

HI-TECH LUBRICANTS LIMITED

Notice Of Annual General Meeting

To Be Held on September 29, 2017

REDEFINING
BUSINESS
EXPANSIONS

HTL LIMITED
Hi-Tech Lubricants Ltd



NOTICE OF 9TH ANNUAL GENERAL MEETING



Notice is hereby given that the 9th Annual General Meeting of the shareholders of Hi-Tech Lubricants Limited (HTL) will be held on Friday September 29, 2017 at 11:30 a.m. at Falettis Hotel, 24-Egerton Road, Lahore. Pakistan, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2017 together with the Board of Directors' and Auditor's reports thereon.
2. To approve and declare final cash dividend of Rs. 1.75 per share i.e. @ 17.5% as recommended by the Board of Directors and also the interim cash dividend of Rs. 1.35 per share i.e. @ 13.5% (already paid), making a total of Rs. 3.1 per share i.e. @ 31% for the year ended June 30, 2017.
3. To appoint Auditors of the Company for the next financial year 2017-18 and to fix their remuneration. The present auditors M/s Riaz Ahmad & Co. Chartered Accountants, retired and being eligible, offer themselves for reappointment as Auditors of the Company.

SPECIAL BUSINESS

4. To consider, and if thought fit, to approve utilization of IPO funds in OMC Project of the Company keeping in view successful fulfillment of initial mandatory requirements of Oil and Gas Regulatory Authority (OGRA) for setting up of an Oil Marketing Company (OMC) and future prospects of OMC business in current international scenario as prospected under financial feasibility report and to pass the following resolution with or without modification(s), addition(s) or deletion(s) as special resolution.

“Resolved that, “Diversion and utilization of un-utilized IPO funds from HTL Express Centers and wholly owned subsidiary company, Hi-Tech Blending (Private) Limited to OMC Project of the Company be and is hereby approved keeping in view overall growth of the Company and ultimate benefit to all the shareholders and stakeholders of the Company.”

“Further resolved that, “Chief Executive Officer alongwith any non-executive director of the Company be and are hereby jointly authorized to do all acts, matters, deeds and things as may be necessary or expedient for the purpose of giving effect to the spirit and intent of the special resolution”.

5. To ratify and approve Related Party Transactions with Sabra, Hamida Trust (SHT) for the year ended June 30, 2017 and to pass the following resolution with or without modification(s), addition(s) or deletion(s) as Special Resolution;

NOTICE OF 9TH ANNUAL GENERAL MEETING



“Resolved that the following Related Party Transaction with Sabra, Hamida Trust (SHT) for the year ended June 30, 2017 be and are hereby ratified, approved and confirmed.

Name(s)	Nature	Amount
Sabra, Hamida Trust	Donation	12 Million

“Resolved further that Chief Executive Officer of the Company be and is hereby authorized to approve all the transactions to be carried out in normal course of business with any associated undertakings and associated companies during the ensuing year ending June 30, 2018 and in this connection the Chief Executive Officer be and is hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/ indentures as may be required in this regard on behalf of the Company.”

6. To transact any other business with the permission of the Chair.

BY ORDER OF THE BOARD

(FRAZ AMJAD KHAWAJA)
Company Secretary

Lahore,
September 07, 2017

NOTES:



1. The share transfer books of the company will remain closed from 23-09-2017 to 29-09-2017 (both days inclusive). Transfers received in order at the office of the company's Independent Share Registrar, M/s Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahra-e-Faisal, Karachi-74400 by the close of business (5:00 PM) on 22-09-2017 will be considered in time to be eligible for the purpose of attending and voting at General Meeting.

2. A member entitled to attend and vote at the general meeting is entitled to appoint another member as a proxy to attend and vote instead of him/her. The instrument appointing a proxy must be received at the Registered Office of the company not less than 48 hours before the time fixed for the general meeting.

3. Members who have deposited their shares in the Central Depository System of the Central Depository Company of Pakistan Limited will have to follow the under mentioned guidelines as laid down by Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting

a. In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with Participant ID number and the Account number at the time of attending the general 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 general meeting.

B. For Appointing Proxies

a. In case of individuals, the account holder and/or sub-account holder whose 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 general 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.

4. **Electronic Transmission of Financial Statements:** Securities and Exchange Commission of Pakistan (SECP) through its Notification SRO 787 (I)/2014 dated September 8, 2014 has allowed the circulation of annual Audited Financial Statements along with Notice of Annual General Meeting to the members of the company through e-mail. The members who desire to opt to receive aforesaid statements and notice of Annual General Meeting through e-mail are requested to provide their written consent on the



members of the company through e-mail. The members who desire to opt to receive aforesaid statements and notice of Annual General Meeting through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website. The company shall, however, provide hard copy of the annual Audited Financial Statements to its shareholders, on request, free of cost, within seven days of receipt of such request. The standard consent form for electronic transmission is available at the company's website. i.e. <http://investor.hitechlubricants.com/>

5. Placement of Financial Statements on Website: The Company has placed the Audited Annual Financial Statements for the year ended June 30, 2017 along with Auditors' and Directors' Reports thereon on company's website. i.e. <http://investor.hitechlubricants.com/>

6. Deduction of Withholding Tax on the amount of Dividend:

Pursuant to Circular No. 19/2014 dated October 24, 2014, SECP has directed all companies to inform shareholders about changes made in the Section 150 of the Income Tax Ordinance, 2001. The company, hereby advise to its shareholders, the important amendments, as under:

The Government of Pakistan has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

- a. For filers of income tax returns 15%
- b. For non-filers of income tax returns 20%

To enable the company to make tax deduction on the amount of cash dividend whenever declared @ 15% instead of 20%, all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of Federal Board of Revenue, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of the cash dividend otherwise tax on their cash dividend will be deducted @ 20% instead @ 15%.

For any query/problem/information, the investors may contact the Company and / or the Share Registrar: The Manager, Share Registrar Department, Central Depository Company Pakistan Limited, Telephone Number: 0800-23275 (Toll Free), email address: info@cdcpak.com

The corporate shareholders having CDC accounts 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 certificate to the Company or its Share Registrar i.e. Transfer Agent M/s. Central Depository Company of Pakistan Limited. The shareholders while sending NTN or NTN Certificates, as the case may be, must quote Company name and their respective folio numbers.

