



# GHARIBWAL CEMENT LIMITED

October 4, 2022

The General Manager  
Pakistan Stock Exchange (G) Ltd.  
Stock Exchange Building,  
Stock Exchange Road, Karachi

Subject: **Notice of Annual General Meeting (AGM)**

Dear Sir,

Please find enclose copy of the Notice of Annual General Meeting (AGM) to be held on Thursday, October 27, 2022 at 12:00 p.m at OBAN Hotel, 81-C-II, Off M.M Alam Road, Gulberg-III, Lahore for circulation amongst the TRE Certificate Holders of the Exchange. The above notice of AGM will be printed on October 5, 2022 in English & Urdu newspapers (Daily Nation & Nawai waqat) as well.

Regards,  
For Gharibwal Cement Limited

Company Secretary



Encl: As above.



# GHARIBWAL CEMENT LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 62nd Annual General Meeting of Gharibwal Cement Limited will be held on Thursday, October 27, 2022 at 12:00 pm at OBAN Hotel, 81-C-II, off MM Alam Road, Gulberg-III, Lahore to transact the following businesses:

### Ordinary Business

1. To confirm minutes of last Annual General Meeting (AGM) held on October 27, 2021.
2. To receive, consider and adopt the Audited Financial Statements of the company for the year ended June 30, 2022 together with Auditor's and Director's report thereon.
3. To consider and approve the payment of final cash dividend @ 10% (i.e. Re. 1 per share) for the financial year ended June 30, 2022 as recommended by the Board of Directors.
4. To appoint Auditors' of the Company for the year ending June 30, 2023 and to fix their remuneration. Present auditors "Kreston Hyder Bhimji & Co, Chartered Accountants", retire and being eligible, have offered themselves for reappointment.

### Special Business

#### TRANSACTIONS WITH RELATED PARTIES

5. To ratify and approve transactions conducted with Related Parties by passing the following special resolution with or without modification:

**"Resolved that** the transactions carried out in the normal course of business with related parties and associated companies as disclosed in note 40 & 41 of the Financial Statements during the year ended June 30, 2022, be and are hereby ratified, approved and confirmed.

**Further resolved that** Board of Directors of the Company be and is hereby authorized to approve all transactions to be conducted in the normal course of business with related parties and associated companies during the year ending June 30, 2023 and onwards."

#### INVESTMENTS IN ASSOCIATES U/S 199 OF COMPANIES ACT, 2017

6. To approve short term loan/ advance up to Rs. 600 million to Balochistan Glass Limited (Associated Company) for a period of one year, by passing the following resolutions, either with or without modification, as required under section 199 of Companies Act, 2017:

**"Resolved that** Consent and approval of members of the company be and is hereby accorded under section 199 of Companies Act, 2017 for short term loan/ advance facility up to of Rs. 600 million for a period of one year from the date of passing of this resolution i.e. till October 27, 2023 at a markup rate of minimum 1% p.a. above the average borrowing rate of company. Company in last AGM had extended this facility for a period of one year from its expiry and now proposed to extend/renew this facility for another period of one year.

**Further resolved that** CEO and/ or Company Secretary be and are hereby authorized, singly, to complete all financial, legal and corporate formalities in connection with the above resolution."

### Other Business:

7. To transact any other business with the permission of chair

By Order of the Board

Farukh Naveed  
Company Secretary



Date: October 01, 2022  
Place: Lahore

Head Office 27-H, Pace Tower, 1st Floor, College Road, Gulberg-II, Lahore, Pakistan  
Factory Ismailwal, Pind Dadan Khan, District Chakwal, Pakistan

**PAIDAR**  
CEMENT

**PAIDAR**  
PREMIUM CEMENT  
(LOW ALKALI)

+92 42 3 606060 0 +92 544 697 000 info@gharibwalcement.com www.gharibwalcement.com

