

# Synthetic Products Enterprises Limited.

127-S,Q.I.E, Township, Kotlakhpat Lahore-Pakistan.

Tel: +92-42-35115506-07

Fax: +92-42-35118507

Web: www.spelgroup.com

Email: synthetic@spelgroup.com

FORM - 4

7-Oct-2019

**The General Manager,**  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.  
Fax: 111-573-329

## 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 28 October 2019 for circulation amongst the TRE Certificate Holders of the Exchange.

Yours sincerely,

**Khalil Ahmad Hashmi**  
*Chief Financial Officer*

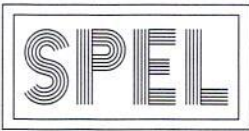
**Muhammad Kamran Farooq**  
*Company Secretary*



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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Seventh Annual General Meeting of the shareholders of **Synthetic Products Enterprises Limited** (the “Company”) will be held on Monday 28 October 2019 at 3:00 PM at Jinnah Auditorium of Lahore Chamber of Commerce & Industries, Shahrah Aiwan-e-Tijarat, Lahore to transact the following business:

### Ordinary Business:

1. To confirm the minutes of the Last Extra Ordinary General Meeting held on 22 March 2019.
2. To receive, consider and adopt the audited financial statements for the year ended 30 June 2019 together with Directors’ and Auditors’ Report thereon.
3. To approve final cash dividend @ 6% as recommended by the Board of Directors.
4. To appoint auditors for the year ended 2019-20 and fix their remuneration. The Board, has recommended, as suggested by the board audit committee, the appointment of M/s KPMG Taseer Hadi and Co., Chartered Accountants, the retiring auditors and being eligible offer themselves for re-appointment.

### Special Business:

5. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

“Resolved:

- that a sum of Rs. 34.034 million be capitalized out of the free reserves of the Company and applied towards issue of 3.4034 million ordinary shares of Rs. 10 each as fully paid bonus shares in proportion of one (10 ordinary share for every twenty five (25) ordinary shares held by the members of the Company whose names appear on the register of members as at close of business on 21 October 2019;
- that the bonus shares so allotted shall not be entitled for final cash dividend for the year ended 30 June 2019;
- that the bonus shares so allotted shall rank pari passu in every respect with the existing shares;
- that in case of members’ entitlement to a fraction of a share, the Chief Executive Officer be and is hereby authorised to consolidate the fractions into whole shares in the name of Company Secretary and sell all the same on the Pakistan Stock Exchange and the proceeds

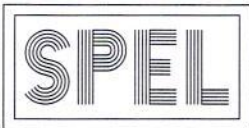


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so realized shall be paid to any charitable institution, as may be decided by the Chief Executive Officer of the Company;

- that the Company secretary be and is hereby authorised and empowered to give effect to this resolution and to do or cause to do all acts, deeds and things that may be necessary or required for issue, allotment and distribution of bonus shares or payment of the sale proceed of the fractional shares.
6. To ratify and approve transactions conducted with Related Parties for the year ended June 30, 2019 by passing the following resolution as special resolution with or without modification.

“Resolved that the following transactions conducted with Related Parties for the year ended June 30, 2019 be and are hereby ratified, approved and confirmed.

Name of Related Party	Nature of Transaction	Amount (PKR)
Lahore Chamber of Commerce & Industries	Donation	1,000,000”

The statement as required under section 134(3) of the Companies Act 2017 is attached with this notice.

By Order of the Board

**Muhammad Kamran Farooq**  
Company Secretary

7 October 2019  
Lahore

## Notes:

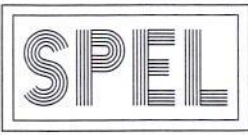
1. The share transfer books of the Company will remain closed from 22 October 2019 to 28 October 2019 (both days inclusive). Transfers received in order at the Shares Department of M/s THK Associates (Pvt.) Limited, First Floor 40-C Block-6 P.E.C.H.S. Karachi, Pakistan at the close of business on 21 October 2019 will be treated in time for the purpose of payment of final dividend, if approved by the shareholders. Only those persons whose name appear in the Register of Members of the Company as on 21 October 2019 are entitled to attend, participate in and vote at the Annual General Meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint any other person as his/her proxy to attend and vote. A member shall not be entitled to appoint more than one proxy to attend this meeting. Proxies in order to be effective must be received at the Registered Office of the Company, 127-S Quaid-e-Azam Industrial Estate Township Kot Lakhpat, Lahore duly stamped and signed not less than 48 hours before the time of the meeting. A proxy need not be a member of the Company. The proxy shall produce his/her original CNIC or passport at the time of the meeting.



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3. CDC account holders will have to follow the guidelines as laid down in Circular 1 dated 26 January 2000 for attending meetings and appointing proxies. The individual members entitled to attend this meeting must bring his/her original CNIC or passport to prove his/her identity and in case of proxy must enclose an attested copy of his/her CNIC/passport. Representatives of corporate members should bring the Board Resolution / Power of Attorney.
4. Pursuant to SECP's Circular No 10 dated 21 May 2014 read with section 132(2) & 134(1)(b) of the Companies Act 2017, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at geographical location, to participate in the meeting through video conference at least 7 days prior to the date of meeting, 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 10 days before the date of AGM.

