



# NATIONAL FOODS LIMITED

12/CL-6, Claremont Road, Civil Lines, Karachi-75530 (Tel. 021-36490029 - 021-38402022)

## Notice of 52<sup>nd</sup> Annual General Meeting

Notice is hereby given that the 52<sup>nd</sup> Annual General Meeting of National Foods Limited will be held on Thursday, October 19, 2023, at 15:00 p.m. at Beach Luxury Hotel, Karachi to transact the following business. The shareholders who wish to attend the AGM via video link facility may do so.

### Ordinary Business:

- To confirm the Minutes of Annual General Meeting held on October 20, 2022.
- To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2023, 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, 2023.
- To consider, approve and declare the dividend on the ordinary shares of the Company. The Directors have recommended a final cash dividend of 50% (Rs. 2.50 per ordinary share of Rs. 05/- each), for the year ended 30 June 2023.
- 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 re-appointment of M/s KPMG Taseer Hadi & Co. Chartered Accountants as external auditors, for the year ending June 30, 2024.

### Special Business:

- To consider, and if deemed fit, to pass with or without any amendment/modification the following resolution as Ordinary Resolution, to obtain consent from the members for the transmission of annual audited account through QR enabled code and weblink, as allowed under S.R.O. 389 (I)/2023 issued by the Securities and Exchange Commission of Pakistan.  
**"RESOLVED THAT** pursuant to section 223(6) of the Companies Act, 2017 read with SRO 389(I)/2023 dated March 21, 2023, the Company be and is hereby authorized to circulate annual report containing annual audited financial statements and reports (Annual Reports) to the members through QR enabled code and weblink.  
**FURTHER RESOLVED THAT**, notice of meeting shall be dispatched to members as per requirements of the Act, on their registered address, containing the QR code and the weblink address to view and download the annual audited financial statements together with the reports and documents required to be annexed thereto under the Act.  
**FURTHER RESOLVED THAT**, the Company shall be considered compliant with the relevant requirements of section 223(6) of the Companies Act, 2017 by sending the Audited Financial Statements and reports and documents required to be annexed thereto under the Act through e-mail and/or sending a notice of meeting containing a QR code and the weblink address. In case a hard copy of Audited Financial Statements and/or Notice of AGM of the Company is desired, a specific request for the same will be made.  
**FURTHER RESOLVED THAT** the Company Secretary be and is hereby authorized to do all necessary acts, deeds, and things in connection therewith and ancillary thereto as may be required or expedient to give effect to the spirit and intent of the above resolution."
- To consider and, if thought fit, to pass with or without modification(s), the following as a Special Resolution for the approval of an agreement between ATC Holdings (Private) Limited (ATCH) and National Foods Limited (NFL) for filling and packing of honey by NFL to ATCH.  
**"RESOLVED THAT** an agreement to be entered into by National Foods Limited (NFL) with its parent company ATC Holdings (Private) Limited (ATCH) for filling and packing of honey is hereby approved as per the details appearing in statement of material facts".
- To consider, and if thought fit, to pass the following resolutions as special resolutions, (a) to ratify and approve the transactions carried out with related parties during the financial year ended June 30, 2023, and (b) (i) to authorize the Board of Directors to approve all related party transactions carried out and to be carried out during the year ending June 30, 2024.  
**a) "RESOLVED THAT** the transactions, in which majority of directors are interested, carried out by the company with the following related parties for the financial year ended June 30, 2023, be and are hereby ratified and approved"

ATC Holdings (Private) Limited - Parent Company
National Foods DMCC- Subsidiary

- "FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to approve all related party transactions, in which majority of directors are interested, carried out and to be carried out with any related party including the above-named related parties, on case-to-case basis, for the financial year ending June 30, 2024, and till next Annual General Meeting of the Company".  
**"FURTHER RESOLVED THAT** the approval of transactions by the Board, as aforesaid, shall be deemed to have been approved by the shareholders and the transactions for the year ending June 30, 2024, shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval".
- To transact any other business with the permission of the Chair.

