

NOTICE OF
EXTRAORDINARY
GENERAL MEETING



SHADAB TEXTILE MILLS LIMITED

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the **Extraordinary General Meeting** of the Shareholders of **SHADAB TEXTILE MILLS LIMITED** will be held on **Friday, the 23 June, 2023** at 11:30 a.m. at the Registered Office of the Company at A-601/A, City Towers, 6-K Main Boulevard, Gulberg-II, Lahore to transact the following business:

SPECIAL BUSINESS:

1. To consider and, if deemed appropriate, pass with or without modification, the following resolutions as Special Resolution for amending the Memorandum and Articles of Association to increase the Authorized Share Capital of the Company.

“RESOLVED THAT THE Authorized Capital of the company be and is hereby increased from Rs. 400,000,000 (Rupees Four Hundred Million) divided into 40,000,000 Ordinary Shares of Rs. 10/- each to Rs. 1,000,000,000 (Rupees One Billion) divided into 100,000,000 Ordinary Shares of Rs. 10/- each.”

“RESOLVED FURHTER THAT the existing Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the Company be and are hereby amended accordingly to read as follows” :

Clause V of the Memorandum of Association

The Authorized Capital of the Company is Rs. 1,000,000,000 divided into 100,000,000 Ordinary Shares of Rs. 10/- each with power to increase or reduce, the capital and to divide the shares into the capital for the time being into several classes in accordance with the provisions of the Companies Act, 2017.

Article 5 of the Articles of Association

The Share Capital of the Company is Rs. 1,000,000,000 divided into 100,000,000 Ordinary Shares of Rs. 10/- each.

“RESOLVED FURHTER THAT the Chief Executive and the Company Secretary of the Company be and is hereby authorized singly to take necessary steps and execute documents as may be expedient for the purpose of giving effect to the spirit and intent of the above resolutions.”

2. To consider and, if deemed fit, pass the following resolution as a Special Resolution with or without modification to amend the Article 133 of the Articles of Association of the Company.

“RESOLVED that Article of Association of the Company be and are hereby amended by amending the existing clause 133 immediately to read as under;

133 .CAPITALIZATION OF PROFITS

The Board of Directors may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or other fund or in the hands of the Company and available for dividend (or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital, and that all or any part of such capitalized fund be applied on behalf of such Members in paying up in full, any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalized sum.

“RESOLVED FURTHER that the Chief Executive Officer or Company Secretary be and is hereby authorized to do all acts, deed and things, take all steps and action necessary, ancillary and incidental for altering the Articles of the Company including filing of all requisite documents/statutory forms as may be required to be filed with the Registrar of Companies and complying with all other regulatory requirements so as to effectuate the alterations in the Articles of Association and implementing the aforesaid resolution.”

The statement under Section 134 (3) of the Companies Act 2017 concerning special business is annexed to the notice of meeting circulated to the members of the Company.

BY ORDER OF THE BOARD

(Muhammad Adeel Anwar Khan)
Company Secretary

Lahore: May 31 ,2023

NOTES:

1. **Closure of Share Transfer Books:** The Share Transfer Books of the Company will remain closed from **June 17 ,2023 to June 23 ,2023**)both days inclusive). Transfers received at Corplink (Pvt) Limited, Wings Arcade, I-K, Commercial, Model Town, Lahore, the Registrar and Shares Transfer Office of the Company by the close of business on **June 16, 2023** will be treated in time for the purpose to attend the extraordinary general meeting (EOGM).
2. **Participation in Extraordinary General Meeting:** An individual beneficial owner of share must bring his/her original CNIC or Passport, Account and Participant's I.D numbers to prove his/her identity. A representative of corporate members must bring the Board of Directors' Resolution and / or Power of Attorney and the specimen signature of the nominee. CDC account holders will further have to follow the guidelines as laid down in Circular No. 1 dated January 26 ,2000 issued by the Securities and Exchange Commission of Pakistan.

A member eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies in order to be effective must be received by the Company at the Registered Office not less than 48 hours before the time of holding the meeting. A proxy must be a member.

