

FORM-4

Ref. No. HTLL/Corporate/10-2018/001
October 04, 2018

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.


Subject: **Notice of Annual General Meeting**

Dear Sir,

Enclosed please find a copy of the Notice of the Annual General Meeting to be held on October 26, 2018 for circulation amongst the TRE Certificate Holders of the Exchange.

Yours Sincerely,

For and on behalf of **Hi-Tech Lubricants Limited**


(Fraz Amjad Khawaja)



Company Secretary & Chief Compliance Officer



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info@hitechlubricants.com

OFFICES:

CORPORATE: 1-A Danepur Road, GOR-1, Lahore.

KARACHI: C-6 /1, Street No. 3, Bath Island, Clifton Karachi. Tel: +92- 21-111-645-942, Fax +92-21-35290672.

ISLAMABAD: Suite # 1402, 14th Floor Green Trust Tower, Jinnah Avenue Blue Area, Islamabad Tel: +92-51-111-645-942, Fax: +92-51-2813057.

PESHAWAR: Office No. 280, 3rd Floor, Deans Trade Center Islamia Road, Peshawar, Cantt. Tel: +92-91-5253186-7, Fax: +92-91-5253188.

NOTICE OF 10TH ANNUAL GENERAL MEETING



Notice is hereby given that the 10th Annual General Meeting of the shareholders of Hi-Tech Lubricants Limited (HTL) will be held on Friday October 26, 2018 at 03:00 P.M. at Falettis Hotel, 24-Egerton Road, Lahore. Pakistan, to transact the following businesses:

ORDINARY BUSINESS

1. To confirm minutes of 9th annual general meeting held on 29.09.2017, as submitted to PSX.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2018 together with the Board of Directors' and Auditor's reports thereon.
3. To approve and declare final cash dividend of Rs. 1.75 per share i.e. @ 17.5% as recommended by the Board of Directors and also the interim cash dividend of Rs. 1.75 per share i.e. @ 17.5% (already paid), making a total of Rs. 3.5 per share i.e. @ 35% for the year ended June 30, 2018.
4. To appoint Auditors of the Company for the next financial year 2018-19 and to fix their remuneration. The present auditors M/s Riaz Ahmad & Co. Chartered Accountants, retired and being eligible, offer themselves for reappointment as Auditors of the Company.
5. To elect Ten (10) Directors as fixed by the Board of Directors in accordance with the provisions of section 159 of the Companies Act, 2017 for the next term of three years commencing on October 26, 2018. The retiring directors are; (1) Mr. Shaukat Hassan, (2) Mr. Tahir Azam, (3) Mr. Hassan Tahir, (4) Mr. Muhammad Ali Hassan, (5) Mr. Faraz Akhtar Zaidi, (6) Ms. Mavira Tahir, (7) Mr. Muhammad Tabassum Munir, (8) Dr. Safdar Ali Butt, (9) Syed Asad Abbas Hussain, (10) Mr. Moon Seek Park. All retiring Directors are eligible for re-election.

SPECIAL BUSINESS

6. To consider, and if thought fit, to pass the following resolutions as special resolutions, (a) to ratify and approve the transactions carried out with Sabra Hamida Trust (SHT) during the financial year ended June 30, 2018 and (b) & (c) to authorize the Board of Directors to approve all related party transactions carried out and to be carried out during the year ending June 30, 2019;

(a). "RESOLVED THAT the transactions carried out by the Company with the following related party for the financial year ended June 30, 2018 be and are hereby ratified and approved"

Name(s)	Nature of Transactions	Amount
Sabra, Hamida Trust (SHT)	Donation under CSR Policy	Rs. 12 Million

(b) "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to approve all transactions carried out and to be carried out with above named related party for the financial year ending June 30, 2019 and till next Annual General Meeting of the Company."

