

Notice of Annual General Meeting

Notice is hereby given that the **Annual General 38th**

Meeting of the Company will be held on Wednesday, October 16, 2019 at 12:00 noon at the Registered Office of the Company at Factory premises, Village Lakrai, Nowshera, Khyber Pakhtunkhwa to transact the following businesses:

ORDINARY BUSINESS

1. To receive and consider the Audited Accounts of the Company for the year ended June 30, 2019 with the Directors' and the Auditors' Reports thereon.
2. To consider and approve the payment of final cash dividend @10% (Re. 1.00 per share) and issuance of Bonus Shares in proportion of 10 shares for every 100 shares held i.e. 10% for the financial year ended June 30, 2019 as recommended by the Board of Directors. Further, all fractions of bonus shares shall be consolidated and disposed of in the stock market and to pay the proceeds of sale when realized to a charitable institution.
3. To appoint Auditors for the year 2019/20 and to fix their remuneration.

Notes:

1. The register of members of the Company will be closed from Thursday, October 10, 2019 to Wednesday, October 16, 2019 (both days inclusive) and no transfers will be registered during that time. Shares received in order at the Office of the Share Registrar of the Company, M/s. CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 at the close of business on Wednesday, October 9, 2019 will be treated in time for the above entitlement.

4. To transact any other business with the permission of the chair.

SPECIAL BUSINESS

5. To consider and approve the following resolution as Special Resolution:
 - a) "RESOLVED that the transactions carried out in the normal course of business with related parties and associated companies as disclosed in Note 36 of the Financial Statements during the year ended June 30, 2019, be and are hereby ratified and approved."
 - b) "FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorized to approve all transactions to be carried out in the normal course of business with related parties and associated companies during the ensuing year ending June 30, 2020."

A statement under section 134 of the Companies Act, 2017, pertaining to the above-mentioned Special Business, is attached with the notice.

**By Order of
the Board of Directors**



Abid Vazir
Executive Director &
Company Secretary

Karachi: August 07, 2019

2. A member of the Company eligible to attend, speak and vote at the Annual General Meeting may appoint another member as his/her proxy to attend, speak and vote in his/her stead. Proxies to be effective must be in writing and must be received by the Company's Head Office 48 hours before the Meeting.
3. Shareholders of the Company whose shares are registered in their account/sub-account with Central Depository System (CDS) are requested to bring original Computerized National Identity Card along with their account number in CDS and participant's ID number for verification.

4. Shareholders of the Company are requested to immediately notify any change in their addresses to the Share Registrar of the Company.
5. Shareholders who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) are requested to send the same to the Share Registrar of the Company.
6. Section 242 of the Companies Act, 2017 provides that in case of a listed company, any cash dividend declared by the company must be paid electronically directly into the bank accounts of the shareholders. In order to receive dividends directly into their bank account, shareholders are requested to fill in E-Dividend Mandate Form available on the Company's website i.e. www.gfg.com.pk and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s. CDC Share Registrar Services Limited in case of physical shares. In case shares are held in CDC, then E-Dividend Mandate Form must be submitted directly to shareholder's broker/participant/CDC investor account services. In-case of non-submission of IBAN, the Company will withhold the payment of dividends under the Companies (Distribution of Dividends) Regulations, 2017. Further, the information regarding gross dividend, tax/zakat deduction and net amount of dividend will be provided through the Centralized Cash Dividend Register (CCDR), therefore, shareholders should register themselves to CDC's eServices Portal at <https://eservices.cdcaccess.com.pk>.
7. All Shareholders are advised to check their status on Active Taxpayers List (ATL) available on FBR Website and if required take necessary actions for inclusion of their name in ATL. In case a person's name does not appear in the ATL the applicable tax rate will be increased by hundred percent.
8. In case of joint account, please intimate proportion of shareholding of each account holder along with their individuals status on the ATL.
9. Withholding Tax exemption from the dividend income shall only be allowed if copy of valid tax exemption certificate is made available to CDC Share Registrar Services Limited by first day of Book Closure.
10. In compliance of Section 244 of the Companies Act 2017, once the Company has completed stipulated formalities, any unclaimed dividend and /or shares that have remained outstanding for a period of three years from the date of becoming due and payable or more shall be credited to the Federal Government (in case of dividend) or delivered to the SECP (in case of physical shares). Shareholders who could not collect their dividend/physical shares are advised to contact the Share Registrar of the Company to collect/inquire about their unclaimed dividend or shares, if any.
11. With reference to S.R.O. 787(I)/2014 dated September 8, 2014 issued by SECP; shareholders have option to receive Annual Audited Financial Statements and Notice of General Meeting through email. Shareholders of the Company are requested to give their consent to the Company's Head Office to update our record if they wish to receive Annual Audited Financial Statements and Notice of General Meeting through email. However, if shareholder, in addition, request for hard copy of Audited Financial Statements, the same shall be provided free of cost within seven [7] days of receipt of such written request.
12. Members may exercise their right to vote by means of postal ballot i.e. by post or through electronic mode subject to the requirements of section 143-145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018.
13. Members can also avail video conference facility, in this regard, please fill the following and submit to Head Office of the Company seven (7) 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 seven (7) 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 Cherat Cement Company Limited, holder of _____ ordinary share(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____".

Statement Under Section 134 of the Companies Act, 2017

The statement sets out material facts concerning "Special Business" to be transacted at the

Annual General Meeting of the Company to be held on October 16, 2019. The approval of the Members of the Company will be sought for:

During the financial year ended June 30, 2019 the Company carried out transactions with its associated companies and related parties in accordance with its policies and applicable laws and regulation. Related party transactions require shareholders' approval under sections 207 and 208 of the Companies Act, 2017. Such transactions are being placed before the shareholders for their approval through special resolution proposed to be passed in the Annual General Meeting.

The shareholders are requested to ratify the transactions which have been disclosed in Note no. 36 of the Financial Statements for the year ended June 30, 2019 and further to authorize the Board of Directors to conduct transactions with related parties or associated companies for the year ending June 30, 2020.

Party wise breakup of transactions as disclosed in Note no. 36 of the Financial Statements for the year ended June 30, 2019 is given below:

Name of Related Party	Nature of Transaction	Amount (Rs'000)
Cherat Packaging Limited	Purchase of packing material	1,587,705
Cherat Packaging Limited	Dividend paid	19,373
Cherat Packaging Limited	Dividend received	19,438
Cherat Packaging Limited	Sale of goods	11,606
Faruque (Private) Limited	Dividend paid	153,067
Faruque (Private) Limited	Purchase of raw material	163,622
Greaves Pakistan (Private) Limited	Dividend paid	8,796
Mirpurkhas Sugar Mills Limited	Dividend paid	23,081
Mirpurkhas Sugar Mills Limited	Dividend received	394
Mirpurkhas Sugar Mills Limited	Sale of goods	5,023
Zensoft (Private) Limited	I.T support charges	20,325
Zensoft (Private) Limited	Dividend paid	90
Employees Provident and Gratuity Funds	Contribution to fund	91,887