



**KCL/AGM/2022-23/01**

October 4, 2023

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

Dear Sir,

**Subject: DRAFT NOTICE OF ANNUAL GENERAL MEETING**

In accordance with the Rule 5.6.9 (b) of the PAX Rule Book of Pakistan Stock Exchange Limited, please find attached draft copy of Notice of Annual General Meeting, to be held at 3.00 p.m. on Friday, October 27, 2023 at Company Registered Office A-31, S.M.C.H.S., Karachi, an / or online through Zoom, prior to its publication in newspaper. The notice will be published in one of the each daily newspaper (English and Urdu) on October 06, 2023.

Thanking you,

Yours truly,  
For Karam Ceramics Limited

Manzoorali Natha  
Company Secretary



Enls: as stated above

**karam ceramics limited**

A-31, S.M.C.H.S. Karachi, Pakistan - 75400

Telephone : +92 (21) 345-555-12 & 13 Fax : +92 (21) 345-555-42 Email : nova-kcl@nova-kcl.com URL: www.nova-kcl.com



Notice is hereby given that the 44<sup>th</sup> Annual General Meeting ("AGM") of Karam Ceramics Limited (the "Company") will be held on Friday 27<sup>th</sup> October 2023, at 3.00 P.M, at the Registered Office of the Company To transact the following business:

1. To Confirm the minutes of the 43<sup>rd</sup> Annual General Meeting held on 26<sup>th</sup> November 2022.

2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2023, together with the Directors' and Auditors' reports thereon.

3. To appoint External Auditor of the Company for the year ending June 30, 2024 and fix their remuneration. The present auditor's M/s Crowe Hussain Chaudhury & Co. Chartered Accountants, retire and being eligible have offered themselves for reappointment.

#### Special Business:

4. To consider and approve increase in authorized capital and subsequent amendment in the Memorandum and Articles of Association of the Company. As recommended by the Board of Directors. In order to give effect to the aforesaid, if thought fit, pass with or without modification(s) the following resolutions as Special Resolution:

**4.1.1 RESOLVED** "the authorized capital of the Company be and is hereby increased from Rs. 150,000,000/- (Rupees one hundred fifty million only) to Rs. 450,000,000/- (Rupees four hundred fifty million only) by creation of 30,000,000 (thirty million) new ordinary shares of Rs. 10/- each"

**4.2 FURTHER RESOLVED** "that the Memorandum and Articles of Association of the Company be and hereby altered by substituting the figures and words of Rs. 150,000,000/- (Rupees one fifty million only) divided into 15,000,000 (fifteen million) ordinary shares of Rs. 10/- each appearing in clause V of the Memorandum and Articles 2 of Articles of Association with the word and figures of Rs 450,000,000/- (Rupees Four Hundred And Fifty Million only) divided in 45,000,000 (Forty Five million) ordinary shares of Rs 10/- each."

**4.3 FURTHER RESOLVED** "that the ordinary shares when issued shall carry equal voting rights and rank Pari passu with the existing ordinary shares of the Company in all respect / matters in conformity with the provisions of the Companies Act, 2017."

**4.4 FURTHER RESOLVED** "that the Chief Executive Officer and Company Secretary be and are hereby authorized singly to do all acts, deeds and things., take any or all necessary actions to complete all legal formalities and to file requisite documents with the Registrar to effectuate and implement the aforesaid resolutions."

5. To consider and, if thought fit, pass, with or without modification(s), the following resolution to enable and authorize the Company to circulate the Annual Report (including the audited financial statements, Auditors' report, Directors' report, Chairman's review report) to the members of the Company through QR enabled code and weblink, in accordance with S.R.O. 389(I)/2023 issued by the Securities and Exchange Commission of Pakistan, and that the practice of circulation of the annual report through CD / USB be discontinued.

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

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

#### Karachi

October 06, 2023.

By Order of the Board

Manzoor Ali Natha

Company Secretary

#### Notes :

##### 1. Closure of Share Transfer Books.

The Share transfer book of the company will remain closed from October 20, 2023 to October 27, 2023 (both days inclusive). The transfers received at Company's Share Registrar Namely M/s THK Associates (Pvt) Ltd. Plot No. 32-C, Jami Commercial Street 2, D.H.A Phase VII Karachi-75500 before the close of business on October

18, 2023 will be considered in time for determination of entitlement of shareholders to attend and vote at the meeting.