CELEBRATING  
6  
1960  
2020  
YEARS



## NOTES:

1. **Closure of Shares Transfer Books:** The Share Transfer Books of the Company will remain close from October 20 to October 27, 2022 both days inclusive. Transfer received by the Share Registrar of the Company, Corplink (Private) Ltd, 1-K Commercial, Model Town Lahore up to October 19, 2022 will be considered in time for the purpose of attendance at AGM and dividend entitlement.
2. **Participation in General Meeting:** An individual beneficial owner of shares must bring his / her original CNIC or Passport, Account and Participant's I.D. numbers to prove his / her identity. A representative of corporate members, must bring the Board of Directors' Resolution and / or Power of Attorney and the specimen signature of the nominee. CDC account holders will further have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A member entitled to attend and vote may appoint another member as his / her proxy to attend and vote instead of him / her. Proxies in order to be effective must be received at the Company's Registered Office, Pace Tower, 1st Floor, 27-H, Gulberg-II, Lahore not later than 48 hours before the time of holding the Meeting and no account shall be taken of any part of the day that is not a working day. A member shall not be entitled to appoint more than one proxy.

3. **Deposit of Physical Shares in to CDC Account:** As per Section 72 of the Companies Act, 2017 every existing listed company is required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission.

The Shareholders having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form. This will facilitate them in many ways, including safe custody and sale of shares any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

4. **Request for Video Conference Facility:** In terms of SECP's Circular No. 10 of 2014 dated May 21, 2014 read with the provisions contained under section 134(1)(b) of the Act, if the Company receives request / demand from members holding in aggregate 10% or more shareholding residing at a 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.

In this regard, please fill the following form and submit to registered address of the Company 10 days before holding of the AGM. After receiving the request/ demand of members having 10% or more shareholding in aggregate, the Company will intimate members regarding venue of video conference facility at least five (5) days before the date of AGM along with complete information necessary to enable them to access such facility.

## REQUEST FOR VIDEO CONFERENCE FACILITY

I/We/Messrs. \_\_\_\_\_ of \_\_\_\_\_ being Member(s) of Gharibwal Cement Limited, holder of \_\_\_\_\_ ordinary share(s) as per Folio # \_\_\_\_\_ and / or CDC Participant ID & Sub Account No. \_\_\_\_\_, hereby, opt for video conference facility at \_\_\_\_\_ city.

Signature of the Member(s)  
(please affix company stamp in case of corporate entity)

5. **Submission of the CNIC/ NTN details (Mandatory):** In accordance with the notification of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 779(1)/ 2011 dated August 18, 2011 and SRO 83(1)/ 2012 dated July 5, 2012, dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members. Accordingly, Shareholders who have not yet submitted copy of their valid CNIC or NTN in case of corporate entities are requested to submit the same to the Company's Shares Registrar. In case of non-compliance, the Company may withhold dispatch of dividend warrants under intimation to Regulator till such time they provide the valid copy of their CNIC as per law.
6. **Provision of International Banking Account Number (IBAN Detail):** Under the provisions of Section 242 of the Companies Act, 2017 and SECP's Circular No. 421(I) 2018 dated March 19, 2021, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. In this context, in order to receive dividends directly into their bank account, shareholders having shareholding in physical form are requested to provide their IBAN details duly signed along with a copy of CNIC to the Registrar of the Company M/ S Corplink (Private) Ltd, 1-K Commercial, Model Town Lahore. Shareholder having shareholding in book entry form in CDS are advised to submit their IBAN details directly to relevant broker/ participant/CDC Investor Account Services.



7. **Unclaimed dividend:** Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact our Share Registrar M/ S Corplink (Private) Limited, I-K Commercial, Model Town, Lahore to collect/enquire about their unclaimed dividend or pending shares, if any.

Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government / SECP and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan (SECP).

8. **Zakat declaration:** Members are requested to submit declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and to advise change in address, if any.
9. **Availability of Financial Statements and Reports on the Website:** In accordance with the Provision of Section 223(7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2022 are available on the Company's website.
10. **Transmission of annual report through CD:** The Company has circulated annual financial statements to its members through CD at their registered address. Printed copy of above referred statements can be provided to members upon request.