(c) "RESOLVED FURTHER THAT the approval of transactions by the Board, as aforesaid, shall be deemed to have been approved by the shareholders and the transactions for the year ending June 30, 2019 shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

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

BY ORDER OF THE BOARD



Lahore,
October 04, 2018

(Fraz Amjad Khawaja)
COMPANY SECRETARY

NOTES:

1. **Book Closure:** The share transfer books of the company will remain closed from 20-10-2018 to 26-10-2018 (both days inclusive). Transfers received in order at the office of the company's Independent Share Registrar, M/s Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahra-e- Faisal, Karachi-74400 by the close of business (5:00 PM) on 19-10-2018 will be considered in time to be eligible for the purpose of attending and voting at 10th Annual General Meeting of HTL (AGM). Members are requested to quote always their respective Folio/CDC Account/Sub-Account numbers in all correspondence with the Company and/or its share registrar for any purpose including Transfers, CNIC/NICOP updates and change/update in addresses for correspondence, email/mobile phone numbers etc..

2. Appointment of Proxy: A member entitled to attend and vote at the AGM is entitled to appoint another member as a proxy to attend and vote instead of him/her. The instrument appointing a proxy must be received at the Registered Office of the company not less than 48 hours before the time fixed for AGM.

3. For Election of Directors: Any member who seeks to contest election of Directors shall file with the Company at its registered office at 1-A, Danepur Road, GOR-1, Lahore not later than fourteen days before the AGM his / her intention to offer himself/herself for the election of directors in terms of section 159(3) of Companies Act, 2017 together with (A) Consent to act as Director under section 167(1) of the Companies Act, 2017 on a duly filled and signed Form 28, (B) Detailed Profile along with a passport size photograph and complete office address for placement onto the Company's website, (C) Active email address and valid personal cell phone number for electronic correspondence, (D) Details of holding of other offices & directorships in other companies, (E) Declarations in respect of being compliant with requirements of Listed Companies (Code of Corporate Governance) Regulations, 2017 (CCGR 2017), awareness of duties, powers and responsibilities under Companies Act, 2017 (CA2017), Rulebook of Pakistan Stock Exchange Ltd., CCGR 2017, Securities Act, 2015, Memorandum and Articles of Association of the Company and other relevant laws and regulations, (F) Declaration in respect of eligibility criteria as set out in CA2017, to act as director of a listed company, (G) Declaration of Independence in terms of section 166(2) of the Companies Act, 2017, as required under CCGR 2017 (applicable for person filing consent to act as independent director of the Company).

4. Participation in AGM: Members who have deposited their shares in the Central Depository System of the Central Depository Company of Pakistan Limited will have to follow the under mentioned guidelines as laid down by Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting

a. In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with Participant ID number and the Account number at the time of attending AGM.

b. In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of AGM.

B. For Appointing Proxies

a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.

b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.

c. Attested copies of CNIC or the Passport of beneficial owners and the proxy shall be furnished with the proxy form.

d. The proxy shall produce his original CNIC or original Passport at the time of AGM.

e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

5. Electronic Transmission of Financial Statements: The members, who desire to opt to receive annual Audited Financial Statements and notice of AGM through e-mail, are requested to provide their written consent on the Standard Request Form available on the Company's website. The Company shall, however, provide hard copy of the annual Audited Financial Statements to its shareholders, on request, free of cost, within seven days of receipt of such request.

6. Video conferencing facility: If the Company receives consent from members holding aggregate 10% or more shareholding, residing in geographical location to participate in the meeting through video conference at least 7 days prior to the date of AGM, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

In this regard, please fill the following and submit to registered address of the company at least 7 days prior to the date of AGM.

"I/We, _____ of _____, being a member of Hi-Tech Lubricants Limited, holder of _____ ordinary share(s) as per Registered Folio/CDC Account/Sub Account No. _____ hereby opt for video conference facility at _____.

