

## **NISHAT (CHUNIAN) LIMITED**

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the Shareholders of Nishat (Chunian) Limited (the "Company") will be held on 27<sup>th</sup> October 2023 at 10:00 A.M. at Registered Office, 31-Q, Gulberg – II, Lahore to transact the following business:

#### **ORDINARY BUSINESS:**

1. To confirm the minutes of the last Annual General Meeting held on October 27, 2022.
2. To receive, consider and adopt Audited Separate and Consolidated Financial Statements of the Company for the year ended June 30, 2023 together with the Director's report, Auditors' report thereon, and Chairman's Review Report.
3. To appoint auditors and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of retiring auditors M/s Riaz Ahmad & Company, Chartered Accountants, for reappointment as auditors of the Company.

#### **SPECIAL BUSINESS:**

4. To approve the circulation of the Annual Report (including the Audited Financial Statements, Auditor's Report, Director's Report, and Chairman's Review Report) to the Members of the Company through QR-enabled code and weblink, following Section 223(6) of the Companies Act 2017 read with S.R.O. 389(I)/2023 dated March 21, 2023, by passing the following special resolution with or without modification:

**"RESOLVED THAT** the approval be and is hereby given to allow the Company to circulate the annual audited financial statement to its members/shareholders through Quick Response (QR) enabled code and weblink instead of through CD/DVD/USB, subject to the requirements of Notification No. S.R.O. 389(I)/2023 of Securities and Exchange Commission of Pakistan dated March 21, 2023".

5. To ratify and approve transactions conducted with the Related parties for the year ended June 30, 2023, by passing the following special resolution with or without modification:

**"RESOLVED THAT** the transactions conducted with the Related Parties, as disclosed in note 38 to the unconsolidated financial statements for the year ended June 30, 2023, and specified in the Statement of Material Information under Section 134(3), be and are hereby ratified, approved and confirmed."

6. To authorize the Board of Directors of the Company to approve transactions with the related parties for the financial year ending on June 30, 2024 by passing the following special resolution with or without modification:

**"RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with the Related Parties on case to case basis for the financial year ending on June 30, 2024."

**“RESOLVED FURTHER THAT** these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval.”

**By order of the Board**

**Lahore**  
**Dated: October 06, 2023**

**Danish Farooq**  
**Company Secretary**

**NOTES:**

**1. Closure of Share Transfer Books**

**For attending AGM:**

The Share Transfer Books of the Company will remain closed from 20-10-2023 to 27-10-2023 (both days inclusive). Transfers Physical / CDS received at the share registrar of the Company M/s Hameed Majeed Associates (Pvt) Ltd., H.M. House, 7-Bank Square, Lahore up to close of office timings on 19-10-2023 will be treated in time for the purpose of attending the meeting.

**2. Participation in the Annual General Meeting**

A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote on his/her behalf. The instrument appointing proxy must be received at the Registered Office of the Company duly stamped and signed not later than 48 hours before the meeting.

CDC Account Holders will further have to follow the under-mentioned guidelines as laid down 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 the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her 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 requirement.
- (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC Numbers shall be mentioned on the form.
- (iii) Attested copies of CNIC or 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 shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

### 3. Circulation of Annual reports through Digital Storage

The shareholders of Nishat Chunian Limited in its 27<sup>th</sup> AGM of the Company had accorded their consent for the transmission of annual reports including audited annual accounts, notices of AGM and other information contained therein of the Company through a CD/DVD/USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copies of the aforesaid documents may send to the Company Secretary / Share registrar, the standard request form provided in the annual report and is also available on the Company's website and the Company will provide the aforesaid documents to the shareholders on demand, free of cost, within one week of such demand. The shareholders who also intend to receive the annual report including the notice of meetings via email are requested to provide their written consent on the standard request form provided in the annual report and also available on the Company's website.

