



FERROZSONS LABORATORIES LIMITED

June 29, 2010

COR/2010/06-08



The Managing Director
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Subject: **Special Resolution**

Dear Sir,

This is to inform you that the following Special Resolution has been passed by the Extra Ordinary General Meeting held on June 14, 2010

"RESOLVED THAT the Company be and is hereby authorized to further invest by way of converting its overdue markup and trade receivables from the subsidiary company, M/s BF Biosciences Limited upto June 30, 2010 into term loan, if required, and to reschedule the repayment of the overall outstanding term loan including the overdue markup and trade receivables so converted, in five years with one year grace period starting from July 1, 2010, however, in no case this outstanding term loan amount should exceed Rs 425 million."

"FURTHER RESOLVED THAT the Company be and is hereby authorized to give guarantee or provide security to any financial institution/bank, if required, on behalf of the subsidiary company, M/s BF Biosciences Limited, where the subsidiary company obtains directly any financing facility from any financial institution/bank, however, in no case the amount of guarantee or security such given or provided should exceed the amount of Rs. 425 million and for a term not more than five years."

"FURTHER RESOLVED THAT the Company be and is hereby authorized to charge such markup rates not less than the borrowing cost of the Company on the outstanding amounts of investments in the form of term loan to the subsidiary company, M/s BF Biosciences Limited in accordance with the provisions of section 208 of the Companies Ordinance, 1984."

"FURTHER RESOLVED THAT the Chief Executive and Company Secretary of the Company be and are hereby authorized to sign jointly or severally such documents and do all acts, deeds, things as may be required in this respect from time to time."

"RESOLVED THAT the gross salaries of the whole time working Directors including Chief Executive (Chief Executive Officer) be and hereby increased with effect from January 01, 2010 as follows:

Name of Working Directors	Designation	Current	Revised
Mrs. Akhter Khalid Waheed	Chairperson/CEO	500,000	575,000
Mr. Osman Khalid Waheed	Director/President	475,000	650,000
Mr. Omar Khalid Waheed	Director/GM	310,000	450,000

while other prevailing terms and conditions of service will remain unchanged."

Thank you,

Yours Sincerely,


Syed Ghausuddin Saif
Company Secretary



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