

7-A Muslim Town, Lahore-Pakistan
Ph: 042-35868077-79, Fax: 042-35862264
Cell: 0301-8412105 UAN: 111-970-970
Email: chanargroup@yahoo.com

CHN/FIN/P2
29 May 2015

The Registrar
National Electric Power Regulatory Authority
2nd Floor, OPF Building,
Sector G-5/2,
Islamabad

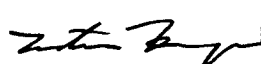
SUBJECT: — APPLICATION FOR A GENERATION LICENSE

I, **Murtaza Feroze Kayani**, Director, being the duly Authorized representative of **Chanar Sugar Mills Limited** (CSML) by virtue of Resolution of Board of Directors dated 22 May 2015, hereby apply to the National Electric Power Regulatory Authority for the grant of a Generation License to CSML pursuant to Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provisions of the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, and undertake to abide by the terms and provisions of the above-said regulations. I further undertake and confirm that the information provided in the attached documents-in-support is true and correct to the best of my knowledge and belief.

A Bank Draft No. 1146157 dated 29 May 2015 drawn on MCB Bank Limited, Shadman Colony, Lahore in the sum of Rupees Two Hundred six Thousand and Three Hundred Sixty Four only (PKR 206,364), being the non-refundable license application fee calculated in accordance with Schedule II to the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, is also attached herewith.

Yours Faithfully


Murtaza Feroze Kayani
Director



7-A Muslim Town, Lahore-Pakistan
Ph: 042-35868077-79, Fax: 042-35862264
Cell: 0301-8412105 UAN: 111-970-970
Email: chanargroup@yahoo.com

**EXTRACTS OF THE RESOLUTIONS OF BOARD OF DIRECTORS OF
CHANAR SUGAR MILLS LIMITED
PASSED IN THEIR MEETING HELD ON 22 MAY 2015
AT 7-A- NEW MUSLIM TOWN, LAHORE**

The Board of Directors of CHANAR SUGAR MILLS LIMITED a public company duly formed and registered in the Islamic Republic of Pakistan having incorporation No. 0022801 (the "Company") and having its registered office at 407 GB Pindi Sheikh Musa Road, Tehsil Tandlianwala, District Faisalabad, in their meeting held on 22 May 2015, passed the following resolutions:

UNANIMOUSLY RESOLVED that the Company should approach NEPRA for Generation License under the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

Further Resolved, that Mr. Murtaza Feroze Kayani, Director and Sheikh Azeem Muhammad Shafi, Company Secretary, of the Company be and are hereby jointly and singly authorized to do any or all of the following acts, deeds and things, on behalf of the Company, in connection with this application to be filed with NEPRA under the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 and the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999:

- Represent the Company before NEPRA, and in doing so perform all lawful acts, deeds and things, including but not limited to filing, signing, presenting, modifying, amending, withdrawing applications and other documents, responding to any queries and meeting any objections, receiving notices and documents; and
- Do all acts, deeds and things, which are ancillary and incidental to the afore-said purposes.

Further Resolved, that extracts of this resolution be provided to the NEPRA with the seal/stamp duly affixed thereon.

Sheikh Azeem Muhammad Shafi
Company Secretary

22 May 2015



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ
GOVERNMENT OF PAKISTAN



Certificate of Incorporation

[Under Section 32 of the Companies Ordinance, 1984 (XLVII of 1984)]

Company Registration No. L 02851

I hereby certify that "CHANAR SUGAR MILLS LIMITED"

is this day incorporated under the Companies Ordinance,
1984 (XLVII of 1984) and that the Company is
subscribed by shares,

Given under my hand at

Lahore

this

24th

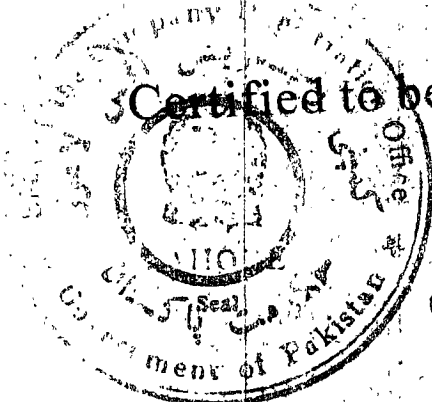
day of

November, 1990

one thousand nine hundred and

ninety.

Rs. 2850/- (RUPEES TWO THOUSAND EIGHT HUNDRED & FIFTY).



Certified to be true Copy

Deputy Registrar
Securities & Exchange
Commission of Pakistan
Company Registration Office
FAISALABAD.

ABDUL REHMAN QURESHI
JOINT REGISTRAR OF COMPANIES
LAHORE

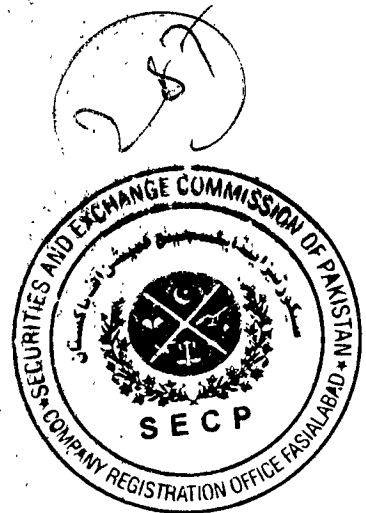
CERTIFIED TRUE COPY

For Chanar Sugar Mills Ltd.

Company Secretary

No. RL/4014

24-11-90



CERTIFICATE FOR COMMENCEMENT OF BUSINESS

(Under Section 146 (2) of the Companies Ordinance, 1984 (XLVII of 1984))

I hereby certify that the "CHANAR SUGAR MILLS LIMITED"

//

which was incorporated

under the Companies Ordinance, 1984 (XLVII of 1984), on the

//

24th

day of

November

19 90

and which has filed a duly verified declaration in the prescribed form that the conditions of clauses (a) to (c) of sub-section (1) of section 146 of the said Ordinance have been complied with is entitled to commence business.

Given under my hand at

LAHORE

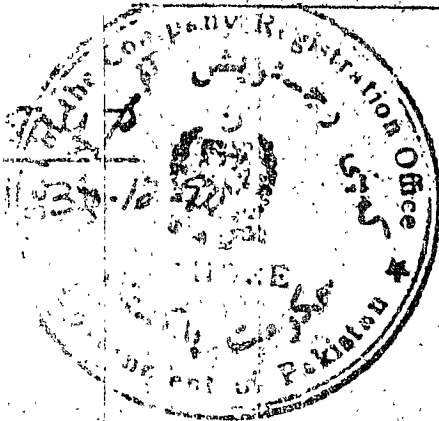
30th

day of

December, 1990

say thousand nine hundred and ninety. **Certified to be true Copy**

Fee Rs. 50/-



Deputy Registrar
Securities & Exchange
Commission of Pakistan
Company Registration Office
FAISALABAD.

(ABDUL REHMAN QURESHI)
JOINT REGISTRAR OF COMPANIES,
Lahore Region.

CERTIFIED TRUE COPY
For Chanar Sugar Mills Ltd.

Company Secretary

(COMPANY LIMITED BY SHARES)

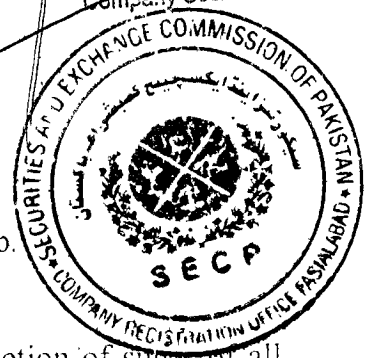
Memorandum of Association
of

CHANAR SUGAR MILLS LIMITED

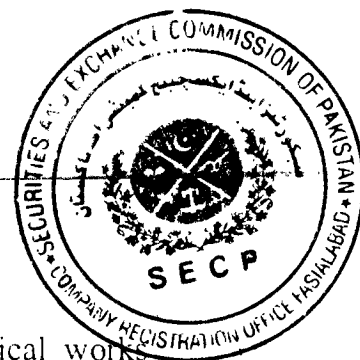
CERTIFIED TRUE COPY

For Chanar Sugar Mills Ltd

Company Secretary



- I. The Name of the Company is "CHANAR SUGAR MILLS LIMITED".
- II. The Registered Office of the Company will be situated in the Province of Punjab.
- III. The objects of the Company are all or any of the following:-
 1. To set up and operate an industrial undertaking for the production of sugar of all types and of its bye-products.
 2. In order to make provision for easy availability of raw material for the above facilities, to buy sell, grow sugar cane, sugar beet and other such products on the Company's own lands or on the lands of others.
 3. To help and promote the cause of growers of sugar cane, sugar beet and other sucrose and fructose bearing products by advancing moneys and loans to them and providing them with seeds, implements, fertilizers, insecticides and other similar items on such terms and conditions as the Company may deem fit in order to further its sole object laid down in clause I above.
 4. To open and support educational, research and training institutions in order to improve the production of sugar, its bye products and raw materials and to arrange for scholarship to be granted for technical studies especially for the growers, company's employees and their off springs and dependents.
 5. To setup, establish, operate manage, generate and run Power Generation Plants, from different means and sources and to generate and supply electricity to all concerns, the Company shall be authorized:-
 - a) To generate, produce, manufacture, sell, export to supply electricity to all concerns, by whatever means for industrial, commercial and residential use through distribution network and to construct, install, operate and maintain thereon power house, civil and mechanical works and structures, grid stations, transmission towers, power lines, building, workshops and other facilities as may time to time be necessary for the attainment of the object of the company.
 - b) To construct, lay-down, establish, fix, and carry out all necessary power station, cables, wires, lines, accumulators, and works and to generate accumulate, distribute and supply electricity to cities, towns, streets, markets, theaters, industrial zones, sites, areas and parks, buildings and places public and private.



- TRUE COPY
- Company Secretary
6. To carry, on and undertake all civil, electrical and mechanical works related to aforementioned business, and to generate, accumulate, distribute electricity for the purpose of light, heat, motive power and for all other purposes for which electrical energy can be employed, and to deal in all apparatuses, equipment and things required for or cable to be used in connection with the generation, distribution, supply, accumulation and employment of electricity.
- d) To manufacture, process, buy, sell exchange, alter improve, otherwise deal in all kinds of electrical plants, machinery, equipments, appliance, energy saving devices, and products, gadgets, components and parts including specialized equipments for the purposes of the business for the Company, and to manufacture, import, export. Sell buy, and deal in all accessories, articles, apparatus, equipments and goods, which may seem calculated to promote or to be capable of being used in connection with the use of electric power generation and supply.
- e) To enter into, make and perform contracts and arrangements of every kind and description with the Federal Government, Provincial Government, Semi-Government Agencies, Regulators, City Government, or Local Authority or person that may be conducive of the Company's Object and to obtain from any Government Authority, firm or person any rights, privileges, contracts, concessions, exemptions, permissions approvals and grants which the company may think desirable, and to obtain and carry out, exercise and comply with any arrangements, rights, privileges, contracts and concession and dispose off the same or turn into account the same.
6. To enter into any arrangements with any government or authorities, supreme, municipal, or local or otherwise, that may seem conducive to the Company's objects or any of them and to obtain from any such government or authority, any right, privileges and concessions which the Company may think desirable to obtain, and to carry out, exercise and to comply with any such arrangements, rights, privileges, and concession.
7. Generally to purchase, import, take on lease or in exchange, hire or any movable or immovable property or any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade, concessions, patents, monopolies, undertakings and to dispose these of.
8. To open an account or accounts with any individual, firm or company or with any Bank or Bankers or Shroffs and to pay into and to withdraw moneys from such account or accounts concerning the business of the Company.
9. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, railway receipts, warrants, debentures and other negotiable and transferable instruments concerning this Company.
10. To invest and deal with moneys of the Company not immediately required in such manner as may from time to time be determined.
11. To guarantee the performance of the contracts and obligations of the Company in



relation to the payment of any loan, debenture, stock bonds, obligations or securities issued by or in favour of the Company and to guarantee the payment or return on such investments or of dividends on any share of the Company.

12. To receive loans on such terms and conditions as may be through expedient but not to under take the business of a Banking Company.
13. To remunerate any person, firm or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of shares, debentures, debenture-stock or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business.
14. To provide for the welfare of the employees or ex employees (including Directors) of the Company, and the wives, widows, and families, or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling chawls, or by grants of money, pensions, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other funds, associations, institutions and by providing subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality of its operation or of public and general utility or otherwise.
15. To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or other securities of any other company.
16. To distribute any of the property of the Company amongst the members in specie or kind.
17. It is hereby undertaken that the Company shall not engage in Banking business or an investment company or in any unlawful business and that nothing in objects clauses shall be construed to entitle it to engage in such business.

