR 1.5 billion.
- (iii) to issue a guarantee to ensure that CECL performs its obligations under the contract with RDMC, with joint and several liability with associated companies International Industries Limited and International Steels Limited.

In light of the above, the Board of Directors of the Company in their meeting held on July 18, 2024 have recommended the above proposal by the management.

**The information required under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 is as follows:**

(A)	Disclosure regarding the associated company or associated undertaking:-	
(i)	name of associated company or associated undertaking;	Chinoy Engineering & Construction (Pvt) Ltd.(CECL)
(ii)	basis of relationship;	Common Directorship of Mr. Kamal A. Chinoy and Mr. Mustapha A. Chinoy
(iii)	earnings per share for the last three years;	NA - not commenced operations
(iv)	break-up value per share, based on latest audited financial statements;	NA - not commenced operations
(v)	financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements; and	NA - not commenced operations
(vi)	in case of investment in relation to a project of an associated company or associated undertaking that has not commenced operations, following further information, namely;	



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(I)	<i>description of the project and its history since conceptualization;</i>	CECL has entered into a contract for the design and construction of permanent accommodation at Reko Diq with Reko Diq Mining Company.
(II)	<i>starting date and expected date of completion of work;</i>	July 2024, to December 2025, subject to extensions of contract
(III)	<i>time by which such project shall become commercially operational;</i>	Around 18 months
(IV)	<i>expected time by which the project shall start paying return on investment; and</i>	After completion of the project when dividends are paid out to the members of CECL.
(V)	<i>funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;</i>	PKR 48.45 million by way of equity.  In addition, the company is providing guarantees to secure funding for CECL and to ensure the performance of its contractual obligations with RDMC.

(B)	<b>General disclosures:-</b>	
(i)	<b>maximum amount of investment to be made;</b>	(i) Up to PKR 48.45 million (equity)
(ii)	<b>purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;</b>	To diversify the Company's sources of income, become a supplier of first choice in construction projects awarded to CECL and to maximize dividends and shareholder value by facilitating CECL's expansion.
(iii)	<b>sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-</b>	Own sources.
(I)	<i>justification for investment through borrowings;</i>	NA

(II)	<i>detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</i>	NA
(III)	<i>cost benefit analysis;</i>	NA
(iv)	salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	NA
(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;	Mr. Mustapha A. Chinoy and Mr. Kamal A. Chinoy are the common directors of both companies.
(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; and	None
(vii)	any other important details necessary for the members to understand the transaction;	None

(b)	<b>In case of equity investment, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-</b>	
(i)	maximum price at which securities will be acquired;	Rs.10 per share
(ii)	in case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof;	NA
(iii)	maximum number of securities to be acquired;	4,845,000 ordinary shares of Rs. 10 each

(iv)	number of securities and percentage thereof held before and after the proposed investment;	Securities held before investment = 0% - 0 shares Securities after investment = up to 17% - 4,845,000 ordinary shares
(v)	current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	NA
(vi)	fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	Rs. 10 per share

(c)	<b>In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-</b>	
(i)	category-wise amount of investment;	Corporate Guarantee for CECL to secure financing of up to Rs.1.5 billion.  Guarantee to ensure CECL performs its contractual obligations with RDMC, joint and several with the associated companies International Steels Limited and International Industries Limited.
(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;	NA
(iii)	rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	NA
(iv)	particulars of collateral or security to be obtained in relation to the proposed investment;	Unsecured
(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; and	NA



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(vi)	repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	NA
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**3. The Board of Directors of the Company certifies that they have carried out the necessary due diligence for the proposed investment.**

4	Other information to be disclosed to the members.	
(1)	If the associated company or associated undertaking or any of its sponsors or directors is also a member of the investing company, the information about interest of the associated company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to section 199 of the Act.	Two of the sponsors/directors of CECL namely Mr. Mustapha A. Chinoy and Mr. Kamal A. Chinoy are also sponsors/directors in the investing company.

The above approvals will remain valid for execution for the twelve (12) months w.e.f. the date of approval at the extraordinary general meeting of the Company.

The documents pertaining to foregoing special business have been kept at the registered office of the Company and may be inspected during business hours on any working day from the date of publication of this notice till the conclusion of the general meeting.