

Sazgar Engineering Works Limited

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 18th Annual General Meeting of **Sazgar Engineering Works Limited** will be held at 171-Ali Town, Thokar Niaz Baig, Raiwind Road, Lahore on Saturday, October 31, 2009 at 10:30 A.M. to transact the following businesses:

ORDINARY BUSINESSES:

1. To confirm the minutes of Annual General Meeting of the Company held on October 31, 2008.
2. To receive, consider and adopt the Annual Audited Accounts of the company for the year ended 30th June, 2009 together with the Directors' and Auditors' Reports thereon.
3. To approve the issue of bonus shares @ 20% (i.e. 20 ordinary shares for every 100 ordinary shares held) as recommended by the Board of Directors.
4. To appoint Auditors for the year 2009-2010 and to fix their remuneration. The present auditors M/S Kabani Saeed Kamran Patel & Co., Chartered Accountants, being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass the following resolutions as ordinary resolutions with or without modification:
 - (i) **“Resolved** that a sum of Rs. 20,801,350/- out of the Company's profits available for appropriations as at June 30, 2009 be capitalized and be applied for the issue of 2,080,135 fully paid ordinary shares of Rs. 10/- each as bonus shares to be allotted to those shareholders whose names appear in the register of members at the close of the business on October 24, 2009 in the proportion of twenty (20) ordinary shares for every hundred (100) ordinary shares held by a member. The said shares shall rank pari passu with the existing shares of the Company as regard future dividend and all other respects.”
 - (ii) **“Further resolved** that all the fractional Bonus Shares shall be consolidated into whole shares and sold in the Stock Market. The proceeds of sale of consolidated fractional shares when realized shall be paid to a charitable institution approved under the Income Tax Ordinance, 2001.”
 - (iii) **“Further resolved** that Directors and Company Secretary individually be and are hereby authorized and empowered to give effect to these resolutions and to do or cause to be done all acts, deeds and things that may be necessary or required for the issue, allotment and distribution of bonus shares.”

OTHER BUSINESS:

6. To transact any other business which may be placed before the meeting with the permission of the Chairman.

Lahore
October 10, 2009

By order of the Board


Arshad Mahmood
(Company Secretary)

Sazgar Engineering Works Limited

Notes:

- a. The share transfer books of the company will remain closed from October 25, 2009 to October 31, 2009 (both days inclusive). Transfers received in order at 171-Ali Town, Thokar Niaz Baig, Raiwind Road, Lahore at the close of business on 24th October 2009 will be treated in time for entitlement of bonus shares and to attend the Annual General Meeting.
- b. 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 his/her behalf. Proxies in order to be effective must be received at the registered office of the company duly stamped and signed not less than 48 hours before the time of holding the meeting.
- c. Members are requested to promptly communicate change in their addresses, if any.

CDC Account Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by Securities and Exchange Commission of Pakistan for attending the meeting and appointment of proxies.

STATEMENT U/S 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 Saturday, October 31, 2009.

ITEM NO. 5 OF THE AGENDA

The Board of Directors has recommended 20% bonus shares from the profits available for appropriations as at June 30, 2009 by capitalization of a sum of Rs. 20,801,350/- for the issuance of 2,080,135 fully paid bonus shares.

The directors of the Company have no interest directly or indirectly in the Special Business and / or in the Special Resolutions except to the extent that they are members of the Company.