

# **SANA Industries Limited**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 38th Annual General Meeting of the shareholders of the Sana Industries Limited will be held on Friday, the 27th of October, 2023 at 4.00 P.M at the Company's Office, situated at 33-D-2, Block 6, P.E.C.H.S., Karachi to transact the following business:-

### **ORDINARY BUSINESS:**

- (1) To receive and adopt the audited financial statements of the Company for the year ended 30<sup>th</sup> June, 2023, together with the Auditors' Report and Directors' Report thereon.
- (2) To seek approval from the Shareholders for disposal of 187 shares of the Company being fractional shares of stock dividend (Bonus shares) @ 65% distributed on 23<sup>rd</sup> June, 2023 and distribution of the same.
- (3) To appoint Auditors of the Company for the year ended 30<sup>th</sup> June, 2024. The present Auditors M/s. Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

### **SPECIAL BUSINESS:**

#### **Ordinary Resolution**

- (4) To Ratify and approve transactions conducted with Related Party for the year ended June 30, 2023 by passing the following ordinary resolution with or without modification:

“RESOLVED that the transactions conducted with Related Party as disclosed in Note 43 of the unconsolidated financial statements for the year ended June 30, 2023 and specified in the Statement of Material Information under Section 134(3) be and are hereby ratified, approved and confirmed.”

- (5) To authorize the Chief Executive Officer of the Company to approve transactions with Related Party for the financial year ending June 30, 2024 by passing the following ordinary resolution with or without modification:

“RESOLVED that the Chief Executive Officer of the Company be and is hereby authorized to approve the transactions to be conducted with Related Party on case to case basis for the financial year ending June 30, 2024.”

“FURTHER RESOLVED that these transactions shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval.”

- (6) To sought approval of members to circulate annual audited financial statements through QR enabled Code and Weblink instead of transmitting the same in the form of CD / DVD / USB in pursuance of Securities and Exchange Commission of Pakistan (SECP) S.R.O. 389(1)/2023 dated March 21, 2023 and to pass following resolution with or without amendments as ordinary resolution:

“Resolved that as notified by the SECP via S.R.O NO. 389(1)/2023 dated March 21, 2023 transmission of annual audited financial statements to its members through QR enabled code and weblink instead of transmitting the same in the form of CD / DVD / USB, be and is hereby ratified and approved for future.”

### **ANY OTHER BUSINESS:**

- (7) To transact any other business with the permission of the Chair.

By Order of the Board

**(Abdul Hussain Antaria)**  
Company Secretary

Karachi: 5<sup>th</sup> October, 2023

### **NOTES:**

1. **Closure of Share Transfer Books**

The share transfer books of the Company shall remain closed from 20-Oct-2023 to 27-Oct-2022 (both days inclusive). Transfers received in order at the office of Share Registrar CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block B, SMCHS, Karachi-74400 by the close of business on 19-Oct-2023 will be considered in time to attend and vote at the meeting.

**2. Participation in General Meeting**

An individual beneficial owner of shares must bring his/her original CNIC or Passport, Account and Participant’s I.D. numbers to prove his/her identity. A representative of corporate members, must bring the Board of Directors’ Resolution and/or Power of Attorney and the specimen signature of the nominee, CDC account holders will further have to follow the guidelines as laid down in Circular 1 dated 28th January, 2000, issued by the Securities and Exchange Commission of Pakistan.

A member entitled to attend and vote at the meeting may appoint another member as his/her proxy in writing to attend the meeting and vote on the member's behalf. Proxies in order to be effective must be received at the Company’s Registered Office, 33-D-2, Block-6, P.E.C.H.S., Karachi (Phone No.34322556-59) not later than 48 hours before the time of holding the meeting and no account shall be taken of any part of the day that is not a working day. A member shall not be entitled to appoint more than one proxy.

Members are requested to notify their change of address, Zakat declaration (CZ-50) and tax exemption certificate (if any) immediately to Company’s Share Registrar CDC Share Registrar Services Limited.

**3. Submission of the CNIC/NTN details (Mandatory)**

In accordance with the notification of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 779(1)/2011 dated 18 August 2011 and SRO 83(1)/2012 dated 5 July 2012, dividend counters in electronic form should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members. Accordingly, Members who have not yet submitted photocopy of their valid CNIC or NTN in case of corporate entities are requested to submit the same to the Companies’ Share Registrar in case of non-compliance, the Company shall withhold credit of dividend as per law.

**4. Payment of Cash Dividend Electronically (Mandatory Requirement)**

In accordance with the provision of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations 2017, it is mandatory that dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Notice in this regard have already been published earlier in newspapers as per Regulations. Those shareholders who have still not provided their IBAN are once again requested to fill in “Electronic Credit Mandate Form” as reproduced below and send it duly signed along with a copy of valid CNIC to their respective CDC participant / CDC Investor account services (in case of shareholding in Book Entry Form) or to Company’s Share Registrar M/s. CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block B, SMCHS, Karachi-74400 (in case of shareholding in Physical Form).