##### 2. Participation in General Meeting

A member entitled to attend and vote at the General Meeting is entitled to appoint another member as a proxy to attend and vote on his / her behalf. In case of a corporate entity, being a member, may appoint as its proxy any of its officials or any other person, through Board Resolution / Power of Attorney.

The instrument appointing proxy must be received at the Registered Office of the Company or at the office of our Share Registrar or through email at [manzooralikaram@gmail.com](mailto:manzooralikaram@gmail.com) not less than 48 hours before the time of the meeting. A proxy form is attached in the last portion of the Annual Report

##### 3. Guideline to the general Meeting for CDC Account Holders.

CDC Account Holders will have to follow the guidelines below as laid down in Circular 1 dated, January 6, 2000 issued by the Securities and Exchange Commission of Pakistan

##### For Attending the Meeting

a) In case of individual, the account holder or sub-account holder whose securities and their registration details are up-loaded as per the CDC 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 general meeting.

b) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and attested copy of valid CNIC of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

##### For appointing Proxies

a) In case of individual, the account holder or sub-account holder whose securities and their registration details are up-loaded as per the CDC Regulations, shall submit the proxy form as per above requirement.

b) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

c) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

d) The Proxy shall produce his / her original CNIC or original passport at the time of the meeting.

e) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and an attested copy of valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with proxy form to the Company.

##### 4. Change of Address

Members are requested to immediately inform the Company's Share Registrar of any change in their mailing address.

##### 5. Submission of Computerized National Identity Card (CNIC) or National Tax Number (NTN) or Passport

The Shareholders are informed that as per Sub Clause 9 (i) of Regulation 4 of Companies (Distribution of Dividends) Regulations, 2017 the identification of the registered shareholder or its authorized person should be made available with the Company. Therefore, it is requested that shareholders must provide copy of their valid CNIC (in case of individual) or NTN (in case of other than individual) or Passport (in case of foreign individual) along with their folio number by mail or email to the Company Secretary or Share Registrar, unless it has been provided earlier.

##### 6. E-Dividend

As per Section 242 of the Companies Act, 2017 it is mandatory for the public listed companies to pay cash dividend to its shareholders only through electronic mode, directly into bank account designated by the entitled shareholders. Therefore, all shareholders are requested to provide their valid bank account details (if it is not provided earlier) in the "Dividend Mandate Form", attached in the last portion of this report at the earliest. Shareholders maintaining shareholding under Central Depository System (CDS) are advised to submit their bank mandate information directly to the relevant participant / CDC Investor Account Service.

##### 7. Unclaimed Dividend

As per Section 244 of the Companies Act, 2017 any dividend and / or share certificate which are remained unclaimed or unpaid for the period three years from the date these have become due and payable, the Company shall be liable to deposit these unclaimed / unpaid amounts with the Federal Government as per the directives to be issued by SECP from time to time.

##### 8. Annual Audited Accounts through E-mail

Transmission of Annual Financial Statements through Email: In pursuance of the directions given by SECP, those members who desire to receive Annual Financial Statements in future through email instead of receiving the same by post are advised to give their formal consent along with their valid email address on a Standard Request Form which is available at the Company's website and send form duly filled in and signed along with a copy of his / her valid CNIC / Passport at the Share Registrar Office or Company Secretary.

Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore the note.

##### 9. Participation through video conferencing facility

The shareholders, can now participate in the AGM proceedings via video link also. Those Members who are willing to attend and participate in the AGM via video link are requested to register themselves by sending an email along with following particulars and valid copy of both sides of Computerized National Identity Card (CNIC) at [manzooralikaram@gmail.com](mailto:manzooralikaram@gmail.com) with subject of "Registration for AGM" not less than 48 hours before the time of the meeting.

Name of Shareholder	CNIC No.	FOLIO NO	Cell No.	Email Address
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Members who will be registered, after necessary verification as per the above requirement, will be provided a password protected video link by the company via email. The said link will remain open from 2:50 pm. on the date of AGM till the end of the meeting.

