



### **Notice of Extraordinary General Meeting**

Notice is hereby given that an Extraordinary General Meeting of the Members of the ZIL Limited ("Company") will be held on Friday, December 08, 2023, at 09:00 a.m. at The Royal Rodale, Plot No TC-V, 34th Street, Khayaban-e-Sehar, Phase -V, Defence Housing Authority, Karachi, Pakistan to transact the following business:

#### **Ordinary Business:**

1. To confirm the minutes of the last Annual General Meeting held on March 30, 2023.

#### **Special Business**

2. To consider and, if thought fit, approve the circulation the Company's annual audited financial statements through QR enabled code and weblink, as part of notice of Annual General Meeting by passing, with or without any modifications, additions or deletions, the following resolution as special resolution:

#### **SPECIAL RESOLUTION**

**RESOLVED THAT** the consent and approval of the members of ZIL Limited ("Company") be and is hereby accorded and the Company be and is hereby authorized to circulate its annual audited financial statements to the members through QR enabled code and weblink as part of the notice of Annual General meeting.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to discontinue the circulation annual audited financial statements through CD / DVDS /USB.

**FURTHER RESOLVED THAT** the Company Secretary be and is hereby authorized to do all acts, deeds and things, take or cause to be taken any action as may be necessary, incidental or consequential to give effect to this resolution.

In terms of section 183(3)(a) Company's shareholders' approval for sale of assets of ZIL Limited Hyderabad factory obtained in the EOGM held on November 30, 2022, the assets of ZIL Limited Hyderabad factory were offered for sale. However, due to depressed economic conditions, the availability of prospective buyers offering respectable prices remained restricted and factory assets could not be sold during the period despite the hectic efforts of the management of the Company.

Under sub section 3(a) and sub section (5) of section 183 of the Companies Act, 2017, any resolution passed under sub-section (3) if not implemented within one year from the date of passing shall stand lapsed hence, the Board of Directors has approved the sale of assets of Hyderabad factory subject to approval of the Company's shareholders in forthcoming EOGM of the company.

The Ordinary Resolutions as set out in this notice are proposed for consideration by the members of ZIL Limited ("Company") to transact the following special business:

3. To consider and approve the disposal of the Company's Hyderabad factory with freehold land, building on freehold land, along with plant, machinery & equipment, capital spares, furniture & fixtures, general stores & tools and other related assets, located at Link Hali Road,



Hyderabad-71000, hereinafter referred to as the "Asset Sale", by passing following resolutions as ordinary resolutions with or without any modification, addition or deletion in terms of section 183(3)(a) of the Companies Act, 2017 ("Act"):

**SPECIAL RESOLUTION**

**"RESOLVED THAT** the consent of shareholders be and is hereby accorded to the disposal and sale of Hyderabad factory with freehold land, admeasuring 3 Acre 26 Ghuntas, building on freehold land, along with plant, machinery & equipment, capital spares, furniture & fixtures, general stores & tools and other related assets, located at Link Hali Road, Hyderabad ("Assets Sale")."

**"RESOLVED FURTHER THAT,** as part and parcel of the foregoing consent, Board of Directors be and are hereby authorized and empowered for "Assets Sale". The Board may delegate its powers to the Chairman and / or Chief Executive Officer ["CEO"] or including with or without any Director of the Company or any other person on such terms and conditions they deem fit, to act on behalf of the Company in doing and performing all acts, matters, things and deeds to implement and / or give effect to the "Assets Sale" and the transactions contemplated by it, which shall include, but not be limited to: -

- a) conducting negotiations, obtaining quotations etc., with interested parties in such manner and on such terms and conditions as are in the best interest of the Company and its shareholders and which secure the best available market price for the "Assets Sale";
- b) selling the "Assets Sale" to any individual, firm(s) / partnership, bank(s) or private / public limited companies or organization(s) or to any other person and, for that purpose, negotiating with financial institution(s) for vacating lien/charges against assets, if any, 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 "Assets Sale" in favor of the buyer(s) or any other person by representing the same before all parties & authorities concerned and admitting execution thereof;
- c) representing before the Sub-Registrar or any other competent authority and getting any sale deed or other document(s) registered and collecting consideration amount in respect of the "Assets Sale", and
- d) generally performing and executing in respect of the "Assets Sale" all lawful deeds, agreements, acts and things as they may think fit and proper in order to implement and complete the "Assets Sale" transactions."

