



## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE Annual General Meeting of the shareholders of Sitara Chemical Industries Limited (the "Company") will be held on Saturday, 21st day of October, 2023 at 2:00 p.m. at ICAP Auditorium, Institute of Chartered Accountant of Pakistan, Chartered Accountants Avenue, Block 8 Clifton, Karachi in person and via video link, to transact the following business:

### ORDINARY BUSINESS

- To confirm the minutes of the Annual General Meeting held on October 21, 2022.
- To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2023 together with the Reports of Directors and Auditors thereon.
- To approve payment of Cash Dividend at the rate of 100% (Rs. 10/- per share) as recommended by the Board of Directors.
- To appoint Auditors and to fix their remuneration for the year ending June 30, 2024. The present auditors, M/s. Yousuf Adil, Chartered Accountants, have retired and being eligible, have offered themselves for re-appointment. The Board of Directors recommends, based on the recommendation of Board Audit Committee, appointment of M/s. Yousuf Adil as auditors for the ensuing year.
- To transact any other ordinary business with the permission of the Chair.

### SPECIAL BUSINESS

- To consider and, if deemed fit, pass the following ordinary resolution for getting shareholders' approval to circulate the annual audited financial statements through QR enabled code and weblink:
 

"RESOLVED that the approval be and is hereby given to allow the Company to circulate the annual audited financial statements to its members through QR enabled code and weblink instead of through CD/DVD/USB".

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- To consider and, if deemed fit, pass the following resolution in accordance with the Section 183(3)(a) of the Companies Act, 2017, for getting shareholders' approval to sale a sizeable part of Company's freehold land (Investment Property) located in the vicinity of Faisalabad.
 

RESOLVED that the consent of shareholders be and is hereby accorded to the disposal and sale of Company's freehold land located in the vicinity of Faisalabad, comprised of 3271.14 kanals.

RESOLVED FURTHER that, as part and parcel of the foregoing consent, Mr. Muhammad Adrees, Chief Executive of the Company be and is hereby authorized and empowered for sale of company's freehold land on behalf of the Company.

RESOLVED FURTHER that the Chief Executive of the Company may delegate any other person or group of person or attorney on such term and condition as deem fit, to act on behalf of the Company in doing and performing all acts, matters, things and deeds to implement sale of freehold land (investment property) and the transaction contemplated by it, which shall include, but not be limited to:

- conducting negotiations, obtaining quotations etc, with interested parties in such manner and on such terms and conditions as are in the best interests of the Company and its shareholders and which secure the best available market price for the assets;
- selling the assets to any individual, firm / partnership, bank or private / public limited company or organization or to any other person and, for that purpose, entering into an agreement to sell, sale deed or any other agreement with the buyer(s) or any other person, receiving the sale consideration, executing, preparing and signing any sale deed, conveyance deed and / or transfer documents in favor of the buyer(s) or another person to effect the asset sale in favor of the buyer(s) or any other person by representing the same before all parties & authorities concerned and admitting execution thereof;
- representing before the Sub-Registrar or any other competent authority and getting any sale deed or other documents registered and collecting consideration amount in respect of the sale, and
- generally performing and executing in respect of the sale of freehold land (investment property) all lawful deeds, agreements, acts and things as they may think fit and proper in order to implement and complete the assets Sale.

FURTHER RESOLVED that the Company be and is hereby authorized to take all actions incidental or ancillary thereto with regard to the sale of freehold land.

**By Order of the Board**  
**Mazhar Ali Khan**  
 Company Secretary

KARACHI: September 18, 2023

### Agenda VI:

#### Statement U/S 134(3) of the Companies Act, 2017 pertaining to the Special Business.

Securities & Exchange Commission of Pakistan (SECP) vide its SRO No.389(1)/2023 dated March 21, 2023 has allowed companies to circulate the annual audited financial statements to its members through QR enabled code and weblink instead of through CD/DVD/USB. The notice of the meeting shall be dispatched to the members as per requirements of the Act, on their registered address, containing the QR code and the weblink address to view and download the annual audited financial statements.

### Agenda VII:

Information under SECP SRO No. 1227/2005 dated December 12, 2005:

Description	Details
Detail of assets to be disposed off	Land situated at Chak 193 RB, Chak 194 RB, Chak 200 RB, and Chak 266 RB, Off Sheikhupura Road, Faisalabad. Total Area to be sold: 3,271.14 Kanal Book Value: Rs. 2,695,864,141/- Current Market Value as established by valuation conducted by M/s Hamid Mukhtar & Co, (Pv) Limited: Rs. 3,408,783,000/-
Proposed manner of disposal of the said assets	The land would be sold to prospective buyer(s) directly or through agents.
Reason for the sale, lease or disposal of the assets and the benefits expected to accrue to the shareholders therefrom.	The land is included in investment property and its proceeds will be used towards establishment of alternate energy resource or for repayment of company's loans to add value in net worth of the company and its shareholders.

The directors of the company have no personal interests in the resolutions except in their capacity as shareholders of ordinary shares of the company to the extent of their respective shareholding.

### NOTES:

#### CLOSURE OF SHARE TRANSFER BOOKS

The Share Transfer Books of the Company will remain closed from October 14, 2023 to October 21, 2023 (both days inclusive). Transfers received in order at the office of Share Registrar M/s. THK Associates (Pvt.) Limited, Plot no. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi before the close of business on October 13, 2023 will be considered in time for entitlement of the dividend.

