



FARAN SUGAR MILLS LTD.

Date: January 9, 2017

Ref: PSX-AGM-01-17

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

Subject: Notice of Annual General Meeting

Dear Sir,

Enclosed please find copy of the Notice of Annual General Meeting to be held on January 31, 2017 for circulation amongst your members.

Yours Sincerely,

Muhammad Ayub
C.F.O & Company Secretary



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



FAX: +92-21-32421010



WEB: WWW.FARAN.COM.PK

3RD FLOOR, BANK HOUSE NO. 1, HABIB SQUARE, M.A. JINNAH ROAD, KARACHI, PAKISTAN-74000



ISO 9001:2008 Certified

Business Recorder 09-01-2017

Notice of Annual General Meeting

Notice is hereby given that the 35th Annual General Meeting of the Company will be held on Tuesday 31st January, 2017 at 12:00 Noon at The Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi, to transact the following business:

Ordinary Business

- To confirm the minutes of Extra-ordinary General Meeting held on November 17, 2016.
- To receive, consider and approve annual audited financial statements for the year ended September 30, 2016 together with the reports of the auditors' and directors' thereon.
- To consider and approve the payment of cash dividend @ 50% i.e. Rs.5.00 per share for the year ended September 30, 2016, as recommended by the Board of Director.
- To appoint Auditor of the company for the year September 30, 2017, and to fix their remuneration. The retiring auditors M/s Rahman Sarfaraz Rafiq Iqbal Rafiq, Chartered Accountants have given their consent and offered themselves for re-appointment of Auditors of the company for the year ending September 30, 2017.
- To transact any other business with permission of the Chair.

Special Business

- To Consider and Approve the increase in monthly emolument of the chairman, Chief Executive Rs. 75,000/= per month and a Director Rs. 25,000/= per month, w.e.f. October 2016.
- To consider and approve renewal of investment up to un-utilized amount of Rs. 630 million and corporate guarantee, if required, in the UniEnergy Limited.
- In compliance of the directions issued by the Securities and Exchange Commission of Pakistan under S.R.O. 470(I)/2016 dated May 31, 2016 it is proposed that the following resolution be passed as and by way of a Special Resolution:
"Resolved that pursuant to compliance of S.R.O. 470(I)/2016 dated May 31, 2016 and subject to the consent and approval of the Shareholders, the Board of Director of the Company be and is hereby authorized to circulate the Annual Audited Accounts of the Company to its members through CD/DVD/USB; that the Board of Directors of the Company and the Company Secretary be and are hereby authorized to do all acts, deeds and things that may be necessary or required to give effect to this resolution."
- In compliance of the directions issued by the Securities and Exchange Commission of Pakistan under S.R.O. 43(I)/2016 Dated January 22, 2016 it is proposed that the following resolution be passed as and by way of a Special Resolution:
To consider and approve the alteration to be made in the Articles of Association of the company for the purpose of compliance with the mandatory E-voting requirement as prescribed in the companies (E-voting) Regulation, 2016 and if thought fit, pass the following as Special Resolution:
"Resolved that pursuant to compliance of S.R.O. 43(I)/2016 dated January 22, 2016 and subject to the consent and approval of the Shareholders, it is resolved that the Articles of Association of the company be and is hereby amended by inserting the following new clause after clause 81:
"(81-A) A member may opt for e-voting in a general meeting of the Company under the provisions of the Companies (E-Voting Regulations) 2016 (including any statutory modification thereof), as amended from time to time. In the case of e-voting, only Members can be appointed as proxy. The instruction to appoint executive officer and option to e-vote through intermediary shall be required to be deposited with the Company, at least ten (10) days before holding of the general meeting, at the Company's Head office address or through email. The Company will arrange for e-voting if the Company receives demand for poll from at least five (5) members or by any member having not less than one tenth of the voting power;"

BY ORDER OF THE BOARD

Karachi

Dated: December 28, 2016

Muhammad Ayub

C.F.O. & Company Secretary

Notes:

- The share transfer book of the company will remain closed from 25th January 2017 to 31st January 2017 (Both days inclusive).
- A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend and vote in his/her behalf, proxies in order to be effective must be received by the Company at its registered office not later than 48 hours before the time of the meeting.
- The shareholders are requested to notify the Company immediately the change in their address, if any.
- Any Individual Beneficial Owner of CDC, entitled to vote at the meeting, must bring original NIC with him/her to prove his/her identity, and in case of a proxy, a copy of Shareholder's attested NIC must be attached with the proxy form. Representative of corporate members should bring the usual documents required for such purpose.
- Consent for Circulation of Audited Financial Statements and Notice of AGM through E-mail.**
With reference to S.R.O. 787(I)/2014 dated September 8, 2014 issued by SECP, shareholders have option to receive Annual Audited Financial Statements and Notice of General Meeting through email. Shareholders of the Company are requested to give their consent to the Company's Head Office to update the record if they wish to receive Annual Audited Financial Statements and Notice of Annual General Meeting through email. However, if shareholder, in addition, request for hard copy of Audited Financial Statements the same shall be provided free of cost within seven (7) days of receipt of such request.
- Submission of CNIC / SNIC (Mandatory)**
Under directives of SECP, it is mandatory for the shareholders to provide a copy of the Computerized National Identity Card (CNIC) in case of individuals, a National Tax Number (NTN) in case of corporate entity. Therefore, all shareholders are requested to immediately send the required information to the share registrar of the company. In case of non compliance of the said requirement, the company will not in a position to issue the dividend to the respective shareholders till compliant.
- Dividend Mandate (Optional)**
Under directives of SECP, the shareholders are hereby given the opportunity to authorize the company to directly credit in their bank accounts with cash dividend if any, declare by the company in the future instead of issuing a dividend warrant. Please provide the following information / details:

Details of Bank Mandate

Name of Share Holder:	
Folio No.:	
Title of Bank Account:	
Bank Account Number:	
Bank's Name:	
Branch Name and Address:	
Contact No. and Address of Shareholder/Transferee:	
CNIC Number:	

8. Revised Treatment of Withholding Tax

Dividend Income on shares is liable to deduction of withholding tax under section 150 of the Income Tax Ordinance, 2001 and pursuant to Finance Act 2016, effective July 01, 2016, a new criteria for withholding of tax has been introduced by the Federal Board of Revenue ("FBR"). According to the revised criteria, tax is to be withheld based on 'Filer' and 'Non-Filer' status of shareholders @ 12.5% and 20.0% respectively where 'Filer' means a person whose name appears on the Active Taxpayers List available at e-portal of FBR (<http://www.fbr.gov.pk/>) or a holder of 'Taxpayer's Card' and 'Non-Filer' means a person who is not a filer.

Furthermore, according to recent clarification provided by the FBR; in case a Folio/CDS Account is jointly held, each joint-holder is to be treated separately as Filer or Non-Filer. In term of the said clarification; tax of each joint-holder has been deducted on the gross dividend amount determined by the bifurcating the shareholdings of each joint-holder on equal proportions, except where shareholding proportion of joint-holder(s) is pre-defined as per the records of the Company's Share Registrar and thus tax rates are applied in line with respective proportions.

Those shareholders who are holding Folio/CDS jointly are requested to notify (in writing) any change in their shareholding proportions to Company's Share Registrar (in case of physical shareholding) or their Participation/CDC investor Accounts Services so that their revised shareholding proportions are considered by the Company in all prospective dividend payouts of the Company, if any.

Statement(s) under section 160 of the Companies Ordinance, 1984, pertaining to the Special Businesses, referred to above is annexed to this notice of meeting.

