

July 19, 2024

The General Manager  
Pakistan Stock Exchange Ltd.,  
Stock Exchange Building,  
KARACHI-74000.

RE: **NOTICE OF EXTRAORDINARY GENERAL MEETING**

Dear Sir;

The Extraordinary General Meeting of the International Industries Limited will be held on Tuesday, August 13, 2024 at 11.00 a.m. at the Beach Luxury Hotel, Off: M.T. Khan Road, Karachi.

We enclose herewith a copy of the Notice of Extraordinary General Meeting for your reference prior to its publication in the newspapers.

We hope you will find this in order.

Thanking you,

Yours faithfully,  
For INTERNATIONAL INDUSTRIES LTD.,



M. IRFAN BHATTI

Company Secretary and Head of Legal Affairs

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given to the Members that an Extraordinary General Meeting of **International Industries Limited** (“Company”) will be held on **Tuesday, August 13, 2024 at 11.00 a.m.** at the Beach Luxury Hotel, Off: M.T. Khan Road, Karachi to transact the following business. Members are encouraged to attend the meeting through video conferencing:

### SPECIAL BUSINESS

1. *To consider and if deemed fit, pass with or without modification(s), addition(s) or deletion(s), the following Special Resolution(s) under Section 199 of the Act, as recommended by the Board of Directors of the Company:*

**“RESOLVED THAT** subject to compliance with the applicable laws, the Company be and is hereby authorized to subscribe 4,845,000 ( Four Million Eight Hundred Forty-Five Thousand only) ordinary shares with a par value of PKR 10 (Pakistan Rupees Ten) each making a total of Rs.48,450,000/- (Pakistan Rupees Forty-Eight Million Four Hundred Fifty Thousand only) or 17% of its post-issuance paid up capital of Chinoy Engineering & Construction (Private) Limited (“CECL”) by subscribing to such shares of CECL and is therefore empowered to take all such actions including, but not limited to, filing the requisite applications for seeking the permission of the SECP, if any, and/or any other regulatory approvals that may be required under the applicable laws for the issuance of the ordinary shares.

**FURTHER RESOLVED THAT** the Company be and is hereby also authorized to invest in CECL by way of extending short-term loans up to PKR 300 million at a markup of KIBOR + 3%, if needed.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to issue a Corporate Guarantee in favor of Habib Bank Limited for CECL to secure financing of up to PKR 1.5 billion.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to issue a guarantee to ensure that CECL performs its obligations under the contract with Reko Diq Mining Company Ltd (“RDMC”), with joint and several liability with associated companies Pakistan Cables Limited and International Steels Limited.

**FURTHER RESOLVED THAT** Chief Executive Officer and/or Chief Financial Officer and/or Company Secretary of the International Industries Limited, or such other person(s) as may be authorized by any of them, be and are hereby, jointly and severally, authorized and empowered to execute and deliver all necessary documents, take all necessary steps, and do all such acts, deeds, and things including, but not limited to, carrying out all filings, submissions and applications with the PSX and the SECP and /or with any other authority for and on behalf, and in the name, of the Company as may be necessary or required or as any of them may think fit for or in connection with or incidental to fulfill the above resolutions and fulfill the objectives thereof.

**FURTHER RESOLVED THAT** the aforesaid resolutions shall be subject to any amendments, modifications, additions, or deletions as may be suggested, directed, or required by the SECP or any other regulatory body, which changes shall be deemed to be part of these special resolutions without the need of the shareholders to pass fresh resolutions unless the same is substantial.

### 2. Any other Business

To transact with the permission of the Chair any other business which may be transacted at an Annual General Meeting.

The information as required under section 134(3) of the Companies Act, 2017 is being provided along with the Notice of the Extraordinary General Meeting being sent to the Shareholders.

