

# Notice of Twenty Third Annual General Meeting

Notice is hereby given that the Twenty Third Annual General Meeting of the Shareholders of Arif Habib Corporation Limited (“the Company”) will be held on Saturday, 28<sup>th</sup> October, 2017 at 12:00 p.m. at PSX Auditorium, 3<sup>rd</sup> Floor, Admin Block, Stock Exchange Building, Stock Exchange Road, Karachi to transact the following business:

## Ordinary Business

- 1) To confirm minutes of the Annual General Meeting held on 29<sup>th</sup> October 2016.
- 2) To receive, consider and adopt annual audited financial statements of the Company together with the Directors' and the Auditors' Reports thereon for the year ended 30<sup>th</sup> June 2017 together with the Audited Consolidated Financial Statements of the Company and the Auditors' Reports thereon for the year ended 30<sup>th</sup> June 2017.
- 3) To appoint the Auditors for the year ending 30<sup>th</sup> June 2018 and fix their remuneration. The Board of Directors have recommended for reappointment of M/s. KPMG Taseer Hadi & Co., Chartered Accountants as external auditors.
- 4) To consider and approve final Cash Dividend for the year ended 30<sup>th</sup> June 2017 at Rs.3.00 per share i.e. 30% as recommended by the Board of Directors.

## Special Business

- 5) To consider and if deemed fit, to pass the following Special Resolutions with or without modification(s):

### Investment in Associated Companies & Associated Undertakings

**“RESOLVED THAT** the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and “Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012” for the following limit of investments / additional investments in associated companies and associated undertakings subject to the terms and conditions mentioned in the Annexure-A of Statement under Section 134(3).”

**“FURTHER RESOLVED THAT** the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and “Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012” for renewal of following equity investments limit upto unutilized portion for which approval had been sought in previous general meeting, in associated companies and associated undertakings as mentioned in the Annexure-B of Statement under Section 134(3).”

**“FURTHER RESOLVED THAT** the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and “Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012” for renewal of following sanctioned limits of loans and advances for which approval has been sought in previous general meeting, in associated companies and associated undertakings as mentioned in the Annexure-B of statement under Section 134(3) whereas the renewal of limits will be in the nature of running finance and/or corporate guarantee for a period of one year and shall be renewable in next general meeting(s) for further period(s) of one year.”

----- Rupees in million -----

|    | Name of Associated Companies & Undertakings | Proposed Fresh Investment |                                | Renewal Requested               |   |
|----|---|---------------------------|--------------------------------|---------------------------------|---|
|    |   | Equity                    | Loan/<br>Advance/<br>Guarantee | Unutilized<br>Equity<br>Portion | Sanctioned Loan/<br>Advance/<br>Guarantee |
| 1  | Javedan Corporation Ltd.                    | -                         | -                              | 1,199                           | 2,432                                     |
| 2  | Summit Bank Ltd.                            | -                         | -                              | 499                             | -   |
| 3  | Arif Habib Ltd.                             | 500                       | -                              | -                               | 1,500                                     |
| 4  | MCB-Arif Habib Savings and Investments Ltd. | -                         | -                              | 399                             | -   |
| 5  | Pakarab Fertilizers Ltd.                    | -                         | -                              | 1,000                           | 1,000                                     |
| 6  | Fatima Fertilizer Company Ltd.              | -                         | -                              | 1,800                           | 1,000                                     |
| 7  | Rotocast Engineering Co. (Pvt.) Ltd.        | -                         | -                              | 300                             | 200                                       |
| 8  | Arif Habib Dolmen REIT Management Ltd.      | -                         | -                              | 1,000                           | 500                                       |
| 9  | Aisha Steel Mills Ltd.                      | -                         | 2,000                          | 876                             | 6,250                                     |
| 10 | Power Cement Ltd.                           | -                         | -                              | 1,074                           | 1,500                                     |
| 11 | Sachal Energy Development (Pvt.) Ltd.       | 250                       | 10,850                         | 504                             | 250                                       |
| 12 | Safe Mix Concrete Ltd.                      | -                         | -                              | 150                             | 150                                       |
| 13 | Dolmen City REIT                            | -                         | -                              | 799                             | -   |

**“FURTHER RESOLVED THAT** the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and “Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012” for the change in nature and repayment period of loan amounting to Rs. 211 million extended to an associated Company namely Aisha Steel Mills Limited, from renewable limit in the nature of Running Finance Facility for period(s) of one year to a long term loan repayable in semi-annual installments starting from January 2018 up to January 2024.”

**“FURTHER RESOLVED THAT** the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and “Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012” to rectify the equity investment in Arif Habib Limited (a subsidiary) amounting to Rs.9.5 million made in excess of available approval by the shareholders due to an oversight.”

**“FURTHER RESOLVED THAT** the Chief Executive and/or any two directors jointly and/or any one director and Chief Financial Officer / Company Secretary jointly, be and are hereby authorized to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company’s funds as above, as and when required at the time of investment, including but not limited to negotiating and executing any necessary agreements/documents, and any ancillary matters thereto.”

6) To consider and if deemed fit, approve the amendments in Memorandum of Association of the Company in connection for renumbering of following ‘Object’ sub-clauses of Memorandum of Association; for the reason as explained in Annexure-C of the statement under Section 134(3), and pass the following resolutions, with or without modifications, as Special Resolutions:

**“RESOLVED THAT** Selected ‘Object’ sub-clauses of Memorandum of Association of the Company be and are hereby approved to be renumbered as follows:

| Existing number | Proposed number | Existing number | Proposed number |
|-----------------|-----------------|-----------------|-----------------|
| 01              | 02              | 02              | 01              |
| 1A              | 2A              | 2A              | 1A              |
| 1B              | 2B              | 2B              | 1B              |
| 1C              | 2C              | -               | -               |
| 1D              | 2D              | -               | -               |

**“FURTHER RESOLVED THAT** in connection with the resolutions passed above and subject to the necessary approvals to be obtained from regulators / creditors, and any consequent modification thereon, the amendments in Memorandum of Association of the Company which is laid before the members as explained in the Statement under Section 134(3), be and are hereby approved.”

**“FURTHER RESOLVED THAT** the Chief Executive or / and Company Secretary be and are hereby authorized to complete necessary formalities in connection with amendments in Memorandum of Association, as modified in the Annual General Meeting or in accordance with the advice of any regulator / creditor.”

