

GHANI GLOBAL HOLDINGS LIMITED

(formerly Ghani Gases Limited)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 12th Annual General Meeting (AGM) of **Ghani Global Holdings Limited** (formerly Ghani Gases Limited/the Company) will be held on Monday October 28, 2019 at 11:30 AM at registered office of the Company at 10-N, Model Town Ext., Lahore to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended June 30, 2019 together with Directors' and Auditors' Reports thereon.
2. To appoint Auditors of the Company for the year ending June 30, 2020 and to fix their remuneration. The retiring auditors' M/S Rizwan & Company, Chartered Accountants, being eligible, have offered themselves for re-appointment.
3. Any other business with permission of the Chair.

SPECIAL BUSINESS

4. To approve alteration in Clause III of the Memorandum of Association of the Company by passing the resolution as a special resolution proposed in the Statement annexed to the notice of AGM.
5. To consider and if deemed fit pass the following resolution as a special resolution with or without modification, addition or deletion to extend the period of corporate guarantee issued to the banks for financing facility to Ghani Global Glass Limited a subsidiary of the Company (formerly associated company) from six years to eight years.

RESOLVED that approval of the members of Ghani Global Holdings Limited be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 to extend the period of the corporate guarantee of up to Rs. 650 million provided to the banks for financing facility to Ghani Global Glass Limited a subsidiary of the Company (formerly associated company) in terms of special resolution passed by shareholders of Ghani Global Holdings Limited (formerly Ghani Gases Limited) under section 208 of the repealed Companies Ordinance 1984, in their Annual General Meeting held on October 30, 2013 from six years to eight years.

6. To consider and if deemed fit pass the following resolution as a special resolution with or without modification, addition or deletion to accord the approval for cross corporate guarantee to be issued to the bank for financing facility to Ghani Global Glass Limited a subsidiary of the Company.

RESOLVED that pursuant to the requirements of Section 199 of the Companies Act 2017, Ghani Global Holdings Limited (formerly Ghani Gases Limited/the Company) be and is hereby authorized to issue cross corporate guarantee up to Rs.125 million to the bank(s) for financing facility to Ghani Global Glass Limited a subsidiary of the Company, for a period of three years subject to terms and conditions mentioned in the statement under Section 134(3) of the Companies Act, 2017.

Further Resolved that the Chief Executive and Company Secretary of the Company be and is hereby singly authorized to take any and/or all actions to implement and give effect to the above resolution and to complete any or all necessary required corporate and legal formalities for the purpose of implementation of the above resolution.

Place: **Lahore**
Dated: **October 05, 2019**

FARZAND ALI
Company Secretary

Notes:

1. Book Closure

Share Transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from Tuesday, October 22, 2019 to Monday, October 28, 2019 (both days inclusive). Transfer received in order at the office of the share registrar

M/s Vision Consulting Limited,
1st Floor, 3-C, LDA Flats, Lawrence Road, Lahore
Telephone No. 042-36375531, 36375339
Fax No. 042-36312550, Email: shares@vcl.com.pk

at the close of business on Monday, October 21, 2019 will be treated in time for the purpose of attendance in the AGM.

2. Attendance of Meeting

A member entitled to attend, speak and vote at the AGM is entitled to appoint a proxy to attend, speak and vote instead of him/her.

Proxies in order to be effective duly signed, filled and witnessed must be deposited at the Registered Office of the Company, along with the attested copies of National Identity Card (NIC) or Passport, not less than 48 hours before the meeting.

CDC Account Holders will have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the SECP for attending the meeting.

Attendance in the meeting shall be on production of original identity card or passport.

3. Consent for Video-link Facility

Members may participate in the meeting via video-link facility, if the Company receives a demand from the members holding an aggregate 10% or more shareholding residing at a geographical location outside Lahore, to participate in the meeting through video-link at least 7 days prior to the date of meeting, the Company will arrange video link facility in that city.

In this regard, members who wish to participate through video-link facility should send a duly signed request as per the format (available at website of the Company) to Registered Address of the Company.

4. Annual Financial Statements

Annual financial statements of the company for the year ended June 30, 2019 has been placed at company's website **www.ghaniglobal.com**.

Annual financial statements of the Company for the year ended June 30, 2019, along with notice of this AGM is being dispatched to the shareholders of the company through CD's.

