

# Notice of Annual General Meeting

Notice is hereby given that the 22nd Annual General Meeting of the shareholders of Fauji Fertilizer Bin Qasim Limited will be held at 1100 hrs on 08 March 2016 at Pearl Continental Hotel, Rawalpindi, to transact the following businesses:

## ORDINARY BUSINESS

1. To confirm the minutes of Extraordinary General Meeting held on 01 June 2015.
2. To receive, consider and approve the Audited Accounts of the Company (separate and consolidated) together with the Directors' and the Auditors' reports for the year ended 31 December 2015.
3. To appoint auditors of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration. The retiring auditors have offered themselves for re-appointment. A notice has been received from a member in terms of Section 253(2) of the Companies Ordinance, 1984 recommending appointment of M/s Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants as Auditors, other than the retiring Auditors, of the Company.
4. To approve payment of final dividend for the year ended 31 December 2015 as recommended by the Board of Directors.

## SPECIAL BUSINESS

5. To pass the following resolutions as Special Resolution with or without any amendments, modifications or alterations:

**RESOLVED THAT** the registered office of the Company be changed from the Province of Punjab i.e. from 73-Harley Street, Rawalpindi to the Islamabad Capital Territory i.e. to Building No. C1/C2, Sector B, Jinnah Boulevard, Phase II, DHA Islamabad.

**FURTHER RESOLVED THAT** Clause II of the Memorandum of Association of the Company be substituted as follows:

"The Registered Office of the Company will be situated in the Islamabad Capital Territory."

6. **RESOLVED THAT** the approval of the members of the Company be and is hereby accorded in terms of Section 208 of the Companies Ordinance, 1984 and the Company be and is hereby authorized to invest in Noon Pakistan Limited ("NPL") by subscribing to 38,532,514 Ordinary Shares at a price of Rs. 29.78 each, offered as right shares to the Company by NPL as part of the right issue announced by NPL on December 21, 2015 and, in addition, to such further Rights to Ordinary Shares as may be offered/renounced by other shareholders of NPL in the said rights issue, provided that the aggregate amount to be invested in the Shares of NPL by the Company under the authority of this Resolution shall not exceed the sum of PKR 1.45 Billion.

**RESOLVED THAT** the approval of the members of the Company be and is hereby accorded in terms of Section 208 of the Companies Ordinance, 1984 and the Company is authorized to further invest in NPL by acquiring a total of 3,663,758 non-voting ordinary shares from certain shareholders of NPL and by acquiring and subscribing to the associated rights shares (i.e., approx. 11,767,991 ordinary shares) announced by NPL on December 21, 2015, provided that the aggregate amount to be invested in the Shares of NPL by the Company under the authority of this Resolution shall not exceed the sum of PKR 1.1 Billion, in addition to the investment of up to PKR 1.45 Billion authorized by the preceding Resolution above.

**FURTHER RESOLVED THAT** the Managing Director, Company Secretary and Chief Financial Officer, or such one or more other persons as the



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Managing Director may from time to time specially designate for the purpose, be and are hereby authorized to singly or jointly take any and all actions necessary or conducive for such investment in NPL or in implementation thereof, including, without limitation to the generality of the foregoing, by issuing all such notices and making all such filings, declarations and undertakings as may be necessary or conducive for and in connection with any of the foregoing matters.

7. **RESOLVED THAT**, the approval of the members of the Company be and is hereby accorded in terms of Section 208 of the Companies Ordinance, 1984 and the Company be and is authorized to (i) secure the project financing ("Project Financing") being provided to FFBL Power Company Limited ("FPCL") by a syndicate of financiers led by National Bank of Pakistan (the "Financiers"); (ii) meet any cost overruns and shortfalls; and (iii) provide such further funds as may be required from time to time;

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to implement the Sponsor Support Agreement on such terms and conditions as maybe negotiated by the authorised representatives for implementing the above resolution;

**FURTHER RESOLVED THAT** the Company may pledge the shares held by the Company in the paid up and issued capital of FPCL, for securing the Project Financing as per the terms negotiated and agreed between the authorized representative of the Company and the Financiers in accordance with the Letter of Pledge dated 31 December 2015;

**FURTHER RESOLVED THAT** in the event that a demand for foregoing payments is made the approval of the members of the Company be and is hereby accorded in terms of Section 208 for the demanded amount either by way

of subscription for shares at the rate of Rs. 10 per share or by treating such amount as subordinated debt, on terms and conditions to be agreed in writing between the Company, FPCL and the Syndicate provided that the total investment to be made by the Company in FPCL under the authority of this Resolution shall not exceed PKR 35 Billion over the course of 12 years from the date hereof and provided, further, that, in case, and to the extent that, the investment is made in the form of subordinated debt, the rate of mark-up to be charged to FPCL with respect thereto shall not be less than the Company's borrowing cost;

**FURTHER RESOLVED THAT** each of Lt Gen Muhammad Haroon Aslam, HI(M), S.Bt, (Retd), Chief Executive & Managing Director, Syed Aamir Ahsan, Chief Financial Officer be and are hereby authorized to take such other steps and execute such other documents, deeds and undertakings as may be necessary or expedient for the purpose of giving effect to the above resolutions concerning FPCL;

**FURTHER RESOLVED THAT** the Company Secretary be and is hereby authorized to fulfill all requisite legal, procedural and corporate formalities for giving effect to above resolutions.