### **Any Other Business**

7) To consider any other business with the permission of the Chair.

A Statement under Section 134(3) of the Companies Act 2017 pertaining to the special business is being sent to the shareholders along with this notice.

By order of the Board

Karachi: 7<sup>th</sup> October 2017

**Manzoor Raza**  
Company Secretary

### **Notes:**

1. Share transfer books of the company will remain closed from 21<sup>st</sup> October 2017 to 28<sup>th</sup> October 2017 (both days inclusive). Transfers received in order at the office of our registrar: M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi, by the close of business on Friday, 20<sup>th</sup> October 2017 will be treated in time for the determination of entitlement of shareholders to cash dividend and to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
3. Procedure including the guidelines as laid down in Circular No. I- Reference No. 3(5-A) Misc/ARO/LES/96 dated 26<sup>th</sup> January 2000 issued by Securities & Exchange Commission of Pakistan:
  - (i) Members, proxies or nominees shall authenticate their identity by showing their original national identity card or original passport and bring their folio numbers at the time of attending the meeting.
  - (ii) In the case of corporate entity, Board of Directors' resolution/power of attorney and attested copy of the CNIC or passport of the nominee shall also be produced (unless provided earlier) at the time of meeting.
  - (iii) In order to be effective, the proxy forms must be received at the office of our registrar not later than 48 hours before the meeting, duly signed and stamped and witnessed by two persons with their names, address, NIC numbers and signatures.
  - (iv) In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
  - (v) In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted alongwith proxy form.
4. Members are requested to submit copies of their CNICs and promptly notify any change in address by writing to the office of the registrar.

### **Important:**

#### **Payment of Cash Dividend through electronic mode (Mandatory):**

Under the provisions of Section 242 of the Companies Act, 2017, 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 order to receive dividend directly into their bank account, shareholders are requested to fill in Electronic Mode Dividend Form available at Company's website containing prescribed details and send it duly signed along with a copy of CNIC to the Registrar of the Company, M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi, in case of physical shares. In case of book-entry securities, respective shareholders must get their respective records updated as per the Electronic Mode Dividend Form with their Broker/Participant/CDC account services.

In the absence of a members' valid bank account details, the Company will be constrained to withhold the payment of dividend to such members till provision of prescribed details.

### Withholding tax on dividend

The Government of Pakistan through Finance Act, 2017 has made certain amendments in tax rates applicable through Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under :

- For filers of Income Tax Returns 15%
- For non-filer of Income Tax Returns 20%

Shareholders who are filers are advised to make sure that their names (and/or the name of their joint holders) are appearing in latest Active Tax Payers List (ATL) provided on the website of FBR, otherwise they (and/or joint holders) shall be treated as non-filers and tax on their cash dividend income will be deducted at the rate of 20.0% instead of 15%.

### Withholding tax on dividend in case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding proportion in case of Joint account, all shareholders who hold shares with Joint shareholders, are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to our Share Registrar, in writing, as follows:

| Folio /<br>CDS Account # | Total Shares | Principal Shareholder |                                   | Joint Shareholder |                                   |
|--------------------------|--------------|-----------------------|-----------------------------------|-------------------|-----------------------------------|
|                          |              | Name and<br>CNIC #    | Shareholding<br>Proportion<br>(%) | Name and CNIC #   | Shareholding<br>Proportion<br>(%) |
|                          |              |                       |                                   |                   |                                   |
|                          |              |                       |                                   |                   |                                   |
|                          |              |                       |                                   |                   |                                   |
|                          |              |                       |                                   |                   |                                   |

**Note:** In the event of non-receipt of the information by 20th October 2017, each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

### Notice to Shareholders who have not provided their CNIC

The Individual Members who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Company / Share Registrar, are once again reminded to send the same at the earliest directly to Company's Share Registrar, M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number with the copy of CNIC / NTN details. Reference is also made to the Securities and Exchange Commission of Pakistan (SECP) Notifications SRO 779(I)/2011 dated 18<sup>th</sup> August 2011 and SRO 831(I)/2012 dated 5<sup>th</sup> July 2012, SRO 19(I)/2014 dated 10<sup>th</sup> January 2014 and SRO 275(I)/2016 dated 31<sup>st</sup> March 2016 which mandates that the dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members.

In case of non-receipt of the copy of a valid CNIC, the Company would be unable to comply with aforementioned directives of SECP and therefore will be constrained under Section 243(2)(a) of the Companies Act, 2017 to withhold dispatch of dividend warrants of such shareholders.

### **CNIC/Passport/NTN/Exemption/Zakat Declaration**

Shareholders are advised to ensure that they have provided their Passport/NTN/CNIC/Tax exemption certificates (for tax exemption, where applicable) and valid Zakat Declaration under Zakat & Ushr Ordinance 1980 (for Zakat Exemption) to their respective Participant/CDC Investor Account Services/Company's Share Registrar.

### **E-Voting**

Pursuant to the Companies (E-Voting) Regulations, 2016, shareholders will be able to exercise their right to vote through e-voting by giving their consent in writing at least 10 days before the date of the meeting to the Company on the appointment of Execution Officer by the intermediary as Proxy.

### **Provision of Video Link Facility:**

Shareholders may participate in the meeting via video-link facility. If the Company receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city.

Shareholders, who wish to participate through video-link facility, are requested to fill in Video Link Facility Form available at Company's website and send a duly signed copy to the Registered Address of the Company.

### **Distribution of Annual Report**

The audited financial statements of the Company for the year ended 30<sup>th</sup> June 2017 have been made available on the Company's website (<http://www.arifhabibcorp.com>) in addition to annual and quarterly financial statements for the prior years.

Further, this is to inform that in accordance with SRO 470(I)/2016 dated 31<sup>st</sup> May 2016, through which SECP has allowed companies to circulate the annual audited accounts to its members through CD/DVD/USB instead of transmitting the hard copies at their registered addresses, subject to consent of shareholders and compliance with certain other conditions, the Company has obtained shareholders' approval in an Extra Ordinary General Meeting held on 21<sup>st</sup> September 2016. Accordingly, Annual Report of the Company for the year ended 30<sup>th</sup> June 2017 is dispatched to the shareholders through CD. However, if a shareholder, in addition, request for hard copy of Annual Audited Financial Statements, the same shall be provided free of cost within seven days of receipt of such request. For convenience of shareholders, a "Standard Request Form for provision of Annual Audited Accounts" have also been made available on the Company's website (<http://arifhabibcorp.com/contact.php>).

