

## **NOTICE OF 73<sup>RD</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that 73<sup>rd</sup> Annual General Meeting of **MCB Bank Limited** (the "Bank" or "MCB") will be held on **Saturday, March 27, 2021 at 11:00 AM (PST)** at Grand Ball Room-D, The Nishat Hotel, Emporium Mall, Near Expo Center, Abdul Haq Road, Johar Town, Lahore with Video Link facility to transact the following business:

### **Ordinary Business:**

1. To confirm/approve the Minutes of Annual General Meeting held on March 19, 2020.
2. To receive, consider and adopt the Annual Audited Separate and Consolidated Financial Statements of the Bank together with the Directors' Report and Auditors' Report thereon and the Chairman's Review Report for the year ended December 31, 2020.
3. To appoint Auditors of the Bank and fix their remuneration. The Members are hereby notified that the Board's Audit Committee and the Board have recommended the name of M/s A. F. Ferguson & Co., Chartered Accountants, as auditors of the Bank in place of retiring auditors M/s KPMG Taseer Hadi & Co., Chartered Accountants.
4. To approve, as recommended by the Board of Directors, payment of Final Cash Dividend @ 150% i.e., PKR 15.00 per share, having face value of PKR 10/- in addition to 50% i.e., PKR 5.00 per share Interim Cash Dividend already declared and paid, thus total 200% i.e., PKR 20.00 per share for the year ended December 31, 2020.
5. To elect twelve (12) Directors of the Bank as fixed by its Board of Directors under Section 159(1) of the Companies Act, 2017 for a period of three (3) years commencing from March 27, 2021. The following are names of retiring directors who are eligible for re-election:

- |                              |  |
|------------------------------|--|
| 1. Mian Mohammad Mansha.     | 7. Mr. Mohd Suhail Amar Suresh bin Abdullah. |
| 2. Mr. S. M. Muneer.         | 8. Mr. Yahya Saleem.                         |
| 3. Mr. Muhammad Tariq Rafi.  | 9. Mr. Salman Khalid Butt.                   |
| 4. Mian Umer Mansha.         | 10. Mr. Masood Ahmed Puri.                   |
| 5. Mrs. Iqraa Hassan Mansha. | 11. Mr. Shahzad Hussain.                     |
| 6. Mr. Muhammad Ali Zeb.     | 12. Mr. Shariffuddin Bin Khalid.             |

### **Special Business:**

6. To consider and, if deemed fit, to pass an Ordinary Resolution, with or without amendments, in terms of Section 183(3)(b) of the Companies Act, 2017 to approve the voluntary winding up of M/s Financial & Management Services (Pvt.) Limited, a subsidiary of the Bank.

**March 05, 2021**  
**Lahore.**



By Order of the Board,

**FIDA ALI MIRZA**  
Company Secretary

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 ("Act") pertaining to the above mentioned Special Business and the Statement under Section 166(3) of the Act are annexed to this Notice of 73<sup>rd</sup> Annual General Meeting circulated to the Members of the Bank.

**Notes:**

1. Minutes of the Annual General Meeting held on March 19, 2020 of MCB Bank Limited (the "Bank" or "MCB") were available for inspection by Members as required under Section 152 of the Companies Act, 2017 (the "Act").
2. The Shares Transfer Books of the Bank will remain closed from **March 16, 2021 to March 27, 2021** (both days inclusive). Transfers received at the Bank's Share Registrar and Transfer Agent's Office at the below mentioned address, at the close of business hours on **March 15, 2021** will be treated as being in time for the purpose of entitlement of Final Cash Dividend and also to attend, speak and vote at the 73<sup>rd</sup> Annual General Meeting (the "Meeting" or "AGM") of the Bank.
3. All Members are entitled to attend and vote at the Meeting. A member entitled to attend and vote at AGM may appoint another member as a proxy to attend and vote on his/her behalf. No person shall act as a proxy, who is not a member of the Bank. A corporate entity, being a member, may authorize through resolution of its board or other governing body, an individual to act as its representative and the individual so authorized shall be entitled to exercise the same powers on behalf of the corporate entity which he represents.
4. The proxies and in case of corporate entity, the power of attorney or resolution of the board of directors or other governing body (if any) under which it is signed, a notarized/certified copy of the same in order to be effective must be deposited at the Share Registrar and Transfer Agent Office of the Bank not less than 48 hours (no account shall be taken of any part of the day that is not a working day) before the time for holding the Meeting, and must be duly stamped, signed and witnessed.
5. If a Member appoints more than one proxy, and more than one instrument of proxy is deposited by a Member, all such instruments of proxy shall be rendered invalid.
6. Members having physical scrip of shares are requested to immediately notify the change, if any, in their registered and/or e-mail addresses, in writing, to the Share Registrar and Transfer Agent of the Bank, whereas, CDC Account holders are requested to contact their CDC Participant/CDC Account Services.
7. Central Depository Company of Pakistan ("CDC") Accountholders will further have to follow the under mentioned guidelines as laid down by Circular No. 01, dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan ("SECP"):

