

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 40th Annual General Meeting of COLGATE-PALMOLIVE (PAKISTAN) LIMITED will be held on Thursday, September 13, 2018 at 10:30 a.m. at Avari Towers Hotel, Fatima Jinnah Road, Karachi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2018 together with the Directors' and Auditors' reports thereon.
2. To declare final dividend in cash @ 200% i.e. Rs.20 per share of Rs.10 each and by way of issue of fully paid bonus shares @ 20% in the proportion of one(1) share for every five(5) shares of Rs.10 each held by the members as recommended by the Board of Directors. This is in addition to interim cash dividend @ 150% i.e. Rs.15 per share already paid.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4. To consider, subject to declaration of the final dividend as above, to capitalize a sum of Rs.95,909,860 by way of issue of 9,590,986 fully paid bonus shares of Rs.10 each and if thought fit to pass an ordinary resolution in the matter.
5. To consider to pass the following resolutions as special resolution:
 - a) "RESOLVED that the transactions carried out in normal course of business with associated companies during the year ended June 30, 2018 be and are hereby ratified and approved."
 - b) "RESOLVED that the Chief Executive of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies during the ensuing year ending June 30, 2019 and in this connection the Chief Executive be and is hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company."

Statement under Section 134 of the Companies Act, 2017 in the above matters mentioned in item Nos. 4 & 5 is annexed.

By Order of the Board



(MANSOOR AHMED)
Company Secretary

Karachi: August 15, 2018

NOTES:

1. The share transfer books of the Company will remain closed from September 07, 2018 to September 13, 2018 (both days inclusive). Transfers received in order by the Shares Registrar of the Company, M/s. FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi up to the close of business on September 06, 2018 will be treated in time for entitlement of the dividend and bonus shares.
2. A member, who has deposited his/her shares into Central Depository Company of Pakistan Limited, must bring his/her participant's ID number and CDC account/sub-account number along with original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting.
3. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her.
4. Form of proxy, in order to be valid must be properly filled-in/executed and received at the registered office of the Company situated at Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi not later than 48 hours before the time of the meeting.
5. Members holding shares in physical form are requested to promptly notify Share Registrar of the Company of any change in their addresses. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.
6. CNIC numbers of shareholders are mandatorily required for dividend distribution. Shareholders are therefore requested to submit a copy of their CNIC (if not already provided) to the Share Registrar. In case of non-receipt of the copy of a valid CNIC, the company would be unable to comply with SRO 831(1)/2012 dated July 05, 2012 of SECP and therefore will be constrained under SECP order dated July 13, 2015 to withhold the payment of dividend of such shareholders. The shareholders while sending CNIC must quote their respective folio number and name of the Company
7. Under the provisions of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

Shareholders who have not yet submitted their International Bank Account Number (IBAN) are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s. FAMCO Associates (Private) Limited, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shakra-e-Faisal, Karachi, in case of physical shares.

In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services.
8. Pursuant to Notification vide SRO.787(1)/2014 of September 08, 2014, SECP has directed to facilitate the members of the company receiving Annual Financial Statements and Notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Company through e-mail in future. In this respect members are hereby requested to convey their consent via e-mail on a standard request form which is available at the Company website i.e. www.colgate.com.pk Please ensure that your e-mail has sufficient rights and space available to receive such e-mail which may be larger than 1 MB file in size. Further, it is the responsibility of the member to timely update the Share Registrar of any change in the registered e-mail address.

9. (i) The rates of deduction of income tax from dividend payments under the Income Tax Ordinance, 2001 are as follows:
1. For filer of income tax return 15%
 2. For non-filers of income tax return 20%

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 20%, shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered in ATL before the first day of book closure, otherwise tax on their cash dividend will be deducted @ 20% instead of 15%.

- (ii) Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate or stay order from a competent court of law is made available to FAMCO Associates (Private) Limited, by the first day of Book Closure.
- (iii) Further, according to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them (only if not already provided) to our Shares Registrar, in writing as follows:

Company Name	Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach our Shares Registrar within 10 days of this notice, otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

- (iv) For any query/problem/information, the investors may contact the Company Secretary at phone: 38400000 and email address mansoor@lakson.com.pk and/or FAMCO Associates (Private) Limited at phone: 34380101-5 and email address: info.shares@famco.com.pk
- (v) Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or FAMCO Associates (Private) Limited. Shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers. Without the NTN company would not be in a position to check filer status on the ATL and hence higher tax of 20% may be applied in such cases.
10. Members can also avail video conference facility, in this regard, please fill the following and submit to registered address of the Company 10 days before holding of the Annual General Meeting. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of the meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.

