



Habib Sugar Mills Limited

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

Ref: 23/24/150/C

January 2, 2024

The General Manager
Pakistan Stock Exchange Ltd.
Stock Exchange Building
Stock Exchange Road
Karachi.

Dear Sir,

NOTICE OF ANNUAL GENERAL MEETING

Enclosed please find a copy of the Annual General Meeting to be held on January 24, 2024 for circulation amongst the TRE Certificate Holders of the Exchange.

Thanking you,

Yours faithfully

Imran Amin Virani
Company Secretary



Notice of Annual General Meeting

Notice is hereby given that the 62nd Annual General Meeting of Habib Sugar Mills Limited will be held on Wednesday, January 24, 2024 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, 2023.
2. To approve payment of cash dividend @ 120 % i.e. Rs. 6 per share of Rs. 5 each for the year ended September 30, 2023 as recommended by the Board of Directors.
3. To appoint auditors of the Company for the year ending September 30, 2024 and fix their remuneration.

Special Business

4. To consider and approve the circulation of Company's Annual Report including Audited Financial Statements to the shareholders through QR enabled Code and weblink in light of the S.R.O 389(I)/2023 dated March 21, 2023 issued by the Securities & Exchange Commission of Pakistan (SECP) instead of transmitting the same through CD/DVD/USB and to pass the following resolution as ordinary resolution:

RESOLVED THAT the shareholders of the Company do hereby consent and authorize the Company for transmission of the Annual Report of the Company including audited financial statements to its shareholders through QR-enabled code and web-link as required under the S.R.O 389(1)/2023 dated March 21, 2023 issued by the SECP instead of transmitting the same through CD/DVD/USB.

5. To consider and if deemed fit, to pass with or without modifications(s), the following Special Resolution(s) under Section 88 of the Companies Act, 2017 read with Listed Companies (Buy-Back of Shares) Regulations, 2019 for the purchase/buy-back by the Company up to an aggregate number of 15,000,000 (Fifteen Million) paid-up ordinary shares of the Company, having face value of PKR 5/- (Pak Rupees Five) each, through the Pakistan Stock Exchange Limited at the spot/current price acceptable to the Company prevailing during the purchase period, as recommended by the Board of Directors of the Company:

"RESOLVED THAT, subject to compliance with applicable laws (as may be further amended), approval of the members of Habib Sugar Mills Limited be and is hereby accorded under Section 88 of the Companies Act, 2017 read with Listed Companies (Buy-Back of Shares) Regulations, 2019, for the following acts by the Company:

- a) purchase/buy-back of up to an aggregate number of 15,000,000 (Fifteen Million) paid-up ordinary shares of the Company, having paid-up/face value of PKR 5/- (Pak Rupees Five Only) each, representing 10% of the total issued and paid-up ordinary shares of the Company (the "Purchase");
- b) the Purchased shares be cancelled by the Company;
- c) the Purchase be commenced not later than 7 (seven) calendar days of the public announcement of the Purchase and to end not later than 180 (one hundred and eighty) days from the date of the special resolution;
- d) the Purchase to be conducted through the Pakistan Stock Exchange Limited in accordance with the Companies Act, 2017 read with Listed Companies (Buy-Back of Shares) Regulations, 2019";
- e) that the Company maintain sufficient funds in the designated clearing bank account (s) from time to time during the Purchase period for the timely settlements of the daily purchases;
- f) that the Authorized Person(s) as appointed by the Board of Directors of the Company take all necessary, ancillary and incidental steps and to do or cause to be done all such acts, deeds and things that may be required for the purpose of carrying out and giving effect to the aforementioned resolutions, and for the purpose of implementing, procuring, and completing the Purchase; and
- g) the aforesaid resolutions, as deemed appropriate and necessary, may be revised by the Authorized Person(s) in accordance with any amendments in applicable law, or as directed in writing by any Competent Authority, which revision shall then be deemed to be part of the resolutions without the need for the shareholders/members of the Company to pass fresh resolutions.



A statement under section 134(3) of the Companies Act, 2017 in respect of the special business as per the agenda Item No. 4 & 5 to be considered at the meeting is being sent to the members alongwith a copy of this notice.

By order of the Board

Imran Amin Virani
Company Secretary

Karachi: December 23, 2023

Notes:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from Monday, January 15, 2024 to Wednesday, January 24, 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. E-Voting and Postal Ballot

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 and its amendments notified by SRO 2192(1)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special business(es) in the AGM, in accordance with the conditions mentioned in the aforesaid Regulations. The Company shall provide its members with the following options for voting:



Procedure for E-Voting

- a. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on January 12, 2024.
- b. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of THK Associates (Private) Limited (being the e-voting service provider).
- c. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- d. E-Voting lines will start from January 19, 2024, 09:15 a.m. and shall close on January 23, 2024- at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot

- a) Members may alternatively opt for voting through postal ballot. For the convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.habibsugar.com
- b) The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's Registered Office, Habib Sugar Mills Limited, 3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi or email at companysecretary@habibsugar.com one day before the AGM, i.e., on January 23, 2024 before 5:00 p.m. A postal ballot received after this time / date shall not be considered for voting. The signature on the Ballot Paper shall match with signature on the CNIC

11. 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.

