



Habib Sugar Mills Limited

3RD/4TH FLOOR, IMPERIAL COURT, DR. ZIAUDDIN AHMED ROAD, KARACHI-75530 (PAKISTAN)

Ref : 22/23/158/C

January 03, 2023

The General Manager
Pakistan Stock Exchange Ltd.
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 January 25, 2023 for circulation amongst the TRE Certificate Holders of the exchange.

Yours faithfully

Imran Amin Virani
Company Secretary

Amir Bashir Ahmed
Chief Financial Officer

Encl: As above.



Notice of Annual General Meeting

Notice is hereby given that the 61st Annual General Meeting of Habib Sugar Mills Limited will be held on Wednesday, January 25, 2023 at 11:00 a.m. at Auditorium Hall – The Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Clifton, Karachi to transact the following business:

Ordinary Business

1. To receive and consider the audited financial statements, the Directors' report and the Auditors' report for the year ended September 30, 2022.
2. To approve payment of cash dividend @ 70% i.e. Rs. 3.50 per share of Rs. 5 each for the year ended September 30, 2022 as recommended by the Board of Directors.
3. To appoint auditors of the Company for the year ending September 30, 2023 and fix their remuneration.
4. To elect directors of the Company in accordance with the provisions of Section 159 of the Companies Act, 2017. The number of elected directors of the Company fixed by the Board of Directors on December 20, 2022 is seven (7). The retiring Directors are Messrs. Asghar D. Habib, Ali Raza D. Habib, Murtaza Habib, Farouq Habib Rahimtoola, Shams Muhammad Haji, Sheikh Asim Rafiq and Ms. Tyaba Muslim Habib.

Special Business

5. To approve the remuneration of working Director of the Company.

A statement under section 134(3) of the Companies Act, 2017 in respect of the special business of the agenda at Item No. 5 to be considered at the meeting is being sent to the members alongwith a copy of the this notice.

By order of the Board

Imran Amin Virani
Company Secretary

Karachi: December 26, 2022

Notes:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from Monday, January 16, 2023 to Wednesday, January 25, 2023 both days inclusive.

2. Proxy

A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as a proxy to attend and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed at least 48 hours before the time of meeting. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be provided at least 48 hours before the time of the meeting. The Proxy Form in English and Urdu is enclosed with the CD of Annual Report and also available on the Company's website (www.habibsugar.com).

3. For Identification

Owners of the physical shares and CDC account holder should present Computerized National Identity Card (CNIC) along with participant ID number and CDC account number. In case of appointment of proxy by such account holder(s), the guidelines as contained in the SECP's circular of 26th January 2000 are to be followed.

4. Change of address

Members are requested to notify any change in their addresses and their contact numbers immediately to our Share Registrar, THK Associates (Pvt.) Limited, Karachi.



5. Submission of Copies of Valid CNIC

Pursuant to the directives of the Securities and Exchange Commission of Pakistan, CNIC number is mandatorily required for payment of dividend. Shareholders holding physical share certificate are therefore requested to submit a copy of their valid CNIC, if not already provided to THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street – 2, D.H.A., Phase VII, Karachi (the Share Registrar). In case of non-receipt of the copy of valid CNIC, Habib Sugar Mills Limited would be unable to comply with SRO 831(1)/2012 dated July 5, 2012 of SECP and therefore will be constrained under Regulation No. 6 of the companies (Distribution of dividend) Regulations, 2017 and section 243(2) of the Companies Act 2017 to pay dividend to such shareholder.

6. Withholding Tax on Dividend

As per Income Tax Ordinance 2001, different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These rates are as follows:

- (i) For filers of income tax returns 15 %
- (ii) For non-filers of income tax returns 30 %

Shareholders are advised to make sure that their names are entered into Active Tax-payers List (ATL) provided on the website of FBR before the book closure of the Company, otherwise tax on their cash dividend will be deducted @ 30% instead of 15 %.

For shareholders holding their shares jointly, as per the clarification issued by the Federal Board of Revenue, withholding tax will be determined separately on 'Filer/Non-Filer' status of Principle shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of Principle shareholder and Joint-holder(s) in respect of shares held by them to our share registrar, in writing as follows:

Company Name	Folio/CDC Account No.	Total shares	Principle Shareholder		Joint Shareholder(s)	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The Corporate shareholders having CDC account are required to have their National Tax number (NTN) updated with their respective participants, whereas physical shareholders should send a copy of their NTN certificate to the company or Company's Share Registrar M/s THK Associates (Pvt.) Limited. The shareholders while sending NTN or NTN certificate, as the case may be, must quote company name and their respective Folio numbers.

