



SAZGAR ENGINEERING WORKS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 32nd Annual General Meeting of **Sazgar Engineering Works Limited** will be held at All Seasons Wedding & Banquet Hall, Lala Zar Commercial Market, Thokar Niaz Baig, Opp Yasir Broast, 0.5 KM-Raiwind Road, Lahore on Thursday, October 26, 2023 at 11:15 A.M. to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the year ended 30th June, 2023 together with the Directors' Report, Auditors' Report and Chairperson's Review Report.
2. To appoint Auditors and to fix their remuneration for the year ending June 30, 2024. The present auditors M/s H.Y.K & Co. Chartered Accountants, retire and being eligible, offer themselves for re-appointment. The Audit Committee and the Board of Directors have recommended their re-appointment.
3. To consider and approve a final cash dividend @ 40% of current paid up share capital i.e. Rupees 4/- per ordinary share for the year ended June 30, 2023 as recommended by the Board of Directors.

SPECIAL BUSINESS:

4. To consider and approve, in pursuance of S.R.O. 389 (I)/ 2023 dated March 21, 2023 of the Securities and Exchange Commission of Pakistan, the circulation of Annual Audited Financial Statements (including balance sheet, profit and loss account, directors report, auditors report etc.) to its members through QR enabled code and weblink instead of transmitting the same in the form of CD/DVD/USB.

By order of the Board

Lahore
October 05, 2023

Arshad Mahmood
(Company Secretary)

Notes:

- a. The share transfer books of the company will remain closed from October 20, 2023 to October 26, 2023 (both days inclusive). Transfers received in order at the share registrar office M/s Corp Tec Associates (Pvt.) Ltd., 503-E, Johar Town, Lahore at the close of business on 19th October, 2023 will be treated in time for entitlement of final cash dividend and to attend the 32nd Annual General Meeting of the Company.
- b. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for his/her behalf. Proxies in order to be effective must be received at the Share Registrar Office duly stamped and signed not less than 48 hours (working days only) before the time of holding of the meeting.

CDC Account Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by Securities and Exchange Commission of Pakistan for attending the meeting and appointment of proxies.

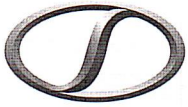
- c. Members are requested to promptly communicate the change in their addresses, if any, to the Company's share registrar.
- d. **Placement of Annual Report on Web-site & its Circulation through DVD/CD:**
The Annual Report of the Company containing financial statements of the Company for the year ended June 30, 2023 along with Auditors and Directors Report thereon, the Chairperson's Review and notice of AGM etc. have been circulated through DVDs and have also been placed on the company's website: (www.sazgarautos.com).

The shareholders who wish to receive hard copy of the Annual Report may send their request to the Company Secretary / Share Registrar, the Standard Request Form available on the website of the Company and the Company will supply hard copy of the Annual Report to the shareholders on demand, free of cost, within one week of such demand.

Registered Office: 88-Ali Town, Thokar Niaz Baig, Raiwind Road, Lahore. Pakistan ☎ +92-42-35291573-74, 35297861-62
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e. Video Conference Facility:

Pursuant to the provisions of the Companies Act, 2017, members can avail video conference facility to participate in this Annual General Meeting provided that the Company receives consent from the members holding in aggregate 10% or more shareholding, residing in a city, at least seven (7) days prior to the date of meeting. Subject to the fulfillment of the above conditions, members shall be informed of the venue along with complete information necessary to access the facility. Format of request form has been placed on the Company's website.

f. Attendance through Zoom:

The members may attend the AGM online through ZOOM, by following the below guidelines:

(i) The member shall get himself/herself registered by sending his/her request to the Company at e-mail ID company.secretary@sazgarautos.com as per Standard Request Form available on the Company's website (www.sazgarautos.com) or can send his/her request to the Company Secretary at 88-Ali Town, Thokar Niaz Baig, Raiwind Road, Lahore, along with a legible copy of CNIC not later than October 19, 2023.

(ii) Zoom Link shall be sent by the Company only on email ID or Mobile/Whatsapp Number mentioned in Standard Request Form.

(iii) Members may send their comments / suggestions on any of the agenda item to Company Secretary on email ID; company.secretary@sazgarautos.com or whatsapp no. 0341 8469913 not later than October 19, 2023.

g. Deposit of Physical Shares into CDC Account:

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017.

The Physical Shareholders having physical shareholding are encouraged to open CDC Investor Account with CDC or CDC Sub- Account with any of the brokers to place their physical shares into Script less form.

h. Procedure for E-Voting and Voting by Post:

In accordance with the Companies (Postal Ballot) Regulations, 2018, ("the Regulations") the right to vote through electronic voting facility and voting by post shall be provided to members for all businesses classified as special business under the Companies Act, 2017, ("the Act") in the manner and subject to conditions contained in the Regulations.