12. 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, 2023 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 134(3) of the Companies Act, 2017

This statement sets out the material facts concerning the Special Business to be transacted at the 62nd Annual General Meeting of the Company to be held on January 24, 2024:

Special Business:

Item 4 of the agenda – Approval for circulation of Annual Report through QR-enabled code and web link:

Considering the technological advancements, the SECP vide S.R.O 389 (I)/2023 dated March 21, 2023 has allowed listed companies to send annual financial statements to shareholder through Quick Response (QR) Code and weblink alongwith the notice of AGM instead of DVD/CD/USB in order to facilitate the shareholders to quickly download and view the annual financial statements alongwith other documents. In this regard, Habib Sugar Mills Limited seeks consent from the shareholders to allow the Company to transmit the Annual Report of the Company to its shareholders through QR-enabled code and web link in order to ensure compliance with the above SRO issued by the SECP. It is pertinent to mention that if any member seeks to obtain a hard copy of the Annual Report, such member shall be provided with the same free of cost.

None of the directors of the Company have any personal interest in the aforementioned special business except in their capacity as shareholder or director of the Company

Agenda Item 5 – Purchase/Buy-back of its own shares by the Company

The Board of Directors of the Company, in its meeting held on December 23, 2023 had approved and decided to recommend to the members of the Company for their approval by passing of special resolutions, the purchase/buy-back by the Company up to an aggregate number of 15,000,000 (Fifteen Million) issued and paid up ordinary shares of the Company's shares, having paid-up/face value of PKR 5/- (Pak Rupees Five Only) each, constituting 10% of the current issued and paid up share capital of the Company, in accordance with Section 88 of the Companies Act, 2017 read with the Listed Companies (Buy-Back of Shares) Regulations, 2019 (as amended; the **Regulations**) at the spot/current price share acceptable to the Company prevailing during the purchase period, through the Pakistan Stock Exchange Limited.

In accordance with the Act and the Regulations, the Purchase is subject to the approval of the members of the Company by way of passing of special resolutions.

The Directors have no personal interest in the proposed special business for the purchase/buy-back of issued ordinary shares of the Company except to the extent of their existing respective beneficial shareholdings in the Company. However, in accordance with applicable law, no sponsor, director, officer, associated companies and undertakings of the Company can participate in the Purchase.

Following are the salient features of the buy-back of Company's shares as recommended by the Board of directors for members/shareholders approval:

Description	Board's Recommendation
Purpose of the purchase	Cancellation of shares.
Name of the Securities Exchange	Pakistan Stock Exchange Limited.
Indicative (maximum) number of ordinary shares proposed to be purchased (buy-back)	Up to an aggregate of 15,000,000 (Fifteen Million) paid-up ordinary shares of the Company having face value of PKR 5/- (Pak Rupees Five Only) each.
Indicative (maximum) percentage of ordinary shares proposed to be purchased (buy-back)	10% of the total outstanding issued and paid-up shares of the Company.
Purchase price (per share)	The shares shall be purchased from time to time at the spot/current price acceptable to the Company prevailing during the purchase period as per the Regulation 8(2) of Listed Companies (Buy-Back) of Shares, Regulations, 2019.
Purchase Period	February 2, 2024 to July 22, 2024 (both days inclusive) or till such date that purchase is complete, whichever is earlier.



Source of funds	The purchase of shares shall be made out of the distributable profits as required under Section 88(8) of the Companies Act, 2017. The Company will utilize its internally generated cash flows.
Allocated Funds	Since the purchase is to be carried out at the spot/prevaling share price acceptable to the Company, the Company will ensure availability of funds with respect to the shares to be purchased. The actual purchase of shares by the Company shall be subject to varying factors during the purchase period, including the market conditions.
Justification for the purchase/buy-back and effect on the financial position of the Company	The proposed buy-back of shares will have a positive impact on the financial position of the Company. This will also improve the Earning per Share (EPS) as well as break-up value of the Company's shares. Further, it will provide an opportunity of exit to those shareholders who wish to liquidate their investments.

Accordingly, the Board of Directors of the Company has recommended that the special resolution(s) as set out in the notice be passed at the Annual General Meeting with or without any modification(s).

In accordance with Regulation 3(1)(d) of the Regulations, the Board of Directors has undertaken that the funds specified/required for the Purchase (i.e., to the extent of the shares of the Company that will actually be purchased during the purchase period) are/shall be available with the Company, and after the Purchase, the Company shall be capable of meeting its obligations on time during the period up to the end of the immediately succeeding 12 (twelve) months. In accordance with Regulation 3(1)(e), it is confirmed that the Company is not on the defaulter counter of the PSX and that it has not defaulted on any debt instrument. Furthermore, the Company is compliant with its minimum capital requirements and financial ratios.

