



# Balochistan Glass Limited

October 06, 2017

The Deputy General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**Subject: Notice of Annual General Meeting**

Dear Sir,

Enclosed please find a copy of the Notice of the Annual General Meeting to be held on October 28, 2017 at 12:00 p.m. at Plot # M-8, H.I.T.E. Hub, Hub Industrial Estate Lasbela, Balochistan for circulation amongst your members.

Yours Sincerely,

Shaikh Arif Moin -ul- Haq  
Company Secretary

CC:  
Director Enforcement,  
Securities and Exchange Commission of Pakistan,  
NIC Building, 63 Jinnah Avenue,  
Islamabad

CC:  
The Deputy Registrar  
Company Registration Office,  
Securities & Exchange Commission of Pakistan,  
382/3 (IDBP House), Shara-e-Hall,  
Quetta, Cantt



# Balochistan Glass Limited

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that 37th Annual General Meeting of Balochistan Glass Limited will be held on October 28, 2017 at 12:00 p.m. at Plot # M-8, H.I.T.E. Hub, Hub Industrial Estate Lasbela, Balochistan to transact the following businesses:

### **Ordinary Business**

1. To confirm the minutes of Extra Ordinary General Meeting held on January 27, 2017.
2. To receive, consider and adopt the audited financial statements of the company for the year ended June 30, 2017 together with Auditor's and Director's report thereon.
3. To appoint Auditors of the Company for the year ending June 30, 2018 and to fix their remuneration.

### **4. Special Business**

To consider and if thought fit, pass the following resolution as a special resolution with or without modification, under Section 83 (1) (b) of the Companies Act, 2017 ("Act"):

### **Issue of Shares Otherwise Than Right:**

**"RESOLVED THAT**, subject to compliance with the provisions of all applicable laws and requisite regulatory approvals, permissions and sanctions, including the approvals of the Securities and Exchange Commission of Pakistan (the "SECP") pursuant to Section 83 (1) (b) of the Companies Act, 2017 ("Act"), the approval of the shareholders of Baluchistan Glass Limited (the "Company") be and is hereby accorded to increase the paid up share capital of the Company from Rs. 1,716 million divided into 171.6 million ordinary shares of Rs. 10/- each to Rs. 2,616 million divided into 261.6 million ordinary shares of Rs. 10/- each by the issuance of additional 90,000,000 Ordinary Shares of the face value of Rs. 10/- each by way of otherwise than right shares at a price of Rs. 10 each/-, total Rs. 900,000,000 to Mr. Muhammad Tousif Peracha, Director & CEO of the Company against his outstanding loan towards the Company.

**FURTHER RESOLVED THAT** the shares when issued shall from the date of their allotment, rank pari passu in all respects with the existing fully paid Ordinary Shares and the recipient of such shares shall enjoy similar rights and entitlements in respect of these shares as in respect of previously held shares from the date of allotment.

**FURTHER RESOLVED THAT** the Chief Executive or Company Secretary of the Company, be and is hereby singly authorized ("Authorized Persons") to enter into and execute such documents as may be required in relation to the further issue of shares otherwise than right shares.

**FURTHER RESOLVED THAT** the Authorized Persons, be and are hereby further authorized singly, to take all steps necessary, ancillary and incidental for the issuance of the shares otherwise than right shares including but not limited to the filing of requisite applications through the Authorized Persons or their appointed consultant(s) for seeking permission from the SECP, engaging legal advisor(s) and consultant(s) for above purposes, obtaining all requisite regulatory approvals, preparation and circulation of the notice of the General Meeting, preparing the resolutions to be placed before the General Meeting, filing of the requisite application(s), statutory forms and all other documents as may be required to be filed with SECP and any other authority, submitting all such documents as may be required, executing all such certificates, applications, notices, reports, letters and any other document or instrument including any amendments or substitutions to any of the foregoing as may be required in respect of the issue of further shares without right shares and all other matters incidental or ancillary thereto.

Head Office: 12km, Sheikhpura Road, Kot Abdul Malik, Lahore-54000. Tel: (+92-42) 37923993-4, 37924702 Fax: (+92-42) 37930699

Karachi Office: Dima Centre, B.C.-4, 3rd Floor, Block-S, Clifton, Karachi-75600, Pakistan. PABX: (+92-21) 35377976-80 FAX: (+92-21) 35377976





# Balochistan Glass Limited

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to take all such actions including but not limited to the filing the requisite applications (through the Authorized Persons or their appointed consultants) for seeking permission from the Securities and Exchange Commission of Pakistan and such other regulatory authorities as may be required for issuance of further capital without right offering and all matters relating thereto.

