



## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice is hereby given that the 12th Extraordinary General Meeting of the shareholders of Fauji Fertilizer Bin Qasim Limited will be held at 1100 hrs on 29 Nov 2016 at Imperial Hall, Jacaranda Family Club, Sector E, Phase - II, DHA, Islamabad, to transact the following business:

### **Ordinary business**

1. To confirm the minutes of 11<sup>th</sup> Extra Ordinary General Meeting held on 24 August 2016.

### **Special business**

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

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 FFBL Power Company Limited ("FPCL") by subscribing upto 130,000,000 Ordinary Shares at a price of Rs. 10 each, offered as right shares to the Company by FPCL or renounced by other shareholders of FPCL at a total cost upto Rs 1,300,000,000/-.

FURTHER RESOLVED THAT the approval of the members of the Company be and is hereby accorded in terms of Section 196(3) of the Companies Ordinance, 1984 and the Company be and is hereby authorized to sell and dispose (through transfer of lease or otherwise) 100 acres of land at the Company's Port Qasim plot to FPCL for the consideration of Rs. 1,300,000,000/-.

FURTHER RESOLVED THAT CE&MD and Company Secretary are jointly and severally authorized to make all necessary filings and take all actions necessary or conducive for the purpose of the above resolutions including but not limited to execute and deliver on behalf of the Company, all agreements, instruments, deeds and documents required for the transfer of the said land to FPCL and to make all requisite applications and filings and take all requisite steps and to pay on behalf of the Company all costs, fees and charges for the purpose including, without limitation, for registration of the said land in the name of FPCL.

3. To transact any other business with the permission of the Chair.

By Order of the Board  
Fauji Fertilizer Bin Qasim Limited

Place: Islamabad  
Date: 07 Nov 2016

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

### **Video Conference Facility**

Pursuant to SECP Circular No 10 dated May 21, 2014, 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.

**NOTES:-**

1. Share transfer books of the Company will remain closed from 23 Nov 2016 to 29 Nov 2016 (both days inclusive).
2. Appointing a person/representative as proxy: 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, FFBL Tower, C1/C2, Sector B, Jinnah Boulevard, DHA II, Islamabad, 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.
4. Members are requested to promptly notify any change in their addresses.
5. For any other information, please contact at:- FFBL Tower, C1/C2, Sector B, Jinnah Boulevard, DHA II, Islamabad. Phone: 051-8763325

**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.

FPCL's Power Plant at Bin Qasim is located on FFBL's land. The project debt covenants require such land to be transferred in FPCL's name, whose current book value is Rs. 30,517,818/-, so that proper charge can be created against these arrangements. The transaction needed to be carried out at arm's length / fair market value. Additional cost of FPCL is to be financed through equity injection as per agreement with the lenders.

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**

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")						
Maximum amount of investment	FFBL owns 75% of share capital of FPCL. The maximum amount of investment is Rs 1,300,000,000.						
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%.  The Current investment is required to finance the cost of land to be purchased by FPCL as per requirements of the lenders of FPCL.						
Maximum price at which securities will be acquired	Rs. 10 per share.						
Maximum number of securities to be acquired	130,000,000						
Number of securities and percentage thereof held before and after the proposed investment	FFBL has already been allotted 546,562,491 shares @ Rs. 10 per share.  %age holding before investment: 75% %age holding after investment: 79%						
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	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	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 approx. 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) (Retd)</li> <li>- Lt Gen Muhammad Haroon Aslam, HI(M), S.Bt (Retd)</li> <li>- Lt Gen Shafqaat Ahmed, HI(M), (Retd)</li> <li>- Mr Qaiser Javed</li> <li>- Dr. Nadeem Inayat</li> <li>- Maj Gen Syed Jamal Shahid, HI(M) (Retd)</li> </ul>						

	The directors have no personal interest in the investment.
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.

**Consent for Video Conference Facility**

Members can also avail video conference facility in Lahore & Karachi. In this regard please fill the following and submit to Company's Registered Office, FFBL Tower, C1/C2, Sector B, Jinnah Boulevard, DHA II, Islamabad, at least ten (10) days before holding of general meeting.

If the Company receives consent from members holding in aggregate ten percent (10%) or more shareholding residing at a geographical location, to participate in the meeting through video conference at least ten (10) days prior to 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 videoconference facility at least five (5) days before the date of general meeting along with complete information necessary to enable them to access such facility.

I/We, \_\_\_\_\_ of \_\_\_\_\_ being a Member of FAUJI FERTILIZER BIN QASIM LIMITED, holder of \_\_\_\_\_ Share(s) as per Registered Folio No \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of Member

**Form of Proxy**

**Appointing person/representative as proxy**

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a Member(s) of FAUJI FERTILIZER BIN QASIM LIMITED, holder of \_\_\_\_\_ ordinary shares as per registered Folio No. \_\_\_\_\_ hereby appoint Mr. \_\_\_\_\_ Folio No (if member) \_\_\_\_\_ of \_\_\_\_\_ or failing him/her Mr. \_\_\_\_\_ Folio No (if member) \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy in my/ our absence to attend and vote for me/us, and on my/our behalf at the Extraordinary General Meeting of the Company to be held on 29<sup>th</sup> day of November 2016 and at any adjournment thereof.

Singed under my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

-----  
Signature should agree with  
the specimen signature  
registered with the  
Company

Signed in the presence of:

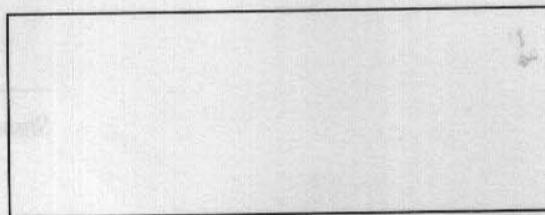
\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Witness

AFFIX  
CORRECT  
POSTAGE

The Company Secretary  
**Fauji Fertilizer Bin Qasim Limited**  
Shares Department  
C1/C2, Sector B, Jinnah Boulevard,  
Phase II, DHA, Islamabad.

Book Post



If undelivered please return to:



**Company Secretary**  
**Fauji Fertilizer Bin Qasim Limited**  
Shares Department  
C1/C2, Sector B, Jinnah Boulevard,  
Phase II, DHA, Islamabad.  
Ph: 051-8763325 Fax: 051-8763300