In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax will be deducted by the company on the basis of shareholding of each joint-holder as may be notified to the Company in writing. The joint-holders are, therefore, requested to submit their shareholdings otherwise each joint holder shall be presumed to have an equal number of shares.



7. Dividend Mandate

The provisions of Section 242 of the Companies Act, 2017 (the "Act") provides that any dividend declared by a company must be paid to its registered shareholders or to their order within such period and in such manner as may be specified. Further, the second Proviso of the said section states that in case of a listed company, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Further the SECP through its notification No. 8(4)/SM/CDC-2008 dated April 5, 2013 has advised that the shareholders who have provided bank mandate should be paid dividend by transferring directly to their respective bank accounts (e-dividend mechanism). Therefore, the registered shareholders of the Company are requested to provide the following details in order to credit their cash dividends directly to their bank account, if declared:

- (i) in case of book-entry securities in CDS, to CDS Participants; and
- (ii) In case of physical securities to the Company's Share Registrar as mentioned below.

S. No.	Shareholder/Member Details
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- | | |
|-----|--|
| 1. | Shareholder's Name |
| 2. | Father's / Husband's Name |
| 3. | Folio Number |
| 4. | Postal Address |
| 5. | Name of Bank |
| 6. | Name of Branch |
| 7. | Address of Branch |
| 8. | Title of Bank Account |
| 9. | Bank Account Number (Complete with code) |
| 10. | IBAN Number * (Complete with code) |
| 11. | Cell Number |
| 12. | Telephone Number (if any) |
| 13. | CNIC Number (attach copy) |
| 14. | NTN (in case of corporate entity, attach copy) |

* IBAN number (International Bank Account Number) will be provided by your banker, containing alpha, numeric and without any space and gap.

Signature of Member / Shareholder

Share Registrar:
Central Depository Company of Pakistan Limited
99-B, Block – B, S.M.C.H.S., Shahrah-e-Faisal Karachi.

THE STATEMENT U/S 134 (3) OF THE COMPANIES ACT 2017



This statement sets out the material facts pertaining to the special businesses to be transacted at the Annual General Meeting of Hi-Tech Lubricants Limited (the "Company") to be held on September 29, 2017 at 11:30 a.m.

Item No. 4 of the Agenda, Initial Plan as Mentioned in Prospectus for IPO Expansion plan

During the year ended 30 June 2016, the Company made an Initial Public Offer (IPO) through issue of 29,001,000 ordinary shares of Rupees 10/- each at a price of Rupees 62.50 per share determined through book building process. Out of the total issue of 29,001,000 ordinary shares, 21,750,500 shares were subscribed through book building by High Net Worth Individuals and Institutional Investors, while the remaining 7,250,500 ordinary shares were subscribed by the General Public and the shares were duly allotted on 18 February 2016. On 01 March 2016, Pakistan Stock Exchange Limited approved the Company's application for formal listing of ordinary shares and trading of shares started on 03 March 2016.

Till June 30, 2017, the Company has utilized the proceeds of the initial public offer of 29,001,000 ordinary shares for the purposes mentioned under heading 5.5 'Expansion Plan' in prospectus dated 28 December 2015, as per the following detail:

Purposes Mentioned Under Heading 5.5 'Expansion Plan' In Prospectus Dated 28 December 2015	Total amount (Rupees)	Total amount utilized till 30 June 2017 (Rupees)
Investment in HTLL		
Land	470,000,000	60,618,100
Building	128,000,000	12,486,445
Plant, machinery and equipment	139,000,000	2,719,201
Pre-operating costs	33,000,000	249,630
Working capital	842,562,500	739,126,208
Sub-total	1,612,562,500	815,199,584
Investment in 100% owned subsidiary		
Additional filling lines for blending plant, Hi -Tech Blending (Private) Limited	200,000,000	-
Total	1,812,562,500	B 815,199,584
IPO proceeds	A	
Amount un-utilized	A – B	
	<u>1,812,562,500</u>	
	<u>997,362,916</u>	



The un-utilized proceeds of the public offer have been safely kept by the Company in the shape of bank balances, term deposit receipts and mutual fund.

As stated in the prospectus dated 28 December 2015, the Company planned to offer state of the art retail outlets across Pakistan with multitude of unique services and also planned to install additional filling lines at the blending plant of its subsidiary. The plan of 2015-16 covered 37 grand outlet openings in 11 major cities of Pakistan including Lahore, Gujranwala, Sialkot, Faisalabad, Multan, Islamabad, Rawalpindi, Karachi & Hyderabad. Over a period of 5 years, the Company planned to open 75 retail outlets (including 67 rented) across 16 major cities of Pakistan. The Company planned to invest further in its wholly owned subsidiary company, Hi-Tech Blending (Private) Limited to introduce Jerry Can and Drum filling lines. As per quarterly progress report number 06 dated 14 July 2017, the Company informed all stakeholders the progress on implementation of project: Expansion through retail outlet: 1 Owned service centre under regulatory approval and out of the 10 rented service centres, 1 is operational, 3 are approved and under construction, 3 are under regulatory approvals and 3 are under negotiations.

Accurate, effective and timely implementation of the above plans of the Company became a big challenge for the Company due to expensive lands and properties at key locations in almost all the cities for express service centers. Hence, the Company has now planned for incorporation of Express Centers into its fuel stations to be established under the umbrella of Oil Marketing Company Project of the HTL (OMC). In this regard, the Company has obtained a financial feasibility report from KPMG Taseer Hadi & Co., Chartered Accountants, Pakistan regarding investment in OMC project. Salient Features of the Project are as follows:

The Project envisages setting up 360 retail outlets across Punjab, Sindh and KP Provinces of Pakistan. The fuel stations will offer full range of services such as general store, tire shop and a car shop amongst others. To support sales, the Company plans to invest in building storage capacities of 25,735 metric tons (Mogas and HSD) across the country over a period of 7-years. The funds will be arranged 50% from equity and 50% through debt. Key results are expected to be:

Based on the assumption and valuation metrics, the project provides the following results:

NPV of PKR 5.1 Billion assuming a WACC of 11.16 %

IRR of 23.6%

Payable period of 7.0 years

Average net profit margin of 0.43%

During the year, OGRA has granted license to the Company to establish an Oil Marketing Company (OMC), subject to some conditions. Conceptual design of oil storage depot has been completed and project has been awarded for construction of the same. No objection certificates are expected to be received soon. On approval construction would start. The completion of storage is expected in the 2nd quarter ending December 2017.

