

FINANCE DIVISION
Plot No. HT/7, Landhi,
Karachi-75120
Pakistan

Telephones : (9221) 111-485-485
Fax No. : (9221) 3501 8836 & 38
Email : finance@gulahmed.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 69th Annual General Meeting of Gul Ahmed Textile Mills Limited will be held at Moosa D. Dessai ICAP Auditorium, Institute of Chartered Accountants of Pakistan, G-31/8, Chartered Accountants Avenue, Clifton, Karachi and also through video-link facility on Saturday, November 27, 2021 at 11:00 a.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and approve the Audited Financial Statements for the year ended June 30, 2021 together with the Directors' and Auditors' Reports thereon.
2. To appoint Auditors for the financial year ending June 30, 2022 and to fix their remuneration.
3. To transact with the permission of the Chair any other business which may be transacted at an Annual General Meeting.

SPECIAL BUSINESS:

4. To consider to pass the following resolutions as Special Resolution:

"RESOLVED that

- a) the transactions carried out in normal course of business with related parties as disclosed in Note No.40 during the year ended June 30, 2021 be and are hereby ratified and approved,
- b) the Board of Directors of the Company be and are hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with related parties during the ensuing year ending June 30, 2022, and
- c) these transactions by the Board of Directors of the Company shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification / approval."

The statement under Section 134(3) of the Companies Act, 2017 pertaining to the Special Resolutions is being sent along with the notice to the Members.

By Order of the Board



SALIM GHAFFAR
Company Secretary

Karachi
October 28, 2021

NOTES:

1. The Share Transfer Books of the Company will remain closed from November 20, 2021 to November 27, 2021 (both days inclusive) when no transfer of shares will be accepted for registration. Transfers received in order at the office of our Share Registrar M/s. FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahr-e-Faisal, Karachi by the close of the business on November 19, 2021 will be in time for the purpose of attending Annual General Meeting.
2. In the wake of Covid-19, SECP has instructed listed companies to modify their usual planning for General Meetings for the safety and wellbeing of the shareholders and public at large. Accordingly, the Company intends to convene this AGM by minimal physical interaction with the shareholders while ensuring compliance with the quorum requirements and requests the Members to consolidate their attendance and voting at the AGM through proxies.

The Company, furthermore, has made arrangements to ensure maximum participation of shareholders in the AGM proceedings via video-link. Shareholders interested in attending the AGM through video-link are hereby requested to get themselves registered as provided in Note No.4 hereof.

3. The CDC Account holders/sub-account holders are requested to bring with them their original CNICs or Passports alongwith Participant(s) ID Number and CDC account numbers at the time of attending the Annual General Meeting for identification purpose. If proxies are granted by such shareholders the same must be accompanied with attested copies of the CNICs or the Passports of the beneficial owners. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures of the nominee shall be produced at the time of meeting. The nominee shall produce his original CNIC at the time of attending the meeting for identification purpose.
4. The members / proxies who wish to attend the Annual General Meeting, via Video Link, are requested to get themselves registered by sending their particulars at the designated email address salim.ghaffar@gulahmed.com giving particulars as per below table by the close of business hours (5:00 p.m.) on November 24, 2021:

Name of Member	CNIC No. / NTC No.	CDC Participant ID / Folio No.	Cell Number	Email Address

5. The Video link will be emailed to the registered members / proxies who have provided all the requested information.
6. The members are also required to attach the copy of their CNIC and where applicable, copy of CNIC of member(s) of whom he / she / they hold proxy(ies) while sending the information with reference to Note 4 hereof. Without the copy of the CNIC, such member(s) shall not be registered for the Video link facility.
7. A member entitled to attend and vote at the meeting may appoint another member as proxy to attend, speak and vote instead of him/her. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not later than 48 hours before the meeting. A proxy must be a member of the Company.
8. CNIC number of the shareholders is mandatorily required for dividend distribution and in the absence of such information, payment of dividend shall be withheld in term of SECP's order dated June 3, 2016. Therefore, the shareholders who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs directly to our Shares Registrar. The shareholders while sending CNIC must quote their respective folio number and name of the Company.
9. Under the provisions of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. Shareholders who have not yet submitted their International Bank Account Number (IBAN) are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Registrar of the Company.

In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services.

In the absence of a member's valid IBAN updated, the Company will be constrained to withhold payment of dividend to such member.

