



NOTICE Of Annual General Meeting

40TH

ANNUAL GENERAL MEETING



NOTICE is hereby given that the 40th Annual General Meeting of the shareholders of Baba Farid Sugar Mills Limited will be held on Monday, January 28, 2019 at 9:30 A.M. at 42 G, Gulberg-III, Near Firdous Market, Lahore to transact the following business :-

A. ORDINARY BUSINESS

1. To confirm the minutes of 39th Annual General Meeting held on 27th January 2018.
2. To, consider, approve and adopt the Annual Audited Financial Statements of the Company for the year ended September 30, 2018 together with the Directors' and Auditors' report thereon.
3. To appoint Auditors for the year ending September 30, 2019 and fix their remuneration. The retiring auditors, Hasnain Ali & Company, Chartered Accountants, Lahore, being eligible, have offered themselves for re-appointment.

B. SPECIAL BUSINESS

4. To consider and approve the transactions carried out with related parties in normal course of business and if thought fit to pass the following resolutions with or without modification.
 - a) "RESOLVED that the transactions carried out by the Company in the normal course of business with related parties for the period ended September 2018 be and are hereby ratified, approved and confirmed."
 - b) "FURTHER RESOLVED that the Chief Executive Officer of the Company or his nominee be and is hereby authorized to approve all the transactions to be carried out in the normal course of business with related parties till the next Annual General Meeting of the Company and in this connection the Chief Executive Officer of the Company or his nominee be and is hereby authorized to take any and all necessary actions and sign / execute any and all such documents / indentures as may be required in this regard on behalf of the Company."
5. To elect seven Directors of the Company as fixed by the Board of Directors pursuant to section 159 of the Companies Act 2017 for the period of three years commencing from January 28, 2019. The following are the names of retiring Directors who shall be eligible for the re-election.:-

Mrs. Naheed Roohi

Mr. Muhammad Sarwar

Mr. Muhammad Shah Anjum

Mr. Shahid Mahmood Qureshi

Syed Qaiser Abbas Naqvi

Ms. Rafia Aslam

Mr. Muhammad Ashraf

6. To consider transit any other business with the permission of the Chair.

BY ORDER OF THE BOARD

(Muhammad Ibrahim)
Company Secretary

Lahore, January 04, 2019



BABA FARID SUGAR MILLS LIMITED

NOTES:

- (1) The Share Transfer Books of the Company will remain closed from January 22, 2019 to January 28, 2019 (both days Inclusive). Transfer received at the office of Share Registrar of the Company, i.e. M/s. Corplink (Pvt.) Limited, Wings Arcade, 1 K, Commercial Model Town, Lahore, at the close of business on January 21, 2019 will be considered in time for entitlement to attend and vote at the Meeting.
- (2) Any person who seeks to contest an election to the office of the Director shall whether he / she is the retiring Director or otherwise, file with the Company at its registered office not later than fourteen (14) days before the date of meeting, the following:-
 - a) A notice of his / her intention to offer himself / herself for election as a Director.
 - b) A declaration (copy may be obtained from Registered Office) on the matters required by the Code Of Corporate Governance.
 - c) A copy of form 28: and
 - d) A copy of Computerized National Identity Card (CNIC)
- (3) CDC account holders are required to follow under mentioned guidelines laid down by Securities and Exchange Commission of Pakistan.

For Attending The Meeting:

- i. In case of individuals the account holders, or sub account holder shall authenticate his / her identity by showing his / her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting
- ii. In case of corporate entity, the Board of Director's resolution / power of attorney with specimen signature of the nominee shall be produced at the time of meeting.

For Appointing Proxies:

- i. In case of individuals, the account holders or sub account holders shall submit the proxy form as per above requirement
 - ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC number 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 passport at the time of meeting.
 - v. In case of corporate entity, the Board of Director's resolution / power of attorney with specimen signature shall be submitted to the Company along with the proxy form.
- (4) Proxy Forms, duly filled and signed, must be received at the Registered Office of the Company, not less than forty eight (48) hours before the Meeting. A blank Proxy Form is annexed with the report.
 - (5) All those shareholders who have not yet submitted their valid copies of CNIC/National Tax Number, Bank Account 24 digits (IBN No) are requested to send the copies of the same along with Folio Number at the earliest to the Share Registrar of the Company.

STATEMENT OF MATERIAL FACTS

Under Section 134 (3) of the Companies Act 2017

A statement required under this section relating to Special Business of agenda item no. 04, is appended to the Notice of this meeting being sent to the shareholders of the Company by Post.



BABA FARID SUGAR MILLS LIMITED

STATEMENT U/S 134(3) OF THE COMPANIES ACT, 2017

The transactions with holding company and associated company were carried out during the year, therefore, these transactions have been placed before the shareholders of the Company for their approval.

a) Transaction with Pattoki Sugar Mills Limited: (Holding Company)

The Related Party Transactions conducted with holding company i.e. M/s Pattoki Sugar Mills Ltd. had to be approved by the Board duly recommended by the Audit Committee on quarterly basis pursuant to clause (15) of the Code of Corporate Governance, 2017. However, the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the subsidiary company, the quorum of directors could not be formed for approval of these transactions pursuant to section 207 of the Companies Act, 2017 and therefore, these transactions have to be approved by the shareholders in the General Meeting.

b) Transactions with Imporient Chemicals (Private) Limited: (Associated Company)

The Company purchased chemicals from its associated undertaking i.e. M/s Imporient Chemicals (Private) Limited amounting to Rs. 13,316,475 for the period commencing from October 01, 2017 to period ends September 30, 2018 in the normal course of business. The prices, terms and conditions agreed between the companies are based on arm length basis. The directors of the Company have no interest whatsoever both directly or indirectly except for common directorship of Mr. Muhammad Shah Anjum.

The Directors are interested in the resolution to the extent of their common directorships and shareholding in the holding company.

Following were the common directors in Baba Farid Sugar Mills Limited (subsidiary) and Pattoki Sugar Mills Limited (holding company) and respectively:

Mr. Muhammad Sarwar

Ms. Naheed Roohi

Mr. Muhammad Shah Anjum

Ms. Rafia Aslam

The Company shall continue to carry out transactions with the related parties in the ordinary course of business till next the Annual General Meeting. Therefore, such transactions with related parties have to be approved by the shareholders. The shareholders may authorize the Chief Executive or his nominee to approve such transactions till the next annual general meeting.

There is no specific interest of the directors in these special resolutions, except that mentioned above.