**For Attending the Meeting:**

- i. In case of individuals, the account-holder or sub-acountholder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card ("CNIC") or original passport at the time of attending the Meeting.
- ii. In case of corporate entity, 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 the Meeting.

**For Appointing of Proxies:**

- i. In case of individuals, the account-holder or sub-acountholder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copy of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his/her original CNIC or passport at the time of the meeting.
- v. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form of the Bank.





8. A Proxy Form, both in English and Urdu language, is being separately sent to the Members, along with Notice of AGM.
9. Copies of the Notice of AGM, the latest annual audited/quarterly financial statements and the Memorandum & Articles of Association of the Bank have been kept at the Registered Office of the Bank which can be obtained and/or inspected during the business hours on any working day from the date of publication of this Notice of AGM till the conclusion of the Meeting by the Shareholders and other persons entitled to attend and vote at the Meeting. Notice of AGM and the latest annual audited/quarterly financial statements have also been placed on website of the Bank, namely, [www.mcb.com.pk](http://www.mcb.com.pk).
10. The existing term of office of the Board of Directors of the Bank will expire on March 27, 2021. The Board of Directors in its Meeting held on February 10, 2021 has fixed the number of elected directors at twelve (12) to be elected in AGM for the period of next three years commencing from March 27, 2021 in accordance with the provisions of Section 159(1) read with Section 161 of the Act.
11. Any person who seeks to contest the election to the office of a Director, whether he is retiring director or otherwise, shall file the following documents with the Company Secretary at the Registered Office of the Bank, located at MCB Building, 15-Main Gulberg, Jail Road, Lahore, not later than fourteen days before the date of AGM:
  - a) His/her complete Folio Number/CDC Account Number including Participant ID etc.;
  - b) Notice of his/her intention to offer him/herself for the election of directors in terms of Section 159(3) of the Act together with the consent to act as a director of the Bank in Form 28 prescribed under the Act;
  - c) A detailed profile along with office address as required under SECP's SRO 1196 (I)/2019, dated October 03, 2019;
  - d) Declaration under Clause 3 of the Listed Companies (Code of Corporate Governance) Regulations, 2019;
  - e) Declaration that he/she is not ineligible to become a director of MCB Bank in terms of Section 153 of the Act;
  - f) A director must be holding 500 shares of MCB at the time of filing of his/her consent to act as director in terms of Articles of Association of the Bank; and
  - g) Subject to the requirements of BPRD Circular No. 04 of 2007, dated April 23, 2007 regarding Fit & Proper Test ("FPT") and the Prudential Regulations (G-1) of the State Bank of Pakistan ("SBP"), the following documents, duly filled in and signed, will also be required:
    - Proforma-FPT ("Annexure-I");
    - Affidavit on Non-Judicial Stamp Paper ("Annexure-II");
    - Answered Questionnaire for assessing FPT;
    - Declaration that he/she is not ineligible to become a director under any provisions of the Banking Companies Ordinance, 1962 ("BCO"), Prudential Regulations or any directives of the SBP;
    - Declaration of Fidelity and Secrecy under Section 33 of the BCO;
    - Attested copy of valid CNIC/NICOP/Passport, recent Photographs;
    - Copies of all academic & professional degrees / certificates;
    - Copies of employment certificates received from previous employers; and
    - Detailed CV having date-wise employment history, if any.
  - h) In terms of the criteria prescribed by the SBP, association of the following person as director is undesirable and against public interest:
    - A person who is / has been associated with any illegal activity, especially relating to banking business;
    - A person who is in his individual capacity or a proprietary concern of any partnership firm or any company (of which he has been a proprietor, partner, director or shareholder), has been in default of payment of dues owed to any financial institution, Government duties and / or in default of payment of any taxes; and
    - Further, a person is not permitted to be a director of more than one Bank/DFI.