Currently demand of fuel is met by 13 major oil marketing companies, with Pakistan State Oil Company Limited having the lion's share of total market share with 3,700 plus filling stations across Pakistan. Other key players include Shell Pakistan Limited, Total Parco Pakistan Limited, Attock Petroleum Limited, Hascol Petroleum Limited and Byco Petroleum Pakistan Limited. During 2015, Total Parco Pakistan

Limited formally acquired the filling station network of Chevron Pakistan, which included 538 retail outlets giving Total Parco a total network strength of approximately 814 outlets. International oil prices have fallen from USD 145.31 in 2008 to below USD 45 in August 2017. The Government of Pakistan has partially passed on the relief to end consumers by reducing the retail price of MOGAS from PKR 113.24 in Oct 2013 to PKR 62.77 in August 2017. The reduction in sale price, coupled with poor supply of CNG, directly affected the demand and it was a possible reason for the fuel shortage crises of January 2015. Demand of petroleum products have been steadily increasing at a rate of 4.35% from 2005-06 to 2014-15. The demand is further being fueled by a recovering economy and healthy per capita income of general population – a scenario further supported by increasing sales of automotive vehicles.

Projected balance sheet, projected income statement and projected cash flow statement of the Project are given below:

Projected Balance Sheet

PKR 'million	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Assets											
Non-current assets											
Property, plant and equipment	526.5	1,091.8	1,883.3	2,271.6	2,460.8	2,437.8	2,267.2	2,055.5	1,854.2	1,652.8	1,451.5
Deferred tax asset	-	36.6	85.1	158.7	218.6	257.1	253.4	182.2	35.9	-	-
Total Non-current assets	526.5	1,128.5	1,968.4	2,430.3	2,679.3	2,694.9	2,520.6	2,237.7	1,890.1	1,652.8	1,451.5
Current assets											
Stock in trade	-	288.4	844.3	1,674.9	2,832.2	3,782.0	4,244.1	4,474.7	4,722.9	4,983.4	5,259.5
Trade debtors	-	334.6	972.5	1,926.5	3,250.1	4,335.4	4,858.2	5,114.1	5,389.4	5,678.4	5,984.6
Advances and prepayments and other receivable	-	95.6	277.9	550.4	928.6	1,238.7	1,388.0	1,461.2	1,539.8	1,622.4	1,709.9
IFEM Receivable	-	8.7	25.4	50.2	84.7	113.0	126.7	133.3	140.5	148.0	156.0
Sales tax receivable	-	43.9	76.7	112.3	153.2	113.1	51.8	23.3	23.0	22.8	22.5
Cash and Bank	23.5	111.4	106.8	109.4	57.5	81.0	193.4	287.2	318.4	419.3	606.8
Total current assets	23.5	882.7	2,303.5	4,423.6	7,306.4	9,663.1	10,862.2	11,493.8	12,134.1	12,874.3	13,739.3
Total assets	550.0	2,011.1	4,271.9	6,853.9	9,985.7	12,358.0	13,382.8	13,731.5	14,024.2	14,527.1	15,190.8
Liabilities											
Non Current Liabilities											
Long term Loans	-	-	601.9	925.3	804.7	594.9	259.8	79.7	23.3	-	-
Long term lease	-	14.3	-	-	-	-	-	-	-	-	-
Deferred taxation	-	-	-	-	-	-	-	-	-	99.2	79.6
Total non current liabilities	-	14.3	601.9	925.3	804.7	594.9	259.8	79.7	23.3	99.2	79.6
Current Liabilities											
Trade payables	-	742.8	2,112.7	4,143.0	6,948.9	9,162.8	10,164.4	10,655.6	11,230.3	11,833.3	12,472.6
Income tax payable	-	21.8	63.4	125.6	211.8	282.6	316.6	333.3	351.3	370.1	436.7
Current portion of long term loans	-	-	123.1	226.6	270.6	309.8	335.1	180.1	56.4	23.3	-
Current portion of long term lease	-	13.3	14.3	-	-	-	-	-	-	-	-
WWF payable	-	-	-	2.6	9.4	16.5	20.2	23.2	25.3	26.9	28.3
Total current liabilities	-	777.9	2,313.5	4,497.7	7,440.7	9,771.6	10,836.4	11,192.2	11,663.2	12,253.6	12,937.7
Total liabilities	-	792.2	2,915.4	5,423.0	8,245.4	10,366.5	11,096.2	11,271.9	11,686.5	12,352.8	13,017.3
Net assets	550.0	1,218.9	1,356.5	1,430.9	1,740.3	1,991.5	2,286.6	2,459.6	2,337.7	2,174.3	2,173.5
Equity											
Issued, subscribed & paid-up capital	550.0	1,350.0	1,525.0	1,525.0	1,525.0	1,525.0	1,525.0	1,525.0	1,525.0	1,525.0	1,525.0
Retained earnings	-	(131.1)	(168.5)	(94.1)	215.3	466.5	761.6	934.6	812.7	649.4	648.5
Total equity	550.0	1,218.9	1,356.5	1,430.9	1,740.3	1,991.5	2,286.6	2,459.6	2,337.7	2,174.4	2,173.5

