



# Baba Farid Sugar Mills Limited

No. BFSML/Sec./Kse/

December 20, 2017

Mr. Muhammad Ghufra,  
Deputy General Manager  
Companies Affairs,  
Pakistan Stock Exchange (Guarantee) Limited  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi - 74000 - Pakistan

Subject:- Increase in Authorized Capital and Issuance of Further Capital Without Right Offering.

Dear Sir,

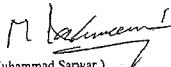
Kindly refer to your letter # C-520-2898 dated April 19, 2017 on the captioned subject.

We would like to inform you that the Competent Authority, M/s. Securities and Exchange Commission of Pakistan, has not exceeded to application of the Company, Baba Farid Sugar Mills Limited, for the issuance of shares otherwise than right shares to Pattoki Sugar Mills Limited. SECP has filed the Company's application and stated that the matter stands disposed off.

A copy of self explanatory letter of SECP bearing number CSD/C-1/4/2016-3930 dated June 21, 2017 is enclosed herewith.

Thanking you,

Yours truly,  
For Baba Farid Sugar Mills Ltd.

  
(Muhammad Sarwar)  
Chief Executive

HEAD OFFICE: 42-G, Gulberg-III, Lahore - Phone: 042-35884180-5 Fax: 042-35884138-39  
MILLS: Pattoki- District Kasur - Phone : 049-4427071 -72 Fax : 049-4427073



No.CSD/CI/4/2016-3920

June 21, 2017

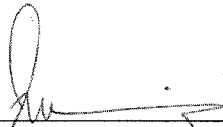
Chief Executive Officer  
Baba Farid Sugar Mills Limited  
T-09, 3rd Floor Hafeez Centre,  
Main Boulevard, Gulberg III,  
Lahore  
Fax: 042-35884138

**Subject: Application for approval for issue of further shares other than right issuance under Section 86 of the Companies Ordinance, 1984**

Dear Sir,

Please refer to your application dated August 12, 2016 and subsequent correspondence regarding the aforementioned subject.

2. In this connection, I am directed to inform you that the application of the Company has been found deficient on the following grounds:
- i) The delay in filing application and subsequent delayed responses by Company, i.e almost two years, since passing special resolution in general meeting held on August 07, 2015 has rendered:
    - a) the stated purpose / justification for issuance of proposed shares as invalid;
    - b) the proposed price for issuance of shares i.e. Rs. 10 per shares as unjustifiable keeping in view market price of shares of the Company.
  - ii) The Company has failed to rescind or rectify similar special resolution passed in general meeting of the Company held in January 2014;
  - iii) The Company has failed to justify any tangible benefits accrued to shareholders for decrease in their shareholding owing to proposed issuance of shares.
3. In view of the above, the competent authority has not acceded to application of the Company for the issuance of 50 million shares, by way of otherwise than right to Pattoki Sugar Mills Limited. The application is therefore filed and the matter stands disposed of.

  
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**Amina Aziz**  
Director  
Corporate Supervision Department

SECURITIES AND EXCHANGE  
COMMISSION OF PAKISTAN  
NIC Building, 63 Jinnah Avenue,  
Islamabad, Pakistan

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