



NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the 10th Extraordinary General Meeting of the Shareholders of Fauji Fertilizer Bin Qasim Limited will be held on 1 Jun 2015 at PC Hotel, The Mall, Rawalpindi at 1100 hrs to transact the following business:

Ordinary Business

1. To confirm the minutes of 21st Annual General Meeting held on 26 Mar 2015.

Special business

2. To consider and, if thought fit, pass, with or without modification, the following resolution, as a special resolution for the purpose of approving (i) a loan in the nature of subordinated debt for an amount of US Dollars 340,000 to Foundation Wind Energy I Limited, and (ii) a corporate guarantee to secure a working capital facility of an amount of up to US Dollars 15 million, out of which the Company will guarantee an amount of up to US Dollars 5.25 million, in relation to Foundation Wind Energy I Limited:

“RESOLVED THAT the Company (i) provide a loan in the nature of subordinated debt for an amount of up to US Dollars 340,000 to Foundation Wind Energy I Limited for the purposes of making project payments (“Shareholder Loan”), and (ii) provide a corporate guarantee in favor of a bank or financial institution to secure a working capital facility of an amount of up to US Dollars 15 million, out of which the Company will guarantee an amount of up to US Dollars 5.25 million, to be provided to Foundation Wind Energy I Limited by a bank or a financial institution for the purposes of meeting cash flow mismatch of revenue with payments (“Working Capital Facility Guarantee”).

FURTHER RESOLVED THAT the rate of return on the Shareholder Loan to be provided to Foundation Wind Energy I Limited shall be at least KIBOR plus two percent, the Shareholder Loan shall be repayable within two years and shall be secured by a guarantee from Fauji Foundation.

FURTHER RESOLVED THAT guarantee fee for the Working Capital Facility Guarantee shall be at least 1.5% of the guaranteed amount, the Working Capital Facility Guarantee shall be granted for a period of three years from the date of issuance and shall be secured by a counter-guarantee from Fauji Foundation.

FURTHER RESOLVED THAT the Company do all such acts, deeds and things as may be necessary and/or expedient for the aforesaid purposes or in furtherance thereof including, without limitation, to enter into and deliver and implement any and all agreements or undertakings as may be necessary or expedient for the purpose.

FURTHER RESOLVED THAT the Managing Director, Company Secretary and General Manager Finance, or such one or more other persons as the Managing Director may from time to time specially designate for the purpose, be and are hereby severally authorised to take any and all actions necessary or conducive for the Shareholder Loan and the Working Capital Facility Guarantee or in implementation thereof including, without limitation, to negotiate, finalize and execute as applicable any and all contracts, instruments, powers of attorney, notices, certificates, documents (of whatever nature and description) for or in connection with the Shareholder Loan and the Working Capital Facility Guarantee consistent with S.R.O 27(I)/2012 issued by the Securities and Exchange Commission of Pakistan; issue any notices, seek any approvals, make any filings and do all such acts, deeds and things as they may deem necessary and/or expedient.”

3. To consider and, if thought fit, pass, with or without modification, the following resolution, as a special resolution for the purpose of approving (i) a loan in the nature of subordinated debt for an amount of US Dollars 585,000 to Foundation Wind Energy II (Private) Limited, and (ii) a corporate guarantee to secure a working capital facility of an amount of up to US Dollars 10 million, out of which the Company will guarantee an amount of up to US Dollars 3.5 million, in relation to Foundation Wind Energy II (Private) Limited:

“**RESOLVED THAT** the Company (i) provide a loan in the nature of subordinated debt for an amount of up to US Dollars 585,000 to Foundation Wind Energy II (Private) Limited for the purposes of making project payments (“Shareholder Loan”), and (ii) provide a corporate guarantee in favor of a bank or financial institution to secure a working capital facility of an amount of up to US Dollars 10 million, out of which the Company will guarantee an amount of up to US Dollars 3.5 million, to be provided to Foundation Wind Energy II (Private) Limited by a bank or a financial institution for the purposes of meeting cash flow mismatch of revenue with payments (“Working Capital Facility Guarantee”).

