

KHYBER TEXTILE MILLS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **61st Annual General Meeting** of the Shareholders of **KHYBER TEXTILE MILLS LIMITED** will be held on **Friday, the 21st October, 2022** at the **Registered Office** of the Company, **Baldher, District Haripur, Khyber Pakhtunkhwa** at **10:00 am** to transact the following business.

Ordinary Business:

1. To confirm the minutes of the 60th Annual General Meeting of the Shareholders held on 27th October, 2021.
2. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended 30th June, 2022 together with the Directors' and Auditor's Reports thereon.
3. To elect seven (7) Members to the Board of Directors as fixed by the Board of Directors in accordance with the Companies Act 2017. The following existing Directors who retire under the Companies Act 2017 and being eligible have offered themselves for re-election as Directors of the Company for the next three (3) years commencing from 25th October 2022.
(1) Mr. Aurangzeb Khan (2) Mr. Amanullah Khan Jadoon (3) Mr. Muhammad Bahauddin (4) Mr. Adam Jadoon
(5) Mr. Hassan Ovais (Proposed Independent Director) (6) Mrs. Aamna Jadoon
Whereas, (7) Mr. Nusrat Iqbal, being eligible and has consented to act as a candidate for the position of 2nd Independent Director of the Company for the next (3) years.
4. To appoint Auditors of the Company for the year 2022-2023 and to fix their remuneration. The Board of Directors has recommended M/s Clarkson Hyde Saud Ansari Chartered Accountants, who have retired and being eligible have offered themselves for re-appointment to act as Auditors of the Company for the year 2022-2023.
5. To transact any other business of the Company with the permission of the Chair.

26th September, 2022

By Order of the Board
for **Khyber Textile Mills Limited**
Sadaqat Khan (Company Secretary)

NOTES:

1. The Share transfer books of the Company will remain closed from 13th October 2022 to 21st October, 2022 (both days inclusive). Physical transfers / CDC Transactions IDs received at the Company's Registrar (F.D. Registrar Services) at close of business on 12th, October 2022 will be considered in time to determine the above-mentioned entitlement and to attend and vote at the meeting.
2. Members attending the Meeting shall bring along their original Computerized National Identity Card (CNIC) or Passport at the time of attending the Meeting.
3. A Member of the Company entitled to attend and vote at the General Meeting may only appoint another Member as proxy to attend and vote in place of the Member at the Meeting. Proxies in order to be effective must be received at Company's registered office duly stamped and signed not later than 48 hours before the time of holding the Meeting. A Member cannot appoint more than one proxy. Copies of both shareholder's and beneficial owners Computerized National Identity Card (CNIC/NICOP/POC) or Passport must be attached with the proxy form.
4. The CDC/sub account holders are required to follow the under mentioned guidelines:-
 - 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 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 at the time of 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 detail is uploaded as per the regulations, shall submit the proxy form as per the above requirement.
 - ii) The proxy form shall be witnessed by the two persons whose names, addresses and Computerized National Identity Card (CNIC/NICOP/POC) or Passport number shall be mentioned on the form.
 - iii) Copies of Computerized National Identity Card (CNIC/NICOP/POC) 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 Computerized National Identity Card (CNIC/NICOP/CPOC) or original passport at the time of the meeting.
 - v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted to the Company along with proxy form.
5. Members are requested to promptly notify any change in their mailing address, E-mail address and contact details to the Company Share Registrar Office. Members, having physical shares, are advised to intimate any change in their registered address and the shareholders who have not yet submitted photocopies of their Computerized Identity Cards are requested to send the same at the earliest.
6. Shareholders who wish to receive notice of the General Meeting through e-mail are requested to provide, through a letter duly signed by them, their particulars, i.e. Name, Folio/ CDC A/C No., E-mail Address, Contact Number and copy of CNIC.
7. Any person (including a retiring Director) who seeks to contest election of directors shall file with the Company at its registered office Baldher, District Haripur, Khyber Pakhtunkhwa not later than 14 days before the 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:
 - (i) Notice of his / her intention to stand for election, along with duly completed and signed Form 28 giving his / her consent to act as Director of the Company if elected (under Section 167(1) of the Companies Act, 2017), and certify that he/she is not ineligible to become a Director as set out in the provisions of the Companies Act 2017 Under Section 153 or under any applicable laws, Rules and Regulations; and that he / she confirms to hold the qualification shares in accordance with the Articles of Association of the Company.
 - (ii) Detailed profile along with office address to be placed on the Company's website seven days prior to the date of election.
 - (iii) Declaration in respect of being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2017 and the eligibility criteria as set out in the Companies Act, 2017 to act as the director of a listed Company.
 - (iv) Attested copy of valid CNIC and NTN, along with proof of active taxpayer status.
 - (v) Declaration by Independent Director(s) under Clause 6(2) of the Listed Companies (Code of Corporate Governance) Regulation 2017 and Section 166 of the Companies Act, 2017.
 - (vi) Undertaking on non-judicial stamp paper that he / she meet the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.
8. If the number of persons who offer themselves to be elected is more than the number of directors fixed under sub-section (1) of section 159 of the Companies Act, 2017, then the company shall provide its members with options of e-voting or voting by postal ballot in accordance with the provisions of the Companies (Postal Ballot) Regulations, 2018.
9. Pursuant to Companies (Postal Ballot) Regulations 2018, for the purpose of election of Directors and for any other agenda item subject to the requirements of Sections 143 and 144 of the Companies Act 2017, members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with requirements and procedure contained in the aforesaid regulations.
10. Shareholders who wish to participate through e-voting, kindly provide immediately through a letter duly signed by them, i.e. Name, Folio/ CDC Account No., E-mail address, contact number to the share registrar of the Company (F.D Registrar Services (Private) Limited, 1705, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi.
11. Shareholders may participate in the meeting via video-link facility. If the Company receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city. Shareholders, who wish to participate through video-link facility, are requested to fill in Video Link Facility Form available at Company's website and send a duly signed copy to the Registered Address of the Company. It may be noted that no person other than the Member or proxy holder can attend the meeting through video link facility.
12. Section 72 of the Companies Act, 2017 (Act) which requires all companies to replace shares issued by them in physical form with shares to be issued in the Book-Entry-form within a period not exceeding four years from the date of the promulgation of the Act. In order to ensure full compliance with the provisions of the aforesaid Section 72 and to benefit from the facility of holding shares in the Book-Entry-Form, the shareholders who still hold shares in physical form are requested to convert their shares in the Book-Entry-Form. For further information please contact the Company's Share Registrar.

STATEMENT UNDER SECTION 166 OF THE COMPANIES ACT 2017

Section 166 of the Companies Act 2017 requires that a statement of material facts is annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing the appointee as independent director.

Being a listed company, KHYBER TEXTILE MILLS LIMITED is required to have two independent directors on its Board in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2017. Accordingly, the Company shall ensure that two independents are elected in accordance with the procedures for election of directors laid down in Section 159 of the Companies Act 2017. After the contestants file their notice / intention to stand for elections, the Company shall apply following criteria for choosing the appointee for appointment as independent director:

Inclusion of name of independent directors in the data bank maintained by Pakistan Institute of Corporate Governance (PICG) duly authorized by SECP.

Respective competencies, diversity, skill, knowledge and experience of the election contestants shall be assessed.

The Company shall exercise due diligence before selecting a person from the data bank that the contestant meets the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017.