I/We \_\_\_\_\_ of \_\_\_\_\_, being member(s) of Synthetic Products Enterprises Limited holder \_\_\_\_\_ Ordinary share(s) as per Register Folio No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

5. Pursuant to SECP Companies Postal Ballot Regulations, 2016, Members can exercise their voting right to vote through e-voting or postal ballots by giving their consent in writing at least 10 days before the date of the meeting.
6. Members are requested to promptly notify any change of address to the Company's Share Registrar.
7. **Payment of Cash Dividend Electronically (Mandatory)**

As per section 242 of the Companies Act 2017 cash dividend will be paid to the shareholders of listed companies only by way of electronic mode directly into the bank account of shareholder.

The members are advised to provide their dividend mandate with complete bank account details along with International Bank Account Numbers (IBAN's) for payment of cash dividend directly in the bank accounts instead of issuance of physical cash dividend warrants. In this regard the shareholders may obtain Bank Mandate Form from the Company's website www.spelgroup.com. The shareholders are advised to submit above referred form duly filled to the share Registrar to M/s THK Associates (Pvt.) Limited, First Floor 40-C Block-6 P.E.C.H.S. Karachi, Pakistan in case of physical holding and in case of CDC account/ sub account to Investor Account Services or their Brokerage firm as the case may be.

#### 8. **Withholding Tax on Dividend**

As per requirements of Income Tax Ordinance, 2001, Income tax @ 15% will be withheld in case of filers and @ 30% in case of non-filers of tax returns.

All shareholders who hold shares jointly are requested to provide shareholding proportions of principal shareholder and joint shareholder(s) in respect of shares held by them to our shares registrar, before the date of book closure, in writing as follows:

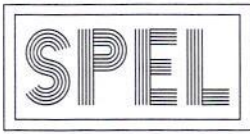


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Handwritten signature/initials



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Name of Principal Shareholder/Joint Holders	Shareholding Proportion	CNIC No. (copy attached)	Signature

Kindly note that in case of non-receipt of the information then each Account Holder will be assumed to hold equal proportion of shares and the tax deduction will be made and tax will be deposited accordingly.

## 9. Tax Exemption

Shareholders claiming tax exemption under clause 47(B) of Part IV of the Second Schedule of Income Tax Ordinance, 2001 or under any other provision of the law are requested to provide valid exemption certificate or copy of stay order, if any, before the date of book closure, to the Share Registrar of the Company as required vide FBR clarification letter No. 1(43) DG (WHT)/2008 - Vol. II-66417-R dated 12 May 2015. In case of non-submission of the requisite documents, deduction of tax under relevant sections shall be made as per requirements of law.

## STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

The following is Statement as required by Section 134 (3) of the Companies Act, 2017, which sets out all material facts relating to Special Resolutions mentioned in the Notice for 37<sup>th</sup> Annual General Meeting of the members of the Synthetic Products Enterprises Limited (the “Company”):

### Agenda 5

The Directors are of the view that with the existing profitability, the Company’s financial position justifies capitalization of Rs. 34.034 million out of the free reserves as at June 30, 2019, by issuing fully paid bonus shares in the proportion of one share for every twenty five shares held.

No director has any direct or indirect interest in the above said business except to the extent of their shareholding.

### Agenda 6

Mr. Almas Hyder was considered as directly interested in this transaction by virtue of holding the position of President in Lahore Chamber of Commerce and Industry and some other directors are considered indirectly interested by virtue of being relatives of the interested director. As majority of the Directors are considered interested (directly and indirectly), therefore, these transactions have to be approved by the shareholders pursuant to section 208 of the Companies Act, 2017.

No director has any direct or indirect interest in the above said business except to the extent of their shareholding or as mentioned above.

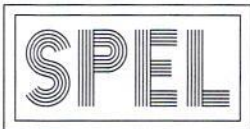


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The detailed information as per regulation number 5(2) of the (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 is as follows:

(i)	<b>Name of related party</b>	Lahore Chamber of Commerce & Industries
(ii)	<b>Names of the interested or concerned persons or directors</b>	Mr. Almas Hyder Dr. Sheikh Muhammad Naqi Mr. Zia Hyder Naqi Mr. Raza Haider Naqi Dr. Nighat Arshad Mr. Sheikh Naseer Hyder
(iii)	<b>Nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in the related party</b>	(Mr. Almas Hyder is President of Lahore Chamber of Commerce & Industries and other directors are interested as per definition of relatives defined section 208 of the Companies Act, 2017. (Siblings, Lineal Ascendant & Descendent)
(iv)	<b>Amount of Transactions</b>	Rs. 1,000,000/- (Rs. One Million Only)
(v)	<b>Timeframe or duration of the transactions of contracts or arrangements;</b>	During the Year Ended 30-06-2019
(vi)	<b>Detail, description, terms and conditions</b>	N/A
(vii)	<b>Pricing policy</b>	N/A

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