<b>1.</b>	<b>Shareholder’s details</b>	
	Name of the Shareholder(s)	
	Folio No./CDS Account No(s)	
	CNIC No (copy attached)	
	Mobile / Landline No	
<b>2.</b>	<b>Shareholders’ Bank details</b>	
	Title of Bank Account	
	International Bank Account Number (IBAN)	
	Bank’s Name	
	Branch’s Name and Address	

**5. Withholding Tax on Dividend:**

Dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 and currently, the deduction of withholding tax on the amount of dividend paid by the companies based on ‘Active’ and ‘Non-Active’ status of shareholders shall be @ 15% and 30% respectively

where 'Active' means a person whose name appears on the Active Taxpayers List available at e-portal of FBR (<http://www.fbr.gov.pk/>) and 'Non-Active' means a person whose name is not being appeared on the Active Taxpayers List.

In case of joint account, each holder is to be treated individually as either 'Active' or 'Non-Active' and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, or if not so notified, each joint holder shall be assumed to have an equal number of shares.

Company Name	Folio/CDS Account No.	Total No. of Shares	Principal Shareholder		Joint Shareholder	
			Name & CNIC No.	Shareholding Proportion (No. of shares)	Name & CNIC No.	Shareholding Proportion (No. of shares)

The required information must reach the Share Registrar of the Company before the close of the business on October 19, 2023 otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Shareholder(s).

As per FBR Circulars C. No.1 (29) WHT/2006 dated 30 June 2010 and C. No.1 (43) DG (WHT)/2008-Vol. II-66417-R dated 12 May 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance, 2001 (tax on dividend amount) where the statutory exemption under clause 47B of Part-IV of Second Schedule is available. The shareholders who fall in the category mentioned in above clause and want to avail exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to the Company's Share Registrar M/s. CDC Share Registrar Services Limited (CDCSRSL), before book closure otherwise tax will be deducted on dividend as per applicable rates.

In case of non-provision of IBAN, the Company will have to withhold the cash dividend according to SECP directives.

#### 6. Electronic Transmission of Audited Financial Statements & Notices

The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated 8th September 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its Members through e-mail. Accordingly, Members are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-mail.

Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice. Annual Financial Statements will be sent at your registered address, as per normal practice.

#### 7. Deposit of Physical Shares in CDC Accounts:

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 form the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, 2017.

The shareholders having physical shareholding may please open CDC sub-account with any of the brokers or investors account directly with CDC to place their physical shares into scrip less form.

For any query/information, the investors may contact the Company's Share Registrar.

#### 8. Mandatory Information 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 our Share Registrar at CDC Share Registrar Services Limited, CDC House, 99-B, Block-B,

S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400. Tel. Toll Free: 0800-23275, Email: [info@cdcsrsl.com](mailto:info@cdcsrsl.com) immediately to avoid any non-compliance of law or any inconvenience in future.

#### **9. Participation through Video Link Facility**

The members can also participate in the Annual General Meeting through video link facility. To attend the AGM through video link, members and their proxies are requested to register their following particulars by sending an email at [snai@sana-industries.com](mailto:snai@sana-industries.com)

Shareholders/Proxy holders are advised to mention their Name, Folio/CDC Account Number, No of Shares held, CNIC Number, cell number and email address.

The video link and login credentials will be shared with the shareholders whose email, containing all the requested particulars, are received at the given email address by or before the close of business hours (5:00 p.m.) on October 23, 2023.

#### **10. Procedure of E-Voting**

- a. 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 of every listed company for inter alia, all business classified as special business under the Companies Act, 2017 in the manner and subject to conditions contained in the Regulations.
- b. Detail of E-Voting facility will be shared through email with those members of the Company who have valid cell numbers/email addresses (Registered email ID) available in the Register of Members of the Company by the end of business on October 19, 2023. Members who intend to exercise their right of vote through E-Voting shall provide their valid cell numbers and email addresses on or before October 19, 2023.
- c. Identity of the Members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.
- d. Members shall cast vote for agenda item online from October 23, 2023 till October 26, 2023 till 5:00 p.m. Voting shall close on October 26, 2023 at 5:00 p.m. A vote once cast by a member, shall not be allowed to be changed.

#### **11. Procedure for Voting through Postal Ballot**

Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website [sana-industries.com](http://sana-industries.com) to download.

The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman, of the meeting through post at the Company's registered address, 33-D-2, Block 6, P.E.C.H.S., Karachi. Or email at [chairman@sana-industries.com](mailto:chairman@sana-industries.com) one day before the AGM, i.e. on October 26, 2023 before 5:00 p.m. A postal ballot received after this time/date shall not be considered for voting. The signature on the Ballot Paper shall match with signature on the CNIC.

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

### **Ordinary resolution**

#### **AGENDA NO.5 – TRANSACTIONS WITH SUBSIDIARY COMPANY.**

The Company in the normal course of business carries out transactions with its subsidiary Company Sana Logistics (Private) Limited for re-imburement of Rent, Electricity, Maintenance, Health Insurance and Contractor payments etc. amounting Rs.15.72 million.

The Company in the normal course of business carries out transactions with its subsidiary Company Sana Distributors (Private) Limited for re-imburement of Rent, Electricity, Maintenance, Health Insurance and Contractor payments etc. amounting Rs.3.16 million.

