



# Bannu Woollen Mills Limited

Office &amp; Mills

D.I.KHAN ROAD, BANNU - 28100 K.P.K (PAKISTAN)

PHONES: (0928) 613151, 613150, 612274, 611157 Fax: (0928) 611450

E-mail: bannuwoollen@yahoo.com &amp; bwmltd2k@gmail.com

BWM/Secy/22/576

Dated: September 26, 2022

Thru PUCAR / Courier

The General Manager,  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

Subject: NOTICE OF ANNUAL GENERAL MEETING

Dear Sir,

Enclosed please find a copy of the Notice of the Annual General Meeting to be held on October 17, 2022 at 09:00 A.M. for circulation amongst the TRE Certificate Holders of the Exchange.

Yours Sincerely,



**Jahanara Sajjad Ahmad, FCA**  
Company Secretary

**PESHAWAR OFFICE:**  
Deans Trade Centre,  
T.F. 145 & 146, Saddar Road,  
Peshawar Cantt.  
Tel: (091) 5250082, 5286764  
Fax: (091) 5272001

**RAWALPINDI OFFICE:**  
400/2 Gammon House,  
Peshawar Road,  
Rawalpindi Cantt.  
Tel: (051) 5477831, 8317045-46  
Fax: (051) 5477511

**LAHORE OFFICE:**  
2nd Floor,  
Gardee Trust (Super Height) Building,  
Napier Road, Lahore.  
Tel: (042) 37357544, 37231691, 37232691  
Fax: (042) 37356278

**KARACHI OFFICE:**  
F-3, Hub Chowki Road,  
S.I.T.E, Karachi-75730  
Tel: (021) 32556901-10  
Fax: (021) 32556911-12

**BANNU WOOLLEN MILLS LIMITED**  
**NOTICE OF 62<sup>ND</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 62<sup>ND</sup> Annual General Meeting (AGM) of the of the Company will be held on **Monday the October 17, 2022 at 09:00 A.M.** at its registered office, Bannu Woollen Mills Ltd., D. I. Khan Road, Bannu to transact the following business: -

**ORDINARY BUSINESS:**

1. To confirm the minutes of the Annual General Meeting held on October 16, 2021.
2. To receive, consider and adopt the annual audited Financial Statements of the Company for the year ended June 30, 2022 together with the Chairman's Review, Directors' and Auditors' Reports thereon.
3. To appoint auditors of the company for the financial year 2022-23 and to fix their remuneration. The retiring auditors M/s ShineWing Hameed Chaudhri and Company, Chartered Accountants, Lahore being eligible have consented and offered themselves for re-appointment.

**SPECIAL BUSINESS:**

4. To consider and, if thought fit to pass the following Resolutions as 'Special Resolution' with or without modification:
  - A. **"RESOLVED THAT** (i) pursuant to Section 170 read with Section 208 of the Companies Act, 2017, the approval of the members of the Company be and is hereby accorded to the Board to appoint Dr. Shaheen Kuli Khan Khattak as Executive Director Public Relations at a gross salary of Rs. 600,000/- per month, in addition to other usual expenses such as utilities and other perquisites, with effect from July 01, 2022 shared by the following associated companies on pro rata basis, at the end of every quarter of the financial year:
    - i. Bannu Woollen Mills Ltd.
    - ii. Janana De Malucho Textile Mills Ltd.
    - iii. Ghandhara Nissan Ltd.
    - iv. Ghandhara Industries Ltd.
    - v. The Universal Insurance Company Ltd.
    - vi. Rahman Cotton Mills Limited

**"(ii) FURTHER RESOLVED THAT** the Chief Executive Officer and the Chief Financial Officer (hereinafter referred to as the "Authorized Officers") be and are hereby authorized jointly to complete all the necessary legal and corporate formalities pertaining to this resolution.