## Other Business

8. Any other business with the permission of the Chairman.

By Order of the Board  
Fauji Fertilizer Bin Qasim Limited

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

Company Secretary

15 February 2016

Rawalpindi

## Statement under Section 160 of the Companies Ordinance, 1984

### Investment in Noon Pakistan Limited

Noon Pakistan Limited ("NPL"/"Company") was incorporated in 1966 as a Public Company with paid up capital of PKR 115.2 million and total investment of PKR 553 million. NPL commenced its operations in June 1972 and its products are marketed under the brand name of 'Nurpur'.

Fauji Fertilizer Bin Qasim Limited ("FFBL"), in line with its strategy to diversify its businesses and viewing the unfulfilled potential of Nurpur, announced in 2014 its intention to buy majority stake in NPL. Noon group sponsors, thus, signed an agreement with Fauji Fertilizer Bin Qasim Ltd and Fauji Foundation for sale of majority stake in NPL.

FFBL acquired 38.25% and Fauji Foundation acquired 12.75% voting and non-voting shares of NPL in September 2015.

The new NPL Board of Directors have appointed Chief Executive Officer, Chief Financial Officer and Head of Internal Audit. Further, they are also taking steps to improve the financial condition and operations of NPL.

NPL in its board meeting held on December 21, 2015 announced a right issue of 321.2% per share at a premium of Rs 19.78. The purpose of right issue is to expand production capacity, modernize the plant and improve liquidity of the Company. The management of NPL has also planned a BMR of Rs 8 billion out of which around 37.5% of the required funds will be financed through right issue and the remaining would be financed through financing from financial institutions. Through the BMR the current capacity of UHT plant will be enhanced from 128,000 LPD to 608,000 LPD. Further, the existing product lines will also be strengthened by improving quality, design and availability.

NPL is currently suffering from loss. The Company revenue is estimated at Rs 2 billion which after the proposed BMR will enhance to Rs 30 billion by 2020. NPL Board is committed to improve the financial condition of NPL.

In addition to above, the FFBL Board of Directors expects a healthy growth in the financial condition of the Company in the future years. Accordingly, the Board of Directors of FFBL has (subject to shareholder and regulatory approvals) decided to subscribe 100% of the right offered. Further, they are also willing to subscribe the renounced rights shares and buy further shares from the market (including the non-voting ordinary shares and related right shares offered by certain shareholders of NPL) to the extent of the total amount for which the approval of the members of FFBL is being sought. The Directors have carried out due diligence and the due diligence report will be available for inspection by the members on the day of the general meeting.



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## Information pursuant to Section 3 (a), Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012

Information Required	Information Provided
Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Noon Pakistan Limited Fauji Fertilizer Bin Qasim Limited (FFBL) owns 38.25% of voting share capital and non-voting share capital of NPL.
Maximum amount of investment	FFBL being the primary sponsor has undertaken to subscribe 100% of right allotted by NPL. In addition to right shares, FFBL plans to acquire shares/associated right shares of up to Rs 1.45 Billion. Furthermore, FFBL plans to acquire non-voting ordinary shares from certain shareholders of NPL (and subscribe to the associated right shares) in the amount of upto Rs. 1.1 Billion. The total investment in NPL is, thus, Rs 2.55 Billion.
Purpose, benefits and period of investment	The purpose of right issue is to expand production capacity, modernize the plant and improve liquidity of the Company. NPL is currently suffering from loss. NPL EPS is expected to increase to Rs. 6.28 by the end of 2020. The period of investment is indefinite.
Maximum price at which securities will be acquired	Right shares will be acquired at Rs. 29.78 per share including premium of Rs 19.78. Non-Voting shares (including associated rights) will be acquired at Rs. 183.40 per share i.e. prevalent market price at the time of offer.
Maximum number of securities to be acquired	FFBL will acquire approx. 38,532,514 shares offered as right shares to FFBL in addition to acquisition of 3,663,758 non-voting ordinary shares (including associated approx. 11,767,991 shares offered as right shares to original shareholders) and acquisition from market/renounced shares, if any, whose maximum number is not known at this stage as it depends on the market price at the time of acquisition but, in any case, FFBL's investment will not exceed the aggregate amount (Rs. 2.55 Billion) for which approval is sought.
Number of securities and percentage thereof held before and after the proposed investment	FFBL has 4,498,659 voting and 7,497,765 non-voting ordinary shares of NPL, constituting 38.25% of the total issued and paid-up voting and non-voting ordinary shares of NPL.  After proposed investment the number would be at least approx. 54,799,162 voting shares and 11,161,523 non-voting ordinary shares of NPL constituting 49.93 of the total issued and paid-up voting and non-voting ordinary shares of NPL.
In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Voting share Rs. 287.83 and Non-voting share Rs. 206.52