FURTHER RESOLVED THAT the rate of return on the Shareholder Loan to be provided to Foundation Wind Energy II (Private) Limited shall be at least KIBOR plus two percent, the Shareholder Loan shall be repayable within two years and shall be secured by a guarantee from Fauji Foundation.

FURTHER RESOLVED THAT guarantee fee for the Working Capital Facility Guarantee shall be at least 1.5% of the guaranteed amount, the Working Capital Facility Guarantee shall be granted for a period of three years from the date of issuance and shall be secured by a counter-guarantee from Fauji Foundation.

FURTHER RESOLVED THAT the Company do all such acts, deeds and things as may be necessary and/or expedient for the aforesaid purposes or in furtherance thereof including, without limitation, to enter into and deliver and implement any and all agreements or undertakings as may be necessary or expedient for the purpose.

FURTHER RESOLVED THAT the Managing Director, Company Secretary and General Manager Finance, or such one or more other persons as the Managing Director may from time to time specially designate for the purpose, be and are hereby severally authorised to take any and all actions necessary or conducive for the Shareholder Loan and the Working Capital Facility Guarantee or in implementation thereof including, without limitation, to negotiate, finalize and execute as applicable any and all contracts, instruments, powers of attorney, notices, certificates, documents (of whatever nature and description) for or in connection with the Shareholder Loan and

the Working Capital Facility Guarantee consistent with S.R.O 27(I)/2012 issued by the Securities and Exchange Commission of Pakistan; issue any notices, seek any approvals, make any filings and do all such acts, deeds and things as they may deem necessary and/or expedient.”

**By Order of the Board
Fauji Fertilizer Bin Qasim Limited**

**Place: Rawalpindi
Date: 9 May 2015**

**Brig Muhammad Azam, SI(M), (Retd)
Company Secretary**

Foundation Wind Energy I Limited

Statement under Section 160(1)(b) of the Companies Ordinance, 1984 read with Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012.

i. Name of associated undertaking, nature, amount and extent of loan or advance:

Name	Nature and amount of Loan
Foundation Wind Energy I Limited	(i) Subordinated shareholder loan in the amount of US Dollars 340,000 (ii) Corporate guarantee to secure a working capital facility of an amount of up to US Dollars 15 million, out of which the Company will guarantee an amount of US Dollars 5.25 million

ii. Purpose of loan and likely benefits to accrue to investing company and its members:

The loan and the guarantee are further to the investments approved in the 16th Annual General Meeting and the 9th Extraordinary General Meeting, constituting long term investment aimed at achieving business diversification and totaling investment of US Dollars 13,473,000 out of which US Dollars 11,860,000 has been invested, leaving balance of US Dollars 1,613,000 unutilized. The objective of investment in the power sector (Foundation Wind Energy I Limited) is to benefit from various incentives offered to these sectors by the Government of Pakistan.

The Company has already invested an amount of US Dollars 11,860,000 as part of its investment and sponsor obligations for the project, against which 74,037,388 shares have been issued to the Company. However, as there was a delay of 5 months due to unforeseen circumstances, there have been cost overruns and further sponsor support is required for USD 970,000. An amount of USD 340,000 will be provided as a subordinated loan to Foundation Wind Energy I Limited, which will be utilized for the said purpose.

Moreover, Foundation Wind Energy I Limited will be drawing a working capital facility for an amount of up to US Dollars 15 million. The Company will secure an amount of US Dollars 5.25 million of the said facility by providing a corporate guarantee. The said corporate guarantee will be issued against a counter guarantee from Fauji Foundation.

The project is considered to be long term stable investment that offers a steady and attractive revenue stream to the Company and its shareholders. Given the aforementioned reasons and advantages, the Directors consider that it would be in the best interests of the Company and its shareholders to provide the subordinated loan and the guarantee.

iii. In case any loan has already been granted, the complete details thereof: Not applicable

iv. Financial position, including main items of balance sheet and profit and loss account of the associated undertaking on basis of its financial statements: Latest Annual Audited Financial Statement for the year ended on 30 June 2014 attached