IV. The liability of the member is limited.

V. The authorised capital of the Company is Rs. 200,000,000/- (Rupees Two Hundred Million) divided into 20,000,000 (Twenty Million) Ordinary Shares of Rs. 10/- each with powers to increase, reduce, sub-divide, consolidate or reorganize the capital and to divide the shares in the capital of the Company into several classes in accordance with the provisions of the Companies Ordinance, 1984

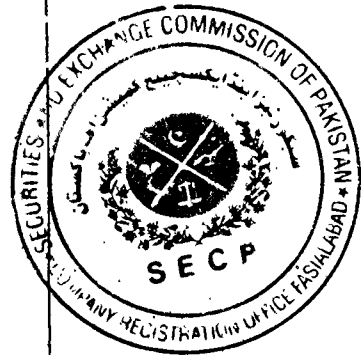
CERTIFIED TRUE COPY

For Chair: Surtar

Company Secretary

We the several persons whose names and addresses are subscribed below are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names :-

Sr. No.	Name and Surname (Present & Former) in Full (in Block Letters)	Father's / Husband's Name in Full	Nationality	Occupation	Residential Address (in Full)	Number of ordinary shares taken	Signature of subscribers
1.	SHEIKH MOHAMMAD TAHIR	Dr. Mohammad Bashir	Pakistani	Industrialist	4 - A, Shabir Road, Lahore - Cantt.	500	
2.	MR. JAVED A. KAYANI	Dr. Feroz Din	Pakistani	Industrialist	62 - B, Gulberg - II, Lahore.	500	
3.	MST. MARYAM BEGUM	Wd/o Dr. Feroz Din	Pakistani	Industrialist	62 - B, Gulberg - II, Lahore.	500	
4.	MRS. BUSHRA TAHIR	W/o Sheikh Mohammad Tahir	Pakistani	Industrialist	4 - A, Shabir Road, Lahore - Cantt.	500	
5.	MRS. ATIYA KAYANI	W/o Mr. Javed A. Kayani	Pakistani	Industrialist	62 - B, Gulberg - II, Lahore.	500	
6.	MR. ALI TAHIR	Sheikh Mohammad Tahir	Pakistani	Trading Business	4 - A, Shabir Road, Lahore - Cantt.	500	
7.	MR. JAMAL TAHIR	Sheikh Mohammad Tahir	Pakistani	Trading Business	4 - A, Shabir Road, Lahore - Cantt.	500	
Total Number of Shares Taken						3500	



Dated 12th day of November 1990.

Witness to above signatures :

Full Address : 623 - B, Faisal Town, Lahore.

MUSARRAT MAHMOOD NAJAM
S/o SHEIKH NOOR MOHAMMAD

For Chanar Sugar Mills Ltd.

(Full Name, Father's / Husband's name
in Block Letters)

Occupation : Chartered Accountant

Company Secretary

Certified to be true Copy

Joint Registrar
Securities & Exchange
Commission of Pakistan
Company Registration Office
FAISALABAD.

THE COMPANIES ORDINANCE, 1984

CERTIFIED TRUE COPY

--:O:--

(COMPANY LIMITED BY SHARES) For Chanar Sugar Mills Ltd.

--:O:--

Company Secretary

Articles of Association

of

CHANAR SUGAR MILLS LIMITED

PRELIMINARY

1. Table 'A' Not to Apply :

The Regulations contained in Table 'A' in the First Schedule to the Companies Ordinance, 1984 (hereinafter called "the Ordinance") shall not apply to the Company except as may be reproduced herein.

2. Company to be governed by these Articles :

The Regulations for the management of the Company and for the observance of the members thereof and their representatives shall (subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its regulations by Special Resolution, as prescribed by the Ordinance) be such as are contained in these Articles.

3. Interpretation :

The sub-headings hereof shall not affect the construction hereof and in these presents unless there is something in the subject or context inconsistent therewith :-

"The Ordinance" means the Companies Ordinance, 1984.

"The Statutes" means the Companies Ordinance, 1984 and every statutory modification or re-enactment thereof for the time being in force and every other Act for the time being in force concerning Companies and effecting the Company.

"The Company" means "CHANAR SUGAR MILLS LIMITED".

"Authority" means the Corporate Law Authority constituted under Section 11.



"Registrar" means a Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar or an Assistant Registrar, performing under this Ordinance the duty of registration of Companies.

"Office" means the registered office for the time being of the Company.

"Capital" means the Capital for the time being raised or authorised to be raised for the purpose of the Company.

"Share" means any share for the time being in the Capital of the Company.

"Member" means a member of the Company as defined by Section 2(1) (21) of the Companies Ordinance.

"The Register" means the Register of Members to be kept pursuant to Section 147 of the Ordinance.

"The Directors" means the Director for the time being of the Company including an Alternate Director or the Directors assembled at a Board, as the case may be.

"The Memorandum" means the Memorandum of Association of the Company as originally framed or as altered from time to time in accordance with the provisions of the Ordinance.

"The Articles" means these Articles of Association as originally framed or as altered from time to time by Special Resolution.

"The Chief Executive" means the Chief Executive of the Company appointed from time to time pursuant to the Articles.

"The Chairman" means the Chairman of the Board appointed from time to time pursuant to the Articles.

"The Secretary" means a Secretary of the Company and the expression 'Secretary' shall include the person appointed to perform the duties of Secretary.

"Board" means Board of Directors of the Company.

"Special Resolution" shall have meanings assigned to it in Section 2(1)(36) of the Ordinance.

"Seal" means the Common Seal of the Company.

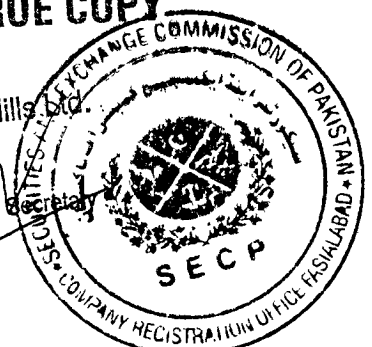
"Paid up" includes credited as paid up.

"Dividend" includes bonus.

CERTIFIED TRUE COPY

For Chanar Sugar Mills Ltd.

Company Secretary



"Modaraba", "Modaraba Company" and "Modaraba Certificates" have the meanings respectively assigned to them in the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

"PTC" and "TFC" mean Participation Term Certificate and Term Finance Certificate respectively.

"Securities" include Shares, Modaraba Certificates, PTCs, TFCs, Debenture Certificate, Musharika Certificates, and Bonds.

"Financial Institution" means a financial institution set up and controlled by the Federal Government or a Provincial Government, whether directly or through a company or corporation set up or controlled by such Government, and includes such other institutions or companies as the Federal Government may, by notification in the official Gazette, specify for the purpose.

"Proxy" means an instrument in writing whereby a member authorises another to vote for him at a meeting or meetings and includes attorney duly constituted under a power of attorney.

"Month" and "Year" means English calendar month and Calendar year respectively.

"In Writing" or "Written" include printing, lithography, typewriting and all other modes of representing or reproducing words in a visible form.

"Words" denoting the singular number only shall include the Plural number also, and vice versa.

Words denoting the masculine gender only shall include females.

CAPITAL

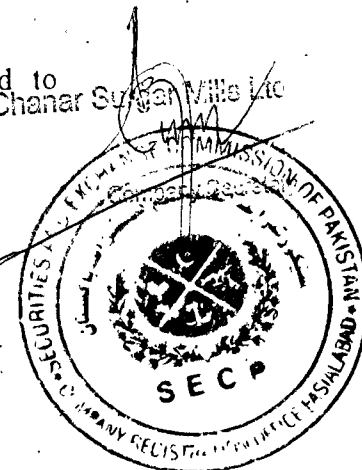
4. Share Capital :

The Share Capital of the Company is Rs. 200,000,000/- (Rupees Two Hundred Million) divided into 20,000,000 (Twenty Million) Ordinary Shares of Rs. 10/- each. The Company has powers from time to time to increase, consolidate sub-divide, reduce or otherwise reorganise its share capital and to divide the shares in the capital for the time being into several classes in accordance with the provisions of the Companies Ordinance, 1984.

5. Minimum Subscription :

The minimum subscription upon which the Directors may proceed to allotment shall be Rs. 3,00,000/- (Rupees Three Laacs only).

CERTIFIED TRUE COPY



6. The Funds of the Company may not be employed in purchases of or lending of Shares of the Company :

Except as provided by the Ordinance none of the Funds of the Company shall be employed in the purchase of shares of the Company and the Company shall not, except as authorised by Section 95 of the Ordinance, give any financial assistance for the purpose of or in connection with any purchase of Shares in the Company.

INCREASE, REDUCTION AND ALTERNATION OF CAPITAL

7. Increase of Capital :

The Company in General Meeting may from time to time increase the Capital by the creation of new Shares of such amount as may be deemed expedient.

8. Shares at the disposal of the Directors :

Subject to the provisions of the Ordinance and these Articles the shares in the capital of the Company for the time being shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons and on such terms and conditions as the Company in General Meeting or the Board may think fit and either at premium or at par or (subject to compliance with Section 84 of the Ordinance) at a discount as the Company in General Meeting or the Board may from time to time think fit and proper.

9. Return as to Allotments :

The Directors shall, as regards any allotment of shares, duly comply with such of the provision of Sections 67 to 73 of the Ordinance, as may be applicable thereto.

10. Issue of Shares against Property Sold to the Company :

Subject to the provisions of the Ordinance and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods, or machinery supplied, or for services rendered to the Company in the conduct of the business or affairs, and any shares, which may be so allotted, may be issued as fully paid up shares, and, if so issued, shall be deemed to be fully paid up shares.

11. Further Issue of Capital by Directors :

Subject to the Resolution in General Meeting sanctioning the increase of Share Capital, the Directors shall offer all new shares to the members in proportion to the existing shares held by each member and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer, if not accepted, will be deemed to be declined and after expiration of such time or on receipt of an intimation from the

[Signature]
INTER-SUGAR Mills Ltd.
 Company Secretary

CERTIFIED TRUE COPY



member to whom such notice is given that he declines to accept the shares offered, the Directors shall offer the unsubscribe part to any one or more institutions as may be specified by the Authority and if the said institutions do not subscribe to the whole or any part of the offer, the Directors may dispose of the same to such person or persons, companies or corporations, Government of Pakistan or Provincial Governments, whether Members or not, subject to the provisions of the Ordinance in such manner as they in their absolute discretion think fit.

12. New Shares to be Ordinary Capital Unless otherwise provided :

Except so far as otherwise provided by or pursuant to these Articles or by the conditions of issue, any new share capital shall be considered as part of the original ordinary share capital of the Company, and shall be subject to the same provisions with reference to transfer, transmission, and otherwise as the original share capital.

13. Fractional Shares :

If and whenever as a result of an issue of new shares or any consolidation or subdivision of shares, any member becomes entitled to hold shares in fractions, the Directors shall not be required to issue such fractional shares and shall be entitled to sell whole shares at a reasonable price and pay and distribute to and amongst the members entitled to such fractional shares in due proportion the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be entitled to see to the application of the purchase money nor shall his title to the shares be effected by the irregularity or invalidity in the proceedings in reference to the sale.

14. Shares may be registered in the name of Govt. or Corporate Body :

Shares may be registered in the name of any Limited Company or Corporate Body, the Central or any provincial Government of Pakistan or their nominees. Not more than four persons shall be normally registered as joint-holders of any share.

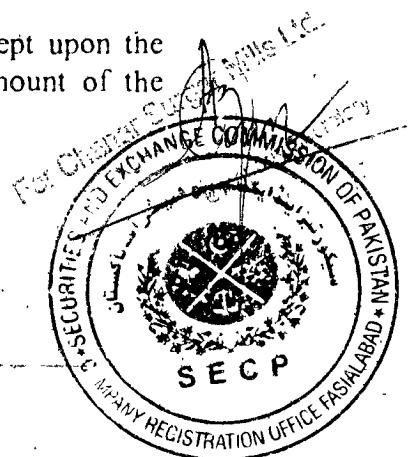
15. Address of Shareholders :

Every shareholder shall name to the Company a place, in Pakistan, to be registered as his address and such address shall for all purposes be deemed to be his place of residence.