In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	N/A										
Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	7.43 per share based on audited financial statements as at December 31, 2015 (equity includes surplus on revaluation of property, plant and equipment)										
Earnings per share of the associated company or associated undertaking for the last three years	<table> <thead> <tr> <th>Year</th> <th>Earnings / (loss) Per share</th> </tr> </thead> <tbody> <tr> <td>June 30, 2013</td> <td>(9.18)</td> </tr> <tr> <td>June 30, 2014</td> <td>(7.02)</td> </tr> <tr> <td>June 30, 2015</td> <td>(11.75)</td> </tr> <tr> <td>December 31, 2015</td> <td>(3.38)</td> </tr> </tbody> </table>	Year	Earnings / (loss) Per share	June 30, 2013	(9.18)	June 30, 2014	(7.02)	June 30, 2015	(11.75)	December 31, 2015	(3.38)
Year	Earnings / (loss) Per share										
June 30, 2013	(9.18)										
June 30, 2014	(7.02)										
June 30, 2015	(11.75)										
December 31, 2015	(3.38)										
Sources of fund from which securities will be acquired	Self-Generated funds										
Where the securities are intended to be acquired using borrowed funds,- (I) justification for investment through borrowings; and (II) detail of guarantees and assets pledged for obtaining such funds;	N/A										
Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	N/A										
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	<p>Fauji Foundation (shareholder of FFBL), also holds 12.75% of voting and non-voting shares of NPL.</p> <p>Following directors of NPL are also on the board of FFBL:</p> <ul style="list-style-type: none"> <li>- Lt Gen Khalid Nawaz Khan HI(M), Sitara-i-Esar, (Retd)</li> <li>- Lt Gen Muhammad Haroon Aslam HI(M), S.Bt, (Retd);</li> <li>- Lt Gen Mr. Shafqaat Ahmed HI(M), (Retd)</li> <li>- Dr. Nadeem Inayat; &amp;</li> <li>- Mr. Qaiser Javed</li> </ul>										
Any other important details necessary for the members to understand the transaction	When NPL was acquired in 2015 it was understood that NPL will need financial support in order to turn around its business results, improve market share, production capacity and products' quality. Furthermore, FFBL offered to acquire additional 10.23% from general public but no one opted to sell at offer price. Now FFBL has got opportunity to increase voting rights and investment in NPL. Therefore, shareholder approval is required to increase its investment in NPL. .										
In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely,- (I) description of the project and its history since conceptualization; (II) starting and expected date of completion of work; (III) time by which such project shall become commercially operational; and (IV) expected time by which the project shall start paying return on investment;	N/A										

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## Statement under Section 160 of the Companies Ordinance, 1984

### Investment in FFBL Power Company Limited

FFBL currently has in-house power generation facility which runs on natural gas. Natural gas is required in large volumes by FFBL for the purpose of both feedstock and fuel to operate various ancillary equipment of the fertilizer plant including power generation. Taking a long term view, FFBL decided to develop new coal fired power generation project by incorporating a subsidiary under the name of FFBL Power Company Limited ("FPCL") as Special Purpose Vehicle for setting up an approximately 118 MW Coal Fired Power Plant (the "Project"). The Project shall supply electricity to K-Electric and FFBL Karachi along with supply of steam to the latter on need basis. The conserved natural gas (around 21 MMSCFD) shall enhance the fertilizer production of FFBL. The Board of Directors of FFBL in its 100th Meeting held on October 25, 2013 accorded the approval of the Project.

FPCL approached K-Electric for acquisition of power. In view of power shortage in the city, K-Electric considered the offer of FPCL and submitted a Power Acquisition Request ("PAR") with NEPRA in accordance with Interim Power Procurement Regulations (IPPR) 2005. NEPRA awarded Tariff determination on 29th December 2015.

The total project cost of FPCL is estimated to be US\$ 265 Million, equivalent to PKR 29,150 Million (PKR Twenty Nine Billion One hundred and Fifty Million Only), which shall be financed through a debt to equity ratio of 75:25. FFBL and Fauji Foundation ("FF") are the shareholders of FPCL, each representing 75% and 25% share capital of FPCL respectively. The financing of the project (up to Rs. 21,863 Million) has already been arranged through consortium of local banks. However, the disbursements are subject to fulfillment of certain condition precedents.