##### 10. E – VOTING

Members can exercise their right to demand a poll subject to meeting requirements of Section 143 – 145 of Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018. ("the Regulations")

The members are hereby notified that pursuant to the Regulations amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business as per the following procedures:

##### • Procedure doe E-Voting:

a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC, cell numbers and e-mail addresses available in the register of members of the Company by the close of business of October 19, 2023.

b) The web address and login details will be communicated to members via e-mail. The Security codes will be communicated to members through SMS from web portal of Share Registrar (being the e-voting services provider).

c) Identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature of authentication for login.

d) E-Voting lines will be start from 9.00 a.m. on October 22, 2023, and shall be closed at 5.00 p.m. on October 26, 2023. Member can cast their votes any time during the period. Once the vote on a resolution is cast by a member, he / she not be allowed to change it subsequently.

##### • Procedure for Voting through Postal Ballot

: The Members shall ensure that duly filled ballot paper, along with copy of CNIC, should reach the Chairman of the meeting through post with address of office the Company / Share Registrar or through email at [manzooralikaram@gmail.com](mailto:manzooralikaram@gmail.com) by close of business day October 26, 2023. The signature on ballot paper shall match the signature on CNIC.

For the convenience of members, ballot paper is annexed to this notice and the same is also available on Company's website at [www.karamceramics.com](http://www.karamceramics.com).

##### 13. Deposit of Physical Shares in CDC Accounts

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical

Shares with book-entry form in a manner as may be specified and form the date notified by the SECP. within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e., May 31, 2017.

In order to comply with the directives, the physical shareholders are once again requested to convert their shares into book-entry form by opening CDC sub-account with any of the brokers or investors account directly with CDC to with place their physical shares into scrip less form.

For any query / information, the investors may contact the Company / Share Registrar at the following:

<b>Company's Registered Office</b> A-31, Sindhi Muslim Cooperative Housing Society Karachi. 75400. Tele (021) 345 555-12 & 13 Fax (021) 345 555 42	<b>Share Registrar office</b> THK Associates Pvt Limited Plot No. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi 75500 Tele(021) 111 000 322. Fax (021) 334 240 4222
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##### STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement is annexed to the Notice of the Annual General Meeting of Karam Ceramics Limited to be held on October 27, 2023 at which certain special business is to be transacted. The purpose of this statement is to set forth the material facts concerning such special business.

##### ITEM NO. 4 OF THE AGENDA

The current authorized capital of the Company is Rs.150,000,000/- (Rupees One hundred fifty million only) divided into 15,000,000 (fifteen million) ordinary shares of Rs. 10/- each. In order to cater for increase in paid up share capital in future, the Board of Directors has recommended that the authorized capital be increased from Rs.150,000,000/- to Rs. 450,000,000/- by creation of additional 30,000,000 ordinary shares of Rs. 10/- each. The proposed increase in the authorized capital of the Company will also necessitate amendments in Clause V of the Memorandum of Association and Article 2 of the Articles of Association of the Company to reflect the increase in authorized capital of the Company. For this purpose, a special resolution is required to be considered and approved in this meeting.

Memorandum of Association		
Clause No.	Existing Clause	Proposed Amendment
V	The capital of the company is Rs. 150,000,000/- (Rupees one hundred fifty million) divided into 15,000,000 (fifteen million) shares of Rs. 10/- each with power to divide the shares in the capital for the time being into several classes and attach thereto any preferential, or deferred, qualified or special rights, privileges and conditions.	The capital of the company is Rs. 450,000,000/- (Rupees four hundred fifty million) divided into 45,000,000 (forty-five million) shares of Rs. 10/- each with power to divide the shares in the capital for the time being into several classes and attach thereto any preferential, or deferred, qualified or special rights, privileges and conditions.

Articles of Association		
Articles No.	Existing Article	Proposed Amendment
2	The capital of the company is Rs. 150,000,000/- (Rupees one hundred fifty million) divided into 15,000,000 (fifteen million) shares of Rs. 10/- each with power to divide the shares in the capital for the time being into several classes and attach thereto any preferential, or deferred, qualified or special rights, privileges and conditions.	The capital of the company is Rs. 450,000,000/- (Rupees four hundred fifty million) divided into 45,000,000 (forty-five million) shares of Rs. 10/- each with power to divide the shares in the capital for the time being into several classes and attach thereto any preferential, or deferred, qualified or special rights, privileges and conditions.

