



CHASHMA SUGAR MILLS LIMITED

King's Arcade, 20-A, Markaz F-7, Post Box No, 1529, Islamabad.

Notice of Extra Ordinary General Meeting

NOTICE is hereby given that Extra Ordinary General Meeting (EOGM) of the shareholders of **Chashma Sugar Mills Limited** will be held on December 27, 2019 at 11:00 AM at the Registered Office of the Company at Nowshera Road, Mardan, for transacting the following business:-

ORDINARY BUSINESS

1. To confirm the minutes of the Extra Ordinary General Meeting held on June 21, 2019.
2. To transact any other business of the Company as may be permitted by the Chair.

SPECIAL BUSINESS

To consider and, if thought fit, pass with or without modification, the following Special Resolution:

"RESOLVED THAT the shareholders approve and authorize the Company to issue Corporate Guarantees amounting to Rs. 1.500 billion to bank(s) on behalf of its Holding Company "M/s. The Premier Sugar Mills & Distillery Company Limited".

RESOLVED FURTHER THAT Mr. Iskander M. Khan, Director of the Company and Mr. Mujahid Bashir, Company Secretary, be and are hereby jointly authorized to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required including filing of requisite forms, files, reports, returns and documents with such appropriate authorities, with the authority to delegate all or any of its powers herein conferred to any officer(s) of the Company and/ or any other person(s), to give effect to this resolution."

The share transfer books of the Company will remain closed from December 17, 2019 to December 27, 2019 (both days inclusive).

By Order of the Board

(MUJAHID BASHIR)

Company Secretary

Mardan

Date: December 04, 2019



CHASHMA SUGAR MILLS LIMITED

King's Arcade, 20-A, Markaz F-7, Post Box No, 1529, Islamabad.

N.B:

1. A, members eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend, speak and vote instead of himself/herself. Proxy Forms (attached with this notice) in order to be effective must be valid and received by the Company not less than 48 hours before the time for holding of the Meeting and must be duly stamped, signed and witnessed. A member shall not be entitled to appoint more than one proxy.
2. Members are requested to notify the Shares Registrar of the Company of any change in their addresses immediately.
3. CDC shareholders are requested to bring their original Computerized National Identity Cards, (CNIC) or Original Passport, account, sub account numbers and participant's number in the Central Depository System for identification purpose for attending the Meeting. In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.



CHASHMA SUGAR MILLS LIMITED

King's Arcade, 20-A, Markaz F-7, Post Box No, 1529, Islamabad.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

- A** A statement under section 134 of the Companies Act, 2017 setting forth all material facts concerning the matters contained in the Notice which will be considered for adoption at the meeting and the information required is provided below:
- B** Chashma Sugar Mills Limited is desirous to issue corporate guarantees to Banks on behalf of "The Premier Sugar Mills & Distillery Company Limited" in terms of section 199. Further details are as follows:-
- | | |
|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| (i) Name of Investee Company | The Premier Sugar Mills & Distillery Company Limited |
| Relationship with associated company | Holding Company of Chashma Sugar Mills Limited with 47.93% shareholding as at June 30, 2019. |
| (ii) Nature of Investment | Corporate Guarantee |
| (iii) Purpose of Corporate Guarantee | As a security for Short Term Loans of Holding Company. |
| (iv) Amount of Corporate Guarantee (complete details) | Rs. 1.50 billion only |
| (v) Rate of mark up | N/A |
| (vi) Tenor | Initially for one year and extendable. |
| (vii) Securities | Letter of comfort. |
| (viii) Source of Funds | N/A |
| (ix) Repayable Schedule | N/A |
| (x) Benefits likely to accrue to the Company and its shareholders from loans and advance. | Commission fee @ 0.125% per annum. |
- C** Brief about The Premier Sugar Mills & Distillery Company Limited the investee Company on the basis of condensed interim consolidated financial statements for the nine months period ended June 30, 2019:
- | | |
|---------------------------------------------|--------------------|
| Total Sales | Rs. 10.720 Billion |
| Equity | Rs. 7.238 Billion |
| Long term Loans and Lease | Rs. 1.962 Billion |
| Current Ratio | 0.85 |
| GP Ratio | 16.25% |
| Net Profit Ratio | 3.69% |
| Shareholding of Chashma Sugar Mills Limited | 47.93% |
- D** The Directors of The Premier Sugar Mills & Distillery Company Limited have no other interest in the corporate guarantee except common directorship.
- E** The condensed interim financial information for the period ended June 30, 2019 of Chashma Sugar Mills Limited and The Premier Sugar Mills & Distillery Company Limited, can be inspected from 10.00 a.m. to 11.00 a.m. in all working days up-to December 26, 2019 by the shareholders.