



## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 29<sup>th</sup> Annual General Meeting of **Sazgar Engineering Works Limited** will be held at All Seasons Wedding & Banquet Hall, Lala Zar Commercial Market, Thokar Niaz Baig, Opp Yasir Broast, 0.5 KM-Raiwind Road, Lahore on Tuesday, October 27, 2020 at 12:30 P.M. to transact the following businesses:

### ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the year ended 30<sup>th</sup> June, 2020 together with the Directors' Report, Auditors' Report and Chairperson's Review Report.
2. To appoint Auditors and to fix their remuneration for the year ending June 30, 2021. The present auditors M/s H.Y.K & Co. Chartered Accountants, retire and being eligible, offer themselves for re-appointment. The Audit Committee and the Board of Directors have recommended their re-appointment.

### SPECIAL BUSINESSES:

3. To approve the issuance of bonus shares @ 30% i.e. 30 ordinary shares for every 100 ordinary shares held as recommended by the Board of Directors by capitalizing Free Reserves of Rs. 107,300,530/-.
4. To approve the increase in Authorized Share Capital of the Company and to amend the respective clauses of Memorandum and Articles of Association of the Company accordingly.

**(STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 SETTING OUT THE MATERIAL FACTS PERTAINING TO THE SPECIAL BUSINESSES WITH DRAFT RESOLUTIONS AND FORM OF PROXY IS BEING SENT TO THE SHAREHOLDERS ALONG WITH NOTICE OF THE MEETING).**

By order of the Board

Lahore  
October 05, 2020

  
**Arshad Mahmood**  
(Company Secretary)

### Notes:

- a. The share transfer books of the company will remain closed from October 20, 2020 to October 27, 2020 (both days inclusive). Transfers received in order at the share registrar office M/s Corp Tec Associates (Pvt.) Ltd., 503-E, Johar Town, Lahore at the close of business on 19<sup>th</sup> October, 2020 will be treated in time for the entitlement of bonus shares and for attending 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 (working days only) before the time of holding of the meeting.

**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.**

- c. Members are requested to promptly communicate the change in their addresses, if any, to the Company's share registrar.
- d. In accordance with the provision of section 223 (7) of the Companies Act 2017, the financial statements and reports of the Company for the year ended June 30, 2020 have been placed on the Company's web site [www.sazgarautos.com](http://www.sazgarautos.com) for the information of shareholders.

### e. Consent for Video Conference Facility

Pursuant to the provisions of the Companies Act, 2017, members can avail video conference facility to participate in this Annual General Meeting provided that the Company receives consent from the members holding in aggregate 10% or more shareholding, residing in a city, at least seven (7) days prior to the date of meeting. Subject to the fulfillment of the above conditions, members shall be informed of the venue along with complete information necessary to access the facility. Format of request form has been placed on the Company's website.

- f. Pursuant to the Securities and Exchange Commission of Pakistan's notification S.R.O 470(I)/2016 dated 31 May, 2016, the shareholders of the Company in EOGM of the Company held on 18<sup>th</sup> March 2017 had accorded their consent for transmission of annual reports including audited annual financial statements, notices of annual general meetings and other information contained therein of the Company through CD or DVD or USB instead of transmitting the same in hard copies. Accordingly, the Company has sent its Annual Report 2020 in the form of CD. The shareholders who wish to receive hard copy of the Annual Report 2020 may send their requests to the Company Secretary / Share Registrar as per the Standard Request Form which is available on the website of the Company. The Company will supply hard copies of the aforesaid document to the shareholders free of cost, within one week of such request. The shareholders who intend to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website.

- g. The members may attend the AGM online through ZOOM, by following the below guidelines:

(i) The member shall get himself/herself registered by sending his/her request to the Company at e-mail ID [company.secretary@sazgarautos.com](mailto:company.secretary@sazgarautos.com) as per Standard Request Form available on the Company's website ([www.sazgarautos.com](http://www.sazgarautos.com)) or can send his/her request to the Company Secretary at 88-Ali Town, Thokar Niaz, Baig, Raiwind Road, Lahore, along with a legible copy of CNIC not later than October 19, 2020.

