National FOODS SINCE 1970

SHARE FOOD, SHARE LOVE

NFL/PSX/2019/4/69

April 5, 2019

FORM-17

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

Subject: **Notice of Extraordinary General Meeting**

Dear Sir,

Enclosed please find a copy of the Notice of Extraordinary General Meeting to be held on Monday, April 29, 2019 at 10:00 a.m. at Beach Luxury Hotel, Karachi for circulation amongst the TRE Certificate Holders of the Exchange.

Thanking you,

Yours faithfully,
FOR NATIONAL FOODS LIMITED

(FAZAL UR REHMAN HAJANO)
COMPANY SECRETARY

Encl: As above.

CC:

1. **The Executive Director, Monitoring & Enforcement Division, Securities Exchange Commission of Pakistan, Islamabad.**
2. **Head of Operations, Central Depository Company of Pakistan Ltd. Karachi.**
3. **Share Registrar, Central Depository Company of Pakistan Ltd., Karachi.**

info@nfoods.com | nfoods.com
Registered Office: 12/CL-6, Claremont Road, Civil Lines, Karachi - Pakistan
Tel : +92 21 38402022 & +92 21 36490029 | Fax: 92-21 35670996

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NATIONAL FOODS LIMITED
NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of **National Foods Limited** will be held on **Monday, April 29, 2019 at 10:00 am** at Beach Luxury Hotel, Karachi, to transact the following business:

1. To confirm the minutes of the 47th Annual General Meeting held on October 18, 2018.

2. To consider and, if thought fit, to pass with or without modification(s), the following as a Special Resolution for the procurement of Effluent Treatment Plant and ancillary services.

   "RESOLVED THAT *National Foods Limited ('NFL') hereby approve/ratify contracts or arrangements for the procurement of Effluent Treatment Plant from WOG Technologies Private Limited ('WOG'), Singapore and provision of installation work supervision directly by WOG or through its local representatives i.e. Associated Environment & Energy Solutions (Private) Limited (wholly-owned subsidiary of ATC Holdings Pvt, Limited, parent company of NFL).*

   RESOLVED FURTHER THAT *the Chief Executive Officer of the Company be and is hereby authorized to sign all necessary documents and agreements in respect of procurement of Effluent Treatment Plant and related services and those already signed are hereby ratified and approved.*

   RESOLVED FURTHER THAT *the Board of Directors of the Company be and is hereby authorized to approve all transactions carried out and to be carried out in respect of procurement of Effluent Treatment Plant and ancillary services under the contract or arrangement with WOG.*

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

   "RESOLVED THAT *the existing* ***Clause 62*** *of the Articles of Association of the Company be and is hereby amended and substituted with the clause as follows:*

   "Every Director other than Chief Executive and a full time working Director shall be entitled to a fee for attending meeting of directors, including committee meetings, as may be fixed by the Board of Directors from time to time. The scale of the remuneration to be paid, from time to time, to the Non-Executive including Independent Directors and the Chairman for attending the board and its Committee(s) meetings shall be determined by the Board and approved by the shareholders on a pre or post facto basis in the Annual General Meeting. The expenses incurred by a director for attending the meeting shall be reimbursed by the Company. The remuneration for extra services performed by the directors shall be determined by the Board of Directors."

4. To transact any other business with the permission of the Chair.

Statements under Section 134(3) of the Companies Act, 2017 in respect of Agenda Item Number 2 and 3, are annexed to the notice being sent to the members.

By Order of the Board

NATIONAL FOODS LIMITED Karachi

Fazal ur Rehman Hajano
Company Secretary

April 8, 2019
Karachi.

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Notes:

1. **Book Closure Notice**
The share transfer books of the Company will remain closed from April 22, 2019 to April 29, 2019 (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 April 19, 2019, will be considered in time for the determination of the entitlement of the shareholders to attend and vote at the meeting.

2. **Appointment of Proxy and Participation**

a) A member entitled to attend, speak and vote at the 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 the Registered Office of the Company situated at 12/CL-6, Claremont Road, Civil Lines, Karachi-75530, 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**
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.

4. **Changes in Members Addresses**
Members are requested to notify any change in their addresses immediately to the Company's Share Registrar.

5. **Postal Ballot/E-Voting**
In accordance with the Companies (Postal Ballot) Regulations, 2018, subject to the requirements of section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through postal ballot i.e. by post or e-voting, in the manner and subject to conditions contained in aforesaid regulations.

6. **Video-link Facility**
If the members holding ten percent of the total paid up capital or such other percentage of the paid up capital as may be specified by the Commission, are resident in any other city, the company shall provide the facility of video-link to such members for attending the meeting, if so required by such members in writing to the company at least seven days (7) before the date of the meeting.

Consent for Video-link Facility

I/We, of being a member of **National Foods Limited** holder of Ordinary Share(s) as per Register Folio No. _____ hereby opt for participation in the Extraordinary General Meeting to be held on _____ or any adjourned meeting through video-link facility at _____(Please insert name of the City)

_____
Signature of member

Share Registrar
Central Depository Company of Pakistan Limited
Share Registrar Department
CDC House, Block B, SMCHS,
Main Shahrah-e-Faisal, Karachi-74400

Registered Office
National Foods Limited
12/CL-6, Claremont Road,
Civil Lines, Karachi.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement set out all the material facts concerning Special Business under Agenda Item No. 2, and 3, to be transacted at the Extraordinary General Meeting.

