



**Nishat Mills Limited**

**Notice of Annual General Meeting**

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the Members of Nishat Mills Limited (the "Company") will be held on October 28, 2021 (Thursday) at 03:30 p.m. at Emporium Mall, the Nishat Hotel, Trade and Finance Centre Block, Near Expo Centre, Abdul Haq Road, Johar Town, Lahore, to transact the following business:

1. To receive, consider and adopt the Audited Un-consolidated and Consolidated Financial Statements of the Company for the year ended June 30, 2021 together with the Chairman Review, Directors' and Auditors' reports thereon.
2. To approve Final Cash Dividend @ 40% [i.e. Rs. 4/- (Rupees Four Only) Per Ordinary Share] as recommended by the Board of Directors.
3. To appoint statutory Auditors for the year ending June 30, 2022 and fix their remuneration.

By order of the Board



(KHALID MAHMOOD CHOCHAN)  
COMPANY SECRETARY

Lahore  
September 20, 2021

## NOTES:

### BOOK CLOSURE NOTICE:

The Ordinary Shares Transfer Books of the Company will remain closed from **21-10-2021 to 28-10-2021 (both days inclusive)** for entitlement of 40% **Final Cash Dividend [i.e. Rs.4/- (Rupees Four Only) Per Ordinary Share]** for the year ended June 30, 2021 and attending and voting at Annual General Meeting. Physical transfers / CDS Transactions IDs received in order in all respects up to 1:00 p.m. on 20-10-2021 at the office of Share Registrar, THK Associates (Private) Limited, **Karachi Office:** 32-C, Jami Commercial Street No. 2, DHA Phase VII, Karachi, **Lahore Office:** Siddique Trade Centre, Office No. PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore, shall be considered in time for entitlement of above said 40% Final Cash Dividend and attending of AGM.

### PROXIES:

A member eligible to attend and vote at this meeting may appoint another member his / her proxy to attend and vote instead of him / her. Proxies in order to be effective must reach the Company's registered office not less than 48 hours before the time for holding the meeting. Proxies of the Members through CDC shall be accompanied with attested copies of their CNIC. In case of corporate entity, the Board's Resolution / power of attorney with specimen signature shall be furnished along with proxy form to the Company. The shareholders through CDC are requested to bring original CNIC, Account Number and Participant Account Number to produce at the time of attending the meeting.

Shareholders are requested to immediately notify the change in address, if any.

Members who have deposited their shares into Central Depository Company of Pakistan Limited ("CDC") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

### A. For Attending the Meeting

- a. In case of Individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his / her identity by showing his / her original CNIC or, original Passport at the time of attending the Meeting.
- b. In case of corporate entity, the Board's 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.

## B. For Appointing Proxies

- a. In case of individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

### DEDUCTION OF WITHHOLDING TAX ON DIVIDEND:

Pursuant to the provisions of the Finance Act, 2020 the rates of deduction of income tax from dividend payments under the Income Tax Ordinance, 2001 have been revised as follows:

- Filer 15%
- Non-Filer 30%

All shareholders are advised to check their status on Active Taxpayers List (ATL) available on FBR Website and may, if required, take necessary actions for inclusion of their name in ATL to avail the lower rate of tax deduction.

### DEDUCTION OF WITHHOLDING TAX ON DIVIDEND IN CASE OF JOINT ACCOUNT HOLDERS:

All shareholders who hold shares jointly are requested to provide following information regarding shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar THK Associates (Private) Limited, **Karachi Office:** 32-C, Jami Commercial Street No. 2, DHA Phase VII, Karachi, **Lahore Office:** Siddique Trade Centre, Office No. PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore, latest by October 20, 2021, otherwise each joint holder shall be assumed to have an equal number of shares.

Name of the Company		Nishat Mills Limited
Folio No. / CDS A/C No.		
No. of Shares Held		
Principal Shareholder	Name & CNIC	
	Shareholding Proportion (No. of Shares)	
Joint Shareholder(s)	Name & CNIC	
	Shareholding Proportion (No. of Shares)	

Signature of Primary Shareholder \_\_\_\_\_

### EXEMPTION OF WITHHOLDING TAX:

Withholding tax exemption from dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to our Share Registrar Office, Share Registrar THK Associates (Private) Limited, **Karachi Office:** 32-C, Jami Commercial Street No. 2, DHA Phase VII, Karachi, **Lahore Office:** Siddique Trade Centre, Office No. PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore, up to October 20, 2021.

