



## NOTICE OF THE 10<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 10<sup>th</sup> Annual General Meeting of Hum Network Limited will be held on Monday, October 27, 2014 at 07:00 pm at Al-Manzar Hall, First Floor, Arts Council of Pakistan, Karachi to transact the following businesses: -

### ORDINARY BUSINESS:

- 1- To confirm the minutes of the 6<sup>th</sup> Extra-Ordinary General Meeting held on August 22, 2014.
- 2- To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors' and Auditors' reports thereon for the year ended June 30, 2014 together with the Audited Consolidated Financial Statements of the Company and the Auditors' Report thereon for the year ended June 30, 2014.
- 3- To consider, declare and approve final cash dividend of **Rs.1.5/- (Rupees One and Fifty Paisa)** per share **i.e. 15%**, of shares held by the existing shareholders, as recommended by the Board of Directors for the financial year ended June 30, 2014. This is in addition to interim cash dividend of 45% (Rs.4.50 per ordinary share of Rs. 10/- each) and 35% Bonus Shares (2.45 ordinary shares for every 7 shares held) already paid and issued to the shareholders during the year.
- 4- To appoint Auditors' of the Company for the financial year ending June 30, 2015 and to fix their remuneration. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed the name of retiring auditors M/s. Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants, for their appointment as external auditors for the year ending June 30, 2015.

### SPECIAL BUSINESS:

- 5- To consider and, if thought fit, to pass, with or without modification(s), the following as **Special Resolution** for subdivision of share capital of the Company.

*"RESOLVED THAT pursuant to Section 92(1) of the Companies Ordinance, 1984 and Article 46 of the Articles of Association of the Company, subject to regulatory approvals, if any, the existing capital of company, including authorized, issued and paid up capital, is hereby altered in the manner that each ordinary share of the Company having face value of Rs. 10/- be and is hereby subdivided into 10 ordinary shares of Re. 1/- each, with no change in rights and privileges of shares.*

#### HUM NETWORK LIMITED

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*RESOLVED FURTHER THAT the Authorized Capital of the Company be and is hereby subdivided from 150,000,000 Ordinary Shares of Rs.10/- each to 1,500,000,000 Ordinary Share of Re. 1/- each.*

*RESOLVED FURTHER THAT 94,500,000 ordinary shares issued and paid for Rs.10/- each, are hereby subdivided into 945,000,000 ordinary shares of Re. 1/- each.*

*RESOLVED FURTHER THAT the 94,500,000 ordinary shares issued and paid for Rs.10/- each, shall stand cancelled and 945,000,000 ordinary shares of Re. 1/- each shall be issued / credited to the shareholders, as per their entitlement, on the effective date.*

*RESOLVED FURTHER THAT the Chief Executive and / or Company Secretary be and are hereby authorized to complete any or all necessary corporate and legal compliances and formalities to give effect to the above, including announcement of closure of Members' Registers, determination of effective date, issue/credit of new shares into the Central Depositor System (CDS) of Central Depository Company of Pakistan Limited (CDC) and all other regulatory requirements."*

- 6- To consider and, if thought fit, to pass, with or without modification(s), the following as a Special Resolution for the alteration in the Memorandum and Articles of Association of the Company.

*"RESOLVED THAT to give effect to the resolution set out under paragraph 5 above, subject to its approval by the shareholders, the existing Clause V of the Memorandum of Association of the company be and is hereby amended and substituted with the clause as follows;*

*"The share capital of the company is Rs. 1,500,000,000 (Rupees One Billion Five Hundred Million Only) divided into 1,500,000,000 (One Billion Five Hundred Million) Ordinary Shares of Re. 1/- each, with the rights, privileges, and conditions attaching thereto as are provided by the regulations of the Company for the time being in the capital for the time being into ordinary shares and to attach thereto such rights, privileges or conditions as to profits votes and other benefits proportionate to the paid up value of shares as may be determined by the Company in accordance with the regulations of the Company.*

*"RESOLVED FURTHER THAT the prevailing Article 4 in the Articles of Association of the company be and is hereby amended and substituted to be read as follows;*



*"The authorized share capital of the Company is Rs. 1,500,000,000/- (Rupees One Billion Five Hundred Million Only) divided into 1,500,000,000 (One Billion Five Hundred Million) ordinary shares of Re. 1/- each."*

*RESOLVED FURTHER THAT the Chief Executive and / or Company Secretary be and are hereby authorized to complete any or all necessary required corporate and legal formalities in respect of the above."*

*RESOLVED FURTHER THAT the resolution shall stand nullified in case, for any reason, the Company is not able to bring into effect the resolution passed for sub-division of shares."*

7- Any other business with the permission of the chair.