Karachi: July 18, 2024

By Order of the Board  
International Industries Ltd.  
M. Irfan Bhatti  
Company Secretary &  
Head of Legal Affairs

**Notes:****1. PARTICIPATION IN THE EOGM VIA VIDEO CONFERENCING FACILITY:**

Shareholders interested in attending the meeting through video conferencing are requested to email the following information with the subject “Registration for International Industries Limited EOGM” along with a valid copy of both sides of their Computerized National Identity Card (CNIC) to [investors@iil.com.pk](mailto:investors@iil.com.pk). Video links and login credentials will be shared with only those members whose emails, containing all the required particulars, are received at least 48 hours before the time of EOGM.

Registration to attend the Extraordinary General Meeting through Video Conferencing Facility

1. Folio No. / CDC Investors A/c No./ Sub-A/c No. \_\_\_\_\_
2. Name of Shareholder : \_\_\_\_\_
3. Cell Phone Number : \_\_\_\_\_
4. Email Address : \_\_\_\_\_
5. No. of Shares held at the 1st day of the Book Closure to establish the right to attend EOGM:  
\_\_\_\_\_

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

**2. CLOSURE OF SHARE TRANSFER BOOKS**

The Register of Members and the Share Transfer Books will be closed from August 6, 2024 to August 13, 2024 (both days inclusive) to establish the right to attend the Extraordinary General Meeting.

**3. ATTENDING EOGM AND APPOINTMENT OF PROXY**

- A. A Member entitled to attend, speak and vote at the Extraordinary General Meeting is entitled to appoint another member as his/her proxy to attend, speak and vote on his/her behalf.
- B. An instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarized certified copy of the power or authority must be deposited at the registered office of the Company at least 48 hours before the time of the meeting. Form of Proxy is enclosed.
- C. CDC Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

**i) For Attending EOGM**

- a) In case of individuals, the account holder or sub-account holder whose securities and their registration details are uploaded as per the Regulations, shall produce proof of his / her identity by showing their Computerized National Identity Card (CNIC) at the time of attending the meeting.
- b) In case of a corporate entity, a 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.

**ii) For Appointing Proxy**

- a) In case of individuals, the account holder or sub-account holder whose registration details are uploaded as per CDC regulations shall submit the Proxy Form as per the above requirement.
- b) Attested copies of CNIC of the beneficial owners and the proxy shall be furnished with the Proxy Form. The proxy shall produce his original CNIC at the time of the meeting.

**4. MANDATORY INFORMATION - (EMAIL, CNIC, IBAN AND ZAKAT DECLARATION)**

- A. In compliance with Section 119 of the Companies Act, 2017 and Regulation 47 of Companies Regulations, 2024 members are requested to immediately provide their mandatory information such as CNIC number, updated mailing address, email, contact mobile/telephone number and International Banking Account Number (IBAN) together with a copy of their CNIC to update our records and to avoid any non-compliance of the law.

Otherwise, all dividends will be withheld in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations, 2017;

- For physical shares to M/s CDC Share Registrar Services Limited
- For shares in CDS to CDC Investors A/c Services or respective participant

B. Members are requested to submit a declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and advise a change in address if any.

## 5. ELECTRONIC VOTING

Members can exercise their right to demand a poll subject to meeting requirements of Section 143 -145 of the Companies Act, 2017 and applicable clauses of the Companies (Postal Ballot) Regulations, 2018.

## 6. INFORMATION ABOUT SCRUTINIZER

According to Regulations 4(4) and 11 of the Companies (Postal Ballot) Regulations 2018, the following information is being provided to the members about the scrutinizer for the upcoming Extraordinary General Meeting to be held on August 13, 2024.

Name of Scrutinizer	:	UHY Hassan Naeem & Co., Chartered Accountants
Qualification and experience	:	Listed in QCR Rating issued by the Institute of Chartered Accountants of Pakistan. Experienced and seasoned members of ICAP with individual experience ranging from 33 years to 15 years. UHY is appointed as Scrutinizer under the Companies (Postal Ballot) Regulation 2018. They fulfill all the eligibility conditions laid down by the Regulations and have the necessary knowledge and experience to independently scrutinize the voting process.
Purpose of appointment	:	The company is required to appoint a scrutinizer for the purpose of voting in the general meeting to transact a business that pertains to investment in associated companies as mentioned in section 199 of the Companies Act, 2017. Therefore scrutinizer has been appointed to observe that satisfactory procedures of the voting process including adequate precautionary measures are ensured and reported as mentioned under regulation 11A.