### SUBMISSION OF COPY OF CNIC (MANDATORY):

Individuals including all joint holders holding physical share certificates are requested to submit a copy of their valid CNIC if not already provided to the Company or our Share Registrar, THK Associates (Private) Limited, **Karachi Office:** 32-C, Jami Commercial Street No. 2, DHA Phase VII, Karachi, **Lahore Office:** Siddique Trade Centre, Office No. PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore. The Shareholders while sending CNIC must quote their respective folio numbers.

In case of non-receipt of the copy of a valid CNIC, the Company would be unable to comply with SRO 831(1)/2012 dated July 05, 2012 of SECP and would be constrained under SECP's Order dated June 08, 2016 under Section 251(2) of the Companies Ordinance, 1984 to withhold the dispatch of dividend warrants to such shareholders.

**ZAKAT DECLARATION (CZ-50):**

Zakat will be deducted from the dividends at source under the Zakat & Usher Laws and will be deposited within the prescribed period with the relevant authority. Please submit your Zakat declarations under Zakat and Usher Ordinance, 1980 & Rule 4 of Zakat (Deduction & Refund) Rules, 1981 CZ-50 Form, in case you want to claim exemption, with your brokers or the Central Depository Company of Pakistan Limited (in case the shares are held in CDC-Sub Account or CDC Investor Account) or to our Share Registrar, THK Associates (Private) Limited, **Karachi Office:** 32-C, Jami Commercial Street No. 2, DHA Phase VII, Karachi, **Lahore Office:** Siddique Trade Centre, Office No. PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore. The Shareholders while sending the Zakat Declarations, as the case may be must quote company name and their respective folio numbers.

Shareholders should also notify our Share Registrar, THK Associates (Private) Limited regarding any change in their addresses.

**MANDATORY PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE:**

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. The shareholders who have not provided their bank account details so far are advised to provide their below electronic dividend mandate information to Company's Share Registrar at the address given above and update their CDC accounts / Sub accounts as the case may be, enabling the Company to credit your future dividend promptly, if any.

Folio No. / Investor Account Number / CDC Sub Account No.																				
Title of Account																				
IBAN Number																				
Bank Name																				
Branch																				
Branch Address																				
Mobile Number																				
Name of Network (if ported)																				
Email Address																				

Signature of Shareholder \_\_\_\_\_

**TRANSMISSION OF ANNUAL FINANCIAL STATEMENTS THROUGH EMAIL:**

In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide SRO 787 (I) / 2014 dated September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their valid email address on a standard request form which is available at the Company's website i.e. [www.nishatmillsltd.com](http://www.nishatmillsltd.com) and send the said form duly signed by the shareholder along with copy of his / her CNIC to the Company's Share Registrar THK Associates (Private) Limited. 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, Financial Statements will be sent in compact disk to the registered address of the shareholders.

### **CIRCULATION OF ANNUAL REPORTS THROUGH DIGITAL STORAGE:**

Pursuant to the SECP's notification SRO 470 (I) / 2016 dated 31st May, 2016 the Members of Nishat Mills Limited in EOGM held on 31st March 2017 had accorded their consent for transmission of annual reports including audited annual financial statements and other information contained therein of the Company through CD / DVD / USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copies of the aforesaid documents may send to the Company Secretary / Share registrar, the standard request form available on the Company's website and the Company will provide the aforesaid documents to the shareholders on demand, free of cost, within one week of such demand.

### **UNCLAIMED DIVIDEND / SHARES:**

Shareholders who could not collect their dividend / physical shares are advised to contact our Share Registrar to collect / enquire about their unclaimed dividend or shares, if any.

### **VIDEO CONFERENCE FACILITY:**

In terms of the Companies Act, 2017, members residing in a city holding at least 10% of the total paid up share capital may demand the facility of video-link for participating in the annual general meeting. The request for video-link facility shall be received by the Share Registrar at their address at least 7 days prior to the date of the meeting on the Standard Form available on the website of the Company.