B. **“RESOLVED THAT** (i) Approval be and is hereby accorded to enter into a rental agreement of residential apartment situated at 6<sup>th</sup> floor, 25 Park Lane Town, 172 Tufail Road, Lahore with Mr. Khalid Kuli Khan Khattak, Chief Operating Officer of Bannu Woollen Mills Ltd. for the monthly rent of Rs. 465,000/= per month in advance which shall be shared by following Associated Companies on pro rata basis w.e.f January 01, 2023 and subject to other terms and conditions disclosed to the members in the statement of material facts under section 134(3) of the Companies Act, 2017:

- i. Bannu Woollen Mills Ltd.
- ii. Janana De Malucho Textile Mills Ltd.
- iii. Rahman Cotton Mills Ltd.

(ii) **“FURTHER RESOLVED THAT** the Chief Executive Officer and the Chief Financial Officer (hereinafter referred to as the “Authorized Officers”) be and are hereby jointly authorized to complete all the necessary legal and corporate formalities pertaining to this resolution.

(iii) The Chief Executive Officer and the Chief Financial Officer, be and are also hereby jointly authorized to take any further modifications/amendments/corrections at a later stage if pointed out by Securities and Exchange Commission of Pakistan (SECP) and to take such other steps, execute such other documents and make necessary corporate and other filings as may be necessary or expedient for the purpose of giving effect to the above resolutions and all other matters incidental or ancillary thereto.”

A statement of material facts under Section 134 (3) of the Companies Act, 2017 pertaining to the Special Business as stated above is annexed to this notice of meeting being sent to the members.

C. (i) **“RESOLVED that** the transactions carried out in normal course of business with associated companies/ related parties during the year ended June 30, 2022 (as disclosed in Note-36 of Financial Statements for the year ended June 30, 2022) be and are hereby ratified, confirmed and approved.”

(ii) **“RESOLVED that** the Chief Executive Officer and the Chief Financial Officer of the Company be and are hereby authorized jointly to approve all the transactions carried out and to be carried out in normal course of business with associated companies/ related parties during the year ending June 30, 2023 and in this connection the Chief Executive Officer and the Chief Financial Officer jointly be and are hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company.”

A statement of material facts under Section 134 (3) of the Companies Act, 2017 pertaining to the Special Business referred to above is annexed to this notice of meeting.

#### **ANY OTHER BUSINESS**

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

By the order of the Board



Bannu  
September 26, 2022

**Jahanara Sajjad Ahmad, FCA**  
**Company Secretary**

## **NOTES:**

### **1. CLOSURE OF SHARE TRANSFER BOOKS**

The register of members of the Company will remain closed from October 10, 2022 to October 17, 2022 (both days inclusive). Transfers received in order by the Company's Shares Registrar, M/s. Vision Consulting Limited, 3-C LDA Flats, 1st Floor, Lawrence Road, Lahore (Share Registrar) by the close of business hours up to (5.00 pm) on October 07, 2022 will be considered in time for registration in the name of the transferees, and be eligible for the purpose of attending and voting at the AGM.

### **2. PARTICIPATION IN ANNUAL GENERAL MEETING:**

1. A member entitled to attend and vote at the Annual General Meeting is entitled to cast his/her vote by proxy. Proxies must be deposited at the Company's Registered Office at Bannu Woollen Mills Ltd, D.I Khan Road, Bannu, not later than forty-eight hours before the time for holding the meeting.
2. Members are requested to notify change in their address immediately to the share registrar, if any.
3. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular No. 1 of 2000 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan.
4. Any individual beneficial owner having an account or sub-account with the Central Depository Company ("CDC"), is entitled to vote at this Meeting, must provide his/her Computerized National Identity Card ("CNIC") to prove his/her identity, and in case of proxy must enclose an attested copy of his/her CNIC. The representatives of corporate bodies should provide attested copies of board of directors' resolution/powers of attorney and/or all such documents as are required under Circular No.1 dated 26th January 2000 issued by the Securities Exchange Commission of Pakistan for the purpose.
5. Members are hereby informed that in pursuant to SECP's S.R.O. 787(1)/2014 dated September 8, 2014 and Companies Act, 2017, Companies have been allowed to circulate the Annual Reports to members through email. For this purpose, we have uploaded the Form on our company's website: [www.bwm.com.pk](http://www.bwm.com.pk). Members who want to avail this facility are requested to submit the request form duly filled to the Share Registrar.
6. If Members holding ten (10) percent of the total paid up capital, reside in a city, such Members, may demand the Company to provide them the facility of video-link for attending the Meeting. If you wish to take benefit of this facility, please fill and send a request in the below terms to the Company at its registered address at least seven (7) days prior to the date of the Meeting:

