

SMS / SHRS / 04

January 06, 2017

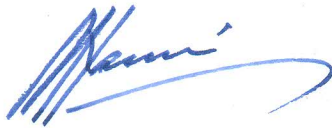
The General Manager
Pakistan Stock Exchange Ltd.,
Stock Exchange Building
Stock Exchange Road
KARACHI

Subject :- NOTICE OF ANNUAL GENERAL MEETING

Dear Sir,

Please find herewith copy of the Notice for the Annual General Meeting to be held on 31st January 2017 for circulation amongst your members.

Yours faithfully
for **SHAHMURAD SUGAR MILLS LIMITED**



M. YASIN MUGHAL
COMPANY SECRETARY

NOTICE OF MEETING
AKHQ/****



SHAHMURAD SUGAR MILLS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 38th Annual General Meeting of SHAHMURAD SUGAR MILLS LIMITED will be held at the Registered Office of the Company at 96-A, Sindhi Muslim Society, Karachi on Tuesday, 31st January, 2017 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the Extra Ordinary General Meeting held on 29th March, 2016.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended September 30, 2016 together with the Directors' and Auditors' Reports thereon.
3. To approve payment of Cash Dividend @ 24 % i.e. Rs.2.40 per ordinary share of Rs.10/= each for the year ended 30th September 2016 as recommended by the Board of Directors.
4. To appoint Auditors and to fix their remuneration for the year ended 30th September 2017. The present Auditors M/s Kreston Hyder Bhimji & Co., Chartered Accountants, retire and offer themselves for re-appointment.

SPECIAL BUSINESS

5. To obtain consent of the shareholders in terms of S.R.O 470(1)/2016 dated May 31, 2016 issued by Securities and Exchange Commission of Pakistan (SECP) for the transmission of the annual balance sheet and profit and loss account, auditors' and directors' reports etc. ("annual audited accounts") and other information contained therein of the Company through CD/DVD/USB. In this regard following resolution to be considered and, if thought fit, to be passed as a special resolution with or without modification:

"Resolved that transmission of annual balance sheet, profit and loss account, auditors' and directors' reports etc. ("annual audited accounts") and other information contained therein to the members at their registered address through CD/ DVD/ USB, instead of transmitting the same in hard copies, be and is hereby approved,"

6. To consider, and if thought fit, to pass the following resolution, with or without modification(s), as Special Resolution to alter the Articles of Association of the Company by inserting new Articles Nos. 43-C, 66-A and 66-B to enable to the members for e-voting as required by Companies (E-Voting) Regulations, 2016 and video conferencing, issued by Securities and Exchange Commission of Pakistan vide SRO 43(1)/2016 dated January 22, 2016 and Circular No.10 of 2014 dated May 21, 2014

"Resolved by way of special resolution the Articles of Association of the Company be amended by adding following new clauses as 43-C, 66-A and 66-B."

- 43-C "Resolved that the company may provide video conference facility to its Members at places other than the town in which general meeting is taking place after considering the geographical dispersal of its Members, subject to the condition that Members collectively holding ten percent (10%) or more shareholding residing at a geographical location provide their consent to participate in the general meeting through video conference at least ten (10) days prior to the date of the general meeting. The company shall arrange video conference facility subject to availability of such facility in that city and an intimation to the Members shall be given by the Company at least five (5) days before the date of general meeting regarding venue of video conference facility along with complete information. However, the quorum, as required under the Ordinance, as well as the Chairman of the general meeting, shall be present at the place of the general meeting."

66-A "Resolved that A Member may opt for e-voting in a general meeting of the Company under the provisions of the Companies (E-Voting) Regulations, 2016 (including any statutory modification thereof), as amended from time to time. In the case of e-voting, both Members and non-members can be appointed as proxy. The instruction to appoint execution officer and option to e-vote through intermediary shall be required to be deposited with the Company, at least ten (10) days before holding of the general meeting, at the Company's registered office address or through email. The Company will arrange for e-voting if the Company receives demand for poll from at least five (5) members or by any member having not less than one tenth of the voting power."

66-B An instrument appointing a proxy relating to e-voting shall be in the following form:

I/We _____ of _____ being a member of Shahmurad Sugar Mills Limited holding _____ Ordinary Share(s) as per Registered Folio No. _____ hereby opt for e-voting through intermediary and hereby consent the appointment of execution officer _____ as proxy and will exercise e-voting as per the Companies (E-voting) Regulations, 2016 and hereby demand for poll for resolutions. My secured e-rmail address is _____ please send login details, password and electronic signature through e-rmail.

Signature of Members

CNIC No. _____

(Signature should agree with the specimen signature registered with the Company.)

Signed in the presence of:

Signature of Witness

CNIC No. _____

Signature of Witness

CNIC No. _____

"Further Resolved that the Chief Executive Officer or Company Secretary be and is hereby authorized to do all acts, deeds and things, take all steps and action necessary, ancillary and incidental for altering the Articles of Association of the Company including filing of all requisite documents/statutory forms as may be required to be filed with the Registrar of Companies and complying with all other regulatory requirements so as to effectuate the alterations in the Articles of Association and implementing the aforesaid special resolution."