Statements under Section 134(3) of the Companies Act, 2017 in respect of special business contained in Agenda Item Number 5, 6 & 7 is annexed to the notice being sent to the members.

By Order of the Board  
**Fazal ur Rehman Hajano**  
 Company Secretary

Karachi  
 September 27, 2023

### Notes:

#### 1. NOTICE OF BOOK CLOSURE

The share transfer books of the Company will remain closed from October 13, 2023, to October 19, 2023 (both days inclusive). Transfers received, in order, at the office of our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House-99B, Block 'B', S.M.C.H.S., main Shahrah-e-Faisal, Karachi-74000, by the close of business on October 12, 2023, 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. PARTICIPATION IN THE AGM PROCEEDINGS VIA VIDEO LINK FACILITY

In addition to in person meeting, the Company shall also hold its AGM through video link facility in pursuance to Circulars notified by the Securities and Exchange Commission of Pakistan (SECP). The members/proxies interested to participate in the AGM through this facility, are requested to get themselves registered with the Company at [cdcs@cdcsisl.com](mailto:cdcs@cdcsisl.com) by providing the following details: -

Shareholder Name	Company Name	Folio/CDC Number	CNIC Number	Cell Number	Registered Email Address

Video-link and login credentials will be shared with the members/proxies whose email containing all the above particulars are received at the given email address by the close of business on October 17, 2023.

The members can also provide their comments and questions for the agenda items of the AGM on WhatsApp Number: 0321-8200864 and email: [cdcs@cdcsisl.com](mailto:cdcs@cdcsisl.com)

The Company shall communicate any relevant updates regarding the meeting, including any changes to the arrangements outlined in the Notice of AGM, will be announced via a Regulatory Information Service (PUCAR) and will be available on <https://www.nfoods.com/>

#### 3. Appointment of Proxy and participation in the AGM

- 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 on 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.  
The instrument appointing Proxy must be deposited at the Registered Office of the Company duly signed, not later than 48 hours before the time of the AGM. A member cannot appoint more than one proxy. An attested copy of the shareholder's Computerized National Identity Card (CNIC) must be attached with the Proxy form. For any other relevant aspects and further information, please refer to the contents of section 137 of the Companies Act, 2017. The instrument appointing Proxy is available on the Company's website (<https://www.nfoods.com>)
- 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 in person. In the case of a corporate entity, the Board of Directors' resolution/Power of Attorney, with specimen signature of the nominee, shall be produced at the time of the meeting (unless it has been provided earlier).

#### 4. Submission of CNIC/NIN Number on Electronic Dividend (MANDATORY):

Members are requested to provide copy of valid CNIC/NIN Certificate to their respective Participant/CDC Investor Account Services in case of Book-Entry Form, or to Company's Share Registrar in case of Physical Form, duly quoting thereon Company's name and respective folio numbers.

Shareholders are requested to notify the Company's Share Registrar if there is any change in their registered postal addresses.

As per Regulation No. 4 & 6 of the Companies (Distribution of Dividend) Regulations, 2017, the Company shall be constrained to withhold the payment of dividend to shareholders, in case of non-availability of identification number (CNIC or National Tax Number) of the Shareholder or authorized person.

Accordingly, the shareholders, who have not yet submitted a copy of their valid CNIC or NIN certificate, are once again requested to immediately submit the same to the Company's Share Registrar at CDC Share Registrar Services Limited, CDC House, 99-B, Block - B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi. Those shareholders who hold shares in dematerialized form are requested to submit the dividend bank mandate form duly filled to their participant/investor account services at the CDC. Corporate entities are requested to provide their National Tax Number (NIN) and Folio Number along with the authorized representative's CNIC copy.

For the Convenience of shareholders e-Dividend Mandate Form is available on the Company's website i.e., <https://www.nfoods.com>.