*Statements under Section 160 (1) (b) of the Companies Ordinance 1984 in respect of the special business of the Agenda at item numbers 5 and 6 to be considered at the meeting is being sent to the Members alongwith a copy of this notice.*

By Order of the Board

A handwritten signature in blue ink, appearing to read "Mohsin Naeem".

**Mohsin Naeem**  
Company Secretary

Dated: **October 02, 2014**  
Place: **Karachi**

Notes:

1. Book Closure:  
The Share Transfer Books of the Company will remain closed from October 21, 2014 to October 27, 2014 (both days inclusive). Transfer received in order by our Share Registrar, CDC Pakistan Limited, CDC House, 99 -B, Block 'B', S.M.C.H.S., Main Shakra-e-Faisal, Karachi -74400 at the close of business on October 20, 2014 will be considered in time for any entitlement, as recommended by the Board of Directors and attending the meeting.
2. Appointment of Proxies and Attending AGM:
  - i) A member eligible to attend and vote at the Meeting may appoint another member as his/her proxy to attend, and vote instead of him/her.
  - ii) A blank instrument of proxy applicable for the meeting is being provided with the notice sent to members. Further copies of the instrument of proxy may be obtained from the registered office of the Company during normal office hours.



iii) A duly completed instrument of proxy and the power of attorney or other authority (if any), under which it is signed or a notarized certified copy of such power or authority must, to be valid, be deposited at the registered office not less than 48 hours before the time of the meeting. Attested copies of valid CNIC or the passport of the member and the Proxy shall be furnished with the Proxy Form.

iv) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted with proxy form.

v) The owners of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their original Computerized National Identity Card (CNIC) or Passport (in case of foreign nationals) for identification purpose at the time of attending the meeting.

3. Change in Members Addresses:

Members are requested to notify any changes in their addresses immediately to the Share Registrar M/s. Central Depository Company of Pakistan Limited.

4. Submission of Copies of Valid CNICs:

SECP vide SRO No. 831(1)/2012 dated July 05, 2012 directed the companies to issue dividend warrant crossed as "A/c Payee only" which should also bear the Computerized National Identity Card (CNIC) of the registered member. The time for obtaining relaxation in respect of shareholders whose CNIC numbers are not available with the Company has been extended till December 31, 2014.

Members, who have not yet submitted attested photocopy of their valid CNIC along with folio number are requested to send the same, at the earliest, directly to the Company's Share Registrar. In case of non-availability of valid copy of CNIC of any member, in the Company's records, the Company may withhold the Dividend Payment, which will be released only upon providing the copy.

5. Dividend Mandate Option / E-Dividend Facility

- a. Dividend Mandate Forms are available at the Registered Office of the Company. Members are encouraged to provide, duly filled in dividend mandate form, to receive the cash dividend declared by the Company, if any, directly into their bank account through e-Dividend payment mechanism, as advised by the Securities and Exchange Commission of Pakistan vide its communication reference No. 8(4)SM/CDC2008 dated April 05, 2013. The members who wish to avail e-Dividend payment facility shall not receive the dividend warrant. Members not providing dividend mandate shall continue to be paid through the dividend warrants.



6. Deduction of Income Tax under Section 150 of the Income Tax Ordinance, 2001
- a) Pursuant to the Finance Act, 2014, effective July 01, 2014, the rate of deduction of income tax under Section 150 of the Income Tax Ordinance, 2001, from payment of dividend to a NON-FILER of income tax return is prescribed as 15% and for FILER of Tax Returns as 10%. List of Filers is available at Federal Board of Revenue's (FBR) website: <http://www.fbr.gov.pk>.
- b) All the members of the Company are therefore advised to update their tax status as below, duly signed, so as to reach latest by October 20, 2014 to the Company's Shares Registrar, M/s. Central Depository Company of Pakistan Limited, CDC House, 99 -B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi - 74400.