(ii) Zoom Link shall be sent by the Company only on email ID or Mobile/Whatsapp Number mentioned in Standard Request Form.



(iii) Members may send their comments/suggestions on any of the agenda item to Company Secretary on email ID: [company.secretary@sazgarautos.com](mailto:company.secretary@sazgarautos.com) or whatsapp no. 0321 8469016 not later than October 19, 2020.

## h. Deposit of Physical Shares in CDC Account

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017.

The Physical Shareholders having physical shareholding are encouraged to open CDC Investor Account with CDC or CDC Sub- Account with any of the brokers to place their physical shares into Script less form.

i. In case the Poll is demanded by the shareholders under section 143 of the Companies Act, 2017, the Company shall consider Postal Balloting facility for voting, under the Companies (Postal Ballot) Regulations, 2018.

## STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 SETTING OUT THE MATERIAL FACTS PERTAINING TO THE SPECIAL BUSINESSES:

This statement sets out the material facts pertaining to the special businesses to be transacted at the Annual General Meeting of the Company to be held on Tuesday, October 27, 2020.

## ITEM NO. 3 OF THE AGENDA

The Board of Directors of the Company has recommended issuance of 30% bonus shares from the Company's Free Reserves by capitalization of a sum of Rs. 107,300,530/- for the issuance of 10,730,053 fully paid bonus shares. For this purpose following resolutions are proposed to be passed as ordinary resolutions with or without any modification, addition or deletion:

- (i) *"Resolved that a sum of Rs. 107,300,530/- out of the Company's Free Reserves be capitalized and applied for the issue of 10,730,053 fully paid ordinary shares of Rs. 10/- each as bonus shares and be allotted to those shareholders whose names appear in the register of members at the close of the business on October 19, 2020 in the proportion of thirty (30) ordinary shares for every hundred (100) ordinary shares held by a member. These bonus shares shall rank pari passu in all respects with the existing shares of the Company."*
- (ii) *"Further resolved that all the fractional Bonus Shares shall be consolidated into whole shares and shall be 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 be and are hereby authorized singly to complete all corporate and legal formalities that may be necessary or required to give effect to these resolutions for the issue, allotment and distribution of bonus shares."*

The Directors of the Company have no interest directly or indirectly in this Special Business except to the extent of their entitlement to bonus shares as shareholders of the Company.

## ITEM NO. 4 OF THE AGENDA

The existing authorized capital of the Company is not sufficient for the future increase in paid up share capital, therefore, the Board of Directors has recommended to increase the Authorized Share Capital of the Company from Rs. 500.00 M to Rs. 1,000.00 M to facilitate the issue of further capital. For this purpose following resolutions are proposed to be passed as special resolutions with or without any modification, addition or deletion:

*"Resolved that the Authorized Share Capital of the Company be and is hereby increased from Rs. 500,000,000/- divided into 50,000,000 ordinary shares of Rs. 10/- each to Rs.1,000,000,000/- divided into 100,000,000 ordinary shares of Rs. 10/- each and Clause V of Memorandum of Association and Clause 4 of the Articles of Association of the Company be and are hereby amended accordingly as per following comparative statement:"*

## COMPARATIVE STATEMENT OF EXISTING AND PROPOSED CLAUSES OF MEMORANDUM AND ARTICLES OF ASSOCIATION

DESCRIPTION	EXISTING CLAUSES	PROPOSED CLAUSES
Clause V of Memorandum of Association	The Share Capital of the Company is Rs. 500,000,000/- (Rupees Five Hundred Million only) divided into 50,000,000 Ordinary shares of Rs. 10/- each with the power to increase or reduce or alter the capital of the Company as permissible under the Companies Ordinance, 1984.	The Share Capital of the Company is Rs. 1,000,000,000/- (Rupees One Billion only) divided into 100,000,000 Ordinary shares of Rs. 10/- each with the power to increase or reduce or alter the capital of the Company as permissible under the Companies Act, 2017.
Clause 4 of Articles of Association	The Authorized Capital of the Company is Rs. 500,000,000/- (Rupees Five Hundred Million only) divided into 50,000,000 ordinary shares of Rs. 10/- each.	The Authorized Capital of the Company is Rs. 1,000,000,000/- (Rupees One Billion only) divided into 100,000,000 ordinary shares of Rs. 10/- each.