7. Placement of Financial Statements on Website: The Company has placed the Audited Annual Financial Statements for the year ended June 30, 2018 along with Auditors' and Directors' Reports thereon on company's website www.hitechlubricants.com

8. Deduction of Withholding Tax on the amount of Dividend: Pursuant to Circular No. 19/2014 dated October 24, 2014, SECP has directed all companies to inform shareholders about changes made in the Section 150 of the Income Tax Ordinance, 2001. The company, hereby advise to its shareholders, the important amendments, as under:

The Government of Pakistan has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

- a. For filers of income tax returns 15%
- b. For non-filers of income tax returns 20%

To enable the company to make tax deduction on the amount of cash dividend whenever declared @ 15% instead of 20%, all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of Federal Board of Revenue, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the start of above mentioned book closure otherwise tax on their cash dividend will be deducted @ 20% instead of @ 15%.

For any query/problem/information, the investors may contact the Company or its Share Registrar at Telephone Number: 0800-23275 (Toll Free), email address: info@cdcpak.com

The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas, corporate physical shareholders should send a copy of their NTN certificate to the Company or its Share Registrar. The shareholders while sending NTN or NTN Certificates, as the case may be, must quote Company name and their respective folio numbers and updated mailing addresses.

In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax will be deducted by the company on the basis of shareholding of each joint-holder as may be notified to the Company in writing. The joint-holders are, therefore, requested to submit their shareholdings otherwise each joint holder shall be presumed to have an equal number of shares.

9. Dividend Mandate: According to the provisions of Section 242 of the Companies Act, 2017 (the "Act"), any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Further, rule 3 of Companies (Distribution of Dividends) Regulations, 2017 provides that the Company should make payment of cash dividend within a period of fifteen working days from the date of its declaration. Therefore, the registered shareholders of the Company are requested to provide the following details in order to credit their cash dividends directly to their international bank account number (IBAN), if declared:

- (i) in case of book-entry securities in CDS, to CDS Participants; and
- (ii) In case of physical securities to the Company's Share Registrar as mentioned below.

1. Shareholder's Name; _____ 2. Father's / Husband's Name; _____
3. Folio Number; _____ 4. Postal Address; _____
5. Name of Bank; _____ 6. Name of Branch; _____
7. Address of Branch; _____ 8. Title of Bank Account; _____
9. Bank Account Number (Complete with code); _____
10. IBAN Number * (Complete with code); _____
11. Cell Number; _____ 12. Telephone Number (if any); _____
13. CNIC Number (attach copy); _____ 14. NTN (in case of corporate entity, attach copy); _____

* IBAN number (International Bank Account Number) will be provided by your banker, containing alpha, numeric and without any space and gap.

To, Share Registrar Services:

Central Depository Company of Pakistan Ltd

99-B, Block – B, S.M.C.H.S., Shahrah-e-Faisal, Karachi.

Signature of Member / Shareholder.

10. Postal Ballot/E-voting: In accordance with the Companies(Postal Ballot) Regulations, 2018, for the purpose of election of Directors and for any other agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through postal ballot i.e. by post or e-voting, in the manner and subject to the conditions contained in the aforesaid regulations.

11. Guidelines for Shareholders to Access CDC's eServices Portal: Central Depository Company (CDC) has developed Central Cash Dividend Register (CCDR) as eServices web portal which would incorporate details pertaining to cash dividends paid, unpaid or withheld by listed companies. The CCDR will help to maintain the history of dividends paid to shareholders by listed companies and access to all such information will be provided to the respective shareholders. The web portal will facilitate shareholders of listed companies in retrieving details of cash dividends from centralized register and using the same for their record purposes.

You may access CCDR via <https://eservices.cdcaccess.com.pk> .In addition; the Dividend/Zakat & Tax Deduction Report can also be obtained directly from your Participant (Stock broker) which has been provided to them on their CDS terminals. Moreover, you will also receive a copy of this report on your provided/registered email addresses.

THE 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 10th Annual General Meeting of Hi-Tech Lubricants Limited (the “Company”) and election of directors to be held on Friday October 26, 2018 at 03:00 P.M.

