



GHARIBWAL CEMENT LIMITED

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting ("EOGM") of Gharibwal Cement Limited will be held on Wednesday, February 28, 2024 at 12:00 pm at OBAN Hotel, 81-C-II, off MM Alam Road, Gulberg-II, Lahore to transact the following businesses:

1. ELECTION OF DIRECTORS

To elect Nine directors in accordance with Company Act, 2017 pursuant to Section 159 (1) of the Companies Act 2017, the number of directors has been fixed as nine (09) for the next term of three years starting from February 28, 2024. The name of the retiring directors are as follows:

1	Muhammad Tousif Peracha	Director
2	Abdur Rafique Khan	Director
3	Khalid Siddiq Tirmizey	Director
4	Mustafa Tousif Ahmad Paracha	Director
5	Amna Khan	Director
6	Sorath Jumani	Director
7	Faisal Aftab Ahmed	Director
8	Daniyal Jawaid Peracha	Director

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

To consider, and if deemed fit to pass a following resolution as special resolution, with or without modification for issue of corporate guarantees of up to Rs. 3 billion in favour of financial institutions / banks on behalf of Balochistan Glass Limited (an associated company):

"Resolved that the approval of the members of Gharibwal Cement Limited ("GCL") be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 for a non-funded facility in the form of corporate guarantee up to Rs. 3 billion in favour of financial institutions / banks on behalf of Balochistan Glass Limited ("BGL") on the terms and conditions disclosed to the shareholders.

Further Resolved that the aforesaid special resolution shall be valid till October 30, 2029.

Further Resolved that the CEO and/or CFO be and are hereby singly empowered and authorized to undertake the decision of said investment and to do all acts, matters, deeds and things, take any or all necessary actions and to complete all legal formalities as may be necessary or incidental expedient for the purpose of implementing the aforesaid resolutions."

- To read and approve the minutes of last annual general meeting held on October 26, 2023.
- To transact any other business with the permission of chair

By Order of the Board

Farukh Naveed ACA
Company Secretary



Lahore: February 02, 2024

Head Office : 27-H, Pace Tower, 1st Floor, College Road, Gulberg-II, Lahore, Pakistan.

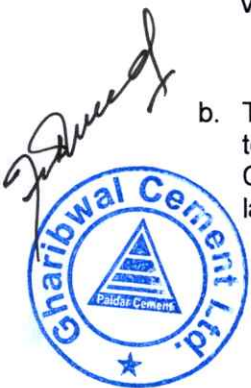
Factory : 30km Pind Dadan Khan Jehlum Road, Ismailwal, Tehsil Choa Saidan Shah, District Chakwal.

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

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NOTES:

1. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain close from February 22, 2024 to February 28, 2024 (both days inclusive). Transfer received by the Share Registrar of the Company, Corplink (Private) Ltd, 1-K Commercial, Model Town Lahore (Ph: +924235916714, +924235916719 Email: corplink786@gmail.com) at the close of business hours on February 21, 2024 will be treated in time for the purpose of attendance and voting at EOGM.
2. **Participation in General Meeting:**
 - a. The members must bring their original CNIC or Passport to prove their identity and those members who have deposited their shares in Central Depository System should also be aware of their CDC Participant ID and Account Number at the meeting venue.
 - b. A representative of corporate members, must bring the Board of Directors' Resolution and/or Power of Attorney and the specimen signature of the nominee.
 - c. A member entitled to attend and vote may appoint another member of the Company as his / her proxy to attend, speak and vote for him / her.
 - d. A member shall not be entitled to appoint more than one proxy.
 - e. The instrument of proxy duly executed should be lodged at the Registered Office of the Company (i.e. Pace Tower, 1st Floor, 27-H, Gulberg-II, Lahore) not later than 48 hours before the time of the meeting. The form of proxy must be witnessed with the addresses and CNIC numbers of witnesses, certified copies of CNIC of member and the proxy member must be attached and the revenue stamp should be affixed and defaced on the form of proxy. Proxy Form in English and Urdu languages is attached with the notice circulated to the members.
3. **Election of directors:**
 - a. Any member (including the retiring directors) who seeks to contest the election of directors shall file with the Company the following documents the following documents with the Company at its registered office at least 14 days before the date of the EOGM:
 - i. A Notice of his/her intention to offer himself/herself for election in terms of section 159 of the Companies Act, 2017 containing his/her Folio No. / CDC Investor Account No. / CDC Participant ID No. / Sub-Account No.
 - ii. Form 28 (consent to act as director) on prescribed form under the Companies Act 2017.
 - iii. Detailed profile along with office address and contact information for placement on Company's website as required under SECP's SRO 1196(I)/2019 dated 03 October 2019.
 - iv. Declaration in respect of the eligibility criteria as set out in the Companies Act 2017 to act as director of the Company.
 - v. The Independent Directors shall submit a declaration under clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 that he / she qualify the criteria of independence notified under section 166 of the Companies Act, 2017.
 - vi. Attested copy of valid CNIC / Passport and NTN, Detail of other Directorship(s) and office(s) held.
 - b. The candidates are requested to read the relevant provisions / requirements relating to the Election of Directors, as stipulated in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, the other applicable laws and regulations and ensure the compliance with the same in letter and spirit.