FPCL has entered into various financing and security documents. As part of the security package to secure the financing under Project Finance, FFBL (the principal sponsor) is required to provide one or more guarantee(s) from time to time provided:

- a. the amount guaranteed till the achievement, by FPCL, of the Commercial Operations Date/ Technical Completion Date as defined in the financing documents (i) with respect to the FPCL Project Financing shall not exceed the amount of project financing of PKR 21,863 million (PKR Twenty One Billion Eight Hundred and Sixty Three Million only) together with 25% margin and any outstanding markup in aggregate and (ii) any cost overruns;
- b. for the period between the Technical Completion Date up to Project Completion Date (i) guarantee to provide such further funds as may be required from time to time to meet any operating cost overruns and shortfalls and (ii) guarantee to cover Project Financing shall not exceed PKR 8,000 million (PKR Eight Billion only) in aggregate;
- c. the amount guaranteed under Project Financing after achievement of Project Completion Date and only in case of termination of any off-take agreement (KE-Power Purchase Agreement, FFBL- Power Purchase Agreement and Steam Supply Agreement) in case of FPCL default under the financing documents shall not exceed PKR 8,000 million (PKR Eight Billion only) in the aggregate;
- d. Shares representing 75% of the paid up capital of FPCL, owned by FFBL, from time to time, shall be pledged with the financiers/security trustee of the Project Company till the achievement of Project Completion Date and thereafter shares not exceeding 38.25% of the paid up capital of FPCL, owned by FFBL, shall remain pledged.

FPCL is expected to achieve Commercial Operation by the first quarter of year 2017. The Directors have carried out due diligence and the due diligence report will be available for inspection by the members on the day of the general meeting.

## Information pursuant to section 3 (a), Companies (Investment in Associated companies or Associated undertakings) Regulation, 2012

### Guarantee against Cost overruns – if demanded for payment is deemed equity

Information Required	Information Provided
Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	FFBL Power Company Limited ("FPCL") FFBL owns 75% of share capital of FPCL.
Maximum amount of investment	FFBL is obliged to pay the cost overruns amount in cash, by way of subscription of FPCL shares.  In case of investment by way of subscription of FPCL shares:  a. The amount guaranteed till the achievement, by FPCL, of the Commercial Operations Date/Technical Completion Date as defined in the financing documents (i) with respect to the FPCL Project Financing shall not exceed the amount of project financing of PKR 21,863 million (PKR Twenty One Billion Eight Hundred and Sixty Three Million only) together with 25% margin and any outstanding markup in aggregate and (ii) any cost overruns;  b. For the period between the Technical Completion Date up to Project Completion Date (i) such further funds as may be required from time to time to meet any operating cost overruns and shortfalls and (ii) amount contributed to cover Project Financing shall not exceed PKR 8,000 million (PKR Eight Billion only) in aggregate; and  c. The amount contributed under Project Financing after achievement of Project Completion Date and only in case of termination of off-take agreements in case of FPCL default under the financing documents shall not exceed PKR 8,000 million (PKR Eight Billion only) in the aggregate.
Purpose, benefits and period of investment	The main purpose of the project is to meet FFBL's existing Power and Steam Requirement, divert the conserved natural gas (around 21 MMSCFD) to enhance fertilizer production and to sell power under a long term arrangement to K-Electric.  The project life is 30 years. IRR of the project is expected to be 18.38%.
Maximum price at which securities will be acquired	Rs. 10 per share.

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Maximum number of securities to be acquired	Number of securities will be calculated by determining the value of funds injected on date of subscription and dividing it by Rs. 10.						
Number of securities and percentage thereof held before and after the proposed investment	FFBL has already been allotted 516,750,000 shares @ Rs. 10 per share.  In terms of investment, the number of securities will depend upon the funds injected at the time of subscription, if any, into FPCL.						
In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	N/A						
In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Rs. 10 per share being latest offer price						
Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	Rs. 9.91						
Earnings per share of the associated company or associated undertaking for the last three years	<table border="1"> <thead> <tr> <th>Year</th> <th>Earnings / (loss) Per share</th> </tr> </thead> <tbody> <tr> <td>2014</td> <td>(210)</td> </tr> <tr> <td>2015</td> <td>(0.06)</td> </tr> </tbody> </table>	Year	Earnings / (loss) Per share	2014	(210)	2015	(0.06)
Year	Earnings / (loss) Per share						
2014	(210)						
2015	(0.06)						
Sources of fund from which securities will be acquired	N/A						
Where the securities are intended to be acquired using borrowed funds;  (I) justification for investment through borrowings; and  (II) detail of guarantees and assets pledged for obtaining such funds;	N/A						
Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Please see preamble above						
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	Fauji Foundation is one of the sponsors of FPCL and is also an associate concern of FFBL as it holds directly 18.29% of paid up share capital of FFBL.  Following directors of FPCL are also on the board of FFBL: <ul style="list-style-type: none"> <li>- Lt Gen Khalid Nawaz Khan HI(M), Sitara-i-Esar, (Retd)</li> <li>- Lt Gen Muhammad Haroon Aslam HI(M), S.Bt, (Retd);</li> <li>- Lt Gen Mr. Shafqaat Ahmed HI(M), (Retd)</li> <li>- Dr. Nadeem Inayat; &amp;</li> <li>- Mr. Qaiser Javed</li> <li>- Maj Gen Syed Jamal Shahid, HI(M) (Retd)</li> </ul>						
Any other important details necessary for the members to understand the transaction	None						

