



NFL/KSE/2017/9/1

September 25, 2017

**The General Manager,  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
KARACHI.**

**Subject: Notice of Annual General Meeting**

Dear Sir,

Please find enclosed a copy of the Notice of Annual General Meeting of National Foods Limited to be held on October 24, 2017 prior to its publication in the newspaper for circulation amongst the TRE Certificate Holders of the Exchange.

Thanking you,

**Yours faithfully,  
FOR NATIONAL FOODS LIMITED**

-----  
*FAZAL UR REHMAN HAJANO*  
**FAZAL UR REHMAN HAJANO  
COMPANY SECRETARY**

**Encl: As above.**

**CC'to:**

**The Securities Exchange Commission of Pakistan, Islamabad.**



## Notice of Meeting

Notice is hereby given that the 46<sup>th</sup> Annual General Meeting of National Foods Limited will be held on October 24, 2017, Tuesday, at 3:00 pm at Beach Luxury Hotel, Karachi, to transact the following business:

### Ordinary Business:

1. To confirm the minutes of the 45<sup>th</sup> Annual General Meeting held on October 20, 2016.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2017 together with the Directors' and Auditors' Reports thereon, together with Audited consolidated financial statements of the Company and the Auditors' reports thereon for the year ended June 30, 2017.
3. To approve and declare the dividend on the Ordinary Share of the Company. The Directors have recommended final dividend of 85% (Rs.4.25/- per Ordinary share of Rs. 5/- each) on Ordinary Shares, for the year ended June 30, 2017.
4. To appoint External Auditors of the Company for the ensuing year, and to fix their remuneration. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed the re-appointment of M/s KPMG Taseer Hadi & Co. Chartered Accountants as external auditors, for the year ending June 30, 2018.

### Special Business:

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

*"RESOLVED THAT 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 Authorized Capital of the company is Rs. 1,000,000,000 (Rupees One billion) divided into 200,000,000 Ordinary Shares of Rs.5/- each, with power to increase or reduce as the Company may think fit. The Company may subdivide or consolidate its share or any of them in accordance with the provisions of the Companies Act, 2017."*

*RESOLVED FURTHER THAT the words "Incorporated under the Companies Ordinance, 1984" and (Liability of Members in Limited by Shares) appearing in the heading/title of the Memorandum of Association shall be read and replaced as "The Companies Act, 2017" and "(Company Limited by Shares)".*

6. To consider and if thought fit, pass with or without modification, the following resolutions as special resolutions for alterations of Articles of Association of the Company:



*“RESOLVED THAT alterations and additions in the existing Articles of Association of the company as per the Comparative Statement attached to the Notice of Annual General Meeting as Annexure-A, as laid before the meeting initialed by the Company Secretary for the purpose of identification, be and are hereby approved.*

*RESOLVED FURTHER THAT any changes, as may be required by the Securities and Exchange Commission of Pakistan, in the revised articles shall be treated as approved and adopted by the shareholders and the same shall have effect from the date of passing of this special resolution.*

*RESOLVED FURTHER THAT Chief Executive or Secretary of the Company be and are hereby authorized to do or cause to be done any and all acts, deeds and things that may necessary or expedient to complete any or all corporate and legal formalities to give effect to the above resolution.”*

**7. To approve circulation / dissemination of Annual Audited Accounts and Reports electronically.**

To consider and, if deem fit, to pass with or without any amendment/ modification following resolution as ordinary resolution.

*“RESOLVED that the company be and is hereby authorized for circulation/dissemination of annual audited accounts and reports to the shareholders electronically in soft form i.e. through CD/DVD/USB/EMAIL.*

*RESOLVED FURTHER that in terms of above resolution the company shall send annual audited accounts and reports to its shareholders through CD/DVD/USB except to those who wish to receive them through emails and given their written consent to the company.”*

**8. To transact any other business with the permission of the Chair.**

Statements as required under section 134(3) of the Companies Act, 2017 in respect of the special business agenda items are being sent to the members' along with the notice.