10. Securities and Exchange Commission of Pakistan vide its S.R.O.787(I)/2014 has facilitated the Companies to circulate Audited Financial Statements through email after obtaining prior written consent of its members. The members who intend to receive the Financial Statements through email are therefore, requested to kindly send their written consent alongwith email address to the Share Registrar of the Company.
11. In compliance with SECP notification No.634 (1)/2014 dated July 10, 2014, the audited financial statements and reports of the Company for the year ended June 30, 2021 are being placed on the Company's website: www.gulahmed.com for the information and review of shareholders.
12. Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective CDC participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company or FAMCO Associates (Private) Limited. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.
13. Shareholders holding shares in physical form, are requested to notify any change in their addresses immediately to the Share Registrar of the Company. Shareholders having shares in their CDC accounts are required to have their addresses updated with their respective participants.
14. As per Section 72 of the Companies Act, 2017 all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of the Companies Act, 2017.

The Securities and Exchange Commission of Pakistan through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form, to convert their shares into book entry form.

We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest. They are also suggested to contact the Central Depository Company of Pakistan Limited or any active member/stock broker of the Pakistan Stock Exchange to open an account in the Central Depository System and to facilitate conversion of physical shares into book-entry form. Members are informed that holding shares in book-entry form has several benefits including but not limited to Secure and convenient custody of shares, Conveniently tradeable and transferable, No risk of loss, damage or theft, no stamp duty on transfer of shares in book entry form and Hassle free credit of bonus or right shares.

We once again strongly advise members of the Company, in their best interest, to convert their physical shares into book entry form at the earliest.

15. The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached the shareholders to claim their unclaimed dividends and undelivered share certificates in accordance with the law.

Shareholders, whose dividends and share certificates are still unclaimed/undelivered, are hereby once again requested to approach the Company to claim their outstanding dividend amounts and/or undelivered share certificates.

**Statement Under Section 134(3) of the Companies Act, 2017
Pertaining to Special Business**

This Statement sets out the material facts pertaining to the Special Resolution described in the Notice of Annual General Meeting ("AGM"), intended to be transacted at the 69th AGM of Gul Ahmed Textile Mills Limited ("the "Company") that is scheduled to be held on November 27, 2021.

The Company carries out transactions with its associated companies and related parties in accordance with its policies and applicable laws and regulations. Certain related party transactions require Shareholder approval under Section 207 of the Companies Act, 2017 as a majority of directors on the Gul Ahmed Textile Mills Limited Board are interested in the transaction (by virtue of being shareholders or directors in related entities).

The details of such transactions are as under:

S/No.	Company Name	Basis of Relationship	Transaction Nature
1.	Gul Ahmed Holdings (Private) Limited	Holding Company	Dividend
2.	Gul Ahmed International Limited (FZC) – UAE	Wholly owned subsidiary	Sale of goods
3.	GTM Europe Limited – UK	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
4.	GTM USA – Crop. – USA	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
5.	Sky Home Crop. – USA	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
6.	Vantona Home Limited	Wholly owned ultimate subsidiary	Sale of goods & Commission Paid
7.	Swisstex Chemicals (Private) Limited	Common directorship & shareholding	Sale of goods & Purchase of goods
8.	Arwen Tech (Private) Limited	Common directorship & shareholding	Purchase of goods & Services
9.	Ghafooria Industries (Private) Limited	Common directorship & shareholding	Rent Payment
10.	Grand Industries (Private) Limited	Major shareholding	Rent Payment
11.	Habib Metropolitan Bank Limited	Common directorship & shareholding	Banking Transactions

All related party transactions are in accordance with Company's policies and comply with all legal requirements. These are primarily transactions conducted in the ordinary course of business. Under the Company's Policy for Related Party Transactions all related party transactions are reviewed periodically by the Board Audit Committee which is chaired by an Independent Director. Following review by the Board Audit Committee, the said transactions are placed before the Board of Directors for approval.

The Shareholders are requested to ratify the transactions with related parties in which the majority of the Directors are interested as disclosed in the Financial Statements for the year ended June 30, 2021 and further to authorize the Company to conduct certain related party transactions in which the majority of Directors are interested for the Financial Year ending June 30, 2022. Shareholders' approval is also sought to authorize and grant power to the Board to periodically review and approve such transactions based on the recommendation of the Board Audit Committee.

Based on the aforesaid the Shareholders are requested to pass the Special Resolution as stated in the Notice.

The Directors who are interested in this subject matter are as follows:

- Mr. Mohamed Bashir
- Mr. Zain Bashir
- Mr. Mohammed Zaki Bashir
- Mr. Ziad Bashir