## **STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY TO BE HELD ON AUGUST 13, 2024**

### **SPECIAL BUSINESS**

#### **Agenda Item 1 – Investment in Associated Company – Chinoy Engineering & Construction (Private) Limited**

This Statement sets out the material facts about the Special Resolutions described in Item 1 of the Notice of the Extraordinary General Meeting (“EoGM”), intended to be passed at the EoGM of the Company scheduled to be held on August 13, 2024.

The Company is desirous to:

- subscribe 4,845,000 ( Four Million Eight Hundred Forty-Five Thousand only) ordinary shares Chinoy Engineering & Construction (Private) Limited (“CECL”) under Section 83(1)(c) of the Companies Act, 2017, Companies Regulations 2024 at a par value of PKR 10 (Pakistan Rupees Ten) each making a total of PKR 48,450,000/- (Pakistan Rupees Forty-Eight Million Four Hundred Fifty Thousand only) or constituting 17% of its post-issuance paid-up capital of CECL.

- (ii) to invest in CECL by way of extending short-term loans of up to PKR 300 million at a markup of KIBOR + 3%, if needed
- (iii) to issue a Corporate Guarantee in favor of Habib Bank Limited for CECL to obtain financing of up to PKR 1.5 billion
- (iv) to issue a guarantee to ensure that CECL performs its obligations under the contract with RDMC, with joint and several liability with associated companies Pakistan Cables Limited and International Steels Limited.

In light of the above, the Board of Directors of the Company in their meeting held on July 18, 2024 have recommended the above proposal by the management.

**The information required under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 is as follows:**

(A)	<b>Disclosure regarding the associated company or associated undertaking:-</b>	
(i)	name of associated company or associated undertaking;	Chinoy Engineering & Construction (Pvt) Ltd.(CECL)
-(ii)	basis of relationship;	Common Directorship of Mr. Kamal A. Chinoy and Mr. Mustapha A. Chinoy
(iii)	earnings per share for the last three years;	NA - not commenced operations
(iv)	break-up value per share, based on latest audited financial statements;	NA - not commenced operations
(v)	financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements; and	NA - not commenced operations

(vi)	<b>in case of investment in relation to a project of an associated company or associated undertaking that has not commenced operations, following further information, namely,-</b>	
(I)	description of the project and its history since conceptualization;	CECL has entered into a contract for the design and construction of permanent accommodation at Reko Diq with Reko Diq Mining Company.
(II)	starting date and expected date of completion of work;	July 2024 to December 2025, subject to extensions of contract
(III)	time by which such project shall become commercially operational;	Around 18 months
(IV)	expected time by which the project shall start paying return on investment; and	After completion of the project when dividends are paid out to the members of CECL
(V)	funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	PKR 48.45 million by way of equity.  In addition, the company is advancing a loan of up to PKR 300 million and providing guarantees to secure funding for CECL and to ensure the performance of its contractual obligations with RDMC

(B)	<b>General disclosures:-</b>	
(i)	maximum amount of investment to be made;	(i) PKR 48.45 million (equity) (ii) Up to PKR 300 million (loan)
(ii)	purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To diversify IIL's sources of income, become a supplier of first choice in construction projects awarded to CECL and to maximize dividends and shareholder value by facilitating CECL's expansion.

