

FORM- 4

October 7, 2022

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 28, 2022 for circulation amongst the TRE Certificate Holders of the Exchange.

The aforementioned notice has been published in the following English and Urdu language newspapers on October 07, 2022.

1. Business Recorder (English)
2. Nawa-e-Waqt (Urdu)

Yours Sincerely,



Talha Ahmed Zaidi
Company Secretary

Encl: Notice Copy

Notice of 59th Annual General Meeting

Notice is hereby given that the 59th Annual General Meeting of the shareholders of GHANDHARA INDUSTRIES LIMITED will be held on Friday, October 28th, 2022 at 11:30 A.M at F-3, Hub Chauki Road, S.I.T.E., Karachi to transact the following business:

Ordinary Business

- To receive, consider and adopt the annual audited financial statements of the Company for the year ended June 30, 2022, together with Chairman's Review, Directors' and Auditors' report thereon.
- To appoint Auditors for the year ending June 30, 2023 and to fix their remuneration. The retiring auditors, Messers ShineWing Hameed Chaudhri & Co. Chartered Accountants, being eligible, have offered themselves for re-appointment for the year ending June 30, 2023.
- Any other business with the permission of the Chair.

Special Business

- To consider to pass the following ordinary resolutions:
 - "RESOLVED that the transactions carried out in normal course of business with related parties during the year ended June 30, 2022 be and are hereby ratified and approved."
 - "RESOLVED that the Chief Executive of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending June 30, 2023 and in this connection the Chief Executive be and is 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."
- To consider to pass the following resolutions as Special Resolution with or without modification:

"RESOLVED THAT (i) pursuant to Section 208 of the Companies Act, 2017, the approval of the members of the Company be and is hereby accorded to the Board of Directors to appoint Dr. Shaheen Kuli Khan Khattak with a designation of "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 w.e.f July 01, 2022 at the end of each and every quarter of the financial year :

- Janana De Malucho Textile Mills Ltd.
- Bannu Woollen Mills Ltd.
- Ghandhara Nissan Ltd.
- Ghandhara Industries Ltd.
- The Universal Insurance Company Ltd.
- Rahman Cotton Mills Limited

In view of the provisions of section 208 of the Act, the proposal is placed before the Annual General Meeting for approval as a Special Resolution.

It is therefore, RESOLVED THAT

"(i) the consent of the members be and is hereby granted to approve the Special Resolution for sharing the salary to be paid to Dr. Shaheen Kuli Khan Khattak (Director Public Relations) with the following Associated Companies on pro rata basis w.e.f July 01, 2022 at the end of each and every quarter of the financial year:

- Janana De Malucho Textile Mills Ltd.
- Bannu Woollen Mills Ltd.
- Ghandhara Nissan Ltd.
- Ghandhara Industries Ltd.
- The Universal Insurance Company Ltd.
- Rahman Cotton Mills Ltd.

It is also RESOLVED THAT

(ii) the Principal Officer and the Company Secretary be and are hereby authorized to complete all the necessary legal and corporate formalities pertaining to this resolution.

It is further RESOLVED THAT

(iii) All acts, deeds, and things done by the Authorized Officers pursuant to the above Resolutions for and on behalf of and in the name of the Company shall be binding acts, deeds and things done by the Company. (iv) The Principal Officer and the Company Secretary, be and are also hereby jointly or severally authorized to take any further modifications/amendments/corrections at a later stage if pointed out by Securities & 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."

- To consider to pass the following resolutions as Special Resolution with or without modification:

"Resolved that in accordance with provisions of Companies Act, 2017 together with approval of the Board to purchase of a floor in project "Sky Garden" of Business Vision (Pvt.) Limited situated at Plot no. 108 C.F., 1-5, old Clifton Quarters, Karachi is hereby ratified and approved"

By Order of the Board

Karachi

October 7, 2022

Talha Ahmed Zaidi

Company Secretary

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

NOTES:

1. Participation through video conferencing facility

The Company, in order to facilitate shareholders for their convenience and to minimize physical interaction keeping in view quorum requirements, has made arrangements to ensure that shareholders may participate through video conferencing facility.

The shareholders who have already updated their valid e-mail IDs with the Company or its Share Registrar and are interested to attend AGM online may send below information along with valid copy of both sides of CNIC with the subject "Registration for Ghandhara Industries Limited AGM" at shareholders@gil.com.pk. Such information should be sent from their duly registered valid e-mail ID for the registration purposes latest by October 20, 2022.

Name	CNIC Number	Folio / CDC Account No.	Cell No.	Email Address

Members whose requests are received by the aforesaid date, detailed procedure will be shared with them for joining the online meeting.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address shareholders@gil.com.pk.