**"RESOLVED FURTHER THAT,** Chairman and / or CEO, and / or any Director, Chief Financial Officer and Company Secretary, or such other person(s) as may be authorized by any of them (the "Authorized Persons"), be and are hereby, jointly or severally, authorized and empowered to take all necessary steps, make the requisite decisions from time to time, do all such acts, deeds and things, obtain necessary approvals, and to execute and deliver all such deeds, agreements, declarations, undertakings and guarantees, including any ancillary document thereto or provide any such documentation for and on behalf and in the name of the Company as may be necessary or required or as they or any of them may think fit for or in connection with or incidental for the purposes of carrying out the proposed resolutions."

**"RESOLVED FURTHER THAT,** the Company be and is hereby authorized to take all actions incidental or ancillary thereto with regard to the "Assets sale"."



**“RESOLVED FURTHER THAT**, the Board be and is hereby empowered to agree upon modification in these resolutions that may be directed / required by Company Registration Office [“CRO”], Securities and Exchange Commission of Pakistan [“SECP”], Pakistan Stock Exchange [“PSX”] or any other competent authority / regulator without the need for any other further approval of the shareholders.”

**“RESOLVED FURTHER THAT**, all actions heretofore taken by Board, Chairman and / or CEO and / or any Director or Authorized Person(s) on behalf of the Company in respect of the above matters are hereby confirmed, ratified, and adopted by the Company in full.”

**“ALSO RESOLVED THAT**, Chairman and / or, Chief Executive Officer, and / or Chief Financial Officer and / or the Company Secretary of the Company be and are hereby severally authorized to sign and submit required statutory returns, announcements, e-filings with the Registrar of Companies, CRO, SECP, PSX and / or any other authority / regulator and to do all such acts, deeds and things as may be necessary to do in this regard.”

**“ALSO RESOLVED THAT**, certified copies of resolutions as present form or modified by Chairman/CEO/Company Secretary be communicated to the concerned authorities and shall remain in force until notice in writing to the contrary be given.”

By Order of the Board

Muhammad Shahid  
Company Secretary

Karachi, October 18, 2023

**NOTES:**

1. The Share Transfer Books of the Company will remain closed from December 02, 2023 to December 08, 2023 (both days inclusive). Physical transfers / CDS Transaction IDs received at the Company’s Share Registrar, M/s. THK Associates (Private) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi, 75500 Pakistan (UAN: 111-000-322), at the close of business on December 01, 2023 will be considered in time to determine voting rights of the shareholders for attending the meeting.
2. A member eligible to attend, speak and vote at meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. The proxy, in order to be effective, properly filled in must be received at the Company’s Registered Office not later than 48 hours before the time for holding the meeting.
3. The members are requested to bring their Folio / Account details (participant ID and sub-account) and original CNIC for identification purpose at the time of meeting. In case of corporate entity, the Board of Director’s Resolution or power of attorney with specimen signatures of the nominee should be produced.

**VIDEO CONFERENCE FACILITY:**

4. Members can also avail facility of video conference at their hometown. In this case if the Company receives consent from members holding aggregate 10% or more shareholding, residing at a geographical location to participate in the meeting through video conference at least 07 days prior to the date of meeting, the Company will arrange video conference facility. For the purpose, please fill the following and submit at Registered Office of the Company as per time frame given above:

“I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member



of ZIL Limited, holder of \_\_\_\_\_ Ordinary Share(s) as per Registered Folio /  
CDC A/c \_\_\_\_\_ hereby opt for videoconference facility at \_\_\_\_\_.

Signature of Member / Attorney”.

**PROCEDURE FOR E-VOTING:**

- a) Details of the e-voting facility will be shared through an e-mail with those shareholders who have their valid CNIC numbers, cell numbers and e-mail address (Registered email ID) available in the register of the shareholders of the Company by the close of business on December 01, 2023 by M/s THK Associates (Private) Limited (being the e-voting service provider).
- b) E-voting lines will be available to eligible shareholders from December 05, 2023, 9:00 am and shall close on December 07, 2023 at 5:00 pm.
- c) Members can cast their votes at any time in this period. Once the vote on a resolution is cast by a shareholder, he/she shall not be allowed to change it subsequently.