Projected Income Statement

PKR 'million	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Sales	-	4,361.6	12,679.9	25,111.7	42,367.8	56,514.8	63,329.5	66,666.1	70,254.9	74,021.5	78,013.1
Cost of Sales	-	(4,240.0)	(12,322.6)	(24,424.5)	(41,202.3)	(54,908.6)	(61,504.7)	(64,732.2)	(68,218.8)	(71,883.6)	(75,766.0)
Gross Profit	-	121.6	354.3	687.2	1,165.5	1,606.2	1,824.8	1,933.9	2,036.1	2,137.9	2,247.2
Administrative expenses	-	(104.7)	(67.5)	(82.5)	(97.1)	(108.7)	(117.6)	(125.4)	(133.9)	(143.1)	(153.1)
Selling expenses	-	(95.5)	(152.9)	(247.5)	(338.4)	(403.2)	(426.2)	(450.6)	(476.6)	(504.2)	(533.6)
Other Income	-	26.9	37.1	72.0	95.4	87.0	60.1	60.1	60.1	60.1	60.1
EBITDA	-	(51.6)	171.1	429.3	825.4	1,181.3	1,341.1	1,417.9	1,485.7	1,550.7	1,620.6
Depreciation & Amortisation	-	91.3	(162.8)	(217.4)	(254.2)	(266.3)	(255.4)	(211.7)	(201.3)	(201.3)	(201.1)
EBIT	-	(142.9)	8.3	211.9	571.2	914.9	1,085.7	1,206.3	1,284.4	1,349.3	1,419.2
Finance cost	-	(3.0)	(30.7)	(83.0)	(100.5)	(92.2)	(74.1)	(48.7)	(21.3)	(6.5)	(1.9)
EBT	-	(145.9)	(22.4)	128.9	470.7	822.8	1,011.6	1,157.5	1,263.1	1,342.8	1,417.3
WPPF	-	-	-	-	-	-	-	-	-	-	-
WWF	-	-	-	(2.6)	(9.4)	(16.5)	(20.2)	(23.2)	(25.3)	(26.9)	28.3
Current tax expenses	-	(21.8)	(63.4)	(125.6)	(211.8)	(282.6)	(316.6)	(333.3)	(351.3)	(370.1)	436.7
Deferred tax income/(expense)	-	36.6	48.4	73.6	59.9	38.6	(3.7)	(71.2)	(146.3)	(135.1)	19.6
Net profit	-	(131.1)	(37.4)	74.4	309.3	562.3	671.0	729.8	740.3	810.7	971.8

Projected Cash Flow Statement

PKR 'million	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash flow from operating activities											
Profit/(loss) before taxation	-	(145.9)	(22.4)	128.9	470.7	822.8	1,011.6	1,157.5	1,263.1	1,342.8	1,417.3
Adjustment of non-cash items											
Inventory (gain)/ loss	-	-	(26.4)	(36.0)	(71.6)	(140.0)	(181.5)	(209.2)	(226.2)	(238.5)	(253.9)
Depreciation	-	91.3	162.8	217.4	254.2	266.3	255.4	211.7	201.3	201.3	201.3
Finance cost	-	-	28.6	81.9	100.5	92.2	74.1	48.7	21.3	6.5	1.9
Working capital changes											
Debtors	-	(334.6)	(637.9)	(953.9)	(1,323.8)	(1,085.2)	(522.8)	(256.0)	(275.3)	(288.9)	(306.2)
Stock in trade	-	(288.4)	(529.4)	(794.6)	(1,085.6)	(809.8)	(280.6)	(21.4)	22.0	(22.0)	(22.2)
IFEM	-	(8.7)	(16.6)	(24.9)	(34.5)	(28.3)	(13.6)	(6.7)	(7.2)	(7.5)	(8.0)
Advances and prepayments	-	(95.6)	(182.3)	(272.5)	(378.2)	(310.1)	(149.4)	(73.1)	(78.7)	(82.6)	(87.5)
Sales tax payable	-	(43.9)	(32.8)	(35.6)	(40.9)	40.1	61.2	28.6	0.2	0.3	0.3
Trade Payables	-	742.8	1,369.9	2,030.3	2,805.9	2,213.9	1,001.6	491.2	574.7	603.0	639.3
Cash flow from operations	-	(83.0)	113.5	340.9	696.7	1,061.9	1,256.1	1,371.4	1,451.3	1,514.4	1,582.3
Income tax paid	-	-	(21.8)	(63.4)	(125.6)	(211.8)	(282.6)	(316.6)	(333.3)	(351.3)	(370.1)
WWF	-	-	-	(2.6)	(9.4)	(16.5)	(20.2)	(23.2)	(25.3)	(26.9)	
Finance cost paid	-	-	(28.6)	(81.9)	(100.5)	(92.2)	(74.1)	(48.7)	(21.3)	(6.5)	(1.9)
Net cash flow from operating activities	-	(83.0)	63.1	195.6	468.1	748.5	882.9	985.8	1,073.5	1,131.4	1,183.4
Cash Flow from investing activities											
CAPEX	(526.5)	(656.7)	(954.4)	(605.6)	(443.3)	(243.4)	(84.8)	-	-	-	-
Net cash flow from investing activities	(526.5)	(656.7)	(954.4)	(605.6)	(443.3)	(243.4)	(84.8)	-	-	-	-
Cash flows from financing activities											
Loans acquired	-	-	-	(123.1)	(226.6)	(270.6)	(309.8)	(335.1)	(180.1)	(56.4)	(23.3)
Repayment of long term finances	-	-	-	-	-	-	-	-	-	-	-
Finance lease	-	40.0	-	-	-	-	-	-	-	-	-
Repayment of finance lease	-	(12.4)	(13.3)	(14.3)	-	-	-	-	-	-	-
Shares issued	550.0	800.0	175.0	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(311.0)	(375.9)	(556.9)	(862.2)	(974.0)	(972.7)
Net cash flow from financing activities	550.0	827.6	886.7	412.6	(76.6)	(481.7)	(685.7)	(892.0)	(1,042.3)	(1,030.4)	(996.0)
Net cash flows during the year	23.5	87.9	(4.6)	2.5	(51.8)	23.4	112.5	93.8	31.2	100.9	187.4
Opening cash and cash equivalents	-	23.5	111.4	106.8	109.4	57.5	81.0	193.4	287.2	318.4	419.3
Closing cash and cash equivalents	23.5	111.4	106.8	109.8	57.4	81.0	193.4	287.2	318.4	419.3	606.8



In view of above all, approval of shareholders is required for utilization of un-utilized IPO funds in OMC Project of the Company keeping in view successful fulfillment of initial mandatory requirements of Oil and Gas Regulatory Authority (OGRA) for setting up of an Oil Marketing Company (OMC) and future prospects of OMC business in current international scenario as prospected under financial feasibility report.

The directors, sponsors, majority shareholders and their relatives are not interested, directly or indirectly, in the above business except to the extent of shares that are held by them in the Company.

Item No. 5 of the Agenda, Related Party Transactions(RPTs)

The transactions with related party in respect of contributions/donations to Sabra, Hamida Trust (SHT) presented by the Board as recommended by the Audit Committee on quarterly basis pursuant to clause (x) of the Code of Corporate Governance, 2012 (CCG).