In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely;

- (I) description of the project and its history since conceptualization;
- (II) starting and expected date of completion of work;
- (III) time by which such project shall become commercially operational; and
- (IV) expected time by which the project shall start paying return on investment;

The company was incorporated in June 2014. However, work on the project was started in April 2015. The project is expected to complete and start commercial operations by first quarter of year 2017. The company will start paying return from the year 2017 after its commissioning. For further information please see preamble above.

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Information pursuant to section 3 (b), companies (Investment in Associated companies or Associated Undertakings) Regulations, 2012

## Guarantee against Cost overruns – if demanded for payment is deemed subordinated debt

Information Required	Information Provided
Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	FFBL Power Company Limited  Fauji Fertilizer Bin Qasim Limited owns 75% of share capital of FPCL.
Amount of loans or advances	FFBL is obliged to pay cost overruns amount in cash, by way of subordinated debt to FPCL.  In case of subordinated debt to FPCL:  1) The amount guaranteed till the achievement, by FPCL, of the Commercial Operations Date/Technical Completion Date as defined in the financing documents (i) with respect to the FPCL Project Financing shall not exceed the amount of project financing of PKR 21,863 million (PKR Twenty One Billion Eight Hundred and Sixty Three Million only) together with 25% margin and any outstanding markup in aggregate and (ii) any cost overruns;  2) For the period between the Technical Completion Date up to Project Completion Date (i) such further funds as may be required from time to time to meet any operating cost overruns and shortfalls and (ii) amount contributed to cover Project Financing shall not exceed PKR 8,000 million (PKR Eight Billion only) in aggregate; and  3) The amount contributed under Project Financing after achievement of Project Completion Date and only in case of termination of off-take agreements in case of FPCL default under the financing documents shall not exceed PKR 8,000 million (PKR Eight Billion only) in the aggregate.
Purpose of loans or advances and benefits likely to accrue to the investing company and its members from such loans or advances	The main purpose is to develop the project so as to meet the FFBL's existing Power and Steam Requirement, divert the conserved natural gas (around 21 MMSCFD) to enhance fertilizer production and to sell power under a long term arrangement to K-Electric.  IRR of the project is expected to be 18.38%.
In case any loan has already been granted to the said associated company or associated undertaking, the complete details thereof	N/A

Financial position, including main items of balance sheet and profit and loss account of the associated company or associated undertaking on the basis of its latest financial statements	As at December 2015 Total Assets: 14,710 Million Liabilities: 7,482 Million Equity: 7,228 Million Profit / (loss) for the year: (38) Million
Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period	3 Months KIBOR + 0.50%
Rate of interest, mark up, profit, fees or commission etc. to be charged	Higher or equivalent to markup payable by company on its borrowing of like or similar maturities at the time of disbursement.
Sources of funds from where loans or advances will be given	N/A
Where loans or advances are being granted using borrowed funds; (I) justification for granting loan or advance out of borrowed funds; (II) detail of guarantees / assets pledged for obtaining such funds, if any; and (III) repayment schedules of borrowing of the investing company	N/A
Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any	Not Applicable
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
Repayment schedule and terms of loans or advances to be given to the investee company	To be finalized with the lenders at the time (and if) a loan is required to be extended. However, it is expected that the rate of mark-up charged will not be less than the borrowing cost of FFBL and that the term of FFBL's loan to FPCL will be at least as long as the loan / finances to be provided by lenders which is 10-12 years from the date of effectiveness of their loan agreement. Repayment of both the principal and markup payable by FPCL will be subordinated to principal/markup/interest and other payment due to lenders under their financing documents.
Salient feature of all agreements entered or to be entered with its associated company or associated undertaking with regards to proposed investment	Please see preamble above

