



## FARAN SUGAR MILLS LTD.

Ref: PSX-1836/06-22

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

### NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting (EOGM) of the Shareholders of Faran Sugar Mills Limited (FSML) will be held on Wednesday, June 29, 2022 at 12:00 PM, at the Institute of Chartered Accountants of Pakistan (ICAP) to transact the following business:

#### Ordinary Business:

1. To confirm the minutes of the last Extra Ordinary General Meeting held on March 24, 2022.

#### Special Business:

2. To consider and, if thought fit, pass with or without modification, the following special resolution for the purpose of authorizing the Company to divest its entire shareholding in one of its Associated Companies namely Uni-Food Industries Limited to M/s. Sunridge Foods Private Limited:

RESOLVED THAT pursuant to the requirements of section 199(4) of the Companies Act, 2017, the approval of the shareholders be and is hereby accorded for disposal of the Company's entire shareholding in its associated company namely M/s. Uni-Food Industries Limited to M/s. Sunridge Foods Private Limited.

FURTHER RESOLVED THAT the Chief Executive Officer and/or the Company Secretary and/or the Chief Financial Officer (the "Authorized Persons") jointly or singly be authorized and empowered to take any or all necessary actions, to do all such acts, deeds and things, and to execute and deliver all such deeds, agreements which may be required for the disposal of the above-mentioned associated company and for the purposes of carrying out the proposed resolution.

FURTHER RESOLVED THAT all actions heretofore taken by any of the Authorized Persons on behalf of the Company in respect of the above matters are hereby confirmed, ratified and adopted by the Company in full.

Statement under Section 134(3) of the Companies Act, 2017, concerning the Special Resolution, is annexed to the notice of extraordinary general meeting circulated to the members of the Company, and is deemed an integral part thereof.

3. To transact any other business with the permission of the chair.

By the Order of the Board

Muhammad Ayub  
Company Secretary

Karachi: June 8, 2022

CC:  
Director/HOD,  
Surveillance, Supervision and Enforcement Department,  
Securities and Exchange Commission of Pakistan  
NIC Building, 63 Jinnah Avenue,  
Blue Area, Islamabad



PHONE: (+92-21) 111-BAWANY (22 92 69)

FAX: +92-21-34322864

WEB: WWW.FARAN.COM.PK

43-1-E (B), P.E.C.H.S, Block-6, Off Razi Road, Shahrah-e-Faisal, Karachi-75400.





## FARAN SUGAR MILLS LTD.

### Notes:

1. Share Transfer Books will be closed from June 22, 2022 to June 29, 2022 (both days inclusive) for the purpose of Extra Ordinary General Meeting.
2. Only those members whose names appear in the register of member of the Company as on June 21, 2022 will be entitled to attend and vote at the meeting.
3. A member entitled to attend, speak and vote may appoint any other person as his / her proxy to attend, speak and vote on his / her behalf. Proxies must be received at the Registered Office of the Company duly signed not later than 48 hours before the time of holding the meeting. Form of proxy is enclosed herewith.
4. Any change of address of Members should be notified immediately to the Company's Share Registrar office.
  - A. For Attending the Meeting:
    - i. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with participant ID number and the Account number at the time of attending the meeting.
    - ii. In case of corporate entity, the Boards resolution / power of attorney with specimen signature of the nominee shall be produce [unless it has been provide earlier] at the time of the Meeting.
  - B. For Appointing Proxies:
    - i. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulation, shall submit the proxy form as per above requirements.
    - ii. The proxy form shall witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
    - iii. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
    - iv. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
    - v. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished [unless it has been provided earlier] along with proxy form to the Company.

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

The statement sets out the material facts to be transacted at the Extra Ordinary General Meeting of the Company to be held on Wednesday, June 29, 2022. The approval of the Members of the Company will be sought for. Uni-Food Industries Limited (UFIL) was incorporated in September 2016 and commenced commercial production in March 2018 of its signature brand "GOOD GOODIES". It is engaged in the business of manufacturing, sale, and distribution of food items. FSML is one of the shareholders in UFIL and the relationship is that of an associate company. There has been an offer from M/s. Sunridge Foods Private Limited (a wholly-owned subsidiary of M/s. Unity Foods Limited) to purchase UFIL in its entirety.



