

## **NOTICE OF 17<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that 17<sup>th</sup> Annual General Meeting of Millat Industrial Products Limited will be held at the Registered Office of the Company at 8.8 K.M. Sheikhupura Road, Shahdara, Lahore, on Friday, October 26, 2018 at 3:30 P.M to transact the following business:

### **A. ORDINARY BUSINESS**

- 1) To confirm minutes of 16<sup>th</sup> Annual General Meeting held on October 30, 2017.
- 2) To receive, consider and adopt the audited accounts of the Company for the year ended June 30, 2018 together with the Directors' and Auditors' Reports thereon.
- 3) To approve final cash dividend of Rs. 1/- per share i.e., 10 %.
- 4) To appoint auditors and fix their remuneration for the year ending June 30, 2019.

### **B. SPECIAL BUSINESS**

- 5) To ratify and approve transactions conducted with Related Parties for the year ended June 30, 2018 by passing the following special resolution with or without modification.

“Resolved that the following transactions conducted with Related Parties for the year ended June 30, 2018 be and are hereby ratified, approved and confirmed.”

#### **2018 (AMOUNTS IN RUPEES)**

<b>NAME(S)</b>	<b>PURCHASES</b>	<b>SALES</b>
MILLAT TRACTORS LIMITED	-	287,518,134
MILLAT EQUIPMENT LIMITED	-	16,928
<b>TOTAL</b>	<b>-</b>	<b>287,535,062</b>

- 6) To authorize Chief Executive of the Company to approve transactions with Related Parties for the year ending June 30, 2019 by passing the following special resolution with or without modification.

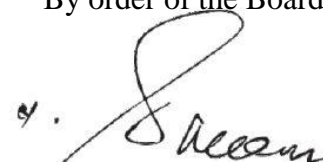
“Resolved that the Chief Executive of the Company be and is hereby authorized to approve the transactions with Related Parties during the period from July 01, 2018 till the next Annual General Meeting of the Company.

“Resolved further that these transactions shall be placed before the shareholders in the next Annual General Meeting for their ratification/approval.”

### **C. ANY OTHER BUSINESS**

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

By order of the Board



Mian Muhammad Saleem  
Company Secretary

Lahore:  
October 04, 2018

## NOTES

1. The share transfer books of the Company will remain closed from October 20, 2018 to October 26, 2018 (both days inclusive) and no transfer will be accepted during this period. The members whose names appear in the Register of Members as at the close of business on October 19, 2018 will qualify for the payment of cash dividend.
2. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for him/her. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
3. Shareholders are requested to notify the change of address, if any, immediately and submit, if applicable, the CZ-50 Form (for non deduction of Zakat) to the Company at 49 K.M Off Multan Road Bahi Pheru District Kasur. This will assist in prompt receipt of Dividend.
4. Members who have not yet submitted photocopy of their computerized National identity Card (CNIC) to the company are requested to send the same at the earliest.
5. As per directive of Securities and Exchange Commission of Pakistan (SECP) contained in SRO No. 831(I) / 2012 dated July 05, 2012 read with SRO No. 19 (I) / 2014 dated January 10, 2014 the dividend warrants should bear the Computerized National Identity Card (CNIC) Numbers of the registered members or the authorized person except in the case of minor(s) and corporate members. CNIC numbers of the members are, therefore, mandatory for the issuance of future 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 the Company.
6. As per Section 150 of the Income Tax Ordinance, 2001, different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These rates are as follows:
  - (a) For filers of income tax returns 15.00%
  - (b) For non-filers of income tax returns 20.00%

To enable the Company to make tax deduction from cash dividend @15.00% instead of 20.00% all the 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

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 @20.00% instead of 15.00%.

For shareholders holding their shares jointly, as per the clarification issued by the Federal Board of Revenue, 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. Therefore all shareholders who hold shares jointly are requested to provide shareholding proportions of principal shareholder and joint holder(s) in respect of shares held by them to the Company as follows.

		Principal shareholder		Joint shareholder		
Company Name	Folio#	Total Shares	Name and CNIC#	Shareholding Proportion (no. of Shares)	Name and CNIC#	Shareholding Proportion (no. of Shares)

The above/required information must be provided to the Company Secretary, otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s)

For any further query/problem/information, the investors may contact the Company representative at 49 K.M Off Multan Road Bahi Pheru District Kasur. Phone: +92-49-4540528, e-mail address: [mipl@millatbatteries.com](mailto:mipl@millatbatteries.com) Fax: +92-49-4540328.

7. The Securities and Exchange Commission of Pakistan vide SRO 787(1)/2014 dated September 08, 2014 has allowed companies to circulate annual balance sheet, profit & loss account, auditors’ report and directors report along with notice of annual general meeting to its members through e-mail. Members who wish to avail this facility may give their consent to the Company Secretary.

### **STATEMENT U/S 134(3) OF THE COMPANIES ACT, 2017**

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 26, 2018.

## **1. Approval/Ratification of Related Party Transactions (RPTs) conducted during Financial year ended on June 30, 2018**

Pursuant to Companies Act, the transactions conducted with group companies are to be approved/ratified by the shareholders in general meeting as the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the group companies, the quorum of directors could not be formed for approval of these transactions pursuant to section 207 of the Companies Act, 2017. Now the transactions with group companies for the year ended June 30, 2018 are being placed before the shareholders for their consideration and approval/ratification.

It may be noted that principal activity of the company is manufacture of batteries for tractors and other automobiles. The commercial reasons for entering into RPTs are the following.

- i) Availability of state-of-the-art production facilities.
- ii) Advanced Technical Know How.
- iii) Dedicated production facilities.
- iv) Elaborated testing facilities for MTL.
- v) Smooth supply chain

The common directors are namely M/s. Sikandar Mustafa Khan, Latif Khalid Hashmi, Sohail Bashir Rana, Laeeq Uddin Ansari and Mian Muhammad Saleem.

The Directors are interested in the resolution to the extent of their common directorships and shareholding in the group companies.

## **2. Authorization to CEO For Related Party Transactions (RPTs)**

The Company shall be conducting Related Party Transactions (RPTs) with group companies during the year ending June 30, 2019 in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship and shareholding in the group companies. Therefore, these transactions with group companies have to be approved by the shareholders.

In order to ensure smooth supply during the year, the shareholders may authorize the Chief Executive to approve transactions with group on case to case basis from July 01, 2018 till the next AGM on case to case basis. However, these transactions shall be placed before the shareholders in the next AGM for their approval/ratification.

The Directors are interested in the resolution to the extent of their common directorships and shareholding in the group companies.