7. Valid tax Exemption Certificate for Exemption from Withholding Tax

Withholding Tax exemption from the dividend income shall only be allowed if copy of valid tax exemption certificate is made available to Share Registrar before the Book Closure of the Company.

8. Mandatory requirement of Bank details for payment of dividend

Section 242 of the Companies Act, 2017 provides that in case of a listed company, any cash dividend declared by the company must be paid electronically directly into the bank accounts of the shareholders. In order to receive dividends directly into their bank account, shareholders in case of physical shares, are requested to fill in E-Dividend Mandate Form available on the Company's website i.e. www.habibsugar.com and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s. THK Associates (Pvt.) Limited. In case shares are held in CDC, E-Dividend Mandate Form must be submitted directly to shareholder's broker/participant/CDC investor account services. In-case of non-submission of IBAN, the Company will withhold the payment of dividends under the Companies (Distribution of Dividends) Regulations, 2017. Further, the information regarding gross dividend, tax/zakat deduction and net amount of dividend will be provided through the Centralized Cash Dividend Register (CCDR), therefore, shareholders should register themselves to CDC's eServices Portal at <https://eservices.cdcaccess.com.pk>.



9. Participation in the Annual General Meeting via Video Conference Facility

In terms of section 134(1)(b) of the Companies Act, 2017, members holding in aggregate 10% or more shareholding can also avail video conference facility to attend the Annual General Meeting. In this regard, please fill the following information and share at companysecretary@habibsugar.com seven (7) days before holding the Annual General Meeting. If the Company receives consent from members residing at a geographical location, to participate in the meeting through video conference atleast seven (7) days prior to date of meeting, the Company will arrange video conference facility in the city subject to availability of such facility in the city.

"I/We _____ of _____, being a member of Habib Sugar Mills Limited, holder of _____ ordinary shares(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____".

Video conference link details and login credentials will be e-mailed to the registered members/proxies who have provided all the requested information. Shareholders can also provide their comments and questions for the agenda items of the AGM on companysecretary@habibsugar.com at least 48 hours before the time of the meeting.

10. Conversion of Physical Shares into Book Entry Form

As per Section 72 of the Companies Act, 2017 all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of Companies Act, 2017.

The Securities and Exchange Commission of Pakistan through its circular No. CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form to convert their shares into book entry form.

We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest.

11. Transmission of Financial Statements & Notices through email

Members are hereby informed that the Annual Financial Statements of the Company for the year ended September 30, 2022 can be downloaded from the Company's website www.habibsugar.com. Further, the Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated September 8, 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. Accordingly, members are requested to send their consent and e-mail addresses for receiving Audited Financial Statements and Notices through e-mail. In order to avail this facility, a standard request form is available at the Company's website.

For any query / clarification / information, the shareholder may contact the company, and /or the share registrar at the following addresses:

Company Address:

Habib Sugar Mills Limited

3rd Floor, Imperial Court

Dr. Ziauddin Ahmed Road, Karachi-75530

Phones : (+92-21) 35680036 – 5 Lines

Fax : (+92-21) 35684086

e-mail : companysecretary@habibsugar.com

Share Registrar Address:

THK Associates (Pvt.) Limited

Plot No. 32-C, Jami Commercial Street-2, D.H.A.

Phase VII, Karachi-75500

UAN : (+92-21) 111-000-322,

Phone : (+92-21) 35310191-193

Fax : (+92-21) 35310190

e.mail: sfc@thk.com.pk



Statement under section 166(3) of the Companies Act, 2017

Persons eligible under section 166 of the Companies Act, 2017 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018, may submit their nominations to be elected as independent directors. However, it is noteworthy to mention that independent directors shall be elected in the same manner as other directors are elected in terms of Section 159 of the Companies Act, 2017.

Statement under section 134(3) of the Companies Act, 2017

This statement sets out the material facts concerning the Special Business to be transacted at the 61st Annual General Meeting of the Company to be held on January 25, 2023:

Item 5 of the agenda – Approval of remuneration of Director: (Disclosure under section 213)

The Board of Directors in their Meeting held on December 26, 2022 have recommended payment of the following remuneration to the working Director of the Company, for a period of three years commencing from February 1, 2023, subject to an increment not exceeding 20% per annum.

Remuneration per month

Mr. Murtaza Habib	1,035,000
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In addition, he will be provided with two company maintained cars, reimbursement of utilities, entertainment at actuals and other benefits as per policy of the Company which in aggregate is estimated to be approximately 40% of his remuneration as stated above.

The above Director has interest in the aforesaid business to the extent of his remuneration and perquisites as mentioned above.