E – Voting:

- 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 October 19, 2023.
- The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- Members shall cast vote online at any time from **October 23, 2023 9:00 A.M. to October 25, 2023 at 5:00 P.M.** Once the vote on the resolution is casted by a Member, he/she shall not be allowed to change it subsequently.

Voting by Post:

The members shall ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairperson of the meeting through post at the Company's registered office address, 88- Ali Town Thokar Niaz Baig, Raiwind Road Lahore or email at sairahameed@sazgarautos.com one day before the AGM, i.e., on October 25, 2023 upto 5:00 P.M. The signature on the Ballot Paper shall match with signature on the CNIC.

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The Postal Ballot paper will be available for download from the website of Sazgar Engineering Works Limited or may be used the same as published in newspapers.

i. Particulars of Physical Shareholders:

According to Section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulations, 2018, all physical shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile/telephone number, International Bank Account Number (IBAN), etc. to Company's Share Registrar at their address, M/s CorpTec Associates (Pvt) Limited, 503-E, Johar Town, Lahore, email (info@corptec.com.pk) immediately to avoid any non-compliance of law or any inconvenience in future.

j. Electronic Payment of Dividend:

The provisions of Section 242 of the Companies Act, 2017 (the Act) read with Companies (Distribution of Dividends) Regulations, 2017 provide that any cash dividend declared by a listed company must be paid through electronic mode directly into the bank account designated by the entitled shareholder. In order to receive dividend directly into their bank account, shareholders are requested to communicate, if not already provided, below detailed information by filling in Electronic Credit Mandate Form available on Company's website (www.sazgarautos.com) and send it duly signed along with a copy of CNIC to the Share Registrar of the Company, in case of physical shares. In case shares are held in CDC, then Electronic Credit Mandate Form must be submitted directly to shareholder's broker / participant / CDC account services. In the absence of valid bank account details and CNIC, dividend amount will be withheld in compliance with the aforesaid provisions of the Act and Regulations. Electronic Credit Mandate Form shall authorize the Company to credit their current and future cash dividends directly to their designated bank accounts. The required information are:

- International Bank Account Number (IBAN)
- Name of Bank
- Branch name and address
- Valid copy of CNIC

k. Income Tax Deduction from Dividend Payment:

The current withholding tax rates on dividend payments as prescribed by the Income Tax Ordinance, 2001 (the Ordinance) are 15% for persons whose names are appearing in the active taxpayers' list (ATL) and 30% for persons whose names are not appearing in the ATL. To enable the Company to make tax deduction on the amount of Cash Dividend @ 15% instead of 30%, all the shareholders whose names are not entered into the ATL available on the website of the Federal Board of Revenue, are advised to make sure that their names are entered into ATL before the date of dividend payment, otherwise they shall not be treated as Active Taxpayers (despite the fact that they are filers of income tax return) and tax on their Cash Dividend will be deducted @ 30%.

The Corporate Shareholders having CDC account 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 certificates to the Share Registrar of the Company.

The FBR has clarified that shareholders' accounts jointly 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/her 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 / CDC Account No.	Total Holding	Principal Shareholder		Joint Shareholder	
		Name & CNIC No.	Shareholding proportion (No. of Shares)	Name & CNIC No.	Shareholding proportion (No. of Shares)

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In case the required information is not provided to the Company's Share Registrar by October 16, 2023, it will be assumed that the shares are held in equal proportion by the principal shareholder and joint holder(s).

i. Exemption from Deduction of Income Tax / Zakat:

Members seeking exemption from deduction of income tax or deduction at reduced rate, are requested to submit a valid exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of Zakat are also required to submit a valid declaration, duly attested by Notary Public on Stamp Paper to Company's Shares Registrar for non-deduction of Zakat.

Moreover, as per FBR's clarification, the valid Exemption Certificate under Section 159 of the Ordinance is mandatory to claim exemption of withholding tax under Clause 47B of Part-IV of Second Schedule to the Ordinance. Those who fall in the category mentioned in above clause must provide valid Tax Exemption Certificate to the Company's Shares Registrar; otherwise tax will be deducted on dividend amount as per prescribed rates.

m. Unclaimed/Unpaid Dividend and Share Certificates:

In compliance of Section 244 of the Act, the Company has already requested through individual letters to shareholders and also through newspaper to collect their unclaimed shares / unpaid cash dividend, if any. Shareholders are once again requested to lodge a claim for unclaimed shares / unpaid cash dividends with the Company's Share Registrar i.e. M/s CorpTec Associates Pvt. Limited, 503-E, Johar Town, Lahore.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 SETTING OUT THE MATERIAL FACTS PERTAINING TO THE SPECIAL BUSINESS:

This statement sets out the material facts pertaining to the special business to be transacted at the 32nd Annual General Meeting of the Company to be held on Thursday, October 26, 2023.

