



# Ansari Sugar Mills Ltd.

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

Date: 26-Feb-2018

**Subject: Submission of Extracts and Board Minutes of the Meeting held on February 26, 2017**

Dear Sir,

With reference to the subject matter, we are sending herewith extracts and minutes of board meeting held on February 26, 2018 for your record purposes.

You are requested to acknowledge receipt of the documents.

Thanking you

**For Ansari Sugar Mills Limited**

**Zafar Ali**

Company Secretary



# Ansari Sugar Mills Ltd.

CERTIFIED TRUE COPY OF THE MINUTES OF THE MEETING OF BOARD OF DIRECTORS OF THE COMPANY HELD ON 26<sup>TH</sup> FEBRUARY, 2018 AT REGISTERED OFFICE SINDH

## PARTICIPANTS:

Name:	Designation
1. Mr. Khawaja Anver Majid	Chief Executive Officer
2. Mr. Khawaja Aleem Majid	Director
3. Mr. Aurangzeb Khan	Director
4. Mr. Nihal Anwer	Director
5. Mr. Waheed Ahmed	Director
6. Mr. Rashid Ahmed Khan	Director
7. Mr. Dawoodi Morkas	Director

## MINUTES OF THE MEETING:

1. Mr. Khawaja Anver Majid being CEO, presided over the Board meeting and asked Mr. Rahid Ahmed Khan to start the meeting with the name of Allah by reciting few verses of the Holy Quran.
2. Mr. Waheed Ahmed, shared his overall satisfaction with the performance of the Company and shared with the Board that the Company had been planning for quite some time to expand its operations and to settle its debts and other related matter but the problems it was faced with did not allow it to execute its plans. He further said that since most of the problems have now been resolved, it is about time to take practical steps towards the achievement of the Company's long term plans with respect to expansion and diversification.
3. Mr. Waheed Ahmed further shared that the Company may issue right shares to the members of the Company to generate funds to achieve the goals. Thus, the Board of directors acceded to issue shares by the way of right issue of 31,729,357 shares.
4. Further added, the apprehension is that the existing unissued authorized share capital of the Company may not be sufficient to be used for the rights issue for raising further capital for the operations of the Company, therefore, the authorized share capital be increased accordingly from Rs. 300,000,000/- (Pak Rupees Three Hundred Million only) to Rs. 900,000,000/- (Pak Rupees Nine Hundred Million only) subject to the approval of members in Extra Ordinary General Meeting (hereinafter be referred to as the "EOGM").



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5. It was agreed and decided that the clause V of the Memorandum of Association as well as article 7 of the Articles of Association shall be amended and replaced with as following, subject to the approval of members in EOGM.

**Clause V of the Memorandum of Association:**

“The Capital of the Company is Rs. 900,000,000 (Rupees Nine Hundred Million) divided into 90,000,000 (Ninety million) ordinary shares of Rs 10/= each. The Company shall have powers to increase or reduce the capital of the company and divide shares in the capital for the time being into several classes”

**Clause 7 of the Articles of Association:**

“The Share Capital of the company is Rs. 900,000,000 (Rupees Nine Hundred Million) divided into 90,000,000 (Ninety million) ordinary shares of Rs 10/= each. The company has powers form time to time to increase, reduce, sub-divide, consolidate or otherwise recognize its shares Capital and to divide the shares in the Capital for the time being into several clauses in accordance with the provision of the Companies Act, 2017”

6. After discussion the board decided that an EOGM of the members of the Company be called and held on 21-March-2018, at 11:00am at the registered office: Deh Jagsiyani, Taluka Tando Ghulam Hayder, District Tando Mohammad Khan, Hyderabad, Sindh, wherein increase in authorized share capital of the Company be discussed and approved by the members of the Company.
7. It was further brought up that the current market value of each ordinary share of the Company over the past six months was higher than the par value; i.e. at around Rs. 23.70/- and therefore, after deliberations, the board members agreed that shares be issued u/s 81 and 83 of the Companies Act, 2017, at premium, to the members of the Company.
8. Mr. Waheed Ahmed further shared that in order to smoothly proceed with the transactions contemplated above, all necessary actions be taken and formalities be observed including but not limited to the following:
- i. Alteration of Memorandum & Articles of Association;
  - ii. Sending notice(s) of meeting to the persons concerned;
  - iii. Sending statement of material facts to the persons concerned; and
  - iv. Filing of special resolution with Securities & Exchange Commission of Pakistan (“SECP”).



