

**NOTICE OF ANNUAL GENERAL MEETING
KSB PUMPS COMPANY LIMITED**

Notice is hereby given that Annual General Meeting (AGM) of KSB Pumps Company Limited (the Company) will be held on 23rd April, 2024 at 1530hrs at the Registered office of the Company 16/2 Sir Agha Khan Road, Lahore to transact the following business:

Ordinary Business:

1. To confirm the minutes of the 66th Annual General Meeting held on April 26, 2023.
2. To consider and adopt the audited accounts of the Company for the year ended December 31, 2023 and report of Auditors and Directors thereon.
3. To appoint auditors for the year 2024 and fix their remuneration. M/s. A.F. Ferguson & Co., Chartered Accountants, the retiring auditors offer themselves for re-appointment as auditors of the Company

Special Business:

To consider and approve the increase in Authorized Share Capital of the Company from Rs. 150,000,000 (Rupees one hundred and fifty million only) divided into 15,000,000 ordinary shares of Rs. 10 each to Rs 450,000,000 (Rupees four hundred and fifty million) divided into 45,000,000 Ordinary Shares of Rs. 10 each together with consequent alteration in the Memorandum and Articles of Association of the Company. In this respect, following resolutions are proposed to be passed, with or without modification, as Special Resolutions:

RESOLVED THAT *the Authorized Share Capital of the Company be and is hereby increased from Rs. 150,000,000 (Rupees one hundred and fifty million only) divided into 15,000,000 ordinary shares of Rs. 10 each to Rs. 450,000,000 (Rupees four hundred and fifty million only) divided in to 45,000,000 ordinary shares of Rs. 10 each by creation of 30,000,000 additional ordinary shares of Rs. 10 each.*

FURTHER RESOLVED THAT *the additional shares created shall rank pari passu in every respect with the existing ordinary shares of the Company.*

FURTHER RESOLVED THAT *existing clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company be and are hereby substituted to read as follows:*

Clause V of the Memorandum of Association

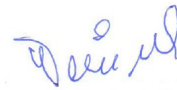
The share capital of the Company is Rs. 450,000,000 (Rupees four hundred and fifty million only) divided in to 45,000,000 ordinary shares of Rs. 10 each. The Company shall have power to increase or reduce its capital and to divide the shares in its capital for the time being into several classes of ordinary shares.

Article 4 of the Article of Association

The share capital of the Company consists of Rs. 450,000,000 (Rupees four hundred and fifty million only) divided into 45,000,000 shares of Rs. 10 each.

FURTHER RESOLVED THAT *the Chief Executive Officer and Company Secretary of the Company be and are hereby authorized singly to do all the acts, matters, deeds, and take all necessary actions including filing of requisite documents and returns with the Registrar of Companies - Securities and Exchange Commission of Pakistan and comply with all other legal requirements as may be necessary for the purpose of implementing the aforesaid resolutions.*

Statement of Material Facts under section 134(3) of the Companies Act, 2017 pertaining to the aforesaid special business along with draft Special Resolutions are annexed with this Notice.



BY ORDER OF THE BOARD
FAISAL AMAN KHAN
Company Secretary

Lahore : April 01, 2024

NOTES:

1. A member entitled to attend and vote at this meeting is entitled to appoint another member as proxy. Proxies in order to be effective must be received not later than 48 hours before the time appointed for the meeting. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid. Every proxy shall have the right to attend, speak and vote in place of the member appointing him/her at the meeting.
2. The Share Transfer Books of the Company will remain closed from 16th April, 2024 to 23rd April, 2024 (both days inclusive). Transfers received in order at Company's Registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400, by the close of business on 15th April, 2024 will be in time to be passed for payment of dividend to the transferees.
3. The CDC account/sub account holders and/or the persons whose securities are in group account and their registration details are up-loaded as per the regulations, shall for identification purpose have to produce their original Computerized National Identity Card (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 at the time of the meeting.

