

Notice of Twelfth Annual General Meeting

Notice is hereby given that the Twelfth Annual General Meeting of the Shareholders of Aisha Steel Mills Limited (“the Company”) will be held on Thursday 27th October 2016 at 6:30 pm at the Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi to transact the following business:

Ordinary Business

- 1) To confirm minutes of the Annual General Meeting held on 26th October 2015.
- 2) To receive, consider and adopt annual audited financial statements of the Company together with the Directors' and the Auditors' Reports thereon for the year ended 30th June 2016.
- 3) To appoint the Auditors for the year ending 30th June 2017 and fix their remuneration. The Board of Directors have recommended of M/s. A. F. Ferguson & Co., Chartered Accountants for reappointment as external auditors.

Special Business

- 4) To consider and if deemed fit, approve the amendments/addition in the Articles of Association of the Company as mentioned in detail in the Statement under Section 160(1)(b), (attached herewith as Annexure), in connection with obtaining consent from the shareholders for the purposes of transmitting the annual audited accounts in any approved transmission medium; and pass the following resolutions, with or without any modifications, as a Special Resolution;

“RESOLVED THAT transmission of the annual audited accounts of the Company may be provided either in hard copy (book form) or through any other approved transmission medium including CD/DVD/USB be and is hereby approved”

“FURTHER RESOLVED THAT in connection with the resolutions passed above and subject to obtaining the requisite approvals from the regulators and creditors including any consequent modification thereon, the amendments/addition in the Articles of Association of the Company which is laid before the members in the Statement under Section 160(1)(b) forms an integral part of this resolution, be and are hereby approved”

“FURTHER RESOLVED THAT the Chief Executive / Company Secretary be and are hereby jointly and/or severally authorized to complete necessary formalities in connection with amendments in the Articles of Association, as modified in the Annual General Meeting or in accordance with the advice of any regulator / creditor”

- 5) To consider and if deemed fit, approve the reduction of the ordinary share capital through cancellation of 66,768,583 Ordinary Shares owned by one of the Shareholders' namely “Metal

One Corporation Japan” of the Company as mentioned in detail in the Statement under Section 160(1)(b), (attached herewith as Annexure) and pass the following resolutions, with or without any modifications, as a Special Resolution.

“RESOLVED THAT the reduction of share capital i.e. through cancellation of 66,768,583 Ordinary Shares (ordinary share capital) owned by one of the Shareholders’ namely “Metal One Corporation Japan” (“MOC”) of Rs.10 each amounting to PKR 667,685,830 (Pak Rupees Six Hundred Sixty Seven Million Six Hundred Eighty Five Thousand and Five Hundred Eighty Three Only) pursuant to a Power of Attorney issued by MOC to Mr. Mohammad Arif Habib in respect of its shareholding in the Company, against a nominal consideration of Rs.0.50 per share paid by him in his individual capacity to MOC and subject to approval of regulatory authorities and completion of all statutory and legal formalities be and is hereby approved”

“FURTHER RESOLVED THAT the Chief Executive / Company Secretary of the Company (the “Authorized Officers”) be and are hereby jointly and/ or severally authorized, to do all acts, deeds and things and to take all necessary steps to complete all legal formalities, to file all necessary documents and to appear before all relevant authorities, including the Courts, the Securities and Exchange Commission of Pakistan and Stock Exchanges or any other competent body and/or authority in connection with the reduction of capital of the Company, the Authorized Officers are further authorized to file a petition before the Court seeking confirmation of the special resolution passed for reduction of the share capital and to take all steps facilitating the said confirmation, the Authorized Officer shall have the power to consent on behalf of all concerned to any modifications or additions to the subject resolution(s) or to any condition, which the Court may think, fit to impose, the Authorized Officers are further authorized to issue letters, sign documents and to do all other incidental acts, deeds and things as may be considered appropriate by him/them in his/their better judgment in order to achieve the objectives of this resolutions, including engagement of legal counsel for the purposes of representing the Company before all relevant authorities, including the Courts, Securities and Exchange Commission of Pakistan and/or any other competent body and/or authority and to take all further actions in this regard as may be prescribed by the Courts or otherwise”.

- 6) To consider any other business with the permission of the Chair.

Statements under Section 160(1)(b) of the Companies Ordinance, 1984 comprising of Annexure-A pertaining to the aforesaid Special Business is given on page No. 47.

