



Associated Companies:

J. K. Power Ltd.

J. K. Agriculture Farms (Pvt) Ltd.

J. K. Tech (Pvt.) Ltd.

Fine Fabrics (Pvt) Ltd.

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT 38th ANNUAL GENERAL MEETING OF THE MEMBERS OF J.K. SPINNING MILLS LIMITED WILL BE HELD ON MONDAY, 28 OCTOBER, 2024 AT 11.00 A.M. AT 29 K.M, SHEIKHUPURA ROAD, KHURRIANWALA, FAISALABAD/THROUGH VIDEO LINK, TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

- 1) To confirm the minutes of 37th Annual General Meeting held on October 27, 2023.
- 2) To receive, consider and adopt the Annual Audited Accounts along with the reports of Directors and Auditors of the Company for the year ended June 30, 2024.

In accordance with Section 223(7) of the Companies Act, 2017 and S.R.O No.389(I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the Company's website which can be downloaded from the following link and QR enabled code:

[www.jkgroup.net/financial-reports](http://www.jkgroup.net/financial-reports)



- 3) To appoint Auditors for the year 2024-2025 and fix their remuneration. The present Auditors M/s Riaz Ahmad and Company, Chartered Accountants, being eligible, has offered themselves for reappointment.

### SPECIAL BUSINESS:

- 4) To ratify and approve transactions conducted with Related Parties for the year ended June 30, 2024 by passing the special resolution with or without modification.
- 5) To authorize the Board of Directors of the Company to approve transactions with Related Parties and for sale and purchase of Goods / Services to / from J.K. Tech (Pvt.) Limited, up to Rs. 200 million, J.K. Agriculture Farms (Pvt.) Limited, up to Rs. 100 million and Fine Fabrics (Pvt.) Limited, up to Rs. 350 million - Associated Companies for the year ending June 30, 2025 by passing the Special resolution with or without modification.

(Attached to this Notice is a Statement of Material Facts covering the above-mentioned Special Business, as required under Section 134 (3) of the Companies Act, 2017).

### ANY OTHER BUSINESS

- 6) Any business with permission of Chair.

By Order of the Board

Faisalabad: September 11, 2024

Syed Hussain Shahid Mansoor Naqvi  
Company Secretary



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## NOTES

1. The Share Transfer Books of the Company will remain closed from October 21, 2024 to October 28, 2024 (both days included). Transfers received at the Company's Share Registrar, M/s CorpTec Associates (Pvt.) Limited, 503-E, Johar Town, Lahore, at the close of business on 20 October, 2024 will be treated in time for the purpose of above entitlement to the transferees.
2. The members / proxies who wish to attend the Annual General Meeting, via Video Link, are requested to get themselves registered by sending their particulars at the designated email address legal@jkgroup.net as per below table by the close of business hours (5:00 p.m.) on October 25, 2024:

Name of Member	CNIC No. / NTN No.	CDC Participant ID/Folio No.	Cell Number	Email Address

The Video link will be emailed to the registered members / proxies who have provided all the requested information.

3. The CDC account holders / sub-account holders are requested to bring with them their original CNICs or Passports along with Participant(s) ID Number and CDC Account Numbers at the time of attending the Annual General Meeting for identification purpose. If proxies are granted by such Shareholders the same must be accompanied with attested copies of the CNICs or the Passports of the beneficial owners. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signatures of the nominee shall be produced at the time of meeting. The nominee shall produce his original CNIC at the time of attending the meeting for identification purpose.

The members are also required to attach the copy of their CNIC and where applicable, copy of CNIC of member(s) of whom he / she / they hold proxy(ies) while sending the information with reference to Note 2 hereof. Without the copy of the CNIC, such member(s) shall not be registered for the Video link facility.

A member entitled to attend and vote at the meeting may appoint another member as proxy to attend, speak and vote instead of him / her. Proxies in order to be effective must be received at the Head Office of the Company duly stamped and signed not later than 48 hours before the meeting. A proxy must be a member of the Company.

## PROCEDURE FOR E-VOTING FOR SPECIAL BUSINESS:

- a) Details of e-Voting facility will be shared through e-mail with those members of the Company who have valid cell numbers / e-mail addresses (Registered e-mail ID) available in the Register of Members of the Company by the end of business on October 20, 2024. Members who intend to exercise their right of vote through E-voting shall provide their valid cell numbers and email addresses on or before 18 October 2024.
- b) Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- c) E-Voting will start from October 25, 2024, 09:00 a.m. and shall close on October 27, 2024 at 5:00 p.m. Members can cast their votes any time during this period.
- d) Once the vote is cast by a member/proxyholder, he / she shall not be allowed to change it subsequently.

E-voting Service Provider: M/s. Corptec Associates (Pvt.) Limited



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## **PROCEDURE FOR VOTING THROUGH POSTAL BALLOT:**

The members may alternatively opt for voting through postal ballot which is attached to the notice of meeting circulated to them. The postal ballot paper is also available for download from the website of the Company at [www.jkgroup.net](http://www.jkgroup.net).