Folio/CDC A/c No.	Name	National Tax Number	CNIC Number for individuals	Income tax return for the tax year 2013 has been filed (Yes/No)

- c) The information received within the above specified time would enable the Company to deduct income tax at the applicable rates from the payment of dividend if announced by the Company on October 27, 2014.
- d) Members seeking exemption from deduction of income tax or deduction at a reduced rate under the relevant provisions of the Income Tax Ordinance, 2001, are requested to submit a valid tax certificate or necessary documentary evidence, as the case may be, latest by October 20, 2014.
7. Availability of Financial Statements and Reports on the Website:  
The Annual Report of the Company for the year ended June 30, 2014 has been placed on the Company's website at the below link:  
[http://www.humnetwork.tv/Annual\\_Financial\\_Reports.html](http://www.humnetwork.tv/Annual_Financial_Reports.html)
8. Electronic Transmission of Financial Statements and Notice of Meeting  
Members who desire to receive annual financial statements and notice of meeting for the financial year ending June 30, 2015 or onward through e-mail, instead of registered post/courier, are requested to submit their consent on the FORM available for the purpose on Company's website.



## HUM NETWORK LIMITED

### STATEMENT OF MATERIAL FACTS U/S 160(1)(B) OF THE COMPANIES ORDINANCE, 1984

#### *Agenda Item 5:*

The subscribed and paid up capital of Hum Network Limited consist of 94,500,000 ordinary shares of Rs. 10/- each. To increase market liquidity of the Company's scrip and broaden the shareholders base, the Board of Directors proposed subdivision of company's capital by decreasing the face value of shares from Rs. 10/- to Re. 1/-. The shareholders will get 10 shares of face value Re. 1/- each against each Rupee 10 share held in their names as on the effective date to be announced later.

The new shares proposed to be created as result of subdivision shall rank pari passu with no change in the rights and privileges attached to the shares as compared to the existing shares. The existing issued shares having face value of Rs. 10/- shall be cancelled and new shares with reduced face value i.e. Re. 1/- will be issued or credited to the shareholders' investor accounts maintained with Central Depository Company of Pakistan Limited (CDC), as per the entitlement of respective shareholders on the effective date.

The Board of Directors approved and recommended the proposed resolution to be passed as a special resolution under Section 92(1) of the Companies Ordinance, 1984 and Article 46 of the Articles of Association.

The directors of the Company have no personal interest in this matter except to the extent of their shareholding.

#### *Agenda Item 6:*

The proposed subdivision of shares capital of the Company and resultant increase in the number of shares, need amendment in the existing Clause V of the Memorandum of Association and Clause 4 of the Articles of Association. The Board of Directors has recommended the proposed special resolution to the shareholders for their consideration and approval, with or without modification, in terms of Section 92(1) of the Companies Ordinance, 1984 and Article 46 of the Company's Articles.

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Comparison of existing and proposed alteration in the respective capital clauses of Memorandum and Articles of Association, is provided below:

<b>MEMORANDUM OF ASSOCIATION</b>	
<b>Existing Clause V</b>	<b>Proposed Clause V</b>
<p><i>"The share capital of the company is Rs. 1,500,000,000 (Rupees One Billion Five hundred Million Only) divided into 150,000,000 (One Hundred Fifty Million) Ordinary Shares of Rs. 10/- each, with the rights, privileges, and conditions attaching thereto as are provided by the regulations of the Company for the time being in the capital for the time being into ordinary shares and to attach thereto such rights, privileges or conditions as to profits votes and other benefits proportionate to the paid up value of shares as may be determined by the Company in accordance with the regulations of the Company.</i></p>	<p><i>"The share capital of the company is Rs. 1,500,000,000 (Rupees One Billion Five hundred Million Only) divided into 1,500,000,000 (One Billion Five Hundred Million) Ordinary Shares of Re. 1/- each, with the rights, privileges, and conditions attaching thereto as are provided by the regulations of the Company for the time being in the capital for the time being into ordinary shares and to attach thereto such rights, privileges or conditions as to profits votes and other benefits proportionate to the paid up value of shares as may be determined by the Company in accordance with the regulations of the Company.</i></p>
<b>ARTICLES OF ASSOCIATION</b>	
<b>Existing Clause 4</b>	<b>Proposed Clause 4</b>
<p><i>"The authorized share capital of the Company is Rs. 1,500,000,000/- (One Billion Five Hundred Million Only) divided into 150,000,000 (One Hundred Fifty Million) ordinary shares of Rs. 10/- each."</i></p>	<p><i>"The authorized share capital of the Company is Rs. 1,500,000,000/- (One Billion Five Hundred Million Only) divided into 1,500,000,000 (One Billion Five Hundred Million) ordinary shares of Re. 1/- each."</i></p>

The directors of the Company have no personal interest in this matter except to the extent of their shareholding.

Date: October 02, 2014  
Place: Karachi