

# ITTEHAD CHEMICALS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 25<sup>th</sup> Annual General Meeting of the shareholders of **Ittehad Chemicals Limited** will be held on Monday, October 31, 2016, at 11:00 a.m. at the Registered Office at 39 - Empress Road, Lahore to transact the following business:

### Ordinary Business

1. To confirm the Minutes of Annual General Meeting held on October 21, 2015.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended June 30, 2016 together with the Directors' and Auditors' Reports thereon.
3. To approve Final Cash Dividend of Rs. 1.50 per share i.e. 15% as recommended by the Board of Directors.
4. To appoint Auditors for the year 2016-17 and to fix their remuneration.

M/s BDO Ebrahim & Co., Chartered Accountants retire and being eligible, have offered themselves for re-appointment.

### Special Business

5. To consider, and if thought fit, to pass with or without modification, the following resolution as a Special Resolution for increase in Authorized Capital of the Company:

**Resolved that** the Authorized Capital of the Company be and is hereby increased from Rs. 1,000,000,000 to Rs. 1,250,000,000 and for that purpose;

(a) Clause V of the Memorandum of Association of the Company be and is hereby amended by deleting the words and figures "Rs. 1,000,000,000 (Rupees One Billion only) divided into 100,000,000 (One Hundred Million)" and substituting the following words and figures in its place: "Rs. 1,250,000,000 (Rupees One Billion and Two Hundred Fifty Million only) divided into 125,000,000 (One Hundred and Twenty Five Million)".

(b) Article 5 of the Articles of Association of the Company be and is hereby amended by deleting words and figures "Rs. 1,000,000,000 (Rupees One Billion only) divided into 100,000,000 (One Hundred Million)" and substituting the following words and figures in its place: "Rs. 1,250,000,000 (Rupees One Billion and Two Hundred Fifty Million only) divided into 125,000,000 (One Hundred and Twenty Five Million)".

6. To consider, and if thought fit, to pass the following resolution as special resolution with or without modification relating to transmission of Annual audited financial statements of the Company through CD or DVD or USB:

**Resolved that** the transmission of the Annual audited financial statements of the Company together with the Directors' and Auditors' Report thereon, the notes and other information forming part thereof through CD or DVD or USB to members instead of sending in Book form / hard copy be and is hereby approved in terms of SECP S.R.O # 470 dated May 31, 2016.

7. To consider and, if thought fit, to pass the following resolutions as Special Resolutions, with or without amendments, for alteration in the Articles of Association of the Company in order to cope with the mandatory e-voting requirements as prescribed by Securities and Exchange Commission under Companies (E-Voting) Regulations 2016:

**Resolved that** in accordance with the applicable statutory requirements, the following new Article 75-A be and is hereby inserted after the existing Article 75 in the Articles of Association:

**75-A : Electronic Voting**

- i. A Member may opt for e-voting in a general meeting of the Company under the provisions and requirements for e-voting as prescribed by the SECP from time to time and shall be deemed to be incorporated in these Articles. Members are allowed to appoint members as well as non-members as proxies for the purposes of electronic voting pursuant to this article.
- ii. The Article shall be applicable for the purpose of electronic voting only.

**“Resolved further that** the Company Secretary be and is hereby authorized to do all acts, deeds and things, take all steps and actions as deemed necessary, ancillary and incidental in order to give effect the aforesaid resolution.

8. Any other business with the permission of the Chair.

The statement u/s 160(1)b of the Companies Ordinance 1984 setting out the material facts pertaining to the special business is being sent to the members, along with a copy of this notice.

By Order of the Board

Abdul Mansoor Khan  
Company Secretary

Lahore  
September 19, 2016

**Notes:-**

- i. The Share Transfer Books of the Company will remain closed from October 24, 2016 to October 31, 2016 (both days inclusive). Transfers received in order by our Share Registrars, M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K Commercial, Model Town,

Lahore by the close of business on October 23, 2016 will be considered in time for the purpose of payment of cash dividend to the transferees.