PHONE: (+92-21) 111-BAWANY (22 92 69)

FAX: +92-21-34322864

WEB: WWW.FARAN.COM.PK

43-1-E (B), P.E.C.H.S, Block-6, Off Razi Road, Shahrah-e-Faisal, Karachi-75400.







# FARAN SUGAR MILLS LTD.

#	DESCRIPTION	INFORMATION REQUIRED												
(a)	Disclosures for all types of investments													
	(A) Regarding associated company or associated undertaking													
(i)	name of associated company or associated undertaking	Uni-Food Industries Limited												
(ii)	basis of relationship	Associate company due to FSML's holding of 34.667% in UFIL												
(iii)	earnings per share for the last three years	2021: (2.87) 2020: (3.25) 2019: (4.53)												
(iv)	break-up value per share, based on latest audited financial statements	As per June 30 <sup>th</sup> , 2021 Audited FS: Rs. 1.66 per share												
(v)	financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	As per June 30 <sup>th</sup> , 2021 Audited FS: <table><tr><td>Total Assets</td><td>PKR 1,046,808,867/-</td></tr><tr><td>Total Liabilities</td><td>PKR 800,302,845/-</td></tr><tr><td>Shareholders' Equity</td><td>PKR 246,506,022/-</td></tr><tr><td>Total Revenue</td><td>PKR 472,661,057/-</td></tr><tr><td>Operating Loss</td><td>PKR (379,614,137)/=</td></tr><tr><td>Loss after taxation</td><td>PKR (427,027,105)/-</td></tr></table>	Total Assets	PKR 1,046,808,867/-	Total Liabilities	PKR 800,302,845/-	Shareholders' Equity	PKR 246,506,022/-	Total Revenue	PKR 472,661,057/-	Operating Loss	PKR (379,614,137)/=	Loss after taxation	PKR (427,027,105)/-
Total Assets	PKR 1,046,808,867/-													
Total Liabilities	PKR 800,302,845/-													
Shareholders' Equity	PKR 246,506,022/-													
Total Revenue	PKR 472,661,057/-													
Operating Loss	PKR (379,614,137)/=													
Loss after taxation	PKR (427,027,105)/-													
(vi)	in case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely: (I) description of the project and its history since conceptualization; (II) starting date and expected date 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; and (V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.	n/a since no investment is being made												
	(B) General disclosures													
(i)	maximum amount of investment to be made	No investment is being made												
(ii)	purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	As stated above no investment is being made												
(iii)	sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: (i) justification for investment through borrowings; (ii) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (iii) cost benefit analysis	n/a												
(iv)	salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	As stated above no investment is being made												
(v)	direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated	Mr. Muhammad Omar Bawany and Mr. Ahmed Ali Bawany are director and hold 8.66% shares												



## FARAN SUGAR MILLS LTD.

	company or associated undertaking or the transaction under consideration	each in the associated company.  Mr. Bilal Omar Bawany, Mr. Hamza Omar Bawany and Mr. Mohammad Altamash Ahmed Bawany are nominee directors of UFIL, however, they have no other direct or indirect interest in the capacity as director/shareholder of UFIL like any other shareholder to the extent of their shareholding in UFIL.
(vi)	in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	The Company has made a total investment of PKR 644,717,360/- till date in the associated company. The profit/(loss) after tax of associated company for the last 03 years is provided below: 2021: (427,027,105) 2020: (403,046,688) 2019: (417,062,592)
(vii)	any other important details necessary for the members to understand the transaction	Total transaction value is PKR 1,200,000,000/- where portion of payment is to settle the liabilities of associated company and balance portion is to be paid against entire shareholding of associated company in proportion to respective shareholder's shareholding subject to finalization and execution of definitive agreement and compliance with all applicable legal and statutory requirements.
(b)	In case of equity investment, following disclosures in addition to those provided under clause (a) above	n/a since no equity investment is being made
(c)	In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) above.	n/a since no such investment is being made

Except to the extent as mentioned in B(v) above, the Directors of the Company have no direct or indirect interest in the above said special business except to the extent of their shareholding in the Company.



PHONE: (+92-21) 111-BAWANY (22 92 69)

FAX: +92-21-34322864

WEB: WWW.FARAN.COM.PK

43-1-E (B), P.E.C.H.S, Block-6, Off Razi Road, Shahrah-e-Faisal, Karachi-75400.