#### PARTICIPATION IN THE ANNUAL GENERAL MEETING.

A member entitled to attend and vote at this meeting is entitled to appoint another person as his/her proxy to attend and vote. Proxies in order to be effective must be received at Company's Share Registrar's Office M/s. THK Associates (Pvt.) Limited, Plot no. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi duly stamped and signed not less than 48 hours before the time of meeting.

#### CDC ACCOUNT HOLDERS WILL HAVE TO FOLLOW FURTHER UNDER MENTIONED GUIDELINES AS LAID DOWN BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN.

##### a) For attending the meeting:

- In case of individuals, the account holders or sub-account holders and their registration details are uploaded as per the regulations, shall authenticate their identity by showing their original Computerized National Identity Card (CNIC), or Original Passport at the time of attending the meeting.
- In case of Corporate Entities, the Board of Directors' resolution/power of attorney with specimen signature of the nominees shall be produced (unless it has been provided earlier) at the time of the meeting.

##### b) For appointing proxies:

- In case of individuals, the account holders or sub account holders and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirements. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- In case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the company's registrar.
- Form of proxy is attached to the notice of meeting being sent to the members. Proxy Form may also be downloaded from the Company's website i.e. [www.sitara.com.pk](http://www.sitara.com.pk)

#### PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE:

The provisions of Section 242 of the Companies Act, 2017 and Regulation 4 of The Companies (Distribution of Dividend) Regulations 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the designated bank account by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend form available on website of the company and also attached with the notice of meeting being sent to the shareholders. In case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company.

#### WITHHOLDING TAX ON DIVIDEND INCOME

The deduction of Income Tax from dividend payments shall be made on the basis of filers and non-filers as follows:

1. Filer of Income Tax Returns	15.00%
2. Non-Filer of Income Tax Returns	30.00%

Income Tax will be deducted on the basis of Active Tax Payers list posted on the Federal Board of Revenue website.

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate, are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

The shareholders who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company.

Folio / CD A/c No.	Name of Shareholders	No. of Shares percentage (proportion)	CNIC No.	(Principal/Joint Shareholders)

#### SUBMISSION OF COPIES OF CNIC NOT PROVIDED EARLIER

Individual Shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar, M/s. THK Associates (Private) Limited. In case of non-availability of a valid copy of the shareholders' CNIC in the records of the Company, the company shall withhold the dividend under the provisions of Section 243 of the Companies Act, 2017 and Regulation 6 of The Companies (Distribution of Dividend) Regulations 2017.

#### CONVERSION OF PHYSICAL SHARES INTO BOOK ENTRY FORM

The Securities and Exchange Commission of Pakistan (SECP) through its letter No.CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised the Listed Companies to adhere with the provision of the Section 72 of the Companies Act, 2017 (the Act) by replacing shares issued by them in Physical Form with the shares to be issued in the Book-Entry Form. **Sitara Chemical Industries Limited (the "Company")**, being a listed company is also required to comply with aforesaid provision of Act.

The shareholders of Sitara Chemical Industries Limited having physical folios/share certificates are requested to convert their shares from Physical Form into Book Entry Form as soon as possible. The shareholders may contact their Broker, a PSX Member, CDC Participant or CDC Investor Account Service provider for assistance in opening CDS Account and subsequent induction of the physical shares into Book Entry Form.

It would facilitate the shareholders in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for the issuance of duplicate shares and readily available for sale and purchase in open market at better rates. The shareholders of company may contact the Share Registrar and Transfer Agent of the Company, namely M/s. THK Associates (Pvt.) Limited, Plot no. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi for the conversion of Physical Shares into Book-Entry Form.

#### ELECTRONIC CIRCULATION OF ANNUAL REPORTS VIA EMAIL OR CD/DVD:

Pursuant to the provision of Companies Act, 2017, annual reports are being sent to the shareholders electronically (Email or CD/DVD).

However, shareholders who wish to receive hardcopy of Financial Statements shall have to fill the attached standard request form (also available on the company's website [www.sitara.com.pk](http://www.sitara.com.pk)) and send at the Company's address.

The Company has made arrangements to ensure that all participants, including shareholders, can now participate in the AGM proceedings via video link. Those members who are willing to attend and participate in the AGM via video link are requested to register themselves by sending an email along with following particulars and valid copy of both sides of Computerized National Identity Card (CNIC) at [reg.agm2023@sitara.com.pk](mailto:reg.agm2023@sitara.com.pk) with subject of 'Registration for AGM' not less than 48 hours before the time of the meeting:

Name of Shareholders	CNIC Number	CDC Account No./Folio No.	Cell Number	Email Address

Members who will be registered, after necessary verification as per the above requirement, will be provided a password protected video link by the Company via email. The said link will remain open from 1:30 p.m. on the date of AGM till the end of the meeting.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address [comments.agm2023@sitara.com.pk](mailto:comments.agm2023@sitara.com.pk).

Members are therefore, encouraged to attend the AGM through video link or by consolidating their attendance through proxies.

#### PLACEMENT OF FINANCIAL STATEMENTS:

The audited financial statements of the Company for the year ended June 30, 2023 have been placed at the Company's website: [www.sitara.com.pk](http://www.sitara.com.pk).

Members are requested to promptly notify any change in their addresses.