**The statement Under Sub Section 3 of Section 134 of The Companies Act, 2017, Pertaining to the Special Business is annexed with this notice to the Members.**

#### **TRANSACTIONS WITH RELATED PARTIES**

Transactions conducted with all related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

During the 61st Annual General Meeting of the Company, the shareholders had authorized the Board of Directors to approve transactions with the related parties conducted in normal course of business for the year ended June 30, 2022 and onward. In order to promote transparent business practices, these transactions are being placed before the AGM for the formal approval / ratification by shareholders.

The company carries out transactions with its related parties on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions entered into with related parties require the approval of the Board Audit Committee of the Company, which is chaired by an independent director of the company. Upon the recommendation of the Board Audit Committee, such transactions are placed before the board of directors for approval.

Transactions entered into with the related parties include, but are not limited to, sale of cement, dividends paid, investments made (in accordance with the approval of shareholders and board where applicable), remunerations to executive directors and salaries and other benefits paid to the key management personnel. The nature of relationship with these related parties has also been indicated in the note 41 to the financial statements for the year ended June 30, 2022. The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

#### **SHORT TERM LOAN TO BALOCHISTAN GLASS LTD**

This statement sets out the material facts pertaining to special business proposed to be transacted under section 199 of Companies Act, 2017 at AGM.

Balochistan Glass Limited (BGL) was incorporated in Pakistan as a public company in 1980 under the Companies Act, 1913 (now the Companies Act, 2017). Its shares are listed on Pakistan Stock Exchange. The Company is engaged in manufacturing and sale of glass containers, Tableware glass products and plastic shells for beverage companies. The registered office of the Company is situated at Hub, Balochistan whereas head office of the Company is presently situated at 12-KM, Kot Abdul Malik, Lahore. Balochistan Glass has three glass plants one is located in Hub-Balochistan whereas other two plants are located at Lahore Sheikhpura road. BGL is selling its tableware products under the brand name of "Marimax".

Company in last AGM had extend this facility up to Rs. 600 for a period of one year from its expiry i.e. till October 27, 2022 and now proposed to extend/renew this facility further for one year. Board of Directors of GCL in their meeting held on October 29, 2022 has approved facility of Rs. 600 million as short term loan / advance for a period of one year i.e. till October 27, 2023.



GCL shall extend/allow the facility of loan / advance from time to time for working capital requirements to BGL in accordance with an agreement in writing including all relevant terms and conditions as prescribed in the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012 and as required under section 199 of Companies Act, 2017. Directors of the Company have also provided their duly signed undertaking / due diligence report with recommendations that they have carried out necessary due diligence for the proposed investment in BGL and it has been kept at Registered Office of the Company for inspection of the members along with audited/ unaudited accounts of BGL as required under the Regulations

Sr.#	Requirement	Information																																
1	Name of Company	Balochistan Glass Limited (BGL) - an Associated Company of GCL																																
2	Amount of loan/advance	Up to Rs. 600 million (Rupees Six hundred million)																																
3	Purpose of loan/ advance etc. & benefits	<b>Purpose:</b> To earn income on the loan/ advance to be provided to BGL from time to time for working capital requirements of BGL. <b>Benefits:</b> The Company will receive mark up at the rate of one percent above of its average borrowing cost <b>Period:</b> For a period of one year i.e. till October 27, 2023																																
4	Outstanding Loan Amount as at June 30, 2022  In case any loan has already been granted to the said associated company or associated undertaking, the complete details thereof.	Principal Rs. 587.36 million Accrued markup Rs. 106.01 million  Company has already extended this facility up to Rs. 600 million to BGL by passing special resolution in last AGM for a period of one year																																
5	Rate of Markup & Average Borrowing cost of GCL	<b>Mark up rate:</b> Minimum 1% above the rate charged to GCL by banks & financial institutions. Mark up will be paid by BGL on quarterly Basis.																																
6	Financial Position of BGL	Based on the latest unaudited quarterly financial statements for the nine months ended March 31, 2022,brief financial position of BGL is as under: <table><tr><th></th><th>Rs.Million</th></tr><tr><td>Paid up Capital- Current</td><td>2,616</td></tr><tr><td>Accumulated Losses</td><td>5,783</td></tr><tr><td>Revaluation Surplus</td><td>1,061</td></tr><tr><td>Subordinated Loan</td><td>3,635</td></tr><tr><td>Loan from Directors</td><td>313</td></tr><tr><td>Long term Loans from Banks</td><td>10</td></tr><tr><td>Deferred Liabilities</td><td>61</td></tr><tr><td>Short term borrowings</td><td>862</td></tr><tr><td>Current Liabilities</td><td>1,755</td></tr><tr><td>Current Assets</td><td>596</td></tr><tr><td>Current Ratio</td><td>0.34</td></tr><tr><td>Fixed Assets</td><td>2,527</td></tr><tr><td>Long term investment</td><td>138</td></tr><tr><td>Loss after tax</td><td>(54)</td></tr><tr><td>Loss per share</td><td>(0.21)</td></tr></table>		Rs.Million	Paid up Capital- Current	2,616	Accumulated Losses	5,783	Revaluation Surplus	1,061	Subordinated Loan	3,635	Loan from Directors	313	Long term Loans from Banks	10	Deferred Liabilities	61	Short term borrowings	862	Current Liabilities	1,755	Current Assets	596	Current Ratio	0.34	Fixed Assets	2,527	Long term investment	138	Loss after tax	(54)	Loss per share	(0.21)
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7	Sources of funds from where loans or advances will be given	- From internal cash availability of GCL (These are not from borrowed funds)																																