### **VIDEO LINK FACILITY FOR MEETING:**

In light of COVID-19 situation, the Securities and Exchange Commission of Pakistan ("SECP") has advised vide Circular No. 4 of 2021 dated 15 February, 2021 to provide participation of the members through electronic means. The members can attend the AGM via video link using smart phones / tablets. To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides) / passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at [kchohan@nishatmills.com](mailto:kchohan@nishatmills.com) or [smahmood@dgcement.com](mailto:smahmood@dgcement.com) by October 23, 2021.

Name of Member / Proxyholder	CNIC No.	Folio No. / CDC Account No.	Cell No. / Whatsapp No.	Email ID

### **CONVERSION OF PHYSICAL SHARES INTO BOOK ENTRY FORM:**

As per Section 72 of the Companies Act, 2017, all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of the Companies Act, 2017.

The Securities & Exchange Commission of Pakistan through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form, to convert their shares into book-entry form.

We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest. They are also suggested to contact the Central Depository Company of Pakistan Limited or any active member / stock broker of the Pakistan Stock Exchange to open an account in the Central Depository System and to facilitate conversion of physical shares into book-entry form. Members are informed that holding shares in book-entry form has several benefits including but not limited to secure and convenient custody of shares, conveniently tradeable and transferable, no risk of the loss, damage or theft, no stamp duty on transfer of shares in book-entry form and hassle free credit of bonus or right shares.

We once again strongly advise members of the Company, in their best interest, to convert their physical shares into book-entry form at earliest.

**Statement under Rule 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017**

<b>Name of Investee Company</b>	<b>MCB Bank Limited</b>	<b>Hyundai Nishat Motor (Private) Limited</b>		<b>Nishat Hotels and Properties Limited</b>		<b>Nishat Sutas Dairy Limited</b>
<b>Total Investment Approved:</b>	Equity investment up to Rupees 2.144 billion for the period of three (3) years was approved by members in EOGM held on March 31, 2020.	Equity investment up to Rupees 960 million was approved by members in EOGM held on March 28, 2018 which was subsequently enhanced up to Rs. 1,267.680 million for a period of four (4) years by members in AGM held on October 28, 2019.	Guarantee / continuing Stand by Letter(s) of Credit (SBLC) for an amount of up to Rupees 1,200 million was approved by members in EOGM held on March 28, 2018 which was subsequently enhanced up to Rupees 1,532.544 million for a tenure of 7.5 years by members in AGM held on October 28, 2019.	Equity investment up to Rupees 200 million was approved for the period of three (3) years by members in EOGM held on April 17, 2019.	Investment of Rs. 1 billion by way of working capital loan was approved for the period of one year by members in AGM held on October 28, 2019.	Equity investment up to Rupees 950 million was approved for the period of three (3) years by members in AGM held on October 28, 2019.
<b>Amount of Investment Made to date:</b>	Nil	Investment of Rupees 1,078.476 million has been made against this approval to date.	Bank guarantees of up to Rs. 1,532.520 million have been issued against this approval to date.	Investment of Rupees 29.61 million has been made against this approval to date.	Nil	Investment of Rupees 523.525 million has been made against this approval to date.
<b>Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time:</b>	No investment has been made in investee company after the approval. Investment will be made depending on market conditions at appropriate time.	Partial investment has been made in investee company. Further investment will be made depending on the financial need of investee company.	Eight bank guarantees from different banks have been extended after the approval. Further guarantees will be arranged on requirement of investee company.	Partial investment has been made in investee company. Further investment will be made depending on the financial need of investee company.	No loan was extended after the approval because fund request was not made by the investee company. Further, approval has been expired because it was valid for the period of only one year till 27 October 2020.	Partial investment has been made in investee company. Further investment will be made depending on the financial need of investee company.
<b>Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:</b>	At the time of Approval, as per latest available audited financial statements for the year ended December 31, 2019 the basic earnings per share was Rs. 20.23 and breakup value per share was Rs. 142.54. As per latest available audited financial statements for the year ended December 31, 2020 the basic earnings per share was Rs. 24.50 and breakup value per share was Rs. 160.42. As per latest available un-audited half yearly financial statements for the half year ended June 30, 2021 the basic earnings per share is Rs. 12.44 and breakup value per share is Rs. 150.73.	At the time of Approval, as per latest available audited financial statements for the year ended December 31, 2018 the basic loss per share was Rs. 1.44 and breakup value per share was Rs. 9.03. As per latest available audited financial statements for the year ended December 31, 2020 the basic loss per share is Rs. 2.65 and breakup value per share is Rs. 6.97. As per latest available un-audited half yearly financial statements for the half year ended June 30, 2021 the basic earnings per share is Re. 0.06 and breakup value per share is Rs. 7.11.	At the time of Approval, as per latest available audited financial statements for the year ended December 31, 2018 the basic loss per share was Rs. 1.44 and breakup value per share was Rs. 9.03. As per latest available audited financial statements for the year ended December 31, 2020 the basic loss per share is Rs. 2.65 and breakup value per share is Rs. 6.97. As per latest un-audited available half yearly financial statements for the half year ended June 30, 2021 the basic earnings per share is Re. 0.06 and breakup value per share is Rs. 7.11.	At the time of approval, as per latest available audited financial statements for the year ended June 30, 2018, the basic loss per share was Re.0.30 and breakup value per share was Rs. 12.65. As per latest available un-audited financial statements for the year ended June 30, 2021 the basic earnings per share is Re. 0.34 and breakup value per share is Rs. 18.92.	At the time of approval, as per latest available audited financial statements for the year ended June 30, 2019 the basic profit per share was Rs. 1.42 and breakup value per share was Rs. 18.09. As per latest available un-audited financial statements for the year ended June 30, 2021 the basic earnings per share is Re. 0.34 and breakup value per share is Rs. 18.92.	At the time of approval, the investee company had not commenced its operations, therefore EPS and breakup value of share was not available. As per latest available audited financial statements for the year ended December 31, 2020 the basic loss per share is Rs. 1.19 and breakup value per share is Rs. 8.10. As per latest available un-audited half yearly financial statements for the half year ended 30 June 2021, the basic loss per share is Rs. 1.03 and breakup value per share is Rs. 7.08.

