



Balochistan Glass Limited

October 06, 2016

The Deputy General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: Notice of Annual General Meeting

Dear Sir,

Enclosed please find a copy of the Notice of the Annual General Meeting to be held on October 31, 2016 at 12:00 p.m at Plot # M-8, H.I.T.E. Hub, Hub Industrial Estate Lasbela, Balochistan for circulation amongst your members.

Yours Sincerely,

Shaikh Arif Moin –ul- Haq
Company Secretary

CC:
Director Enforcement,
Securities and Exchange Commission of Pakistan,
NIC Building, 63 Jinnah Avenue,
Islamabad

CC:
The Deputy Registrar
Company Registration Office,
Securities & Exchange Commission of Pakistan,
382/3 (IDBP House), Shara-e-Hali,
Quetta, Cantt



Balochistan Glass Limited

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 36th Annual General Meeting of Balochistan Glass Limited will be held on October 31, 2016 at 12:00 p.m at Plot # M-8, H.I.T.E. Hub, Hub Industrial Estate Lasbela, Balochistan to transact the following businesses:

Ordinary Business

1. To confirm the minutes of last Annual General Meeting held on October 31, 2015.
2. To receive, consider and adopt the audited financial statements of the company for the year ended June 30, 2016 together with Auditor's and Director's report thereon
3. To appoint Auditors of the Company for the year ending June 30, 2017 and to fix their remuneration.
4. **Special Business:**

Investment in Associated Undertaking

To consider and if deemed fit, to pass the following resolution as special resolution under Section 208 of the Companies Ordinance, 1984, with or without modification, addition(s) or deletion(s):

RESOLVED that pursuant to the requirements of Section 208 of the Companies Ordinance, 1984, Balochistan Glass Limited ("the Company") be and is hereby authorized to make long term equity investment upto Rs. 150 million (Rupees one hundred and fifty million) within a period of 12-months from the date of passing of this special resolution by way of acquisition/allotment upto 15 million (fifteen million) ordinary shares of Paidar Hong Glass (Pvt) Limited at par value. Further resolved that Balochistan Glass Limited (BGL) will initially inject this amount as share deposit money and shares to be issued within 90-days of payment of share deposit money and no markup will be charged for this period, however, in case of delay a markup @ 1% above the average borrowing cost of company will be charged.

RESOLVED that pursuant to the requirements of Section 208 of the Companies Ordinance, 1984, Balochistan Glass Limited ("the Company") be and is hereby authorized to lease out a surplus portion of land (up to 20-Kanals only) for a period not exceeding 15-years to Paidar Hong Glass (Pvt) Limited, on mutually agreed terms including monthly/quarterly lease rentals amounts.

FURTHER RESOLVED that Chief Executive Officer and/or Company Secretary of the Company, singly any one, be and are hereby authorized to take all steps and actions necessary, incidental and ancillary for the acquisition/allotment of shares of Paidar Hong Glass (Pvt.) Limited including execution of any and all documents and lease agreements as may be required in this regard and to do all acts, matters, deeds and things as may be necessary or expedient for the purpose of giving effect to the spirit and intent of this special resolution.

FURTHER RESOLVED that Chief Executive Officer and/or Company Secretary, singly any one, of the Company be and are hereby authorized to dispose-off through any mode, a part or all of equity investments made by the Company from time to time as and when deemed appropriate and necessary in the best interest of the Company and its shareholders.

Transmission of Annual Report to the members





Balochistan Glass Limited

RESOLVED that consent to shareholders be obtained in annual general meeting for transmission of the annual audited accounts through CD/DVD/USB instead of transmitting the said accounts in hard copies. However, if any member opt for hard copy, Company shall provide all future accounts in hard copy to him.

5. Other Business: To transact any other business with the permission of chairman

Date: October 05,2016

Place: Lahore

By Order of the Board

Shaikh Arif Moin-ul-Haq
Company Secretary

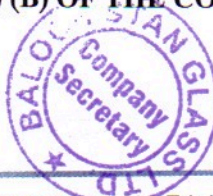


Notes:

1. The share transfer books will remain closed from October 24, 2016 to October 31, 2016 both days inclusive. Transfer received by the share registrar of the company Corplink Pvt Ltd, 1-k commercial, Model Town, Lahore upto October 23, 2016 will be considered in time for the purpose of attendance at AGM.
2. A member entitled to attend and vote at the AGM may appoint another member as his /her proxy to attend, speak and vote instead of him/her. Forms of proxy to be valid must be properly filled in /executed and received at the registered office of the company not later than 48 hours before the time of the meeting.
3. Shareholders whose shares are deposited with Central Depository Company are requested to bring their CNIC along with their CDC Account Number for verification. In case of corporate entity, the Board of Directors resolution / power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
4. For attending the meeting and appointing proxies CDC account holders will further have to follow the guidelines as laid down in circular 01 dated January 26, 2000 issued by the SECP.
5. Members are requested to notify the share registrar of the company promptly of any change in their addresses and also provide copy of their CNIC for updating record.
6. The financial statements of the company for the year ended June 30, 2016 have been placed on the website of the company www.balochistanglass.com

STATEMENT UNDER SECTION 160 (1) (B) OF THE COMPANIES ORDINANCE, 1984;





Head Office: 12km, Sheikhpura Road, Kot Abdul Malik, Lahore-54000 Tel: (+92-42) 37923993-4, 37924702 Fax: (+92-42) 37930616

Karachi Office: Dime Centre, R.C.-4, 3rd Floor, Block-9, Clifton, Karachi-75600, Pakistan. PABX: (+92-21) 35377976-80 FAX: (+92-21) 35377970,



Balochistan Glass Limited

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on October 31, 2016.