- v. **Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period:** at least KIBOR plus 2% and guarantee fee @ 1.5% of guaranteed amount.
- vi. **Rate of interest, mark up, profit, fees or commission etc. to be charged:** at least KIBOR plus 2% and guarantee fee @ 1.5% of the guaranteed amount
- vii. **Sources of funds from where loans or advances will be given:** Internally generated funds
- viii. **Where loans or advances are being granted using borrowed funds:** not applicable as loan will be granted through internal generated funds
- ix. **Particulars of collateral security to be obtained against loan to the borrowing company or undertaking:** Counter guarantee by Fauji Foundation
- x. **If the loans or advances carry conversion feature, i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable:** Not Applicable
- xi. **Repayment schedule and terms of loans or advances to be given to the investee company:** The shareholder loan will be repaid over a period of two years. The first year will be the grace period and four quarterly payments will be made in the second year

The corporate guarantee for securing the proposed Foundation Wind Energy I Limited's working capital facility and the Shareholder Loan will be provided against a counter guarantee from Fauji Foundation in favor of the Company.

The guarantee fee for the Working Capital Facility Guarantee will be comparable to fees charged by commercial banks/financial institutions for similar guarantees.

The guarantee fee for the Working Capital Facility Guarantee fee will be a one-time fee payable by the associated company.

- I. **Salient features of all agreements entered into with associated company with regards to the proposed investment:** Article 6.1 of the Shareholders Agreement among Foundation Wind Energy I Limited, the Company, Fauji Foundation and IIF Wind One Ltd (“Investor”) dated March 8, 2011 (“Shareholders Agreement”) provides, materially, that:

Each Shareholder agrees to provide, to Foundation Wind Energy I Limited, pro rata to its percentage shareholding interest from time to time, all funds required to develop and operate the Foundation Wind Energy I wind power complex and necessary to meet the cash needs of Foundation Wind Energy I Limited, including funds required for working capital, maintenance, expansions and capital improvements, in each case, in accordance with the annual budget. Additionally, each Shareholder agrees to provide to Foundation Wind Energy I Limited, pro rata to its percentage shareholding interest from time to time, all funds, in the form of additional equity investment only, required and necessary to meet the cash needs of Foundation Wind Energy I Limited arising out of any increase in the cost of the Foundation Wind Energy I wind power project beyond that estimated in the Foundation Wind Energy I Limited's budget.

Upon the call by the board of Foundation Wind Energy I Limited, funds shall be provided as contributions to capital or as loans from such Shareholders to Foundation Wind Energy I Limited, in each case in accordance with the latest prevailing annual budget.

Parties are in the process of executing a written agreement for the Shareholder Loan and the Working Capital Facility Guarantee on the terms approved by the Shareholders.

- xii. **Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration:** Not Applicable
- xiii. **Any other important details necessary for members to understand the transaction:** No other details
- xiv. **In case of investment in a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above:**
The associated company has achieved commercial operations

Inspection of Documents

Copies of duly audited latest annual financial statements of Foundation Wind Energy I Limited along with the latest reviewed financial statements, if any, may be inspected during business hours on any working day at the registered office of the Company from the date of publication of this notice till conclusion of the Extraordinary General Meeting.

The directors of FFBL while presenting the special resolution for making investment in Foundation Wind Energy I Limited will submit an undertaking to FFBL's members that they have carried out necessary due diligence for the proposed investment. The duly signed recommendations of the due diligence report will be made available to the members for inspection in the EGM.

Foundation Wind Energy II (Private) Limited

Statement under Section 160(1)(b) of the Companies Ordinance, 1984 read with Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012.

- i. **Name of associated undertaking, nature, amount and extent of loan or advance:**

Name	Nature and amount of Loan
Foundation Wind Energy II Private Limited	<ul style="list-style-type: none"> (i) Subordinated shareholder loan in the amount of US Dollars 585,000 (ii) Corporate guarantee to secure a working capital facility of an amount of up to US Dollars 10 million, out of which the Company will guarantee an amount of US Dollars 3.5 million

- ii. **Purpose of loan and likely benefits to accrue to investing company and its members:** The loan and the guarantee are further to the investments approved in the 16th Annual General Meeting and the 9th Extraordinary General Meeting, constituting long term investment aimed at achieving business diversification and totaling investment of US Dollars 13,430,000 out of which US Dollars 12,340,000 has been invested, leaving balance of US Dollars 1,090,000 unutilized. The objective of investment in the power sector (Foundation Wind Energy II (Private) Limited) is to benefit from various incentives offered to these sectors by the Government of Pakistan.