- i) Independent director(s) will be elected through the process of election of directors in terms of Section 159 of the Act; however, they shall meet the criteria laid down in BPRD Circular No. 15 of 2016, dated December 28, 2016 and the Section 166 of the Act; accordingly, the following additional documents are to be submitted by the candidates intended to act as an independent director:
- Declaration of Independence under BPRD Circular No. 15 of 2016, dated December 28, 2016 and the Section 166 of the Act; and
  - Declaration under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 that he/she qualified the criteria of eligibility and independence stipulated under the Companies Act, 2017 and rules and regulations framed thereunder.
12. The Members will be allowed to exercise their voting right through postal ballot, i.e., voting by post, in case the number of candidates is more than the number of directors to be elected.

### **Coronavirus ("COVID-19") Contingency Planning for AGM**

As per the requirements of the SECP Circular No. EMD/MISC/82/2012-77, dated February 15, 2021 the Bank is providing video Link facility for participation in the AGM. This facility is in addition to holding physical AGM at designated venue. Keeping in view the COVID-19 related Standard Operating Procedures ("SOPs") issued by the Provisional and/or the Federal Government, the Members are encouraged to participate in the meeting through Video Link. The Members or their proxies who wish to attend the AGM through Video-link are required to register themselves by providing the following information along with valid copy of the CNIC / Passport (both sides)/attested copy of board resolution/power of attorney as applicable through email at: [cat@mcb.com.pk](mailto:cat@mcb.com.pk), (Tel: +92 42 3604 1621, +92 21 3264 1091) of the Bank by close of business on March 25, 2021.

Name of Shareholder	Folio/CDC Account Number	Number of Shares Held	Valid CNIC/NTN/Passport Number	Mobile Number and Email Address

The Members or their proxies who are registered after necessary verification shall be provided a Video Link facility by the Bank on their email addresses provided to the Bank. The Login facility shall remain open from the start of the AGM till its proceedings are concluded.

The Members can also provide their comments/suggestions for the proposed agenda items of the AGM at email, i.e., [cat@mcb.com.pk](mailto:cat@mcb.com.pk).

### **Agenda Item No. 5**

#### **Statement under Section 166(3) of the Companies Act, 2017 in respect of Independent Director(s)**

Independent Directors will be elected through the process of election of directors in terms of Section 159 of the Companies Act, 2017 (the "Act") and they shall meet the criteria laid down under BPRD Circular No. 15 of 2016, dated December 28, 2016 issued by the SBP as well as comply with the requirements of Section 166(2) of the Act.

Section 166(3) of the Act requires that a statement of material facts is required to be annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing independent directors. Accordingly, it will be ensured that the independent directors to be elected must meet the criteria of independence laid down under Section 166 of the Act and the Companies (Manner and Selection of Independent Directors) Regulations, 2018 and his/her name is included in the data bank of independent directors maintained by the Pakistan Institute of Corporate Governance ("PICG") duly authorized by the Securities and Exchange Commission of Pakistan. Further, their selection will be made due to their respective competencies, skill, knowledge and experience.

The present Directors of the Bank have no interest in the above said business except being eligible for re-election as director of the Bank.





**STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017  
IN RESPECT OF SPECIAL BUSINESS**

This statement sets out the material facts under Section 134(3) of the Companies Act, 2017 pertaining to the Special Business to be transacted at AGM of the Bank scheduled to be held on March 27, 2021 along with the information as required under SRO 423(I)/2018, dated April 03, 2018 issued by the SECP and applicable to the Bank:

**Agenda Item No. 6**

**Winding Up of a Subsidiary of MCB Bank Limited:**

M/s Financial & Management Services (Pvt.) Limited ("FMSL" or the "Company") is a subsidiary company of MCB Bank Limited ("MCB" or the "Bank"). MCB holds 95.90% of total issued paid up share capital of FMSL, transferred from NIB Bank Limited ("Ex-NIB") by virtue of amalgamation with and into MCB on July 07, 2017. FMSL has no assets and liabilities and is in dormant status with no accounting transaction(s) since March 25, 2009. MCB, being a holding company is bearing regulatory expenses including audit fee since then; therefore, the Board of Directors of the Bank has approved the winding up of the Company. As per the requirements of Section 183(3)(b) of the Companies Act, 2017 (the "Act"), the Bank is seeking approval of the Members of the Bank in forthcoming Annual General Meeting of the Bank, scheduled to be held on March 27, 2021.