(iii)	sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-	Own sources.
(I)	justification for investment through borrowings;	NA
(II)	detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	NA
(III)	cost benefit analysis;	NA
(iv)	salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	NA

(v)	direct or indirect interest of directors, sponsors, majority shareholders, and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	Mr. Mustapha A. Chinoy and Mr. Kamal A. Chinoy are the common directors of both companies.
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(vi)	in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None
(vii)	any other important details necessary for the members to understand the transaction;	None

(b)	<b>In case of equity investment, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-</b>	
(i)	maximum price at which securities will be acquired;	Rs.10 per share
(ii)	in case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof;	NA
(iii)	maximum number of securities to be acquired;	4,845,000 ordinary shares of Rs. 10 each
(iv)	number of securities and percentage thereof held before and after the proposed investment;	Securities held before investment = 0% - 0 shares Securities after investment = 17% - 4,845,000 ordinary shares
(v)	current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	NA
(vi)	fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	Rs. 10 per share

(c)	<b>In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-</b>	
(i)	category-wise amount of investment;	Short-term loan up to PKR 300 million. Corporate Guarantee for CECL to secure financing of up to Rs.1.5 billion. Guarantee to ensure CECL performs its contractual obligations with RDMC, joint and several with the associated companies International Steels Limited and Pakistan Cables Limited.
(ii)	average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period;	Funded facilities' average borrowing is 18% per annum. For unfunded facilities, average bank rates are around 0.6% per annum.
(iii)	rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	For term loan = KIBOR + 3% For Guarantees + 0.6%

(iv)	particulars of collateral or security to be obtained in relation to the proposed investment;	Unsecured						
(v)	if the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	NA						
(vi)	repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	<table> <tr> <td>KIBOR</td> <td>21%</td> </tr> <tr> <td>Spread</td> <td>3%</td> </tr> <tr> <td>Total interest rate</td> <td>24%</td> </tr> </table> <p>All short-term loans will be settled by the year-end as to principal and markup.</p>	KIBOR	21%	Spread	3%	Total interest rate	24%
KIBOR	21%							
Spread	3%							
Total interest rate	24%							

**3. The Board of Directors of the Company certifies that they have carried out the necessary due diligence for the proposed investment.**

<b>4</b>	<b>Other information to be disclosed to the members.-</b>	
(1)	If the associated company or associated undertaking or any of its sponsors or directors is also a member of the investing company, the information about interest of the associated company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to section 199 of the Act.	Two of the sponsors/directors of CECL namely Mr. Mustapha A. Chinoy and Mr. Kamal A. Chinoy are also sponsors/directors in the investing company.

The above approvals will remain valid for execution for the twelve (12) months w.e.f. the date of approval at the extraordinary general meeting of the Company.

The Directors are not interested, directly or indirectly, in the above special businesses, other than as Directors and shareholders of the Company.



## **PROCEDURE FOR ELECTRONIC VOTING FACILITY AND VOTING THROUGH POSTAL BALLOT ON SPECIAL BUSINESS**

This is in continuation of the Extraordinary General Meeting Notice circulated on **Thursday, July 18, 2024**.

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

Accordingly, members of International Industries 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 Extraordinary General Meeting to be held on Tuesday, August 13, 2024 at 11:00 a.m. in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

For the convenience of the Members, the ballot paper is annexed to this notice and the same is also available on the Company’s website at **www.iil.com.pk** for download.

### **Procedure for E – Voting:**

- (a) 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 August 6, 2024.
- (b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal M/s CDC Share Registrar Services Limited (being the e-voting service provider).
- (c) The identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- (d) E-voting lines will start on August 8, 2024, at 09:00 a.m. and shall close on August 12, 2024 at 5:00 p.m. Members can cast their votes at any time in this period. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

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

- (a) 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, 101 Beaumont Plaza, 10 Beaumont Road, Karachi- 75530 or email at [investors@iil.com.pk](mailto:investors@iil.com.pk) by August 12, 2024 one day before the Extra Ordinary General Meeting. The signature on the ballot paper shall match the signature on CNIC.

**INTERNATIONAL INDUSTRIES LIMITED**
**POSTAL BALLOT PAPER**

For voting through the post for the Special Business at the Extraordinary General Meeting to be held on Tuesday, August 13, 2024 at 11:00 AM at Beach Luxury Hotel, Off: M.T.Khan Road, Karachi.

