

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 59th Annual General Meeting of the members of KSB Pumps Company Limited, will be held on Friday, the 22nd April, 2016, at 4.00 p.m. at Hotel Hospitality Inn, 25-26 Egerton Road, Lahore, to transact the following business:

1. To confirm the minutes of the Annual General Meeting held on April 27, 2015.
2. To consider and adopt the audited accounts of the Company for the year ended December 31, 2015 and report of Auditors and Directors thereon.
3. To approve and declare dividend of 70% for the financial year ended December 31, 2015 as recommended by the Directors.
4. To appoint auditors for the year 2016 and fix their remuneration. M/s. A.F. Ferguson & Co., Chartered Accountants, the retiring auditors offer themselves for re-appointment as auditors of the Company.

BY ORDER OF THE BOARD
SAJID MAHMOOD AWAN
Company Secretary

Lahore : March 30, 2016

Notes:

1. A member entitled to attend and vote at this meeting is entitled to appoint another member as proxy. Proxies in order to be effective must be received not later than 48 hours before the time appointed for the meeting. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid. Every proxy shall have the right to attend, speak and vote in place of the member appointing him/her at the meeting.
2. The Share Transfer Books of the Company will remain closed from 15th April, 2016 to 22nd April, 2016 (both days inclusive). Transfers received in order at Company's Registrar, M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block B, S.M.C.H.S., Main Shahr-e-Faisal, Karachi-74000, by the close of business on 14th April, 2016 will be in time to be passed for payment of dividend to the transferees.
3. The CDC account/sub account holders and/or the persons whose securities are in group account and their registration details are up-loaded as per the regulations, shall for identification purpose have to produce their original

Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.

In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

4. Submission of copies of CNIC (Mandatory)

Pursuant to the directive of the Securities & Exchange Commission of Pakistan, CNIC numbers of shareholders are mandatorily required to be mentioned on Dividend Warrants. Shareholders are, therefore, requested to submit a copy of their CNIC (if not already provided) to the Company Share Registrar, M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block B, SMCHS, Main Shahrah-e-Faisal, Karachi-74000.

5. **Withholding Tax on dividends**

The Government of Pakistan through Finance Act, 2015 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/banks. These tax rates are as follows:

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|--|-------|
| (a) For filers of income tax returns | 12.5% |
| (b) For non-filers of income tax returns | 17.5% |

To enable the Company to make tax deduction on the amount of cash dividend @12.5% instead of 17.5% all shareholders whose names are not entered into the Active Tax- payers list (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of the cash dividend, otherwise tax on their cash dividend will be deducted @17.5% instead of 12.5%.

The joint shareholders are requested to provide shareholding proportions of principal shareholders & joint shareholders as withholding tax will be determined separately on Filer/Non-filer status based on their shareholding proportions otherwise it will be assumed that shares are equally held.

The Corporate shareholders having CDC account are required to have their National Tax Number (NTN) updated with their respective participants, whereas physical shareholders should send a copy of their NTN Certificate to the Company or Company's Share Registrar, M/s. Central Depository Company of Pakistan Limited. The shareholders while sending NTN or NTN Certificate, as the case may be, must quote Company name and their respective folio numbers.

For any query/clarification/information, the shareholders may contact the Company, and/or the Share Registrar.

6. Payment of dividend electronically (E-MANDATE)

In order to enable a more efficient method of cash dividend, through its Circular No. 8(4)SM/CDC 2008 of April 05, 2013, the SECP has announced an e-dividend mechanism where shareholders can get their dividend credited directly into their respective bank accounts electronically by authorizing the Company to do so. Accordingly, all non-CDC shareholders are requested to send their bank account details to the Company's Registrar. Shareholders, who hold shares with CDC or participants/stock brokers, are advised to provide the mandate to CDC or their participants/stock brokers.

7. Audited Financial Statement through e-mail:

SECP through its notification SRO 787(1) /2014 dated September 8, 2014 has allowed the circulations of Audited Financial Statement along with Notice of Annual General Meeting to the Members through e-mail. Therefore, all members of the Company who wish to receive soft copy of Annual Report are requested to send their e-mail addresses. The consent form for electronic transmission could be downloaded from the Company Website: www.ksb.com.pk. Audited financial statements & reports are being placed on the aforesaid website.

8. Consent for Video Conference Facility

As allowed by SECP vide circular No.10 of 2014 dated May 21, 2014, members can avail video conference facility for this Annual General Meeting provided the Company receives consent from the members holding in aggregate 10% or more shareholding, residing at geographical location, at least 10 days prior to date of the meeting.

Subject to fulfillment of the above conditions, members shall be informed of the venue, 5 days before the date of the General meeting along with complete information necessary to access the facility.

In this regard please send a duly signed request as per following format at the registered address of the Company 10 days before holding of annual general meeting.

I/We _____ of _____
being a members KSB Pumps Company Limited holder of _____ Ordinary
Share(s) as per Registered Folio No./CDC Sub Account No. _____ hereby
opt for video conference facility at _____.

Signature of Shareholder



KSB Pumps Company Limited

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Lahore.

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