## Form of Proxy

I /We \_\_\_\_\_  
of \_\_\_\_\_  
being a member of Nishat Mills Limited, hereby appoint \_\_\_\_\_  
\_\_\_\_\_  
of \_\_\_\_\_  
or failing him/her \_\_\_\_\_  
of \_\_\_\_\_

member(s) of the Company, as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on October 28, 2021 (Thursday), at 03:30 p.m at Emporium Mall, The Nishat Hotel, Trade and Finance Centre Block, Near Expo Centre, Abdul Haq Road, Johar Town, Lahore.

as witness may hand this \_\_\_\_\_ day of \_\_\_\_\_ 2021

Signed by the said member \_\_\_\_\_

in presence of \_\_\_\_\_

Please  
affix  
revenue  
stamp  
Rs. 50

Signature(s) of Member(s)

Signature of witness .....

Signature of witness .....

Name .....

Name .....

Address .....

Address .....

.....

.....

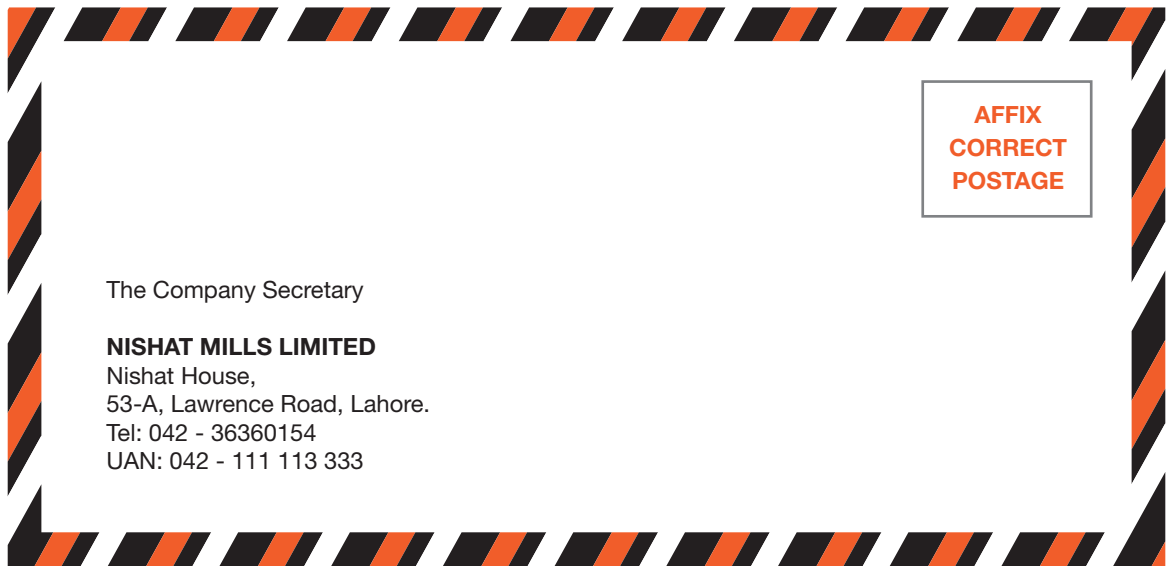
CNIC # .....