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address 29-KM, Sheikhpura Road, Khurrianwala, Faisalabad, Pakistan or email at [chairman@jkgroup.net](mailto:chairman@jkgroup.net) on October 27, 2024 up to 5 p.m. A postal ballot received after this time / date shall not be considered for voting. The signature on the ballot paper shall match the signature on CNIC. Please note that in case of any dispute in voting including the casting of more than one vote, the decision of the Chairman of the meeting shall be final.

4. As per Section 72 of the Companies Act, 2017, all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of the Companies Act, 2017. The Securities and Exchange Commission of Pakistan through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their members who still hold shares in physical form, to convert their shares into book-entry form. We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest.
5. Shareholders holding shares in physical form, are requested to notify any change in their addresses immediately to the Share Registrar of the Company. Shareholders having shares in their CDC accounts are required to have their addresses updated with their respective participants.
6. The shareholders will be allowed to exercise their right to vote through e-voting and postal ballot subject to the requirements of Sections 143 and 144 of the Companies Act, 2017 and the Companies (Postal Ballot) Regulations, 2018.
7. The notice of Annual General Meeting has also been posted on the Company's website.
8. The Proxy Form is attached.

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

The statement sets out the material facts pertaining to the special business to be transacted at the forthcoming Annual General Meeting of the Company to be held on October 28, 2024. The Directors in their meeting held on September 11, 2024 have recommended to the Shareholders to pass the following special resolutions.

### **1. Item Number 4 of the Notice - Ratification and approval of the related party transactions carried out during the year ended June 30, 2024.**

Transactions conducted with all related parties have to be approved by the Board of Directors, duly recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.



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However, during the year since Company's Directors were interested in certain transactions due to their common directorships in the Associated Companies, therefore, common directors did not participate for approval of these transactions pursuant to section 207 of the Companies Act, 2017. During the 37th Annual General Meeting of the Company, in order to promote transparent business practices, the shareholders had authorized the Board of Directors to approve transactions with the related parties from time-to-time on case-to-case basis for the year ended June 30, 2024 and such transactions were deemed to be approved by the shareholders. Such transactions were to be placed before the shareholders in next AGM for their formal approval / ratification. Accordingly, these transactions are being placed before the AGM for the formal approval / ratification by shareholders. All transactions with related parties to be ratified have been disclosed in the Note 40 to the financial statement for the year ended June 30, 2024. Party-wise details of such related party transactions are given below:

Name of Related Party	Basis of Relationship	Nature of transactions	PKR in '000'
<b>Associate:</b>			
J.K. Tech (Private) Limited (JKTPL)	30% Shareholding in JKTPL	Service charges	2,640
		Rental income	2,400
		Expenses paid on behalf of JKTPL	235
<b>Other related parties:</b>			
J.K. Spinning Mills Limited: Employees' Provident Fund Trust	Post-employment benefit plan	Contribution made	67,560
Chief Executive Officer and a Director	Members of Board of Directors	Loan obtained	500,000
Executives	Key Management Personnel	Vehicles Sold	11,517

The Company carries out transactions with its related parties on an Arm's Length Basis as per the approved policy with respect to "Transactions with Related Parties" in the normal course of business. All transactions entered into with related parties require the approval of the Board's Audit Committee of the Company, which is chaired by an independent director of the Company. Upon the recommendation of the Board's Audit Committee, such transactions are placed before the Board of Directors for approval.

Transactions entered into with the related parties include, service charges paid / rental income recovered, dividends, loan repaid to directors and investments made (in accordance with the approval of shareholders and board where applicable).

The nature of relationship with these related parties has also been indicated in the Note 40 to the financial statement for the year ended June 30, 2024. The Directors are interested in the resolution only to the extent of their common directorships in such related parties.



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To ratify and approve transactions conducted with Related Parties for the year ended June 30, 2024 by passing the following special resolution with or without modification:

***"RESOLVED THAT the transactions conducted with Related Parties as disclosed in the Note 40 of the financial statements for the year ended June 30, 2024 as specified in the Statement of Material Information under Section 134 (3) be and are hereby ratified, approved and confirmed."***

## **2. Item Number 5 of the Notice - Authorization for the Board of Directors to Approve the Related Party Transactions during the year ending June 30, 2025.**

The Company shall be conducting transactions with its related parties during the year ending June 30, 2025 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 Directors are interested in these transactions due to their common directorship in the Associated Companies and other related parties. In order to promote transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case-to-case basis for the year ending June 30, 2025, which transactions shall be deemed to be approved by the shareholders. These transactions shall be placed before the shareholders in the next AGM for their formal approval / ratification. The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

To ratify and approve transactions to be conducted with Related Parties for the year ended June 30, 2025 by passing the following special resolution with or without modification:

***"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case-to-case basis for the financial year ending June 30, 2025."***

***"RESOLVED FURTHER THAT these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification / approval."***