**FURTHER RESOLVED THAT** all acts, deeds, and actions taken by the Authorized Persons pursuant to the above resolutions for and on behalf of and in the name of the Company shall be binding acts, deeds and things done by the Company.

**FURTHER RESOLVED THAT** the aforesaid special resolution(s) shall be subject to any amendment, modification, addition or deletion as may be suggested, directed and advised by the shareholders, SECP and / or any other regulatory body including the pricing of shares different from the one proposed in this special resolution which suggestion, direction and advice shall be agreed and accepted by the shareholders and deemed to be part of these Special resolution(s) without the need of the shareholders to pass fresh Special Resolution(s).

5. To transact any other business with the permission of chairman

**Date: October 06, 2017**

**Place: Lahore**

**By Order of the Board**

**Shaikh Arif Moin –ul- Haq  
Company Secretary**

**Notes:**

1. The share transfer books will remain closed from October 21, 2017 to October 28, 2017 both days inclusive. Transfer received by the share registrar of the company CorplinkPvt Ltd, I-k commercial, Model Town, Lahore up to October 20, 2017 will be considered in time for the purpose of attendance at AGM.
2. A member entitled to attend and vote at the AGM may appoint another member as his /her proxy to attend, speak and vote instead of him/her. Forms of proxy to be valid must be properly filled in /executed and received at the registered office of the company not later than 48 hours before the time of the meeting .
3. Shareholders whose shares are deposited with Central Depository Company are requested to bring their CNIC along with their CDC Account Number for verification. In case of corporate entity , the Board of Directors resolution / power of attorney with specimen signatures of the nominee shall be produced ( unless it has been provided earlier ) at the time of the meeting .
4. For attending the meeting and appointing proxies CDC account holders will further have to follow the guidelines as laid down in circular 01 dated January 26,2000 issued by the SECP.
5. Members are requested to notify the share registrar of the company promptly of any change in their addresses and also provide copy of their CNIC for updating record .
6. The financial statements of the company for the year ended June 30,2017 have been placed on the website of the company [www.balochistanglass.com](http://www.balochistanglass.com)



Head Office: 12km, Sheikhpura Road, Kot Abdul Malik, Lahore-54000 Tel: (+92-42) 37923993-4, 37924702 Fax: (+92-42) 37930611

Karachi Office: Dime Centre, B.C.-4, 3rd Floor, Block-9, Clifton, Karachi-75600, Pakistan. PABX: (+92-21) 35377976-77 Fax: (+92-21) 35377970.



# Balochistan Glass Limited

## Statement Under Rule 4(2) of the Companies (Investment In Associated Companies and Undertakings) Regulations 2012 (Ref: Section 199 Of Companies Act, 2017)

7. As per resolution passed by members in last AGM held on October 31, 2017, it was approved to invest up to Rs. 150 million in associated company "Paidar Hong Glass (Pvt.) Limited (PHGL)". The status of investment is as under:

Sr. no.	Particulars	Required information/Explanation
1	Total Investment Approved	Up to Rs. 150 million
2	Total Investment made till to date	Rs. 125,631,360/- (Paidar Hong Glass (Pvt.) Ltd issued 12,563,136 no. of shares having face value of Rs. 10/- per share against investment of BGL). BGL hold 49.99% shares of the issued capital of Paidar Hong (Glass) Limited
3	Reason for not making the complete investment	No more further investment is required at present.
4	Material Change in financial statements of Associated company since the date of Passing the special resolution	Company has yet to start its operations. Company has established LC for import of equipment and partial shipment has also arrived. All shipment is expected to arrive at site by November/ December 2017.
5	Updating about status of land on lease to Paidar Hong Glass (Pvt) Limited	Company has already informed to all shareholders in notice of last AGM and as well as at the time of AGM, upon directions of SECP, that no formal agreement has been reached so far as it will only be executed after approval of members in AGM. However, the broad terms are repeated again: <ul style="list-style-type: none"> <li>The total land area will be up to 20-kanals for a lease period of 10 to 15-years located at its Hub Plant (Unit-I).</li> <li>Company has yet not finalized any monthly/quarterly rentals so far, however, the estimated monthly rentals may be in the range of Rs. 800,000 to Rs. 1,000,000 which will be finalized after detail discussion and extent of use of land upon construction of civil work.</li> <li>The proposed portion of land is not in active use of the company and will not have any impact on operations of the company</li> <li>CEO of the company is authorized to finalize the lease agreement by the board and member is last AGM.</li> </ul> The above information is circulated again as per the directions of SECP.