16. Fully Paid Shares :

No shares shall be offered to the public for subscription except upon the term that the amount payable on application shall be the full amount of the nominal amount of the Shares

CERTIFIED TRUE COPY



17. Acceptance of Shares :

An application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register, shall for the purposes of these Articles, be a shareholder.

18. Company may alter its Capital in certain ways :

The Company may alter the conditions of its Memorandum of Association by an Ordinary Resolution in General Meeting :-

- (a) to consolidate and divide its share capital into shares of larger amount than its existing shares, or
- (b) to cancel any shares not taken or agreed to be taken by any person, or
- (c) to divide its share capital or any part thereof into shares of smaller amount than is fixed by its Memorandum of Association by sub-division of its existing shares or any of them, subject nevertheless to the provisions of Section 92(1) of the Ordinance.

and by Special Resolution :-

- (d) to reduce its capital or any capital redemption reserve fund in any manner authorised and subject to any conditions prescribed by the Ordinance.

19. Membership :

Every person when allotted shares in the Company and on his name being entered in the Register of the members shall be called a member of or a shareholder in the Company.

20. No Trust Recognised :

No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than an absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provided or as by statute required or pursuant to any order of Court.

CERTIFIED TRUE COPY

[Signature]
Company Secretary



UNDERWRITING AND COMMISSION

21. Commission on subscription of Shares :

The Company may pay to any person a commission in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company ; Provided that subject to the provisions of Section 82(1)(b) of the Ordinance such commission shall not exceed 2 ½ % of the amount paid upon such shares or an amount equivalent to such percentage ; and the requirements of the Ordinance and any other law for the time being in force shall be observed. Any such commission may with the approval of the Controller of the Capital Issues be satisfied in fully paid shares of the Company, in which case Section 73 of the Ordinance shall be duly complied with.

22. Brokerage :

The Company may also on issue of Shares pay such brokerage as may be lawful.

CERTIFICATES

23. Registered Member entitled to Share Certificate :

Every member shall be entitled, without payment, to receive within ninety days after allotment or within forty five days after the application for the registration of transfer (unless the conditions of issue provide for a longer interval) one certificate under the Seal for all the shares registered in his name, specifying the number and (where necessary) denoting numbers of the Shares in respect of which it is issued and the amount paid up thereon ; Provided that in the case of joint-holders the Company shall not be bound to issue more than one certificate to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all. Every certificate shall be signed by one Director and countersigned by the Chief Executive or secretary or by Assistant Secretary.

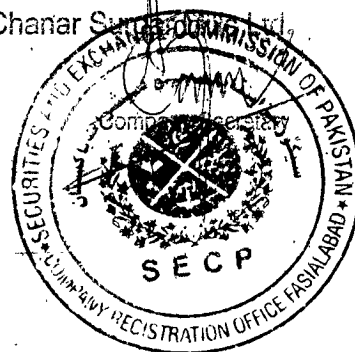
24. New Certificate may be issued :

If any share certificate shall be defaced, worn out, destroyed or lost, it may be renewed on such evidence being produced and such indemnity (if any) being given as the Directors shall require, and (in case of defacement or wearing out) on delivery of the old certificate, and in any case on payment of such sum as the Directors may from time to time require.

25. Fee :

For every certificate issued under the last preceding Article there shall be paid to the Company the sum of Rs. 2/- or such sum as the Directors may determine.

CERTIFIED TRUE COPY For Charan Singh



26. To which of Joint Holders Certificate to be Delivered :

The certificate of shares registered in the name of two or more persons shall, unless otherwise directed by them, be delivered to the person first named in the Register.

27. The first named of joint-holders of Shares :

If any shares stand in the name of two or more persons, the person first named in the Register shall, as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the Company except voting at the meeting and the transfer of shares, be deemed the sole holder thereof.

28. Death of one or more joint-holders of shares :

In the case of the death of any one or more of the persons in the Register as the joint-holders of any shares, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in such shares.

TRANSFER AND TRANSMISSION

29. Shares to be Transferable :

Subject to the restrictions of these Articles, shares shall be transferable, but every transfer must be in writing in the usual common form, or in such other form as the Directors shall from time to time approve, and must be left at the office, accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may require to prove the title of the intending transferor.

30. Persons under Disability :

No share shall in any circumstances be transferred to any infant, insolvent, bankrupt or person of unsound mind.

31. Transfers to be executed by both Parties :

The instrument of transfer of a share shall be executed both by the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of members in respect thereof.

32. Company to provide and to keep Register :

The Company shall provide a book to be called the "Register of Transfers", which shall be kept under the control of the Directors, and in which shall be entered the particulars of every transfer or transmission of every share.

CERTIFIED TRUE COPY

[Signature]
 Company Secretary
 S. S. Mills Ltd.



33. Directors may not refuse to Register :

The Directors shall not refuse to transfer any fully paid shares or debentures unless the transfer deed is, for any reason, defective or invalid in which case they shall within thirty days from the date on which the instrument of transfer was lodged with the Company notify the defect or invalidity to the transferee who shall, after the removal of such defect or invalidity, be entitled to relodge the transfer deed with the Company. If the Directors refuse to register a transfer of any shares, they shall, within thirty days after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal, indicating reasons for such refusal.

34. Register of Transfers may be closed :

Subject to the notice required by Section 151 of the Ordinance the Register of Transfers may be closed during the fourteen days immediately preceding every Annual General Meeting of the Company and at such other times (if any) and for such period as the Directors may from time to time determine, provided always that it shall not be closed for more than thirty days at a time or for more than forty five days in any year.

35. Not liable for Notice :

The Company shall incur no liability or responsibility whatsoever in consequence of registering or giving effect to a transfer made or purported to be made by an apparent legal owner of shares (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title or interest in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and shall not be bound or required or regarded to give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing, or neglecting so to do and shall, nevertheless, be at liberty to have regard and attend to such notice and give effect thereto, if Directors shall think fit.

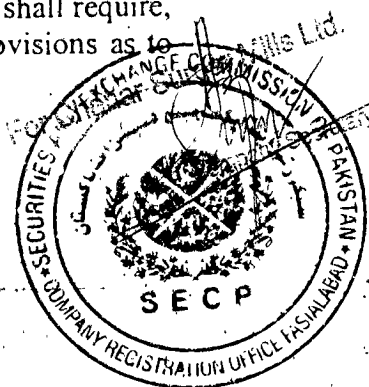
36. On the death of Member Survivor, Nominee or Executor only recognised :

In the case of death of a member, the survivors or survivor, or nominee(s) appointed under Section 80 of the Ordinance as the case may be, where the deceased was a joint holder, and the executors, administrators or nominee(s) as aforesaid of the deceased, where he was a sole or only surviving holder, shall be the only person recognised by the Company as having any title to his shares.

37. Persons becoming entitled on death or bankruptcy of Member may be registered :

Any person becoming entitled to a share in consequence of the death or bankruptcy of any member may upon obtaining the previous sanction of the Directors and upon producing such evidence of title as the Directors shall require, be registered himself as a holder of the share, or subject to the provisions as to transfers herein contained, transfer the same to some other person.

CERTIFIED TRUE COPY



38. **Person entitled may receive dividends without being registered as Member, but may not vote :**

A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for any dividends or other money payable in respect of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at meetings of the Company, or, save as aforesaid, to exercise any of the rights or privileges of a member, unless and until he shall become a Member in respect of the share.

39. **Board may require evidence of transmission :**

Every transmission of shares shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be verified or unless as indemnity be given to the Company with regard to such registration which the Board at their discretion shall consider sufficient ; Provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

40. **Fee on Transfer or Transmission :**

A fee not exceeding Rupees two per share may be charged in respect of the transfer or transmission to the same party of any number of shares of any class or denomination subject to such maximum on any one transfer or transmission as may from time to time be fixed by the Directors. Such maximum may be single fee payable on any one transfer and transmission of any number of shares of one class or denomination or may be on graduated scale varying with the number of shares of any one class comprised in one transfer or transmission or may be fixed in any other manner as the Directors in their discretion determine.

MODIFICATION OF RIGHTS

41. **Rights of Shareholders may be altered :**

All or any of the rights, privileges or conditions for the time being attached or belonging to the shares or any class of shares for the time being forming part of the capital of the Company may from time to time be modified, varied, extended or surrendered in the manner laid down in Section 28 of the Ordinance.

BORROWING POWERS

42. **Directors may borrow :**

The Directors may from time to time at their discretion obtain finance as defined in the Banking Tribunal Ordinance, 1984 or otherwise raise or borrow money / term capital, participatory redeemable capital from Banks, Financial Institution or from any other institution and secure the payment of any such sum or sums of money borrowed and to mortgage or charge its undertaking, property or any part thereof and to issue participation term certificate, term finance certificate, modaraba / musharika, debenture, debenture-stock or any other type of security permitted by law and may themselves lend to the Company, on security or otherwise.

CERTIFIED TRUE COPY



43. Directors may secure loans :

The Directors may raise or secure the payment or re-payment of any sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the creation of any mortgage or charge on the undertaking of the whole or any part of the property, present or future, or by the issue of bonds, perpetual or redeemable, debentures or debenture-stock of the Company charged upon all or any part of property of the Company, both present and future.

44. Securities assignable free from equities :

Modaraba, PTCs, TFCs, Debentures, Stocks thereof, bonds and other securities may be made assignable free from any equities between the Company and person to whom the same may be issued.

45. Issue at discount or with privilege etc :

Any securities may be issued at discount, premium, or otherwise, and with privileges as to conversion, redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors and such other privileges.

46. Register of Mortgages :

The Directors shall cause a proper Register to be kept in accordance with Section 125 of the Ordinance, of all mortgages and charges specifically affecting property of the Company and shall comply with requirements of Section 121 and 122 of the Ordinance, in regard to registration of mortgages and charges therein specified and requirements of Section 130 of the Ordinance, as to keeping a copy of every instrument creating mortgages or charges at the office, and requirements of Section 132 as to giving limitation of payment of satisfaction of charges or mortgages created by the Company.

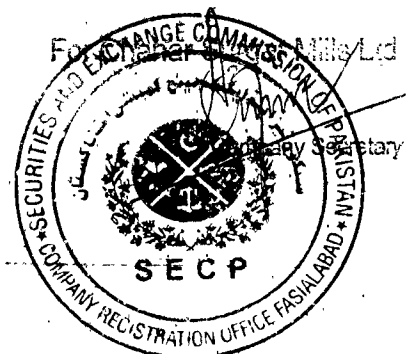
GENERAL MEETINGS**47. General Meetings :**

A General Meeting shall in accordance with the provisions of Section 158 of the Ordinance be held in every calendar year within a period of four months following the close of the financial year of the Company and not more than fifteen months shall be allowed to elapse between any two such General Meetings. The Statutory Meeting will be held in accordance with the provisions of Section 157 of the Companies Ordinance.

48. Extraordinary General Meetings :

The above-mentioned General Meetings except statutory meeting shall be called Annual General Meetings. All other General Meetings shall be called Extraordinary Meetings.

CERTIFIED TRUE COPY



49. Extraordinary General Meetings :

The Directors may call an Extraordinary General Meeting whenever they think fit, and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Section 159 of the Ordinance.

50. Notice of Meeting to be given :

Not less than twenty-one days' notice at least of every General Meeting, Annual or Extraordinary, and by whomsoever called, specifying the date, place and hour of the meeting and with a statement of the business to be transacted at the meeting (and in case it is proposed to pass a Special Resolution the intention to propose such Resolution as a Special Resolution) shall be given to the person entitled under and in the manner provided by the Ordinance and these Articles.

51. Notice for Special Resolution :

Where it is proposed to pass a Special Resolution not less than twenty-one days' notice specifying the intention to propose the resolution as a Special Resolution and specifying the date, place and hour of meeting and the nature of the business shall be given.

52. Shorter Notice by Consent :

If all the members entitled to attend and vote at any General Meeting so agree, a resolution may be proposed and passed as a Special Resolution at a Meeting of which less than 21 days notice has been given.

53. Omission to give Notice :

The accidental omission to give any such notice to or the non-receipt of any such notice by any of the Members shall not invalidate the proceedings at any meeting.

PROCEEDINGS AT GENERAL MEETING**54. Special Business :**

All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of sanctioning a dividend, the consideration of the accounts and Balance Sheet and the reports of the Directors and Auditors, and any other documents accompanying or annexed to the Balance Sheets, the election or appointment of Directors and the appointment and fixing of the remuneration of the Auditors.

55. No Business to be Transacted unless Quorum Present. How Quorum to be ascertained :

No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. For all purposes the Quorum shall be two members or representatives of corporation which are members.