***"RESOLVED THAT pursuant to the provisions of the Section 183 (3)(b) of the Companies Act, 2017 ('Act') and other applicable provisions of the laws, rules & regulations, for the time being in force, the approval of the Members of MCB Bank Limited (the 'Bank') be and is hereby accorded to voluntary winding up of M/s Financial & Management Services (Pvt) Limited ('FMSL'), a subsidiary of the Bank, subject to compliance with all applicable legal requirements by the subsidiary."***

***"FURTHER RESOLVED THAT the Company Secretary and/or Chief Financial Officer be and are hereby jointly/severally empowered and authorized to do all acts, matters, deeds and things, take any or all necessary actions including signing and execution of agreement(s) and to complete all the regulatory, legal and other formalities including filing of application(s) to the SECP or any other authority as may be necessary or incidental or expedient for the purpose of implementing the aforesaid resolutions."***

The Directors of the Bank have no personal interest, directly or indirectly, in the above special business, save to the extent of their respective shareholding in the Bank.



**Attention of Shareholders is drawn towards Circulars/Notifications:**

The following Circulars/Notifications require special attention of Members of the Bank:

**1. Requirement of Valid CNIC and IBAN:**

As per the requirements of the Companies (Distribution of Dividends) Regulations, 2017 issued by the Securities and Exchange Commission of Pakistan ("SECP") and SRO 275 (I)/2016, dated March 31, 2016 issued by the SECP, the payment of cash dividend shall only be made to the Shareholders who have provided copies of their valid CNIC/ NICOP/ Passport (in the case of Individuals) and NTN (in the case of Corporate Entities) and valid details of designated International Bank Account Number ("IBAN"). Therefore, in order to comply with the above regulatory requirements, the Bank has withheld and shall be withholding the payment of cash dividend to those shareholders who have not yet provided copies of their valid CNIC/NICOP/NTN/Passport and details of valid IBAN.

**2. Requirement of FBR's Approval or Valid Tax Exemption Certificate for Claim of Exemption U/S 150 of the Income Tax Ordinance, 2001:**

The Honorable Lahore High Court, Lahore, in its decision has advised that the Mutual Funds as approved by the Federal Board of Revenue ("FBR"), would not be required to provide exemption certificate under Section 159 of the Income Tax Ordinance, 2001 ("Ordinance") to claim tax immunity as per clause (47B) of Part-IV of the Second Schedule to the Ordinance. It is, therefore, requested to provide either approval certificate from FBR or in the absence of the said certificate, valid exemption certificate under Section 159 (1) of the Ordinance issued by the concerned Commissioner of the Income Tax, Inland Revenue, FBR. In case of non-availability of approval / exemption certificate(s), the deduction of advance tax on dividend shall be made as per the relevant provisions of the Ordinance.

**3. Deduction of Withholding Tax on the Amount of Dividend:**

As per the provisions of the Section 150 of the Income Tax Ordinance, 2001, the details of withholding tax on dividend are as follows:

- For Filers of Income Tax Returns: 15%
- For Non-Filers of Income Tax Returns: 30%

In case of joint-shareholders, tax is to be deducted as per ratio of their respective share in the ownership.

Federal Board of Revenue ("FBR") has provided the Active Tax-Payer List ("ATL"), for identification on the basis of NTN/CNIC number; hence, in case of non-availability of valid NTN/CNIC number with MCB's Share Registrar and Transfer Agent, it would not be possible to identify the same in ATL and the Bank will be constrained to treat the Shareholder as 'Non-Filer' to qualify for tax at higher rate of 30%. Therefore, shareholders who have not yet provided such information are requested to ensure that their valid NTN/CNIC number is available with the Share Registrar and Transfer Agent of MCB. In case of shares held as book-entry securities, the said information would be required to be provided to CDS, through CDS Participants.

