# Baba Farid
## Sugar Mills Limited

No. BFSML/AGM/2021-22
January 07, 2022

**The General Manager,**
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road, Karachi.

**Subject:** **Notice of Annual General Meeting**

Dear Sir,

Enclosed please find a copy of the Notice of the Annual General Meeting to be held on **28th January 2022** for circulation amongst your Members/TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,
for the Baba Farid Sugar Mills Limited,

**(MUHAMMAD IMRAN)**
**COMPANY SECRETARY**

Encl: As above.

**Head Office:** 2-D-1, Gulberg III, Lahore, Pakistan
**Tel:** +92 (42) 35771066-71 | **Fax:** +92 (42) 35756687
**Email:** info@bfsml.com
**Website:** www.bfsml.com
**Site:** 5km Faisalabad Road, Okara
**Tel:** +92 (44) 2714418-20 | **Fax:** +92 (44) 2714421

# Baba Farid
## Sugar Mills Limited

## *NOTICE OF ANNUAL GENERAL MEETING*

Notice is hereby given that the 43rd Annual General Meeting of the Shareholders of the **Baba Farid Sugar Mills Limited** will be held on Friday, January 28, 2022 at 16:00 Hours at Registered Office, 2-D-1, Gulberg III, Lahore and through electronically video link/Zoom application, to transact the following business:

**ORDINARY BUSINESS:**

1. To Confirm minutes of the 42nd Annual General Meeting of the Baba Farid Sugar Mills Limited held on 23-01-2021.

2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the financial year ended 30th September 2021 together with the Auditor's and Board of Directors' reports thereon.

3. To appoint Auditors of the Company for the next financial year 30th September, 2022 and to fix their remuneration. The present Auditors, M/s. BDO Ebrahim & Co. Chartered Accountants, Lahore, retired and being eligible, have offered themselves for reappointment as Auditors of the Company.

4. To elect seven (07) Directors as fixed by the Board of Directors in accordance with the provisions of section 159 of the Companies Act 2017 for the next term of three years commencing on January 28, 2022. The names of the following retiring Directors who shall be eligible for re-election:

   1. Mr. Muhammad Shamim Khan
   2. Mr. Adnan Ahmed Khan
   3. Mrs. Qaiser Shamim Khan
   4. Mr. Nauman Ahmed Khan
   5. Mrs. Sarah Hajra Khan
   6. Mr. Farid ud Din Ahmed
   7. Mr. Manzoor Hussain Hamayoon

**SPECIAL BUSINESS:**

5. 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 as special resolutions with or without modification.

   a) **"RESOLVED that** transactions carried out by the Company in the normal course of business with related parties for the period ended September 30, 2021 be and are hereby ratified, approved and confirmed"

| Names(s) | Nature of Transactions | Transactions during the period<br><br>Amount (PKR) |
|---|---|---|
| Naubahar Bottling Company (Pvt.) Limited | Long term loans (Net)- repaid | 300,000,000 |
| | Mark-up charged on Long Term Loans | 62,811,170 |
| The Thal Industries Corporation Limited | Sale Store Items | 15,248,100 |
| | Purchases- Store items | 11,620,587 |
| | Purchase- Plant & Machinery | 4,123,738 |
| | Paid/ received/adjustment (net) | 9,748,361 |
| Almoiz Industries Limited | Sale of scrap | 13,428,601 |
| | Sale of store item | 1,503,684 |
| | Paid/received/adjustment (net) | 1,323,104 |
| | Purchase- steel items | 9,600,101 |
| | Purchase – store items | 454,740 |



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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 regards on behalf of the Company"

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

**BY ORDER OF THE BOARD**

**Lahore,**
**December 27, 2021**

**MUHAMMAD IMRAN**
**COMPANY SECRETARY**

**NOTES:**

1. **Closure of Shares Transfer Books:**
Share Transfer Books of the Company will remain closed from 21-01-2022 to 28-01-2022 (both days inclusive). No transfer of shares will be accepted for registration during the closed period. However, transfer received at the office of the Company's Share Registrar Office at M/s. Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore, Telephone No. 042-35916719, Email address: corplink786@gmail.com by the close of business hours on 20th January, 2022 will be treated in time for the entitlement of payout of cash dividend (if any).

2. **Appointment of Proxy:**
A member entitled to attend and vote at the AGM is entitled to appoint another member as proxy to attend and vote instead of him/her. The instrument appointing a proxy must be received at the Registered Officer of the Company not less than 48 hours before the time fixed for AGM. Further the company has placed Notice of AGM along with Form of Proxy for the year ended 30th Sep. 2021 on Company's website. www.bfsml.com. These are also available at PUCARS of PSX and shareholders may obtain the same through email as well if any shareholder so desire.