<p>I/We, _____ of _____, being a member of Bannu Woollen Mills Limited, holder of _____ ordinary share(s) as per Registered Folio/CDC Account No. _____ hereby opt for video link facility at _____.</p> <p>_____ Signature of Member</p>
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7. The audited financial statements of the Company for the year ended June 30, 2022 have been posted and are made available on the Company's website [www.bwm.com.pk](http://www.bwm.com.pk).
8. Members are requested to replace their physical shares in Book-entry form and get their Names registered with the CDC, as early as possible, in compliance with the provisions of Section 72 (2) of the Companies Act, 2017.
9. The members holding physical shares are also required to bring their original CNIC and/ or copy of CNIC of shareholder(s) of whom he/ she/ they hold Proxy (ies). Without CNIC such shareholder(s) shall not be allowed to attend and/ or sign the Register of Shareholders/ Members at the AGM.
10. The members interested in attending the AGM virtually are requested to get themselves registered by sending their particulars at the designated email address [corporate@bwm.com.pk](mailto:corporate@bwm.com.pk) mentioning their names, folio number, and email address by the close of business hours on October 15, 2022. The log-in credentials and link to participate in the AGM would be provided to the registered shareholders.

**A. For Attending the Meeting:**

- i. In case of individuals, the account holder or sub-account holder and/ or the person whose securities are in group account and their registration details are uploaded as per the 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 meeting.
- ii. 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 the meeting.

**B. For Appointing Proxies:**

- i. In case of individuals, the account holder or sub-account 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 requirements.
- 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 AGM.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES' ACT, 2017**

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of Bannu Woollen Mills Ltd. ("the Company") to be held on October 17, 2022.

**Item No. 04 of the Agenda**

## **A. Approval of Remuneration of Non-Executive Director**

Keeping in view the strategic communication from Associated Companies to the public and in order to develop and implement the Associated Companies public relations strategies, in accordance with the Company's approved Related Party Transactions Policy, the Board upon recommendation of its Audit Committee has recommended to appoint Dr. Shahin Kuli Khan Khattak as Executive Director Public Relations at a gross salary of Rs. 600,000/- per month in addition to other usual expenses such as utilities and other perquisites, with effect from July 01, 2022. Further, keeping in view the austerity measures and to reduce the overhead expense of an Associated Company, the salary and other usual expenses such as utilities and other perquisites of the said Executive Director shall be shared by the following Associated Company on a pro rata basis by each Associated Company at the end of each & every quarter of the financial year:-

- A. Bannu Woollen Mills Ltd.
- B. Janana De Malucho Textile Mills Ltd.
- C. Ghandhara Nissan Ltd.
- D. Ghandhara Industries Ltd.
- E. The Universal Insurance Company Ltd.
- F. Rahman Cotton Mills Limited

The following Directors are interested in the resolution to the extent of their relation, common directorships and their shareholding in the Associated Companies:

- 1. Lt. Gen (Retd.) Ali Kuli Khan Khattak
- 2. Mr. Ahmad Kuli Khan Khattak
- 3. Mrs. Shahnaz Sajjad Ahmad
- 4. Dr. Shahin Kuli Khan Khattak

