



Pakistan Paper Products Ltd.

D/58, S.I.T.E., KARACHI, PAKISTAN

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0414/Secy/PPP/56AGM/PSX /2018-2019

September 19, 2018

56AGM/2017-2018 & PSX/2018-2019

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

ATTN: **MR. MUHAMMAD GHUFRAN-DGM**

**SUB: NOTICE OF HOLDING OF 56th ANNUAL GENERAL MEETING ON TUESDAY THE 23RD
OCTOBER 2018 AT 11:00 A.M. AT THE HEAD OFFICE OF THE COMPANY
D/58 ESTATE AVENUE SITE KARACHI**

Dear Sir,

We are pleased to inform you that the Board of Directors in their meeting held on 18.09.2018 have confirmed / fixed date and time of Annual General Meeting on Tuesday the 23rd October, 2018 at 11:00 am at the Head Office of the Company D/58 Estate Avenue SITE Karachi.

A hard copy of the notice before its publication in accordance with the Listing Regulation No. 5.6.4 (b) is enclosed herewith for your circulation amongst the members of the Exchange for their information and necessary reference please.

Thanking you,

Yours faithfully,

For Pakistan Paper Products Ltd



(FAISAL SAEED KHAN)
COMPANY SECRETARY

Encl: a/a



PAKISTAN PAPER PRODUCTS LTD.

D/58 S.I.T.E ESTATE AVENUE KARACHI-75700

NOTICE OF MEETING

Notice is hereby given that the 56th Annual General Meeting of the Shareholders of Pakistan Paper Products Ltd will be held at the Head Office of the Company D/58 Estate Avenue SITE Karachi on **Tuesday 23rd October, 2018 at 11:00 am** to transact the following business :-

1. To confirm Minutes of the Annual General Meeting held on 26th October, 2017.
2. To receive, consider and adopt the audited accounts of the Company for the year ended on 30th June, 2018 together with the Directors' Report and Auditors' Report thereon.
3. To consider and approve the final cash dividend of Rs.2.5 per share (25%) for the year ended June 30, 2018, as recommended by the Board of Directors.
4. To appoint Auditor for the year 2018-2019 and to fix their remuneration. The present auditors M/s. Faruq Ali & Co., Chartered Accountants, retire and being eligible has offered themselves for reappointment.

B. SPECIAL BUSINESS:

5. **To approve payment of Bonus shares (B-8) in the proportion of one share for every 3 shares held i.e 33.33% as recommended by the Board of Directors and if thought fit appropriate, pass the following resolutions with or without modification(s) for capitalization of profit as ordinary resolution:**
 - a) **RESOLVED** that subject to compliance with applicable laws and regulations' a sum of Rs.20,000,000/= (Rupees Twenty Million) out of the Company's current year profit be capitalized for issuing fully paid up ordinary share of Rs.10/= each to those Shareholders whose name appear in the Register of members on **16th October 2018** in proportion of one share for every 3 shares (33.33%).
 - b) **RESOLVED FURTHER THAT** the Bonus Shares shall rank pari passu in all respects with the existing shares of the Company. The Bonus Shares declared simultaneously will not be entitled for announced final cash dividend.
 - c) **RESOLVED FURTHER THAT** in the event of any shareholder entitled for fraction of Bonus Shares, the Directors/ Chief Executive / Company Secretary of the Company be and is hereby authorized to consolidate such fractional entitlements and sell in the stock market and the proceeds thereof, be distributed prorata to the members according to their entitlement.
 - d) **RESOLVED FURTHER THAT** the Directors / Chief Executive / Company Secretary be and are hereby authorized singly to do all acts deeds and make all arrangements and issue instructions for payment of final cash Dividend in electronic mode i.e' "e-Dividend" to all entitled shareholders and credit of bonus shares in Central Depository Company of Pakistan to all CDC shareholders System and printing and dispatching of the Bonus Share Certificates to those shareholders who holds shares in physical form.
 - e) **RESOLVED FURTHER THAT** the Share Transfer Books of the Company be closed from 17th October 2018 to 23rd October 2018 (both days inclusive). Transfers received at the office of the Share Registrar M/s. FD Registrar Services (SMC-Pvt) Limited before the close of business on 16th October 2018 will be treated in time for the purpose of above entitlements to the transferees.