Status of IBAN as on June 30, 2023, of National Foods Limited Shareholders (Physical & CDS) as follows:

Current Total Number of Shareholders as on June 30, 2023			Current Number of IBAN updated as on June 30, 2023			Ratio/Percentage (%) of IBAN updated
Physical	CDS	Total	Physical	CDS	Total	
479	4,268	4,747	141	4,234	4,375	92.16

#### 5. Declaration as per Zakat 8Usher Ordinance 1980

To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" on NISP of Rs.50/- to the Share Registrar. In case shares are held in scripless form such Zakat Declaration Form (CZ-50) must be uploaded in the CDC account of the shareholder, through their participant / Investor Account Services. Further, Non-Muslim shareholders are also required to file Solemn Affirmation (on format available on Company's website) with the Share Registrar of the Company in case of shares are held in physical certificates or with CDC Participant / Investor Account Services in case shares are in scripless form. No exemption from deduction of zakat will be allowed unless the above documents complete in all respects have been made available as above.

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

- This is with reference to the final cash dividend announced by National Foods Limited at the rate of Rs. 2.50 per share to the Shareholders for the year ended June 30, 2023.
- Shareholders whose names are not appearing in the Active Tax-payers list (ATL) are advised to immediately make the necessary arrangement to make them active. Otherwise, tax on their cash dividend will be deducted as per law.
- Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on Active/Non-Active 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 with joint Shareholders 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 No. 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)

### Notes:

- The required information should be forwarded to the share registrar's office of the company; otherwise, it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s) and tax will be deducted accordingly.
- The Corporate shareholders having CDC accounts are requested to have their National Tax Number (NIN) updated with their respective participants. Corporate Physical Shareholders should send a copy of their NIN Certificate to the Company's Share Registrar. The Shareholders, while sending NIN or NIN certificates, as the case may be, must quote Company name and their respective folio numbers.

Withholding tax exemption from dividend income shall only be allowed if a copy of a valid tax exemption certificate is made available to the Company's Share Registrar.

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

Company: [corporate.secretary@nfoods.com](mailto:corporate.secretary@nfoods.com)

Share registrar: info@cdcsrsl.com

**7. Unclaimed Dividend/Shares**

Shareholders, who by any reason, could not claim their dividend/shares, if any, are advised to contact our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House-99B, Block 'B', S.M.C.H.S., main Shahrah-e-Faisal, Karachi-74000, to collect / enquire about their unclaimed dividend/shares, if any.

**8. Postal Ballot/E-Voting**

In accordance with the Companies (Postal Ballot) Regulations, 2018, for the purpose of election of directors and for any other agenda item 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.

**9. Code of Conduct for Shareholders in General Meeting:**

Section 215 of Companies Act, 2017 (the "Act") and Regulation 28 of the Companies (General Provisions and Forms) Regulations, 2018, state the Code of Conduct of the Shareholders as follows:  
 a) Shareholders are not permitted to exert influence or approach the management directly for decisions which may lead to the creation of hurdles in the smooth functioning of management. The law states that Shareholders shall not bring material that may cause threat to participants or premises where the AGM is being held, confine themselves to the agenda items covered in the notice of the AGM and shall not conduct themselves in a manner to disclose any political affiliation.  
 b) Any shareholder who fails to conduct in the manner provided in this section and as specified by the Commission shall be guilty of an offence under this section and shall be liable to a penalty not exceeding level 1 on the standard scale.

Additionally, in compliance with Section 185 of Companies Act, 2017, the Company is not permitted to distribute gifts in any form to its members in its meeting.

**10. Circulation / Transmission of Annual Report 2023 and Notice of Meeting**

In accordance with the provision of Section 223 of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2023, are available on the Company's website (<https://www.nfoods.com>). Annual Report 2023 and notice of AGM is also being circulated through post/courier to the members in accordance with section 223(6) of the Companies Act, 2017 and electronically to members via email to all those shareholders whose email addresses are available with the CDC or the Share Registrar.

