

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED

NOTICE OF MEETING

Notice is hereby given that 71th Annual General Meeting of the shareholders of THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED will be held on January 30, 2017 at 11:00 AM at the Registered Office of the Company at Nowshera Road, Mardan, for transacting the following business: -

ORDINARY BUSINESS

- (1) To confirm the minutes of the Annual General Meeting held on January 30, 2016.
- (2) To receive, consider and adopt the Audited Financial Statements of the Company together with the Directors' and Auditors' reports for the year ended September 30, 2016.
- (3) To appoint the Auditors of the Company and to fix their remuneration for the financial year ending September 30, 2017. The present auditors' M/s ShineWing Hameed Chaudhri & Co. Chartered Accountants retire and being eligible offer themselves for re-appointment.
- (4) To transact any other business of the Company as may be permitted by the Chair.

SPECIAL BUSINESS

To consider and if thought fit to pass the following resolution, with or without amendment, as Special Resolutions:

“Resolved that consent of the shareholders in the General Meeting be and is hereby accorded to reschedule the installments, after the grace period, for further period of three years for repayment of balance loan by Chashma Sugar Mills Limited, a Subsidiary Company”.

The share transfer books of the Company will remain closed from January 20, 2017 to January 30, 2017 (both days inclusive).

BY ORDER OF THE BOARD



(Mujahid Bashir)
Company Secretary

Mardan:
December 29, 2016

3. C.D.C shareholders desiring to attend the meeting are requested to bring their original Computerized National Identity Cards, Account and participants I.D. numbers, for identification purpose, and in case of proxy, to enclose an attested copy of his / her Computerized National Identity Card.
 4. In case of proxy for an individual beneficial owner of CDC, attested copies of beneficial owner's CNIC or passport, account and participants' ID numbers must be deposited along with the form of Proxy. Representative of corporate members should bring the usual documents required for such purpose.
 5. The CNIC number / NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR) from time to time.
 6. Members are requested to provide attested photocopies of their CNIC to the Company on its registered address in order to meet the mandatory requirements of SRO 831(1) 2012 of 5 July 2012 which provides that the dividend warrant should bear the CNIC number of the registered member. In case your CNIC copy is not available your dividend warrant will be no be issue/dispatched to you.
 7. The Directive of SECP contained in SRO 787(1) 2014 of September 08, 2014 whereby SECP has allowed companies to circulate annual balance sheet, profit and loss account, auditor's report and directors' report etc. along with notice of annual general meeting to its members through e-mail. Members are requested to provide their e-mail addresses on registered address of the Company.
 8. Audited accounts of the Company for the year ended September 30, 2016 will be provided on the website www.premiersugarmills.com at least 21 days before the date of Annual General Meeting. shall be assumed to have an equal number of shares.
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STATEMENT OF MATERIAL FACTS UNDER SECTION 160 (1) (B) OF THE COMPANIES ORDINANCE, 1984

A A statement under section 160 of the Companies Ordinance, 1984 setting forth all material facts concerning the matters contained in the Notice which will be considered for adoption at the meeting and the information required under S.R.O. 27(1) /2012 is provided below:

B A total of Rs. 350 Million was extended as loans and advances to Chashma Mills Limited in terms of section 208 after approval by the members in May 2008 for a period of six (6) years with a grace period of two (2) years and principal to be repaid in 8 equal installments. In September 2013, contract was revised and the outstanding balance of Rs. 279.5 Million (*at that time*) was to be repaid in seven (7) equal half yearly installment after grace period of three years with first installment commencing February 2017. The outstanding amount of loan on September 30, 2016 was Rs. 279.5 Million and no loan amount was written off. It is now proposed that members may approve to further extend the grace period for three (3) years with principal amount to be repaid in seven (7) equal half yearly installments commencing February 2020. Further details are as follows:-

(i) Name of Investee Company	Chashma Sugar Mills Limited
(ii) Nature of Loan/Advance	Long term loan
(iii) Purpose of loans and advances	Expansion of current facilities and installation of Ethanol Fuel Plant and Waste Management Plant.
(iv) Amount of loans and advances (Complete details)	Rs. 279.5 million only (<i>Total Advanced Rs. 350 million out of which Rs. 70.5 million have been received</i>).
(v) Rate of mark up	One month KIBOR + 1.25 % which, in any case, will not be less than the borrowing cost of the investing Company.
(vi) Tenure	It is proposed to extend grace period for further 3 years with principal amount to be repaid in 7 equal half annual installments commencing February, 2020.
(vii) Securities	Demand Promissory Note as a Collateral Security had been obtained.
(viii) Source of Funds	Company's own internal reserves (Retained earnings).
(ix) Repayable Schedule	The balance amount in seven half-yearly installments, commencing from February 2020.
(x) Benefits likely to accrue to the Company and its shareholders from loans and advance.	Higher returns on the loans leading to better dividends to the shareholders.

C Brief about Chashma Sugar Mills Limited the investee Company on the basis of reviewed condensed interim financial statements for the half year ended March 31, 2016:

Net Sales	Rs. 5,831 Million
Equity	Rs. 1,074 Million
Long term Loans and Lease	Rs. 3,062 Million
Current Ratio	0.91
GP Ratio	10.58%
Net Profit Ratio	2.20%
Shareholding of PSM	31.75 Million Shares or 71.95%
Outstanding Balance of Loans/advances as on September 30, 2016	Rs. 279.5 Million

D The Directors of Chashma Sugar Mills Limited have no other interest in the investment except common directorship.

E The audited Financial Statement of Chashma Sugar Mills Limited and The Premier Sugar Mills & Distillery Company Limited (PSM) for the year ended September 30, 2016, can be inspected from 10.00 a.m. to 11.30 a.m. in all working days up-to January 30, 2017 by the shareholders.