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6. *To consider and approve increase in Authorized Share Capital of the Company from the present Rs.80,000,000/= divided into 8,000,000 ordinary shares of Rs. 10/= each to Rs. 150,000,000/= divided into 15,000,000 ordinary shares of Rs. 10/= each and to approve amendments in the Memorandum of Association & Article of Association of the Company resulting from this increase in Authorized Share Capital and if thought fit, to pass the following resolutions as a Special Resolution:*

a) **RESOLVED THAT** the Authorized Share Capital of the Company be and is hereby increased from Rs.80,000,000/= (Rupees Eighty Million) divided into 8,000,000 (Eight Million) ordinary shares of Rs. 10/= each to Rs.150,000,000/=(One Hundred And Fifty Million) divided into 15,000,000 (Fifteen Million) ordinary shares of Rs. 10/- each by the creation of 7,000,000 (Seven Million) ordinary shares of Rs.10/- each. Such new shares, whenever issued, shall rank pari passu in all respect with the existing shares.

b) **FURTHER RESOLVED THAT** in view of the increase in Authorized Share Capital, Clause "V" of the *Memorandum of Association* be and is hereby amended to read as under:

"The Authorized Capital of the Company is Rs. 150,000,000 (Rupees One Hundred and Fifty Million) divided into 15,000,000 (Fifteen Million) ordinary shares of Rs.10/- (Rupees ten) the rights, privileges and conditions attaching thereto as are provided by the Regulations of the Company for the time being, with powers to increase and reduce the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential deferred, qualified or special rights privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such right, privileges or conditions to such manner as may, for the time being, be provided by the regulations of the company".

c) **FURTHER RESOLVED** that in view of the increase in Authorized Share Capital, Article "4" of the Article of Association be and is hereby amended to read as under:

"The Authorized share Capital of the Company is Rs.150,000,000 (One Hundred and Fifty Million) divided into 15,000,000 (Fifteen Million) ordinary shares of Rs.10/- each."

FURTHER RESOLVED THAT the Directors / Chief Executive / Company Secretary be and is hereby authorized and empowered fulfill all legal, corporate and procedural formalities to give effect to these resolutions and to do or cause to be done all acts, deeds and things that may be necessary or required for alteration of the Company's Memorandum and Articles of Association of the Company.

ALSO RESOLVED that for the purpose of giving effect to the abovementioned resolutions, Directors/Chief Executive and Company Secretary be and are hereby singly authorized as permitted under the law in letter and spirit to give such directions as may be necessary and settle any questions or omission or mistake pointed by the Commission (SECP) or any competent authority in the aforesaid resolutions or any difficulties that may arise in the distribution of the said new shares or in the payment of the sale proceeds of the fractions or issue of e-dividend or increase in Authorized share capital of the company .

(STATEMENTS AS REQUIRED BY SECTION 134(3) OF THE COMPANIES ACT 2017 IN RESPECT OF THE SPECIAL BUSINESS TO BE CONSIDERED AT THE MEETING IS BEING SENT TO THE MEMBERS WITH THE ANNUAL REPORT).

AGENDA ITEM NO. 5: REGARDING ISSUANCE OF BONUS SHARES

The Directors have recommended capitalization of the profit for issue of Bonus Shares of Rs. 20,000,000 (Rupees Twenty Million) in proportion of one share for every 3 shares (33.33%). The Directors are interested in this business only to the extent of their entitlement of Bonus Shares as ordinary shareholder, except this, directors have no interest directly or indirectly in the special business.