# **Statement under Section 134(3) of the Companies Act, 2017**

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This statement sets out the material facts concerning the Special Business given in Agenda item No. 5 and Agenda item No. 6 of the Notice to be transacted at the Annual General Meeting of the Company.

Directors of the Company have no interest in the special business except in their capacity as director / shareholder.

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

Material facts concerning special business to be transacted at the Annual General Meeting are given below:

## Investments in Associated Companies & Associated Undertakings

The Board of Directors of the Company has approved the specific limits for equity investments and loans/advances alongwith other particulars for investments in its following existing and planned associated companies and associated undertakings subject to the consent of members under Section 199 of the Companies Act, 2017 / Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012. The Board of Directors do hereby undertake that necessary due diligence for the following proposed investments have been carried out. The principle purpose of this special resolution is to make the Company in a ready position to capitalise on the investment opportunities as and when they arrive. It is prudent that the Company should be able to make the investment at the right time when the opportunity is available.

## 1 Investment in Securities

| Sr.No | Description  | Information Required   |
|-------|--|--|
| 1     | Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established   | <b>ARIF HABIB LIMITED</b><br><b>A subsidiary company</b>   |
| 2     | Purpose, benefits and period of investment   | For the benefit of the company and to earn better returns in the long run on strategic investment by capturing the opportunities on the right time   |
| 3     | Maximum amount of investment   | Fresh limit of Rs. 500 million is requested for approval. This is in addition to Investment approved upto 2,921 million approved upto previous annual general meeting. Total investment made upto 30 June 2017 in the subsidiary is Rs.2,931 million, i.e. investment amounting to Rs.10 million has been made over and above the sanctioned amount, which is hereby presented to shareholders for ratification in the general meeting |
| 4     | Maximum price at which securities will be acquired   | At par/premium/market/offered/negotiated price prevailing on the date of transaction/investment  |
| 5     | Maximum number of securities to be acquired  | No. of securities purchasable under approved limit in accordance with / based on Sr. Nos. 3 & 4 above  |
| 6     | Number of securities and percentage thereof held before and after the proposed investment  | Before : 36,038,237 shares being 65.52% holding in the company as on 30 June 2017<br>After : Increase in securities / percentage in accordance with / based on Sr. Nos. 3, 4 & 5 above   |
| 7     | In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired | Rs. 90.98  |

## Annexure-A

| Sr.No | Description   | Information Required   |
|-------|---|--|
| 8     | In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)   | Not Applicable   |
| 9     | Break-up value of securities intended to be acquired on the basis of the latest audited financial statements  | Rs. 58.20  |
| 10    | Earning per share of the associated company or associated undertaking for the last three years  | 2017 : Rs. 16.01<br>2016 : Rs. 7.45<br>2015 : Rs. 16.88  |
| 11    | Sources of fund from which securities will be acquired  | From company's own available liquidity and credit lines  |
| 12    | Where the securities are intended to be acquired using borrowed funds   | Company foresee the return on this strategic investment higher than the borrowing cost<br>Pledge of listed securities and/or charge over assets of the company |
| (i)   | justification for investment through borrowings   |  |
| (ii)  | detail of guarantees and assets pledged for obtaining such funds  |  |
| 13    | Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment  | There is no agreement as this would be Long Term Strategic Investment  |
| 14    | Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration   | Directors of the company have no interest in the investee company except in their capacity as sponsor / director / shareholder of holding company              |
| 15    | Any other important details necessary for the members to understand the transaction   | Not Applicable   |
| 16    | In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely | Not Applicable   |
| (i)   | description of the project and its history since conceptualization  |  |
| (ii)  | starting and expected dated of completion of work   |  |
| (iii) | time by which such project shall become commercially operational  |  |
| (iv)  | expected time by which the project shall start paying return on investment  |  |



## 2 Investment in Securities

| Sr.No | Description  | Information Required  |
|-------|--|---|
| 1     | Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established                   | <b>SACHAL ENERGY DEVELOPMENT (PRIVATE) LIMITED</b><br><b>A wholly owned subsidiary company</b>  |
| 2     | Purpose, benefits and period of investment   | For the benefit of the company and to earn better returns in the long run on strategic investment by capturing the opportunities on the right time  |
| 3     | Maximum amount of investment   | Fresh limit of Rs. 250 million is requested for approval. This is in addition to :<br>- renewal requested separately for the unutilised limit of equity investment of Rs. 503.5 million; and<br>- Investment at cost of Rs.2,746 million already made upto 30 June 2017 |
| 4     | Maximum price at which securities will be acquired   | At par/premium/market/offered/negotiated price prevailing on the date of transaction/investment   |
| 5     | Maximum number of securities to be acquired  | No. of securities purchasable under approved limit in accordance with / based on Sr. Nos. 3 & 4 above   |
| 6     | Number of securities and percentage thereof held before and after the proposed investment  | Before : 274,646,510 shares being 100% holding in the company as on 30 June 2017<br>After : Increase in securities / percentage in accordance with / based on Sr. Nos. 3, 4 & 5 above   |
| 7     | In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired                 | Not Applicable  |
| 8     | In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)                                | Not Applicable  |
| 9     | Break-up value of securities intended to be acquired on the basis of the latest audited financial statements   | Rs. 10.83   |
| 10    | Earning per share of the associated company or associated undertaking for the last three years   | 2017 : Rs. 1.36<br>2016 : Rs.(0.05)<br>2015 : Rs.(0.33)   |
| 11    | Sources of fund from which securities will be acquired   | From company's own available liquidity and credit lines   |
| 12    | Where the securities are intended to be acquired using borrowed funds  |   |
| (i)   | justification for investment through borrowings  | Company foresee the return on this strategic investment higher than the borrowing cost  |
| (ii)  | detail of guarantees and assets pledged for obtaining such funds   | Pledge of listed securities and/or charge over assets of the company  |
| 13    | Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment | There is no agreement as this would be Long Term Strategic Investment   |

