

The Nation

MUHARRAM 14, 1439
THURSDAY,
OCTOBER 5, 2017



PECTO CEMENT LIMITED
35-Darul Aman Housing Society
Blocks 7/8, Shahrah-e-Faisal, Karachi

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the Members of the Company will be held at the Registered Office, 35-Darul Aman Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi, on Thursday, October 26, 2017 at 12:00 noon to transact the following businesses:

ORDINARY BUSINESSSES

- 1) To receive, consider and adopt the Annual Audited Accounts for the year ended June 30, 2017 together with the Directors' and Auditors' Reports thereon.
- 2) To consider and if deemed fit, approve the payment of final cash dividend @ 25% (Rs. 2.50 per share) for the financial year ended June 30, 2017 as recommended by the Board of Directors.
- 3) To appoint Auditors for the year ending June 30, 2018 and fix their remuneration. Present auditors M/s. Rahman Sarfraz Rahim Iqbal Rafiq, Chartered Accountants retires and being eligible have offered themselves for the re-appointment. The Board based on the recommendation of Audit Committee of the Board proposed the appointment of M/s. Rahman Sarfraz Rahim Iqbal Rafiq, Chartered Accountants as auditors of the Company for the year ending June 30, 2018.

SPECIAL BUSINESS

- 4) To approve the remuneration payable to the Chief Executive, as recommended by the Board of Directors, and in this respect pass with or without modification, following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT commencing November 01, 2017, the monthly remuneration of Chief Executive be and is hereby fixed at Rs. 3,000,000/- with an annual increment of 15%. He will also be entitled to all other benefits available to executives of the Company in accordance with Company's Rules."

- 5) To transact any other business with the permission of the Chair.

By Order of the Board
(ABDUL SAMAD)
COMPANY SECRETARY

216X
Karachi: September 27, 2017

Notes:

1. The Share Transfer Books of the Company will remain closed from Thursday, October 19, 2017 to Thursday, October 26, 2017 (both days inclusive). Transfers received in order by our Shares Registrar at the close of business on Wednesday, October 18, 2017 will be considered in time for the entitlement of transferee.
2. A member of the Company entitled to attend and vote at this meeting may appoint another member as a proxy to attend, speak and vote instead of him/her. An instrument appointing a proxy must be received at the Registered Office of the Company not later than forty eight hours before the time of holding the Meeting. The proxy shall produce his/her CNIC or passport to prove his/her identity.
3. Members are requested to notify any change in their address immediately.
4. Securities and Exchange Commission of Pakistan (SECP) vide notifications dated August 18, 2011 and July 05, 2012 made it mandatory that dividend warrants should bear CNIC number of the registered member, therefore, members who have not yet submitted photocopy of their valid Computerized National Identity Cards to the Company are requested to send the same at the earliest to enable the Company to comply with relevant laws. Failure to provide the same would constrain the Company to withhold dispatch of dividend warrants.
5. As required by the Section 242 of the Companies Act, 2017, all listed companies are bound to pay cash dividend to their shareholders only through electronic mode directly into bank account designated by the entitled shareholder.
SECP vide circular 18/2017 dated August 01, 2017 granted relaxation from the applicability of this Section till October 31, 2017, however, with effect from November 01, 2017 all dividend payment are required to be made through electronic mode only.
In order to comply with this requirement, shareholders are requested to submit electronic credit mandate form duly signed with their CNIC to our registrar in case of physical shares. Shareholders holding their shares in CDS system are requested to submit Electronic Credit Mandate Form directly to CDC. (Electronic Mandate Form is being sent with this notice).
6. CDC Account Holders will have to further follow the guidelines as laid down in Circular No. 1 dated January 25, 2000 issued by the Securities and Exchange Commission of Pakistan.
7. Member(s) who wish to receive annual financial statements and notice of annual general meeting through email, instead of through courier/post are requested to give their consent in writing to the Company with their registered email address so the Company can provide you the same at your valid email ID.

8. The annual report of the Company has been uploaded on the Company's website www.fectogroup.com.

9. The Company shall provide video conference facility to its members residing outside Karachi for attending the meeting through video link. The said facility is subject to receiving demand from members holding an aggregate of 10% or more shareholding and if demand is received at least 7 days before the date of meeting.

In this regard members who wish to avail this facility are requested to please send their request duly signed as per the following format to the registered address of the Company.

I/We _____ of _____ being a member of Fecto Cement Limited, holder of _____ ordinary share(s) as per Registered Folio/ CDC Account No. _____ hereby opt for video link facility at _____
Signature of Member

10. Deduction of Income Tax from dividend under Section 150 of the Income Tax Ordinance 2001
Through the Finance Act 2017 rates of withholding tax from payment of dividend effective July 01, 2017 have been revised whereby rate of tax deduction for non filer of income tax returns is increased to 20% as against the 15% for filers of income tax returns.

In order to enable the Company to ascertain the status of shareholders as filer or non filer all shareholders of the Company who hold shares in physical form are requested to send a copy of their valid CNIC together with NTN certificate to share registrar of the Company. Shareholders holding shares in Central Depository System (CDS) of Central Depository Company Pakistan Limited (CDC) are requested to send their copies of valid CNIC and NTN certificate to CDC Participants/CDC Investor Account Service. Non submission of requested documents by any shareholder will result in deduction of tax at higher rate.

In case of joint account, please intimate proportion of shareholding as each account holder is to be treated individually as either filer or non filer, tax will be deducted on the basis of shareholding, in case Company does not receive any intimation, each account holder shall be assumed to have equal number of shares.

Members seeking either exemption from income tax deduction on dividend income or deduction at reduced rate under any provision of the Income Tax Ordinance, 2001 are requested to submit valid tax exemption certificate or necessary documents, as the case may be latest by Wednesday October 18, 2017.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 (SECTION 160(1)(b) OF THE REPEALED COMPANIES ORDINANCE, 1984)

Salary of Chief Executive and one executive Director was last raised by the shareholders in 2013 and since then no increase has been made. Further, after resignation of Executive Director work load of the Chief Executive has increased. The Board of Directors based on the recommendation of HR and Remuneration Committee have proposed increase in existing monthly remuneration of Chief Executive from Rs. 1,000,000 to Rs. 3,000,000 plus all other benefits available to executives in accordance with Company's Rules.

Approximate value of benefits is Rs. 9.00 Million per annum which mainly comprises Bonus/ex gratia paid to all employees and fuel and maintenance cost of car.

The Chief Executive will be interested in the business of fixing of remuneration to the extent of remuneration payable to him.

All other directors have no interest in the transaction of special business.