##### ITEM NO. 5 OF THE AGENDA

The Securities and Exchange Commission of Pakistan has allowed listed Companies, through its S.R.O No.389(I)/2023 dated March 21, 2023 to circulate the Audited Annual Financial Statements to their Members through QR-enabled code and weblink instead of transmitting the Audited Annual Financial Statements through CD/DVD/USB.

The Company shall circulate Audited Annual Financial Statements through the email address in case it has been provided by the member to the Company, and upon demand, supply hard copies of the Audited Annual Financial Statements to the shareholders free of cost upon receipt of a duly completed Request Form, which may be obtained from the Company's Website i.e. <http://www.karamceramics.com>

None of the Directors of the Company have any direct or indirect interest in the special business, except in their capacity as members and directors of the company.

##### POSTAL BALLOT PAPER

For voting through post for the Special Business at the Annual General Meeting to be held on Friday, October 27, 2023 at 3.00 p.m. at A/31, Sindhi Muslim Cooperative Housing Society, Karachi, and / or online through Zoom. Phone: (021)345 555 12 & 13; Website: [Karamceramics.com](http://Karamceramics.com)

Designated email address of the Chairperson at which the duly filled in ballot paper may be sent: [manzooralikaram@gmail.com](mailto:manzooralikaram@gmail.com)

Name of shareholder/joint shareholders	
Registered Address	
Number of shares held and folio number	
CNIC Number (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	

I/ we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below (delete as appropriate);

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
2.	<b>Resolution For Agenda item No. 4</b> <b>RESOLVED</b> "the authorized capital of the Company be and is hereby increased from Rs. 150,000,000/- (Rupees one hundred fifty million only) to Rs. 450,000,000/- (Rupees four hundred fifty million only) by creation of 30,000,000 (thirty million) new ordinary shares of Rs. 10/- each" <b>FURTHER RESOLVED</b> "that the Memorandum and Articles of Association of the Company be and hereby altered by substituting the figures and words of Rs. 150,000,000/- (Rupees one fifty million only) divided into 15,000,000 (fifteen million) ordinary shares of Rs. 10/- each appearing in clause V of the Memorandum and Articles of Association and Articles 2 of Articles of Association with the word and figures of Rs 450,000,000/- (Rupees Four Hundred And Fifty Million only) divided in 45,000,000 (Forty Five million) ordinary shares of Rs 10/- each." <b>FURTHER RESOLVED</b> "that the ordinary shares when issued shall carry equal voting rights and rank Pari passu with the existing ordinary shares of the Company in all respect / matters in conformity with the provisions of the Companies Act, 2017." <b>FURTHER RESLOVED</b> "that the Chief Executive Officer and Company Secretary be and are hereby authorized singly to do all acts, deeds and things., take any or all necessary actions to complete all legal formalities and to file requisite documents with the Registrar to effectuate and implement the aforesaid resolutions."			
2.	<b>Resolution For Agenda item No. 5</b> "RESOLVED THAT the Company be and is hereby authorized to circulate its annual report, including annual audited financial statements, Auditors' report, Directors' report, Chairman's review report and other reports contained therein, to the members of the Company through QR enabled code and weblink, in accordance with S.R.O. 389(I)/2023 issued by the Securities and Exchange Commission of Pakistan, and that the practice of circulation of the annual report through CD / USB be discontinued.			

Signature of shareholder(s) \_\_\_\_\_ Place: \_\_\_\_\_ Date: \_\_\_\_\_

#### NOTES:

1. Dully filled postal ballot should be sent to chairperson of Karam Ceramics Limited at A-31, S.M.C.H.S., Karachi or email at [manzooralikaram@gmail.com](mailto:manzooralikaram@gmail.com).

2. Copy of CNIC should be enclosed with the postal ballot form.

3. Postal ballot forms should reach chairperson within business hours by or before Thursday, October 26, 2023. Any postal ballot received after this date, will not be considered for voting.

4. Signature on postal ballot should match with signature on CNIC.

5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.

7. Ballot Paper form has also been placed on the website of the Company at: [www.karamceramics.com](http://www.karamceramics.com). Members may download the Ballot paper from the website or use an original/photocopy published in newspapers.