CNIC # .....

Please quote:

Folio No.	Shares held	CDC A/C. No.

Important: This instrument appointing a proxy, duly completed, must be received at the Registered Office of the Company at Nishat House, 53-A, Lawrence Road, Lahore not later than 48 hours before the time to holding the annual general meeting.



**AFFIX  
CORRECT  
POSTAGE**

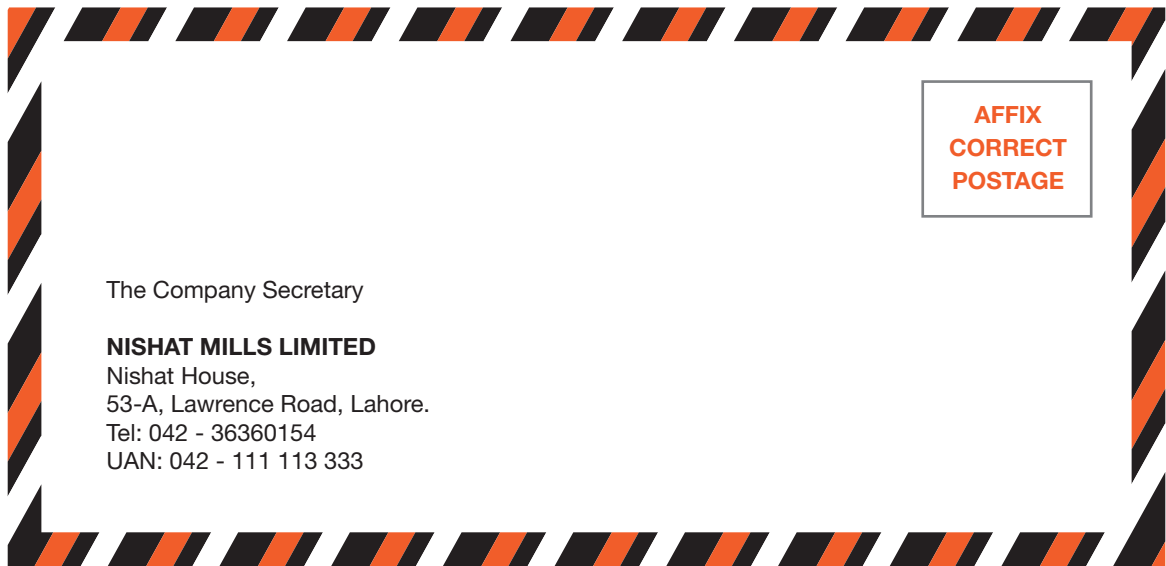
The Company Secretary

**NISHAT MILLS LIMITED**

Nishat House,  
53-A, Lawrence Road, Lahore.  
Tel: 042 - 36360154  
UAN: 042 - 111 113 333







**AFFIX  
CORRECT  
POSTAGE**

The Company Secretary

**NISHAT MILLS LIMITED**

Nishat House,  
53-A, Lawrence Road, Lahore.  
Tel: 042 - 36360154  
UAN: 042 - 111 113 333





**REGISTERED OFFICE:**

Nishat House, 53-A, Lawrence Road, Lahore

Tel: 042-36360154, 042-111 113 333

[nishat@nishatmills.com](mailto:nishat@nishatmills.com)

[www.nishatmillsltd.com](http://www.nishatmillsltd.com)