Majority of the directors were interested in these transactions due to common directorship in associated Company, which have to be approved by the shareholders in the General Meeting. Therefore, the transactions carried out during the financial year ended June 30, 2023 are being placed before the shareholders for their consideration and approval / ratification.

All related party transactions, during the year 2023, were reviewed and approved by the Audit Committee and the Board in their respective meetings. The transactions with related party were carried out at arm's length prices determined in accordance with the comparable uncontrolled prices method.

#### **AGENDA NO.6.**

To authorize the Chief Executive Officer of the Company to approve transactions with Related Party for the financial year ending June 30, 2024 which shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval.

#### **AGENDA NO.7 – Transmission of Annual Audited Financial Statements through QR – enabled Code and Weblink**

The SECP has allowed listed companies to circulate annual audited financial statements to its members through QR enabled code and weblink instead of transmitting the same in the form of CD / DVD / USB in pursuance of SECP S.R.O. 389(1)/2023 dated March 21, 2023. The Company shall circulate Annual Audited Financial Statements through email address in case it has been provided by the member to the Company, and upon demand, supply hard copies of the Annual Audited Financial Statements to the shareholders free of cost upon receipt of a duly completed Request Form, which may be obtained from the Company's website i.e. [sana-industries.com](http://sana-industries.com).

#### **Directors' Interest**

The directors of the Company have no direct or indirect interest in the above-mentioned Special Business except to the extent that they are the members of the Company.

**Sana Industries Limited**  
**BALLOT PAPER FOR VOTING THROUGH POST**

For voting through post for the Special Business at the Annual General Meeting **Sana Industries Limited** (the Company) to be held on Friday, October 27, 2023 at 4:00 p.m. at 33-D-2, Block 6, P.E.C.H.S., Karachi.

Designated email address of the Chairman at which the duly filled in ballot paper may be sent: (chairman@sana-industries.com)

Name of shareholder/joint shareholder(s):	
Registered Address:	
Folio No. / CDC Participant / Investor ID with sub-account No.	
Number of shares held	
CNIC, NICOP/Passport No. (in case of foreigner)(Copy to be attached)	
<u>Additional information and enclosures</u>  (In case of representative of body corporate, corporations and Federal Government)	
Name of Authorized Signatory	
CNIC, NICOP/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 ordinary resolution through postal ballot by giving my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below:

<b>Ordinary Resolution</b>	
(1)	To Ratify and approve transactions conducted with Related Party for the year ended June 30, 2023 by passing the following ordinary resolution with or without modification:  “RESOLVED that the transactions conducted with Related Party as disclosed in Note 43 of the unconsolidated financial statements for the year ended June 30, 2023 and specified in the Statement of Material Information under Section 134(3) be and are hereby ratified, approved and confirmed.”
(2)	To authorize the Chief Executive Officer of the Company to approve transactions with Related Party for the financial year ending June 30, 2024 by passing the following ordinary resolution with or without modification:  “RESOLVED that the Chief Executive Officer of the Company be and is hereby authorized to approve the transactions to be conducted with Related Party on case to case basis for the financial year ending June 30, 2024.”

“FURTHER RESOLVED that these transactions shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval.”

- (3) To sought approval of members to circulate annual audited financial statements through QR enabled Code and Weblink instead of transmitting the same in the form of CD / DVD / USB in pursuance of Securities and Exchange Commission of Pakistan (SECP) S.R.O. 389(1)/2023 dated March 21, 2023 and to pass following resolution with or without amendments as ordinary resolution:

“RESOLVED THAT as notified by the SECP via S.R.O NO. 389(1)/2023 dated March 21, 2023 transmission of annual audited financial statements to its members through QR enabled code and weblink instead of transmitting the same in the form of CD / DVD / USB, be and is hereby ratified and approved for future.”

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

S. No.	Name and description of resolution	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Ordinary Resolution as per the Agenda Item No. 04 (as given above)		
2.	Ordinary Resolution as per the Agenda Item No. 05 (as given above)		
3.	Ordinary Resolution as per the Agenda Item No. 06 (as given above)		

\_\_\_\_\_  
Shareholder/Proxy holder Signature/Authorized Signatory  
(In case of corporate entity, please affix company stamp)

Place: \_\_\_\_\_ Date: \_\_\_\_\_

**NOTES:**

1. Duly filled postal ballots should be sent to the Chairman at 33-D-2, Block 6, P.E.C.H.S., Karachi or through email at: ([chairman@sana-industries.com](mailto:chairman@sana-industries.com))
2. Copy of CNIC, NICOP/Passport (In case of foreigner) should be enclosed with the postal ballot form.
3. Postal Ballot form should reach the Chairman of the Meeting on or before October 26, 2023 up to 5:00 p.m. Any Postal Ballot received after this time/date, will not be considered for voting.

4. 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. In the case of foreign body corporate etc., all documents must be attested by the Consul General of Pakistan having jurisdiction over the member.
5. Signature on postal ballot should match with signature on CNIC, NICOP/Passport (In case of foreigner).
6. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.