Karachi  
Date: September 28, 2017

  
Fazal ur Rehman Hajano  
Company Secretary



#### NOTES:

1. **Notice of Book Closure**

The share transfer books of the Company will remain closed from October 18, 2017 to October 24, 2017 (both days inclusive). Transfers received, in order, at the office of our Share Registrar M/s. Central Depository Company of Pakistan Limited, CDC House, Block B, SMCHS, Main Shahrah-e-Faisal, Karachi -74400, by the close of business on October 17, 2017, will be considered in time for the determination of the entitlement of the shareholders to final cash dividend and to attend and vote at the meeting.

2. **Appointment of Proxy and Participation in the AGM**

a) A member entitled to attend, speak and vote at the Annual General Meeting is entitled to appoint another member as his/her proxy to attend, speak and vote for his/her behalf. A proxy must be a member of the Company. A proxy shall also have the right to demand and join in demanding a poll and vote on a poll.

b) The instrument appointing proxy, together with the power of attorney or other authority under which it is signed, as the case may be, or a notarially certified copy of the power or authority, must be deposited at 12/CL-6 Claremont Road, Civil Lines, Karachi, at least 48 hours before the time of the meeting. Form of Proxy is enclosed. Attested copies of valid CNIC or the passport of the member and the Proxy shall be furnished with the Proxy Form.

c) Owners of the physical shares and of the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their **original valid Computerized National Identity Card (CNIC) or Passport, for identification purposes, at the time of attending the meeting.**

3. **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. Availability of valid CNIC of all members is also necessary for filing, with SECP, of the list of members along with Annual Return of the Company.

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 shall withhold the Dividend Payment, which will be released only upon providing the copy.

4. **Dividend Mandate Option / E-Dividend Facility**

Under section 242 of Companies Act, 2017(Act), every listed company is required to pay dividend if any to their members compulsorily through electronic mode by directly crediting the same in their bank account provided by them. The Securities & Exchange Commission of Pakistan through its Circular dated no. 18 of 2017 dated August 1, 2017, has allowed extension in time till October 31, 2017.

Please note that unless aforesaid relaxation is extended by the SECP with effect from November 1, 2017 all dividend payments shall be made only through electronic mode. The company shall be bound to withhold dividend of those members who do not provide their bank details.



Therefore, all members are required to provide to the Company's Share Registrar, particulars relating to name, folio number, bank account number, title of account, complete mailing address of the bank. CDC account holders should submit their request directly to their broker (participant)/CDC. A Dividend Mandate Form is available at the Registered Office of the Company and the same are also placed on the Company's website.

**5. Changes in Members Addresses**

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

**6. Deduction of Income Tax under Section 150 of the Income Tax Ordinance, 2001**

a) Pursuant to the Finance Act, 2017, effective July 01, 2017, 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 20% and for FILER of Tax Returns as 15%. List of Filers is available at Federal Board of Revenue's (FBR) website: <http://www.fbr.gov.pk>. Members are therefore advised to update their tax FILER status latest by October 17, 2017.

b) 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 to our Share Registrar, in writing as follows:

Folio/CDC A/c No.	Total number of shares	Principal Shareholders		Joint Holder (s)	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

The required information must reach our Share Registrar by the close of business (5:00 pm) on October 17, 2017; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

c) The 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 Share Registrar. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

d) 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 24, 2017.

e) 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 17, 2017.



- f) For any query/problem/information, the investors may contact the company and/or the Share Registrar at the following phone Numbers, email addresses:

Company: [Corporate.Secretary@nfoods.com](mailto:Corporate.Secretary@nfoods.com)  
Share Registrar: [info@cdcpak.com](mailto:info@cdcpak.com)

7. **Availability of Financial Statements and Reports on the Website:**

The Annual Report of the Company for the year ended June 30, 2017 has been placed on the Company's website at <http://www.nfoods.com/>



**STATEMENTS OF MATERIAL FACTS UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017**

This Statements sets out the material facts concerning the Special Business to be transacted at the 46<sup>th</sup> Annual General Meeting:

**AGENDA ITEM NO. 5  
Amendments in the Memorandum of Association**

The Board of Directors of the Company in their meeting held on September 11, 2017 proposed to increase authorized capital of the Company from Rs. 750,000,000 to Rs. 1,000,000,000 by creating 50,000,000 ordinary shares of Rs. 5/- each. The principle purpose of this increase is to accommodate any increase in paid up capital of the company in the future.