The Company has already invested an amount of US Dollars 12,340,000 as part of its investment and sponsor obligations for the project, against which 6,879,352 shares have been issued to the Company. However, as there was a delay of 5 months due to unforeseen circumstances, there have been cost overruns and further sponsor support is required for USD 1,670,000. An amount of USD 585,000 will be provided as a subordinated loan to Foundation Wind Energy II (Private) Limited, which will be utilized for the said purpose.

Moreover, Foundation Wind Energy II (Private) Limited will be drawing a working capital facility for an amount of up to US Dollars 10 million. The Company will secure an amount of US Dollars 3.5 million of the said facility by providing a corporate guarantee. The said corporate guarantee will be issued against a counter guarantee from Fauji Foundation.

The project is considered to be long term stable investment that offers a steady and attractive revenue stream to the Company and its shareholders. Given the aforementioned reasons and advantages, the Directors consider that it would be in the best interests of the Company and its shareholders to provide the subordinated loan and the guarantee.

- iii. **In case any loan has already been granted, the complete details thereof:** Not applicable
- iv. **Financial position, including main items of balance sheet and profit and loss account of the associated undertaking on basis of its financial statements:** Latest Annual Audited Financial Statement for the year ended on 30 June 2014 attached
- v. **Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period:** at least KIBOR plus 2% and guarantee fee @ 1.5% of guaranteed amount.
- vi. **Rate of interest, mark up, profit, fees or commission etc. to be charged:** at least KIBOR plus 2% and guarantee fee @ 1.5% of the guaranteed amount
- vii. **Sources of funds from where loans or advances will be given:** Internally generated funds
- viii. **Where loans or advances are being granted using borrowed funds:** not applicable as loan will be granted through internal generated funds
- ix. **Particulars of collateral security to be obtained against loan to the borrowing company or undertaking:** Counter guarantee by Fauji Foundation
- x. **If the loans or advances carry conversion feature, i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the**

conversion may take place and the time when the conversion may be exercisable: Not Applicable

- xi. **Repayment schedule and terms of loans or advances to be given to the investee company:** The shareholder loan will be repaid over a period of two years. The first year will be the grace period and four quarterly payments will be made in the second year

The corporate guarantee for securing the proposed Foundation Wind Energy II (Private) Limited's working capital facility and the Shareholder Loan will be provided against a counter guarantee from Fauji Foundation in favor of the Company.

The guarantee fee for the Working Capital Facility Guarantee will be comparable to fees charged by commercial banks/financial institutions for similar guarantees.

The guarantee fee for the Working Capital Facility Guarantee fee will be a one-time fee payable by the associated company.

- xii. **Salient features of all agreements entered into with associated company with regards to the proposed investment:** Article 6.1 of the Shareholders Agreement among Foundation Wind Energy II (Private) Limited, the Company, Fauji Foundation, Mustafa Tapal, Adnaan Tapal, Daanish Tapal and IIF Wind Two Ltd (“Investor”) dated March 8, 2011 (“Shareholders Agreement”) provides, materially, that:

Each Shareholder agrees to provide, to Foundation Wind Energy II (Private) Limited, pro rata to its percentage shareholding interest from time to time, all funds required to develop and operate the Foundation Wind Energy II (Private) wind power complex and necessary to meet the cash needs of Foundation Wind Energy II (Private) Limited, including funds required for working capital, maintenance, expansions and capital improvements, in each case, in accordance with the annual budget. Additionally, each Shareholder agrees to provide to Foundation Wind Energy II (Private) Limited, pro rata to its percentage shareholding interest from time to time, all funds, in the form of additional equity investment only, required and necessary to meet the cash needs of Foundation Wind Energy II (Private) Limited arising out of any increase in the cost of the Foundation Wind Energy II (Private) wind power project beyond that estimated in the Foundation Wind Energy II (Private) Limited's budget.

Upon the call by the board of Foundation Wind Energy II (Private) Limited, funds shall be provided as contributions to capital or as loans from such Shareholders to Foundation Wind Energy II (Private) Limited, in each case in accordance with the latest prevailing annual budget.

