

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the Members of Nishat Power Limited (the "Company") will be held on August 22, 2020 (Saturday) at 11:00 A.M. at Nishat House, 53-A, Lawrence Road, Lahore, and if the current situation of COVID-19 pandemic and lock down is continued the meeting will be held through video link to transact the following business:

1. To receive, consider and adopt the Annual Audited Un-Consolidated and Consolidated Financial Statements of the Company for the year ended June 30, 2020 with the Chairman Review, Directors' and Auditors' reports thereon.
2. To approve Final Cash Dividend @ 10% [i.e. Re 1/- (Rupee One Only) Per Ordinary Share] as recommended by the Board of Directors, in addition to the 10% Interim Cash Dividend i.e. Re 1/- per share already paid for the year ended June 30, 2020.
3. To appoint statutory Auditors for the year ending June 30, 2021 and fix their remuneration.
4. To elect Seven (7) Directors of the Company, as fixed by the Board of Directors, for the next term of three years, in accordance with the provisions of Section 159 of the Companies Act 2017, in place of following retiring Directors.

1. Mian Hassan Mansha
3. Mr. Yousaf Bashir
5. Mr. Mahmood Akhtar
7. Mr. Norez Abdullah

2. Mr. Ahmad Aqeel
4. Mr. Ghazanfar Hussain Mirza
6. Mr. Shahzad Ahmad Malik

A Statement of Material Facts as required under Section 166(3) of the Companies Act, 2017 concerning the manner of selection of Independent Directors is annexed to the notice of meeting circulated to the members of the Company.

BY ORDER OF THE BOARD



KHALID MAHMOOD CHOCHAN  
(Company Secretary)

LAHORE  
July 28, 2020

## NOTES:

### BOOK CLOSURE NOTICE:-

The Ordinary Shares Transfer Books of the Company will remain closed from 14-08-2020 to 22-08-2020 (both days inclusive) for entitlement of 10% Final Cash Dividend [i.e. Re. 1 (Rupee One Only) Per Ordinary Share] for the year ended June 30, 2020 and Election of Directors and attending and voting at Annual General Meeting. Physical transfers/ CDS Transactions IDs received in order in all respect up to 1:00 p.m. on 13-08-2020 at Share Registrar, Hameed Majeed Associates (Pvt) Ltd, 7-Bank Square, Lahore, will be considered in time for entitlement of above said 10% Final Cash Dividend and Election of Directors.

## 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. The proxy shall produce his / her original valid CNIC or original passport at the time of meeting.

Shareholders are requested to immediately notify the Company of 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.

Members are requested to timely notify any change in their addresses.

## Deduction of Withholding Tax on Dividend

Pursuant to the provisions of the Finance Act, 2017 the rates of deduction of income tax from dividend payments under the Income Tax Ordinance have been revised as follows:

- Filer 7.50%
- Non-Filer 15.00%

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, Hameed Majeed Associates (Pvt) Ltd, 7-Bank Square, Lahore, latest by August 13, 2020, otherwise each joint holder shall be assumed to have an equal number of shares.

Name of the Company		Nishat Power Limited
Folio No. / CDS A/C No.		
No. of Shares Held		
<b>Principal</b>	Name & CNIC	
<b>Shareholder</b>	Shareholding Proportion (No. of Shares)	
<b>Joint</b>	Name & CNIC	
<b>Shareholder(s)</b>	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, Hameed Majeed Associates (Pvt) Ltd, 7-Bank Square, Lahore, up to August 13, 2020.

### **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 to the Company or the Company's Share Registrar. All shareholders are once again requested to send a copy of their valid CNIC to our Share Registrar, Hameed Majeed Associates (Pvt) Ltd, 7-Bank Square, Lahore. The Shareholders while sending CNIC must quote their respective folio numbers and name of the Company.

### **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. Any shareholder who want to claim exemption should submit Zakat declarations under Zakat and Usher Ordinance, 1980 & Rule 4 of Zakat (Deduction & Refund) Rules, 1981 on prescribed Form CZ-50, Share Registrar, Hameed Majeed Associates (Pvt) Ltd, 7-Bank Square, Lahore otherwise no exemption will be granted. The Shareholders while sending the Zakat Declarations, as the case may be, must quote company name and their respective Folio Numbers/CDC Account Numbers.