CERTIFIED TRUE COPY

present in person who represent not less than twenty five percent of total voting power of the Company, either of their own account or as proxies.

56. If Quorum not present Meeting adjourned or dissolved :

If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present being not less than two shall be a quorum.

57. Chairman of Board to preside at all Meetings :

The Chairman (if any) of the Board of Directors shall preside at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the members present shall choose some Director, or if no Directors be present or if all the Directors present decline to take the chair, they shall choose some member present to be Chairman of the Meeting.

58. Notice of adjournment to be given :

The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

59. How Resolution decided :

At all General Meetings a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded in writing by the Chairman or by at least two persons for the time being entitled to vote on the resolution and present in person or by proxy, or by any member or members (present in person or by proxy) and having at least one tenth of the total voting power of the Company, and unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive subject to Section 160-A of the Ordinance, and an entry to that effect in the minute book of the Company shall until the contrary is proved be evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

CERTIFIED TRUE COPY



60. Poll to be taken as Chairman shall direct :

If a poll be demanded in manner aforesaid, it shall be taken at such time, being not more than fourteen days from the day on which it was demanded, and place and in such manner, as the Chairman shall direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

61. Poll in certain cases to be taken forthwith :

A poll demanded on the election of a Chairman of a meeting, or on any question of adjournment shall be taken forthwith.

62. Chairman to have casting vote :

In the case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a further or casting vote.

63. Business to be continued if poll demanded :

The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.

VOTES OF MEMBERS**64. Member to have one vote or one vote for every share :**

Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, every member shall have one vote on a show of hands and in case of a poll shall have one vote for every share of which he is the holder.

65. Votes of Member of Unsound Mind :

If any member be of unsound mind or non-composmentis, he may vote by his committee, receiver, curator bonis or other legal curator, and such last mentioned persons may give their votes either personally or by proxy.

66. Votes of Joint Holders of Shares :

If two or more persons are jointly entitled to a share, then in voting upon any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

67. Only Members duly registered entitled to vote :

A member duly registered shall be entitled to be present or to vote on any question either personally or by proxy, or as proxy for another member, or to be reckoned in a quorum, at any General Meeting.

CERTIFIED TRUE COPY

68. How Votes may be given and who can act as Proxy :

Votes may be given either personally or by proxy. Provided that no body corporate shall vote by proxy as long as a resolution of its Directors in accordance with the provisions of Section 162 is in force.

69. Instrument appointing proxy to be in writing :

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if such appointer is a corporation under its common seal, if any, and if none, then under the hand of some officer duly authorised in that behalf. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer.

70. Instrument appointing a proxy to be left at Company's Office :

The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a notarially certified copy thereof, shall be deposited at the office at least forty eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote ; otherwise the person so named shall not be entitled to vote in respect thereof.

71. Form of Proxy :

Subject to the provisions of Section 161(4) of the Ordinance any instrument appointing a proxy shall be in the following form with such variations (if any) as circumstances may require or the Directors may approve :-

I, of
a member of "CHANAR SUGAR MILLS LIMITED"
hereby appoint.....of
another member of the Company, and failing him,.....
ofanother member of the Company, to
vote for me and on my behalf at the (Annual General Meeting, Extraordinary or
adjourned, as the case may be) General Meeting of the Company to be hold on the
.....day of
and at every adjournment thereof.

As witness my hand thisday of19

Signed by the saidin the
presence of.....

(The signature should agree in all respect with the name or names in which the shares are registered. If shares are held jointly the signature should contain both names).

Executors, administrators, trustees, guardians and other singing in a representative capacity should state their full titles.

CERTIFIED TRUE COPY

For Chanar Sugar Mills Ltd.



DIRECTORS

72. Appointment and Number of Directors :

Until otherwise determined by a General Meeting, the number of Directors shall be not less than three nor more than fifteen.

73. Director's Qualification :

The qualification of a Director shall be the holding of shares of Company to the nominal value of Rs. 5,000/- at least in his own name.

74. Alternate or substitute Directors :

A Director who is absent or about to be absent from Pakistan for at least three months may, with the approval of the Directors, appoint any person approved by the Directors to be an alternate Director during his absence, and such appointment shall have effect, and such appointee whilst he holds office as an alternate Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat, accordingly ; but he shall not require any qualification, and he shall ipso facto vacate office if and when Director appointing him returns to Pakistan and acts in his office as a Director or vacates office as a Director, or removes the appointee from office and any appointment and removal under this Clause shall be effected by notice in writing under the hand of the Director making the same.

75. Directors' remuneration :

The remuneration of the Director for performing extra services, including holding of the office of the Chairman shall from time to time be determined by the Directors. But the remuneration of a Director for attending meetings of the Board shall not exceed Rs. 500/- for each meeting attended by him. No remuneration for attending meetings shall be paid to the regularly paid Chief Executive and full-time working Directors of the Company.

76. Office of Director vacated in certain cases :

The office of a Director shall be vacated :-

- (a) If he is found to be of unsound mind by a court of competent jurisdiction.
- (b) If he is adjudged an insolvent or a receiving order is made against him or he makes any arrangement or composition with his creditors.
- (c) If he or any firm of which he is a partner or any Private Company of which he is a Director, without the sanction of the Company in General Meeting, accepts or holds any office of profit under the Company other than that of a Managing Director / Chief Executive or a legal or technical advisor or a banker.

CERTIFIED TRUE COPY



- (d) If he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is the longer without leave of absence from the Board.
- (e) If he or any firm of which he is a partner or any Private Company of which he is a Director accepts a loan or guarantee from the Company in Contravention of Section 195 of the Ordinance.
- (f) If without the sanction of a resolution of the Directors passed at their meeting, he or any firm, of which he is a member or Director enters into any contract with the Company for making sale purchase or supply of goods or for rendering services.
- (g) If he has been convicted for an offence involving moral turpitude.
- (h) If he has betrayed lack of fiduciary behaviour and a declaration to this effect was made under Section 217 of the Ordinance at any time in the past five years.
- (i) If by notice in writing given to the Company he resigns his office.

Subject to the provisions of Section 188 of the Ordinance a Director may hold any other office or place of profit under the Company in conjunction with his office of Director, and on such terms as to remuneration and otherwise as the Directors shall arrange.

77. Continuing Directors may act to fill vacancies or summon Meetings :

The continuing Directors may act at any time notwithstanding any vacancy in their body ; provided always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as Directors for the purpose of filling up vacancies in their body or of summoning a General Meeting of the Company, but not for any other purpose.

78. Institutional Director :

The Directors shall have powers to co-opt, or agree, to co-opt, additional Directors, nominated by any financial institution or banks or any consortium or local or foreign collaborators (hereinafter called institution) where such institution shall require appointment of their nominee as a Director under terms of granting loan, subscribing to Company's PTCs, TFCs, Debentures or stocks, or making

CERTIFIED TRUE COPY



bridging advance, or under stipulations that loan granted shall be converted into shares at the option of either party to contract or otherwise for any other consideration and such Director shall act as Director so long as the amount loan etc. is equal to qualification prescribed under these Articles for Appointment of a Director. Such Director may be called Security Director or Institutional Director Pre-fixed by the name of Institution nominating or by the name of the security holder to which he is representing, and such Directors shall not be required to hold any qualification shares and shall have the same rights and privileges and be subject to same responsibilities as other Directors of the Company. The institution or security holders, as the case may be nominating a Director may require cancellation or removal of such Director or on resignation or death of such Director, and shall have the right to nominate another person in his stead unless such appointment is otherwise stipulated under the terms of an agreement or contract, in which case the appointment and vacancy shall be regulated by those stipulations.

78. (a) "During such time as Bankers Equity is a Term Finance Certificates (TFC) / Participation Term Certificates (PTFCs) holder of the Company or its investment is outstanding in the Company, Bankers Equity shall continue to have the right from time to time to undertake propriety audit of the Company's accounts through the auditors of its own choice and to refer any matter concerning the project or the Company to consultants, local or foreign, at company's cost and to appoint a person or persons as the Director(s) of the Company and to remove such person(s) from the office and on a vacancy being caused in such office for any reason whether by resignation, removal, death or otherwise to appoint another person to fill up the vacancy. The Director(s) so appointed shall be called "Bankers Equity Director", Bankers Equity Director shall not be required to hold any qualification shares and shall have such other rights and privileges as other Directors of the Company".

78. (b) "The Company may raise and secure payment of any sum by issue of Term Finance Certificates. The Term Finance Certificates / Participation Term Certificates may be issued at a discount, premium or otherwise with special privileges as to redemption, conversion into shares with voting rights and their subsequent reconversion into Participation Term Certificate".

78. (c) "The Bankers Equity Director shall have a right to requisition a meeting of Directors and the Company shall convene the meeting so requisitioned by the Director representing Bankers Equity".

For Charan Sugar Mills Ltd.
Secretary

CERTIFIED TRUE COPY



79. Directors to company with the Statutes :

The Directors shall duly comply with the provisions of the statutes, and particularly the provisions as to registration and keeping copies of mortgage and charges, keeping a register of Directors, Officers and others holdings of shares and debentures, as required by Section 220 of the Ordinance keeping the register of members and entering all necessary particulars therein, and sending copies thereof or a notification of any changes therein to the Registrar of Companies and sending to such Registrar and annual return, notices as to increase of capital, returns of allotments and contracts and other documents relating thereto, copies of resolutions and agreements, and other particulars connected with the above.

80. Directors may contract with company :

Subject to the provisions of Section 196(2) of the Ordinance, a Director may contract with and be interested in any contract or proposed contract with the Company, and shall not be liable to account for any profit made by him by reason of any such contract, provided that the nature of the interest of the Director in any such contract must be declared at a meeting of the Directors as required by Section 214(2) of the Ordinance. Subject to the provisions of Section 214(2) of the Ordinance no Director shall vote as a Director in respect of any contract or arrangement in which he shall be interested.

ELECTION AND RETIREMENT OF DIRECTORS

81. Only natural persons to be Directors :

Only a natural person shall be a Director and no Director shall be the variable representative of a body corporate.

82. Term of Office of Directors :

A Director elected under Section 178 of the Ordinance shall hold office for a period of three years unless he earlier resigns, becomes disqualified for being a Director or otherwise ceases to hold office. A retiring Director shall be eligible for re-election, and shall act as a Director until his successor is elected.

83. Directors to fix number of Directors :

The Directors shall subject to the provisions of Articles 72 fix the number of elected Directors not later than 35 days before the convening of the General Meeting at which Directors are to be elected, and the number so fixed shall not be changed except with the prior approval of a General Meeting of the Company.

CERTIFIED TRUE COPY

For Chief Secretary



84. Election of Directors :

The Directors shall, unless the number of persons who offer themselves to be elected is not more than the number of Directors fixed under Article 72, be elected by the members of the Company in the following manner namely :-

- (a) A member shall have such number of votes as is equal to the product of the number of voting shares or securities held by him and the number of Directors to be elected ;
- (b) A member may give all his votes to a single candidate or divide them between more than one of the candidates in such manner as he may choose ; and
- (c) The candidate who gets the highest number of votes shall be declared elected as Director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of Directors to be elected has been so elected.

85. Members eligible for office of Director if Prescribed notice and consent lodged at Office :

No person including retiring Directors shall be eligible for the office of Director at any General Meeting, unless, within the prescribed time before the day appointed for the meeting, there shall have been filed with the Company notice in writing, signed by the person to be proposed, of his willingness to be elected. The prescribed time above mentioned shall be such that between the date when the notice is served or deemed to be served and the day appointed for the meeting, there shall be not less than fourteen intervening days.

86. If places not filled up retiring Directors deemed re-elected :

If at any meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled up, the Directors so retiring shall continue to perform their functions till their successors are elected ; provided that the Directors so continuing to perform their functions shall take immediate steps to hold the election of Directors and in case of any impediment the circumstances of the case shall be reported to the Registrar within fifteen days of the expiry of term laid down in Article 82.

87. Consent to act as Director to be filed :

No person shall be appointed or nominated a Director or Managing Director / Chief Executive of the Company or represent as holding such office, nor shall any person describe or name any other person as a Director or proposed Director or Managing Director / Chief Executive of the Company unless such person or such other person has given his consent in writing to such appointment or nomination and that consent has been filled by the Company with the Registrar before such appointment or nomination or being described or named as a Director or proposed Director or Managing Director / Chief Executive of the Company, as the case may be.

