



# MEHRAN SUGAR MILLS LIMITED

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August 1, 2016, 11:05:53

## **The General Manager**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Subject: **Material Information**

Dear Sir,

In accordance with Section 15D of the Securities & Exchange Ordinance, 1969 and Clause 5.19.13 (c) of Code of Corporate Governance contained in the Rule Book of the Exchange, we hereby convey the following information:

The Board of Directors in its meeting held on July 30, 2016 recommended the following: a) In view of the rising demand for electricity in the country and Governments' favorable policy for promoting Baggasse based power projects, Mehran Sugar Mills Limited has decided to set up a 26.5 MW Baggasse based power project. The project shall be 100 percent owned by Mehran Sugar and the company has in principle decided to invest equity up to Rs. 750 million in the Power Project. The plant shall be operational latest by December, 2018. b) As a part of its diversification plan, It has also been decided to invest Rs. 125 million in a company (to be incorporated). The proposed Company will be involved in the manufacturing and branding of confectionery/baking products. Mehran Sugar plans to acquire 24% equity of the new company. Formal approval from shareholders will be sought in due course of time for both investments.

Yours Sincerely,