## **B. Lease / Rent of Residential Premises owned by a Related Party:**

The Company intends to enter into a contract for leasing / rent of premises for residence of its directors / senior executives of Textile division during attending meetings / visits / attending seminars in Lahore located at 25 Park Lane Town, 172 Tufail Road, Lahore from Chief Operating Officer, Mr. Khalid Kuli Khan Khattak at a monthly rent of Rs. 465,000 per month measuring total area of 3,200 square feet located at 6<sup>th</sup> floor along with one store & servant quarter located at 3<sup>rd</sup> floor of the building. The rent rates are in line with prevailing rent rates in the said locality. As the property will be jointly shared with other Associated Companies i.e. Janana De Malucho Textile Mills Ltd., Bannu Woollen Mills Ltd. and Rahman Cotton Mills Ltd. The other terms and conditions would be:

- a) Agreement tenor: 03 (three) years (renewable on mutual terms and conditions)
- b) 10% increase after each year
- c) Utility bills and taxes will be responsibility of the tenants
- d) Tenants will be responsible for the proper upkeep and maintenance of the building

Mr. Khalid Kuli Khan Khattak, the Chief Operating Officer of the Company owns the above premises and is, therefore, interested in the above agreement.

The following Directors are interested in the resolution to the extent of their relation, common directorships and their shareholding in the Associated Companies:

1. Lt. Gen (Retd.) Ali Kuli Khan Khattak
2. Mr. Ahmad Kuli Khan Khattak
3. Mrs. Shahnaz Sajjad Ahmad
4. Dr. Shahin Kuli Khan Khattak

The Company carries out transactions with its related parties on an arm's length basis as per the approved policy with respect to "transactions with related parties" in the normal course of business. All transactions entered into with related parties require the recommendation of the Board's Audit Committee of the Company, which is chaired by an independent director of the company. Upon the recommendation of the Board's Audit Committee, such transactions are placed before the Board of Directors for approval. Since the majority of Directors were interested in this/these transactions(s) due to their common directorship and holding of shares in the associated companies, therefore these transactions have to be approved by the members of the company in the General Meeting.

Approval of the members is, therefore sought in order to comply with the requirements of Section 170 and 208 of the Companies Act, 2017.

- C. (i) Transactions carried out with associated companies during the year ended June 30, 2022 to be passed as a Special Resolution. The transactions carried out in normal course of business with associated companies (Related parties) were being approved by the Board as recommended by the Audit Committee on quarterly basis.

Since the majority of Directors were interested in this/these transactions(s) due to their common directorship and holding of shares in the associated companies, therefore these transactions which have to be approved by the members in the General Meeting.

In view of the above, the transactions conducted during the financial year ended June 30, 2022 with associated companies and related parties as shown in relevant notes of the Audited Financial Statements are being placed before the members for their consideration, confirmation and approval.

The Directors are interested in the resolution to the extent of their common directorships and their shareholding in the associated companies.

The following Directors are interested in the resolution to the extent of their relation, common directorships and their shareholding in the Associated Companies:

1. Lt. Gen (Retd.) Ali Kuli Khan Khattak
2. Mr. Ahmad Kuli Khan Khattak
3. Mrs. Shahnaz Sajjad Ahmad
4. Dr. Shahin Kuli Khan Khattak

Approval of the members is, therefore sought in order to comply with the requirements of Section 208 of the Companies Act, 2017.

- (ii) Authorization of the Chief Executive and the Chief Financial Officer jointly for the transactions carried out and to be carried out with associated companies during the ensuing year ending June 30, 2023 to be passed as a Special Resolution.

The Company would be conducting transactions with associated companies in the normal course of business. Majority of the Directors are interested in these transactions due to their common directorship and shareholding in the associated companies. Therefore, such transactions with associated companies have to be approved by the members.

The shareholders may authorize the Chief Executive and the Chief Financial Officer jointly to approve transactions carried out and to be carried out in normal course of business with associated companies during the ensuing year ending June 30, 2023.

The Directors are interested in the resolution to the extent of their common directorships and their shareholding in the associated companies.

The following Directors are interested in the resolution to the extent of their relation, common directorships and their shareholding in the Associated Companies:

1. Lt. Gen (Retd.) Ali Kuli Khan Khattak
2. Mr. Ahmad Kuli Khan Khattak
3. Mrs. Shahnaz Sajjad Ahmad
4. Dr. Shahin Kuli Khan Khattak