UAN: 111-019-019 Website: [www.iil.com.pk](http://www.iil.com.pk)

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of Shares Held	
CNIC/Passport No. (in the case of foreigners) (copy to be attached)	
Additional information and enclosures (in case of representative of a body corporate, corporation, and Federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in the case of foreigners) of Authorized Signatory (copy to be attached)	

**Resolution For Agenda Item No. 1 – Investment in Associated Company – Chinoy Engineering & Construction (Private) Limited**

“**RESOLVED THAT** subject to compliance with the applicable laws, the Company be and is hereby authorized to subscribe 4,845,000 ( Four Million Eight Hundred Forty-Five Thousand only) ordinary shares with a par value of PKR 10 (Pakistan Rupees Ten) each making a total of Rs.48,450,000/- (Pakistan Rupees Forty-Eight Million Four Hundred Fifty Thousand only) or 17% of its post-issuance paid up capital of Chinoy Engineering & Construction (Private) Limited (“CECL”) by subscribing to such shares of CECL and is therefore empowered to take all such actions including, but not limited to, filing the requisite applications for seeking the permission of the SECP, if any, and/or any other regulatory approvals that may be required under the applicable laws for the issuance of the ordinary shares.

**FURTHER RESOLVED THAT** the Company be and is hereby also authorized to invest in CECL by way of extending short-term loans up to PKR 300 million at a markup of KIBOR + 3%, if needed.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to issue a Corporate Guarantee in favor of Habib Bank Limited for CECL to secure financing of up to PKR 1.5 billion

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to issue a guarantee to ensure that CECL performs its obligations under the contract with Reko Diq Mining Company Ltd (“RDMC”), with joint and several liability with associated companies Pakistan Cables Limited and International Steels Limited.

**FURTHER RESOLVED THAT** Chief Executive Officer and/or Chief Financial Officer and/or Company Secretary of the International Industries Limited, or such other person(s) as may be authorized by any of them, be and are hereby, jointly and severally, authorized and empowered to execute and deliver all necessary documents, take all necessary steps, and do all such acts, deeds, and things including, but not limited to, carrying out all filings, submissions and applications with the PSX and the SECP and/or with any other authority for and on behalf, and in the name, of the Company as may be necessary or required or as any of them may think fit for or in connection with or incidental to fulfill the above resolutions and fulfill the objectives thereof.

**FURTHER RESOLVED THAT** the aforesaid resolutions shall be subject to any amendments, modifications, additions, or deletions as may be suggested, directed, or required by the SECP or any other regulatory body, which changes shall be deemed to be part of these special resolutions without the need of the shareholders to pass fresh resolutions unless the same is substantial.

**Instructions For Poll**

1. Please indicate your vote by ticking (✓) the relevant box.

2. In case if both the boxes are marked as (✓), you poll shall be treated as **“Rejected”**.

I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (✓) mark in the appropriate box below;

Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
<b>Resolution For Agenda Item No. 1</b>		

1. Dully filled ballot paper should be sent to the Chairman at 101 Beaumont Plaza, 10 Beaumont Road, Karachi- 75530 or email at [investors@iil.com.pk](mailto:investors@iil.com.pk)

2. Copy of CNIC/ Passport (in case of a foreigner) should be enclosed with the postal ballot form.

3. Ballot paper should reach the Chairman within business hours by or before Monday, August 12, 2024. Any postal ballot received after this date, will not be considered for voting.

4. Signature on ballot paper should match with signature on CNIC/ Passport (In case of foreigner).

5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.

6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable.

7. Ballot Paper form has also been placed on the website of the Company at: [www.iil.com.pk](http://www.iil.com.pk) Members may download the ballot paper from the website or use an original/photocopy published in newspapers.

Date

\_\_\_\_\_  
Shareholder / Proxy holder Signature/Authorized Signatory

(In case of corporate entity, please affix company stamp)