



Gatron (Industries) Limited

Registered office: Room No. 32, 1st Floor, Ahmed Complex, Jinnah Road, Quetta, Balochistan - Pakistan.

Telephone: 0092-81-2849396, Fax: 0092-81-2825304

Liaison office: 11th Floor, G & T Tower, #18 Beuamont Road, Civil Lines-10, Karachi-75530, Pakistan.

Telephone: 0092-21-35659500-9, Fax: 0092-21-35659516, Email: headoffice@gatron.com, www.gatron.com

To: All the Members of the Company

September 18, 2018

NOTICE OF BOOK CLOSURE **DECLARATION OF ADDITIONAL CASH DIVIDEND**

This is to inform you that Board of Directors in its meeting held on September 18, 2018 has recommended payment of additional cash dividend of Rs.0.75 per share (7.50%) for the year ended June 30, 2018.

The payment of above dividend will be subject to members approval in the forthcoming Annual General Meeting of the Company, scheduled on October 25, 2018 at 11:00 a.m., at factory premises at Plot No. 441/49-M2, Sector "M", H.I.T.E., Main RCD Highway, Hub, Distt. Lasbella, Balochistan, notice of which has already been sent to all the members along with annual report on CD for the year ended June 30, 2018.

As per Section 5A of the Income Tax Ordinance, 2001, every public listed company is required to distribute atleast 20% of its profit after tax as dividend or to pay 5% additional tax on its profit before tax. This amendment in Income Tax Ordinance, 2001 was made through the Finance Act, 2018. Prior to this amendment, such companies were required to distribute atleast 40% of its profit after tax as dividend or to pay 7.5% additional tax on its profit before tax.

There is difference of opinion between tax experts about the applicability of rate of 20% or 40% for the year ended June 30, 2018. However, as an abundant precaution and to avoid unnecessary disputes with revenue authorities, additional dividend of 7.50% is being recommended, which along with dividends already paid / recommended (i.e., 20% interim already paid and 75% recently recommended) by the Board, would be in excess of the 40% of the company's profit after tax.

The Share Transfer Books of the Company for entitlement of additional (7.50%) dividend will remain same as notified for entitlement of 75% dividend i.e., from October 18, 2018 to October 25, 2018 (both days inclusive). This dividend will be paid to the shareholders whose names appear in the Register of members at the close of business on October 17, 2018.

Payment of Cash Dividend Electronically (E-dividend)

Pursuant to Section 242 of the Companies Act, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into their bank account designated by the entitled shareholders instead of issuing physical dividend warrant.

For the convenience of shareholders E-Dividend Mandate Form is available on company's website <http://www.gatron.com>.

Shareholders are requested to provide relevant information/documents to respective Central Depository System (CDS) Participants and in case of physical securities to the Company/Shares Registrar, M/s. C&K Management Associates (Pvt) Limited, Room No.404, 4th floor, Trade Tower, Near Metropole Hotel, Abdullah Haroon Road, Karachi.

By Order of the Board

Mohammad Yasin Bilwani
Company Secretary/CFO

Factory: Plot No. 441/49, M-2, Sector "M", H.I.T.E., Hub Chowki, Lasbela Distt., Balochistan - Pakistan.

Telephone: 0853-364324-25, Fax: 0853363241, Email: gatfac@gatron.com