5. Statement Under Section 134(3) of the Companies Act, 2017

This statement set out the material facts concerning the special business to be transacted at AGM of the Company on October 28, 2019 is as under:

Agenda Item No. 4

Amendment/ Alteration in Memorandum of Association

The Honourable Lahore High Court, Lahore vide its order dated 06-02-2019 in Civil Original No, 221137-18 has sanctioned the scheme of Compromises, Arrangements and Reconstruction between Ghani Global Holdings Limited (formerly Ghani Gases Limited), Ghani Chemical Industries Limited a subsidiary company and Ghani Global Glass Limited. In compliance with the Court Order, the Company has transferred its manufacturing undertaking including all assets and liabilities to Ghani Chemical Industries Limited (subsidiary of the Company) against allotment of shares by the subsidiary to the Company. In pursuance of the Court Order and the approved scheme, the Company changed its name from Ghani Gases Limited to Ghani Global Holdings Limited. Accordingly, the Company has been acting as holding company of Ghani Chemical Industries Limited and Ghani Global Glass Limited.

No directors or Chief Executive of the Company or their relatives have any interest in the proposed alterations of the Memorandum of Association of the Company except in their capacities as directors/Chief Executive/shareholders.

Draft proposed Resolutions:

The following resolution is proposed to be passed as Special Resolution, with or without modifications to amend the Memorandum of Association of the Company:

RESOLVED that subject to confirmation of the Securities and Exchange Commission of Pakistan (SECP), the following new sub-clause be and is hereby added in clause III of the Memorandum of Association immediately before the existing sub-clause to read as follows:

“To carry on the business of holding company, and to acquire by purchase, lease, concession, grant, licence or otherwise such businesses, options, rights, privileges, lands, buildings, leases, underleases, stocks, shares, debentures, debenture stock, bonds, obligations, securities, reversionary interests, annuities, policies of assurance and other property and rights and interests in property as the company shall deem fit and generally to hold, manage, develop, lease, sell or dispose of the same; and to vary any of the investments of the company, to act as trustees of any deeds constituting or securing any debentures, debenture stock or other securities or obligations; to establish, carry on, develop and extend investments and holdings and to sell, dispose of or otherwise turn the same to account and to coordinate the policy and administration of any companies of which this company is a member or which are in any manner controlled by or connected with the company.”

FURTHER RESOLVED THAT the aforesaid new sub-clause be and is hereby numbered as (1) and the existing sub-clause (1) be renumbered as sub-clause (1a) of Clause III of the Memorandum of Association.

FURTHER RESOLVED THAT the amended Memorandum of Association, as laid before the members, bearing the initials of the Company Secretary for the purpose of identification be and is hereby approved and adopted.

FURTHER RESOLVED that the Chief Executive Officer and / or Company Secretary be and are hereby authorized to do all acts, deeds and things, take any or all necessary actions to complete all legal and corporate formalities, make amendments, modification addition or deletion and file all requisite documents and/or application with requisite documents with the Registrar to effectuate and implement this special resolution.

FURTHER RESOLVED that the aforesaid alteration in the Memorandum of the Company shall be subject to any amendment, modification, addition or deletion as may be deemed appropriate by the authorized person or as may be suggested, directed and advised by the SECP which suggestion, direction and advise shall be deemed to be have been approved as part of the passed Special Resolution without the need of the members to pass a fresh Special Resolution.”

Comparative Analysis

It is purposed to add a new clause to the existing Object Clause of the Memorandum of Association of the Company as mentioned herein above.

Reasons for Alteration in Memorandum of Association:

The proposed alteration is being made to reflect the business of the amalgamating company.

Availability of Relevant Documents and Inspection

A copy each of the existing and proposed Memorandum of Association indicating the proposed amendments are available for inspection at the registered office of the Company from 9.00 a.m. to 5.00 p.m. on any working day, upto the last working day before the date of the Annual General Meeting. The same shall also be available for inspection by the members in the Annual General Meeting.

Statement of the Board of Directors

We, the members of the Board of Directors of the Company hereby confirm that the proposed amendments/alterations in the Memorandum of Association of the Company comply with the applicable laws and regulatory framework.

Chairman
Board of Directors

Agenda Item No. 5

Modification in Special resolution dated October 30, 2013

The shareholders of Ghani Global Holdings Limited (formerly Ghani Gases Limited /the Company) in their 6TH Annual General Meeting held on October 30, 2013 passed a special resolution under section 208 of the repealed Companies Ordinance 1984 regarding issue of corporate guarantee up to Rs.650 million to the banks for financing facility to Ghani Global Glass Limited for a period of six years.

In pursuance to the approval granted by the shareholders under section 208 of the repealed Companies Ordinance 1984, the Company has issued corporate guarantee for Rs. 650 million to the banks for financing facility to Ghani Global Glass Limited (now one of the subsidiary of the Company). The Company has been charging commission on corporate guarantee @ 0.10% per quarter amounting to Rs. Rs.2.600 million per annum. As a security against issuance of corporate guarantee, the Company has obtained personal guarantees of directors of this subsidiary company as collateral security.

