



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 20th Annual General Meeting of **Sazgar Engineering Works Limited** will be held at Four Seasons Banquet Hall, Lala Zar Commercial Market, 0.5 KM - Main Raiwind Road, Thokar Niaz Baig, Lahore on Wednesday, September 28, 2011 at 10:30 A.M. to transact the following businesses:

ORDINARY BUSINESSES:

1. To confirm the minutes of Extra Ordinary General Meeting of the Company held on March 19, 2011.
2. To receive, consider and adopt the Annual Audited Accounts of the company for the year ended 30th June, 2011 together with the Directors' and Auditors' Reports thereon.
3. To approve the payment of final cash dividend @ 10% of current paid up share capital i.e. Rupee 1.00/- per ordinary share for the year ended June 30, 2011 as recommended by the Board of Directors in addition to the interim cash dividend of 10% already paid.
4. 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.
5. To appoint Auditors and fix their remuneration for the year ending June 30, 2012.

SPECIAL BUSINESS:

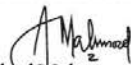
6. To consider and, if thought fit, to pass the following resolutions as ordinary resolutions with or without modification:
 - (i) **“Resolved** that a sum of Rs. 29,953,950/- out of the Company's profits available for appropriations as at June 30, 2011 be capitalized and be applied for the issue of 2,995,395 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 September 21, 2011 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 but shall not be eligible for the cash dividend declared for the year ended June 30, 2011.”
 - (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:

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

Lahore
September 07, 2011

By order of the Board


Arshad Mahmood
(Company Secretary)

**Notes:**

- a. The share transfer books of the company will remain closed from September 22, 2011 to September 28, 2011 (both days inclusive). Transfers received in order at the share registrar office M/s Corp Tec Associates (Pvt.) Ltd., 7/3 -G, Mushtaq Ahmed Gurmani Road, Gulberg-II, Lahore at the close of business on 21st September 2011 will be treated in time for entitlement of cash dividend, 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 Share Registrar Office 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 Wednesday, September 28, 2011.

ITEM NO. 6 OF THE AGENDA

The Board of Directors has recommended 20% bonus shares from the profits available for appropriations as at June 30, 2011 by capitalization of a sum of Rs. 29,953,950/- for the issuance of 2,995,395 fully paid bonus shares.

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