*"Further resolved that the Chief Executive and Company Secretary of the Company be and are hereby authorized individually to complete all the necessary corporate and legal formalities to give legal effect to the above said changes."*

Amended copy of Memorandum and Articles of Association of the Company is available at the Company's registered office for the inspection of members during working hours (10:00-13:00hrs) up to the date of Annual General Meeting.

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

**Circular No. 1 - Reference No. 3(5-A)Misc/ARO/LES/96**  
**Guidelines for attending General Meetings and Appointment of Proxies**

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*Jan. 26, 2000*

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The shares of a number of listed companies are now being maintained as "book entry security" on the Central Depository System (CDS) of the Central Depository Company of Pakistan Limited (CDC). It has come to the notice of the Commission that there is some confusion about the authenticity of relevant documents in the matter of beneficial owners of the shares registered in the name of CDC for purposes of attending the general meetings and for verification of instruments of proxies. The issue has been examined and pending the further instructions to be issued in this regard, the following guideline for the convenience of the listed companies and the beneficial owners are laid down:

**A. Attending of meeting in person by account holders and/or sub-account holders and persons whose securities are in group account and their registration details are uploaded to CDS:**

- (1) The company shall obtain list of beneficial owners from the CDC as per Regulation # 12.3.5 of the CDC Regulations.
- (2) 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 up-loaded as per the Regulations, shall authenticate his identity by showing his original National Identity Card (NIC) or original passport at the time of attending the meeting.
- (3) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

**B. Appointment of Proxies**

- (1) In case of individual, 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 requirement notified by the company.
- (2) The proxy form shall be witnessed by the two persons whose names, addresses and NIC numbers shall be mentioned on the form.
- (3) Attested copies of NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (4) The proxy shall produce his original NIC or original passport at the time of the meeting.

(5) In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted alongwith proxy form to the company.

**(M. JAVED PANNI)**  
Chief (Coordination)

1. Listed Companies (which have joined the Central Depository System).
2. Karachi/Lahore/Islamabad Stock Exchange.
3. Central Depository Company of Pakistan Limited, Karachi.

File No. 8(34) CF/CDS/99



GOVERNMENT OF PAKISTAN  
SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

NOTIFICATION

Islamabad, the 31<sup>st</sup> May, 2016

S.R.O. 470 (I)/2016.- In exercise of the powers conferred by section 506B of the Companies Ordinance, 1984 (XLVII of 1984) (the Ordinance), read with sub-section (4) of section 233 thereof and considering legal recognition of documents in electronic form by the Electronic Transaction Ordinance, 2002 and in continuation with the S.R.O.787(I)/2014, dated 8<sup>th</sup> September, 2014, the Securities and Exchange Commission of Pakistan is pleased to allow companies to circulate the annual balance sheet and profit and loss account, auditor's report and directors report etc. ("annual audited accounts") to its members through CD/DVD/USB at their registered addresses as per the aforesaid provision, subject to compliance with the following conditions:

- (i) Consent of shareholders shall be obtained in annual general meeting or extra ordinary general meeting, as the case may be, for transmission of the annual audited accounts through CD/DVD/USB instead of transmitting the said accounts in hard copies;
- (ii) The requirement of filing the prescribed number of hard copies of annual audited accounts with the Commission and the Stock Exchange by post shall be fulfilled;
- (iii) The listed companies shall supply the hard copies of the annual audited accounts to the shareholders, on demand, at their registered addresses, free of cost, within one week of such demand;
- (iv) For the convenience of its members, the company shall place on its website a Standard Request Form, to communicate their need of hard copies of the annual audited accounts instead of sending the same through CD/DVD/USB, along with postal and e-mail address of Company Secretary/Share Registrar to whom such requests shall be sent.