The Audit Committee of the Board referred related party transactions relating to the donations to SHT reported in the second and third quarterly unconsolidated and consolidated condensed interim financial information of Hi-Tech Lubricants Limited for consideration by the Board as the quorum was not maintainable at the meetings of Board's Audit Committee meeting on account of members interest in the transaction. Details of these transactions along with all supporting documents have been maintained as per requirements of CCG. All Contributions to SHT are Tax Exempted under Clause (C) of Sub Section (36) of Section 2 of Income Tax Ordinance 2001 Vide FBR Letter No.2769/J Dated: Jan.14, 2014.

In the meetings of the Board of Directors, majority of the Directors were interested in said transaction with SHT due to their direct or indirect relationship with trustees of SHT, and unavailability of required quorum for approval of above said transactions pursuant to section 216 of the Companies Ordinance, 1984 required the Board to recommended the same for placement before the shareholders of the Company in the general meeting for approval.

All the other statements of related party transactions during the period under review were executed at Arms-Length-Price. There was no departure from the guidelines mentioned in CCG for such transactions.

Pursuant to above, these transactions have to be approved by the shareholders in the General Meeting.

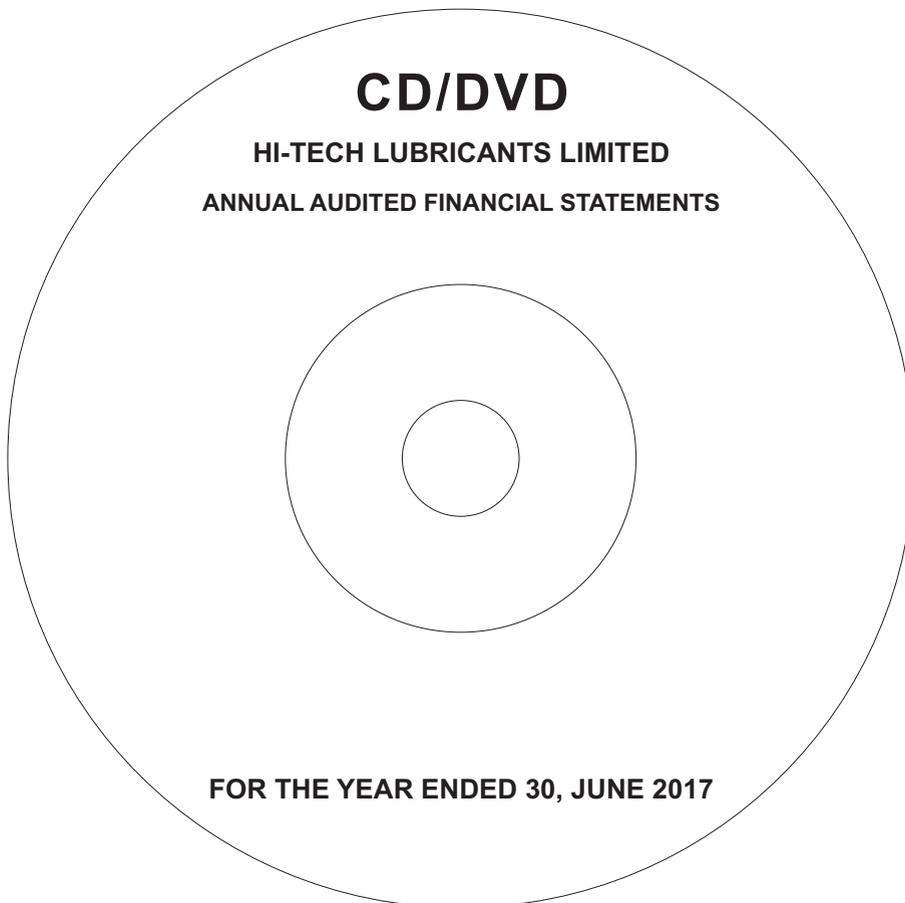
**ENCLOSING CD
FOR TRANSMISSION OF ANNUAL AUDITED ACCOUNTS**



Securities & Exchange Commission of Pakistan (SECP) vide notification S.R.O. No. 470 dated May 31, 2016 has allowed listed companies to circulate annual balance sheet and profit and loss accounts, auditor's report and director's report (Annual Audited Accounts) to its members through CD/DVD/USB at their registered addresses.

The members of the Company unanimously passed a resolution in Extraordinary General Meeting of the Company duly convened on June 16, 2016 regarding transmission of Annual Audited Accounts of the Company through CD/DVD/USB to its members at their registered addresses instead of transmitting the same in Hard Copies.

However, for the convenience of respectable shareholders, a Standard Request Form has been placed on Company's website to request for a Hard Copy of Annual Audited Accounts.



مختار نامہ

میں / ہم _____
 کا / کے _____
 بحیثیت رکن ہائی-ٹیک لبریکنٹس لمیٹڈ اور حامل حصص، بمطابق شیئرز رجسٹرڈ فیو نمبر _____
 اور / یا سی ڈی سی پارٹنرسپٹ (شرکت آئی ڈی نمبر) _____
 اور سب اکاؤنٹ (ذیلی کھاتہ) نمبر _____
 محترم / محترمہ _____
 مورخہ 29 ستمبر 2017ء بروز جمعہ _____
 کو اپنے / ہمارے ایما پر _____

کو منعقد ہونے والے کینی کے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت اپنا / ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں / کرتے ہیں۔

آج بروز _____ تاریخ _____ 2017ء کو دستخط کئے گئے۔

گواہان:

پانچ روپے مالیت کے رسید ٹکٹ پر دستخط

دستخط: _____
 نام: _____
 پتہ: _____
 کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر: _____

دستخط کینی کے نمونہ دستخط سے
 مماثل ہونے چاہئیں

دستخط: _____
 نام: _____
 پتہ: _____
 کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر: _____

نوٹ:

- 1- ایک ممبر (رکن) جو اجلاس میں شرکت نہیں کر سکتا، وہ اس فارم کو مکمل کرے اور دستخط کرنے کے بعد اجلاس شروع ہونے سے کم از کم 48 گھنٹے قبل رجسٹرڈ آفس کے پتے پر ارسال کر دے۔
- 2- سی ڈی سی شیئرز ہولڈر ہونے کی صورت میں درج بالا کے علاوہ ذیل میں درج ہدایات پر بھی عمل کرنا ہوگا:
 - (الف) فرد ہونے کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور / یا وہ جس کی سیکیورٹی ریجرز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات قواعد و ضوابط کے مطابق اپ لوڈ ہوں انہیں کینی کی جانب سے دی گئی ہدایات کی روشنی میں پراکسی فارم جمع کرانا ہوگا۔
 - (ب) مختار نامے پر بطور گواہان دو افراد کے دستخط ہونے چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر فارم پر درج ہوں۔
 - (ج) بینیفیشل اونرز (مستفید ہونے والے فرد) کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق نقل بھی منسلک کرنی ہوگی جسے نائب مختار نامہ کے ہمراہ پیش کرے گا۔
 - (د) اجلاس کے وقت نائب کو اپنا اصل کمپیوٹرائزڈ قومی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
 - (و) کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن)، بورڈ آف ڈائریکٹرز / ذمہ دار / مع نامزد کردہ شخص / انارنی کے نمونہ دستخط یا و آف انارنی (اگر پریلے فراہم نہ کئے گئے ہوں) پراکسی فارم (مختار نامے) کے ہمراہ کینی میں جمع کرانا ہوگا۔

NOTICE FOR MANDATORY REQUIREMENT OF DIVIDEND MANDATE

Dear Shareholder,

Under Section 242 of the Companies Act, 2017, listed companies are required to **PAY CASH DIVIDENDS ONLY THROUGH ELECTRONIC MODE** directly into the bank accounts designated by the entitled shareholders, and therefore, all the valuable shareholders of Hi-Tech Lubricants Limited (HTL) are requested to kindly authorize HTL for direct credit of their cash dividend(s) in your bank accounts by providing following compulsory information to HTL otherwise their dividend will be kept on hold till the time mandatory dividend mandate information is reached to HTL or its share registrar M/S Share Registrar Department, Central Depository Company of Pakistan Limited, CDC House, 99-B, Block, 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, Pakistan.

Also please note that all those shareholders who have already provided their dividend mandate are requested to check correctness and activeness of their bank accounts for credit of their future cash dividend(s) without any delay and complications.

PLEASE NOTE THAT THE DIVIDEND MANDATE INFORMATION IS A MANDATORY REQUIREMENT FOR ALL THE SHAREHOLDERS IRRESPECTIVE OF CDC ACCOUNT/SUB ACCOUNT HOLDERS AND PHYSICAL SHARE CERTIFICATE HOLDERS.

MANDATORY INFORMATION REQUIRED UNDER COMPANIES ACT, 2017	
PERSONAL INFORMATION OF SHAREHOLDER OF HI-TECH LUBRICANTS LIMITED	
NAME OF SHAREHOLDER	
COMPUTORIZED NATIONAL IDENTITY CARD NUMBER / (CNIC #)	
COMPLETE MAILING ADDRESS (for notice of dividend and other correspondence by HTL / Share Registrar)	
FOLIO NUMBER / CDC ACCOUNT NUMBER	
BANK ACCOUNT DETAILS OF SHAREHOLDER OF HI-TECH LUBRICANTS LIMITED	
TITLE OF BANK ACCOUNT (Complete As On Cheque Book)	
BANK ACCOUNT NUMBER (Complete As On Cheque Book)	
IBAN	
BANK NAME (Complete As On Cheque Book)	
BRANCH NAME AND ADDRESS (Complete As On Cheque Book)	
MOBILE PHONE NUMBER (active)	
EMAIL ADDRESS, (active) if any	
LANDLINE NUMBER, if any	
It is stated that above mentioned information is true and correct and I undertake to intimate any changes in above mentioned information to the HTL and its Share Registrar as soon as these occur.	
_____	Dated: _____
SIGNATURE OF SHAREHOLDER (AS ON CNIC)	

نوٹس برائے لازمی مینڈیٹ بابت نقد ڈیویڈنڈ

عزیز حصص دار

کمپنیز ایکٹ 2017 کے سیکشن 242 کے تحت لسٹڈ کمپنیوں کو نقد ڈیویڈنڈ کی ادائیگی صرف الیکٹرونک ذریعہ سے اہل حصص داران کے مقررہ بینک اکاؤنٹ کے توسط سے ہی کرنے کا اختیار ہے۔ اس لئے ہائی ٹیک لبریکیشن لمیٹڈ (ایچ ٹی ایل) کے تمام حصص داران سے درخواست ہے کہ وہ ایچ ٹی ایل کو ان کے نقد ڈیویڈنڈ براہ راست ان کے مقررہ بینک اکاؤنٹ میں جمع کرانے کا مجاز قرار دیں اور ایچ ٹی ایل کو درج ذیل لازمی معلومات فراہم کریں ورنہ ان کے حصص ایچ ٹی ایل یا اس کے شیئرز جسٹریٹس سٹورس پرائیویٹ لمیٹڈ کے شیئرز جسٹریٹس پارٹنٹس واقع CDC ہاؤس، 99-B، بلاک بی، ایس ایم سی ایچ ایس، مین شارع فیصل، کراچی 74400، پاکستان میں ڈیویڈنڈ کی مطلوبہ معلومات وصول ہونے تک روک لئے جائیں گے۔

برائے مہربانی نوٹ فرمائیں کہ جن حصص داران نے اپنے ڈیویڈنڈ مینڈیٹ کی معلومات پہلے ہی فراہم کر دی ہیں، وہ اپنے بینک اکاؤنٹ کی درستی اور اس کے فعال ہونے کی تصدیق کر لیں تاکہ آئندہ ان کے نقد ڈیویڈنڈ بلا تاخیر یا بنا کسی پیچیدگی کے ان کے اکاؤنٹ میں جمع ہو جائیں۔

برائے تاکید نڈی نوٹ فرمائیں کہ ڈیویڈنڈ مینڈیٹ کی معلومات فراہم کرنا تمام حصص داران کیلئے لازمی ہے خواہ وہ سی ڈی سی اکاؤنٹ / سب اکاؤنٹ ہولڈر ہوں یا وہ فزیکل شیئرز سرٹیفکیٹ کے حامل ہوں۔

کمپنیز ایکٹ 2017 کے تحت مطلوبہ لازمی معلومات

ہائی ٹیک لبریکیشن لمیٹڈ (ایچ ٹی ایل) کے حصص داران کی ذاتی معلومات

شیئرز ہولڈر کا نام:

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: _____ (CNIC):