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<p>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</p>	<p>Fauji Foundation is a sponsor of FPCL and is also an associate concern of FFBL as it holds directly 18.29% of paid up share capital of FFBL.</p> <p>Following directors of FPCL are also on the board of FFBL:</p> <ul style="list-style-type: none"> <li>- Lt Gen Khalid Nawaz Khan HI(M), Sitara-i-Esar, (Retd)</li> <li>- Lt Gen Muhammad Haroon Aslam HI(M), S.Bt, (Retd);</li> <li>- Lt Gen Mr. Shafqaat Ahmed HI(M), (Retd)</li> <li>- Dr. Nadeem Inayat; &amp;</li> <li>- Mr. Qaiser Javed</li> <li>- Maj Gen Syed Jamal Shahid, HI(M) (Retd)</li> </ul>
<p>Any other important details necessary for the members to understand the transaction; and</p>	<p>None</p>
<p>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 following further information is required, namely,-</p> <ul style="list-style-type: none"> <li>(I) a description of the project and its history since conceptualization;</li> <li>(II) starting date and expected date of completion;</li> <li>(III) time by which such project shall become commercially operational;</li> <li>(IV) expected return on total capital employed in the project; and</li> <li>(V) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts.</li> </ul>	<p>The company was incorporated in June 2014. However, work on the project was started in April 2015. The project is expected to complete and start commercial operations by first quarter of year 2017. The company will start paying return from the year 2017 after its commissioning. For further information please see preamble above.</p>

Share transfer books of the Company will remain closed from 02 to 08 Mar 2016 (both days inclusive) for the purpose of holding the Annual General Meeting.

**NOTES:-**

1. Share transfer books of the Company will remain closed from 02 to 08 Mar 2016 (both days inclusive) for the purpose of holding the Annual General Meeting.
2. A member of the Company entitled to attend and vote at AGM 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 duly stamped and signed not later than 48 hours before the time of holding meeting. A member cannot appoint more than one proxy. Attested copy of shareholder's 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 contained in Circular No. 1 of 2000 dated 26 January:-

**(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 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.
4. Members are requested to promptly notify any change in their addresses.
  5. As per clear direction of SECP, CNIC number is mandatory for the issuance of dividend warrant. The shareholders, who have yet not submitted copy of their CNIC, are once again requested to submit the copy of their valid CNIC to our shares registrar.
  6. In order to transfer the amount of dividend directly into bank accounts, shareholders are requested to provide detail of bank account (CDC account holders to their respective members and physical shareholders to Company or our Shares Registrar).
  7. Vide SRO No. 787(1)2014 dated 08 September, 2014, SECP has allowed companies to circulate



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audited financial statements and notice of AGM to shareholders through their email addresses subject to the written consent of the shareholders. Shareholders who wish to receive annual reports and notice of AGM through e-mail are requested to provide, through a letter duly signed by them, their particulars, i.e. Name, Folio/ CDC A/C No., E-mail Address, Contact Number, CNIC Number (attach copy). Shareholders are also requested to notify immediately any change in their e-mail address to the Share Registrar of the Company M/s Corplink (Pvt) Ltd, Wings Arcade, 1-K, Commercial, Model Town, Lahore.

# Deduction of Withholding Tax on Dividend Amount

The Government of Pakistan 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. These tax rates are as under:

- |     |  |       |
|-----|--|-------|
| (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 the shareholders whose names are not entered into the Active Taxpayers 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 for payment of the cash dividend otherwise tax on their cash dividend will be deducted @17.5% instead @12.5%.

The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or our Share Registrar i.e. M/s Corplink (Pvt) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

As per FBR's Circular No. 1(29)WHT/2006 dated June 30,2010 and C.No.1(43)DG (WHT)/2008-Vol-II.66417-R Dated May 12, 2015 the valid exemption certificate is mandatory to claim exemption of withholding tax under Section 150 of the Income Tax Ordinance 2001(tax on dividend amount) where the statutory exemption under Clause 47B of Part- IV of Second Schedule is available. Those who want to avail exemption under Section 150 of the Income Tax Ordinance 2001 and fall in the category mentioned in above Clause must provide valid Tax Exemption Certificate to our Shares Registrar otherwise tax will be deducted on dividend amount as per rates prescribed in Section 150 of the Ordinance.

For shareholders holding shares jointly, as per the clarification of Federal Board of Revenue, withholding tax will be determined separately on "Filer/Non-filer" status of Principal shareholder as well as joint-holders based on their shareholding proportion in case of joint accounts. Therefore all shareholders who hold shares jointly are requested to provide shareholding proportion of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Shares Registrar in writing, as follows:

Folio/CDC A/c No	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding	Name and CNIC # Proportion (No of Shares)	Shareholding Proportion (No of Shares)

The above required information must be provided to our Shares Registrar otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint-holder(s).

For any query/problem/information, the investors may contact the company and/or the Share Registrar at the following phone Numbers and email address:

**Fauji Fertilizer Bin Qasim Limited**

73-Harley Street, Rawalpindi.

Phone No 051 9272196-7, E-mail: shares@ffbl.com

**Shares Registrar:**

M/s Corplink (Pvt) Ltd, Wings Arcade, 1-K, Commercial, Model Town, Lahore,

Phone No 042 35839182, 35916719, E-mail: corplink786@yahoo.com



# Consent for Video Conference Facility

Members can also avail video conference facility in Karachi and Lahore. In this regard please fill the following and submit to registered address of the Company 10 days before holding the general meeting.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting alongwith complete information necessary to enable them to access such facility.