**4. Deduction of Withholding Tax on Joint Account Holder(s):**

The Joint Account Holders whose shareholding details as to Principal Shareholder have not yet been determined for deduction of withholding tax on the upcoming dividend of the Bank, are requested to please furnish to the Share Registrar and Transfer Agent of the Bank; the shareholding details of yourself as Principal Shareholder and your Joint Holder(s) in the following manner, enabling MCB to compute withholding tax of each shareholder accordingly:

CDC Account No./ Folio No.	Name of Principal Shareholder/Joint Holders	Shareholding Proportion	CNIC No. (copy attached)	Signature

Kindly note that in case of non-receipt of the information, each Account Holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly.

**5. Circulation of Annual Audited Financial Statements and Notice of AGM to Members:**

SECP through its Notification No. SRO 787 (I)/2014, dated September 08, 2014, has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting to its members through email. Further, as per the requirements of the SECP Notification No. SRO 470 (I)/2016, dated May 31, 2016, the Bank is





circulating its Annual Accounts to shareholders through electronic medium, i.e., CD/DVD at their registered addresses instead of transmitting the said annual accounts in hard copies. However, in case a shareholder requires hard copy of the Annual Accounts, the same can be obtained, free of cost, within one week of the request. In this regard, a Standard Request Form has been placed on website of the Bank, i.e., [www.mcb.com.pk](http://www.mcb.com.pk), for shareholders to communicate the need of hard copies of the Annual Accounts instead of sending the same through CD/DVD. A shareholder may also prefer to receive hard copies for all future Annual Accounts.

**6. Unclaimed Dividends and Shares Certificates:**

The shareholders who have not yet claimed their cash dividends, right and bonus shares which are kept with the Share Registrar of the Bank, namely, M/s THK Associates (Pvt.) Limited, as undelivered/unclaimed dividends and shares certificates or which are in their custody, are requested that they should either en-cash their dividend warrants already available with them, or make a claim for cash dividends, right and bonus shares kept by MCB's Share Registrar and Transfer Agent.

**7. Postal Ballot / E-voting:**

Pursuant to the provisions of the Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), for any other agenda item subject to the requirements of Section 143 and 144 of the Act, Members present in person, through video-link or by proxy, and having not less than one-tenth of the total voting power can also demand a poll and exercise their right of vote through postal ballot, that is voting by Ballot Paper or e-voting, in accordance with requirements and procedure contained in the Regulations.

**8. Deposit of Physical Shares into CDC Account:**

The Shareholders having physical shareholding may open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into book-entry form, this will facilitate them in many ways including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Stock Exchange. Further, Section 72 of the Act states that after the commencement of the Act from a date notified by SECP, a company having share capital, shall have shares in book-entry form only. Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commencement of the Act.

**9. Merger of Different Folios into One Folio:**

As per record, some of the shareholders are maintaining more than one folio under the same particulars. Carrying more than one folio may be a hassle for the shareholders to reconcile and receive different benefits in the shape of dividends/bonus. In order to provide better services and convenience, such shareholders are requested to send requests to MCB's Share Registrar and Transfer Agent to merge their folios into one folio. While sending the copy of NTN/CNIC/NICOP number, shareholders are requested to quote their respective Folio/CDC Account Numbers for identification purpose.

**10. Zakat Declaration (CZ-50):**

Zakat will be deducted at source from the dividends, at the rate of 2.5 % of the paid-up value of the share, i.e., PKR 10/- each and will be deposited within the prescribed period with the relevant authority. In case of claiming exemption, please submit your Zakat Declarations under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981, "CZ-50 Form" with the Share Registrar and Transfer Agent of the Bank at the below mentioned address and the respective Folio and CDC Account details.

**11. Placement of Notice of AGM on the Website:**

Notice of 73<sup>rd</sup> AGM of the Bank has been placed on the Website of the Bank, i.e., [www.mcb.com.pk](http://www.mcb.com.pk), in addition to its dispatch to the Shareholders through CD/DVDs, printed copies as well as publication in the newspapers.

While sending the copy of NTN/CNIC/NICOP number, shareholders are requested to quote their respective Folio/CDC Account Numbers for identification purpose.

**M/s THK Associates (Pvt) Ltd.,**

**Share Registrar and Transfer Agent-MCB Bank Limited**

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