## Annexure-A

| Sr.No | Description  | Information Required   |
|-------|--|--|
| 14    | Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration  | Directors of the company have no interest in the investee company except in their capacity as sponsor / director / shareholder of holding company  |
| 15    | Any other important details necessary for the members to understand the transaction  | AHCL has given a loan amounting to Rs. 432 million against working capital to Sachal Energy, without any mark-up, which is convertible into equity shares. In case the loan is not converted into equity or Sachal Energy does not remain a wholly owned subsidiary of AHCL at anytime in future, interest will be charged in line with prevailing commercial rates for similar facilities. It may be noted that AHCL holds 100% ownership in Sachal Energy and hence exempted from obtaining approval through special resolutions for investments in Sachal Energy in pursuance of clause (f) of S.R.O.704(I)/2011 dated 13th July 2011 |
| 16    | In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely<br>(i) description of the project and its history since conceptualization<br>(ii) starting and expected dated of completion of work<br>(iii) time by which such project shall become commercially operational<br>(iv) expected time by which the project shall start paying return on investment | Not Applicable   |

## 1 Loans and Advances

| Sr.No | Description  | Information Required   |
|-------|--|--|
| 1     | Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established | <b>AISHA STEEL MILLS LIMITED</b><br><b>An associated undertaking due to common directorships of Mr. Arif Habib, Mr. Kashif A. Habib, Mr. Nasim Beg and Mr. Muhammad Ejaz in both the companies</b>   |
| 2     | Amount of loans or advances  | Fresh limit for issuance of Corporate Guarantee upto Rs.2,000 million is requested for approval. Corporate Guarantee will be issued by Arif Habib Corporation Limited in favor of any bank / financial institution / company etc. in connection with financing or other facilities availed / to be availed by Aisha Steel Mills Limited. Further conversion of nature of loan from running finance to long term loan amounting to Rs. 211 million is also requested for approval |

## Annexure-A

| Sr.No    | Description   | Information Required  |
|----------|---|---|
|          |   | <p>This is in addition to renewal requested of previously sanctioned limit of loan (for the balance amount after requested conversion in nature above) in the nature of running finance amounting to Rs. 2,539 million (Rs. 2,750 million - Rs. 211 million) and corporate guarantee of Rs. 3,500 million</p> <p>Above facilities (running finance &amp; corporate guarantee) shall be renewable in next general meeting(s) for further period(s) of one year(s)</p> <p>The outstanding loan is secured against first charge on all present and future fixed assets, accounts receivable and interest in any insurance claim and equitable mortgage of land and building</p>  |
| 3        | Purpose of loans or advances and benefits likely to accrue to the investing company and its members from such loans or advances   | To support the functionality, operations and growth of the associated undertaking   |
| 4        | In case any loan has already been granted to the said associated company or associated undertaking, the complete details thereof  | Outstanding amount of facility in the nature of running finance as on 30th June 2016 was Rs.784.7 million. During 2016-17, further payment of Rs. 2,126 million was made to the associated undertaking ; whereas the associated undertaking has repaid the amount of Rs. 2,700 million. Outstanding amount of facility as on 30th June 2017 is Rs.211 million. The facilities carry markup which is over and above borrowing cost of the Company. Approval from shareholders for renewal of the loan amounting to Rs.2,539 million being running finance and renewal of loan amounting Rs.3,500 million (corporate guarantee), for a period of one year, which shall be renewable in next general meeting(s) for further period(s) of one year(s) has also been sought. Further, conversion of loan amounting to Rs.211 million (from running finance to long term loan) is also sought |
| 5        | Financial position, including main items of balance sheet and profit and loss account of the associated company or associated undertaking on the basis of its latest financial statements | <p>Total Equity, Total assets and total liability amounting to Rs. 2,655 million, Rs. 15,352 million and Rs. 12,697 million respectively as on 30th June 2016</p> <p>Loss before taxation and Loss after taxation amounts to Rs. 192 million and Rs. 155 million respectively for 2015-16</p>   |
| 6        | Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period  | Average borrowing cost of the investing company is 8.01% in 2016-17   |
| 7        | Rate of interest, mark up, profit, fees or commission etc. to be charged  | Negotiable; in line with prevailing commercial rates for similar facilities   |
| 8        | Sources of funds from where loans or advances will be given   | Not applicable as the proposed facility is Unfunded   |
| 9<br>(i) | Where loans or advances are being granted using borrowed funds<br>justification for granting loan or advance out of borrowed funds  | Not applicable on Corporate Guarantee as the proposed facility is Unfunded; and long term loan convertible from running finance is managed from company's own available liquidity and/or credit lines   |

## Annexure-A

| Sr.No         | Description   | Information Required   |
|---------------|---|--|
| (ii)<br>(iii) | detail of guarantees / assets pledged for obtaining such funds, if any<br>repayment schedules of borrowing of the investing company   |  |
| 10            | Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any  | Letter of indemnity to be obtained from associated company before execution of unfunded facility   |
| 11            | If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable   | Not applicable   |
| 12            | Repayment schedule and terms of loans or advances to be given to the investee company   | Fresh facility will be in the nature of Guarantee for a period of one year and shall be renewable in next general meeting(s) for further period(s) of one year(s). Rs.211 million requested to be converted from running finance to long term loan, which shall be repayable in semi-annual installments starting from January 2018 up to January 2024 |
| 13            | Salient feature of all agreements entered or to be entered with its associated company or associated undertaking with regards to proposed investment  | As disclosed   |
| 14            | Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration   | Following directors of the company have no interest in the investee company except in their capacity as director / shareholding :<br>Mr. Arif Habib, Mr. Kashif A. Habib, Mr. Nasim Beg and Mr. Muhammad Ejaz  |
| 15            | Any other important details necessary for the members to understand the transaction   | Not applicable   |
| 16            | In case of investment in a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information is required, namely<br>(i) a description of the project and its history since conceptualization<br>(ii) starting date and expected date of completion<br>(iii) time by which such project shall become commercially operational<br>(iv) expected return on total capital employed in the project<br>(v) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts | Not Applicable   |