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of Fauji Fertilizer Bin Qasim Limited, holder of \_\_\_\_\_ Ordinary Share(s) as per Register Folio / CDC Account No \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of member





# Fauji Fertilizer Bin Qasim Limited

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of the shareholders of Fauji Fertilizer Bin Qasim Limited will be held at 1100 hrs on 08 March 2016 at Pearl Continental Hotel, Rawalpindi, to transact the following businesses:

### ORDINARY BUSINESS

- To confirm the minutes of Extraordinary General Meeting held on 01 June 2015.
- To receive, consider and approve the Audited Accounts of the Company (separate and consolidated) together with the Directors' and the Auditors' reports for the year ended 31 December 2015.
- To appoint auditors of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration. The retiring auditors have offered themselves for re-appointment. A notice has been received from a member in terms of Section 253(2) of the Companies Ordinance, 1984 recommending appointment of M/s Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants as Auditors, other than the retiring Auditors, of the Company.
- To approve payment of final dividend for the year ended 31 December 2015 as recommended by the Board of Directors.

### SPECIAL BUSINESS

- To pass the following resolutions as Special Resolution with or without any amendments, modifications or alterations:

**RESOLVED THAT** the registered office of the Company be changed from the Province of Punjab i.e. from 73-Harley Street, Rawalpindi to the Islamabad Capital Territory i.e. to Building No. C1/C2, Sector B, Jinnah Boulevard, Phase II, DHA, Islamabad.

**FURTHER RESOLVED THAT** Clause II of the Memorandum of Association of the Company be substituted as follows:

"The Registered Office of the Company will be situated in the Islamabad Capital Territory."

- RESOLVED THAT** the approval of the members of the Company be and is hereby accorded in terms of Section 208 of the Companies Ordinance, 1984 and the Company be and is hereby authorized to invest in Noon Pakistan Limited ("NPL") by subscribing to 38,532,514 Ordinary Shares at a price of Rs. 29.78 each, offered as right shares to the Company by NPL as part of the right issue announced by NPL on December 21, 2015 and, in addition to such further Rights to Ordinary Shares as may be offered/renewed by other shareholders of NPL in the said right issue, provided that the aggregate amount to be invested in the Shares of NPL by the Company under the authority of this Resolution shall not exceed the sum of PKR 1.45 Billion.

**RESOLVED THAT** the approval of the members of the Company be and is hereby accorded in terms of Section 208 of the Companies Ordinance, 1984 and the Company is authorized to further invest in NPL by acquiring a total of 3,663,758 non-voting ordinary shares from certain shareholders of NPL and by acquiring and subscribing to the associated rights shares (i.e., approx. 11,767,991 ordinary shares) announced by NPL on December 21, 2015, provided that the aggregate amount to be invested in the Shares of NPL by the Company under the authority of this Resolution shall not exceed the sum of PKR 1.1 Billion, in addition to the investment of up to PKR 1.45 Billion authorized by the preceding Resolution above.

**FURTHER RESOLVED THAT** the Managing Director, Company Secretary and Chief Financial Officer, 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 authorized to singly or jointly take any and all actions necessary or conducive for such investment in NPL or in implementation thereof, including, without limitation to the generality of the foregoing, by issuing all such notices and making all such filings, declarations and undertakings as may be necessary or conducive for and in connection with any of the foregoing matters.

- RESOLVED THAT**, the approval of the members of the Company be and is hereby accorded in terms of Section 208 of the Companies Ordinance, 1984 and the Company be and is authorized to (i) secure the project financing ("Project Financing") being provided to FFBL Power Company Limited ("FPCL") by a syndicate of financiers led by National Bank of Pakistan (the "Financiers"); (ii) meet any cost overruns and shortfalls; and (iii) provide such further funds as may be required from time to time;

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to implement the Sponsor Support Agreement on such terms and conditions as may be negotiated by the authorised representatives for implementing the above resolution;

**FURTHER RESOLVED THAT** the Company may pledge the shares held by the Company in the paid up and issued capital of FPCL, for securing the Project Financing as per the terms negotiated and agreed between the authorized representative of the Company and the Financiers in accordance with the Letter of Pledge dated 31 December 2015;

**FURTHER RESOLVED THAT** in the event that a demand for foregoing payments is made the approval of the members of the Company be and is hereby accorded in terms of Section 208 for the demanded amount either by way of subscription for shares at the rate of Rs. 10 per share or by treating such amount as subordinated debt, on terms and conditions to be agreed in writing between the Company, FPCL and the Syndicate provided that the total investment to be made by the Company in FPCL under the authority of this Resolution shall not exceed PKR 35 billion over the course of 12 years from the date hereof and provided, further, that, in case, and to the extent that, the investment is made in the form of subordinated debt, the rate of mark-up to be charged to FPCL with respect thereto shall not be less than the Company's borrowing cost;

**FURTHER RESOLVED THAT** each of Lt Gen Muhammad Haroon Aslam, Hl(M), S.Bt, (Retd), Chief Executive & Managing Director, Syed Aamir Ahsan, Chief Financial Officer be and are hereby authorized to take such other steps and execute such other documents, deeds and undertakings as may be necessary or expedient for the purpose of giving effect to the above resolutions concerning FPCL;

**FURTHER RESOLVED THAT** the Company Secretary be and is hereby authorized to fulfill all requisite legal, procedural and corporate formalities for giving effect to above resolutions.