ITEM NO. 4 OF THE AGENDA

The Securities and Exchange Commission of Pakistan vide its S.R.O. 389(I)/2023 dated March 21, 2023 has allowed the companies to circulate annual audited financial statements (including balance sheet, profit and loss account, directors and auditors reports etc.) to its members through QR enabled code and weblink instead of transmitting same through CD/DVD/USB; therefore, the Board of Directors of the Company in its meeting held on September 06, 2023, has approved and recommended for circulation/transmission of Annual Reports including annual audited financial statements of the Company to its members through QR enabled code and weblink instead of transmitting the same through CD/DVD/USB. However, hard copy of annual audited financial statements will be supplied to the shareholders, on demand, at their registered address, free of cost, within one week of receipt of such demand.

The following resolutions are proposed to be passed as ordinary resolutions with or without any modification(s), addition(s) or deletion(s):

"Resolved that circulation of annual audited financial statements (including balance sheet, profit and loss account, directors report, auditors reports, etc.) of the Company to its shareholders through QR enabled code and weblink as notified by the Securities and Exchange Commission of Pakistan vide its S.R.O. 389(I)/2023 dated March 21, 2023, be and is hereby approved.

"Further resolved that Chief Executive Officer and Company Secretary of the Company be and are hereby singly authorized to do all acts, deeds and things, take or cause to be taken all necessary actions to comply with all legal formalities and requirements and to file documents as may be necessary or incidental for the purposes of implementing this resolution."

Interest of Directors:

The Directors of the Company have no interest in this business except in their capacity as shareholders and Directors of the Company.

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Sazgar Engineering Works Limited

Registered Office Address: 88-Ali Town, Thokar Niaz Baig, Raiwind Road, Lahore

Contact No.: +92-42-35291573-74, 35297861-62

Website: www.sazgarautos.com

BALLOT PAPER

Ballot paper for voting through post for the business classified as special business in the Annual General Meeting to be held on 11:15 A.M., Thursday, October 26, 2023 at All Seasons Wedding & Banquet Hall, Lala Zar Commercial Market, Thokar Niaz Baig, Opp Yasir Broast, 0.5 KM-Raiwind Road, Lahore.

Contact details of Chairperson, where ballot paper may be sent:

Business Address: The Chairperson, Sazgar Engineering Works Limited, 88-Ali Town, Thokar Niaz Baig, Raiwind Road, Lahore.

Designated email address: sairahameed@sazgarautos.com

CDC Account/Folio Number	
Name of shareholder/joint shareholder(s):	
Registered Address	
Number of shares held	
CNIC / Passport No. (in case of foreigner) (copy to be attached)	
<i>Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government)</i>	
Name of Authorized Signatory:	
CNIC / Passport No. (in case of foreigner) of Authorized Signatory - (copy to be attached)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by giving my/our assent or dissent to the following resolutions by placing tick (✓) mark in the appropriate box below:

S. No.	Nature and description of resolution	No. of ordinary shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	<p>Special Business: Agenda No. 4: To consider and approve, in pursuance of S.R.O. 389 (I)/ 2023 dated March 21, 2023 of the Securities and Exchange Commission of Pakistan, the circulation of Annual Audited Financial Statements (including balance sheet, profit and loss account, directors report, auditors report etc.) to its members through QR enabled code and weblink instead of transmitting the same in the form of CD/DVD/USB. The following resolutions are proposed to be passed as ordinary resolutions with or without any modification(s), addition(s) or deletion(s):</p> <p><i>“Resolved that circulation of annual audited financial statements (including balance sheet, profit and loss account, directors report, auditors reports, etc.) of the Company to its shareholders through QR enabled code and weblink as notified by the Securities and Exchange Commission of Pakistan vide its S.R.O. 389(I)/2023 dated March 21, 2023, be and is hereby approved.</i></p> <p><i>“Further resolved that Chief Executive Officer and Company Secretary of the Company be and are hereby singly authorized to do all acts, deeds and things, take or cause to be taken all necessary actions to comply with all legal formalities and requirements and to file documents as may be necessary or incidental for the purposes of implementing this resolution.</i></p>			

NOTES:

Signature of shareholder(s)
/Authorized Signatory
(in case of corporate entity,
please affix company stamp)

Place: _____

Date: _____

1. This Postal Ballot is also available for download from the website of Sazgar Engineering Works Limited (SAZEW) at www.sazgarautos.com.
2. Dully filled postal ballot may be sent to the Chairperson at above mentioned postal or email address.
3. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
4. Postal ballot forms should reach the Chairperson of SAZEW within business hours by or before **October 25, 2023**. Any postal ballot received after this date, will not be considered for voting.
5. Signature on postal ballot should match with signature on CNIC/ Passport (in case of foreigner).
6. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.