



NOTICE OF 28TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the 28th Annual General Meeting of Biafo Industries Limited will be held on Friday 28th October 2016 at 11:00 a.m. at 1st Floor, Biafo House, Plot No. 23, St No. 38-40, I&T Centre, G-10/4, Islamabad, to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the 27th Annual General Meeting held on 12th October 2015.
2. To receive and adopt the Audited Accounts of the Company for the year ended June 30, 2016 together with Auditors' report and Directors' report thereon.
3. To approve the payment of final dividend of Rs 7.50 per share (75%) and also the interim dividends of Rs 2.50 per share (25%) declared on October 27, 2015, Rs. 4.00 per share (40%) declared on February 18, 2016 and Rs 5.50 per share (55%) declared on April 22, 2016 making a total of Rs 19.50 per share (195%) for the year ended June 30, 2016.
4. To appoint Auditors for the year 2016-17 and to fix their remuneration. Retiring Auditors M/s KPMG Taseer Hadi & Co. Chartered Accountants being eligible offer themselves for reappointment for the year 2016-17.
5. To elect 12 directors in accordance with the provisions of the Companies Ordinance, 1984.

SPECIAL BUSINESS

6. To consider the increase of authorized share capital of the Company from Rs.250 million to Rs.600 million divided into 60,000,000 ordinary shares of Rs.10/- each and to consider and if thought fit to pass the following resolution as special resolution:

“RESOLVED that the authorized share capital of the Company be and is hereby increased from Rs.250,000,000 divided into 25,000,000 ordinary shares of Rs.10 each to Rs. 600,000,000 divided into 60,000,000 ordinary shares of Rs.10 each, by the creation of 35,000,000 additional ordinary shares at nominal value of Rs.10 each to rank pari passu in every respect with the existing ordinary shares of the Company.

FURTHER RESOLVED that the Memorandum and Articles of Association of the Company be and are hereby altered for increase in authorized share capital to read as follows:

- Clause IV of Memorandum of Association “The authorized capital of the Company is Rs. 600,000,000 divided into 60,000,000 ordinary shares of Rs.10 each.”



- Article 3 of Articles of Association "The authorized capital of the Company is Rs. 600,000,000 divided into 60,000,000 ordinary shares of Rs.10 each."

FURTHER RESOLVED that Mr. Khawaja Shaiq Tanveer, Secretary of the Company be and is hereby authorized to do all acts, deeds and things, take any or all necessary actions to complete all legal formalities and file all necessary documents as may be necessary or incidental for the purpose of implementation the aforesaid resolution.

- 6. To transact such other business as may be placed before the meeting with the permission of the Chairman.

By order of the Board


Khawaja Shaiq Tanveer
Company Secretary



Islamabad: September 23, 2016

NOTES:

1. The Board has fixed the number of Director at 12 and the following 9 retiring Directors being eligible offer themselves for re-election.

1) M. Humayun Khan	2) M. Afzal Khan	3) Ms. Shirin Safdar
4) Maj. Gen (R) S.Z.M Askree	5) M. Salim Khan	6) Khwaja Ahmad Hosain
7) M. Zafar Khan	8) Adnan Aurangzeb	9) Ms. Zishan Afzal Khan
2. Share Transfer Books of the Company will remain closed from 20th October 2016 to 28th October 2016 both days inclusive.
3. A member entitled to attend and vote at the meeting shall be entitled to appoint another person, as his/her and proxy to attend, demand or join in demanding a poll, speak and vote instead of his/her and a proxy so appointed shall have such rights, as attending, speaking and voting at the meeting as are available to a member. Proxies in order to be effective must be received at the registered office of the company not later than 48 hours before the meeting duly stamped, signed and witnessed. A proxy need not be a member of the Company.
4. CDC Shareholders or their proxies are required to bring with them their original National Identity cards or Passports along with the Participant's ID numbers and their Account Numbers at the time of attending the Annual General Meeting in order to authenticate their usual documents required for such purposes.



5. Shareholders are requested to promptly notify in writing to the Company of any change in their address.

STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984

This statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on 28th October 2016 pertaining to increase in authorized share capital of the Company.

The existing Authorized Share Capital of the Company is Rs. 250,000,000 divided into 25,000,000 ordinary shares of Rs.10 each. Company needs additional funds to cater its business growth. Additionally, with great potentials for strategic investments in new and existing projects, the Company would need additional funds. The increase in Authorized Share Capital would be in the interest of the Company and its shareholders, whereas no prejudice will be caused to any shareholder. The interest of the Directors and Chief Executive Officer is only limited to the extent of their being Director and Chief Executive Officer and ordinary shareholders of the Company. It is therefore proposed to increase the Authorized Share Capital so as to enable the Company to increase its paid-up capital by offering right shares to the members, in future as and when decided by the Board after fulfilling necessary legal and regulatory requirements.

The new ordinary shares when issued shall rank pari passu with the existing ordinary shares in all respects.