3. **Deposit of Physical Shares into CDC Account:** As per Section 72 of the Companies Act, 2017, every existing listed company will be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by Commission, within a period not exceeding four years from the commencement of the Act i.e., May 30, 2017. The Shareholders having physical shareholding are encouraged to open CDC sub-accounts 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 sale 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.
4. **Submission of Copies of Valid CNICs:** Shareholders are requested to submit copy of their valid CNIC mentioning company name & Folio Number at our Share Registrar's address for compliance of SECP SRO No. 831(1)/2012. In case of non-receipt of copy of valid CNIC, the company may be constrained to withhold dispatch of dividend warrants.
5. **Request of Video Conference Facility:** Members can also avail Video Conference facility in (name of cities where facility can be provided keeping in view geographical dispersal of members). In this regard please fill the following and submit to the registered address of the company within ten (10) days before holding of general meeting.

I/We. _____ of _____ being a member of SHADAB TEXTILE MILLS LIMITED, holder of _____ Ordinary Shares as per Registered Folio No./CDC A/C No. _____ hereby opt for Video conference Facility at _____.

Signature of members

6. **Change of Address:** Shareholders are requested to immediately notify the change of address, if any to Share Registrar of the Company.

Electronic Voting:

- a) In accordance with the Companies (Postal Ballot) Regulation, 2018, (the "Regulations") the right to vote through electronic voting facility and voting by post shall be provided to members to every listed company for, inter alia, all businesses classified as special business under the Companies Act, 2017 in the manner and subject to conditions contained in the Regulations;

- b) Detail of E-Voting facility will be shared through e-mail with those members of the company who have valid cell numbers/e-mail addresses available in the Register of Members of the Company by the end of business on June 16 2023 by Share Registrar M/s. Corplink (Private) 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 from June 20 ,2023 at 09:00 a.m.till June 22 , 2023 at 5:00 p.m. and voting shall close on June 22 ,2023 at 5:00 p.m. Once the vote on the resolution has been casted by a Member, he/she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot

- a) Members may alternatively opt for voting through post ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.shadabtextile.com to download.
- b) The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's registrar address, or email at the chairman@shadabtextile.com one day before the EGM, i.e. on June 22 ,2023 before 5:00 p.m. A postal ballot received after this time/date shall not be considered for voting. The signature on Ballot Paper shall match with signature on the CNIC.

STATEMENT OF MATERIAL FACTS 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 of the Company to be held on June 23 ,2023.

Item No. 1 of the notice – Increase in Authorized Capital

The amendments in the Memorandum and Articles of Association of the Company to increase the Authorized share capital are being carried out to cater for the future increase in the paid-up capital of the Company. Accordingly the Board of Directors of the Company had recommended to increase the Authorized share capital from Rs. 400,000,000 (Rupees Four Hundred Million) divided into 40,000,000 ordinary shares of Rs. 10/- each to Rs. 1,000,000,000 (Rupees One Billion) divided into 100,000,000 ordinary shares of Rs. 10/- each. The new ordinary shares when issued shall rank pari pasu with the existing ordinary shares in all respect.

The directors of the Company are not interested directly or indirectly in the above Special Business except to the extent of their shareholdings.

Item No. 2 of the notice – To amend the Article 133 of the Articles of Association of the Company

In order to allow the Board of Directors of the Company to approve issuance of bonus shares by way of capitalization any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, the Board of Directors of the Company in their meeting held on May 31 ,2023 has recommended to substitute the Article 133 of the Articles of Association of the Company accordingly.

Existing Clause 133 of the Articles of Association	Proposed Clause 133 of the Articles of Association
The General Meeting upon the recommendation of the directors resolve that any moneys, investments or other asset forming part of the undivided profits (including profits arising from appreciation in value of capital assets for the time being of the company standing to the credit of the Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalized;	The Board of Directors may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or other fund or in the hands of the Company and available for dividend (or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital, and that all or any part of such capitalized fund be applied on behalf of such Members in paying up in full, any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalized sum.”

The Board is being allowed to capitalize the reserves / un-appropriated profits by issuance of bonus shares for which the alteration in Article 133 has been recommended.

The directors of the Company are not interested directly or indirectly in the above Special Business except to the extent of their shareholdings.