Sr.#	Requirement	Information												
8	Personal Interest of Directors of GCL	<p>i. Mr. Muhammad Tousif Peracha,  ii. Mr. Faisal Aftab Ahmad; and  iii. MianNazir Ahmed Peracha  are common Directors in both Companies. Shareholding of Common directors is as under:</p> <table> <tr> <th>Name</th><th>BGL</th><th>GCL</th></tr> <tr> <td>M Tousif Peracha</td><td>76.6%</td><td>53.7%</td></tr> <tr> <td>MianNazir Peracha</td><td>0.0%</td><td>0.0%</td></tr> <tr> <td>Mr. Faisal Aftab Nabi</td><td>0.0%</td><td>0.0%</td></tr> </table> <p><b>Spouse of Mr. Muhammad Tousif Paracha:</b>  Tabassum Tousif Peracha 0.0% 0.0%  - Mian Nazir Peracha is CEO of BGL  - Pattern of shareholdings are also available on both companies' website as well as in annual reports.</p>	Name	BGL	GCL	M Tousif Peracha	76.6%	53.7%	MianNazir Peracha	0.0%	0.0%	Mr. Faisal Aftab Nabi	0.0%	0.0%
Name	BGL	GCL												
M Tousif Peracha	76.6%	53.7%												
MianNazir Peracha	0.0%	0.0%												
Mr. Faisal Aftab Nabi	0.0%	0.0%												
9	Repayment Schedule	Repayable within one year. However, company can call full or partial repayment of outstanding loan at any time during the period of one year.												
10	Salient features of agreements entered Or to be entered with BGL	Terms of agreement will be in accordance with The terms approved by members in AGM												
11	Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any	Muhammad Tousif Peracha (major shareholder and director of the both companies) has given his personal guarantee and also post-dated cheque as security against this short term loan / advance to BGL												
12	Loan conversion option	No such option is extended to BG												
13	Salient features of agreements entered or to be entered with its associated company or associated undertaking with regards to proposed investment	<p><b>Amount of Loan</b>  Up to Rs. 600 million- Short term Advance</p> <p><b>Nature:</b>  Short term loan for working capital offered to BGL for its use for operations</p> <p><b>Purpose:</b>  To earn income on the facilities to be provided to BGL from time to time for working capital requirements of BGL.</p> <p><b>Benefits:</b>  The Company will receive mark up at the rate of one percent above of its average borrowing cost, so, company will earn profit on surplus funds.</p> <p><b>Period:</b>  For a period of one year i.e. till October 27, 2023</p> <p><b>Mark up rate:</b>  3 months KIBOR + 3.5% p.a.</p> <p><b>Principal Repayment:</b>  Principal to repay on or before October 27, 2023 or within 45-days on demand by GCL</p> <p><b>Mark up repayment:</b>  Mark up to be paid on quarterly basis.</p>												