[Signature]
Company Secretary

CERTIFIED TRUE COPY



88. Casual Vacancy in Board to be Filled by Directors :

Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but any person so chosen shall retain his office for remainder of the term of the Directors in whose place he is appointed, but he shall be eligible for re-election.

89. Removal of Directors :

The Company may by Resolution in General Meeting remove a Director appointed under Article 88 or elected in the manner provided for in Article 84. Provided that a Resolution for removing a Director shall not be deemed to have been passed unless the number of votes cast in favour of such a Resolution is not less than the minimum number of votes that were cast for the election of a Director at the immediately preceding election of Directors, if the Resolution relates to removal of a Director elected in the manner provided in Article 84 or the total number of votes for the time being computed in the manner laid down in Article 84 divided by the number of Directors for the time being, if the Resolution relates to removal of a Director appointed under Article 88.

PROCEEDINGS OF DIRECTORS**90. Meeting of Directors, Quorum, Casting Vote of Chairman :**

The Directors may meet together for the despatch of the business adjourn and otherwise regulate their meetings as they think fit provided that they shall meet at least once in each quarter of a year. The quorum for a meeting of the Directors shall not be less than one-third of their number or two whichever is greater. Questions arising at any meeting shall be decided by a majority of votes. In case of any equality of votes the Chairman shall have second or casting vote. If all the Directors except one are disqualified from voting, the question shall be decided by the Company in General Meeting.

91. Director may call meeting of Board :

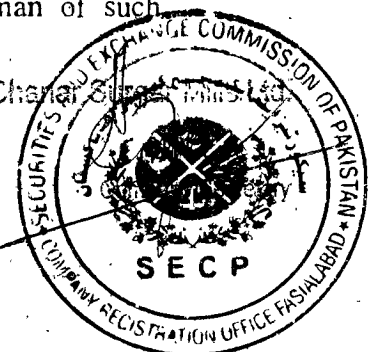
A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Directors.

92. Chairman of Directors :

The Directors may from time to time elect a Chairman, who shall preside at meetings of the Directors, and determine the period for which he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within fifteen minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

CERTIFIED TRUE COPY

For Chairman



93. Committee of Directors :

The Board may from time to time delegate all or any of their powers to a committee or committees consisting of two or more Directors as they think fit. Any committee so formed shall conform to any regulations that may be imposed upon it by the provisions herein contained for regulating meeting and proceedings applicable to the Directors. A Committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be decided by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have second or casting vote.

94. All acts done by Directors to be valid :

All acts bona-fide done by any meeting of Directors, or of a Committee of Directors, or by any person acting as a Director, shall notwithstanding it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were / was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

95. Minutes to be made and when signed by Chairman to be conclusive evidence :

The Directors shall cause proper minutes to be made of all General Meetings of the Company and also of all appointments of Officers, and of the proceedings of all meetings of Directors and Committees, and of the attendances at all the aforesaid meetings and all business transacted at such meetings ; and any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be evidence without any further proof of the facts therein stated.

96. Resolution signed by Directors to be valid :

A Resolution in writing other than Resolution in respect of any of the matters specified in Section 196(?) of the Ordinance signed by all the Directors who are for the time being in Pakistan (not being less than the quorum required for a Board Meeting) shall be as effective for all purposes as a Resolution passed at a meeting of the Directors duly convened, held and constituted and may consist of several documents in like form each signed by one or more Directors.

POWERS OF DIRECTORS**97. Business of Company to be managed by Directors :**

The business of the Company shall be managed by the Directors, who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company, and do on behalf of the Company

CERTIFIED TRUE COPY

[Signature]
 Chairman
 Sugar Mills Ltd.
 Company Secretary



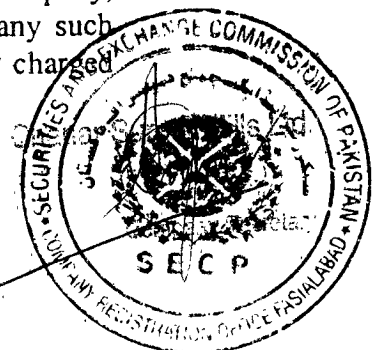
all such acts as may be exercised and done by the Company, and as are not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

98. Express powers of the Board :

Subject to the provisions of Section 196 of the Ordinance and without prejudice to the general powers, conferred by Article 99 and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers, that is to say :-

- (a) to pay and charge to the Capital Account of the Company the legal and other costs, charges and expenses of any preliminary and incidental to the promotion, formation, establishment and registration of the Company, including the stamps and fees paid in respect thereof, and also pay commission lawfully payable thereout under the provisions of Section 82 of the Ordinance ;
- (b) to purchase or otherwise acquire for the Company any property (immovable or movable real or personal), machinery rights and privileges which the Company is authorised to acquire, at or for such price or consideration, and generally on such terms and conditions as they may think fit ; and on any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory ;
- (c) to insure against fire or other loss or accident all or any of the properties of the Company as the Directors may from time to time think fit. But it is hereby declared that the Directors unless specifically enjoined by any resolution of the shareholders which may from time to time be passed so to do shall not be under any obligation to insure any property of the Company ;
- (d) at their discretion, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, or by a mortgage on any of the Company's property, and any such bonds, debentures or other securities may be either specially charged upon all or any part of the Company or not so charged ;

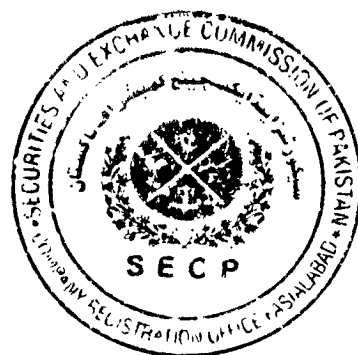
CERTIFIED TRUE COPY



- (e) from time to time to extend the business and undertaking of the Company by adding to, altering or enlarging all or any of the buildings, property, premises, plant and machinery for the time being the property or in the possession of the Company or by purchasing or otherwise acquiring any other buildings, property, plant and machinery or by erecting new or additional buildings, and to expend such sums of money for the purposes aforesaid, or any of them as may be thought necessary or expedient ;
- (f) to undertake on behalf of the Company the payment of all rents, and the performance of all covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise acquire the freehold or the fee simple of all or any of the lands of the Company for the time being held under lease or for an estate less than a freehold estate ;
- (g) subject to the provisions of sub-Section(3) of Section 196 of the Ordinance, to improve, manage, develop, exchange, lease, sell, re-sell and repurchase, dispose of, deal with or otherwise turn to account any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested ;
- (h) to secure the fulfillment of any contracts or arrangements entered into by the Company by mortgage or charge of all or any of the property of the Company for the time being or in such other manner as they think fit ;
- (i) to open bank accounts in commercial banks and financial institutions approved by the Government ;
- (j) to determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, release, contracts and documents and to give necessary authority for such purposes ;
- (k) to take advances and loans without any security or on such security as the Directors deem proper and to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof, upon such investments, not being shares of this Company, and in such manner as they may think fit ; and from time to time to vary realise such investments ;

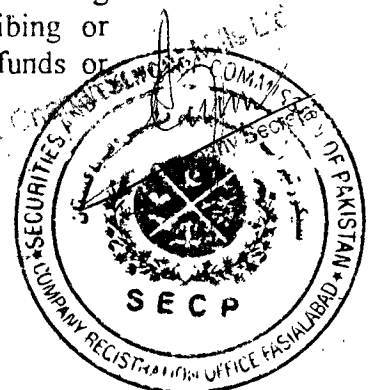
[Signature]
 Sugar Mills Ltd.
 Company Secretary

CERTIFIED TRUE COPY



- (l) to make and give receipts, releases and other discharges for moneys payable to or for goods or property belonging to the Company, and for the claims, and demands of the Company ;
- (m) to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction, or a share in general or particular profits of the Company and, such commission or shares or profits shall unless otherwise provided be treated as part of the working expenses of the Company ;
- (n) to appoint any presents or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company, or in which the Company is interested or for any other purposes and to execute and do all such acts, deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees ;
- (o) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgage of the Company's property (present and future) as they may think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon ;
- (p) to institute, conduct, defend, compound or abandon any actions, suits, legal proceedings by or against the Company, or its officers or otherwise concerning the affairs of the Company, and also to compound ; and allow time for payment or satisfaction of any debt due to and any claims or demands by or against the Company, and to refer the same to arbitration and to observe and perform any awards made thereon and to act on behalf of the Company in all matters relating to bankrupts and insolvents ;
- (q) to provide for the welfare of the employees or ex-employees of the Company, and the wives, widows and families or the dependents or connections of such person and to give awards or allow any pension, gratuity, compensation, grants of money, allowances, bonus or other payment to or for the benefit of such persons, as may appear to the Directors, just and proper, whether they have or have not a legal claim upon the Company and before recommending any dividend, to set aside portions of the profits of the Company to form a fund to provide for such payments and in particular to provide for the welfare of such persons by building or contributing to the building of houses, dwelling or chawls or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or

CERTIFIED TRUE COPY



trusts, or by providing or subscribing or contributing towards places of instruction and recreation, hospital and dispensaries, medical and other attendances, and such other assistance as the Directors shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions and objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation, or of public and general utility or otherwise except making political contribution ;

- (f) to create a Provident Fund for the employees of the Company and to contribute to the same such sum or sums as the Directors may determine ;
- (s) before recommending any dividend to set aside out of the profits of the Company, such sums as they think proper for depreciation, or to depreciation Fund, Reserve Fund or Sinking Fund or any Special Fund to meet contingencies and to repay debentures or debenture-stock, or to pay off the share-holders, subject to the sanction of court where the same is required by law, or for equalising dividends, or for special dividends, or bonus, or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in preceding Clauses) as the Directors may in their absolute discretion think conducive to the interests of the Company, and to invest the several sums so set aside or such portion thereof as required to be invested upon such investments (other than shares of the Company and subject to the restrictions imposed by Section 195 and other provisions of the Ordinance) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner, and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company, notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to and upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve Fund into such special funds as they think fit and to employ the assets constituting all or any of the above funds including the Depreciation Fund or any part thereof in the business of the Company, or in the purchase or repayment of debentures or debentures-stock in payment of special dividends or bonus and without being bound to keep the same separate from the other assets and without being bound to pay interest for the same, with power however to the Directors at their discretion to pay or allow to the credit of such funds or any of them interest at such rate as the Directors may think proper ;

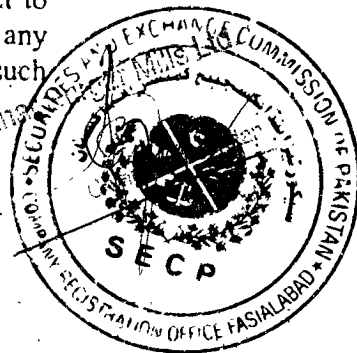
[Signature]
Surgar Mills Ltd.
Company Secretary

CERTIFIED TRUE COPY



- (t) from time to time and at any time to entrust to and confer upon any one or other officers for the time being of the Company, and to authorise or empower them to exercise and perform and by power of attorney to appoint any person to be the Attorneys of the Company and to invest them with such of the powers, authorities, duties and discretion exercisable by or conferred or imposed upon the Directors under the Memorandum and Articles of the Company (other than those powers which are compulsorily required to be exercised under the Ordinance at meeting of Directors), as the Directors may think fit and for such time and to be exercised for such objects and purposes and subject to such restrictions and conditions, as the Directors may think proper or expedient and either collateral with or to the exclusion of and in substitution for all or any of the Directors in that behalf with authority to such other officers or attorneys to sub-delegate all or any of the powers, authorities, duties and discretions for the time being vested in or conferred upon them and from time to time revoke all such appointments of attorneys and withdraw, alter or vary all or any of such powers, authorities, duties and discretions ;
- (u) to appoint, and at their pleasure to remove, discharge or suspend and to re-employ or replace, for the management of the business of the Company such managers, experts, engineers, accountants, agents, sub agents, bankers, brokers, mucedums, solicitors, officers, clerks, servants and other employees for permanent, temporary or special services as the Directors may from time to time think fit and to determine their powers and duties and to fix their emoluments, salaries or wages and to require security in such instances and to such amount as they think fit and to insure and arrange for guarantees for fidelity of any employees of the Company and to pay such premium on any policy of guarantee as may from time to time become payable.
- (v) from time to time to provide for the management and transaction of the affairs of the Company outside Pakistan or in any specified locality in Pakistan or elsewhere in such manner as they think fit ;
- (w) from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in Pakistan or out of Pakistan and to appoint any persons to be members of such Local Board and to fix their remuneration, from time to time and at any time delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors (other than the powers which are compulsorily required to be exercised under the Ordinance at meetings of Directors) and to authorise the Members for the time being of any such Local Board or any of them, to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any person appointed, and may annul or vary any such delegation ;

CERTIFIED TRUE COPY



- (x) subject to the provisions of the Ordinance, at any time and from time to time to appoint any person or persons to be Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents other than the powers which are compulsorily required to be exercised under the Ordinance at meetings of Directors) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment may (if the Directors think fit) be made in favour of the members or any company, or of the members, Directors, Nominees or managers of any Company, from or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors ; and any Powers of Attorney may contain such powers for the protection or convenience of persons dealing with such attorney as the Directors may think fit. Any such delegates or attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them ;
- (y) generally subject to the provisions of the Ordinance and these Articles to delegate any of the powers, authorities and discretions vested in the Directors to any person, firm, company or fluctuating body of persons as aforesaid ; and
- (z) for or in relation to any of the matters aforesaid or otherwise for the purposes and objects of the Company to enter into all such negotiations and contracts and rescind and vary all such negotiations and contracts and execute, perform and do and sanction and authorise all such deeds, matters and things in the name and on behalf of the Company as they may consider expedient.