On the request of Ghani Global Glass Limited to cover the grace period of financing facility, the board of directors of the Company has proposed to extend the corporate guarantee period from six years to eight years subject to approval of members in terms of Section 199 of the Companies Act, 2017. Rate of commission and other terms attached to the approval as described in statement under section 160 of the repealed Companies Ordinance 1984 circulated to the shareholders of the Company with notice of Annual General Meeting dated October 08, 2013 shall remain unchanged.

Agenda Item No. 6

Special Resolution for Issuance of Cross Corporate Guarantee

On the request of Ghani Global Glass Limited a subsidiary of the Company, the Board of Directors of the Company has proposed to issue Cross Corporate Guarantee to the bank(s) of Ghani Global Glass Limited subject to approval by shareholders of the Company.

Ghani Global Glass Limited is engaged in manufacturing and sale of import substitute Glass Tubing, Glass Vials and Glass Ampoules since 2015. To meet the security requirements of the bank, the board of directors of Ghani Global Glass Limited has requested to the Company to issue the Cross Corporate Guarantee amounting to Rs. 125 million to the bank for a period of three years.

The information required under SRO 1240(1)/2017 dated 06 December 2017 are as under:

(a) DISCLOSURES:

(A) Regarding associated company or associated undertaking:

Sr. No.	Requirement	Information																										
(i)	Name of Associated Company	Ghani Global Glass Limited (GGGL)																										
(ii)	Basis of relationship	-Common directorship -Subsidiary company with 50.10% holding																										
(iii)	Earnings per share for the last three years	Year 2019: Rs. (1.48) Year 2018: Rs. (1.23) Year 2017: Rs. (1.27)																										
(iv)	Break-up value per shares, based on latest audited financial statements	Rs. 13.19 (with sponsors loan) Rs. 5.50 (without sponsors loan)																										
(v)	Financial position, including main items of statement of financial position and profit and loss accounts on the basis of its latest financial statements.	Audited Financial Statements of GGGL for the year ended June 30, 2019 showed: <table><thead><tr><th></th><th>Rupees in "000"</th></tr></thead><tbody><tr><td>Profit & Loss:</td><td></td></tr><tr><td>Sales (net)</td><td>792,027</td></tr><tr><td>Gross profit</td><td>52,173</td></tr><tr><td>Administrative expenses</td><td>61,580</td></tr><tr><td>Other income</td><td>6,895</td></tr><tr><td>Finance cost</td><td>103,058</td></tr><tr><td>Loss after taxation</td><td>147,599</td></tr><tr><td>Financial Position:</td><td></td></tr><tr><td>Operating fixed assets</td><td>1,531,018</td></tr><tr><td>Other non-current assets</td><td>24,679</td></tr><tr><td>Current assets</td><td>897,043</td></tr><tr><td>Total Assets</td><td>2,452,740</td></tr></tbody></table>		Rupees in "000"	Profit & Loss:		Sales (net)	792,027	Gross profit	52,173	Administrative expenses	61,580	Other income	6,895	Finance cost	103,058	Loss after taxation	147,599	Financial Position:		Operating fixed assets	1,531,018	Other non-current assets	24,679	Current assets	897,043	Total Assets	2,452,740
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		Rupees in "000"
	Profit & Loss:	
	Paid up Capital	1,000,000
	Accumulated loss	(449,771)
	Loan from sponsors	768,960
		<hr/>
	Total equity	1,319,189
	Non- current liabilities	262,163
	Current liabilities	871,388
	Total Equity and Liabilities	2,452,740

(B) General Disclosures:

