



# NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given to all the members of GHANDHARA AUTOMOBILES LIMITED (Formerly Ghandhara Nissan Limited) ("the Company") that the Extraordinary General Meeting will be held on Thursday, June 22, 2023 at 01:30 P.M at F-3, Hub Chauki Road, S.I.T.E., Karachi to transact the following business:

## Special Business

### 1) Increase in Authorized Share Capital of the Company:

To consider and if deemed fit, to pass the following resolutions as special resolutions for increase in authorized share capital of the Company and consequent alterations in the Memorandum and Articles of Association of the Company, with or without modification, addition(s) or deletion(s), as recommended by the Board of Directors:

"RESOLVED THAT approval of members of Ghandhara Automobiles Limited (Formerly Ghandhara Nissan Limited) (the "Company") be and is hereby accorded to increase the authorized share capital of the Company from Rs. 800,000,000 divided into 80,000,000 Shares of Rs. 10/- each, to Rs. 2,800,000,000 divided into 280,000,000 Shares of Rs. 10/- each."

"FURTHER RESOLVED THAT in consequence of the aforesaid increase in the authorized share capital of the Company, the existing Clause 5 of the Memorandum of Association of the Company and Article 3 of the Articles of Association of the Company be and are hereby substituted accordingly, to read as follows:

#### Clause 5 of Memorandum of Association:

"The authorized share capital of the Company is Rs. 2,800,000,000 (Rupees Twenty Eight Hundred Million only) divided into 280,000,000 (Two Eighty Million) shares of Rs. 10/- (Rupees Ten) each."

#### Article 3 of the Articles of Association:

"The authorized share capital of the Company is Rs. 2,800,000,000 (Rupees Twenty Eight Hundred Million only) divided into 280,000,000 (Two Eighty Million) shares of Rs. 10/- (Rupees Ten) each. The minimum subscription, required by law, has been attained."

"FURTHER RESOLVED that the Chief Executive and/or Company Secretary be and are hereby jointly and/or severally authorized to do all acts, deeds and things take any and all necessary steps, to fulfill the legal, corporate and procedural formalities and file all necessary documents/returns as may be deemed necessary in this behalf and the matters ancillary thereto."

### 2) To Alter the Provisions of Articles of Association Relating to Capitalization of Reserves:

To consider and if deemed fit, to pass the following resolutions as special resolutions to alter the provisions of articles of association of the Company relating to the capitalization of reserves, with or without modification, addition(s) or deletion(s), as recommended by the Board of Directors:

"RESOLVED THAT approval of members of Ghandhara Automobiles Limited (the "Company") be and is hereby accorded that the Board of Directors of the Company may resolve that it is desirable to capitalize 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, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied in or towards paying up in full unissued shares as bonus shares or debentures of the Company to be allotted and distributed as fully paid up to and amongst such members in the proportion aforesaid and the Directors shall give effect to such resolution. Whenever such a resolution aforesaid shall have been passed by the Board of Directors of the Company, the Directors are authorized to make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issue of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effects thereto."

"FURTHER RESOLVED THAT in consequence of aforesaid authorizations to the Board of Directors of the Company, the existing Article 43 of the Articles of Association of the Company be and are hereby substituted accordingly, to read as follows:

#### Article 43 of Articles of Association:

"The Board of Directors of the Company may resolve that it is desirable to capitalize 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, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied in or towards paying up in full unissued shares as bonus shares or debentures of the Company to be allotted and distributed as fully paid up to and amongst such members in the proportion aforesaid and the Directors shall give effect to such resolution. Whenever such a resolution aforesaid shall have been passed by the Board of Directors of the Company, the Directors are authorized to make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issue of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effects thereto."

"FURTHER RESOLVED that the Chief Executive and/or Company Secretary be and are hereby jointly and/or severally authorized to do all acts, deeds and things take any and all necessary steps, to fulfill the legal, corporate and procedural formalities and file all necessary documents/returns as may be deemed necessary in this behalf and the matters ancillary thereto."