- c. A member who seeks to contest for election may select any one category in which he / she intends to contest election of directors. For the purposes of election of directors of the Company the voting shall be held separately in the following three (3) categories for the specified number of seats:

Sr. No	Category	Number of Seats
1	Female Director	01 Seat
2	Independent Directors	03 Seat
3	Other Directors	05 Seat
	Total	09 seats

- d. The member in their discretion may cast vote to any candidate contesting election in each of the above categories. It must, however, be noted that division of votes available to each member for a category shall be in proportion to the number of seats of directors under such category
4. 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.
5. The Company has arranged for participation of members in EOGM through electronic means (i.e. video-link / webinar / teams etc.). In this regard, the interested shareholders can request by providing the relevant information (i.e. Name of the Shareholder, CNIC Number, Folio / CDC Account Number, Cell Number, Email Address etc.) to the Company Secretary by February 25, 2024 at Email Address: corporate@gwlc.co
6. **Postal ballot and e-Voting:** In accordance with the requirements the Companies (Postal Ballot) Regulations, 2018, the right to vote through electronic voting facility and voting by post shall be provided to members of the Company in this EOGM for:
- a. Agenda item No 1, if the number of persons who offer themselves to be elected is more than the number of directors fixed u/s 159(1) of the Companies Act; and
- b. Agenda Item No 2.

Procedure for E - Voting:

- a. E-Voting facility will be provided by Corplink (Private) Limited, the Share Registrars & Corporate Consultants, acting as E-Voting Services Provider.
- b. Members who are intending to exercise their right of E-Voting shall confirm to the Company at corporate@gwlc.co on or before February 21, 2024 through their registered email addresses already provided to the Company.
- c. Details of the e-voting facility will be shared by our Corplink (Pvt) Limited through an email with those members of the Company who have their valid CNIC numbers, cell numbers, and email addresses available in the register of members of the Company by the close of business of February 21, 2024.
- d. The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of Corplink (Pvt) Limited (being the e-voting service provider).
- e. Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.



- f. E-Voting lines will start from February 25, 2024, 09:00 PST and shall close on February 27, 2024 at 17:00 PST. Members can cast their votes any time in this period. A vote once casted shall not be allowed to be changed.

Procedure for Voting Through Postal Ballot:

- a. Members may alternatively opt for voting through postal ballot which shall be made available by February 21, 2024 on the Company's website and shall also be published in newspapers as required by the Companies (Postal Ballot) Regulations, 2018.
- b. The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the Company through post on the Company's registered address Pace Tower, 1st Floor, 27-H, Gulberg-II, Lahore or at email at corporate@gwlc.co on and before 17:00 PST, February 27, 2024.
- c. The signature on the ballot paper shall match with the signature on CNIC.
- d. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

Scrutinizer

In accordance with the Regulation 11 of the Regulations, the Board of the Company has appointed M/s Kreston Hyder Bhimji & Co., Chartered Accountants, a QCR rated audit firm, to act as the Scrutinizer of the Company for the special business to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11A of the Regulations.

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

NON-FUNDED FACILITY OF CORPORATE GUARANTEE TO BALOCHISTAN GLASS LIMITED (an associated company)

This statement sets out the material facts pertaining to special business at Agenda Item 2 proposed to be transacted under section 199 of Companies Act, 2017 at EOGM.