Parties are in the process of executing a written agreement for the Shareholder Loan and the Working Capital Facility Guarantee on the terms approved by the Shareholders.

- xiii. **Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration:** Not Applicable

- xiv. **Any other important details necessary for members to understand the transaction:** No other details

- xv. **In case of investment in a project of an associated company or associated undertaking that has**

not commenced operations, in addition to the information referred to above: The associated company has achieved commercial operations

Inspection of Documents

Copies of duly audited latest annual financial statements of Foundation Wind Energy II (Private) Limited along with the latest reviewed financial statements, if any, may be inspected during business hours on any working day at the registered office of the Company from the date of publication of this notice till conclusion of the Extraordinary General Meeting.

The directors of FFBL while presenting the special resolution for making investment in Foundation Wind Energy II (Private) Limited will submit an undertaking to FFBL's members that they have carried out necessary due diligence for the proposed investment. The duly signed recommendations of the due diligence report will be made available to the members for inspection in the EGM.

NOTES:-

1. Share transfer books of the Company will remain closed from 26 May 2015 to 01 June 2015 (both days inclusive).
2. A member of the Company entitled to attend and vote at EGM may appoint a person/representative as proxy to attend and vote in place of member at the meeting. Proxies in order to be effective must be received at Company's Registered Office, 73-Harley Street, Rawalpindi, duly stamped and signed not later than 48 hours before the time of holding meeting. A member cannot appoint more than one proxy. A copy of shareholder's attested CNIC must be attached with the proxy form.
3. The CDC/sub account holders are required to follow the under mentioned guidelines as laid down by Securities and Exchange Commission of Pakistan:-
 - (a) For attending the Meeting
 - i. In case of individuals, the account holder or sub-account holder shall authenticate his/her identity by showing his/her original computerized national identity card or original passport at the time of attending the meeting.
 - ii. 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 meeting.
 - (b) For appointing proxies
 - i. In case of individuals, the account holder or sub-account holder shall submit the proxy form as per the above requirement.
 - ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv. The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.
 - v. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted to the Company along with proxy form.
5. Members are requested to promptly notify any change in their addresses.
6. For any other information, please contact at:-
Ph # 051 9272196 - 7 Fax # 051 9272198 - 9

FORM OF PROXY EXTRAORDINARY GENERAL MEETING

The Company Secretary
Fauji Fertilizer Bin Qasim Limited
73-Harley Street,
Rawalpindi

I/We _____

of _____

being a member(s) of Fauji Fertilizer Bin Qasim Limited hold _____ ordinary

shares hereby appoint Mr / Mrs / Miss

_____ of _____ or

failing him / her _____ of _____ as

my / our proxy in my / our absence to attend and vote for me / us on my / our behalf at the Extraordinary General Meeting of the Company to be held on 01 June 2015 and / or any adjournment thereof.

As witness my / our hands seal this _____ day of _____
2015.

Signed by _____

in the presence of

Folio	CDC Account No	
	Participant ID	Sub Account No

Signature on Five
Rupees Revenue
Stamp

This signature should agree with the
specimen registered with the Company

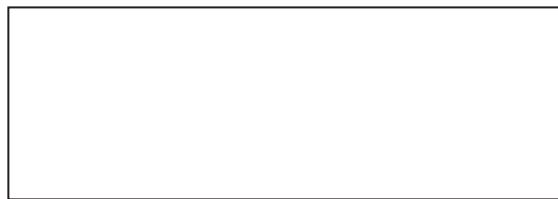
IMPORTANT

1. This Proxy Form, duly completed and signed, must be deposited at the registered office of the Company, 73-Harley Street, Rawalpindi not less than 48 hours before the time of holding of the meeting.
2. If a member appoints more than one proxies and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

AFFIX
CORRECT
POSTAGE

The Company Secretary
Fauji Fertilizer Bin Qasim Limited
73-Harley Street,
Rawalpindi, Pakistan.

Book Post



If undelivered please return to:



Company Secretary
Fauji Fertilizer Bin Qasim Limited

73-Harley Street,
Rawalpindi, Pakistan.
Tel: 051-9272196-97