ڈاک کا مکمل پتہ (ایچ ٹی ایل / شیئرز جسٹریٹس کی جانب سے ڈیویڈنڈ کی اطلاع اور خط و کتابت کیلئے درکار)

فون نمبر / سی ڈی سی اکاؤنٹ نمبر _____

ہائی ٹیک لبریکیشن کے حصص دار کے بینک اکاؤنٹ کی معلومات

بینک اکاؤنٹ کا نام (مکمل برطانیچ چیک بک)

IBAN _____

بینک کا نام (مکمل برطانیچ چیک بک) _____

برانچ کا نام اور پتہ (مکمل برطانیچ چیک بک) _____

موبائل فون نمبر (فعال) _____

ای میل کا پتہ (فعال) اگر ہے۔ _____

لینڈ لائن نمبر، اگر ہے۔ _____

میں تصدیق کرتا / کرتی ہوں کہ درج بالا معلومات صحیح اور درست ہیں اور ان معلومات میں کسی تبدیلی کی صورت میں ایچ ٹی ایل یا اس کے شیئرز جسٹریٹس کو فوری مطلع کرنے کا / کی ذمہ دار ہوں۔

تاریخ _____

حصص دار کے دستخط (CNIC کے مطابق)

NOTICE FOR MANDATORY REQUIREMENT OF ZAKAT DECLARATION ON CZ-50 FORMAT/SOLEMN AFFIRMATION FOR ZAKAT EXEMPTION



Dear Shareholder,

According to Zakat & Ushr Ordinance, 1980, Zakat Declaration / Solemn Affirmation in case of Non-Muslim of all Zakat Exempted shareholders (physical or CDS) is mandatory as per the prescribed format.

We are scrutinizing the records pertaining to Zakat deduction / exemption in respect to the dividend issued by the Company to its shareholders enabling us to avoid any future objections raised by Zakat Audit Authorities.

Keeping in view above precautions, following instruction must be followed while filling the Zakat Declaration Form;

- Zakat Declaration must be submitted as per the format attached (Form CZ-50) on Non-Judicial Stamp Paper of Rs.50/-
- All required fields / columns must be filled properly. Complete information are required including age, address, CNIC & Folio / CDS Account No. etc.
- Zakat Declaration must be Notarized by Notary Public / Oath Commissioner.
- You Fiqah / Faith / Religion clearly mentioned on Zakat Declaration.

Therefore, in order to avoid such objections of Zakat Audit Authorities and also to comply with the prescribed format of Zakat declaration, kindly submit us the following documents within 15 days of receipt of this notice.

1. Companies / Muslim Individuals claiming Zakat exemptions on the basis of faith / fiqah: Attested Zakat Declaration (CZ-50) (format available at <http://investor.hitechlubricants.com/>) on non-judicial stamp paper of Rs.50/- along with copies of your and witnesses CNICs.
2. Non-Muslim Individuals claiming exemption from compulsory deduction of Zakat: Affidavit / Solemn Affirmation (format available at <http://investor.hitechlubricants.com/>) duly signed by shareholder / CDS Account holder on plain paper along with copies of your and witnesses CNICs.

Please also provide copy of your and witnesses CNICs along with copy of fresh Zakat Declaration on CZ-50 format.

In case we do not receive attested copy of Zakat Declaration on CZ-50 format and/or Affidavit / Solemn Affirmation from the registered shareholders within 15 Days of this Notice, we will be marking your zakat status from Muslim Zakat Non-Payable to 'Muslim Zakat Payable' OR Non-Muslim Zakat Non-Payable to Non-Muslim Zakat Payable, as the case may be, for all the future dividend(s) and we will also be constrained to report this status as non-filing / non-availability of Zakat Declarations/ Affidavit / Solemn Affirmation to Zakat Authorities as and when they conduct audit.

Shareholders are requested to please use signatures as they have registered in the Share Registrar's record.

اطلاع برائے لازمی معلومات کی فراہمی بابت زکوٰۃ ڈکلیئریشن بمطابق CZ-50 فارمیٹ / حلفیہ تصدیق: زکوٰۃ سے مستثنیٰ، غیر مسلم حصہ دار

عزیزہ حصہ دار،

زکوٰۃ و عشر آرڈیننس 1980 کے تحت زکوٰۃ ڈکلیئریشن / حلفیہ تصدیق: زکوٰۃ سے مستثنیٰ، غیر مسلم حصہ دار (فزیکل یا سی ڈی ایس) کے لئے مقررہ فارمیٹ کے مطابق فراہم کرنا لازمی ہے۔

ہم کمپنی کی جانب سے حصہ داران کو جاری کئے جانے والے ڈیویڈنڈ کے سلسلے میں زکوٰۃ کی کوٹنی / استثنیٰ سے متعلق اپنے ریکارڈ کو درست کرنے کی جانچ پڑتال کر رہے ہیں تاکہ آئندہ زکوٰۃ آڈٹ اتھارٹی کی جانب سے کوئی اعتراض نہ اٹھایا جائے۔

درج بالا احتیاط کے سبب آپ سے درخواست ہے کہ زکوٰۃ ڈکلیئریشن فارم پر کرتے وقت درج ذیل ہدایات پر عمل کریں:

- زکوٰۃ ڈکلیئریشن صرف مقررہ فارمیٹ (CZ-50) کے مطابق -/Rs.50 کے نان جوڈیشل اسٹیٹ پیپر پر جمع کرائی جائے۔
- تمام مطلوبہ شعبہ / کالم درست طور پر پُر کئے جائیں۔ عمر، پتے، CNIC اور فوٹیو / CDS کاؤنٹ نمبر وغیرہ کی مکمل معلومات ہوں۔
- زکوٰۃ ڈکلیئریشن لازمی طور پر نوٹری پبلک / اوتھ کشنر سے تصدیق شدہ ہونا چاہئے۔
- زکوٰۃ ڈکلیئریشن پر اپنا فقہ / عقیدہ / مذہب واضح طور پر تحریر کیا گیا ہو۔

لہذا زکوٰۃ آڈٹ اتھارٹی کی جانب سے ایسے اعتراضات سے بچنے اور زکوٰۃ ڈکلیئریشن کے مجوزہ فارمیٹ کی پیروی کیلئے برائے مہربانی درج ذیل دستاویزات اس نوٹس کی وصولی کے 15 دن کے اندر جمع کرا دیں۔