SHADAB TEXTILE MILLS LIMITED

Ballot Paper For Voting Through Post For Poll at Extraordinary General Meeting Held on Friday, June 23 ,2023

A-601/A, City Towers, 6-K Main Boulevard,
Gulberg-II, Lahore.

E-Mail (Chairman) chairman@shadabtextile.com

Name of Shareholder/Joint Shareholders	
Registered Address	
Folio No. / CDC Participant / Investor ID with sub-account No.	
Number of Shares Held	
CNIC, NICOP/Passport No. (in case of foreigner copy to be attached)	
Additional Information and enclosures: (In case of representative of body corporate and Federal Government)	
Name of Authorized Signatory:	
CNIC, NICOP/Passport No. (In case of foreigner) of Authorized Signatory-(Copy to be attached).	

I/we hereby exercise my/our vote in respect of the following resolution through postal ballot by conveying my/our assent or dissent to the following resolution by place tick (✓) mark in the appropriate box below (delete as appropriate);

Special Resolutions
<p>No. 1</p> <p>RESOLVED THAT THE Authorized Capital of the company be and is hereby increased from Rs. 400,000,000 (Rupees Four Hundred Million) divided into 40,000,000 Ordinary Shares of Rs. 10/- each to Rs. 1,000,000,000 (Rupees One Billion) divided into 100,000,000 Ordinary Shares of Rs. 10/- each.</p> <p>“RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the Company be and are hereby amended Accordingly to read as follows:</p> <p>Clause V of the Memorandum of Association The Authorized Capital of the Company is Rs. 1,000,000,000 divided into 100,000,000 Ordinary Shares of Rs. 10/- with power to increase or reduce, the capital and to divide the shares into the capital for the time being into several classes in accordance with the provisions of the Companies Act, 2017.</p> <p>Article 5 of the Articles of Association The Share Capital of the Company is Rs. 1,000,000,000 divided into 100,000,000 Ordinary Share of Rs. 10/- each.</p>

“RESOLVED FURTHER THAT the Chief Executive and the Company Secretary of the Company be and is hereby authorized singly to take necessary steps and execute documents as may be expedient for the purpose of giving effect to the spirit and intent of the above resolutions.”

No. 2

133 .CAPITALIZATION OF PROFITS

“The Board of Directors may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or other fund or in the hands of the Company and available for dividend (or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital, and that all or any part of such capitalized fund be applied on behalf of such Members in paying up in full, any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalized sum.”

“RESOLVED FURTHER that the Chief Executive Officer or Company Secretary be and is hereby authorized to do all acts, deed and things, take all steps and action necessary, ancillary and incidental for altering the Articles of the Company including filing of all requisite documents/statutory forms as may be required to be filed with the Registrar of Companies and complying with all other regulatory requirements so as to effectuate the alterations in the Articles of Association and implementing the aforesaid resolution.”

Sr. No.	Nature and Description of resolution	No. of ordinary shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Special Resolution Agenda Item # 1			
2	Special Resolution Agenda Item # 2			

Signature of Shareholder(s)

Place: _____

Date: _____

NOTES:

- The Chairman address A-601/A, City Towers, 6-K Main Boulevard, Gulberg-II, Lahore of email at chairman@shadabtextile.com.
- Copy of CNIC, NICOP/Passport No. (in case of foreigner) should be enclosed with postal ballot form.
- Postal ballot forms should reach, at Share's Registrar Office, one day before the EOGM i.e. on June 22, 2023 before 5:00 p.m. any postal ballot received after this date, will not be considered for voting.
- Signature on postal ballot should match with signature of CNIC, NICOP/Passport (in case of foreigner).
- Incomplete, unsigned, incorrect, torn, mutilated, over written ballot paper will be rejected.