4. The Members, who are willing to attend and participate in the AGM through Video-Link, are requested to register themselves by sending an email at companysecretary@ksb.com.pk with subject registration for AGM and by providing the following particulars.

S. No.	Name of the Share holder	CNIC No.	Folio No.	Mobile	Registered Email Address

Video-Link details and login credentials will be shared with those Members whose emails containing all the above particulars are received on or before April 20, 2024.

The shareholders, who wish to send comments/suggestions on the agenda of AGM, can email the Company at companysecretary@ksb.com.pk and the same will be discussed in the meeting and made part of the minutes of the meeting.

5. WITHHOLDING TAX ON DIVIDENDS

The Government of Pakistan through Finance Act, 2019 has made certain amendments in the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding Tax on the amount of dividend paid by the companies/banks. These tax rates are as follows:

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|-----|--------------------------------------|-------|
| (a) | For filers of income tax returns | 15.0% |
| (b) | For non-filers of income tax returns | 30.0% |

To enable the Company to make tax deduction on the amount of cash dividend @15% instead of 30 % all shareholders whose names are not entered into the Active Tax- payers list (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of the cash dividend, otherwise tax on their cash dividend will be deducted @ 30 % instead of 15%.

The joint shareholders are requested to provide shareholding proportions of principal shareholders & joint shareholders as withholding tax will be determined separately on Filer/Non-filer status based on their shareholding proportions otherwise it will be assumed that shares are equally held.

The Corporate shareholders having CDC account are required to have their National Tax Number (NTN) updated with their respective participants, whereas physical shareholders

should send a copy of their NTN Certificate to the Company or Company's Share Registrar, M/s. CDC Share Registrar Services Limited. The shareholders while sending NTN or NTN Certificate, as the case may be, must quote Company name and their respective folio numbers.

For any query/clarification/information, the shareholders may contact the Company, and/or the Share Registrar.

6. UNCLAIMED DIVIDEND/SHARES

Shareholders who could not collect their dividend / physical shares are advised to contact our Share Registrar to collect / enquire about their unclaimed dividend or shares, if any. In compliance with Section 244 of the companies Act 2017, after having completed the stipulated procedure, all such dividend and shares outstanding for a period of three (3) years or more from the date due and payable shall be deposited to the credit of the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

7. ELECTRONIC DIVIDEND MANDATE

Under section 242 of the Companies Act 2017, it is mandatory for all listed Companies to pay cash dividend to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested (if not already provided) to fill in Bank Mandate Form for Electronic Credit of Cash Dividend available in the Annual Report and also on the Company's website and send it duly signed along with a copy of CNIC to the Share Registrar of the Company, CDC House, 99-B, Block 'B', S.M.C.H.S, Main Sharah-e-Faisal, Karachi-74400, in case of physical shares.

In case shares are held in CDC, electronic dividend mandate form must be directly submitted to shareholder's brokers/participant/CDC account services.

In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to shareholders till provision of prescribed details.

8. AUDITED FINANCIAL STATEMENT OF THE COMPANY

SECP through its notification SRO 470(1) /2016 dated May 31, 2016, SRO 389(1)/2023 has allowed the Companies circulations of annual audited accounts to the Members through CD/DVD/USB/QR enabled code at their registered addresses. The Company has sent the annual report for the year ended December 31, 2023 in the form of CD. Any member requiring printed copy of the annual report 2023 may send a request using standard request form placed on Company website.

Audited financial statements & reports can be downloaded from the website of the Company www.ksb.com.pk.

The members of the Company who wish to receive soft copy of Annual Report are requested to send their e-mail addresses. The consent form for electronic transmission could be downloaded from the Company Website: www.ksb.com.pk.

