

To,

All the Shareholders,

Notice is hereby given to all the shareholders of SHAHTAJ TEXTILE LIMITED that the 28th Annual General Meeting of the Company will be held on Thursday, 26th October 2017, at 11:30 A.M at PC Hotel, Shahrah-e-Quaid-e-Azam, Lahore to transact the following business:

**A. ORDINARY BUSINESS**

1. To confirm the minutes of Annual General Meeting held on 31st October, 2016.
2. To consider and adopt audited Financial Statements of the Company for the year ended June 30, 2017 together with Auditors' and Directors' Reports thereon.
3. To approve a cash Dividend @ 50% i.e. Rs.5 per share for the year ended June 30, 2017 as recommended by the Directors.
4. To appoint Auditors of the Company for the year 2017-2018 and to fix their remuneration. The present Auditors M/s. Deloitte Yousuf Adil, Chartered Accountants, being eligible, have offered themselves for reappointment.

**B. SPECIAL BUSINESS**

5. To consider and if thought fit to pass with or without modification the following as a Special Resolution:  
'Resolved that Article 65 of the Articles of Association of the Company be amended to increase the remuneration of Directors for attending the meetings of the Board of Directors and of any Committees of the Board to Rs.40,000/- per meeting from existing Rs.25,000/-.'
6. To transact any other ordinary business with the permission of the Chair.

By Order of the Board



(JAMIL AHMAD BUTT)  
Company Secretary

Karachi: September 27, 2017

**Notes:**

1. The share transfer books of the Company will remain closed from 19th October to 30th October 2017, (both days inclusive).
2. Members holding shares physically and Holders of Accounts and Sub-accounts for Company's shares in Central Depository Company of Pakistan Limited, who wish to attend this Annual General Meeting may do so by identifying themselves through their original CNIC/Passport and providing a copy thereof.
3. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting and must be duly stamped, signed and witnessed.
4. In case of corporate entities, 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 meeting.

**5. DEDUCTION OF INCOME TAX**

As per the provisions of Section 150 of the Income Tax Ordinance, 2001 ("Ordinance") different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. The Current withholding tax rates are as under:

- (a) For Filers of Income Tax Return: 15%
- (b) For Non-Filers of Income Tax Return: 20%

All the shareholders whose names are not entered into the Active Tax-payers list (ATL) provided on the website of the Federal Board of Revenue ("FBR"), despite the fact that they are Filers, are advised to make sure that their names are entered into ATL before the date of payment of dividend, otherwise tax on their Dividend will be deducted @ 20% instead of @ 15%.

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 Company or Company's Share Registrar and Share Transfer Agent, M/s. JWAFFS REGISTRAR SERVICES (PVT) LIMITED.

The shareholders while sending NTN or NTN certificates, as case may be, must quote Company name and their respective Folio Numbers.

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 our Shares Registrar; otherwise tax will be deducted on dividend amount as per rates prescribed in Section 150 of the Ordinance.

For shareholders holding their shares jointly, as per the clarification issued by the FBR, withholding tax will be determined separately on 'Filer / Non-Filer' status of Principal shareholder as well as Joint-holder(s) based on their shareholding proportions. All shareholders who hold shares jointly are therefore requested to provide shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to the Registrar and Shares Transfer Agent in writing as follows:

**6. ELECTRONIC DIVIDEND MANDATE**

Under the provisions of Section 242 of the Companies Act, 2017 it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic made directly in to bank account designated by the entitled shareholders.

In order to receive dividends directly into their bank account, shareholders are requested to provide details of the bank mandate specifying:

- \* Title of Account:
- \* Account Number:
- \* Bank Name:
- \* Branch Name and Code:
- \* IBAN Number:

Account No.	Total Shares	Principal Shareholder		Joint Shareholder(s)	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

Please send it duly signed along with a copy of CNIC to the registrar of the Company M/s. JWAFFS Registrar Services (PVT) Limited, in case of physical shares.

In case shares are held in CDC then Electronic Mandate Form must e submitted directly to shareholder's broker/participant/CDC account services.

In case of non-receipt of the information the company will be constrained to withhold payment of dividend to such shareholders.

**7. UNCLAIMED SHARES/UNPAID DIVIDEND**

As per the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the company which have remained unclaimed/ unpaid for a period of three 3 years from the date it was due and payable are required to be deposited with the Commission for credit of the Federal Government after issuance of notices to the shareholders to file their claim. The details of the shares issued and dividend declared by the company which have remained unclaimed / unpaid for a period of three years from the date these have become due and payable are available on Company's website [www.shahtaj.com](http://www.shahtaj.com). The Company has also issued notice to shareholders to lodge their claim within 90 days of notice to Company / Shares registrar. Shareholders are requested to ensure that their claims for unclaimed shares /unpaid dividends are lodged timely. In case no claim is received within the given period, the company shall, after giving final notice in the newspaper, proceed to deposit the unclaimed/unpaid amount with the Federal Government pursuant to the provisions of sub-section 2 of section 244 of the Act.

**8. CONSENT FOR VIDEO CONFERENCE FACILITY**

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 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 Shahtaj Textile Limited, holders 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**

For Special Business at Agenda Item No. 5

The fee for attending the meetings of the Board of Directors and its Committees was last fixed in October, 2012. It is now due for increase in line with other all around changes.

The Directors are interested in this change to the extent of fees receivable by them on attending these meetings.