Agenda Item No. 5: Election of Directors: In terms of section 153(1) of the Companies Act, 2017, the Board of directors, at its meeting held on 08.09.2018 has fixed the number of directors for next election at 10 (ten) which are to be elected at AGM for a period of three years. Independent directors, required on the Board in terms of regulation 6(1) of the Listed Companies (Code of Corporate Governance) Regulations, 2017, shall be elected through the process of election of directors in terms of section 159 of the Companies Act, 2017 and Article of Association of the Company.

Justifications for choosing Independent Directors:

1. Independent Directors shall have sufficient knowledge, skills and expertise to play effective roles as independent members of the Board.
2. Two of the Independent Directors shall be required to chair Board's committees such as Chairman of Board's Audit Committee and Board's HR&R Committee.
3. Independent Directors shall attend Directors Training Program from SECP's approved institutions.
4. Names of Independent Directors must be registered in the Data Bank maintained by Pakistan Institute of Corporate Governance (PICG) along with their written consents.
5. Independent Directors must be eligible in terms of criteria of independence as mentioned in section 166(2) of the Companies Act, 2017, and must be willing to act as Independent Directors on the Board of listed company as required under the provisions of section 166(1) of Companies Act, 2017.
6. None of circumstances, as mentioned under proviso (b) to subsection 2 of section 166 of Companies Act, 2017, shall exist in relation to Independent Directors.
7. The directors, sponsors, majority shareholders and their relatives shall not be interested, directly or indirectly, in the selection of Independent Directors except to the extent of shares that are held by them in the Company.

Agenda Item No. 6:

(a) Ratification and Approval of Related Party Transactions

The transactions with related party in respect of contributions/donations to Sabra, Hamida Trust (SHT) presented by the Board as recommended by the Board's Audit Committee on quarterly basis pursuant to Listed Companies (Code of Corporate Governance) Regulations, 2017 (CCGR-2017).

The Board's Audit Committee recommended related party transactions relating to the donations to SHT reported in the second, third & forth quarterly unconsolidated and consolidated condensed interim financial information of Hi-Tech Lubricants Limited for consideration by the Board. Details of these transactions along with all supporting documents have been maintained as per requirements of CCGR-2017. All Contributions to SHT are Tax Exempted under Clause (C) of Sub Section (36) of Section 2 of Income Tax Ordinance 2001 Vide FBR Letter No.2769/J Dated: Jan.14, 2014.

In the meetings of the Board of Directors, majority of the Directors were interested in said transactions with SHT due to their direct or indirect relationship with trustees of SHT, and unavailability of required quorum for approval of above said transactions pursuant to section 207 of the Companies Act, 2017 required the Board to recommended the same for placement before the shareholders of the Company in the general meeting for approval.

All the other statements of related party transactions during the year were executed at Arms-Length-Price. There was no departure from the guidelines mentioned in CCGR-2017 for such transactions.

Pursuant to above, these transactions have to be approved by the shareholders in AGM.

(b) & (c) Authorization for the Board of Directors to approve related party transactions during the financial year ending June 30, 2019 and till next AGM

The company is and shall be conducting transactions with its related parties during the financial year ending June 30, 2019 and subsequently, on arm's length basis as per the approved policy with respect to transactions with related parties in the normal course of business. The related parties' transactions in which majority of Directors are interested due to their relationship with trustees of related party, therefore necessitates approval of shareholders. Accordingly, approval of shareholders is being sought to authorize Board of Directors of the Company to approve all transactions carried out and to be carried out with such related party during the financial year ending June 30, 2019 and till next AGM, which transaction shall be deemed to be approved by Shareholders. The nature and scope of such related party transactions is explained above in the statement of relevant agenda item. The related party transactions are and to be conducted during the financial year ending June 30, 2019, shall then be placed before the shareholders in the next AGM for their formal approval/ ratification.

The directors, sponsors, majority shareholders and their relatives are not interested, directly or indirectly, in the above special business except to the extent of shares that are held by them in the Company.