CHIEF EXECUTIVE

99. Appointment of First Chief Executive :

The Directors of the Company shall as from the date from which it commences business or as from the date not later than fifteenth day after the date of its incorporation, whichever is earlier, appoint any person to be the Chief Executive of the Company. The Chief Executive to be appointed shall, unless he earlier resigns or otherwise ceases to hold office, hold office till the first Annual General Meeting of the Company or if a shorter period is fixed by the Directors at the time of his appointment, for such period. His remuneration from time to time be fixed by the Directors. A retiring Chief Executive will be eligible for re-appointment. **Sheikh Mohammad Tahir** shall be the first Chief Executive of the Company and shall hold office till the first Annual General Meeting of the Company.

CERTIFIED TRUE COPY



For Chairman Super Mills Ltd.
Company Secretary

100. Appointment of Subsequent Chief Executive :

The Directors of the Company shall within fourteen days from the date of elections of Directors or the office of the Chief Executive falling vacant, as the case may be, appoint any person including an elected Director to be the Chief Executive, but such appointment shall not be for a period exceeding three years from the date of appointment. On expiry of the term of office the Chief Executive shall be eligible for re-appointment. The Chief Executive retiring under the provisions of law shall continue to perform his functions until his successor is appointed unless non appointment of his successor is due to any fault on his part or his office is expressly terminated.

101. Removal of Chief Executive :

The Directors of the Company by resolution passed by not less than three-fourth of the total number of Directors for the time being, or the Company may by a special resolution remove a Chief Executive before the expiry of his term of office.

102. Chief Executive not to engage in business competing with Company's business :

(a) The Chief Executive of the Company shall not directly or indirectly engage in any business which is of the same nature and directly competes with the business carried on by the Company of which he is the Chief Executive or by a subsidiary of such company.

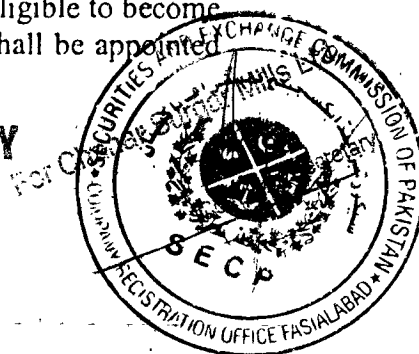
Explanation.

A business shall be deemed to be carried on indirectly by the Chief Executive if the same is carried on by his spouse or any of his parents, children, brothers or sisters.

(b) Every person who is appointed as Chief Executive of the Company shall forth with on such appointment disclose to the Company in writing the nature of such business and his interest therein.

103. Delegation to Chief Executive :

The Directors may entrust to and confer upon the Chief Executive any of the powers exercisable by the Directors upon such terms and conditions and with such restrictions as they may think fit, and whether collaterally with or to the exclusion of the Directors own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers. In particular, and without prejudice to the generality of the foregoing, the Chief Executive may be conferred authority over and responsibility for the management of the day to day affairs of the Company and the conduct of its business, and the custody and maintenance of its properties, assets, records and accounts, No person who is ineligible to become a Director of a Company under Section 187 of the Ordinance shall be appointed or continue as the Chief Executive of the Company.

CERTIFIED TRUE COPY

THE SEAL

104. Seal to be affixed by authority of Resolution of Board and in the presence of two Directors and Secretary :

Subject as provided in Article 23 with respect to Certificates, the seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors, and in the presence of at least two Directors and of the Secretary or such other person as the Directors may appoint for the purpose, and such Directors and the Secretary or other person as aforesaid shall sign every instrument to which the Seal shall be affixed in their presence, and in favour of any person bona-fide dealing with the Company. Such signatures shall be conclusive evidence of the fact that the seal has been properly affixed. The Company may exercise the powers of Section 213 of the Ordinance and such powers are accordingly hereby vested in the Directors.

DIVIDENDS

105. Declaration of Dividends :

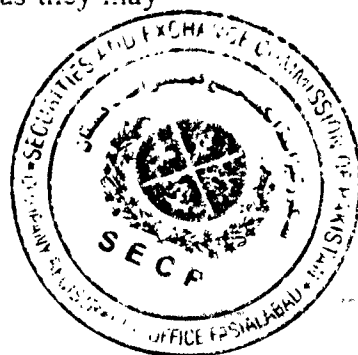
The Directors may, with the sanction of a General Meeting, from time to time declare dividends, but no such dividend shall be payable except out of the profits of the Company. The Directors may, if they think fit, from time to time declare and pay the members such interim dividends as appear to them to be justified by the position of the Company. No higher dividend shall be paid than is recommended by the Directors, and the declaration of the Directors as to the amount of the net profits shall be conclusive.

106. Directors may form Reserve Fund and Invest :

The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper to a reserve fund or reserve account, which shall at the discretion of the Directors be applicable for meeting contingencies, or for repairing or maintaining any works connected with the business of the Company, or shall, with the sanction of the Company in General Meeting be, as to the whole or in part, applicable for equalising dividends, or for distribution by way of special dividend or bonus, or may be applied for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interests of the Company, and pending such application the Directors may employ the sums from time to time to set apart as aforesaid in the business of the Company or invest the same in such securities, other than the shares of the Company as they may select. The Directors may also from time to time carry forward such sums as they may deem expedient in the interests of the Company.

[Signature]
Company Secretary

CERTIFIED TRUE COPY



107. Dividend Warrants to be sent to Members by Post. Unpaid Dividends not to bear any interest :

When a dividend has been declared, the Chief Executive shall be responsible for making the payment within thirty days of the declaration. Every dividend warrant shall, unless otherwise directed in writing, be sent by registered post to the last registered address of the member entitled thereto, and the receipt of the person whose name at the date of the declaration of the dividend appears on the Register of Members as the owner of any share, or, in the case of joint-holders, of any one of such joint-holders, shall be a good discharge to the Company for all payments made in respect of such share. No unpaid dividend shall bear interest as against the Company.

ACCOUNTS

108. Accounts to be kept. Where Books may be kept :

The Directors shall cause such accounts to be kept :-

- (a) of the assets and liabilities of the Company ;
- (b) of all sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place ;
- (c) of all sales and purchases of goods by the Company, as are necessary to give a true and fair view of the Company's affairs and to explain its transactions. The books of account shall be kept at the office, or at such other place as the Directors shall think fit, and shall always be open to the inspection of the Directors.

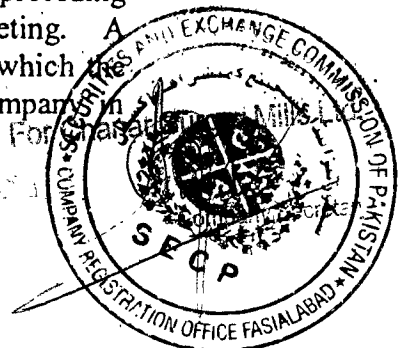
109. Accounts and Books may be inspected by Members :

The Directors shall from time to time determine whether, in any particular case or class of cases, or generally and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them shall be open to the inspection of members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by statute or authorised by the Directors or by a resolution of the Company in General Meeting.

110. Profit and Loss Account to be made up and laid before Company :

Balance Sheet to be made out yearly :

Once at least in every year the Directors shall lay before the Company in General Meeting a Profit and Loss Account for the Period since the preceding account, made up to a date not more than six months before such meeting. A Balance Sheet shall also be made out in every year as at the date to which the Profit and Loss Account is made up, and shall be laid before the Company in



General Meeting. The said account and balance sheet shall be accompanied by such reports and documents and shall contain such particulars as are prescribed by the Ordinance and the Directors shall in their report state the amount which they recommend to be paid by way of dividend, the amount (if any) which they propose to carry to any reserve fund and other matters specified in Section 236 of the Ordinance. The Auditors Report shall be attached to the Balance Sheet and shall be read before the Company in General Meeting and be open to inspection by any member as required by Section 233(4) of the Ordinance. At least 21 days before the date of Annual General Meeting, a copy of the audited Balance Sheet, Profit and Loss Account together with relevant reports shall be sent to the registered address of every member of the Company.

AUDIT

111. Accounts to be audited :

Once at least in every year the accounts of the Company shall be examined, and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditor or Auditors, and the provisions of Sections 252 to 257 of the Ordinance and any modification or re-enactment thereof for the time being in force in regard to audit and Auditors shall be observed.

NOTICES

112. Service of Notices by Company :

(1) A Notice may be given by the Company to any member either personally or by sending it by post to him at his registered address or (if he has no registered address in Pakistan) at the address, if any, supplied by him to the Company for the giving of notices to him. Notices to members residing outside Pakistan shall be sent to them by air mail.

(2) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

(3) Any written notice required to be served upon any shareholder, Director or officer of the Company shall be good and sufficiently served if sent to that shareholder, Director or officer of the Company in the normal course of post addressed to that shareholder, Director or other officer of the Company at the address shown on the Register of Shareholders kept at the registered office of the Company.

113. How Joint Holders of Shares may be served :

A notice may be given by the Company to the joint-holders of a share by giving the notice to the joint holder named first in the Register in respect of the Share.



For Manager Sugar Mills Ltd.
 Company Secretary

114. Notice in case of death or bankruptcy :

A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased or assignee of the insolvent, or by any like description, at the address (if any) in Pakistan supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

115. Notice of General Meeting :

Notice of every General Meeting shall be given in same manner hereinbefore authorised to (a) every member except those members who (having no registered address within Pakistan) have not supplied to the Company an address within Pakistan for the giving of notice to them, (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency would be entitled to receive notice of the meeting and (c) to the Auditors of the Company for the time being. No other persons shall be entitled to receive notices of General Meetings.

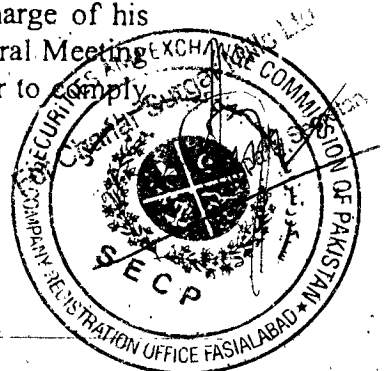
INDEMNITY**116. Indemnity :**

Every Director or other Officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in Section 194 of the Ordinance) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto and no Director or other Officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by the said Section.

SECRECY**117. Secrecy :**

Every Director, Auditor, Trustee member of a Committee, Officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any General Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of provisions of these presents.

CONTINUED TRUE COPY



118. No Shareholder to enter into Premises without permission :

No member or other person (not being a Director of the Company) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without permission of the Directors of the Company for the time being or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of Company and which in the opinion of the Directors will be inexpedient in the interest of the members of the Company to communicate.

WINDING UP**119. Distribution of assets in specie :**

If the Company shall be wound up the Liquidators may, with the sanction of a Special Resolution and any other sanction required by the Ordinance divide among the members in specie any part of the assets of the Company and any such division may be otherwise than in accordance with the existing rights of the members, but so that if any division is resolved on otherwise than in accordance with such rights the members shall have same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to Section 367 of the Ordinance. A Special Resolution sanctioning a transfer or sale to another Company duly passed pursuant to the said Section may in like manner authorise the distribution of any shares or other consideration receivable by the Liquidators amongst the members otherwise than in accordance with their existing rights, and any such determination shall be binding upon all the members, subject to the right of dissent and consequential rights conferred by the said Section.