Any shareholder requiring a printed copy of the Annual Audited Financial Statements 2023 shall be provided with a copy free of cost within seven working days of receipt of such request.

**11. Conversion of Physical Shares into Book-Entry Form**

Pursuant to Section 72 of the Companies Act and directive issued by SECP vide its letter No. CSD/D/Misc./2016-639-640 dated 26 March 2021, all listed companies are required to pursue their shareholders who still hold shares in physical form, requiring them to convert their shares in Book-Entry-Form.  
 In view of the aforesaid requirement shareholders of the Company are requested to convert their physical shares into book-entry form as soon as possible. Conversion of shares into book-entry form would facilitate the shareholders i.e., readily available market for instant sale and purchase of shares, elimination of risk of loss & damage, easy & safe transfer and less formalities as compared to physical shares. Shareholders may contact the Share Registrar of the Company for assistance in the conversion of shares. Guidelines for Conversion of Physical Shares into Book-entry Form are available on the website of CDC Share Registrar Services Limited at the given link: [https://www.cdcsrsl.com/?jet\\_download=7429](https://www.cdcsrsl.com/?jet_download=7429)

**12. Mandatory Registration Details of Physical Shareholders**

According to Section 119 of the Companies Act 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulations 2018, all physical shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile/telephone number, International Bank Account Number (IBAN), etc. to our Share Registrar at their address, provided in Note 1, immediately, to avoid any non-compliance of law or any inconvenience in future.

**13. Intimation of Non-Resident Shareholders**

Non-resident Shareholder shall submit declaration of undertaking with copy of valid passport under definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of residential status for the purposes of tax deduction on dividend to the Share Registrar (Messrs. CDC Share Registrar Services Limited, CDC House, 99-B, Block - B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi) or email at [info@cdcsrsl.com](mailto:info@cdcsrsl.com) at the latest by 17 October 2023. A copy of the declaration form can be downloaded from the Company's Website <https://www.nfoods.com>.

**14. Video-Conferencing Facility in Other Cities**

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-conferencing to such members for attending annual general meeting of the company, if so required by such members in writing to the company at least seven days (7) before the date of the meeting. The Company will intimate members regarding the venue of conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

<p><b>Consent for Video-Conferencing Facility</b>                  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 Annual General Meeting to be held on October 19, 2023 or any adjourned meeting through video-conferencing facility at _____ (Please insert name of the City)                  _____                  Signature of member</p>
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**STATEMENTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017**

This statement sets out all the material facts concerning Special Business under Agenda Item No 5, 6 and 7 be transacted at the 52nd Annual General Meeting.

**AGENDA ITEM NO. 5**

**ORDINARY RESOLUTIONS - Circulation of Annual Audited Financial Statements through QR enabled code and weblink:**

The Securities and Exchange Commission of Pakistan ("SECP") through its Notification No. S.R.O 389(I)/2023 dated March 21, 2023, has allowed companies to circulate the annual balance sheet and profit and loss account, auditor's report, and directors report, etc. ("annual audited financial statements") to its members through QR enabled code and weblink.

The approval of the shareholders has to be obtained in the general meeting to circulate the annual audited financial statements to its members through the QR enabled code and weblink. A shareholder may request the Company Secretary or Share Registrar of the Company to provide a hard copy of the Annual Audited Accounts, and the same will be provided at shareholder's registered addresses, free of cost, within one week of the demand. In this regard, the Company's designated email address / Share Registrar email address will be placed on website of the Company. A shareholder may also prefer to receive hard copies for all future Annual Audited Accounts.

In view of the above, it is proposed that the Ordinary Resolution at Agenda 5 of the Notice of AGM be passed.

None of the Directors of the Company have any personal interest in the aforesaid Special Business except in their capacity as Shareholders or Directors of the Company.