- ii. A member of the Company entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. The proxy, in order to be effective, must be received at the registered office of the Company duly signed and stamped not less than 48 hours before the time of meeting.
- iii. The CDC Account holders/sub-account holders are requested to bring with them their original CNICs or Passports along with the Participant(s) ID Number and CDC account numbers at the time of attending the Annual General Meeting for identification purpose.
- iv. 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. The nominee shall produce his original CNIC at the time of attending the meeting for identification purpose.
- v. Members are requested to notify the change of address immediately, if any, to our Shares Registrar.
- vi. Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O. 7871(I) / 2014 has facilitated the Companies to circulate Audited Financial Statements through e-mail after obtaining prior written consent of its members. The members who intend to receive the Audited Accounts through email are therefore, requested to kindly send their written consent along with e-mail addresses.
- vii. In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged by SECP where shareholders can get amount of the dividend credited into their respective bank accounts electronically. 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 has advised all listed companies to adopt e-dividend mechanism due to the benefits it entails for their members. 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.
- viii. The Government of Pakistan has made certain amendments in the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the Companies. These tax rates are (a) 12.50 % for filers of income tax returns and (b) 20% for non-filers of income tax returns.

To enable the Company to make tax deduction on the amount of cash dividend @ 12.50% instead of 20%, all Members whose names are not entered into the Active Tax –payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of the cash dividend otherwise tax on their cash dividend will be deducted @ 20% instead of 12.50%.

- ix. In pursuant to the clarification of FBR, in case of joint account each joint holder is to be treated individually as either a filer or non – filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the members (CDC & Physical), in writing duly signed by each joint holder along with copies of CNICs as follows to the

Shares Registrar of the Company. If the response to the notification is not received on or before October 23, 2016, each joint holder shall be assumed to have equal number of shares.

Folio/CDC A/c. No. :		Name of Company:		
Total Shares Held	Principal Share Holder (Name & CNIC)	Shares Held	Joint Share Holder (Name & CNIC)	Shares Held

- x. As already communicated, SECP has directed vide its S.R.O. 831(I) / 2012 that the dividend warrants should bear the CNICs of the registered members or the authorized person except in the case of minor(s) and corporate members. CNIC numbers are, hence, mandatory for the issuance of dividend warrants and in the absence of such information, payment of dividend may be withheld. Therefore, the members who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs (if not already provided) to our Share Registrar.
- xi. Members can also avail video conference facility in (name of the cities where facility can be provided keeping in view the geographical dispersal of members). In this regard fill the attached form in the Annual Report and submit to the registered address of the company 10 days before the date of Annual General Meeting. The video conference facility will be provided only if the company receives consent from members holding in aggregate 10% or more shareholding residing at geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, The company will intimate members regarding venue of video conference facility at least 5 days before the date of Annual General Meeting along with complete information necessary to enable them to access such facility.

I / We \_\_\_\_\_ of \_\_\_\_\_ being member of Ittehad Chemicals Limited, holder of \_\_\_\_\_ Ordinary shares as per Register Folio # / CDC Account # / Participant Id # hereby opt for Video conference facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of shareholder

- xii. The Annual Report for the Financial Year ended June 30, 2016 will be placed on Company's website [www.ittehadchemicals.com](http://www.ittehadchemicals.com) in due course of time.

## **Statement under Section 160 (1) (b) of the Companies Ordinance, 1984**

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the company to be held on October 31, 2016.

### **Agenda Item # 5: Increase in Authorized Capital of the Company**

The Board of Directors at its meeting held on September 19, 2016 proposed to increase the Authorized Capital of the Company in order to facilitate the Company to consider any future issuance of shares for financing the upcoming projects and capital expenditure. The Directors have no personal interest in this proposal except as shareholders of the Company.

### **Agenda Item # 6: Transmission of the annual audited accounts through CD/DVD/USB**

The Securities & Exchange Commission of Pakistan (SECP) vide S.R.O # 470 dated May 31, 2016 has permitted the listed companies to Transmit the annual audited accounts through CD/DVD/USB instead of sending the same in Book form, subject to fulfillment of a few conditions including seeking consent from the Members.

This will be cost effective way for the company to transmit the accounts through CD/DVD/USB. However company will supply a copy in Book form if it will receive a written request from a shareholder of the Company.

### **Agenda Item # 7: Insertion of Article 75A 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 75A therein which will give the members option to be part of the decision making in the general meeting of the company through electronic means.

The directors are not interested, directly or indirectly, in the above business except to the extent of shares held by them in the company.