Members are therefore, encouraged to attend the AGM through video link or by consolidating their attendance through proxies.

2. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed for the period from October 22, 2022 to October 28, 2022 (both days inclusive) for the purpose of Annual General Meeting. Transfers received in order at our Share Registrar M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi at the close of business on October 21, 2022 shall be treated in time for the purpose of Annual General Meeting. No transfer will be accepted for registration during this period.

3. Participation in General Meeting

A member of the Company entitled to attend and vote at this meeting, may appoint another person as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

CDC shareholders entitled to attend and vote at the meeting must bring his/her Participant ID and Account/Sub-Account number along with original CNIC or original passport to authenticate his/her identity. In case of corporate entity, resolution of Board of Directors/Power of Attorney with specimen signature of the nominee along with his/her recent photograph shall be produced (unless it has been provided earlier) at the time of the meeting.

4. For appointing the proxy

CDC shareholders shall submit the proxy form as per above requirements together with attested copy of CNIC or Passport of the beneficial owner and proxy. In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be submitted along with the proxy form to the Company.

The proxy form shall be witnessed by two witnesses with their names, addresses, and CNIC numbers. The proxy shall produce his/her original CNIC or original Passport at the time of meeting.

5. Change in Address and CNIC

Members are requested to notify/submit the following Information / documents, in case of book entry securities in CDS to their respective participants and in case of physical shares to the registrar of the Company by quoting their folio numbers and name of the Company at the above-mentioned address, if not earlier notified/submitted:

- Change in their address, if any
- Members, who have not yet submitted attested photocopy of their valid CNIC are requested to submit the same along with folio numbers at earliest, directly to the Company's Share Registrar M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi

Further, Pursuant to the directives of the SECP, the dividend of shareholders whose CNIC/SNIC or NTN (in case of corporate entities), are not available with the Share Registrar could be withheld. Shareholders are therefore, requested to submit a copy of their valid CNIC (if not already provided) to the Company's Share Registrar.

6. Request for Video Conferencing Facility

If the Company receives consent from the members holding at least 10% shareholding residing in a city, to participate in the meeting through video-link at least seven (07) days prior to date of the meeting, the Company will arrange facility of video-link in that city subject to availability of such facility in that city.

To avail this facility please provide the following information to our Share Registrar M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi.

"I/We, _____ of _____, being a member of Ghandhara Industries Limited, holder of _____ ordinary share(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____."

Signature of member

7. Availability of Audited Financial Statement on Company's Website

The audited financial statements of the Company for the year ended June 30, 2022 have been made available on the Company's website www.gil.com.pk, at least 21 days before the date of Annual General Meeting.

8. Annual Report through Email / CD/ DVD

This is to inform that SECP in accordance with SRO 470(I)/2016 dated 31 May 2016, through which SECP has allowed companies to circulate the annual audited accounts to its members through CD/DVD/ USB instead of transmitting the hard copies at their registered addresses, subject to consent of shareholders and compliance with certain other conditions, the Company has obtained shareholders' approval in its Annual General Meeting held on October 31, 2016. Accordingly, Annual Report of the Company for the year ended June 30, 2022 is dispatched to the shareholders through CD. However, if a shareholder requests for a hard copy of Annual Accounts, the same shall be provided free of cost within seven days of receipt of such request.

Further, SECP through its Notification No. SRO. 787(1)/2014, dated September 08, 2014 and under section 223(6) of the Companies Act, 2017 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desire to avail this facility. The members who desire to opt to receive aforesaid statements and notice of Annual General Meeting through e-mail are requested to provide their details on "Electronic Communication Consent Form" (available on the Company's website), to the Company's Share Registrar, CDC Share Registrar Services Limited. Further, it is responsibility of the member to timely update the Shares Registrar of any change in the registered e-mail address.

In compliance with above requirements, soft copy of the Annual Report 2022 is being emailed to those members who have opted to receive communication through email.

9. Payment of Cash Dividend Electronically (Mandatory Requirement)

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholder only through electronic mode directly into the bank account designated by the entitled shareholder. Shareholders who have not yet submitted their banking details for dividends already declared by the Company are requested to fill in "Electronic Credit Mandate Form" as reproduced below and also available on Company's website and send it duly signed along with a copy of valid CNIC/NTN to their respective CDC participant / CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar M/s. CDC Share Registrar Services Limited. (in case of shareholding in Physical Form).

a) Shareholder's Details	
Name of the Shareholder (s)	
Folio # / CDS Account No.(s)	
CNIC NO. (Copy attached)	
Mobile/Landline No.	
b) Shareholder's Bank Details	
Title of Bank Account	
International Bank Account Number (IBAN)	
Bank's Name	
Branch's name and address	

It is stated that the above-mentioned information is correct and in case of any change herein I/we will immediately intimate the Share Registrar accordingly.

