

NOTICE OF MEETING

Notice is hereby given that the 54th Annual General Meeting of the shareholders of GHANDHARA INDUSTRIES LIMITED will be held at 12:00 P.M on Monday, October 23rd, 2017 at F-3, Hub Chauki Road, S.I.T.E., Karachi to transact the following business:

Ordinary Business

- 1) To confirm the minutes of the 53rd Annual General Meeting of the company held on October 31st, 2016.
- 2) To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended June 30, 2017, together with Directors' and Auditors' reports thereon.
- 3) To consider and approve the payment of final Cash Dividend. The Board of Directors has recommended payment of final Cash Dividend of Rs. 15/- per share (150%) for the year ended June 30th, 2017.
- 4) To appoint Auditors for the financial year ending June 30, 2018 and to fix their remuneration. The retiring Auditors M/s. ShineWing Hameed Chaudhri & Company, Chartered Accountants and new Auditors M/s. Junaidy Shoaib Asad, Chartered Accountants being eligible have offered themselves for appointment.
- 5) Any other business with the permission of the Chair.

Special Business

- 6) To consider to pass the following ordinary resolutions:
 - a) "RESOLVED that the transactions carried out in normal course of business with associated companies during the year ended June 30, 2017 be and are hereby ratified and approved."
 - b) "RESOLVED that the Chief Executive of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies during the ensuing year ending June 30, 2018 and in this connection the Chief Executive be and is hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company."

By order of the Board

Karachi
September 30, 2017

(Iftikhar Ahmed Khan)
Company Secretary

Notes:

- (a) The Share Transfer books of the Company shall remain closed from October 16, 2017 to October 23, 2017 (both days inclusive).
- (b) A member eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend, speak and vote instead of himself/herself. Proxies in order to be effective must be valid and received by the Company not less than 48 hours before the time for holding of the Meeting and must be duly stamped, signed and witnessed. A member shall not be entitled to appoint more than one proxy.
- (c) CDC shareholders are requested to bring their original Computerized National Identity Cards, Account, Sub Account Number and Participant's Number in the Central Depository System for identification purposes for attending the Meeting. In case of a corporate entity, the 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.
- (d) Securities and Exchange Commission of Pakistan (SECP) vide notifications dated August 18, 2011 and July 05, 2012 made it mandatory that dividend warrants should bear CNIC number of the registered members, therefore, members who have not yet submitted photocopy of their valid Computerized National Identity Cards to the Company are requested to send the same at the earliest to enable the Company to comply with relevant laws. Failure to provide the same would constrain the Company to withhold dispatch of dividend warrants.
- (e) Shareholders are informed that Income Tax Ordinance 2001, as amended by Finance Act, 2017, has prescribed 20% withholding tax on dividend payment to non-filers while filers of income tax returns will be liable to withholding tax @ 15%. Shareholders are advised to provide their NTN to Share Registrar of the Company for availing the benefit of withholding tax rate applicable to filers. Information in respect of joint shareholding be provided on the format given below to compute withholding tax of each shareholder accordingly:

Name of Principal / Joint Holder	Folio / Prt. ID & Acct No.	Shareholding %	CNIC	Signature
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- (f) Shareholders claiming tax exemption under clause 47(B) of Part IV of the Second Schedule of Income Tax Ordinance, 2001 or under any other provision of the law are requested to provide valid exemption certificate or copy of stay order, if any, before the date of book closure, to the Share Registrar of the Company as required vide FBR clarification letter No. 1(43) DG (WHT)/2008 - Vol. II- 66417-R dated 12 May 2015. In case of non-submission of the requisite documents, deduction of tax under relevant sections shall be made as per requirements of law.
- (g) Members are requested to immediately notify any change in their mailing address to our Share Registrar's Office – M/s Hameed Majeed Associates (Pvt.) Ltd., 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.
- (h) SECP through its Notification No. SRO. 787(1)/2014, dated September 08, 2014 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desire to avail this facility. The members who desire to opt to receive aforesaid statements and notice of Annual General Meeting through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website: www.gil.com.pk
- (i) Shareholders are hereby informed that a list of all unclaimed dividend has been added on the Company's website: www.gil.com.pk. Any member affected by this notice is advised to write to or call at the office of the Company's share registrar M/s Hameed Majeed Associates (Pvt.) Ltd., 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi during normal working hours.
- (j) Payment of cash dividend electronically (Mandatory).

The Dividend will be paid to the shareholders by the way of dividend warrants as per the previous arrangement. However, after October 31st, 2017, the cash dividend will be paid only through electronic mode directly in the bank accounts of the said shareholders as required by law.

The member are advised to provide their dividend mandate with complete bank account details along with International Bank account Number (IBAN's) for payment of cash dividend directly in the bank account instead of issuance of physical cash dividend warrants. In this regard the shareholder may obtain Bank Mandate Form from the company's website www.gil.com.pk. The Shareholders are advised to submit above referred form duly filled to the share Registrar to M/s Hameed Majeed Associates (Pvt.) Limited, 4th floor, Karachi Chambers, Hasrat Mohani Road, Karachi, Pakistan in case of physical holding and in case of CDC account/ sub account to Investor Account Services or their brokerage firm as the case may be.

- (k) Members can also avail video conference facility, in this regard, please fill the following and submit to registered address of the Company 10 days before holding of the Annual General Meeting. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of the meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.

"I/We, _____ of _____, being a member of Ghandhara Industries Limited, holder of _____ ordinary share(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____."

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

This statement sets out the material facts concerning the Special Business, given in agenda item No.6 of the Notice that will be considered by the members.

- 1) Agenda Item No. 6(a) of the Notice - Transactions carried out with associated companies during the year ended June 30, 2017 to be passed as an Ordinary Resolution

The transactions carried out in normal course of business with associated companies (Related parties) were being approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to clause 5.19.6 (b) of the Code of Corporate Governance, 2012.

During the Board meeting it was pointed out by the Directors that as the majority of Company Directors were interested in this/these transaction(s) due to their common directorship and holding of shares in the associated companies, the quorum of directors could not be formed for approval of this/these transaction(s) which has/have to be approved by the shareholders in the General Meeting.

In view of the above, the transactions conducted during the financial year ended June 30, 2017 with associated company as shown in relevant notes of the Audited Financial Statements are being placed before the shareholders for their consideration and approval/ratification.

The Directors are interested in the resolution to the extent of their common directorships and their shareholding in the associated companies.

- 2) Agenda Item No. 6(b) of the Notice - Authorization to the Chief Executive for the transactions carried out and to be carried out with associated companies during the ensuing year ending June 30, 2018 to be passed as an Ordinary Resolution.

The Company would be conducting transactions with associated companies in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship and shareholding in the associated companies. Therefore, such transactions with associated companies have to be approved by the shareholders.

In order to comply with the provisions of clause 5.19.6 (b) of the Code of Corporate Governance, 2012, the shareholders may authorize the Chief Executive to approve transactions carried out and to be carried out in normal course of business with associated companies during the ensuing year ending June 30, 2018.

The Directors are interested in the resolution to the extent of their common directorships and their shareholding in the associated companies