3. **For Election of Directors:**
Any member who seeks to contest election of Directors shall file with the Company at its registered office at 2-D-1, Gulberg III, Lahore not later than fourteen (14) days before the AGM his / her intention to offer himself/herself for the election of directors in terms of section 159(3) of Companies Act, 2017 together with (A) Consent to act as Director under section 167(1) of the Companies Act, 2017 on a duly filled and signed Form 28, (B) Detailed Profile along with a passport size photograph and complete office address for placement onto the Company's website, (C) Active email address and valid personal cell phone number for electronic correspondence, (D) Details of holding of other offices & directorships in other companies, (E) Declarations in respect of being compliant with requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 (CCGR 2019), awareness of duties, powers and responsibilities under Companies Act, 2017 (CA2017), Rulebook of Pakistan Stock Exchange Ltd., CCGR 2019, Securities Act, 2015, Memorandum and Articles of Association of the Company and other relevant laws and regulations, (F) Declaration in respect of eligibility criteria as set out in CA2017, to act as director of a listed company, (G) Declaration of Independence in terms of section 166(2) of the Companies Act, 2017, as required under CCGR 2019 (applicable for person filing consent to act as independent director of the Company) (H)



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Details of Global Beneficial Ownership and Ultimate Beneficial Ownerships and (I) Proof of holding of 2500 BFSML shares as Qualification Shares, if not already provided and any other important and relevant information

**4. Participation of AGM:**

In view of the continued threats of Coronavirus Pandemic (COVID-19) as well as Directives/ instructions / Guidelines of SECP and other Government Dept. / Institutions, listed companies are required to modify their usual planning for general meetings and avoid large gatherings at one place and consider the provision of online participation facilities while conducting general meetings for the safety and well-being of the shareholders and general public. Accordingly, the shareholders of the company have the option to participate in the AGM either through online or in person (physically).

(a) **Online Participation in AGM vis Zoom application:** The shareholders may login and participate in the proceedings of AGM through their own smart phones/computers from their own convenient locations after completing all formalities as required for verification and identification of shareholders to attend the AGM electronically, the Login facility will be opened about half hour before the start of AGM

(b) The shareholders of BFSML, who wish to attend the AGM electronically through video link, are requested to register their following particulars by sending an e-mail at **info@bfsml.com** by or before the close of business hours (05:00 p.m) on **27-01-2022.**

| Folio /CDC account No. | No. of Shares held | Name of Shareholder | Father's/Husband's Name | CNIC No. | Cell Phone No. with WhatsApp | Active email address |
|---|---|---|---|---|---|---|
| | | | | | | |

The video link and/or login credentials will be shared with the shareholders whose e-mail, containing all the requested particulars, are received at the given e-mail address by or before the date/time specified above. For any query regarding procedure/requirements of online participation in AGM, the members may please contact on the above cited e-mail address or at +92 42 35771066-71 during business hours.

Further, in case of physical the members are requested to ensure guidelines to attend AGM in person alongwith computerized national identity card or appoint some other member as proxy and send their proxy duly witnessed so as to reach at Registered Office, 2D-1 Gulberg III, Lahore not later than 48 hours before the time of holding the meeting.

Copies of Memorandum and Articles of Association of the Company, Listing Regulations of the Stock Exchanges, Companies Act 2017 and other relevant laws/record may be inspected during the business hours on any working day at 2-D-1, Gulberg III, Lahore from the date of the publication of the notice till the conclusion of the general meeting. A Corporate member of the Company may by a resolution of its Board of Directors authorize a person to act as its representative at the meeting.

**5. Video Conferencing Facility:**

If the Company receives consent from members holding aggregate 10% or more shareholding, residing in geographical location to participate in the meeting through video conference at least 7 days prior to the date of AGM, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

In this regard, please fill the following and submit to registered address of the company at least 7 days prior to the date of AGM.

"I/We, _____ of _____, being a member of the Baba Farid Sugar Mills Limited, holder of _____ ordinary share(s) as per Registered Folio/CDC Account/Sub Account No. _____ hereby opt for video conference facility at _____.



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6. **Change of Address:**
Shareholders are requested to promptly notify the change in their address, if any to the Company's Share Registrar M/s. Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore and also furnish attested photocopy of their computerized National Identity Card as per Listing Regulations, if not provided earlier.

