

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting (EOGM) of Artistic Denim Mills Limited will be held on Monday, November 23, 2020 at 4:00 p.m. at the premises of the Sindh Institute of Management & Technology, LS-37/10, Sector 15, Main Korangi Industrial Area, Karachi to transact the following business.

Ordinary Business

- To confirm the Minutes of the 28th Annual General Meeting held on October 24, 2020.
- To elect Seven (07) directors of the Company as fixed by the Board of Directors in its meeting held on September 25, 2020, for a term of three years commencing from November 23, 2020, in accordance with the provisions of Section 159 of the Companies Act, 2017.

The names of the retiring Directors are given below:

- | | |
|--------------------------------------|---------------------------------|
| I) Mr. Muhammad Faisal Ahmed | II) Mr. Muhammad Iqbal Ahmed |
| III) Mr. Muhammad Yousuf Ahmed | IV) Mr. Muhammad Ali Ahmed |
| V) Ms. Zahra Faisal Ahmed | VI) Mr. Muhammad Iqbal-ur-Rahim |
| VII) Mr. Zafar-ul-Mukhtar Ahmed Khan | |

- To transact any other business with the permission of the Chair.

Special Business

- To approve the increase in remuneration and perquisite of Chief Executive of the Company by passing the following resolutions as an ordinary resolutions:

"RESOLVED that the Company hereby approves an increase of Rs. 180,000/- per month in remuneration of Chief Executive Officer from Rs. 600,000/= to Rs. 780,000/= per month with effect from 1st November 2020."

"FURTHER RESOLVED that this emolument is subject to an increase up to a maximum of 10% per annum. He will also be entitled to bonus and all other benefits and perquisites as are applicable to senior executives plus travelling expenses at actual on Company business. He will also be provided with fully maintained Company vehicle with fuel card for official and personal use."

By order of the Board

Muhammad Ozair Qureshi
(Company Secretary)

Karachi:
November 02, 2020

NOTES:**1. ELIGIBILITY OF CANDIDATES TO CONTEST ELECTION**

Any member who seeks to contest the election of Director, whether he is a retiring director or otherwise, shall file with the Company at its registered office not later than fourteen days before the above said meeting his / her intention to offer himself / herself for the election of the Directors in terms of Section 159(3) of the Companies Act, 2017 together with:

- Consent to act as Director in Form 28, duly completed and signed as required under Section 167(1) of the Companies Act, 2017;
- Declaration in respect of being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria as set out in the Companies Act, 2017 to act as Director of a listed Company;
- Detailed profile along with copy of valid CNIC, contact details, office address and number of directorships and offices held.

The members contesting as independent directors shall submit declaration that he / she qualified the criteria of eligibility and independence notified under the Companies Act, 2017 and regulations issued thereunder and that their names are listed on the data bank referred to in Section 166(1) of the Companies Act, 2017.

The candidates are requested to read the relevant provisions / requirements relating to the appointment / election of directors, as mentioned in the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the other applicable regulations and ensure compliance with the same in letter and spirit.

2. CLOSURE OF SHARE TRANSFER BOOKS

The share transfer books of the Company will remain closed from November 16, 2020 to November 23 (both days inclusive). The transfers received in order at the office of 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 November 15, 2020 will be treated in time to attend and vote at the Meeting.

3. PARTICIPATION IN EXTRA ORDINARY GENERAL MEETING

A member entitled to attend and vote at this EOGM shall be entitled to appoint another member, as his/her proxy to attend, speak and vote on his/her behalf. 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.

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 further 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 details are uploaded as per the Regulations, shall authenticate identity by showing his / her original CNIC or original passport at the time of attending the Meeting.
- Members registered on CDC are also requested to bring their particulars, I.D. numbers and account numbers in CDS.

- 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 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 details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers 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 / her original CNIC or original passport at the time of the 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.

4. CHANGE OF ADDRESS

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

STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017 (ITEM NO. 2 OF THE AGENDA- REGARDING INDEPENDENT DIRECTOR)

The Independent Director will be selected in accordance with the applicable criteria set out for independence under Section 166 of the Companies Act, 2017, Regulations issued thereunder and their names are listed on the data bank of independent directors maintained by Pakistan Institute of Corporate Governance. However, the Candidate shall be elected in the same manner as other directors are elected in terms of Section 159.

No Directors have direct or indirect interest in the above said business other than shareholder of the Company and that they are eligible to contest the election of directors of the Company.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 (ITEM NO. 4 OF THE AGENDA- INCREASE IN REMUNERATION AND PERQUISITE OF CHIEF EXECUTIVE)

The shareholders approval is sought for increase in remuneration and perquisite of Chief Executive of the Company, from Rs. 600,000/- to Rs. 780,000/- per month. The Chief Executive is being paid remuneration of Rs. 600,000/- per month along with other perquisites since November 2015.

For the purpose, it is proposed that the following resolutions be passed, with or without modification by the shareholders as ordinary resolutions:

"RESOLVED that the Company hereby approves an increase of Rs. 180,000/- per month in remuneration of Chief Executive Officer from Rs. 600,000/= to Rs. 780,000/= per month with effect from 1st November 2020."

"FURTHER RESOLVED that this emolument is subject to an increase up to a maximum of 10% per annum. He will also be entitled to bonus and all other benefits and perquisites as are applicable to senior executives plus travelling expenses at actual on Company business. He will also be provided with fully maintained Company vehicle with fuel card for official and personal use."

The Chief Executive is interested in the resolution to the extent of his remuneration.

