



NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the Shareholders of Idrees Textile Mills Ltd. will be held on Friday 23, June 2023 at 04.00 p.m at Plot no. 5, 1st Floor, Arab Business Centre, Office no. 103 Block-3, Central Commercial Area, Bahadurabad, Karachi, to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting held on October 27, 2022.

SPECIAL BUSINESS:--

2. To consider and, if deemed appropriate, approve and to pass with or without modification(s), addition(s), or deletion(s) the following resolution as special resolution for increase of Authorized Share Capital of the company and to approve consequent amendment in the Memorandum and Article of Association of the company, subject to requisite approval, if any”

“RESOLVED that pursuant to Section 85 and all other applicable provisions of the Companies Act, 2017, the Authorized Capital of the Company be and is hereby increased from Rs. 220,000,000 divided into 22,000,000 ordinary shares of Rs. 10/- each to Rs. 1,620,000,000 divided into 162,000,000 ordinary shares of Rs. 10/- each by creation of 140,000,000 additional shares of Rs. 10/- each. Such new shares, whenever issued, shall rank pari passu with the existing shares of the Company.”

“FURTHER RESOLVED that consequent upon the said increase in Authorized Share Capital, Clause V of Memorandum of Association and Clause 4 of Articles of Association be and is hereby accordingly amended to read as under:

CLAUSE V OF THE MEMORANDUM OF ASSOCIATION

“The Authorized Capital of the Company is Rs.1,620,000,000/- (Rupees one billion and six hundred twenty million) divided into 162,000,000 (One hundred Sixty Two Million) Ordinary shares of Rs. 10/- each, with powers to increase and reduced the capital of the Company and several classes and to vary, modify or abrogate and such rights, privileges conditions attached thereto in such manner as may be consistent with the provisions of applicable laws.”

ARTICLE 4 OF THE ARTICLES OF ASSOCIATION:

The authorized capital of the Company is Rs. 1,620,000,000 (Rupees One Billion Two Hundred Twenty Million) divided into 162,000,000 (One Hundred Sixty Two Million) Ordinary shares of Rs. 10/- each..

FURTHER RESOLVED the Chief Executive Officer or Company Secretary of the Company be and are hereby authorized singly to complete all legal and corporate formalities for increasing the authorized share capital of the Company and alteration of Memorandum and Articles of Association of the Company.

3. To consider, and if thought fit, to pass with or without modification, the following resolution as a Special Resolution, to substitute the Article 109 of the Articles of Association of the Company:

Resolved that pursuant to Section 38 and all other applicable provisions of the Companies Act, 2017, Article 109 of the existing Article of Association of the Company be and is hereby substituted read as follows:

109. The Board of Directors may capitalize any part of the amount for the time being standing at the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would be entitled thereto if distribution by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up and amounts for the time being unpaid on any shares held by such members respectively or paying up in full un-issued shares of the Company to be allotted and distributed/credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other.

4. To transact any other ordinary business with the permission of the Chair.

A statement under Section 134 (3) of the Companies Act 2017, pertaining to the special business is being sent to the shareholders with this notice

Karachi :
June 02, 2023

By Order of the Board
SYED SHAHID SULTAN
Company Secretary

Notes:

1. Closure of Share Transfer Books

The register of members will remain closed from June 16, 2023 to June 23, 2023 (both days inclusive). Shareholders whose names appear in the Register of Members on June 15, 2023 will be entitled to attend the Extraordinary General Meeting (EOGM). Transfers received in order at the office of our Share Registrars, JWAFFS Registrar Services (Pvt.) Ltd., 407-408, AlAmeera Centre, Shahrah-e-Iraq Saddar Karachi by the close of business on June 15, 2023 will be treated in time for the purpose of attending the EOGM.

2. Participation in Extraordinary General Meeting

Any member of the Company entitled to attend and vote at this meeting may appoint another person as his/her proxy to attend and vote on his/her behalf. A corporate entity, being a member, may appoint any person, regardless whether he is a member or not, as its proxy. In case of corporate entities, a resolution of the Board of Directors /Power of Attorney with specimen signatures of the person nominated to represent and vote on behalf of the corporate entity shall be submitted to the Company along with a completed proxy form. Proxies in order to be effective must be received by the Company at the Registered Office located at 1st Floor. Ismail Centre, 6-C, Central Commercial Area, Bahadurabad, Karachi, not less than 48 hours before the time fixed for holding the meeting.