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AGENDA ITEM NO. 6: REGARDING INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY

In order to provide for increase in authorized capital for issuance of bonus shares and further growth, the Board of Directors proposed that the present Authorized Share Capital be increased from Rs. 80,000,000/= (Rupees Eighty Million) divided into 8,000,000 (Eight Million) ordinary shares of Rs. 10/= each to ***Rs. 150,000,000 (Rupees One Hundred and Fifty million) divided into 15,000,000 (Fifteen million) ordinary shares of Rs.10/- to have the flexibility to increase the Paid-up capital at any later stage without having to amend Memorandum and Article of Association.*** The Board of Directors have also recommended to alter the Clause "V" of Memorandum of Association and Article "4" of the Article of Association of the company.

STATEMENT WITH RESPECT TO THE INTEREST OF ANY OF THE DIRECTORS OF THE COMPANY IN RELATION TO THE ABOVE MENTIONED MATTER.

Each Director of the Company has notified to the Board of Directors that they have no interest in the transaction being contemplated by the Company as discussed above and interested only to the extent of their entitlement of dividends and bonus shares as ordinary shareholders.

None of the directors of the Company have any direct or indirect interest in the special business except that mentioned therein.

By Order of the Board
Faisal Saeed Khan
Company Secretary

Karachi

Dated: 18 September 2018

NOTES:

1. The Share Transfer Books of the Company will remain closed from **Wednesday 17th October 2018 to Tuesday 23rd October 2018 (both days inclusive)**. Transferred received at the Share Registrar office M/s. F.D Registrar Services (SMC-Pvt) Ltd, 17th Floor Saima Trade Tower –A I.I Chudrigar Road Karachi 74000 at the close business on **Tuesday 16th October 2018** be treated in time for the purpose of payments of final Dividend and Bonus Shares to the transferees.

2. A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend the meeting and vote instead of him/her. The proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. CDC Account holders will further have to follow the under mentioned guidelines as laid down in Circular No.1 dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

A. For Attending the Meeting :-

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity card (CNIC) or original Passport at the time of attending the meeting.
- ii) In case of Corporate entity, the Board of Directors resolution of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.

B. For Appointing Proxies:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, address and CNIC Numbers shall be mentioned on the form.



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- iii) Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original Passport at the time of the meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

C: Zakat Declaration Certificate

3. Members who desire to stop deduction of Zakat from their dividends may submit a declaration on non-judicial stamp paper duly signed as required under the law (if not submitted earlier).

SPECIAL NOTES TO THE SHAREHOLDERS:

D: Submission of CNIC Copy (MANDATORY)

4. Pursuant to the directives of the Securities & Exchange Commission of Pakistan CNIC number is mandatory required to be mentioned on dividend warrants, Shareholders are therefore requested to submit copy of their valid CNIC (only Physical Shareholders) if not provided earlier to the M/s. F.D Registrar Services (SMC-Pvt) Ltd (The Share Registrar). The Corporate Entities are requested to provide their National Tax Number (NTN). Please quote Folio Number with the copy of CNIC/NTN details. In case of non-receipt of valid CNIC the Company would be unable to comply with SRO 831(I)/2012 dated July 5, 2012 of SECP read with SRO 19(1)/2014 January 10, 2014. Please note that no dividend will be payable unless CNIC number is printed on the dividend warrants, failure to provide the same would constrained the Company to withhold dispatch of dividend warrants.

E. PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE (MANDATORY)

5. Under the provisions of Section 242 of the Companies Act, 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. In order to receive dividends directly into their bank account, shareholders are requested to fill in Dividend Mandate Form available on Company's website i.e. <http://www.pakpaper.com> and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s. F.D Registrar Services (SMC) -Pvt). Ltd 17th Floor, Saima Trade Tower-A I.I Chundrigar Road, Karachi during working hours. Ph: 0092-21-35478192-93 Fax: 0092-21-32621233 Email: fdregistrar@yahoo.com in case of physical shares. In case shares are held in CDC then Dividend Mandate Form must be submitted directly to shareholder's broker/ participant/CDC account services.

