

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 67th Annual General Meeting of the shareholders of The Crescent Textile Mills Limited (the "Company") will be held on Monday, the October 31, 2016 at 9:00 a.m at the registered office of the Company at 45-A, Off: Zafar Ali Road, Gulberg-V, Lahore to transact the following business:-

Ordinary Business:

- 1 To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2016 together with the Directors' and Auditors' Reports thereon.
- 2 To approve, as recommended by the Board of Directors, payment of cash dividend @ 12.55% i.e. Rs. 1.255 per share for the year ended June 30, 2016.
3. To appoint Auditors of the Company and fix their remuneration.

Special Business:

4. To obtain consent of the shareholders in terms of S.R.O. 470(I)/2016 dated May 31, 2016 issued by Securities and Exchange Commission of Pakistan, for the transmission of the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company either through CD or DVD or USB and to pass the following resolution as an Ordinary Resolution, with or without modification:

"Resolved that consent & approval of the members of The Crescent Textile Mills Limited (the "Company") be and is hereby accorded for transmission of annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to the members for future years commencing from the year ending on June 30, 2017 through CD or DVD or USB instead of transmitting the same in hard copies.

Resolved Further that Chief Executive Officer or Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things, take or cause to be taken all necessary actions to comply with all legal formalities and requirements and file necessary documents as may be necessary or incidental for the purposes of implementing this resolution."

5. To consider and, if deemed fit, pass the following resolution as Special Resolution with or without modification for alteration in the Articles of Association of the Company:

"Resolved that pursuant to Section 28 and other applicable provisions, if any, of the Companies Ordinance, 1984 and any other law(s), Articles of Association of the Company be and are hereby amended by inserting a new Article 34A immediately after the existing Article 34 to read as under;

34A. ELECTRONIC VOTING: The Company shall comply with the mandatory e-voting requirements as may be prescribed by the Securities and Exchange Commission of Pakistan from time to time and members may be allowed to appoint members as well as non-members as proxies for the purposes of electronic voting pursuant to this Article.

Resolved Further that the Chief Executive Officer or Company Secretary be and is hereby authorized to do all acts, deed and things, take all steps and action necessary, ancillary and incidental for altering the Articles of Association

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of the Company including filing of all requisite documents/ statutory forms as may be required and complying with all other regulatory requirements so as to effectuate the alteration in the Article of Association of the Company."

Registered Office:
45-A, Off: Zafar Ali Road,
Gulberg-V, Lahore:
T: +92-042-111-245-245
F: +92-042-111-222-245
Dated: October 06, 2016

By Order of the Board
(Naseer Ahmad Chaudhary)
Corporate Secretary

Notes:

1. The Share Transfer Books of the Company will remain closed from October 25, 2016 to October 31, 2016 (both days inclusive). Transfers received in order at Share Registrar's Office, CorpTec Associates (Pvt) Limited, 503-E, Johar Town, Lahore by the close of business on October 24, 2016, will be treated in time for the entitlement of cash dividend to the transferees and to attend the meeting.
2. A member eligible to attend and vote in this meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the Registered Office not later than 48 hours before the time for holding the meeting.
3. CDC account holders will further have to follow the guidelines as laid down in circular No.1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan:
 - a. For attending the meeting:
 - i). In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
 - ii). In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.
 - b. For Appointing Proxies
 - i). In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - ii). The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii). Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

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- iv). The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- v). In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures shall be submitted (unless it has been provided earlier) along with proxy form to the company.

4. Computerized National Identity Card (CNIC) / National Tax Number (NTN)

CNIC or NTN of the shareholders is mandatory in terms of the directive of the Securities and Exchange Commission of Pakistan contained in S.R.O. 831(I)/2012 dated July 05, 2012 for the issuance of future dividend warrants etc., and in the absence of such information, payment of dividend may be withheld in term of SECP's above mentioned directive. Therefore, the shareholders who have not yet provided their CNICs or NTN are once again advised to provide the attested copies of their CNICs or NTN (if not already provided) directly to our Independent Share Registrar without any further delay.

5. Dividend Mandate Option

In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged where shareholders can get amount of dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated April 05, 2013 advised all Listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. In view of the above, you are hereby encouraged to provide a dividend mandate in favour of e-dividend by providing dividend mandate form duly filled in and signed.

6. Availability of Audited Financial Statements on Company's Website

The Company has placed the Audited Annual Financial Statements for the year ended June 30, 2016 along with Auditors and Directors Reports thereon on its website: www.ctm.com.pk

7. Deduction of Income Tax from Dividend @ Revised Rates

Pursuant to the amendment in section 150 of the Income Tax Ordinance, 2001 through Finance Act 2016, the revised Income Tax Rates on Dividend Income are as follows:

Income Tax Return Filer	12.5%
Income Tax Return Non Filer	20.0%

Income Tax will be deducted on the basis of Active Tax Payers List posted on the Federal Board of Revenue website. Members seeking exemption from deduction of income tax or are eligible for deduction at reduce tax are requested to provide us valid tax certificate or documentary evidence as the case may be. Members desiring non deduction of Zakat are also requested to submit a valid declaration for non-deduction of Zakat, if not provided earlier.

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The FBR has clarified that shareholders accounts jointly held by filers and Non-filers shall be dealt with separately and in such particular situation, each account holder is to be treated individually as either a filer or a non-filer and tax will be deducted according to his shareholding. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company latest by the AGM date.

Folio/CDC Account No.	Name of shareholder	CNIC	Shareholding	Total shares	Principal/joint shareholder
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8. Transmission of Financial Statements to the Members through e-mail

In pursuance of SECP notification S.R.O 787 (I)/2014 dated September 08, 2014, the companies have been allowed to circulate their Annual Balance Sheet and Profit and Loss Account, Auditor's Report and Director's Report (Annual Financial Statements) along with Notice of Annual General Meeting (Notice) through e-mail to the members of the Company. Members desiring to avail this facility may provide the requisite information to the Company for which form may be downloaded from the Company's website: www.ctm.com.pk

STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984 RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING TO BE HELD ON 31 OCTOBER 2016

Circulations of Annual Reports through CD/DVD/USB

Securities and Exchange Commission of Pakistan has vide S.R.O 470(I)/2016 dated May 31, 2016 allowed the companies to circulate the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to its members through CD/DVD/USB subject to consent of the shareholders in the general meeting. This will save time and expenses incurred on printing of the annual report.

The Company shall supply the hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. After approval of the shareholders, the Company will place a Standard Request Form on its website to communicate their need of hard copies of the documents along with postal and email address of the Company Secretary/Share Registrar to whom such requests shall be made.

Accordingly, the directors have placed the matter before the shareholders for their approval and to pass the ordinary resolution as proposed in the notice of meeting. The directors are not interested, directly or indirectly, in the above business except to the extent of their investment as has been detailed in the pattern of shareholding annexed to the Directors Report.

Alteration in the Articles of Association

Securities and Exchange Commission of Pakistan has issued Companies (E-Voting) Regulation 2016 on January 22, 2016 vide S.R.O 43(1)/2016. The directors have recommended alteration in the Articles of Association by inserting a new Article 34A therein which will give the members option to be part of the decision making in the general meeting of the Company through electronic means. Accordingly, it has been proposed to pass the resolution as a Special Resolution for alteration in the Articles of Association of the Company, as specified in the notice of meeting.

The directors are not interested, directly or indirectly, in the above business except to the extent of their investment as has been detailed in the pattern of shareholding annexed to the Directors Report.