7. **Guidelines for Shareholders to Access CDC's eServices Portal:**
Central Depository Company (CDC) has developed Central Cash Dividend Register (CCDR) as eServices web portal which would incorporate details pertaining to cash dividends paid, unpaid or withheld by listed companies. The CCDR will help to maintain the history of dividends paid to shareholders by listed companies and access to all such information will be provided to the respective shareholders. The web portal will facilitate shareholders of listed companies and access to all such information will be provided to the respective shareholders. The web portal will facilitate shareholders of listed companies in retrieving details of cash dividends from centralized register and using the same for their record purposes.

Further you may access CCDR via https://eservices.cdcaccess.com.pk In Addition, the Dividend/Zakat & Tax deduction Report can also be obtained directly from your Participant (Stock broker) which has been provided to them on their CDS terminals, Moreover, you will also receive a copy of this report on your provided/registered email address.

8. **Submission of Copy of CNIC:**
Pursuant to the directives of the Securities and Exchange Commission of Pakistan (SECP) through its Notification No. SRO 831 (1) 2012 dated July 5, 2012 r/w SRO 19(1)/2014 dated January 10, 2014, dividend warrants cannot be issued without valid CNICs. All the shareholders were advised to submit copies of their valid CNICs. In the absence of shareholders valid CNIC the company will be constrained to withhold dispatch of dividend to such shareholders. Those shareholders who have not yet submitted their valid CNICs are once again advised to provide attested copies of their valid CNICs with their folio numbers to the company's Share Registrar if they hold physical shares, to ensure timely disbursement of dividend.

9. **Deduction of Withholding Tax on the amount of dividend:**
Pursuant to Circular No.19/2014 dated October 24, 2014, SECP has directed all companies to inform shareholders about changes made in the section 150 of the Income Tax Ordinance 2001 from dividend payment have been revised as: for filers of Income Tax return 15.00% and Non-filers of Income Tax return 30.00% respectively. You are therefore advised to check and ensure your Filer status from Active Tax Payer List (ATL) available to FBR, website www.fbr.gov.pk as well as ensure that your CNIC/ Passport number has been recorded by your Participant/ Investor Account Services (in case your shareholding is in book entry form) or by Company's Share Registrar M/s. Corplink (Pvt.) Ltd. (in case of physical shareholding).

10. **Payment of Dividend Electronically**
According to the provisions of Section 242 of the Companies Act, 2017 ("the Act"), any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Further, rule 3 of the Companies (Distribution of Dividends) Regulations, 2017 provides that the company should make payment of cash dividend within a period of fifteen working days from the date of its declaration. Therefore, the registered shareholders of the Company are requested to provide the following details in order to credit their cash dividends directly to their international bank account number (IBAN), if deciared:

(i) In case of book-entry securities in CDS, to CDS Participants; and
(ii) In case of physical securities to the Company's Share Registrar M/s. Corplink (Pvt.) Limited, as



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mentioned below.

1. Name of Shareholder's_____
2. Father's / Husband's Name;_____
3. Folio Number;_____
4. Postal Address;_____
5. Name of Bank;_____
6. Name of Branch;_____
7. Address of Branch;_____
8. Title of Bank Account;_____
9. Bank Account Number (Complete with code);_____
10. IBAN Number (Complete with code);_____
11. Cell Number;_____
12. Telephone Number (if any);_____
13. CNIC Number (attach copy);_____
14. NTN (in case of corporate entity, attach copy);_____

IBAN number (International Bank Account Number) will be provided by your banker, containing alpha, number and without any space and gap.
To, Share Registrar
M/s. Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore. Ph. No. 042-35916719, 042-35839182,

**11. Electronic Transmission of Audited Financial Statements & Notices of AGM:**
SECP through its Notification SRO No. 787 (1) 2014 dated September 8, 2014 has allowed the circulation of Audited Financial Statements along with Notice of Annual General Meeting to the members of the Company through email. Therefore, all members of the Company who wish to receive soft copy of Annual Report are requested to send their email addresses. The financial report for electronic transmission could be downloaded from Company's website: www.bfsml.com. The Company has already dispatched hard copy of the Audited Financial Statement to its shareholders.

**12. Postal Ballot/ E-Voting:**
In accordance with the Companies (Postal Ballot) Regulations, 2018, for any agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through postal ballot i.e by post or e-voting, in the manner and subject to the conditions contained in the aforesaid regulations.