### 3) To Circulate the Annual Audited Financial Statements/Annual Report to the Members Through QR Enabled Code and Weblink:

To consider and if deemed fit, to pass the following resolution as ordinary resolution to circulate the annual audited financial statements/annual report to the members of the Company through QR enabled code and weblink instead of circulation of CD/DVD/USB/Hard copies of said audited financial statements/annual report of the Company, with or without modification, addition(s) or deletion(s), as recommended by the Board of Directors:

"RESOLVED THAT approval of members of Ghandhara Automobiles Limited (the "Company") be and is hereby accorded that the Company may circulate its annual report including Annual Audited Financial Statements, Auditor's Report, Directors' Report, Chairman's Review Report and other reports contained therein to the members of the Company through QR enabled code and weblink replacing the distribution of CD/DVD/USB/Hard copies of audited financial statements/annual report of the Company".

Statement under Section 134(3) of the Companies Act, 2017, pertaining to the special business referred to above is annexed to the notice of the Extraordinary General Meeting.

By Order of the Board

Karachi  
June 1, 2023

**M. SHEHARYAR ASLAM**  
(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. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed for the period from June 16, 2023 to June 22, 2023 (both days inclusive) for the purpose of Extraordinary 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 June 15, 2023 shall be treated in time for the purpose of Extraordinary General Meeting. No transfer will be accepted for registration during this period.

### 2. 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.

### 3. 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.

### 4. 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.

### 5. 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 Automobiles Limited, holder of \_\_\_\_\_ ordinary share(s) as per Registered Folio No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_."

Signature of member

### 6. 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.

### 7. 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 Extraordinary General Meeting of the Company to be held on June 22nd, 2023.

#### Agenda Item No. 1 of the Special Business - Increase in Authorized Share Capital of the Company

The existing authorized share capital of the Company is Rs. 800,000,000/- (Rupees Eight Hundred Million only) divided into 80,000,000 ordinary shares of Rs. 10 each.

In order to provide the Company with adequate leverage to consider the future issuance of shares against right, bonus and others, it is proposed to increase the Authorized Capital of the Company from existing Authorized Capital of Rs. 800,000,000 (Rupees Eight Hundred Million only) divided into 80,000,000 shares of Rs. 10/- each to Rs. 2,800,000,000 (Rupees Twenty Eight Hundred Million only) divided into 280,000,000 (Two Eighty Million) shares of Rs. 10/- (Rupees Ten) each by creation of 200,000,000 additional ordinary shares of Rs. 10 (Rupees Ten) each to rank pari passu in every respect with the existing ordinary shares of the Company.

The proposed increase in the authorized share capital of the Company will also necessitate amendments in Clause 5 of Memorandum of Association of the Company and Article 3 of the Articles of Association of the Company. The Board of Directors has also recommended required alterations to the Memorandum and Articles of Association of the Company to reflect the increase in authorized share capital of the Company. The comparison of existing clause/article with the proposed is as under:

Description	Existing	Proposed
Clause 5 of Memorandum of Association	The authorized share capital of the Company is Rs. 800,000,000 (Rupees Eight Hundred Million only) divided into 80,000,000 (Eighty Million) shares of Rs. 10/- (Rupees Ten) each."	"The authorized share capital of the Company is Rs. 2,800,000,000 (Rupees Twenty Eight Hundred Million only) divided into 280,000,000 (Two Eighty Million) shares of Rs. 10/- (Rupees Ten) each."
Article 3 of Articles of Association	"The authorized share capital of the company is Rs. 800,000,000 (Rupees Eight Hundred Million only) divided into 80,000,000 (Eighty Million) shares of Rs. 10/- (Rupees Ten) each." The minimum subscription, required by law, has been attained.	"The authorized share capital of the company is Rs. 2,800,000,000 (Rupees Twenty Eight Hundred Million only) divided into 280,000,000 (Two Eighty Million) shares of Rs. 10/- (Rupees Ten) each." The minimum subscription, required by law, has been attained.