## 2 Loans and Advances

| Sr.No | Description   | Information Required  |
|-------|---|---|
| 1     | Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established  | <b>SACHAL ENERGY DEVELOPMENT (PRIVATE) LIMITED</b><br><b>A wholly owned subsidiary company</b>  |
| 2     | Amount of loans or advances   | Fresh limit of Rs.350 million in the nature of running finance and Rs.10.5 billion in the nature of corporate guarantee is requested for approval. This is in lieu of loan already disbursed and guarantee already given in excess to previously notified sanctioned amount. AHCL holds 100% ownership in Sachal Energy and hence exempted from obtaining approval through special resolutions for investments in Sachal Energy in pursuance of clause (f) of S.R.O.704(I)/2011 dated 13th July 2011<br><br>Aforementioned requested limit is in addition to renewal requested for the previously sanctioned limit of loan in the nature of running finance amounting to Rs.250 million |
| 3     | Purpose of loans or advances and benefits likely to accrue to the investing company and its members from such loans or advances   | To support the functionality, operations and growth of the wholly owned subsidiary  |
| 4     | In case any loan has already been granted to the said associated company or associated undertaking, the complete details thereof  | During 2016-17, loan amounting to Rs. 432 million was given to the Sachal Energy for working capital without any mark-up, being a loan to a wholly owned subsidiary. Approval from shareholders for renewal of the sanctioned loan amounting to Rs.250 million in the nature of running finance for a period of one year, which shall be renewable in next general meeting(s) for further period(s) of one year(s) has also been sought   |
| 5     | Financial position, including main items of balance sheet and profit and loss account of the associated company or associated undertaking on the basis of its latest financial statements | Total Equity, Total assets and total liability amounting to Rs. 2,975 million, Rs. 13,569 million and Rs. 10,595 million respectively as on 30th June 2017<br><br>Profit before taxation and Profit after taxation amounts to Rs. 373 million and Rs. 373 million respectively for 2016-17  |
| 6     | Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period  | Average borrowing cost of the investing company is 8.01% in 2016-17   |
| 7     | Rate of interest, mark up, profit, fees or commission etc. to be charged  | AHCL holds 100% ownership in Sachal Energy and hence exempted from obtaining approval through special resolutions for investments in Sachal Energy in pursuance of clause (f) of S.R.O.704(I)/2011 dated 13th July 2011. In case any loan already granted is not converted into equity or Sachal Energy does not remain a wholly owned subsidiary of AHCL at anytime in future, interest will be charged in line with prevailing commercial rates for similar facilities  |
| 8     | Sources of funds from where loans or advances will be given   | Not applicable as the proposed facility is Unfunded and already issued. Running finance is managed from company's own available liquidity and/or credit lines   |

## Annexure-A

| Sr.No | Description   | Information Required  |
|-------|---|---|
| 9     | Where loans or advances are being granted using borrowed funds  |   |
| (i)   | justification for granting loan or advance out of borrowed funds  | To support the functionality, operations and growth of the wholly owned subsidiary  |
| (ii)  | detail of guarantees / assets pledged for obtaining such funds, if any  | Pledge of listed securities and/or change over assets of the company  |
| (ii)  | repayment schedules of borrowing of the investing company   | Fresh facility will be in the nature of Running Finance / Guarantee for a period of one year and shall be renewable in next general meeting(s) for further period(s) of one year(s) |
| 10    | Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any  | Letter of indemnity to be obtained from associated company before execution of unfunded facility  |
| 11    | If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable | Not applicable  |
| 12    | Repayment schedule and terms of loans or advances to be given to the investee company   | Fresh facility will be in the nature of Running Finance / Guarantee for a period of one year and shall be renewable in next general meeting(s) for further period(s) of one year(s) |
| 13    | Salient feature of all agreements entered or to be entered with its associated company or associated undertaking with regards to proposed investment  | As disclosed  |
| 14    | Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration   | Directors of the company have no interest in the investee company except in their capacity as sponsor / director / shareholder of holding company                                   |
| 15    | Any other important details necessary for the members to understand the transaction   | Not applicable  |
| 16    | In case of investment in a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information is required, namely                                      | Not Applicable  |
| (i)   | a description of the project and its history since conceptualization  |   |
| (ii)  | starting date and expected date of completion   |   |
| (iii) | time by which such project shall become commercially operational  |   |
| (iv)  | expected return on total capital employed in the project  |   |
| (v)   | funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts  |   |

## Annexure-A

Following directors of the company have no interest in the investee companies except in their capacity as director / shareholder

|                   |  |
|-------------------|--|
| Mr. Arif Habib    | Chairman and shareholder of Aisha Steel Mills Ltd. & Sachal Energy Development (Pvt.) Ltd. |
| Mr. Kashif Habib  | Director and shareholder of Aisha Steel Mills Ltd.   |
| Mr. Nasim Beg     | Director and shareholder of Aisha Steel Mills Ltd.   |
| Mr. Muhammad Ejaz | Director and shareholder of Aisha Steel Mills Ltd.& Sachal Energy Development (Pvt.) Ltd.  |

Statement under Section 134(3) of the Companies Act, 2017, in compliance with Regulation 4(2) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012, for decision to make investment under the authority of a resolution passed earlier pursuant to provisions of section 208 of the Companies Ordinance, 1984 (repealed) is not implemented either fully or partially:

The Company in its previous general meetings had sought approvals under section 208 of the Companies Ordinance, 1984 (repealed) for investments in the following Associated Companies and Associated Undertakings in which investment has not been made so far, either fully or partially. Approval of renewal of unutilised portion of equity investments and sanctioned limit of loans and advances is also hereby sought for the companies, in which directors of the company have no interest except in their capacity as director/shareholder, as per following details:

**1 Name of associated company/undertaking: Javedan Corporation Limited**

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:  |   |
|--------|--|--|---|---|
|        |  |  | Running Finance   | Corporate Guarantee   |
| a)     | total investment approved;   | 3,250,000,000  | 2,231,550,000   | 200,000,000   |
| b)     | amount of investment made to date;   | 2,050,909,906  | -   | -   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | Facility is in the nature of Guarantee to be availed as and when needed in the interest of the shareholders |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2016  | FY2015  |
| i      | Earnings per share - basic & diluted   |  | 5.50 & 3.64   | 7.10 & 3.65   |
| ii     | Net Profit   |  | 695,616,000   | 800,521,000   |
| iii    | Shareholders Equity  |  | 8,936,538,000   | 8,745,100,000   |
| iv     | Total Assets   |  | 13,060,519,000  | 14,124,202,000  |
| v      | Break-up value   |  | 40.47   | 38.24   |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>1,199,090,094  | Sanctioned<br>2,231,550,000   | Sanctioned<br>200,000,000   |