10. Unclaimed Shares and Dividend

Pursuant to Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it become due payable shall vest with the Federal Government after compliance of procedures prescribed under the Company Act, 2017. Shareholders are hereby informed that a list of all unclaimed dividend has been added on the Company's website: <https://gil.com.pk/page-Unclaimed-dividend-and-shares>. Any member affected by this notice is advised to write to or call at the office of the Company's share registrar M/s. CDC Share Registrar Services Limited. CDC House no. 99-B, Block B, S.M.C.H.S Main Shahrah-e-Faisal, Karachi during normal working hours.

11. Postal Ballot

Pursuant to the Companies (Postal Ballot) Regulations, 2018, for any agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right to vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.

12. Deposit of Physical Shares in to CDC Account

As per Section 72 of the Companies Act, 2017 every existing listed 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 the Commission, within a period not exceeding four years from the date of the promulgation of the Companies Act 2017.

Pursuant to the SECP letter no. CSD/ED/Misc./2016-639-640 dated March 26, 2021, the Company is following up with all shareholders holding shares in physical form with the request to convert their shares in Book-Entry Form in order to comply with the provisions of the Companies Act, 2017. Shareholders may contact the Company's Share Registrar to understand the process and benefits of conversion of shares held in physical form into Book-Entry Form.

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

The following statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on October 28th, 2022.

Agenda Item # 1(a) of the Special Business – Transactions carried out with associated companies during the year ended June 30, 2022 to be passed as an Ordinary 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 pursuant to clause 15 of the Listed Companies Corporate Governance Regulations, 2019.

During the Board meeting it was pointed out by the Directors that as the majority of Company Directors were interested in this/these transaction(s) due to their common directorship and holding of shares in the associated companies, the quorum of directors could not be formed for approval of this/these transaction(s) which has/have to be approved by the shareholders in the General Meeting.

In view of the above, the transactions conducted during the financial year ended June 30, 2022 with associated companies as shown in note no. 42 to the Audited Financial Statements for year ended June 30, 2022 are being placed before the shareholders for their consideration and approval/ratification.

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

Agenda Item No. 1(b) of the Special Business – Authorization to the Chief Executive 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 an Ordinary Resolution

The Company shall be conducting transactions with its related parties during the year ending June 30, 2023 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship in the associated companies.

In order to comply with the provisions of clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019, the shareholders may authorize the Chief Executive to approve transactions carried out and to be carried out in normal course of business with associated companies/related parties 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.

Agenda Item No. 2 of Special Business to be passed as Special Resolution:

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 of Directors in its meeting held on October 04, 2022 upon recommendation of Audit Committee of the Company, have recommended to appoint Dr. Shaheen Kuli Khan Khattak as Director Public Relations w.e.f July 01, 2022 and her services will be continued till further decision by the Board. She has suitable qualification, experience and communication skills.

In order to reduce the overhead expense of the Associated Companies, these expenses shall be charged and reimbursed by the following Associated Companies on a pro rata basis by each Associated Company at the end of each & every quarter of the financial year:-

- Janana De Malucho Textile Mills Ltd.
- Bannu Woollen Mills Ltd.
- Ghandhara Nissan Ltd.
- Ghandhara Industries Ltd.
- The Universal Insurance Company Ltd.
- Rahman Cotton Mills Ltd.

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

- Mr. Ali Kuli Khan Khattak
- Mr. Ahmad Kuli Khan Khattak
- Mrs. Shahnaz Sajjad Ahmad
- Mr. Muhammad 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.

Agenda Item No. 3 of the Special Business – To purchase a floor in Project Sky Garden to be passed as Special Resolution

In accordance with provisions of Companies Act, 2017, the Company wish to purchase an office floor in Project "Sky Garden" of Business Vision (Pvt.) Limited situated at Plot no. 108 C.F., 1-5, old Clifton Quarters, Karachi.

Size of the office is 11,166 sq. ft. having total price of Rs. 450 million. The payment of Rs. 125 million have already been made to Business Vision (Pvt.) Limited, however remaining payment would be made in installments as per defined payment plan ending on September 30, 2025. The project is expected to be completed by March 31, 2026

The following Directors are interested in the resolution to the extent of their common directorships and their shareholding in the Associated Company.

- Mr. Ali Kuli Khan Khattak
- Mr. Ahmad Kuli Khan Khattak

Further below directors are interested in resolution to the extent of their relation with above mentioned directors.

- Mrs. Shahnaz Sajjad Ahmad
- Mr. Muhammad Kuli Khan Khattak

Based on above, the matter is being presented before general meeting for approval by shareholders as special resolution.