Comparison of existing and proposed clause V of the Memorandum of Association, is provided below:

MEMORANDUM OF ASSOCIATION	
Existing Clause V	Proposed Clause V
<p><i>"The Authorized Capital of the company is Rs. 750,000,000 (Rupees Seven Hundred Fifty Millions) divided into 150,000,000 Ordinary Shares of Rs.5/- each, with power to increase or reduce as the Company may think fit. The Company may subdivide or consolidate its share or any of them in accordance with the provisions of the Companies Ordinance, 1984."</i></p>	<p><i>"The Authorized Capital of the company is Rs. 1,000,000,000 (Rupees One billion) divided into 200,000,000 Ordinary Shares of Rs.5/- each, with power to increase or reduce as the Company may think fit. The Company may subdivide or consolidate its share or any of them in accordance with the provisions of the Companies Act, 2017."</i></p>

Other changes are proposed to replace the heading / title of the Memorandum of Association in accordance with the Companies Act, 2017.

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

**AGENDA ITEM NO. 6  
Alterations of Articles of Association**

In accordance with the Companies (E-Voting) Regulations, 2016 issued by SECP, certain amendments are necessitated in the Articles of Association of the Company. While proposing the alteration required under E-Voting Regulations, the Board of Directors has recommended certain other alterations and additions to the Articles to bring the same in line with the provisions of the Companies Act, 2017.



**A Comparative Statement** of existing clauses of the Articles and proposed alteration and additions is annexed as **Annexure-A**, and being sent along with the notice of AGM.

The aforesaid comparative statement and the revised/amended Articles of Association are also placed at the Registered Office of the Company for inspection during business hours.

Pursuant to Section 38 of the Companies Act, 2017, the consent of the members of the Company by way of a Special Resolution is required for alterations and additions in the Articles of Association of the Company.

The Directors of the Company have no interest in the proposed alterations in the Articles of Association except to the extent of their directorship/shareholding in the Company.

#### **Agenda Item No. 7**

##### **Circulation / Dissemination of Annual Audited Accounts and Reports electronically**

The Securities and Exchange Commission of Pakistan (SECP) vide SRO No. 470(I)/2016 dated May 31, 2016 allowed companies to circulate its Annual Audited Accounts (i.e. the annual balance sheet and profit and loss account, auditor's report and director's report) to its members through CD/DVD/USB at their registered addresses. Pursuant to the aforesaid SRO, consent of shareholders shall be obtained in General Meeting for transmission of annual audited accounts through CD/DVD/USB instead of transmitting them in hard copies.

Moreover, the Companies Act, 2017 under Section 223 (6) provide for circulation of annual accounts and reports to members of the company either by post or electronically and keep a copy a copy at the registered office of the company for the inspection by the members.

In view of the above, approval is hereby sought from shareholders to authorize the company for transmission of annual audited accounts and reports electronically. Subject to the approval of resolution in the AGM, the company will circulate its annual reports through CD/DVD/USB except to those shareholders who have communicated their consent for receiving annual audited accounts through email. The company will continue to provide Annual Audited Accounts through email to those shareholders who have given their consent in this regard. Any changes to such arrangements should be communicated to the company on standard request form.

The shareholders will have the right to request hard copy free of cost at their registered addresses after submitting the Standard Request Form which shall be made available on Company website.

The Directors of the Company have no interest in the proposed alterations in the Articles of Association except to the extent of their directorship/shareholding in the Company.