OTHER BUSINESS

7. To transact any other business with permission of the Chair.

By Order of the Board

Karachi
December 26, 2016

M. Yasin Mughal
Company Secretary

NOTE:

1. The Register of the Members of the Company will remain closed from 24th January, 2017 to 2nd February, 2017 (Both days inclusive) for the purpose of holding the Annual General Meeting / Transfer of shares.
2. A member of the Company entitled to attend and vote may appoint any member as his/her proxy to attend and vote on his/her behalf . PROXIES MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

3. Submission of copies of CNIC:

SECP has directed vide SRO No.831(1)2012 dated July 05, 2012 to issue dividend warrant only crossed as "A/c Payee only" and should bear the computerized National Identity Card (CNIC) number of the registered member. All those shareholders who have not submitted their valid CNICs are once again requested to send a photocopy of their valid CNIC/NTN alongwith the Folio number(s) to the Company's Share Registrar. No dividend will be payable unless the CNIC number is printed on the dividend warrants, so please let us have your CNIC, failing which we will not be responsible, if we are unable to pay the dividends to the Shareholders who have not submitted their valid CNIC's.

4. Deduction of Withholding Tax from Dividend U/S 150 of the Income Tax Ordinance, 2001:

(i) Pursuant to the provisions of the Finance Act, 2016 effective from July 1, 2016, the rates of deduction of income tax from dividend payments under the Income Tax Ordinance have been revised as follows:

1. Rate of tax deduction for the filer(s) of income tax return 12.50%.
2. Rate of tax deduction for the non-filer(s) of income tax return 20%.

To enable the company to make tax deduction on the amount of cash dividend @ 12.50% instead of 20%, shareholders 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 immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 20% instead of 12.50%.

(ii) Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold such shares jointly, are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Share registrar in writing as follow:

Company Name	Folio/CDS Account #	Total Shares	Principal shareholder		Joint Shareholders		Signature
			Name and CNIC #	Proportion (No. of shares)	Name and CNIC #	Proportion (No. of shares)	

5 Requirement of Valid Tax Exemption Certificate for Claiming Exemption from Withholding Tax:

As per FBR Circulars C No. 1(29) WHT/2006 dated June 30, 2010 and C No. 1(43) DG (WHT) 2008-Vol-II-66417-R dated May 12, 2015 the valid exemption certificate is mandatory to claim exemption amount of withholding tax U/S 150 of the Income Tax Ordinance 2001 (tax on dividend amount) where the statutory exemption under clause 47B of Part-IV of Second Schedule is available. The shareholder who fall in the category mentioned in the above clause and want to avail exemption U/S 150 of the Ordinance, must provide Valid Tax Exemption Certificate to our Share Registrar.

In case of those shareholders who are non-residents are requested to please provide their respective detail including residence status /country of residence with copy of their NICOP to our Share Registrars before book closure. In case of non availability of status in their respective portfolio, the respective tax on dividends would be applicable.

6 Payment of Cash Dividend Electronically (Optional):

The Company wishes to inform its shareholders that under the law they are also entitled to receive their cash dividend directly in their bank account instead of receiving it through dividend warrants. Shareholders wishing to exercise this option may submit their application to the Company's Share Registrar, giving particulars relating to their name, folio number, bank account number, title of account and complete mailing address of the bank. CDC account holders should submit their request directly to their broker (participant) CDC.

7 Electronic Transmission of Annual Financial Statement And Notices of The Company:

Pursuant to SRO.787(1)/2014 of September 08, 2014 the Securities and Exchange Commission of Pakistan (SECP) has directed to facilitate the members of the company receiving Annual Financial Statements and Notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Company through email in future. In this respect members are hereby requested to convey their consent via email on a standard request form which is available at the Company website i.e. www.shahmuradsugar.co Please ensure that your email has sufficient rights and space available to receive such email which may be larger than 1MB file in size. Further, it is the responsibility of the member to timely update the Share Registrar of any change in the registered email address.

8 Financial Statements and relevant reports have been placed on the website of the company which can be seen on www.shahmuradsugar.co

9 CDC Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular I 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 person whose securities are in group account and their registration details are uploaded as per the Regulations shall authenticate his 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 signature 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 requirements.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC number 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.
- iv. The proxy shall produce his/her 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 signature of the nominee shall be submitted (unless it has been provided earlier) along with proxy form to the company.

10 Change of Address:

Shareholders are requested to inform the Company's Share Registrar, M/s. C & K Management Associates (Pvt.) Limited, 404-Trade Tower, Abdullah Haroon Road, Near Metropole Hotel, Karachi of any change in their addresses immediately.

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

This statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on Tuesday, January 31, 2017.

Circulations of Annual Reports Through CD/DVD/USB:

To give effect to the notification S.R.O 470(1) 2016 dated May 31, 2016 of the Securities and Exchange Commission of Pakistan ("SECP"), shareholders' approval is being sought to allow the Company to circulate its Annual Report through CD/DVD/USB at their register address. If a members prefer to receive hard copies for all the future annual reports, then such preference of the member shall be communicated to the Company in writing in which case the Company shall be bound to provide hard copies of all the future annual reports.

Alteration in the Articles of Association.

To give effect to the Companies (E-Voting) Regulations 2016, shareholders' approval is being sought to amend the Articles of Association of the company to enable e-voting. The detail of amendments proposed in the Articles of Association is part of resolution mentioned in the Notice.

None of the Directors of the Company have any direct or indirect interest in above said Special Business.