### 4. Video Conference Facility

Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city other than Lahore, and collectively holding at least 10% of the total paid-up share capital may demand the Company to provide the facility of video-link for participating in the meeting. The demand for video-link facility shall be received by the Share Registrar at the address given hereinabove at least 7 days prior to the date of the meeting on the Standard Form provided in the annual report and also available on the company's website: [www.nishat.net](http://www.nishat.net)

In compliance with the guidelines issued by the Securities & Exchange Commission of Pakistan vide circulars No. 6 of 2021 issued on March 03, 2021, the company has arranged a video link facility for shareholders to participate in the meeting through their smartphones or computer devices from their homes or any convenient location after completing meeting attendance formalities. Shareholders interested in attending the meeting through the video link are requested to register by submitting their following particulars at the Company Secretary's email [shahbazahsan@nishat.net](mailto:shahbazahsan@nishat.net) not later than 48 hours before the time for holding the meeting. The link to participate in the meeting will be sent to the shareholders at the email address provided by them. Shareholders are requested to fill in the particulars as per the below table:

Name of Shareholder	CNIC No.	Folio / CDC Account No.	No. of Shares held	Cell No.	Email address

The login facility will be opened at 09:55 a.m. on October 27, 2023, enabling the participants to join the proceedings.

### 5. Change of Address

Members are requested to notify any change in their addresses immediately. Shareholders are requested to provide above mentioned information/documents to (i) respective Central

Depository System (CDS) Participants and (ii) in case of physical securities to the Share Registrar of the Company.

#### **6. Conversion of physical shares into CDS**

In compliance with the requirements of Section 72 of the Companies Act, every existing listed company shall be required to replace his/her physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, that is, May 30, 2017.

Members having physical share certificates are requested to convert their shares from physical form into book entry form as early as possible. It would facilitate the Members in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares and readily available for sale and purchase in open market at better rates.

7. The Company has placed the audited Separate and Consolidated Financial Statements for the year ended June 30, 2023 along with the Auditor's and Directors' Reports thereon, Chairman's Review and notice of meeting on its website: [www.nishat.net](http://www.nishat.net)

#### **8. Procedure for voting on Special Business Resolutions**

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 ("the Regulations") amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Nishat (Chunian) Limited (the "Company") will be allowed to exercise their right to vote through the electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on 27-10-2023, at 10.00 A.M., in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

##### **A. Procedure for E-Voting:**

I. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on 19-10-2023.

II. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).

III. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

IV. E-Voting lines will start from 24-10-2023 and shall close on 26-10-2023 at 5:00 p.m. Members can cast their votes at any time during this period. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

##### **B. Procedure for Voting Through Postal Ballot:**

The members shall ensure that duly filled and signed ballot paper, along with a copy of the Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through a post on the Company's registered address, Registered Office, 31-Q, Gulberg – II, Lahore or email at [chairman@nishat.net](mailto:chairman@nishat.net), one day before the Annual General Meeting i.e. on October 26, 2023, up to 5 p.m.. The signature on the ballot paper shall match the signature on the CNIC. This postal Poll paper is also available for download from the website of the Company at [www.nishat.net](http://www.nishat.net) or use the same as attached to this Notice and published in newspapers. Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.

**E-voting Service Provider:**

M/s CDC Share Registrar Services Limited

**STATEMENT OF MATERIAL FACTS AS REQUIRED UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF SPECIAL BUSINESSES TO BE TRANSACTED AT THE FORTHCOMING ANNUAL GENERAL MEETING IS APPENDED BELOW:**

**Agenda Item No. 4 - Approval of circulation of the Annual Audited Accounts of the Company to its members/shareholders through Quick Response (QR) enabled code and web link.**

Securities and Exchange Commission of Pakistan (SECP), through its Notification No. S.R.O. 389(1)/2023, dated March 21, 2023, has allowed the Companies to circulate the Annual Audited Financial Statements to its Members/Shareholders through Quick Code (QR) enabled code and weblink instead of through CD/DVD/USB. Considering the optimum use of advantages in technology and fulfilling the Company's corporate social responsibility to the environment and sustainability, members, approval is being sought for the circulation of the Annual Report (including Annual Audited Financial Statements and other reports contained therein) to the members of the company through QR enabled code and weblink following S.R.O 389(I)/2023 dated March 21, 2023.