ARBITRATION**120. Arbitration :**

(a) Whenever any difference, doubt or dispute arises between the Company on the one hand, and any of the members, their executors, administrators or assignees on the other hand, touching the true intent or construction, or the incidents or consequences of these presents, or of the statutes or touching anything then or thereafter done, executed, omitted, suffered in pursuance of these presents, or the statutes or touching any breach or alleged breach, of these presents, or any claim on account of any such breach, or alleged breach, or otherwise relating to these presents, every such difference shall be referred to the arbitration of two arbitrators, as appointed by each party or in the event of the disagreement of the arbitrators, of any umpire appointed by them i.e. Arbitrators, before entering on the reference or failing such agreement by the Court, or to the arbitration of a single arbitrator if the parties to the difference agree to such reference.



[Handwritten signature]
 Company Secretary

(b) If either party to the difference makes default in appointing the arbitrator for fifteen days after the other party has given to him notice to appoint the same, such other party may appoint an arbitrator to act in the place of the arbitrator of the defaulting party.

(c) The costs of, or incidental to any such reference or award, shall be in the discretion of the Arbitrator, Arbitrators or Umpire, as the case may be who may determine the amount thereof, and may award by whom, and in what manner the same shall be borne and paid.

(d) Subject to the aforesaid Clauses (a), (b) and (c) above the Arbitration Act shall apply to such arbitration.

CERTIFIED TRUE COPY

For Chung Seng Gar Mills Ltd.

Company Secretary



We the several persons whose names and addresses are subscribed below are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names :-

Sr. No.	Name and Surname (Present & Former) in Full (in Block Letters)	Father's / Husband's Name in Full	Nationality	Occupation	Residential Address (in Full)	Number of ordinary shares taken	Signature of subscribers
1.	SHEIKH MOHAMMAD TAHIR	Dr. Mohammad Bashir	Pakistani	Industrialist	4 - A, Shabir Road, Lahore - Cantt.	500	
2.	MR. JAVED A. KAYANI	Dr. Feroz Din	Pakistani	Industrialist	62 - B, Gulberg - II, Lahore.	500	
3.	MST. MARYAM BEGUM	Wd/o Dr. Feroz Din	Pakistani	Industrialist	62 - B, Gulberg - II, Lahore.	500	
4.	MRS. BUSHRA TAHIR	W/o Sheikh Mohammad Tahir	Pakistani	Industrialist	4 - A, Shabir Road, Lahore - Cantt.	500	
5.	MRS. ATIYA KAYANI	W/o Mr. Javed A. Kayani	Pakistani	Industrialist	62 - B, Gulberg - II, Lahore.	500	
6.	MR. ALI TAHIR	Sheikh Mohammad Tahir	Pakistani	Trading Business	4 - A, Shabir Road, Lahore - Cantt.	500	
7.	MR. JAMAL TAHIR	Sheikh Mohammad Tahir	Pakistani	Trading Business	4 - A, Shabir Road, Lahore - Cantt.	500	
Total Number of Shares Taken						3500	

For Chahal Sargar Milk
Company Secrs

Dated 12th day of November

Witness to above signatures :

Full Address : 623 - B, Faisal Town

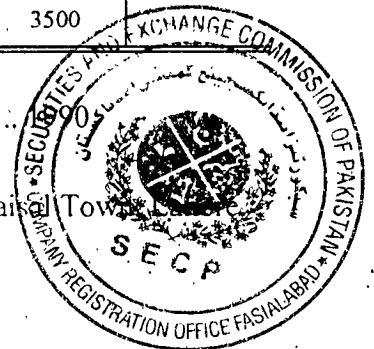
MUSARRAT MAHMOOD NAJAM
S/o SHEIKH NOOR MOHAMMAD

(Full Name, Father's / Husband's Name in Full)
in Block Letters)

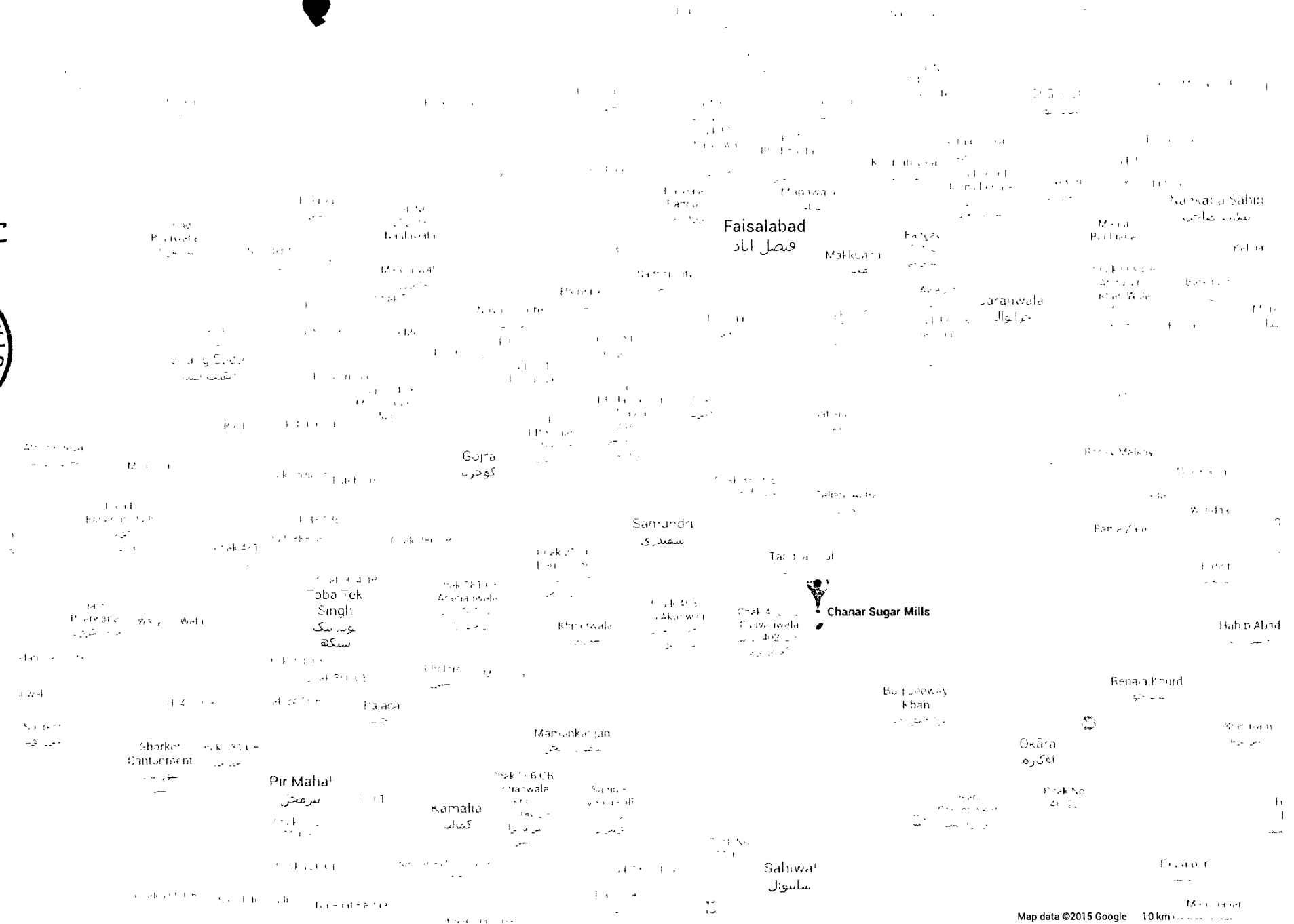
Certified to be true Copy

Joint Registrar

Securities & Exchange
Commission of Pakistan
Company Registration Office
FAISALABAD.



2015/2/1



Technology, Size of the plant:

Two (02) Bagasse based low pressure boilers having capacity are 60 TPH each (Total 120 TPH) with two (02) number backpressure steam turbines having accumulative capacity is 11 MW. Boilers were purchased from Ittefaq foundries in 1991.

STEAM TURBINE

Description	Generation Capacity	Make	Year of Manufacturing	Installed	Expected Remaining Life
23 kg/cm ² Back Pressure Steam Turbine	5 MW	Shinko Ind Ltd Japan	1991	1992	08 years
	6 MW	Shinko Ind Ltd Japan	2003	2004	20 years

BAGASSE FIRED WATER TUBE BOILERS

Description	Steam Generating Capacity	Make	Year of Manufacture
23kg/cm ² water tubes bagasse fired boilers	60 TPH	Yoshimine / Ittefaq Foundries	1991
	60 TPH	Yoshimine / Ittefaq Foundries	1991



POWER HOUSE SINGLE LINE DIAGRAM

TURBO ALTERNATOR 05 MW

OUT PUT 6250 KVA
PHASES 03
POLES 04
VOLTAGE 6600
CURRENT 547 Amp.
FREQ 50 Hz
SPEED 1500 R.P.M.
P.F 0.8
RATING CONT.
EXC. VOLTAGE 213 V
FLD. CURRNET 175.5 A
TYPE GGAB011A.B02A.F02
ENCLASURE SYS IP 44
COOLING SYS. IC 8
CLASS OF INSULATION ARM F
FLD F
COOLANT TEMP 40°C
STANDARD JEC-114 1979
WEIGHT 25 S T
SR. NO M 913128
DATE 1991
AP 2007Z006-01

D GENERATOR 600 KW

OUT PUT 750 KVA
PHASES 03
POLES 04
VOLTAGE 6600
CURRENT 65 Amp
FREQ 50 Hz
SPEED 1500 R.P.M.
P.F 0.8
RATING CONT.
EXC. VOLTAGE 168 V
FLD. CURRNET 79 A
BRUSH LESS EXC. VOLTS 76
FLD. CURRENT 10.4 A
TYPE GC 800 55-81DA NO 4
ENCLASURE SYS. JP 20
COOLING SYS. JC 0
CLASS OF INSULATION ARM F
FLD F
COOLANT TEMP 40°C
STANDARD JEC-114 1979
WEIGHT 2800 KG
SR. NO M-913146
DATE 1991

TURBO ALTERNATOR 06 MW

OUT PUT 7500 KVA
PHASES 03
POLES 04
VOLTAGE 6600
CURRENT 656 Amp.
FREQ 50 Hz
SPEED 1500 R.P.M.
P.F 0.8
RATING CONT.
EXC. VOLTAGE 250 V
FLD. CURRNET 271 A
TYPE GGCD619S.D02A.F01
ENCLASURE SYS. IP 44
COOLING SYS. IC 8
CLASS OF INSULATION ARM F
FLD F
COOLANT TEMP 32°C
STANDARD JEC-114 1979
WEIGHT 24.3 T
SR. NO M 043047 T
DATE 2004
AP 2007Y504-01