## Annexure-B

### 2 Name of associated company/undertaking: Summit Bank Limited

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of: |                     |
|--------|--|--|------------------------------------|---------------------|
|        |  |  | Running Finance                    | Corporate Guarantee |
| a)     | total investment approved;   | 755,822,522  | -                                  | -                   |
| b)     | amount of investment made to date;   | 257,071,472  | -                                  | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | -                                  | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2016                             | FY2015              |
| i      | (Loss)/earnings per share - basic & diluted  |  | (1.00) & (1.00)                    | 0.15 & 0.09         |
| ii     | Net (Loss)/Profit  |  | (2,174,392,000)                    | 217,222,000         |
| iii    | Shareholders Equity  |  | 12,671,952,000                     | 11,957,666,000      |
| iv     | Total Assets   |  | 215,022,348,000                    | 188,420,421,000     |
| v      | Break-up value   |  | 6.35                               | 9.24                |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>498,751,050  | Sanctioned<br>-                    | Sanctioned<br>-     |

### 3 Name of associated company/undertaking: Arif Habib Limited

| S. No. | Description  | Investment in Securities  | Loans & Advances In The Nature of:  |                     |
|--------|--|---|---|---------------------|
|        |  |   | Running Finance   | Corporate Guarantee |
| a)     | total investment approved;   | 2,921,676,000   | 1,500,000,000   | -                   |
| b)     | amount of investment made to date;   | 2,931,230,886   | -   | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Limit of investment was overutilized with Rs.9.5 million, which is hereby presented for ratification from members | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |   | FY2017  | FY2016              |
| i      | Earnings per share   |   | 16.01   | 7.45                |
| ii     | Net Profit   |   | 880,535,448   | 409,496,751         |
| iii    | Shareholders Equity  |   | 3,201,059,751   | 2,705,524,303       |
| iv     | Total Assets   |   | 5,692,984,008   | 5,563,341,902       |
| v      | Break-up value   |   | 58.20   | 49.19               |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Over-utilised<br>Presented for ratification<br>by the members<br><br>9,554,886                                    | Sanctioned<br>1,500,000,000   | Sanctioned<br>-     |

# Annexure-B

## 4 Name of associated company/undertaking: MCB - Arif Habib Savings and Investments Limited

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of: |                     |
|--------|--|--|------------------------------------|---------------------|
|        |  |  | Running Finance                    | Corporate Guarantee |
| a)     | total investment approved;   | 481,200,000  | -                                  | -                   |
| b)     | amount of investment made to date;   | 81,947,527   | -                                  | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | -                                  | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2017                             | FY2016              |
| i      | Earnings per share - basic & diluted   |  | 2.81                               | 3.32                |
| ii     | Net Profit   |  | 202,194,317                        | 239,108,886         |
| iii    | Shareholders Equity  |  | 1,579,537,437                      | 1,549,228,787       |
| iv     | Total Assets   |  | 2,269,940,004                      | 2,173,870,897       |
| v      | Break-up value   |  | 21.94                              | 21.52               |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>399,252,473  | Sanctioned<br>-                    | Sanctioned<br>-     |

## 5 Name of associated company/undertaking: Pakarab Fertilizers Limited

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:  |                     |
|--------|--|--|---|---------------------|
|        |  |  | Running Finance   | Corporate Guarantee |
| a)     | total investment approved;   | 2,324,332,000  | 1,000,000,000   | -                   |
| b)     | amount of investment made to date;   | 1,324,332,073  | -   | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2016  | FY2015              |
| i      | (Loss)/Earnings per share  |  | (4.28)  | 5.47                |
| ii     | Net Profit/(Loss)  |  | (1,927,087,000)   | 2,459,712,000       |
| iii    | Shareholders Equity  |  | 22,007,339,000  | 23,911,341,000      |
| iv     | Total Assets   |  | 60,560,581,000  | 65,680,440,000      |
| v      | Break-up value   |  | 48.91   | 53.14               |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>999,999,927  | Sanctioned<br>1,000,000,000   | Sanctioned<br>-     |

## Annexure-B

### 6 Name of associated company/undertaking: **Fatima Fertilizer Company Limited**

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:  |                     |
|--------|--|--|---|---------------------|
|        |  |  | Running Finance   | Corporate Guarantee |
| a)     | total investment approved;   | 2,500,000,000  | 1,000,000,000   | -                   |
| b)     | amount of investment made to date;   | 700,037,106  | -   | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2016  | FY2015              |
| i      | Earnings per share - basic & diluted   |  | 4.66  | 4.41                |
| ii     | Net Profit   |  | 9,782,143,000   | 9,253,611,000       |
| iii    | Shareholders Equity  |  | 47,374,016,000  | 40,228,509,000      |
| iv     | Total Assets   |  | 110,597,118,000   | 94,789,153,000      |
| v      | Break-up value   |  | 22.56   | 19.16               |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>1,799,962,894  | Sanctioned<br>1,000,000,000   | Sanctioned<br>-     |

### 7 Name of associated company/undertaking: **Rotocast Engineering Company (Private) Limited**

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:  |                     |
|--------|--|--|---|---------------------|
|        |  |  | Running Finance   | Corporate Guarantee |
| a)     | total investment approved;   | 300,000,000  | 200,000,000   | -                   |
| b)     | amount of investment made to date;   | -  | -   | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2016  | FY2015              |
| i      | Loss per share   |  | (13.65)   | (54.41)             |
| ii     | Net Profit/(Loss)  |  | (13,650,873)  | (54,409,362)        |
| iii    | Shareholders Equity  |  | 3,952,528,001   | 3,880,698,633       |
| iv     | Total Assets   |  | 6,100,237,462   | 5,937,415,088       |
| v      | Break-up value   |  | 3,952.53  | 3,880.70            |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>300,000,000  | Sanctioned<br>200,000,000   | Sanctioned<br>-     |

# Annexure-B

## 8 Name of associated company/undertaking: Arif Habib Dolmen REIT Management Limited

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:  |                     |
|--------|--|--|---|---------------------|
|        |  |  | Running Finance   | Corporate Guarantee |
| a)     | total investment approved;   | 1,500,000,000  | 1,000,000,000   | -                   |
| b)     | amount of investment made to date;   | -  | -   | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2017  | FY2016              |
| i      | Earnings/(Loss) per share  |  | 0.98  | (1.96)              |
| ii     | Net Profit/(Loss)  |  | 19,574,929  | (39,109,597)        |
| iii    | Shareholders Equity  |  | 496,550,603   | 362,454,959         |
| iv     | Total Assets   |  | 1,540,186,006   | 1,487,797,958       |
| v      | Break-up value   |  | 24.83   | 18.12               |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>1,000,000,000  | Sanctioned<br>500,000,000   | Sanctioned<br>-     |

