

ADM ARTISTIC DENIM MILLS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of Artistic Denim Mills Limited will be held at premises of the Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Clifton, Karachi, on Saturday, October 27, 2018 at 2:30 p.m. to transact the following business.

Ordinary Business

- To confirm the Minutes of the Extra Ordinary General Meeting held on November 22, 2017.
- To receive and adopt the Audited Financial Statements for the year ended June 30, 2018, together with the Directors' and Auditors' Reports thereon.
- To approve the Cash Dividend @ Rs. 2.50 per share (25%) as recommended by the Board of Directors.
- To appoint the Auditors of the Company for the year 2018-2019 and to fix their remuneration.
- To transact any other business of the Company with the permission of the Chair.

Special Business

- To approve / ratify the transactions with Related Parties as disclosed in note No. 39 to the Financial Statements for the year ended June 30, 2018 by passing with or without modification(s), the following resolutions as an Ordinary Resolutions:

***RESOLVED** that the related parties transactions with:

- Casual Sportswear;
- Artistic Apparels (Private) Limited;
- Artistic Fabric & Garment Industries (Private) Limited;
- DL1961 Premium Denim Inc.;
- Premium Distributors;
- Warp Weft LLC;

***carried out during the year ended June 30, 2018 be and are hereby approved."**

"FURTHER RESOLVED that the Company is also authorized to carry out such transactions including but not limited to the following related parties' i.e.:

- Casual Sportswear;
- Artistic Apparels (Private) Limited;
- Artistic Fabric & Garment Industries (Private) Limited;
- DL1961 Premium Denim Inc.;
- Premium Distributors;
- Warp Weft LLC;

in future according to the industry norms and practice."

(The Statement as required by Section 134(3) of the Companies Act, 2017 in respect of above mentioned Special Business to be considered at the Annual General Meeting is being sent to the Members with the Annual Report)

By Order of the Board of Directors

Muhammad Ozair Qureshi
Company Secretary

Karachi:
October 05, 2018

Notes:

1. Closure of Shares Transfer Books:

The share transfer books of the Company will remain closed from October 19, 2018 to October 27, 2018 (both days inclusive). Transfers received in order at the Company's Share Registrar M/s. F. D. Registrar Services (SMC-Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar, Road, Karachi before the close of the business on October 18, 2018 will be treated in time for the entitlement of cash dividend and to attend and vote at the Meeting.

2. Participation in General Meeting:

A member entitled to attend and vote at the General Meeting shall be entitled to appoint another member, as his/her proxy to attend, demand or join in demanding a poll, speak and vote instead of him/her, and a proxy so appointed shall have such rights, with respect attending, speaking and voting at the meeting as are available to a member. Proxies in order to be effective must be received at the Company's Share Registrar's Office not later than 48 hours before the time of the meeting.

Members or their proxies are required to present their original CNIC or Passport along with the Participant's I.D. and Account Number(s) at the time of attending the Annual General Meeting in order to authenticate their identity.

Any Individual Beneficial Owner of CDC, entitled to vote at this Meeting, must bring his / her original CNIC to prove identity, and in case of proxy, a copy of shareholder's attested CNIC must be attached with the proxy form. Representatives of corporate members should bring the usual documents required for such purpose.

CDC Account Holders will also have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan.

A. For attending the Meeting:

- In case of individuals, the account holder or subaccount holder and / or the person whose securities are in group account and their registration detail is uploaded as per the regulations, shall authenticate identity by showing his / her original CNIC or original passport at the time of attending the Meeting.
- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless provided earlier) at the time of Meeting.

B. For appointing proxies:

- In case of individuals, the account holder or subaccount holder and / or the person whose securities are in group account and their registration detail is uploaded as per the regulations, shall submit the proxy form as per the above requirement.
- The proxy form shall be witnessed by the person whose name, address and CNIC number shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce his original CNIC or original passport at the time of Meeting.
- 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.

3. Payment of Cash Dividend Electronically (Mandatory Requirement):

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividends) Regulations 2017, a listed company, is required to pay cash dividend to the shareholders only through electronic mode directly into the bank account designated by the entitled shareholders. In this regard, Artistic Denim Mills Limited has already sent letters and Electronic Credit Mandate Forms to the shareholders and also issued notice through publication in newspaper requesting the shareholders to comply with the requirement of providing their International Bank Account Number (IBAN).

Those shareholders who have still not provided their IBAN are once again requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of valid CNIC to their respective CDC participant/CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar (in case of shareholding in Physical Form).

(i) Shareholders' details:	
Name of the Shareholder(s)	
Folio # / CDS Account No(s)	
CNIC No. (Copy attached)	
Mobile / Landline No.	
(ii) Shareholders' Bank details:	
Title of Bank Account	
International Bank Account Number (IBAN)	
Bank's Name	
Branch Name and address	

In the absence of IBAN, or in case of incomplete details, the Company will have to withhold the cash dividend according to SECP directives.

4. Withholding Tax on Dividend:

Currently Section 150 of the Income Tax Ordinance, 2001 prescribed following rates for deduction of withholding tax on the amount of dividend paid by the Company:

- For filers of Income Tax Returns - 15%

- For non-filers of Income Tax Returns - 20%

In case of joint account, each holder is to be treated individually as either a filer or non filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, or if not so notified, each joint holder shall be assumed to have an equal number of shares.

Company Name	Folio/CDS Account No.	Total No. of Shares	Principal Shareholder		Joint Shareholder	
			Name & CNIC No.	Shareholding Proportion (No. of shares)	Name & CNIC No.	Shareholding Proportion (No. of shares)

The CNIC/NTN number detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by Federal Board of Revenue (FBR) from time to time. Since the list contains only CNIC/NTN number, we will be deducting tax @ 15% where CNIC/NTN number matches with the list provided by the FBR and in case of no match tax will be deducted at the rate of 20% as Tax Return Non-Filer.

In this connection, shareholders are hereby requested to provide to our Share Registrar attested copy of their CNIC/NTN to ascertain and match their CNIC/NTN with the list provided by the FBR for correct tax deduction from the dividend. In case you have already provided CNIC/NTN please ignore this notice.

5. Unclaimed Dividend:

Pursuant to the provision of Section 244 of the Companies Act, 2017 (the Act), any dividend and / or share certificate which remain unclaimed or unpaid for a period of three years from the date it become due and payable, the Company shall be liable to deposit those unclaimed / unpaid amounts with the Federal Government after compliance of procedures prescribed under the Act.

6. Exemption from deduction of Withholding Tax / Zakat:

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate, are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

7. Change of Address:

Shareholders are requested to immediately notify the change of address, if any to the Company's Share Registrar.

میں یا دفنان سے درخواست ہے کہ اپنے جیسے میں، اگر ہو، کسی بھی قسم کی تبدیلی سے فوری طور سے کہنی کے شیرازہ جرنل کو مطلع کریں۔