SHADAB TEXTILE MILLS LIMITED

Folio No./CDC Participant ID
and Account No. _____
CNIC No. _____

FORM OF PROXY

I/We _____
Son / Daughter / Wife of _____ being a member of
SHADAB TEXTILE MILLS LIMITED and holder of _____ Ordinary Shares as per
(Number of Shares)

Registered Folio No./ CDC Participant ID number and Account No. _____
hereby appoint Mr. _____ of _____
or failing him Mr. _____ of _____ who is
also a member of **SHADAB TEXTILE MILLS LIMITED** Vide Registered Folio No./CDC
/Participant ID and Account No. _____ as my/our proxy to vote for me/us
and on my/our behalf at the Extraordinary General Meeting of the Company to be held on
Friday 23 June ,2023 at 11:30 p.m. and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2023

1) Witness:

Signature: _____

Name: _____

Address: _____

CNIC No. _____

Affix Revenue
Stamp of Rs. 2/-

2) Witness:

Signature: _____

Name: _____

Signature of Shareholder

Address: _____

CNIC No. _____

NOTE:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint an other mrmber as his / her proxy to attend and vote on his/her behalf. Proxies in order to be valid must be received at the Registered Office of the Company 48 hours before the time of the meeting. A proxy must be a member of the Company.
2. Any individual Beneficial Owner of CDC, entitled to attend and vote at this meeting, must bring his/her original CNIC or Passport to prove his/her identity and in case of proxy must enclose an attested copy of his/her CNIC or Passport. Representative of corporate members should bring the usual documents required for such purposes.
3. Signature should agree with specimen signature registered with the company.

شاداب ٹیکسٹائل ملز لمیٹڈ

فولیو نمبر / سی ڈی سی پارٹنیشن (شرکت) ID

اور کھاتا نمبر:

کمپیوٹرائزڈ شناختی کارڈ نمبر:

پراکسی فارم

میں / ہم _____

بیٹا / بیٹی / زوجہ _____

شاداب ٹیکسٹائل ملز لمیٹڈ اور حامل _____

(تعداد حصص)

سی ڈی سی پارٹنیشن (شرکت) آئی ڈی اور اکاؤنٹ (کھاتہ) نمبر: _____

محترم _____ کا / کے _____

یا عدم موجودگی کی صورت میں، محترم _____

کا / کے _____ بھی جو کہ شاداب ٹیکسٹائل ملز لمیٹڈ کے رکن ملاحظہ رجسٹرڈ فولیو نمبر /

سی ڈی سی پارٹنیشن (شرکت) آئی ڈی اور اکاؤنٹ (کھاتہ) نمبر: _____ کو اپنے / ہمارے ایماہ پر

مورخہ 23 جون 2023 بروز جمعہ، صبح 11:30 بجے منعقد ہونے والے کابینہ کے غیر معمولی اجلاس عام میں حق رائے دہی استعمال کرنے یا کسی

بھی التوا کی صورت میں اپنا / ہمارا پراکسی مقرر کرتا ہوں / کرتے ہیں۔

آج بروز _____ بتاریخ _____ 2023 بطور گواہ دستخط کئے گئے۔

(1) گواہ: دستخط: _____

نام: _____

پتہ: _____

کمپیوٹرائزڈ شناختی کارڈ نمبر: _____

(2) گواہ: دستخط: _____

نام: _____

پتہ: _____

کمپیوٹرائزڈ شناختی کارڈ نمبر: _____

نوٹ:

1- کوئی بھی رکن (ممبر) جو غیر معمولی اجلاس میں شرکت کرنے اور ووٹ دینے کا / کی حقدار ہے وہ اجلاس میں شرکت کرنے اور ووٹ دینے کے لیے کسی دوسرے رکن (ممبر) کو اپنا پراکسی مقرر کر سکتا / سکتی ہے۔ پراکسیاں موثر ہونے کے لیے اجلاس کے انعقاد سے 48 گھنٹے قبل کابینہ کے رجسٹرڈ آفس میں موصول ہو جانی چاہئیں۔ پراکسی کارکن (ممبر) ہونا لازمی ہے۔

2- سی ڈی سی کے انفرادی مالک جو اس اجلاس میں شرکت کے اہل ہیں اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ اپنی شناخت کے لیے ہمراہ لائیں۔ پراکسی کی صورت میں اپنے قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کریں۔ کارپوریٹ ممبرز کے نمائندگان شناخت کے لیے اس موقع پر درکار معمول کی دستاویزات ہمراہ لے کر آئیں۔

3- دستخط کابینہ کے رجسٹرڈ نمونہ دستخط سے مماثل ہونے چاہئیں۔

پانچ روپے مالیت کی رسیدی
ٹکٹ چسپاں کریں

ممبر کے دستخط