Procedure for the Purchase:

As required under Section 88 of the Act read with the Regulations, the following procedure shall be followed for the Purchase:

1. The Company shall make a public announcement for the purchase/buy-back through the Pakistan Stock Exchange Limited within 2 (two) working days of passing of the special resolution, which shall also be published in 2 (two) daily newspapers (Business Recorder and Nawa-i-Waqt).
2. Except for those persons mentioned in Regulations 12(2), it is clarified that all those persons who validly hold shares of the Company during the purchase period and are eligible to participate in the purchase/buy-back may participate in the Purchase, even if their names do not appear in the register of members of the Company on the date of book closure.
3. Members of the Company who are eligible and willing to sell the shares or part thereof held by them in the Company may sell such shares or part thereof to the securities broker through the Pakistan Stock Exchange by placing a sale order through their securities broker.
4. The Purchase shall be made through the automated trading system of the Pakistan Stock Exchange. All purchases shall be made at the spot/ current share price at the time of purchase acceptable to the Company. No purchase shall be made through negotiated deals market.
5. The shares will be purchased by the Company through the Pakistan Stock Exchange within the purchase period starting from February 02, 2024 to July 22, 2024 (both days inclusive) or till such date that the purchase is complete, whichever is earlier.
6. Necessary information and instruction regarding the procedure to sell the shares shall also be communicated to the members through public announcement, which shall also be made available on Company's website.



POSTAL BALLOT PAPER

**FOR VOTING IN THE ANNUAL GENERAL MEETING OF HABIB SUGAR MILLS LIMITED TO BE HELD ON
JANUARY 24, 2024 AT 11:00 A.M AT THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN,
CHARTERED ACCOUNTANTS AVENUE, CLIFTON, KARACHI
(UNDER THE COMPANIES (POSTAL BALLOT) REGULATIONS, 2018)**

HABIB SUGAR MILLS LIMITED

Registered Office: 3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi

Phone No. (92-21) 35680036 Fax No. (92-21) 35684086

Website: <http://www.habibsugar.com>

Designated email address at which the duly filled in ballot paper may be sent: companysecretary@habibsugar.com

Name of shareholder / joint shareholders	
Registered Address	
Folio Number / CDC Account No.	
Number of shares held	
CNIC No./Passport No - in case of foreigner (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolutions by placing tick (✓) mark in the appropriate box below

Serial No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
	SPECIAL BUSINESS:			
	RESOLUTION FOR AGENDA ITEM NO. 4			
	RESOLVED THAT the shareholders of the Company do hereby consent and authorize the Company for transmission of the Annual Report of the Company including audited financial statements to its shareholders through QR-enabled code and web-link as required under the S.R.O 389(1)/2023 dated March 21, 2023 issued by the SECP instead of transmitting the same through CD/DVD/USB.			
	RESOLUTIONS FOR AGENDA ITEM NO. 5			
a)	"RESOLVED THAT, subject to compliance with applicable laws, (as may be further amended), approval of the members of Habib Sugar Mills Limited be and is hereby accorded under Section 88 of the Companies Act, 2017 read with Listed Companies (Buy-Back of Shares) Regulations, 2019, for the following acts by the Company: purchase/buy-back of up to an aggregate number of 15,000,000 (Fifteen Million) paid-up ordinary shares of the Company, having paid-up/face value of PKR 5/- (Pak Rupees Five Only) each, representing 10% of the total issued and paid-up ordinary shares of the Company (the "Purchase");			



Serial No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
b)	the Purchased shares be cancelled by the Company;			
c)	the Purchase be commenced not later than 7 (seven) calendar days of the public announcement of the Purchase and to end not later than 180 (one hundred and eighty) days from the date of the special resolution;			
d)	the Purchase to be conducted through the Pakistan Stock Exchange Limited in accordance with the Companies Act, 2017 read with Listed Companies (Buy-Back of Shares) Regulations, 2019;			
e)	that the Company maintain sufficient funds in the designated clearing bank account (s) from time to time during the Purchase period for the timely settlements of the daily purchases;			
f)	that the Authorized Person(s) as appointed by the Board of Directors of the Company take all necessary, ancillary and incidental steps and to do or cause to be done all such acts, deeds and things that may be required for the purpose of carrying out and giving effect to the aforementioned resolutions, and for the purpose of implementing, procuring, and completing the Purchase; and			
g)	the aforesaid resolutions, as deemed appropriate and necessary, may be revised by the Authorized Person(s) in accordance with any amendments in applicable law, or as directed in writing by any Competent Authority, which revision shall then be deemed to be part of the resolutions without the need for the shareholders/members of the Company to pass fresh resolutions.			

Signature of shareholder(s)

PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

1. Dully filled postal ballot should be sent to the Chairman, Habib Sugar Mills Limited, 3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi - Pakistan or at e-mail: companysecretary@habibsugar.com
2. Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or before January 23, 2024 during working hours. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC/Passport (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, and attested copy of Board Resolution/ Power of Attorney/ Authorization Letter etc., in accordance with Section (s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
7. Ballot Paper Form has also been placed on the website of the Company at: www.habibsugar.com