(i)	Maximum amount of investment to be made	Rs.125 million as Cross Corporate Guarantee.																																				
(ii)	Purpose,	To earn commission without any investment																																				
(iii)	Source of funds to be utilized for investment.	Not applicable.																																				
(iv)	Salient features of the agreement (if any) with associated company or associated undertaking with regards to proposed investment.	Agreement will be executed before issuing the guarantee with the terms and conditions as approved by the shareholders.																																				
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives , if any, in the associates company or associated undertaking or the transaction under consideration:	<p>Currently shareholding position of the following directors and majority shareholders of the Company (Ghani Global Holdings Limited) in associated company (GGGL) is as under:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Name</u></th> <th style="text-align: right;"><u>Number of</u></th> <th style="text-align: right;"><u>Holdings</u></th> </tr> <tr> <th style="text-align: left;"><u>Directors</u></th> <th style="text-align: right;"><u>Shares</u></th> <th style="text-align: right;"><u>%</u></th> </tr> </thead> <tbody> <tr> <td>Mr. Masroor Ahmad Khan</td> <td style="text-align: right;">1,000</td> <td style="text-align: right;">0.001</td> </tr> <tr> <td>Mr. Atique Ahmad Khan</td> <td style="text-align: right;">1,000</td> <td style="text-align: right;">0.001</td> </tr> <tr> <td>Hafiz Farooq Ahmad</td> <td style="text-align: right;">1,000</td> <td style="text-align: right;">0.001</td> </tr> <tr> <td>Mr. Tahir Bashir Khan</td> <td style="text-align: right;">1,539,550</td> <td style="text-align: right;">1.54</td> </tr> <tr> <td>Mr. Mahmood Ahmad</td> <td style="text-align: right;">25</td> <td style="text-align: right;">0.00</td> </tr> <tr> <td>Mrs. Ayesha Masroor</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Mrs. Rabia Atique</td> <td style="text-align: right;">1,000</td> <td style="text-align: right;">0.001</td> </tr> <tr> <td>Mrs. Saira Farooq</td> <td style="text-align: right;">1,000</td> <td style="text-align: right;">0.001</td> </tr> <tr> <td>Mr. Farzand Ali</td> <td style="text-align: right;">4,000</td> <td style="text-align: right;">0.004</td> </tr> <tr> <td>Ghani Global Holdings Ltd. (formerly Ghani Gases Ltd.)</td> <td style="text-align: right;">50,098,200</td> <td style="text-align: right;">50.10</td> </tr> </tbody> </table> <p>GGGL hold no share in GGL. The sponsors, directors of GGGL holds the following shares in GGL:</p>	<u>Name</u>	<u>Number of</u>	<u>Holdings</u>	<u>Directors</u>	<u>Shares</u>	<u>%</u>	Mr. Masroor Ahmad Khan	1,000	0.001	Mr. Atique Ahmad Khan	1,000	0.001	Hafiz Farooq Ahmad	1,000	0.001	Mr. Tahir Bashir Khan	1,539,550	1.54	Mr. Mahmood Ahmad	25	0.00	Mrs. Ayesha Masroor	-	-	Mrs. Rabia Atique	1,000	0.001	Mrs. Saira Farooq	1,000	0.001	Mr. Farzand Ali	4,000	0.004	Ghani Global Holdings Ltd. (formerly Ghani Gases Ltd.)	50,098,200	50.10
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		Name Directors	Number of Shares	Holdings %
		Mr. Masroor Ahmad Khan	22,737,793	14.83
		Mr. Atique Ahmad Khan	20,269,459	13.22
		Hafiz Farooq Ahmad	22,337,418	14.57
		Mr. Tahir Bashir Khan	27	00.00
		Mr. Mahmood Ahmad	33,185	0.02
		Mrs. Ayesha Masroor	5,781,954	3.77
		Mrs. Rabia Atique	7,704,288	5.03
		Mrs. Saira Farooq	6,182,329	4.03
		Mr. Farzand Ali	1,196	0.00
(vi)	Already investment in associated company.	Corporate guarantee Rs. 650 million		
(vii)	Any other important details necessary for the member to understand the transaction.	Nil		

(b) In case of Investments in the form of Guarantees

(i)	Category wise amount of investments	Rs.125 million as Cross Corporate Guarantee
(ii)	Average borrowing cost of the investing company	Commission on guarantees @ 0.10% per quarter
(iii)	Rate of interest, markup, profit, fees or commission etc to be charged	Commission @ 0.10% per quarter
(iv)	Particulars of collateral security to be obtained in relation to the proposed investment.	-Demand Promissory Note of subsidiary company. -Personal guarantees of sponsoring directors of subsidiary company.
(v)	If the investment carry conversion features:	Not applicable
(vi)	Repayment schedule Terms & conditions of loans or advances	-Cross Corporate Guarantee is for a period of three years. -Commission on quarterly basis -Collateral security(s) from subsidiary company. -Personal guarantees of sponsoring directors. -any other term or condition approved by shareholders of the company.

In pursuance to Regulation No. 3 (3) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 under SRO 1240(1)/2017 dated 6th December 2017, the directors of the Company have carried out due diligence for the proposed investment in Ghani Global Glass Limited (GGGL).

The following documents shall be available to the members of the Company for inspection in the general meeting being held on October 28, 2019:

1. Recommendations of due diligence report of investing company.
2. Latest annual audited financial statements of subsidiary company (GGGL).