9. ATTENDANCE THROUGH VIDEO CONFERENCE

Pursuant to the provisions of the Companies Act, 2017, the shareholder(s) residing in a city holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in the AGM. The demand for video-link facility shall be received by the Company Secretary at the head office of the Company, 16/2, Sir Agha Khan road Lahore , at least seven (7) days prior to the date of the meeting on the Standard Form which can be downloaded from the Company's website: <https://www.ksb.com/en-pk>.

10. VOTING THROUGH ELECTRONIC VOTING AND BY POST

The members of KSB Pumps Company Limited shall be provided where applicable, e-voting facility or voting by post in accordance with provisions of the Companies Act, 2017 and requirements of the Companies (Postal Ballot) Regulations, 2018.

11. INTIMATION OF CHANGES IN ADDRESS

The members are requested to notify the change of their registered addresses, if any, immediately to Company's Independent Share Registrar.

12. ATTENDANCE AT AGM

A corporation or company being a member of the Company may appoint any of its officials or any other person through a resolution of its board of directors to attend and vote at the meeting.

The members should quote their folio number/ CDS IDs in all correspondence with the Company and should bring original document at the time of attending the AGM.

CDC account holders will further have to follow the following guidelines as laid down in Circular No. 1 dated 26th January 2000 issued by the PSX.

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 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 along with his original CNIC or original passport shall be produced (unless it has been provided earlier) at the time of the meeting.

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 requirements stated above.
- ii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the Proxy Form.
- iii. The proxy shall produce his/ her original CNIC or original passport at the time of the meeting.
- iv. In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature along with his original CNIC or original passport shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

13. DEPOSIT OF PHYSICAL IN TO CDC ACCOUNT:

The Shareholders having physical shareholding may open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into script-less form. This will facilitate them in many ways including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Stock Exchange. Further, Section 72 of the Companies Act, 2017 (the Act), states that every company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP.

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

This statement sets out the material facts concerning special business to be transacted at the AGM of the Company to be held on 23rd April, 2024.

Item No. 1: Increase in Authorized Share Capital of KSB Pumps Company Limited

In order to cater for the future share issuance needs, the Board of Directors (the Board) of the Company in its meeting held on 14th March, 2024, has approved and recommended that the authorized share capital of the Company be increased from Rs. 150,000,000 (Rupees one hundred and fifty million only) divided into 15,000,000 ordinary shares of Rs. 10 each to Rs. 450,000,000 (Rupees four hundred and fifty million) divided into 45,000,000 Ordinary Shares of Rs. 10 each by creation of 30,000,000 new ordinary shares of Rs. 10 each.

The new shares, whenever issued, shall carry same voting rights and rank pari passu with the existing ordinary shares in all respect/matters in conformity with the provisions of the Companies Act, 2017.

The proposed increase in authorized share capital will also necessitate amendments in Clause V of the Memorandum of Association (MoA) and Article 4 of the Articles of Association (AOA) of the Company, of which details are as follows:

Clause V of MoA:

Existing Clause	Proposed Clause
The share capital of the Company is Rs. 150,000,000 (one hundred & fifty million) divided into 15,000,000 Ordinary Shares of Rs. 10 each, The Company shall have power to increase or reduce its capital and to divide the shares in its capital for the time being into several classes of ordinary shares.	The share capital of the Company is Rs. 450,000,000 (Rupees four hundred and fifty million) divided into 45,000,000 Ordinary Shares of Rs. 10 each, The Company shall have power to increase or reduce its capital and to divide the shares in its capital for the time being into several classes of ordinary shares.

Article 4 of AOA:

Existing Clause	Proposed Clause
The Capital of the Company consists of Rs. 150,000,000 (one hundred & fifty million) divided into 15,000,000 shares of Rs. 10 each.	The share capital of the Company consists of Rs. 450,000,000 (Rupees four hundred and fifty million) divided into 45,000,000 Ordinary Shares of Rs. 10 each.

No Director or Chief Executive of the Company or their relatives has any direct or indirect interest in the proposed increase in authorized share capital and alteration in MoA, except in their capacities as Director / Chief Executive / shareholders.