## 9 Name of associated company/undertaking: Aisha Steel Mills Limited

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:  |   |
|--------|--|--|---|---|
|        |  |  | Running Finance   | Corporate Guarantee   |
| a)     | total investment approved;   | 3,750,000,000  | 2,750,000,000   | 3,500,000,000   |
| b)     | amount of investment made to date;   | 2,873,863,091  | 210,793,235   | 1,677,457,000   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | Facility is in the nature of Guarantee to be availed as and when needed in the interest of the shareholders |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2016  | FY2015  |
| i      | Loss per share   |  | (1.43)  | (4.97)  |
| ii     | Net Loss   |  | (154,891,000)   | (1,210,822,000)   |
| iii    | Shareholders Equity  |  | 2,655,343,000   | 2,810,748,000   |
| iv     | Total Assets   |  | 15,352,275,000  | 15,336,862,000  |
| v      | Break-up value   |  | 5.15  | 5.45  |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>876,136,909  | Sanctioned<br>2,539,206,765 (RF)*<br>210,793,235 (LTL)**  | Sanctioned<br>3,500,000,000   |

\* RF = Running Finance

\*\*LTL = Long Term Loan

# Annexure-B

## 10 Name of associated company/undertaking: Power Cement Limited

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:  |   |
|--------|--|--|---|---|
|        |  |  | Running Finance   | Corporate Guarantee   |
| a)     | total investment approved;   | 3,322,000,000  | 1,000,000,000   | 500,000,000   |
| b)     | amount of investment made to date;   | 2,247,885,056  | -   | 267,857,143   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | Facility is in the nature of Guarantee to be availed as and when needed in the interest of the shareholders |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2016  | FY2015  |
| i      | Earnings per share   |  | 1.33  | 1.19  |
| ii     | Net Profit   |  | 486,391,000   | 433,833,000   |
| iii    | Shareholders Equity  |  | 2,348,110,000   | 1,862,170,000   |
| iv     | Total Assets   |  | 6,242,978,000   | 5,988,209,000   |
| v      | Break-up value   |  | 6.42  | 5.09  |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>1,074,114,944  | Sanctioned<br>1,000,000,000   | Sanctioned<br>500,000,000   |

## 11 Name of associated company/undertaking: Sachal Energy Development (Private) Limited

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:   |                     |
|--------|--|--|--|---------------------|
|        |  |  | Running Finance  | Corporate Guarantee |
| a)     | total investment approved;   | 3,250,000,000  | 250,000,000  | -                   |
| b)     | amount of investment made to date;   | 2,746,465,560  | 432,000,000  | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | The limit was overutilised. AHCL holds 100% ownership in Sachal Energy and hence exempted from obtaining approval through special resolutions for investments in SEDPL in pursuance of clause (f) of S.R.O.704(I)/2011 dated 13 <sup>th</sup> July 2011. | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2017   | FY2016 (Restated)   |
| i      | Earning/(Loss) per share   |  | 1.36   | (0.05)              |
| ii     | Net Profit/(Loss)  |  | 372,843,487  | (14,647,912)        |
| iii    | Shareholders Equity  |  | 2,974,512,128  | 2,601,668,641       |
| iv     | Total Assets   |  | 13,569,292,046   | 3,686,556,711       |
| v      | Break-up value   |  | 10.83  | 9.47                |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>503,534,440  | Sanctioned<br>250,000,000  | Sanctioned<br>-     |

## Annexure-B

### 12 Name of associated company/undertaking: Safe Mix Concrete Limited

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of:  |                      |
|--------|--|--|---|----------------------|
|        |  |  | Running Finance   | Corporate Guarantee  |
| a)     | total investment approved;   | 150,000,000  | 150,000,000   | -                    |
| b)     | amount of investment made to date;   | -  | -   | -                    |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | Facility is in the nature of running finance to be availed as and when needed in the interest of the shareholders | -                    |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2016  | FY2015<br>(Restated) |
| i      | (Loss)/Earnings per share  |  | (1.49)  | 1.01                 |
| ii     | Net (Loss)/Profit  |  | (37,250,757)  | 21,648,586           |
| iii    | Shareholders Equity  |  | 256,441,019   | 294,807,813          |
| iv     | Total Assets   |  | 453,987,266   | 460,092,312          |
| v      | Break-up value   |  | 10.26   | 11.79                |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>150,000,000  | Sanctioned<br>150,000,000   | Sanctioned<br>-      |

### 13 Name of associated company/undertaking: Dolmen City REIT

| S. No. | Description  | Investment in Securities   | Loans & Advances In The Nature of: |                     |
|--------|--|--|------------------------------------|---------------------|
|        |  |  | Running Finance                    | Corporate Guarantee |
| a)     | total investment approved;   | 1,000,000,000  | -                                  | -                   |
| b)     | amount of investment made to date;   | 201,492,133  | -                                  | -                   |
| c)     | reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and   | Waiting for an appropriate time in the interest of the shareholders for complete utilisation | -                                  | -                   |
| d)     | material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company : |  | FY2017                             | FY2016              |
| i      | Earnings per unit  |  | 1.70                               | 7.98                |
| ii     | Net Profit   |  | 3,787,120,000                      | 17,742,638,000      |
| iii    | Total unit-holders' fund   |  | 41,735,498,000                     | 40,261,026,000      |
| iv     | Total Assets   |  | 42,399,852,000                     | 40,885,917,000      |
| v      | Net Assets value per unit  |  | 18.77                              | 18.11               |
|        | RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :  | Unutilised<br>798,507,867  | Sanctioned<br>-                    | Sanctioned<br>-     |

# Statement under Section 134(3)

Arif Habib Corporation Limited proposed amendments in memorandum of association

Section 27(A)(iii)(b) of the Companies Act, 2017 provides that if the object stated at serial number 1 of the object clause is not the principal line of business of the company, it shall be required to intimate to the registrar their principal line of business within such time from commencement of this Act and in the form as may be specified. A revised copy of the memorandum of association indicating therein its principal business at serial number 1 of the object clause shall also be furnished to the registrar.