## 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. Accordingly, the shareholders holding physical shares are requested to provide the following information to the Company's Share Registrar at the address given herein above. In the case of shares held in CDC, the same information should be provided directly to the CDS participants for updating and forwarding to the Company.

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

---

**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.nishatpower.com](http://www.nishatpower.com) and send the form, duly signed by the shareholder, along with copy of his/her CNIC to the Company's Share Registrar M/s Hameed Majeed Associates (Pvt) Limited.

### 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 Power Limited 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 the address given hereinabove at least 7 days prior to the date of the meeting on the Standard Form placed in the annual report which is also available on the website of the Company.

## **E-voting and Postal Ballot Facility**

The shareholders will be allowed to exercise their right to vote through e-voting and postal ballot subject to Section 142 and 143 of the Companies Act, 2017 and Regulation 11 of the Companies (Postal Ballot) Regulations, 2018.

## **In Case The Meeting Will Held Under Webinar Arrangements Through Video Link Due To Covid-19 Pandemic And Continued Lockdown Situation**

The shareholders will be able to login and participate in the proceedings of AGM through their smartphones or computer devices from their homes or any convenient location after completing meeting attendance formalities on the following video link. For this purpose, shareholders are requested to get their particulars registered with the Company Secretary (Mobile phone 03334411103/03412031111) at least one working day before holding the meeting and they will be provided with their login details.

Video Link facility: <https://zoom.us/download>

The shareholders can also provide their comments/suggestions for the agenda items of the AGM on the following Cell No., WhatsApp No. and Email ID.

Mobile No.: 0333 4411103 / 0341 2031111

WhatsApp No.: 0333 4411103 / 0341 2031111

Email: [kchohan@nishatpower.com](mailto:kchohan@nishatpower.com) or [kchohan@dgcement.com](mailto:kchohan@dgcement.com) or [smahmood@dgcement.com](mailto:smahmood@dgcement.com)

## **STATEMENT OF MATERIAL FACTS UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017**

Section 166 of the Companies Act 2017 provides that a statement of material facts is annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing the appointee for appointment as an independent director. The Company is required to have at least [two] independent directors on its board in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The Company shall ensure that the Independent Directors will be elected in accordance with the procedures for election of directors laid down in Section 159 of the Companies Act, 2017. Once the contestants will file their consent to offer themselves for elections as independent director, the Company shall ensure that:

- Names of these contestants are included in the data bank maintained by Pakistan Institute of Corporate Governance (PICG) as authorized by SECP and

- These contestants meet the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017 and
- Experience, competencies and skills of the contestants shall be assessed.

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

<b>Name of Investee Company</b>	<b>Lalpir Solar Power (Pvt) Limited (LSPL)</b>
<b>Total Investment Approved:</b>	Equity investment upto Rupees 278.460 million was approved by members in Annual General Meeting on October 26, 2018.
<b>Amount of Investment Made to date:</b>	Nil
<b>Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time:</b>	CPPA-G informed the Subsidiary that Ministry of Energy has conveyed the Cabinet Committee on Energy (CCOE) decision to CPPA-G and further sent a list of 145 projects as approved by the Cabinet for necessary action. The CPPA-G stated that power project of the Subsidiary is not included in the list of 145 projects, therefore, CPPA-G is of the view that request of the Subsidiary cannot be entertained. Furthermore, during the year Alternate Energy Development Board (AEDB) informed that Solar PV Power Project of the Subsidiary is placed under category III of the decision of the Cabinet Committee on Energy (CCoE). All category-III projects are allowed by the CCoE to proceed ahead subject to becoming successful in the competitive bidding process to be undertaken by AEDB, based on the quantum ascertained for each technology by Indicative Generation Capacity Expansion Plan (IGCEP) by NTDCL. However, no such competitive bidding process undertaken even the IGCEP not finalized till to-date. The response of CPPA-G and AEDB have made the Solar PV Power Project of the Subsidiary more complicated.
<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 available latest audited financial statements for the year ended June 30, 2018, the basic loss per share was Rs.1.63 and breakup value per share was Rs. 1.73. As per latest available annual audited financial statements for the year ended June 30, 2020 the basic loss per share is Rs. 48.5 and breakup value per share is Rs. (45.3).