**PROCEDURE FOR VOTING THROUGH POSTAL BALLOT:**

The shareholders shall ensure that duly filled and signed ballot papers along with copy of valid Computerized National Identity Card (CNIC)/ copy of passport (non-resident) should reach the Chairman of the meeting through post on the Company's registered address, ZIL Ltd, Ground Floor, Bahria Complex III, M. T. Khan Road, Karachi, or e-mail at meetings@zil.com.pk on or before December 07, 2023 at 05:00 pm. The signatures on the ballot paper shall match with the signature on CNIC. For the convenience of the shareholders, ballot paper is available on the Company's website at www.zil.com.pk for the download. Ballot Paper for voting through postal ballot has been dispatched to eligible shareholders along with notice of EOGM.

**STATEMENTS OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES  
ACT, 2017 IN RESPECT OF SPECIAL BUSINESS**

**Agenda Item No. 2**

**Circulation of Company's Annual audited financial statements through QR enabled code and  
weblink as part of the notice of Annual General Meeting.**

This statement sets out the material facts concerning the Special Businesses listed at agenda item 2 to be transacted at the EOGM of the Company to be held on Friday, December 08, 2023, at 09:00 a.m. at The Royal Rodale, Plot No TC-V, 34th Street, Khayaban-e-Sehar, Phase -V, Defence Housing Authority, Karachi. The purpose of this Statement is to set forth the material facts concerning Special Business.

The Securities and Exchange Commission of Pakistan ("SECP") has, vide S.R.O. 389(I)/2023 dated March 21, 2023, allowed listed companies to circulate the Annual Audited Financial Statements to their members through QR enabled code and weblink (instead of CD/DVD/USB), subject to the approval of the shareholders in the general meeting. Foregoing in view, the following resolution will be placed before the members at the EOGM for approval as special resolution with or without any modifications, additions or deletions.

**RESOLVED THAT** the consent and approval of the members of ZIL Limited ("Company") be and is hereby accorded and the Company be and is hereby authorized to circulate its annual audited financial statements to the members through QR enabled code and weblink as part of the notice of Annual General meeting.



**FURTHER RESOLVED THAT** the Company be and is hereby authorized to discontinue the circulation annual audited financial statements through CD / DVDS /USB.

**FURTHER RESOLVED THAT** the Company Secretary be and is hereby authorized to do all acts, deeds and things, take or cause to be taken any action as may be necessary, incidental or consequential to give effect to this resolution.

### **Agenda Item No. 3**

**Disposal of its Hyderabad factory with freehold land, building on freehold land, along with plant, machinery & equipment, capital spares, furniture & fixtures, general stores & tools and other related assets.**

This statement sets out the material facts concerning the Special Businesses listed at agenda item 2 to be transacted at the EOGM of the Company to be held on Friday, December 08, 2023, at 09:00 a.m. at The Royal Rodale, Plot No TC-V, 34th Street, Khayaban-e-Sehar, Phase -V, Defence Housing Authority, Karachi. The purpose of this Statement is to set forth the material facts concerning Special Business.

The Board of Directors has proposed, in its meeting held on January 12, 2022, to dispose its Hyderabad factory with freehold land, admeasuring 3 Acre 26 Ghuntas, building on freehold land, along with plant, machinery & equipment, capital spares, furniture & fixtures, general stores & tools and other related assets. The sale proceeds will be utilized for the repayments of loans of the Company, creditors and other liabilities. Consequently, the financial cost will be substantially reduced in the next financial year. It will also improve running and managing the working capital requirements of the Company and provide additional liquidity to the Company for the utilization in other profitable business avenues.

#### **Purpose of the sale**

The sale has been necessitated due to company's idle assets, consequent to the approval of new manufacturing strategy. The Board of Directors has recommended selling the Hyderabad factory premises including but not limited to freehold land, building on freehold land, plant, machinery & equipment, capital spares, furniture & fixtures, general stores & tools and other related assets.

#### **Future Business Plan**

Realized sale proceeds will be utilized for repayments of loans of the Company, creditors and other liabilities which will improve company's financial performance. Furthermore, it will also provide additional liquidity to the Company for the utilization in running and managing of the working capital requirements and investments in other profitable business avenues. The company will continue its manufacturing operations through outsourcing.

#### **Availability of Relevant Documents**

The documents pertaining to foregoing special business are available for inspection at the registered office of the Company on any working day up to December 06, 2023 during business hours.

#### **Interest of directors**

No Directors or Chief Executive of the Company or their relatives have any interest in the-proposed transaction except in their capacities as Directors/Chief Executive/Shareholders.