The notice of the meeting shall be dispatched to members as per requirements of the Companies Act, 2017 (the Act), on their registered address, containing the QR code and the weblink address, to view and download the annual audited financial statements together with the reports and documents required to be annexed thereto under the Act. The Company shall circulate the annual Audited Financial Statements along with the Auditor's report, Director's report, Chairman's review report, etc., through email in case the email address has been provided by the member to the Company and the consent of the member to receive the copies through email is not required. The Company shall send the complete financial statements with relevant documents in hard copy to the shareholders, at their registered addresses, free of cost, within one week if the member requests on the Standard Request Form available on the Company's Website. The Directors, Sponsors, majority shareholders and their relatives are not interested, directly or indirectly, in the above businesses except to the extent of shares that are held by them in the Company.

**Agenda Item No. 5 – Ratification and Approval of the Related Party Transactions.**

Transactions conducted with the relevant parties have to be approved by the Board of Directors duly recommended by the Audited Committee on a quarterly basis pursuant to clause 15 of Listed Companies (Code of Corporate Governance) Regulation, 2019. However, during the year since majority of the Company's Directors were interested due to their common directorship, and

therefore these transactions are being placed for the approval by shareholders in the Annual General Meeting.

All transactions with related parties to be ratified have been disclosed in note 38 to the unconsolidated financial statements for the year ended June 30, 2023. Party-wise details of such related parties' transactions are given below: -

<b>Name of Related Party</b>	<b>Relationship</b>	<b>Description of Transaction</b>	<b>2023 (Rupees)</b>	<b>2022 (Rupees)</b>
Nishat Chunian Power Limited	Associated company and former subsidiary company	Common facilities cost charged	19,800,000	19,800,000
		Income sharing	558,615	-
Nishat Chunian USA Inc.	Wholly owned subsidiary company	Sale of goods	86,772,291	217,753,739
Sweave Inc.	Wholly owned subsidiary company of Nishat Chunian USA Inc. - wholly owned subsidiary company	Sale of goods	67,968,471	22,704,421
Nishat Chunian Properties (Private) Limited	Wholly owned subsidiary company	Investment made - ordinary shares issued against cash	-	100,000
		Investment made - ordinary shares issued against freehold land	-	499,205,000
		Payment of expenses on behalf of subsidiary company	518,040	288,345
T L C Middle East Trading L.L.C	Wholly owned subsidiary company	Payment of expenses on behalf of subsidiary company	1,226,174	3,388,145
		Sale of goods	7,062,069	-
Saleem Memorial Trust Hospital -	Associated company	Donation	-	400,000,000
Saleem Memorial Foundation	Formerly: Mian Muhammad Yahya Trust)	Donation	9,662,783	5,796,955
Employees' Provident Fund Trust - related party	Contribution made		129,722,971	109,320,065
Directors		Dividend paid	250,417,492	495,024,460

		Adjustment of long-term loan to ex-executive director	4,312,684	223,310
		Interest income on long-term loan	64,991	90,571

The nature of relationship with these related parties has been indicated above. Detail of compensation to key management personnel comprising of chief executive officer, directors and executives is disclosed in Note 37 to the unconsolidated financial statements for the year ended June 30, 2023. The Directors are interested in the resolution only to the extent of their shareholding and having their common directorships in such related parties.

**Agenda Item No. 6 of the Notice - Authorization for the Board of Directors to approve the Related Party Transactions during the Year Ending on June 30, 2024.**

The Company shall be conducting transactions with its related parties during the year ending on June 30, 2024 in the normal course of business. The majority of Directors are interested due to their common directorship in the associated undertakings. In order to promote transparent business practices, the shareholders are required to authorize the Board of Directors to approve transactions with the related parties from time-to-time and on case to case basis for the year ending on June 30, 2024, which transactions shall be deemed to be approved by the Shareholders. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification. The Directors are interested in the resolution only to the extent of their shareholding and/or only their common directorships in such related parties.