### Circulate Audited Financial Statements along with Notice of AGM through e-mail:

8. The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated 8th September 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. Accordingly, members are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-

Head Office: 12km, Sheikhpura Road, Kot Abdul Malik, Lahore-54000 Tel: (+92-42) 37923993-4, 37924702 Fax: (+92-42) 37930616

Karachi Office: Dima Centre, B.C.-4, 3rd Floor, Block-9, Clifton, Karachi-75600, Pakistan. PABX: (+92-21) 35377978-80 FAX: (+92-21) 35377970.



## Balochistan Glass Limited

mail. However, if shareholder, in addition, request for hard copy of Audited Financial Statements the same shall be provided free of cost within seven (7) days of receipt of such request.

In order to avail this facility a Standard Request Form is available at the Company's website and in annual report of 2017.

### CNIC of Members/Shareholders & Dividend Payment

9. It has already been notified that the Securities and Exchange Commission of Pakistan (SECP) vide Notification S.R.O. 275(I)/2016 dated 31st March 2016 read with Notification S.R.O. 19(I)/2014 dated 10th January 2014 and Notification S.R.O. 831(1)/2012 dated July 5, 2012 required that the Dividend Warrant(s) should also bear the Computerized National Identity Card (CNIC) Number of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s). Henceforth, issuance of dividend warrant(s) will be subject to submission of CNIC (individuals) / NTN (corporate entities) by shareholders. Members are requested to submit a copy of the Computerized National Identity Card (CNIC) to update our records. In case of non-submission of CNIC (copy), all future dividend warrants may be withheld.

### Declaration as per Zakat & Usher Ordinance 1980

10. Members are requested to submit declaration as per Zakat & Usher Ordinance 1980 for zakat exemption and to advise change in address, if any.

### Transmitting Of Annual Audited Accounts on CD/DVD/USB instead Of Transmitting in Printed Copy

The Securities and Exchange Commission of Pakistan by their SRO No. 470(I)/2016 dated May 31, 2016 allowed to transmit annual audited financial statements, auditor's report and directors report etc. to the Company's shareholders/members at their registered addresses in the form of soft copies in CD/DVD/USB instead of transmitting the annual audited accounts in printed copy, provided consent of shareholders has been obtained in a general meeting and an option of hard copy of the same information is offered to any interested shareholder.

To proceed towards paperless environment and to fulfill the responsibility towards environment, Company has already passed resolution with the consent of its shareholder in last Annual General Meeting held on October 31, 2016, therefore, accounts are circulated in soft copies instead of printed copy. If any shareholder wants to receive hard copy then he can fill the form which is available on our website and company will provide the same.

### E-DIVIDEND

As per Section 242 of the Companies Act, 2017, in case of a Public listed company, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Therefore, through this notice, all shareholders are requested to update their bank account details in the Central Depository System through respective participants/stock brokers. In case of physical shares, please provide bank account details (IBAN account no.) directly to our Share Registrar, M/S Corplink (Private) Limited, 1-K Commercial, Model Town, Lahore. E-Dividend mandate form is enclosed and available at our website as well.

Please note that after October 31, 2017 all cash dividends, declared by the Company, will only be remitted to designated bank accounts and not otherwise, so please ensure an early update of your particulars to avoid any inconvenience in future.

### UNCLAIMED DIVIDENDS & BONUS SHARES

Head Office: 12km, Shelkhpura Road, Kot Abdul Malo, Lahore-54000 Tel: (+92-42) 37923993-4, 37924702 Fax: (+92-42) 37930618

Karachi Office: Dime Centre, B.C.-4, 3rd Floor, Block-9, Clifton, Karachi-75600, Pakistan. PABX: (+92-21) 35377976-80 FAX: (+92-21) 35377970.



# Balochistan Glass Limited

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact our Share Registrar M/S Corplink (Private) Limited, 1-K Commercial, Model Town, Lahore to collect/enquire about their unclaimed dividend or pending shares, if any.

Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government /SECP and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan (SECP).

## STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2017

The statement set out the material facts concerning the special business to be transacted at the annual general meeting of the Company to be held on 28<sup>th</sup> October 2017.

### Issuance of Shares Otherwise Than Right U/S 83 (1) Of Companies Act 2017

The Board of Directors of M/s. Baluchistan Glass Limited (the "Company") in their meeting held on 6<sup>th</sup> of October 2017 has decided to raise further issue of share capital amounting to Rs. 900 million divided into 90 million ordinary shares of Rs. 10/- each to Mr. Muhammad Tousif Paracha, Director & CEO ("MTP") of the Company against his outstanding loans towards the Company without right offering as proposed in the special resolution subject to approval of shareholders and permission from the Securities and Exchange Commission of Pakistan in terms of Section 83 (1) (b) of the Companies Act, 2017 (the "Act") and subject to the completion of all legal formalities and compliances.