**AGENDA ITEM NO. 6**

**SPECIAL RESOLUTION -- Agreement with ATC Holdings (Private) Limited**

National Foods Limited (NFL) will be entering into an Agreement with ATC Holdings (Private) Limited (ATCH) to provide Honey Packaging Services. As the majority of directors were interested in the arrangement due to their common directorship and shareholding, in ATCH, the shareholders are requested to approve the Agreement by NFL, by passing special resolution in terms of Section 208 of the Companies Act, 2017.

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]

i) Name of related party;	ATC Holdings (Private) Limited
ii) Names of the interested or concerned directors;	<ul style="list-style-type: none"> <li>• Abrar Hasan</li> <li>• Adam Fahy Majeed</li> <li>• Noreen Hasan</li> <li>• Zahid Majeed</li> </ul>
iii) 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;	Common Directorship
iv) Detail, description, terms and conditions of transactions;	Under an SLA, NFL will be filling the honey product for ATCH. All materials will be provided by ATCH
v) Amount of transactions;	Rs. 52 per bottle
vi) Timeframe or duration of the transactions or contracts or arrangements;	On-going
vii) Pricing policy;	Competitive quotations obtained from local vendors providing identical packaging solutions on arm's length basis
viii) Recommendations of the audit committee;	Yes
ix) 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.	N/A

*Inspection:* The Agreement 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.)

**AGENDA ITEM NO. 7**

**SPECIAL RESOLUTIONS - Transactions with Related Parties**

**(a) Ratification and approval of transactions with related parties carried out during the financial year ended June 30, 2023**

The company carries out transactions with its related parties on an arm's length basis, as per the approved policy with respect to 'transactions with related parties', in the normal course of business. All transactions entered into with related parties require the approval of the Board Audit Committee of the Company, which is chaired by an independent director of the Company. Upon the recommendation of the Board Audit Committee, such transactions are placed before the Board of Directors for their approval. However, in terms of Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Code) approval of shareholders is required for such transactions with related parties in which majority of directors of the company are interested. The Companies Act, 2017 (the Act) also requires approval of such related party transactions by shareholders where the majority of directors are interested.

In view of the above, following transactions, in which majority of directors are interested due to their common directorship, carried out in normal course of business on an arm's length basis with related parties during the financial year ended June 30, 2023, are being placed before the shareholders for their ratification and approval.

Name of Related Party	Relationship	Nature of Transaction	Amount in Rupees '000'	Pricing Policy
ATC Holding (Private) Limited	Parent Company	Rental Income	3,610	Arm's length/under approved agreement with related Party
ATC Holding (Private) Limited	Parent Company	Rental Expense	5,432	Arm's length/under approved agreement with related Party
ATC Holding (Private) Limited	Parent Company	Reimbursement of expenses	13,184	Arm's length/under approved agreement with related Party
National Foods DMCC	Subsidiary Company	Net Sales	2,258,517	Arm's length/under approved agreement with related Party

**(b) and (c) Authorization for the Board of Directors to approve the related party transactions during the financial year ending June 30, 2024, and till next Annual General Meeting**

The Company is and shall be conducting transactions with its related parties during the financial year ending June 30, 2023, and subsequently, on arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business or otherwise.

The related parties' transactions in which the majority of Directors are interested due to their common directorship and/or shareholding, therefore necessitate approval of shareholders. Accordingly, approval of shareholders is being sought to authorize the Board of Directors of the Company to approve all such transactions, in which majority of directors are interested, carried out and to be carried out with such related parties during the financial year ending June 30, 2024, and till next Annual General Meeting, which transactions shall be deemed to be approved by the Shareholders.

The nature and scope of such related party transactions is explained above in the statement under clause (a) of the agenda. The related party transactions requiring shareholders' approval, conducted during the financial year ending June 30, 2024, shall then be placed before the shareholders in the next AGM for their formal approval/ratification.

Disclosure of Interest of Directors: Mr. Abrar Hasan, Mrs. Noreen Hasan, Mr. Adam Fahy Majeed and Mr. Zahid Majeed are interested in the agenda to the extent of their common directorships and/or their shareholding in respective related parties.