By order of the Board



Tahir Iqbal

Company Secretary

Karachi: 6th October 2016

Notes:

1. Share transfer books of the Company will remain closed from 21st October to 27th October 2016 (both days inclusive). Transfers received in order at the office of our registrar, M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi, by the close of business on Thursday 20th October 2016 will be treated in time for the determination of entitlement of shareholders to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
3. Procedure including the guidelines as laid down in Circular No. I- Reference No. 3(5-A) Misc/ARO/LES/96 dated 26th January 2000 issued by Securities & Exchange Commission of Pakistan:
 - (i) Members, proxies or nominees shall authenticate their identity by showing their original national identity card or original passport and bring their folio numbers at the time of attending the meeting.
 - (ii) In the case of corporate entity, Board of Directors' resolution/power of attorney and attested copy of the CNIC or passport of the nominee shall also be produced (unless provided earlier) at the time of meeting.
 - (iii) In order to be effective, the proxy forms must be received at the office of our registrar not later than 48 hours before the meeting, duly signed and stamped and witnessed by two persons with their names, address, NIC numbers and signatures.
 - (iv) In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - (v) In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted alongwith form of proxy.
4. Members are requested to promptly notify any change in address by writing to the office of the registrar.

Important Notice to Shareholders who have not provided their CNIC

The individual members who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Company / Share Registrar, are once again reminded to send the same at the earliest directly to Company's Share Registrar M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number with the copy of CNIC/NTN details. Reference is also made to the Securities and Exchange Commission of Pakistan (SECP) Notifications SRO 779(1)/2011 dated 18th August 2011, SRO 831(1)/2012 dated 5th July 2012, SRO 19(1)/2014 dated 10th January 2014 and SRO 275(1)/2016 dated 31st March 2016 which mandates that the dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members.

In case of non-receipt of the copy of a valid CNIC, the Company would be unable to comply with aforementioned directives of SECP and therefore will be constrained under Section 251(2)(a) of the Companies Ordinance, 1984 to withhold dispatch of future dividend warrants, if any, of such shareholders.

Annexure – A

STATEMENTS UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984

1. Circulation of Annual Audited Accounts

Through SRO 470(1)/2016 dated 31st May 2016 the Securities and Exchange Commission of Pakistan (SECP) has allowed Companies to circulate the annual audited accounts to its members through CD/DVD/USB instead of transmitting the hard copies at their registered addresses subject to consent of shareholders and compliance with certain other conditions.

To give effect to the above, clause 119A of the Articles of Association of the Company is proposed to be included as follows:

Clause	Existing revision	Proposed Provision	Remarks
119A	-	A copy of every such accounts, balance sheet and report shall at least twenty one days earlier of the meeting be sent to the registered address of every shareholder of the Company either in the printed form or in other medium/form allowed by the regulatory authority and a copy shall also be deposited at the office for the inspection of member of the Company during the period at least twenty one days before the meeting.	New Clause as per SRO 470(1)/2016 dated 31st May 2016 issued by SECP.

2. Reduction of Capital

- (i) The details of Share Purchase Agreement executed on 31st March 2016 are that it is executed between Metal One Corporation Japan (MOC) (the "**Proposed Seller**") and Arif Habib Group (consisting of Mr. Mohammad Arif Habib, Arif Habib Corporation Limited and Arif Habib Equity (Pvt.) Limited). **In order to enhance shareholder value for the remaining shareholders** it is agreed between the parties that MOC will issue a Power of Attorney in respect of its shareholding in Aisha Steel Mills Limited ("the Company") to Mr. Mohammad Arif Habib against a nominal consideration of Rs.0.50 per share to be paid by him in his individual capacity to MOC and thereafter due process shall be carried out for writing off the aforesaid shares through reduction of capital of the Company in accordance with Section 96 of the Companies Ordinance, 1984 at no cost to the Company and by way of a court approved scheme of reduction of capital.
- (ii) The quantum of shares owned by MOC and to be cancelled out through reduction of capital are 66,768,583 Ordinary Shares.
- (iii) The provisions of the Ordinance under which the transaction is to be executed leading to reduction of capital of the Company is Section 96 of the Companies Ordinance, 1984 by way of a court approved scheme of reduction of capital