The proposed shares shall be issued at par value against conversion of loans provided by MTP to the Company and payable to them. In this regard, the Company provides the following further material information:

#### **(a) Justification for Issue of Shares Otherwise than Right Shares:**

Due to continued losses suffered by the Company, the equity of the Company has been completely eroded and its equity net of losses amounts to negative 3,727.457 million (excluding loan from sponsors) as of 30 June 2017 on the basis of audited accounts. As the share the Company is trading at Pakistan Stock Exchange Limited close to its par value of Rs. 10/-, therefore, it is unlikely that shareholders will subscribe any right offering particularly in view of the fact that the Company has not been able to declare any distribution for the shareholders during past several years. The issue of shares at par value to MTP is justified due to the negative break-up value (i.e. approximately negative Rs. 20 after revaluation surplus) of the share of the Company. In the current circumstances where the Company needs funding for its BMR, capital expenditures and working capital needs, it will be in the interest of the Company as well as its shareholders to enhance the capital base and give comfort to the creditors and facilitate future business prospects without having any negative impact on the cash flows.

#### **(b) Name of the persons to whom the proposed shares will be issued:**

Mr. Muhammad Tousif Paracha Rs. 900 million.

#### **(c) Price at which shares will be issued and its justification:**



Head Office: 12km, Sheikhupura Road, Kot Abdul Malik, Lahore-54000 Tel: (+92-42) 37923993-4, 37924702 Fax: (+92-42) 37936616

Karachi Office: Dime Centre, B.C.-4, 3rd Floor, Block-9, Clifton, Karachi-75800, Pakistan, PABX: (+92-21) 35377976-90 FAX: (+92-21) 35377970.



## Balochistan Glass Limited

The shares will be issued at par value of Rs. 10/- per share. This price is close to the market price of the share (around Rs. 12 as at the date of issuance of these Financial Statements) which is above the break-up value per share (negative Rs. 20 per share).

**(d) Latest Market Price of Share**

Rs. 12 (around) as of 6<sup>th</sup> of October 2017 as per closing rate at Pakistan Stock Exchange Limited.

**(e) Break-up value per Share:**

Break-up value per shares on the basis of latest audited accounts of the Company for the year ended 30 June, 2017 is negative Rs. 20 (approximately after revaluation surplus).

**(f) Consideration for issue of Shares:**

The consideration for the proposed issuance of shares will be conversion of MTP's loans extended by him to the Company as detailed above.

**(g) Purpose, Utilization and benefits:**

**Purpose:** To reduce the liabilities and improvement of capital base of the Company and breakup value of the Company.

**Utilization:** The issuance of the Shares will be against the outstanding loans of MTP.

**Benefits:** This will enhance the borrowing capacity of the company thereby improving liquidity position and improvement in the business and returns for the Company and value for its shareholders.

**(h) Existing shareholding of the persons to whom Shares are proposed to be issued:**

Mr. Muhammad Tousif Paracha holding 85,935,924 shares i.e., 50.08 % of the existing paid up share capital.

**(i) Total shareholding of the persons after the proposed issuance of Shares:**

Mr. Muhammad Tousif Paracha holding 175,935,924 shares i.e. 67.25% of revised issued share capital.

**Consent of persons to whom the proposed shares are to be issued:**

MTP has consented in writing to the acquisition of proposed shares if approved by the shareholders and the Securities and Exchange Commission of Pakistan.

**(k) Ranking of shares:**

The proposed shares when issued will rank *pari passu* with the existing ordinary shares of the Company.

**(l) Approval:**

The proposed issuance of shares shall be subject to approval of the Securities and Exchange Commission of Pakistan.

Head Office: 12km, Sheikhupura Road, Kot Abdul Malik, Lahore-54000 Tel: (+92-42) 37923993-4, 37924702 Fax: (+92-42) 37930618

Karachi Office: Dime Centre, B.C.-4, 3rd Floor, Block-9, Clifton, Karachi-75600, Pakistan. PABX: (+92-21) 35377978-80 FAX: (+92-21) 35377970.





# Balochistan Glass Limited

(m) Shares issued in past two years:

Nil.

7. The Board of Directors of the Company has recommended that the special resolutions as set out in the notice be passed at the Annual General Meeting of the Company.
8. MTP is interested in the proposed issuance of shares of the Company in consideration of his outstanding loans. Other directors have no interest in the issue of shares, whether directly or indirectly.