3. Further Guidelines for shareholders

• For Attending the Meeting:

To attend the meeting, CDC account holders must comply with the guidelines set by the SECP through its Circular 1 of January 26, 2000. Individuals must present their original CNIC or passport for authentication. In the case of corporate entities, a resolution of the Board of Directors or a Power of Attorney with the nominee's specimen signature must be provided at the meeting, unless previously provided to the company.

• For Appointing Proxies:

Individuals, including account holders, sub-account holders, and those whose securities are in a group account, must submit the proxy form as per the above requirements. The proxy form should be witnessed by two individuals who must provide their names, addresses, and CNIC numbers on the form. Attested copies of the CNICs or passports of both the beneficiary owner and the proxy must be attached to the proxy form. The proxy must present their original CNIC or passport at the time of the meeting. In the case of corporate entities, a resolution of the Board of Directors or a Power of Attorney with the specimen signature should be submitted along with the proxy form to the company. The enclosed form of proxy can be used for this purpose

4. Polling on Special Business Resolutions:

• E-Voting/Voting by Postal Ballot:

The Company shall provide its members for, inter alias, all businesses classified as special business, with options of e-voting or voting by postal ballot in accordance with the provisions of the Companies (Postal Ballot) Regulations, 2018.

5. Virtual Participation:

Members holding at least 10% of the total paid-up capital in a city can request video-link participation. The company will arrange video conferencing if consent is received from the required members 10 days before the meeting, subject to availability in that city.

STATEMENT OF MATERIAL FACTS U/S 134 (3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business to be transacted at the Extraordinary General Meeting of the Company to be held on June 23, 2023.

Item No. 2 of the Agenda – Increase in Authorized Share Capital of the Company and Consequent Amended in the Memorandum and Articles of Association.

In order to cater for future increase in paid up share capital as and when deemed necessary in accordance with growth plans and in the best interest of the Company and its stakeholders, the Board of Directors in their meeting held on June 02, 2023 have decided that the Authorized Share Capital of the Company needs to be enhanced. Accordingly, the Board of Directors has recommended to increase the Authorized Share Capital of the Company from Rs.220,000,000 divided into 22,000,000 ordinary shares of Rs. 10/- each to Rs. 1,620,000,000 divided into 162,000,000 ordinary shares of Rs. 10 each by creation of 140,000,000 additional ordinary shares of Rs. 10/- each.

The new Ordinary Shares when issued shall carry same voting rights and rank parri 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 of the Company will also necessitate amendments in clause V of the Memorandum and Article 4 of the Article of Association. Therefore, the Board of Directors have also recommended alteration in the Memorandum of Association and Articles of Association of the Company to reflect increase in Authorized Share Capital of the Company.

No directors or Chief Executive of the Company or their relatives have any interest in the proposed alterations to the Memorandum and Articles of Association of the Company except in their capacities as directors/Chief Executive/shareholders of the Company.

Item No. 3 of the Agenda – To amend the Article of Association of the Company

In order to allow the Board of Directors of the Company to approve distribution of dividend by way of capitalization any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, the Board of Directors of the Company in their meeting held on June 02, 2023 has recommended to substitute the Article 109 of the Articles of Association of the Company accordingly.

The Directors / Chief Executive of the Company have no interest, directly or indirectly, in the Special Business and / or Special Resolution except in their capacities as Directors/Chief Executive/shareholders.

Availability of Relevant Documents and Inspection

A copy, each of the existing and proposed Memorandum and Articles of Association, indication the proposed amendments are available for inspection at the registered office of the Company from 9.30 a.m to 5.30 p.m on any working day, up to the last working day before the date of Extraordinary General Meeting.

Statement of the Board of Directors

“We, the members of the Board of Directors hereby confirm that the proposed amendments/alterations in the Memorandum and Articles of Association of the Company are in line with the applicable laws and regulatory framework.”