If a member prefers to receive hard copies for all the future annual audited accounts, then such preference of the member shall be given to the company in writing and the company shall be bound to provide hard copies of all the future annual audited accounts to such member.

This notification shall be effective from the financial years ending on or after June 30, 2016.

[No. EMD/Misc/DII/2009]

*Bushra*  
31/5/16

(Bushra Aslam)  
Secretary to the Commission

Corporate Supervision Department  
Company Law Division

No. EMD/MISC/82/2012

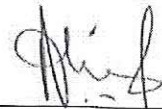
Tuesday, March 17, 2020

CIRCULAR NO. 5 of 2020

**Subject: Coronavirus contingency planning for annual general meetings of shareholders**

In light of the threat posed by evolving COVID-19 situation (Corona Virus) pandemic and to protect the wellbeing of shareholders, the Securities and Exchange Commission of Pakistan (SECP) in exercise of powers conferred under section 510 of the Companies Act, 2017 (XIX of 2017) hereby direct the listed companies, whose financial year ended on December 31, 2019, to modify their usual planning for annual general meetings that:

- i. In order to avoid large gathering at one place, the companies shall consider provision of video link facilities, webinar or other electronic means.
- ii. The companies shall also provide email, WhatsApp number, mobile number or any other electronic mean through which shareholders can provide comments/suggestions for the proposed agenda items of the AGM.
- iii. The companies shall disseminate the aforesaid details to the shareholders through its website, Pakistan Stock Exchange and addendum / notice in newspapers along with complete information necessary to enable them to access the facility. Any change in venue shall also be communicated.
- iv. It will be responsibility of the company secretary and chairman of the meeting that comments/suggestions of the shareholders should be discussed in the meeting and made part of the minutes of the meeting.
- v. Maximum participation of shareholders be ensured via electronic means and by requesting members to consolidate their attendance through proxies, while honoring quorum provisions.
- vi. The companies shall consider protective measures during the meeting i.e. provision of hand sanitizers, masks and distant seating etc.
- vii. For special business voting through postal ballot shall be considered.
- viii. With reference to Circular No 02/2018 dated February 9, 2018 it is re-emphasized that the provision of gifts/incentive in any form to shareholders at or in connection to general meetings is strictly prohibited under section 185 of the Act.



Abid Hussain  
Executive Director  
Corporate Supervision Department

Distribution to;

1. Pakistan Stock Exchange
2. Chief executive of all listed companies





Corporate Supervision Department  
Company Law Division

No. EMD/MISC/82/2012-44

August 31, 2020

**CIRCULAR NO. 25 of 2020**

**Subject: Corona Virus related contingency planning for general meetings of shareholders**

In light of the continuing threat posed due to COVID-19 pandemic and to protect wellbeing of the shareholders, the Securities and Exchange Commission of Pakistan (SECP), in exercise of powers conferred under section 510 of the Companies Act, 2017 (XIX of 2017), hereby extends applicability of its Circular No. 5 of 2020 dated March 17, 2020 to Annual General Meetings for the year ended June 30, 2020 and Extra-Ordinary General Meetings to be held up till October 31, 2020.

(Amir M. Khan Afridi)  
Director - CSD

Distribution to;

1. The Chief Executive Officer, Pakistan Stock Exchange, Karachi.
2. The Chief Executive Officers of all the Listed Companies.
3. The President, Institute of Chartered Accountants of Pakistan, Karachi.
4. The President, Institute of Cost & Management Accountants of Pakistan, Karachi.
5. Office Copy.

SECURITIES AND EXCHANGE  
COMMISSION OF PAKISTAN

NIC Building, 63 Jinnah Avenue,  
Islamabad, Pakistan

PABX: +92-51-9207091-4, Fax: +92-51-9100454, 9100471, Email: webmaster@secp.gov.pk, Website: www.secp.gov.pk