Investment In Associated Undertaking (Section 208 Of Companies Ordinance, 1984)

“Paidar Hong Glass (Pvt) Limited (PHGL)” is a joint venture project with a Chinese Company in which Balochistan Glass Limited will own and control up to 50% shares. PHGL has been incorporated in September 2016 and has started work on the project and it is expected to start production by April 2017. Project is proposed to be located at Lahore Sheikhpura road adjacent to Balochistan Glass Limited.

“Paidar Hong Glass (Pvt) Limited (PHGL)” had also signed contract for import of complete manufacturing facility of high-quality USP Type-1 neutral glass tubing, vial and ampoule in Pakistan using advanced technology and equipment. USP Type-1 neutral glass tubing has excellent chemical resistance and great mechanical strength. PHGL will produce high-quality Borosilicate USP Type -I (flint & amber glass) tubing under the supervision of highly-skilled Chinese glass technologists & engineers to cater the demand of pharmaceutical companies. Furthermore, it is proposed that BGL be allowed to lease out a surplus portion of land (up to 20-Kanals only) for a period not exceeding 15-years to Paidar Hong Glass (Pvt) Limited, on mutually agreed terms including monthly/quarterly lease rentals amounts.

Balochistan Glass Limited expects dividends, capital gains and lease rental income from this equity investment which will eventually enhance the return on investment of the shareholders of the company.

The directors have carried out their due diligence for the proposed investment and the duly signed due diligence report shall be available for inspection of members in the general meeting.

| Ref. No. | Requirement | Information |
|----------|---|---|
| 1 | Name of associated company | Paidar Hong Glass (Pvt) Limited |
| | Criteria of associated relationship | Proposed investment in shareholding upto 50% of issued capital of Paidar Hong Glass (Pvt) Limited |
| 2 | Purpose | To enter in the growing market of Borosilicate Glass (USP Type-I) for manufacturing of glass tubing, vials and ampules (Flint & Amber) for Pharmaceutical companies through equity investment. Presently, BGL is not involved in manufacturing of this type of Glass |
| 3 | Benefits | To earn return on equity through dividend income & capital gain from investment in associated company |
| 4 | Period of investment | Long term investment |
| 5 | Maximum amount of investment | Up to Rs. 150 million (Rupees one hundred and fifty million) |
| 6 | Maximum price/share | Rs. 10/- per share (at par) |
| 7 | Maximum number of shares to be acquired | Up to fifteen million shares |
| 8 | Shareholding before investment | Nil |



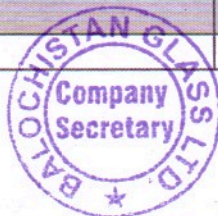
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Balochistan Glass Limited

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| 9 | Shareholding after investment | It will be up to fifty percent (50%) |
| 10 | Shareholding after investment in listed associated company | Not applicable as the associated company is unlisted and private company. |
| 11 | Fair market value of shares | NA (not applicable) Paidar Hong Glass (Pvt) Limited has yet to start its operations and BGL will invest funds to get share in the initial equity to be raised for execution of project, so, its breakup value, EPS etc. are not applicable because it's a new business venture. |
| 12 | Break-up value of shares | NA |
| 13 | Earnings per share for the last three years | NA |
| 14 | Sources of fund from which shares will be acquired | Internal sources or Loan from directors as and when required |
| 15 | Requirements if shares are intended to be acquired using borrowed funds (Pledge of assets, guarantees etc.) | No special requirements i.e. no pledge of assets or guarantees etc. as company is not borrowing any funds from banks or financial institutions for this investment |
| 16 | Salient features of agreement(s) entered into with the associated company | No special agreement is reached – terms of loan, if any, will be same as of prevailing terms to sponsor loan i.e. principal and mark up payable at liquidity ease of company. Presently, company is accruing markup @ 10% p.a. and it is payable at liquidity ease of company. Furthermore, broad terms of the lease agreement are already explained in resolution. |
| 17 | Direct/Indirect interest of directors in the associated company | Directors are interested up to the extent of their shareholding in the company. Mr. Muhammad Tousif Peracha (CEO of BGL) own one (1) share of Paidar Hong Glass (Pvt) Limited and acting as Director on BOD of Paidar Hong Glass (Pvt) Limited. |
| 18 | Any other important detail | BGL will own or control up to 50% equity whereas other will be owned & controlled by Chines Investor/partner. Board has proposed that Mr. Muhammad Tousif Peracha will represent on the Board of Paidar Hong Glass (Pvt) Limited as Director on behalf of BGL. He already own one (1) share of Paidar Hong Glass (Pvt) Limited to qualify as director on board. |
| 19 | Description of the project | Manufacturing of specialty Glass tubes, vials |





Balochistan Glass Limited

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| | (Project means "Paidar Hong Glass (pvt) Ltd.") | and Ampules for use of pharmaceutical companies |
| 20 | Starting date of work | Work on project has been started from September 2016 after incorporation of company |
| 21 | Completion of work of Project | March 2017 |
| 22 | Commercial operations date | April 2017 |
| 23 | Expected time by which the project shall start paying return on investment | From FY 2017-18 and onwards |

Transmission of Annual Report to the members

As per SRO 470(I)/2016, it is proposed to obtain consent to shareholders in annual general meeting for transmission of the annual audited accounts through CD/DVD/USB instead of transmitting the said accounts in hard copies. However, if any member opt for hard copy, Company shall provide all future accounts in hard copy to him, furthermore, to facilitate the shareholders, company will also place on its website a standard request form in this regard.