In case of non-submission of an IBAN, the Company will withhold the payment of dividends under Companies (Distribution of Dividends) Regulations, 2017.

F. Change of Address and quote folio No. in correspondence

6. Members are also requested to notify any change in address immediately. The shareholders are further requested to quote their folio number in all correspondence with the Company and at the time of attending the Annual General Meeting.

G. Unclaimed Dividends And Shares (Important & Mandatory)

7. Shareholders of the Company are hereby informed that as per the record, there are some unclaimed/ uncollected /unpaid dividends and shares. Shareholders who could not collect their dividends/shares are advised to contact our Share Registrar M/s. F.D Registrar Services (SMC) -Pvt). Ltd 17th Floor, Saima Trade Tower-A I.I Chundrigar Road, Karachi during working hours. Ph: 0092-21-35478192-93 Fax: 0092-21-32621233 Email: fdregistrar@yahoo.com to collect/enquire about their unclaimed dividend or shares, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, of three (3) years or more from the date due and payable, shall be deposited to the credit of Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan (SECP).

H. Circulation of Annual Financial Statements through Email

8. SECP through its Notification SRO 787(I)/2014 dated September 8, 2014, has allowed the circulation of Audited Financial Statements along with the Notice of Annual General Meeting to the shareholders of the Company through email. Therefore, shareholders who wish to receive the soft copy of Annual Report are



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requested to send their email address. The consent form for electronic transmission can be downloaded from the Company's website. The Company shall, however, continue to provide hard copy of the Audited Financial Statements to its shareholders, on request, free of cost, within seven days of receipt of such request.

I. Placement of Financial Accounts on Website

9. Pursuant to the notification of the SECP (SRO 634(I)/2014) dated: 10th July 2014 the financial statements of the Company have been placed on Company's website at www.pakpaper.com

J. Deduction of Withholding Tax on the amount of dividend (Mandatory):

10. Government of Pakistan through Finance Act, 2017 has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. Tax rates are as under:

- i. For filers of income tax returns: 15%
- ii. For non-filers of income tax returns: 20.0%

To enable the Company to make tax deduction on the amount of the cash dividend @ 15% instead of 20.0% all the shareholders whose names are not entered into the Active Tax Payers List (ATL) provided on the website of FBR despite the fact that they are filers, are advised to make sure their names are entered into ATL. Otherwise tax on the cash dividend will be deducted @ 20.0% instead of 15%. For shareholders holding their shares jointly as per the clarification issued by the Federal Board of Revenue withholding tax will be determined separately on 'Filer, Non-filer' status of Principle shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of Principle shareholder and joint-holder(s) in respect of shares held by them to our Share Registrar in writing as follows:

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

- The corporate shareholders having CDC accounts are required to have their National Tax Numbers (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or our Share Registrar M/s. F.D Registrar Services (SMC) -Pvt) Ltd. The shareholders while sending NTN or NTN certificate, as the case may be, must quote company name and their respective folio numbers.

K. E-VOTING

11. Pursuant to SECP S.R.O. No. 43(I)/2016 dated January 22, 2016, members can also exercise their right to vote through e-voting by giving their consent in writing at least 10 days before the date of meeting to the Company on the appointment by the Intermediary as a Proxy.

L: For Video Conference:

12. Further to SECP S.R.O. No.1027/(I)2014 dated 13th November 2014 clause 1(b) "The company may provide video conference facility to its members for attending the general meeting at places other than the town in which general meeting is taking place after considering the geographical dispersal of its members:

Provided that if members, collectively holding 10% or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video conference at least 10 days prior to date of meeting the company shall arrange video conference facility in that city subject to availability of such facility in that city".

The company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

I/We, _____ of _____, being a member of the Pakistan Paper Products Limited, holder of _____ Ordinary Share(s) as per Register CDC/ Folio no. _____ hereby opt for video conference facility at _____.