

NOTICE OF ANNUAL GENERAL MEETING



Notice is hereby given that the Thirty Eighth Annual General Meeting of the shareholders of Synthetic Products Enterprises Limited (the "Company") will be held on Tuesday 27 October 2020 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 Annual General Meeting held on 28 October 2019.
2. To receive, consider and adopt the audited financial statements for the year ended 30 June 2020 together with Directors' and Auditors' Report thereon.
3. To approve final cash dividend @ 10% as recommended by the Board of Directors.
4. To appoint auditors for the year ended 2020-21 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 approve transaction(s) conducted with Related Parties for the period commencing from 01-07-2020 to 30-08-2020 by passing the following resolution as special resolution with or without modification.

"Resolved that the following transaction(s) conducted with Related Parties for the period commencing from 01-07-2020 to 30-08-2020 be and are hereby approved.

Name of Related Party	Nature of Transaction	Amount (PKR)
SPEL Technology Support (Pvt.) Ltd	Availing of Services	204,160"

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

By the Order of the Board

Muhammad Kamran Farooq
Company Secretary

2 October 2020
Lahore

Notes:

1. The share transfer books of the Company will remain closed from 17 October 2020 to 31 October 2020 (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 16 October 2020 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 16 October 2020 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.
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.
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 _____.

- Pursuant to SECP's Circular No 5 and 25 of 2020 shareholders can attend the meeting through video link facility.

The shareholders who wish to attend the Annual General Meeting through video link are requested to get themselves registered by sending their particulars at the designated email address corporate@spelgroup.com, giving particulars as per below table on or before October 25, 2020.

Name of Shareholder	CNIC No./ NTN No.	CDC Participant ID/Folio No.	Cell No	Email address	Signature

The webinar link would be emailed to the registered shareholders/proxies who have provided all the requested information.

- 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.
- Members are requested to promptly notify any change of address to the Company's Share Registrar.
- 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.

9. **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:

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.

10. **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 Resolution(s) mentioned in the Notice for 38th Annual General Meeting of the members of the Synthetic Products Enterprises Limited (the “Company”):

Agenda 5

Mr. Almas Hyder, Mr. Zia Hyder Naqi and Mr. Sheikh Naseer Hyder were considered as directly interested in this transaction by virtue of holding the position of Director(s) in SPEL Technology Support (Pvt.) Ltd and some other directors are considered indirectly interested by virtue of being relatives of the interested director. As majority of the Directors were considered interested (directly and indirectly), therefore, these transaction(s) 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.

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)	Name of related party	SPEL Technology Support (Pvt.) Ltd
(ii)	Names of the interested or concerned persons or directors	Mr. Almas Hyder Dr. Sheikh Muhammad Naqi Mr. Zia Hyder Naqi Mr. Raza Haider Naqi Dr. Nighat Arshad Mr. Sheikh Naseer Hyder
(iii)	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	(Mr. Almas Hyder, Mr. Zia Hyder Naqi and Mr. Sheikh Naseer Hyder are Directors of Spel Technology Support (Pvt.) Ltd and other directors are interested as per definition of relatives defined section 208 of the Companies Act, 2017. (Siblings, Lineal Ascendant & Descendent)
(iv)	Amount of Transaction(s)	Rs. 204,160/- (Rs. Two Hundred Four Thousand, One Hundred & Sixty Only)
(v)	Timeframe or duration of the transactions of contracts or arrangements;	01-07-2020 to 30-08-2020
(vi)	Detail, description, terms and conditions	Repair and maintenance of machine. (Kreon 3D measuring and scanning arm)
(vii)	Pricing policy	At market price on arm length basis