Balochistan Glass Limited ("BGL") is a listed company and is engaged in manufacturing and sale of glass containers, Tableware glass products and plastic shells for beverage companies. During the year ended June 30, 2023, Muhammad Tousif Peracha ("MTP") who is common sponsor director in both companies i.e. GCL and BGL, entered into an agreement with a leading glass manufacturer Tariq Glass Industries Limited ("TGL") whereby MTP sold 50% of his shareholding in MMM Holding (Pvt) Ltd, a holding company of BGL, to TGL.

As per terms and condition of aforesaid agreement, TGL has effectively taken management control of BGL. The Management of TGL is revitalizing BGL's operations. New management of BGL expects that BGL's BMR activities will commence immediately upon members' approval of investments of TGL in BGL and are expected to be completed before the end of the first quarter of the calendar year 2024 and thereafter BGL's production will be revived i.e. before the end of the first quarter of the calendar year 2024.

In order to revive the operations of BGL at full capacity, funds will be required for working capital and BMR, TGL is arranging finance facilities for BGL from financial institutions / banks. Financial institutions / banks are requiring cross corporate guarantees of both TGL and GCL as additional comfort along with other securities like charge on BGL assets and personal guarantees of sponsor directors of BGL. TGL is getting approval of its members in EOGM to be held on February 15,



2024 for investments in BGL including non-funded facility of corporate guarantee up to Rs. 3 billion.

Based on future prospects of BGL after change in management, the Board foresee that BGL will turn-around and will earn sufficient profits. BGL may require bank financing to meet its working capital requirements and long term project financing or BMR financing. Keeping in view BGL's funding requirements, GCL may issue cross corporate guarantees up to Rs. 3 billion in favour of the banks on behalf of BGL and will charge guarantee commission at the rate of L/G commission rate of GCL + 0.05% per quarter.

Therefore, the Board proposes for a non-funded facility in the form of corporate guarantee up to Rs. 3 billion till October 30, 2029 to be issued in favour of financial institution / banks on behalf of BGL. The Board further evaluated that existing short term loan facility of Rs. 700 million will gradually been reduced to zero in couple of years. 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 associated company and basis of relationship	Balochistan Glass Limited (BGL) – an associated company by virtue of more than 20% shareholding (directly or indirectly) in BGL and GCL by a common sponsor director Muhammad Tousif Peracha.
2	Maximum amount of investment to made	Non-funded facility in the form of Corporate Guarantee of up to Rs. 3 billion in favor of financial institutions / banks on behalf of Balochistan Glass Limited.
3	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	To assist BGL to obtain facilities from financial institutions / banks for meeting its working capital and BMR/CapEx requirements. Since this is a non-funded facility in the form of corporate guarantee, there is no cost to the Company, however the Company will recover all allied charges in connection with the issuance of the Corporate Guarantee from BGL along with guarantee commission 0.05% higher than the Company's L/G commission cost. This facility will be valid till October 30, 2029.
4	Sources of funds to be utilized for proposed investment	Not applicable as this is non-funded facility.
5	Salient features of the agreement, if any, with associated company with	Terms of agreement will be as below: Terms of facility



	<p>regards to the proposed investment;</p>	<ul style="list-style-type: none"> • Corporate guarantee(s) may be issued, on a joint or several basis, as and when required by banks of BGL. • This facility shall be valid till October 30, 2029. • A commission at L/G commission rate of GCL plus 0.05% per quarter shall be charged by GCL from Balochistan Glass Limited on the utilized value of the facility. • Any cost incurred in issuing corporate guarantee shall be recovered from BGL. • In case BGL, its sponsoring directors and TGL fail to meet its payment obligations towards financial institutions / banks (Beneficiaries), GCL shall guarantee to pay the amount as principal obligor demanded by the Beneficiaries. In the event, if any amount is demanded and paid to the Beneficiaries by GCL, a loan receivable from BGL equivalent to the amount paid to the Beneficiaries will be booked. This loan will carry markup of average borrowing cost of GCL +1%. • Tariq Glass Industries Limited (who is indirectly substantial shareholder of BGL and has management control of BGL) shall, separately, issue similar corporate guarantees on behalf of Balochistan Glass Limited on the same terms and conditions as that of attached with corporate guarantee issued by GCL. • This facility shall be secured by personal guarantee of Muhammad Tousif Peracha who shall also undertake to compensate for any loss incurred to GCL because of this facility.
6	<p>Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or the transaction under consideration;</p>	<p>None of the directors, sponsors, majority shareholders and their relatives have any interest in the associated company or the proposed arrangement, except to the extent of their shareholding in the associated company or associated undertaking or the transaction under consideration</p>



