



**FECTO 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 37th Annual General Meeting of the Members of the Company will be held at Registered Office, 35-Darul Aman Housing Society, Block 7&8, Shahrah-e-Faisal, Karachi, on Thursday, October 25, 2018 at 12:00 noon to transact the following businesses:

**ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2018 together with the Directors' and Auditors' Reports thereon.
- 2) To consider, declare and approve payment of final cash dividend @ 2% (Rs. 2.0 per share) for the financial year ended June 30, 2018 as recommended by the Board of Directors.
- 3) To appoint Auditors for the year ending June 30, 2019 and fix their remuneration. Present auditors Ms. Rahman Sarfraz Rahim Iqbal Fatih, Chartered Accountants retire and being eligible have offered themselves for the re-appointment. The Board based on the recommendation of Audit Committee has proposed the appointment of Ms. Rahman Sarfraz Rahim Iqbal Fatih Chartered Accountants as auditors of the Company for the year ending June 30, 2019.
- 4) To elect Six (6) directors as fixed by the Board of Directors of the Company in accordance with the provisions of Section 159(1) of the Companies Act, 2017 for the next three year term commencing November 01, 2018. Mr. Fohal Almai Nominee of Saudi Pak Industrial and Agriculture Investment Company Limited is not subject to retirement/rotation hence after this election, overall strength of the Board will be seven (7) as required by Section 154(1)(d) of the Companies Act, 2017.  
**Names of retiring directors are as follows:**  
 Mr. Mohammed Yasin Fecto  
 Mr. Khalid Yacoob  
 Mr. Saeed Abbas Morawala  
 Mr. Ijaz Ali  
 Mr. Jamil Ahmed Khan  
 Mr. Muhammad Anwar Habib  
 Mr. Amir Ghani  
 Mr. Anil A. Hussain
- 5) To transact any other business with the permission of the Chair.

By Order of the Board  
 (ABOUL SAMAD)  
 Company Secretary

Karachi: September 27, 2018

**Notes:**

- 1) The Share Transfer Books of the Company will remain closed from Thursday October 18, 2018 to Thursday, October 25, 2018 (both days inclusive). Transfers received in order by our Shares Registrar F D Registrar Services (SMC-Pvt) Limited 17th Floor, 1705, Sahara Trade Tower - A, I.I. Chundrigar Road, Karachi (Phone: 021-32271905-6, Fax: 021-32821233; Email Address: fcregistrar@yafco.com & m.faisal@fdregistrar.com) at the close of business on Wednesday, October 17, 2018 will be considered in time for the entitlement of transfer.
- 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 himself. 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 higher CNIC or passport to prove his/her identity.
- 3) CDC Account holders will have to further follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
- 4) Members may exercise their right to vote as per the provisions of the Companies (Proxy and Ballot) Regulations, 2018 subject to the requirements of Section 143 and 144 of the Companies Act, 2017. Further details in this regard will be communicated to the shareholders within legal time frame as stipulated under the Regulations if required.
- 5) Members holding shares in physical form are requested to notify any change in their address to our share registrar immediately. Members holding shares in CDS system are requested to have their addresses updated with participant or CDC Investor Account Service.  
 As required by the Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017 all listed companies are bound to pay cash dividend to their shareholders only through electronic mode directly into the bank account designated by the entitled shareholder. All those shareholders who have not yet submitted their bank account details in the form of Electronic Credit Mandate form (available on the website of the Company at www.fecto.com) are requested to submit the requisite 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.

Annual Meeting

- 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 on standard request form available on the Company's website www.fecto.com to the Company with their registered Email address so the Company can provide them the same at their valid Email ID.
- 8) The annual report of the Company has been uploaded at the Company's website www.fecto.com. Any member of the Company who seeks to contest the election of the office of the director whether he is retiring director or otherwise, shall file with the Company at its registered office not later than fourteen days before the date of above said meeting his/her intention to offer himself/herself for the election of office of the director in form of Section 159 (3) of the Companies Act, 2017 together with:
  - Consent to act as director as required under Section 167 of the Companies Act, 2017.
  - Declaration that he or she is not ineligible to become a director of the Company in terms of Section 153 of the Act.
  - Declaration under clause 3 of the Listed Companies (Code of Corporate Governance) Regulations, 2017.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF APPOINTMENT OF INDEPENDENT DIRECTORS**

Candidate(s) intending to contest election of director as independent directors will also be elected in same manner as prescribed in Section 159 of the Act for election of directors. They however, shall also submit along with their intention a declaration that he/she qualifies the criteria of independence notified under section 166(2) of the Act as required by clause (2) of Regulation 6 of the Listed Companies (Code of Corporate Governance) Regulations 2017 and an undertaking on non-judicial stamp paper that he/she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

In addition to the submission of documents as detailed above by the candidates, intending to contest election as independent director, the Company shall also carry out its due diligence to ensure that all requirements of the Act and relevant regulations are complied with.

10. 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 Fictor CDC Account No. \_\_\_\_\_  
 hereby opt for video link facility at \_\_\_\_\_

Signature of Member

11. Members who desire that zakat should not be deducted from their dividend are requested to submit a declaration on non-judicial stamp paper duly signed as required under the law.

12. **Deduction of Income Tax from dividend under Section 150 of the Income Tax Ordinance 2001**  
 As per requirement of the Finance Act 2018, the Company is required to deduct withholding tax from payment of dividend as per following rates:

- i. Non filer of income tax returns 20%
- ii. Filer of income tax returns 15%

Shareholders whose names are not entered into the Active Tax-payers List (ATL) available on the website of FBR, despite the fact that they are filers, are advised to immediately make sure that their name are entered in ATL, otherwise tax on their cash dividend will be deducted @ 20% instead of 15%. In case of joint account, please submit 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.

Further according to clarification issued by FBR, withholding tax will be determined separately for Filer/Non Filer in case of joint shareholder(s).

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 October 17, 2018.