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9. It was decided by all the board members that Mr. Zafar Ali is authorized to deal, sign, execute all the necessary documents and take all the steps in relation to the opinions by the legal counsel, certified chartered accountant and all other related matters in this regard.
10. The Board members considered various lawyers and chartered accountants, the majority agreed to the appointment of Ahmed & Qazi, as the Company's legal counsel and M/s Mochhala Gangat & Co. Chartered Accountants as the Chartered Accountants to advise the Company on legal and financial angles of the transaction.
11. In light of all that discussions and after considering all the suggestions made by the Board members, the Board passed unanimous resolutions attached herewith.

Certified by

Zafar Ali  
Company Secretary



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**CERTIFIED TRUE COPY OF THE EXTRACT OF THE RESOLUTION OF THE BOARD OF DIRECTOR PASSED ON 26<sup>TH</sup> FEBRUARY 2018 BY THE BOARD OF DIRECTORS OF THE COMPANY**

In order to move forward with the plans of the Company in relation to expansion and diversification and after the conclusion of the discussion made in the Board Meeting, the Board of Directors resolved as under:

**RESOLVED THAT** as a first step, the apprehension is that the existing unissued authorized share capital of the Company be enhance as it may not be sufficient to be used for the rights issue for raising further capital for the operations of the Company, therefore, the authorized share capital be increased accordingly from Rs. Rs. 300,000,000/- (Pak Rupees Three Hundred Million only) to Rs. 900,000,000/- (Pak Rupees Nine Hundred Million only) subject to the approval of members in Extra Ordinary General Meeting (hereinafter be referred to as the "EOGM").

**FURTHER RESOLVED** that Clause V of the Memorandum of Association shall stand amended and replaced with the following clause subject to the approval of members in EOGM:

"The Capital of the Company is Rs. 900,000,000 (Rupees Nine Hundred Million) divided into 90,000,000 (Ninety million) ordinary shares of Rs 10/= each. The Company shall have powers to increase or reduce the capital of the company and divide shares in the capital for the time being into several classes"

**FURTHER RESOLVED** that Clause 7 of the Articles of Association shall stand amended and replaced with the following Article subject to the approval of members in EOGM:

"The Share Capital of the company is Rs. 900,000,000 (Rupees Nine Hundred Million) divided into 90,000,000 (Ninety million) ordinary shares of Rs 10/= each. The company has powers form time to time to increase, reduce, sub-divide, consolidate or otherwise recognize its shares Capital and to divide the shares in the Capital for the time being into several clauses in accordance with the provision of the Companies Act, 2017"

**FURTHER RESOLVED** that in relation to the achievement of Company's long term plans with respect to expansion and diversification, a right issue of 31,729,357 (Thirty One Million Seven Hundred Twenty Nine Thousand Three Fifty Seven) shares having face value of Rs. 10/- u/s 81 and 83 of the Companies Act, 2017 at



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premium of Rs. 10 per share, i.e. a sale price of Rs. 20/- per share shall be made to the members of the Company.

**FURTHER RESOLVED** that an EOGM of the members of the Company be called and held on 21-March-2018 at 11:00am at the registered office: Deh Jagsiyani, Taluka Tando Ghulam Hayder, District Tando Mohammad Khan, Hyderabad, Sindh, Karachi, wherein increase in authorized share capital of the Company be discussed and approved by the members of the Company.

**FURTHER RESOLVED** in order to smoothly proceed with the transactions contemplated above, all necessary actions be taken and formalities be observed including but not limited to the following:

- i. Alteration of Memorandum & Articles of Association;
- ii. Sending notice(s) of meeting to the persons concerned;
- iii. Sending statement of material facts to the persons concerned; and
- iv. Filing of special resolution with Securities & Exchange Commission of Pakistan ("SECP").

**FURTHER RESOLVED** that Mr. Zafar Ali is authorized to deal, sign, execute all the necessary documents and take all the steps in relation to the opinions by the legal counsel, certified chartered accountant and all other related matters in this regard.

**FURTHER RESOLVED** that Ahmed & Qazi, Advocates & Legal Consultants, office 402, 403, 404, 417, Clifton Centre, Clifton, Karachi, be and are hereby appointed as the Company's legal counsel and M/s Moochhala Gangat & Co. Chartered Accountants be and are hereby appointed as the Chartered Accountants to advise on legal and financial angles of the aforesaid transaction.

**FURTHER RESOLVED** that any other act be performed or step be taken which may be ancillary and/or incidental to do the above and necessary to fully achieve the object of this resolution.

**FURTHER RESOLVED** that a certified copy of this resolution be provided to all regulatory authorities including Pakistan Stock Exchange and SECP.

Certified by

**Zafar Ali**  
Company Secretary