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		<table border="1"> <tr> <td>Common Directors and their spouse</td> <td>BGL</td> <td>GCL</td> </tr> <tr> <td>Muhammad Tousif Peracha</td> <td>0.0%</td> <td>53.7%</td> </tr> <tr> <td>Tabassum Tousif Peracha (Spouse of Muhammad Tousif Peracha)</td> <td>0.0%</td> <td>0.0%</td> </tr> </table> <p>Pattern of shareholdings are also available on both companies' website as well as in annual reports.</p> <p>BGL nor GCL hold any shares in each other.</p>	Common Directors and their spouse	BGL	GCL	Muhammad Tousif Peracha	0.0%	53.7%	Tabassum Tousif Peracha (Spouse of Muhammad Tousif Peracha)	0.0%	0.0%																			
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7	In case any investment in associated company has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and the complete details thereof.	<p>A short term loan up to Rs. 700 million has already been approved/renewed by members in last AGM held on 26-10-2023. This facility is secured by personal guarantee of Muhammad Tousif Peracha (major sponsor director) and his postdated cheques.</p> <p>The outstanding balances as at December 31, 2023 are as below:</p> <ul style="list-style-type: none"> Principal Rs. 700 million Accrued markup Rs. 40 million <p>The Company earns markup 1% above the Company's borrowing rate i.e. 6months KIBOR + 3.5% p.a.</p> <p>This facility will gradually be reduced to zero in couple of years.</p>																												
8	Financial Position of BGL	<p>Based on the latest unaudited quarterly financial statements for the 1st quarter ended September 30, 2023, brief financial position of BGL is as under:</p> <table border="1"> <thead> <tr> <th></th> <th>Rs. Million</th> </tr> </thead> <tbody> <tr> <td>Paid up capital</td> <td>2,101</td> </tr> <tr> <td>Accumulated loss</td> <td>6,209</td> </tr> <tr> <td>Revaluation surplus</td> <td>1,043</td> </tr> <tr> <td>Subordinated loan</td> <td>3,899</td> </tr> <tr> <td>Deferred liabilities</td> <td>56</td> </tr> <tr> <td>Short term borrowing</td> <td>1,028</td> </tr> <tr> <td>Current liabilities</td> <td>1,599</td> </tr> <tr> <td>Current assets</td> <td>169</td> </tr> <tr> <td>Current ratio</td> <td>0.11</td> </tr> <tr> <td>Fixed assets</td> <td>2,325</td> </tr> <tr> <td>Loss after tax (for the quarter)</td> <td>94</td> </tr> <tr> <td>EPS (for the quarter)</td> <td>(0.36)</td> </tr> <tr> <td>Breakup value per share</td> <td>3.18</td> </tr> </tbody> </table>		Rs. Million	Paid up capital	2,101	Accumulated loss	6,209	Revaluation surplus	1,043	Subordinated loan	3,899	Deferred liabilities	56	Short term borrowing	1,028	Current liabilities	1,599	Current assets	169	Current ratio	0.11	Fixed assets	2,325	Loss after tax (for the quarter)	94	EPS (for the quarter)	(0.36)	Breakup value per share	3.18
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9	<p>Additional information of proposed investment</p> <p>Category-wise amount of investment</p> <p>Average borrowing cost of the investing company, KIBOR for the relevant period, rate of return for Shariah compliant products</p> <p>Rate of return for unfunded facilities, as the case may be, for the relevant period;</p> <p>Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;</p> <p>Particulars of collateral or security to be obtained in relation to the proposed investment;</p> <p>If the investment carries conversion feature i.e. it is convertible into securities etc.</p> <p>Repayment schedule</p>	<p>Non-Funded Facility (in shape of Cross Corporate Guarantee) upto Rs. 3 billion in favour of the banks on behalf of BGL till October 30, 2029.</p> <p>N/A</p> <p>The company will charge a commission of 0.05% above its L/G commission rate%.</p> <p>The company will charge a commission of 0.05% above its L/G commission rate%.</p> <p>Personal guarantee of Muhammad Tousif Peracha.</p> <p>There are no conversion features in the subject facility</p> <p>Not applicable</p>
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None of the Directors of the Company have any personal interest in the aforesaid Special Business except in their capacity as Shareholders or Directors of the Company or as explained above.