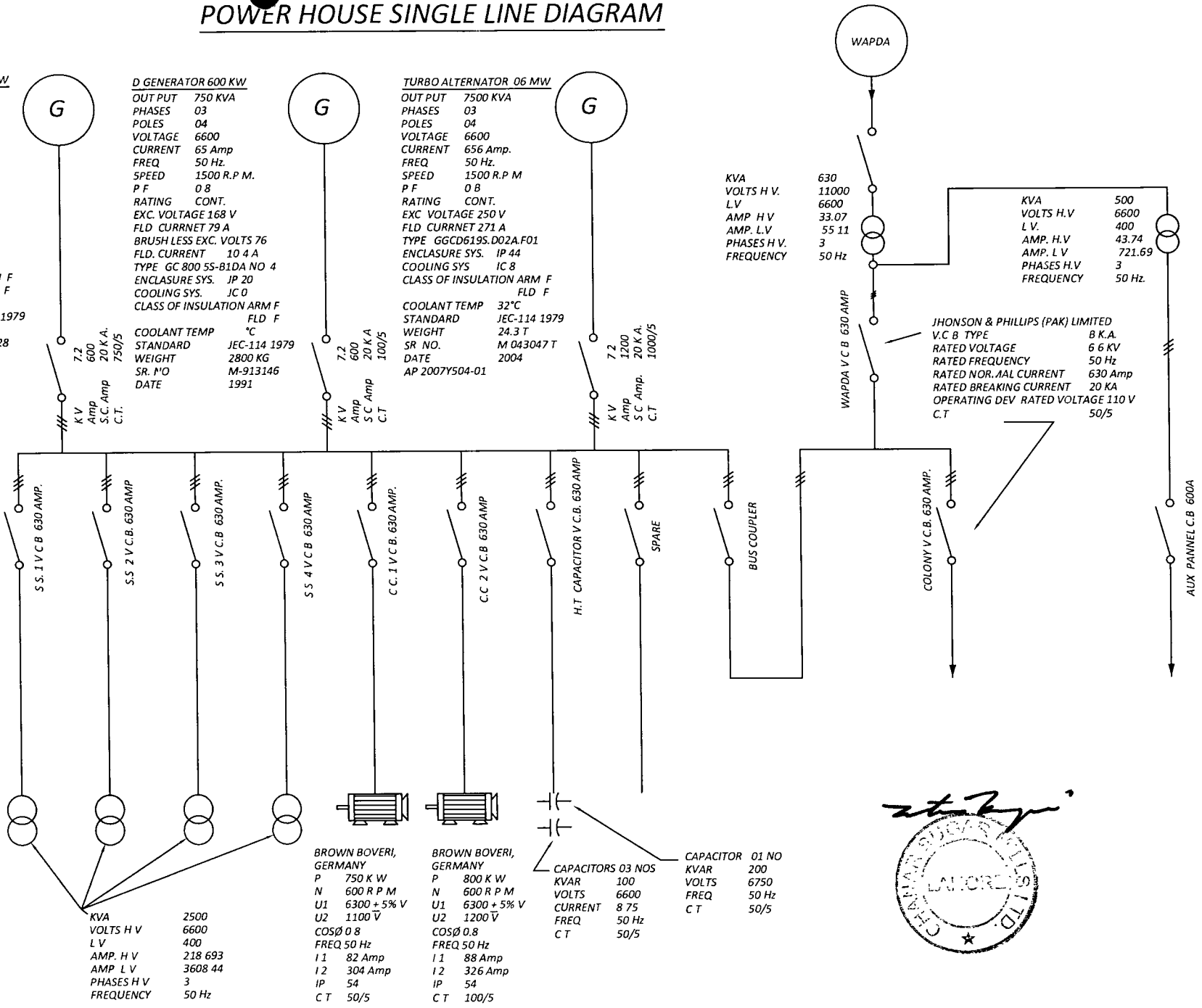
KVA 11000
VOLTS H.V. 6600
L.V. 33.07
AMP. H.V. 55.11
AMP. L.V. 3
PHASES H.V. 3
FREQUENCY 50 Hz

KVA 500
VOLTS H.V. 6600
L.V. 400
AMP. H.V. 43.74
AMP. L.V. 721.69
PHASES H.V. 3
FREQUENCY 50 Hz

JHONSON & PHILLIPS (PAK) LIMITED
V.C.B. TYPE 8 K.A.
RATED VOLTAGE 6.6 KV
RATED FREQUENCY 50 Hz
RATED NORMAL CURRENT 630 Amp
RATED BREAKING CURRENT 20 KA
OPERATING DEV. RATED VOLTAGE 110 V
C.T 50/5

V.C.Bs FOR SUBSTATIONS

JHONSON & PHILLIPS (PAK) LIMITED
V.C.B. TYPE 8 K.A.
RATED VOLTAGE 6.6 KV
RATED FREQUENCY 50 Hz
RATED NORMAL CURRENT 630 Amp
RATED BREAKING CURRENT 20 KA
RATED VOLTAGE 110 V
C.T 200/5



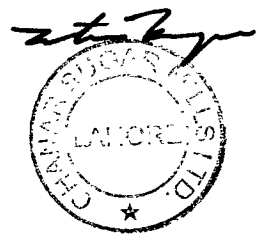
KVA 2500
VOLTS H.V. 6600
L.V. 400
AMP. H.V. 218.693
AMP. L.V. 3608.44
PHASES H.V. 3
FREQUENCY 50 Hz

BROWN BOVERI, GERMANY
P. 750 K W
N. 600 R.P.M.
U1 6300 + 5% V
U2 1100 V
COSØ 0.8
FREQ 50 Hz
I1 82 Amp
I2 304 Amp
IP 54
C.T 50/5

BROWN BOVERI, GERMANY
P. 800 K W
N. 600 R.P.M.
U1 6300 + 5% V
U2 1200 V
COSØ 0.8
FREQ 50 Hz
I1 88 Amp
I2 326 Amp
IP 54
C.T 100/5

CAPACITORS 03 NOS
KVAR 100
VOLTS 6600
CURRENT 8.75
FREQ 50 Hz
C.T 50/5

CAPACITOR 01 NO
KVAR 200
VOLTS 6750
FREQ 50 Hz
C.T 50/5



METERING INSTRUMENTATION PROTECTION & CONTROL MANAGEMENT

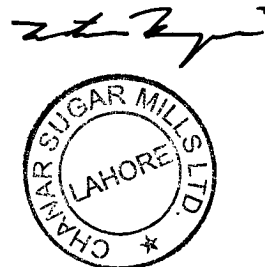
The power generating system is well equipped with the modern protection & control technologies. All protections in system are capable of controlling any level of control with onsite metering provision. Below are the main power plant protection characteristic are:

Protections:

- Over / Under volt protection
- Over / Under Frequency Protection
- Reverse power protection
- Over Current protection
- Over excitation Relay
- Loss of Excitation Relay
- Over Load
- Short Circuit
- Phase Differential
- Ground Fault
- Generator negative sequence Current High protection
- Generative negative sequence volt High protection
- Zero sequence volt high protection
- Zero sequence current high protection
- Winding and bearing temperatures indicator with alarm

Features of installed system are:

- Manual synchronizing, Synchro scope with check relay, Double Volts, Hz meter and selector switches
- Auto synchronizing system
- Auto and Manual Kw load Adjustment
- Auto and Manual Var load sharing System
- Fault history Via Software
- Intelligent synchronize system
- Special design for motorized / analogue governor



chanar
sugar
mills Ltd.

ISO 9001/2000 CERTIFIED COMPANY

REG. # 01060



CHAK No. 407 GB PINDI SHEIKH A USA ROAD
TEHSIL TANI JIANWALA
DISTRICT FAISALABAD.
PHONE NO (0462) 412102-03
FAX: (0462) 412101

Date: 02-08-2012

Central Power Purchase Agency
107 WAPDA House
Lahore

Attention: General Manager
CPPA

Subject: REQUEST FOR SALE OF 2MW ELECTRIC POWER

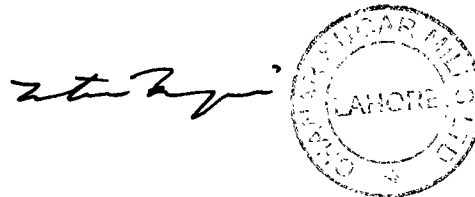
Sir,

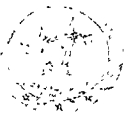
We are able to generate 2MW surplus electric power to our consumption for manufacturing of sugar at existing setup. We want to sale electric power of 2MW about 170 days (Nov. to April). It is requested to you; please advise us for further procedure to sale of 2MW electric power to central power purchase agency.

Thank You,

For Chanar Sugar Mills Ltd.

General Manager





National Transmission & Despatch Company

Phone (042) 99202211, Ext 2106
 (042) 99204045
 Fax (042) 99201179

OFFICE OF THE
 CHIEF OPERATING OFFICER
 CENTRAL POWER PURCHASING AGENCY
 107- WAPDA HOUSE, LAHORE

CPA/MT D/F 23/ 2283-36

RY NO. 2520
 DATED 22-8-12
 HEADQUARTERS FESCO
 Faisalabad.

Dated 13/8/2012

DM-T
 [Signature]

The Chief Executive Officer
 Faisalabad Electric Supply Company
 (FESCO)

Subject: Offer for Sale of 2 MW Bagasse-Based Power by M/s Chanar Sugar Mills Limited (CSML), Chak No.407 GB Pindi Sheikh Musa Road, Tehsil Tanlianwala, District Faisalabad.

This is with reference to M/s CSML letter dated 02.08.2012 (copy enclosed) whereby the Company has offered sale of 2MW Bagasse-based power to FESCO during crushing seasons.

In this regard, it is required to take up the matter with the Company and finalize the same on fast-track basis as Bagasse-based power is a cheaper and alternate source of energy based on indigenous fuel available during the Sugarcane Crushing Seasons (November-April) which are non-gas months and hence, it becomes high time to get all sources of available power and inducted into PEPCO/FESCO system. However, FESCO may fulfill the following prerequisites to avoid any complication arising at a later stage:-

- (i) M/s CSML will be required to obtain Generation License from NEPRA clearly indicating name of FESCO/Power Purchaser.
- (ii) The tariff will be determined by NEPRA.
- (iii) FESCO will be required to file a Power Acquisition Request to NEPRA as per NEPRA Interim Power Procurement (Procedures & Standards) Regulations 2005.

Draws above

FESCO Faisalabad
 11-2-6
 22/8/12
 OFFICE OF CHIEF ENGINEER

[Signature]
 (Abdul Rehman Tariq)
 Chief Engineer (CPA)

Copy to -

- 1 The Chief Executive Officer, Alternative Energy Development Board (AEDB), 3, Street No.8, F-8/3, Islamabad.
- 2 The General Manager, Chanar Sugar Mills Limited, 104-106, Main Road, Tanlianwala, District Faisalabad.
- 3 PA to Chief Operating Officer (CPA), 107- WAPDA House, Lahore.




INTERCONNECTION ARRANGEMENT

The electric power generated by The Chanar Sugar Mills Limited (CSML) from its bagasse based Power Generation Facility shall be dispersed to the Load Center of **132 kV Grid Station Tandlianwala**.

The Interconnection/Transmission Arrangement for the above mentioned facilities will be exported to Faisalabad Electric Supply Company (FESCO) through overhead feeder(s) at 11 kV voltage.

Any change in the above Interconnection Arrangement/Transmission Facilities as agreed by FESCO and CSML shall be communicated to the Authority in due course of time.

21/2/21



PLANT DETAILS

SALIENT FEATURES OF THE GENERATION FACILITY

1. General Information

(i)	Applicant's Name	Chanar Sugar Mills Limited
(ii)	Registered Office	407 GB Tandlianwala, Dist Faisalabad.
(iii)	Plant Location	407 GB Tandlianwala, Dist Faisalabad.
(iv)	Type of Generation Facility	Bagasse based Cogeneration Power Plant

2. Plant Configuration

(i)	Plant Size Installed Capacity	11 MW (Gross)		
(ii)	Type of Technology	Bagasse based Captive Power Plant		
(iii)	Number and Size of Units	Two (02) Units		
		(1)	(2)	(Total)
		5.00 MW	6.00 MW	11.00 MW
		4.75 MW	5.75 MW	10.50 MW
		0.25 MW	0.25 MW	00.50 MW
(iv)	Unit Make and Model	4.50 MW	5.50 MW	10.00 MW
		(1)	(2)	
		Shinko Industries Ltd – Japan		
(v)	Commissioning/ Commercial Operation date of each Unit of the Generation Facility	DNG 42 – 65	DNG 42 – 65H	
		(1)	(2)	
(vi)	Expected Useful Life of the each Unit of the Generation Facility from its Commercial Operation/ Commissioning Date	12 October 1992	20 November 2004	
		(1)	(2)	
(vii)	Expected Remaining useful Life of each Unit of the Generation Facility (at the time of grant of General License)	30 years	30 years	
		(1)	(2)	
(vii)	Expected Remaining useful Life of each Unit of the Generation Facility (at the time of grant of General License)	8 years	20 years	
		(1)	(2)	



Note:

All the above figures are indicative in nature. The Net Capacity available for dispatch will be determined through procedure(s) contained in the Energy Purchase Agreement, Grid code or any other applicable document(s).

3. Fuel / Raw Material Details

(i)	Primary Fuel	Bagasse
(ii)	Alternate Fuel	NIL
(iii)	Fuel Source (Imported/Indigenous)	Indigenous
(iv)	Fuel Supplier	Chanar Sugar Mills Limited
(v)	Supply Arrangement	Through conveyor belts/loading trucks/tractor trolleys etc.,
(vi)	Sugarcane Crushing Capacity	300 tones per hour
(vii)	Bagasse Generation Capacity	90 tones per hour
(viii)	Bagasse Storage Capacity	Bulk Storage
(ix)	Number of Storage Tanks	In open Yard
(x)	Storage Capacity of each tank	Not Applicable
(xi)	Gross Storage	Bulk Storage

4. Emission Values

Emission values are within the limits prescribed by National Environment Quality Standards. (NEQs).

5. Cooling System

(i)	Cooling Water Source/Cycle	Closed circuit / Ground water
-----	----------------------------	-------------------------------