۱۔ کمپنیاں / مسلمان افراد جو اپنے عقیدے / فقہ کے بناء پر زکوٰۃ سے استثنیٰ کا دعویٰ کرتے ہوں:

تصدیق شدہ زکوٰۃ ڈکلیئریشن (CZ-50) (فارمیٹ <http://investor.hitechlubricants.com> پر دستیاب ہے) -/Rs.50 کے نان جوڈیشل اسٹیٹ پیپر پر جمع اپنے اور گواہان کے CNIC کی کاپیاں۔

۲۔ غیر مسلم افراد جو زکوٰۃ کی لازمی کوٹنی سے مستثنیٰ ہونے کے دعویدار ہوں:

حلف نامہ: حلفیہ تصدیق (فارمیٹ <http://investor.hitechlubricants.com> پر دستیاب ہے) جو سادہ کاغذ پر حصہ دار CDS / کاؤنٹ ہولڈر کا دستخط شدہ ہو، جمع اپنے اور گواہان کے CNIC کی کاپیاں۔

برائے مہربانی اپنے اور گواہان کے CNIC کی کاپیاں، تازہ ترین (CZ-50) فارمیٹ پر زکوٰۃ ڈکلیئریشن کے ہمراہ فراہم کریں۔

رجسٹرڈ حصہ داران کی جانب سے (CZ-50) فارمیٹ پر زکوٰۃ ڈکلیئریشن اور / یا حلف نامہ / حلفیہ تصدیق اس نوٹس کے 15 دن کے اندر اندر موصول نہ ہونے کی صورت میں آئندہ ڈیویڈنڈز کیلئے ہم آپ کے زکوٰۃ کے اسٹیٹس کو صورت حال کے مطابق مسلم زکوٰۃ نا قابل ادائیگی سے مسلم زکوٰۃ قابل ادائیگی میں یا غیر مسلم زکوٰۃ نا قابل ادائیگی کو غیر مسلم زکوٰۃ قابل ادائیگی کے زمرے میں شامل کر دیں گے اور زکوٰۃ اتھارٹی کو آڈٹ کے وقت زکوٰۃ ڈکلیئریشن / حلف نامہ / حلفیہ تصدیق کی عدم وصولی / عدم دستیابی کے طور پر رپورٹ کرنے پر مجبور ہوں گے۔

حصہ داران سے درخواست ہے کہ وہ ان دستاویزات پر وہی دستخط کریں جو شیئر رجسٹرار کے ریکارڈ میں رجسٹرڈ ہیں۔

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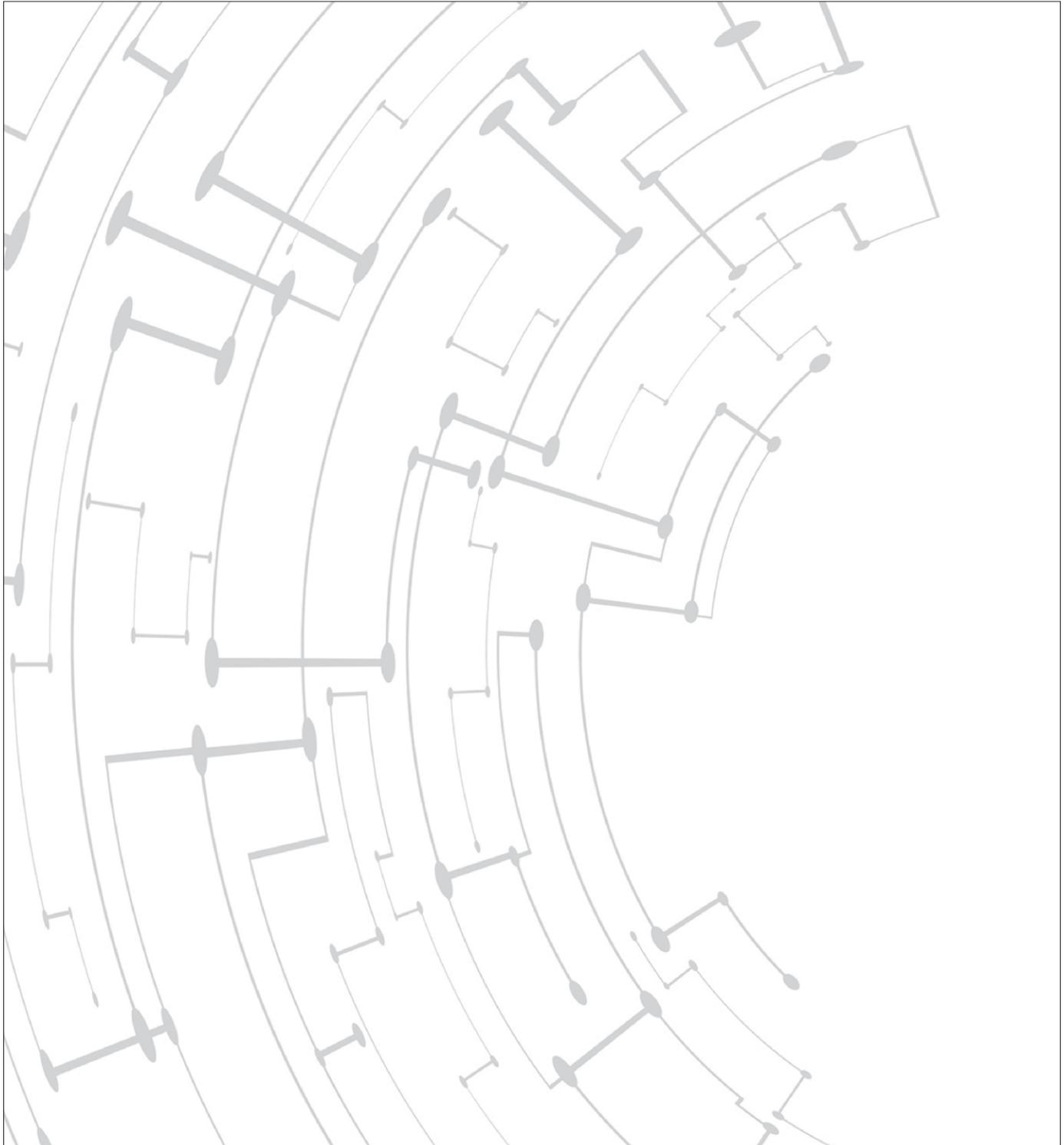
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