### OTHER BUSINESS

- Any other business with the permission of the Chairman. Attached to this notice of meeting being sent to the members (as part of Annual Report 2015) is a statement under sections 160(1)(b) and 208 of the Companies Ordinance 1984, read with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2012, setting forth all material facts concerning the resolutions contained in the notice which will be considered for adoption (with or without changes) at the Meeting. Moreover, the said statement is also available on Company's website i.e. www.ffbl.com.

Rawalpindi  
15 February 2016  
By Order of the Board  
Fauji Fertilizer Bin Qasim Limited  
Brig Muhammad Azam, S(M), (Retd)  
Company Secretary

### NOTES:-

- Share transfer books of the Company will remain closed from 02 to 08 Mar 2016 (both days inclusive) for the purpose of holding the Annual General Meeting.
- A member of the Company entitled to attend and vote at AGM 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 duly stamped and signed not later than 48 hours before the time of holding meeting. A member cannot appoint more than one proxy. Attested copy of shareholder's CNIC must be attached with the proxy form.
- The CDC/sub account holders are required to follow the under mentioned guidelines as laid down by Securities and Exchange Commission of Pakistan contained in Circular No. 1 of 2000 dated 26 January:-
  - For attending the meeting**
    - In case of individuals, the account holder or sub-account holder shall authenticate his / her identity by showing his / her original national identity card 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 meeting.
  - For appointing proxies**
    - In case of individuals, the account holder or sub-account holder shall submit the proxy form as per the above requirement.
    - The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
    - Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
    - The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
    - 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.
- Members are requested to promptly notify any change in their addresses.
- As per clear direction of SECP, CNIC number is mandatory for the issuance of dividend warrant. The shareholders, who have yet not submitted copy of their CNIC, are once again requested to submit the copy of their valid CNIC to our shares registrar.
- In order to transfer the amount of dividend directly into bank accounts, shareholders are requested to provide detail of bank account (CDC account holders to their respective members and physical shareholders to Company or our Shares Registrar).
- Vide SRO No. 787(1)2014 dated 08 September, 2014, SECP has allowed companies to circulate audited financial statements and notice of AGM to shareholders through their email addresses subject to the written consent of the shareholders. Shareholders who wish to receive annual reports and notice of AGM through e-mail are requested to provide, through a letter duly signed by them, their particulars, i.e. Name, Folio/ CDC A/C No., E-mail Address, Contact Number, CNIC Number (attach copy). Shareholders are also requested to notify immediately any change in their e-mail address to the Share Registrar.

### DEDUCTION OF WITHHOLDING TAX ON THE AMOUNT OF DIVIDEND

The Government of Pakistan 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. These tax rates are as under:

- |     |  |       |
|-----|--|-------|
| (a) | For filers of income tax returns :     | 12.5% |
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For shareholders holding shares jointly, as per the clarification of Federal Board of Revenue, withholding tax will be determined separately on "Filer/Non-filer" status of Principal shareholder as well as joint-holders based on their shareholding proportion in case of joint accounts. Therefore all shareholders who hold shares jointly are requested to provide shareholding proportion of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Shares Registrar in writing, as follows:

Folio/CDC A/c No	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding Proportion	Name and CNIC #	Shareholding Proportion

The above required information must be provided to our Shares Registrar otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint-holder(s).

For any query/problem/information, the investors may contact the company and/or the Share Registrar at the following phone Numbers and email address:

### Fauji Fertilizer Bin Qasim Limited

73-Harley Street, Rawalpindi.  
Phone No 051 9272196-7, E-mail: [shares@ffbl.com](mailto:shares@ffbl.com)

### Shares Registrar:

M/s Corplink (Pvt) Ltd, Wings Arcade, 1-K, Commercial, Model Town, Lahore.  
Phone No 042 35839182, 35916719, E-mail: [corplink786@yahoo.com](mailto:corplink786@yahoo.com)

### Consent for Video Conference Facility

Members can also avail video conference facility in Karachi and Lahore. In this regard please fill the following and submit to registered address of the Company 10 days before holding the general meeting.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting alongwith complete information necessary to enable them to access such facility.

I/We \_\_\_\_\_ of \_\_\_\_\_, being a member of Fauji Fertilizer Bin Qasim Limited, holder of \_\_\_\_\_ Ordinary Share(s) as per Register Folio / CDC Account No \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_  
Signature of member