**13. Deduction of Zakat from the amount of Dividend:**
Deduction of Zakat from the amount of Dividend: In accordance with Zakat & Ushr Ordinance, 1980 and/or applicable rules & regulations made thereunder (the Laws), if any shareholder has not submitted within the timeframe prescribed under the Laws, or at least one month before the start of close period fixed for dividend entitlements a duly filled/completed and properly attested in original the Zakat Declaration (in case of Muslim) and Solemn Affirmation (in case of Non-Muslim) on the formats prescribed under the Laws to his/her Broker/CDC (in case of CDS shareholder) and to the Company's Share Registrar (in case of physical shareholder), then his/her zakat status in the dividend entitlement register may be found as Muslim Zakat Payable, and the Company will be constrained to make compulsory deductions of Zakat @ 2.5% of face value of each share from the gross amounts of his/her cash dividends.



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# Baba Farid
## Sugar Mills Limited

**STATEMENT OF MATERIAL FACTS**
**UNDER SECTION 134 (3) OF THE COMPANIES ACT 2017**

This statement sets out the material facts pertaining to the elections of directors and the special businesses to be transacted at the 43rd Annual General Meeting (AGM) of Baba Farid Sugar Mills Limited to be held on Friday January 28, 2022 at 16:00 Hours at Registered office at 2-D-1, Gulberg III, Lahore, and through electronically video link/Zoom application.

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

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

**Agenda Item No. 4:**
**Election of Directors**: In terms of section 153(1) of the Companies Act, 2017, the Board of directors, through its Board Resolution by circulation on 24.12.2021 has fixed the number of directors for next election at seven (07) which are to be elected at AGM for a period of three years. Independent directors, required on the Board in terms of regulation 6(1) of the Listed Companies (Code of Corporate Governance) Regulations, 2019, shall be elected through the process of election of directors in terms of section 159 of the Companies Act, 2017 and Article of Association of the Company. Independent directors shall be elected through the process of election of directors in terms of Section 159 of the Act if they meet the criteria as laid down under Section 166 of the Act (in addition to the requirement mentioned in Section 153 of the Act), CCG and the Companies (Manner and Selection of Independent Directors) Regulation, 2018.

**Agenda Item No. 5:**
**Ratification and Approval of Related Party Transactions: (Associated Companies)**
The Company is and shall be conducting transactions of sales and purchase of goods with Naubahar Bottling Company (Pvt.) Limited, The Thal Industries Corporation Limited and Almoiz Industries Limited for the period commencing from October 1st, 2020 to period ends September 30, 2021 in the normal course of business. The prices, terms and conditions agreed between the companies are based on Arm Length Basis under Related Party Transactions Policy of the Company. The directors of the company have no interest whatsoever both directly or indirectly except for common directorship. Record consisting of details of all the transactions along with all supporting documents is maintained as per legal requirements and available in the registered office of the company.

Nature and amount of transactions along with applicable pricing policy are detailed below:

| Names(s) | Nature of Transactions | Transactions during the period<br><br>Amount (PKR) |
|---|---|---|
| **Naubahar Bottling Company (Pvt.) Limited** | Long term loans (Net)- repaid<br>Mark-up charged on Long Term Loans | 300,000,000<br>62,811,170 |
| **The Thal Industries Corporation Limited** | Sale Store Items<br>Purchases- Store items<br>Purchase- Plant & Machinery<br>Paid/ received/adjustment (net) | 15,248,100<br>11,620,587<br>4,123,738<br>9,748,361 |
| **Almoiz Industries Limited** | Sale of scrap | 13,428,601 |



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| | | |
|---|---|---|
| | Sale of store item | 1,503,684 |
| | Paid/received/adjustment (net) | 1,323,104 |
| | Purchase- steel items | 9,600,101 |
| | Purchase – store items | 454,740 |

The Directors are interested in the resolution to the extent of their common directorship in the Associated undertakings. The following were the common directors in Baba Farid Sugar Mills Ltd with the Almoiz Industries Ltd, The Thal Industries Corporation Ltd and Naubahar Bottling Company (Pvt.) Ltd and respectively:

Mr. Muhammad Shamim Khan
Mr. Adnan Ahmed Khan
Mrs. Sarah Hajra Khan
Mrs. Qaiser Shamim Khan
Mr. Nauman Ahmed Khan

The Company shall continue to carry out transactions with the related parties in the ordinary course of business till next the Annaul General Meeting. The nature and scop of such related party transactions are explained above in the statement of relevant agenda item. 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.

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