#### **Details as per SRO 423(I)/2018, dated: April 03, 2018**

*Special Business relating to members' approval for sell or disposal of sizeable part of undertaking thereof to be transacted under clause (a) of sub-section (3) of section 183 of the Act.*

The material facts required to be disclosed under S.R.O 423 (I) /2018 dated: April 3, 2018 where the Board of Directors proposes to sell or otherwise dispose of an 'undertaking' or a 'sizeable part thereof' is provided below:





S. No	SRO Description	Company detail
I)	Detail of assets to be sold, leased or disposed of :	
a)	Description/Name of assets:	Company proposes to dispose of its factory together with freehold land, buildings on freehold land, plant and machinery & equipment, capital spares, furniture & fixtures, general stores & tools and other related assets of the Company located at Link Hali Road, Hyderabad.
b)	Acquisition date of the assets;	Various from 1980 to date

Description of Assets	e) Cost	d) Value as at 17-10-2023 #	e) Book Value as at 30-09-2023
	Rupees in thousand		
Freehold Land: 3 Acre 26 Ghuntas, situated in Survey No 119 and 120, Link Hali Road, Hyderabad	29	400,040	400,040
Building on freehold land	29,700	40,223	40,223
Plant Machinery & Equipment	311,059	116,809	116,823
Capital Spares	34,596	17,040*	17,039
General Stores	14,991	5,715*	5,748
Furniture & Fixtures	8,011	13,33*	1,283
<b>Total</b>	<b>398,386</b>	<b>581,166</b>	<b>581,156</b>
# Based on last incorporated revaluation performed by professional evaluator (included in SBP & PBA approved lists) as on October 17, 2023 * Assets other than Land, Building and Plant & Machinery are mentioned at cost as reduced by accumulated depreciation and impairments			
f)	Approximate current market price/fair value;	The Current market price / fair value is expected to be in line with the re-valued amount as stated above. The exact amount, however, will be ascertained at the time of finalizing the transaction(s) with the potential buyer(s). The management is trying its best to maximize the disposal amount over and above the reported values, however a dip may be faced depending upon the availability of customer(s) and market conditions.	
g)	In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof;	It is expected that the sale price shall not be lower than the revalued amount; however the exact value will be ascertained at the time of finalizing the transaction(s).	
h)	In case of lease of assets, tenure, lease rentals, increment rate; mode/basis of determination of lease rentals; and other important terms and conditions of the lease;	Not Applicable	
i)	Additional information in case of disposal of Assets: i) Location; ii) Nature of land (e.g. commercial, agriculture, etc); and iii) Area proposed to be sold.	i) situated in Survey No 119 and 120, Link Hali Road, Hyderabad-71000, Sindh. ii) Agricultural Land on Form VII iii) 3 Acre 26 Ghuntas	



II)	The proposed manner of disposal of the said assets.	The Properties and assets sale be disposed through negotiations with the buyer(s) through person(s) authorized by the Board of Directors in a way that is most beneficial for the shareholders and the Company.
III)	In case the company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts.	The Company shall exercise all reasonable diligence in identifying the buyer(s) willing to pay the fair market value of the Properties and Plant & Machineries and completing the transactions in the best interest of the Company and its shareholders. As a result, there is no related party that requires disclosure in the statement of material facts.
IV)	Purpose of the sale, lease or disposal of assets along with following details:	The sale has been necessitated due to company's idle assets, consequent to the approval of new manufacturing strategy. The Board of Directors has recommended selling the Hyderabad factory premises including but not limited to freehold land, building on freehold land, plant, machinery & equipment, capital spares, furniture & fixtures, general stores & tools and other related assets
a)	Utilization of the proceeds received from the transactions;	The sale proceeds will be utilized for repayments of loans of the Company, creditors and other liabilities. Consequently, the financial cost will be substantially reduced in the next financial year. It will also improve running and managing the working capital requirements of the Company and provide additional liquidity to the Company for the utilization in other profitable business avenues.
b)	Effect on operational capacity of the company, if any	The company has gradually started outsourcing its manufacturing operations during previous years, subsequently from March 2022 it has completely outsourced its manufacturing. It is expected that there will be no adverse effect on the operations.
c)	Quantitative and qualitative benefits expected to accrue to the members	Consequent to the disposal of idle assets, significant savings in financial costs are expected to accrue to the company which can exactly be ascertained after the realization of actual sale proceeds and prevailing markup rates. Furthermore, it will provide additional liquidity to the Company for the utilization in other profitable business avenues.

#### Directors Interest

None of the Directors of the Company have any personal interest in the aforesaid special business, except in their capacity as members and directors of the Company.

ZIL LIMITED



Company Secretary