None of the Directors of the Company have any personal interest in the aforesaid Special Resolutions except in their capacity as Shareholders or Directors of the Company.

#### Agenda Item No. 2 of the Special Business - To Alter the Provisions of Articles of Association Relating to Capitalization of Reserves:

The existing provision that necessitates members' approval in a general meeting for capitalizing reserves should be revised. Currently, obtaining approval from members for capitalizing reserves is a time-consuming and costly process, especially when the Board of Directors recommends issuing bonus shares. To address this, it is proposed to amend Article 43 of the Company's Articles of Association. The suggested modification would authorize the Board of Directors to make decisions regarding the capitalization of reserves. This change will streamline the process of issuing fully paid shares or debentures by the Company. The comparison of existing Article 43 and proposed Article 43 is as under:

Existing Article	Proposed Article
The Directors may set aside out of the profit of the Company available for dividend, and carry to reserve such sums as they may think proper and may carry forward any balance they may think proper without carrying the same to reserve. All sums carried and for the time being standing to any such reserve, shall at the discretion of the Directors be applicable for meeting contingencies or for the liquidation of any debt or liability of the Company or for meeting losses on realizations of or writing down investments or other capital assets (either individually or in the aggregate) or for equalizing or paying dividends or for any purpose to which profits of the Company may properly be applied.	"the Board of Directors of the Company may resolve that it is desirable to capitalize 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, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied in or towards paying up in full unissued shares as bonus shares or debentures of the company to be allotted and distributed as fully paid up to and amongst such members in the proportion aforesaid and the directors shall give effect to such resolution. Whenever such a resolution aforesaid shall have been passed by the Board of Directors of the Company, the directors are authorized to make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issue of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effects thereto."

None of the Directors of the Company have any personal interest in the aforesaid Special Resolutions except in their capacity as Shareholders or Directors of the Company.

Further as per requirements of the S.R.O 423(I)/2018, a confirmatory statement by the Board of Directors have been reproduced below:

### CONFIRMATORY STATEMENT

The Board of Directors of Ghandhara Automobiles Limited (the "Company") confirms that it has amended the relevant clause of Memorandum and Articles of Association of the Company in line with the applicable provisions of law and the regulatory framework. The Board also confirms that the amendments in the Memorandum and Articles of Association will not be detrimental to the interest of the Company or its members as a whole.

**M. Sheharyar Aslam**  
Company Secretary  
For and on behalf of Board of Directors

#### Agenda Item No. 3 of the Special Business - To Circulate the Annual Audited Financial Statements/Annual Report to the Members Through QR Enabled Code and Weblink:

Currently the Company is distributing CD/DVD of its annual report including Annual Audited Financial Statements, Auditor's Report, Directors' Report, Chairman's Review Report and other reports contained therein to the members of the Company pursuant to shareholders approval accorded in AGM dated October 31, 2016.

The Securities & Exchange Commission of Pakistan (SECP) vide its SRO No. 389(1)/2023 dated March 21, 2023 has allowed companies to circulate the annual audited financial statements to its members through QR enable code and weblink.

Considering the use of technology and being more cost effective, members approval is sought for circulation of the Annual Report (including annual audited financial statements and other reports contained therein) to the members of the Company through QR enabled code and weblink in accordance with S.R.O. 389(1)/2023 dated March 21, 2023.

The notice of the general meeting shall be dispatched to the members as per requirements of the Act, on their registered address, containing the QR code and the weblink address to view and download the annual report including Annual Audited Financial Statements, Auditor's Report, Directors' Report, Chairman's Review Report and other reports contained therein.

None of the Directors of the Company have any personal interest in the aforesaid Resolution except in their capacity as Shareholders or Directors of the Company.