"I/We, _____ of _____, being a member of Colgate-Palmolive (Pakistan) Limited, holder of _____ ordinary share(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____."

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access the facility.

11. Members can exercise their right to demand a poll subject to meeting requirements of Section 143 to Section 145 of the Companies Act, 2017 and applicable clauses of the Companies (Postal Ballot) Regulations, 2018.
12. Form of Proxy is enclosed.

STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business, given in agenda item Nos.4 and 5 of the Notice will be considered to be passed by the members. The purpose of the Statement is to set forth the material facts concerning such Special Business.

1. Agenda Item No.4 of the Notice – issue of Bonus Shares to be passed as an Ordinary Resolution

1. The Board of Directors has recommended to the members of the Company to declare final dividend in cash @ 200% and by way of issue of fully paid bonus shares @ 20% for the year ended June 30, 2018. Subject to approval of the Board of Directors' recommendation as above, the resolution as under will be considered to be passed by the members as an ordinary resolution:

“RESOLVED THAT:

- i) a sum of Rs.95,909,860 out of the profit for the year ended June 30, 2018 be capitalized and applied in making payment in full of 9,590,986 ordinary shares of Rs.10 each and that the said shares be allotted as fully paid up bonus shares to those members of the Company whose names appear in the register of members on September 13, 2018 @ 20% i.e. in the proportion of one share for every five existing shares held by the members and that such new shares shall rank pari passu in all respects with the existing ordinary shares of the Company. However, they will not qualify for the final cash dividend declared for the year ended June 30, 2018;
- ii) in the event of any member holding less than five shares or a number of shares which is not an exact multiple of five, the fractional entitlements of shares of such members shall be consolidated into whole new shares and the Directors of the Company be and are hereby authorized to arrange sale of the shares constituted thereby in such manner as they may think fit and to pay the proceeds of the sale to such of the members according to their entitlement;
- iii) for the purpose of giving effect to the above, the Directors be and are hereby authorized to take all necessary steps in the matter and to settle any question or difficulties that may arise in regard to the distribution of the said new shares as they think fit.”

The Directors are interested in this business only to the extent of their entitlement of dividends and bonus shares as ordinary shareholders.

2 - Agenda Item No. 5(a) of the Notice – Transactions carried out with associated companies during the year ended June 30, 2018 to be passed as a Special Resolution

The transactions carried out in normal course of business with associated companies (Related parties) were being approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2017.

During the Board meeting it was pointed out by the Directors that as the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the associated companies, the required quorum of directors seemingly could not be formed for approval these transactions which have to be approved by the shareholders in the General Meeting.

In view of the above, the transactions conducted during the financial year ended June 30, 2018 with associated companies as under is being placed before the shareholders for their consideration and approval/ratification:

NAME	DESCRIPTION OF TRANSACTION	AMOUNT IN '000		
		PURCHASE	SALE	OTHERS
Accuray Surgicals Limited	Day care service	-	80	-
Century Insurance Co. Limited	Insurance service received	219,365	-	-
	Insurance claims received	-	-	8,344
	Insurance commission received	-	-	16,060
	Day care service	-	135	-
Century Paper & Board Mills Limited	Purchase of Goods – Packing Material	592,042	-	-
	Reimbursement of Expenses	-	19	-
	Sale of Finished Goods	-	54	-
Clover Pakistan Limited	Purchase of Goods	609	-	-
Hasanali & Gulbanoo Lakhani Foundation	Rent & Allied Services	-	-	30,249
	Sale of finished Goods	-	28	-
Merit Packaging Limited	Purchase of Packing Material	260,757	-	-

3 - Agenda Item No. 5(b) of the Notice – Authorization to the Chief Executive for the transactions carried out and to be carried out with associated companies during the ensuing year ending June 30, 2019 to be passed as a Special Resolution

The Company would be conducting transactions with associated companies in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship and shareholding in the associated companies. Therefore, such transactions with associated companies have to be approved by the shareholders.

In order to comply with the provisions of clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2017, the shareholders may authorize the Chief Executive to approve transactions carried out and to be carried out in normal course of business with associated companies during the ensuing year ending June 30, 2019.

The Directors are interested in the resolutions to the extent of their common directorships and shareholding in the associated companies and the privileges attached thereto only.