AGENDA ITEM NO. 2
SPECIAL RESOLUTION FOR THE PROCUREMENT OF EFFLUENT TREATMENT PLANT AND ANCILLARY SERVICES

National Foods Limited ('NFL') is in the process of procuring Effluent Treatment Plant for NFL's Port Qasim Plant. The plant is being procured from M/s. WOG Technologies Private Limited ('WOG'), Singapore which is locally represented by AEES Private Limited, a wholly owned company of ATC Holding (ATC) - the parent company of NFL. Moreover, NFL also intends to acquire certain technical and supervisory services from M/s. AEES Private Limited, a wholly owned subsidiary of ATC with respect to installation, commissioning, training and operation of the Effluent Treatment Plant which would be competitive and at arm's length.

As majority of directors were interested in the arrangement due to their common directorship and shareholding in ATC, the shareholders are requested to approve/ratify contracts/arrangements for procurement of Effluent Treatment Plant by NFL, by passing special resolution in terms of Section 208 of the Companies Act, 2017 read with Section 207 of the Act.

The disclosure of information under Regulation 5 of the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 [SRO 1194 (I)/2018, dated October 2, 2018].

a) **Name of related party;**	Associated Environment & Energy Solution Private Limited ('AEES') – a wholly owned company of ATC Holdings (Private) Limited ('ATC')
b) **Names of the interested or concerned directors;**	Mr. Abdul Majeed, Mr. Abrar Hasan, Mr. Zahid Majeed and Mrs. Noreen Hasan
c) **Nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in the related party;**	M/s. WOG Technologies Private Limited ('WOG') being the supplier is represented by AEES Private Limited in Pakistan.

d) **Detail, description, terms and conditions of transactions;**	i. Supply and Commissioning of Effluent Treatment Plant of 600 cum/day which will meet applicable Environment Quality Standards; ii. Local Supervision; Supply of trained manpower for the plant operation for a limited timed period.
e) **Amount of transactions;**	i. USD $ 799,000 - WOG; ii. PKR 5 Million - AEES; iii. PKR 5 Million - AEES.
f) **Timeframe or duration of the transactions or contracts or arrangements;**	12-18 months from initiation
g) **Pricing policy;**	Arm's Length
h) **Recommendations of the audit committee;**	The matter was discussed and recommended in the board meeting to be placed before the shareholders in a specially convened Extra-Ordinary General Meeting in this regard.
i) **Any other relevant and material information that is necessary for the shareholders to make a well informed decision regarding the approval of related party transactions.**	-Three proposals were received from the vendors; -Independent technical consultant namely M/s. ECS Environmental Consultants ('ECS') were appointed to evaluate the proposals technically; -Based on the evaluation report of ECS, WOG was shortlisted to provide Effluent Treatment Plant.

Inspection: The documents/agreements relating to special business can be inspected by the shareholders from the date of issuance of this notice till the date of meeting at the registered office of the Company during usual business hours from Monday to Friday (9.00 a.m. – 5.00 p.m.).

Disclosure of Interest of Directors: Mr. Abdul Majeed, Mr. Abrar Hasan and Mr. Zahid Majeed are interested in the agenda to the extent of their common directorships and/or their shareholding in ATC and Mrs. Noreen Hasan due to interest of his spouse.

AGENDA ITEM NO. 2
SPECIAL RESOUTION FOR THE ALTERATION IN ARTICLES OF ASSOCIATION

The Board of Directors of the Company proposed to alter clause 62 of the Articles of Association of to facilitate decision of any changes in the meeting fee from time to time with the approval of the Board of Directors.

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

ARTICLES OF ASSOCIATION		
Existing Article 62	**Proposed Article 62**	**Rationale**
Every Director other than Chief Executive and full-time working Director shall be entitled to a fee of not more than Rupees 50,000 for attending every meeting of directors, including committee meetings, plus the actual travelling expenses incurred by him for attending the meeting. The remuneration for extra services performed by the directors shall be determined by the Board of Directors.	Every Director other than Chief Executive and a full-time working Director shall be entitled to a fee for attending meeting of directors, including committee meetings, as may be fixed by the Board of Directors from time to time. The scale of the remuneration to be paid, from time to time, to the Non-Executive including Independent Directors and the Chairman for attending the board and its Committee(s) meetings shall be determined by the Board and approved by the shareholders on a pre or post facto basis in the Annual General Meeting. The expenses incurred by a director for attending the meeting shall be reimbursed by the Company. The remuneration for extra services performed by the directors shall be determined by the Board of Directors.	-Avoid amending Articles whenever there is any change in Director's Remuneration. -Approving mechanism for the determination of the scale of remuneration for Directors.

Statement of Directors pursuant to SRO 423 of 2018 dated April 03, 2018
The Directors have duly given a statement, as required under Para A.4(iii) of the aforesaid SRO, that the proposed alterations are in line with the applicable provisions of the law and regulatory framework.

Disclosure of Interest of Directors: The directors of the Company have no interest in this matter except to the extent of their directorship in the Company and payment of remuneration.

NATIONAL FOODS LIMITED Karachi