In order to bring the principal line of business at serial number 1 of the object clause, renumbering of existing clauses of Memorandum of Association is proposed as follows:

| Existing number | Proposed number | Existing number | Proposed number |
|-----------------|-----------------|-----------------|-----------------|
| 01              | 02              | 02              | 01              |
| 1A              | 2A              | 2A              | 1A              |
| 1B              | 2B              | 2B              | 1B              |
| 1C              | 2C              | -               | -               |
| 1D              | 2D              | -               | -               |

Consequent to above renumbering of 'Object' sub-clauses of Memorandum of Association of the Company, Object to be stated at serial number 1 of the object clause will be the following clause, presently stated at serial number 2."

*"To carry on the business of an investment holding company and for that purpose to buy, sell, hold or otherwise acquire or invest the capital of the Company and other money in shares, stocks, fixed income securities, bonds, modaraba certificates, participation term certificates, term finance certificates, certificates of investments, commercial papers, debentures, debenture stock, obligations or securities issued or guaranteed by any company incorporated or registered in Pakistan; or in any foreign country and fixed income, securities, bonds, obligations and securities issued or guaranteed by any Government, or public body or authority, whether, federal, provincial, municipal, local or otherwise in Pakistan or abroad, and also to invest in security or securities for short term or long term gains and to realize such gains."*

The proposed amendments will not affect any rights or obligations of the Company or the interest of any shareholder, investor or creditor in any manner. The interest of the Directors and Chief Executive of the Company in the aforementioned amendment is only their being the Chief Executive, Shareholder and Directors of the Company.

# Form of Proxy

23<sup>rd</sup> Annual General Meeting

The Company Secretary  
Arif Habib Corporation Limited  
Arif Habib Centre  
23, M.T. Khan Road  
Karachi.

I/ we \_\_\_\_\_ of \_\_\_\_\_ being a member(s)  
of Arif Habib Corporation Limited holding \_\_\_\_\_ ordinary shares as per  
CDC A/c. No. \_\_\_\_\_ hereby appoint Mr./Mrs./Miss \_\_\_\_\_  
\_\_\_\_\_ of (full address) \_\_\_\_\_  
\_\_\_\_\_ or failing him/her  
Mr./Mrs./Miss \_\_\_\_\_ of (full address)  
\_\_\_\_\_

(being member of the company) as my/our Proxy to attend, act vote for me/us and on my/our behalf at  
the Twenty Third Annual General Meeting of the Company to be held on 28<sup>th</sup> October 2017 and/or  
any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Witnesses:

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
CNIC No. : \_\_\_\_\_  
Signature : \_\_\_\_\_

Signature on  
Rs. 5/-  
Revenue Stamp

2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
CNIC No. : \_\_\_\_\_  
Signature : \_\_\_\_\_

NOTES :

1. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
2. Proxy shall authenticate his/her identity by showing his/her original CNIC / passport and bring folio number at the time of attending the meeting.
3. In order to be effective, the proxy Form must be received at the office of our Registrar M/s. Central Depository Company of Pakistan, Share Registrar Department, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahra-e-Faisal, Karachi, not later than 48 hours before the meeting duly signed and stamped and witnessed by two persons with their signature, name, address and CNIC number given on the form.
4. In the case of individuals attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy Form.
5. In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted alongwith proxy Form.



پراکسی فارم  
تیسواں سالانہ جنرل اجلاس

کمپنی سیکریٹری

عارف حبیب کارپوریشن لمیٹڈ

عارف حبیب سینٹر

23، ایم ٹی خان روڈ

کراچی۔

میں مسمیٰ / مسماۃ \_\_\_\_\_ ساکن \_\_\_\_\_ ضلع \_\_\_\_\_ بحیثیت ممبر عارف حبیب  
کارپوریشن لمیٹڈ، مسمیٰ / مسماۃ \_\_\_\_\_ ساکن \_\_\_\_\_ کو بطور مختار (پراکسی) مقرر کرتا ہوں تاکہ وہ میری جگہ اور  
میری طرف سے کمپنی کے سالانہ عام اجلاس کو بتاریخ 28 اکتوبر 2017 کو منعقد ہو رہا ہے میں اور ان کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

دستخط \_\_\_\_\_ بروز / بتاریخ \_\_\_\_\_ 2017

گواہان

| 1                      | 2                      |
|------------------------|------------------------|
| نام _____              | دستخط 5 روپے           |
| پتہ _____              | ریونیوسٹیٹیمپ          |
| شناختی کارڈ نمبر _____ | شناختی کارڈ نمبر _____ |
| دستخط _____            | دستخط _____            |

نوٹ :

- ☆ وہ رکن جسے یہ اجلاس یا اجلاس میں ووٹ کا حق حاصل ہے وہ کسی ناگزیر صورت حال میں اپنی جگہ کسی دوسرے (مخصوص) رکن کو یہ حق دے سکتا ہے کہ وہ رکن اس کی پراکسی استعمال کرتے ہوئے اس کی بجائے اجلاس میں شریک ہو سکتا ہے، خطاب کر سکتا ہے یا ووٹ کا اندراج کر سکتا ہے۔
- ☆ پراکسی ثابت کرنے کیلئے اسے اپنا اصل پاسپورٹ اور فوٹو نمبر دکھانا لازمی ہے تاکہ اجلاس میں شرکت کی اجازت سے قبل اس کی شناخت کی جاسکے۔
- ☆ مؤثر بنانے کیلئے پراکسی فارم ہمارے رجسٹرار کے دفتر (ایم/ایس) سینٹری ڈپوزیٹری کمپنی آف پاکستان، شیئر رجسٹرار ڈپارٹمنٹ، سی ڈی سی ہاؤس B-99، ایس ایم سی ایچ ایس، شاہراہ فیصل، کراچی، پاکستان میں اجلاس سے کم از کم 48 گھنٹے قبل وصول ہونا لازمی ہے۔ فارم میں تمام مطلوبہ معلومات، رکن کے دستخط اور مہر، نیز دو گواہان کی بنیادی معلومات یعنی نام، پتہ، دستخط اور شناختی کارڈ نمبر کا اندراج ضروری ہے۔
- ☆ انفرادی رکن کی صورت میں اصل اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول منسلک کرنا لازمی ہے۔
- ☆ پراکسی کے کارپوریٹ ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد، پاور آف اٹارنی، شناختی کارڈ اور پاسپورٹ کی تصدیق شدہ نقول، پراکسی فارم کے ساتھ منسلک کرنا ضروری ہے۔