

## **STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017**

Section 166 of the Companies Act, 2017 requires that a statement of material facts is annexed to the notice of the general meeting called for the purpose of election of directors.

Being a listed company, Shahtaj Sugar Mills Limited is required to have three independent directors on its Board in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019. Accordingly, the Company shall ensure that three independents are elected in accordance with the procedures for election of directors laid down in Section 159 of the Companies Act, 2017.

Once the contestants have filed their consent to offer themselves for elections, the Company shall ensure that:

- Names of these contestants are included in the data bank maintained by Pakistan Institute of Corporate Governance (PICG) as authorized by SECP and
- These contestants meet the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017