



# DAWOOD HERCULES CORPORATION LIMITED

Dawood Hercules

Dawood Centre, M.T. Khan Road, Karachi-75530

## NOTICE OF 52<sup>nd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 52<sup>nd</sup> Annual General Meeting ("AGM") of Dawood Hercules Corporation Limited (the "Company") will be held on Thursday, May 21, 2020 at 11:00 a.m. at the Dawood Foundation Business Hub, Ground Floor, Dawood Centre, M.T. Khan Road, Karachi to transact the following businesses:

### ORDINARY BUSINESS:

- To receive, consider and adopt the annual unconsolidated and consolidated Audited Financial Statements of the Company for the year ended December 31, 2019, together with Auditors' and Directors' Reports thereon and Chairman's Review Report.
- To appoint Auditors and fix their remuneration. The members are hereby given notice that Audit Committee and the Board of Directors have recommended the name of retiring auditors, A. F. Fergusons & Co., Chartered Accountants for reappointment as auditors of the Company.
- To elect nine (9) directors of the Company as fixed by the Board of Directors, in accordance with Section 159(1) of the Companies Act, 2017 for a term of three (3) year commencing from May 22, 2020. Names of the retiring directors who are eligible for re-election are given below:
 

1. Mr. Hussain Dawood	4. Ms. Sabrina Dawood	7. Mr. Muneer Kamal
2. Mr. Shahzada Dawood	5. Mr. Parvez Ghias	8. Mr. Hasan Reza Ur Rahim
3. Mr. Abdul Samad Dawood	6. Mr. Shabbir Hussain Hashmi	9. Mr. Imran Sayeed

Statement of material fact pursuant to Section 166(3) of the Companies Act, 2017 being dispatched to the shareholders along with this notice.

By order of the Board

Place: Karachi

Dated: April 16, 2020

Asim H. Akhund

Company Secretary

### Notes:

#### 1. Coronavirus Contingency Planning for Annual General Meeting of Shareholders:

Due to current COVID-19 situation, the Government has suspended large public gatherings at one place. Additionally, the Securities and Exchange Commission of Pakistan ("SECP") in terms of its Circular No.5 of 2020 issued on March 17, 2020 and Pakistan Stock Exchange Limited ("PSX") through its notice Ref: PSX/N-372 dated March 19, 2020 has advised companies to modify their usual planning for general meetings for the safety and wellbeing of shareholders and the public at large.

Considering the SECP's directives, the Company intends to convene this AGM with minimal physical interaction of shareholders while ensuring compliance with the quorum requirements and requests the members to consolidate their attendance and voting at the AGM through proxies.

The Company, furthermore, has made arrangements to ensure that all participants, including shareholders, can now participate in the AGM proceedings via video link. For this, members are required to email their Name, Folio Number, Cell No., and Number of Shares held in their name with subject "Registration for Dawood Hercules Corporation Limited AGM" along with valid copy of CNIC (both sides) at companysecretary@dawoodhercules.com. Video link and login credentials will be shared with only those members whose emails, containing all the required particulars, are received at least 24 hours before the time of AGM.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address companysecretary@dawoodhercules.com. Members are therefore, encouraged to attend the AGM through video link or by consolidating their attendance through proxies.

#### 2. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from May 15, 2020 to May 21, 2020 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, FAMCO Associates (Private) Limited, 8-F Near Hotel Faran, Block 6, P.E.C.H.S. Shakra-e-Faisal, Karachi, PABX No (92-21) 34380101-5 and email info.shares@famco.com.pk, by close of business on May 14, 2020, will be treated as being in time for the purposes of attending and voting at the AGM.

#### 3. Election of Directors:

The current directors of the Company were supposed to complete their term on April 28, 2020, however owing to the Pandemic (COVID 19), the Commission vide Circular No. 6 issued on March 22, 2020 ("Circular") granted relaxation from certain provisions of Act, pertaining to the holding of AGMs. In this regard, a general extension of 30 days for holding AGM till May 29, 2020 was granted to companies in terms of Section 132 of the Act and for election of directors, companies were advised to file impediment report under Section 158(2) of the Act in order to hold elections at a later date due to impediments. Pursuant to the Circular, the Company filed the impediment report hence the current directors have continued their term in accordance with Section 158(2) of the Act, the Circular and the impediment report filed with the Registrar under the Circular.

In terms of Section 159(1) of the Companies Act, 2017, the Directors have fixed the number of elected directors at nine (9) to be elected in the AGM for the next term of three year.

Any person who seeks to contest the election of directors shall, whether he is a retiring director or otherwise, file with the Company the following documents and information at its registered office not later than fourteen days before the day of the above said meeting:

- His/her Folio No./CDC Investors Account No./CDC Participant No./Sub-Account No.
- Notice of his/her intention to offer himself/herself for the election of directors in terms of Section 159(3) of the Companies Act, 2017.
- Consent to act as director on Form 28 under section 167 of the Companies Act, 2017.
- A detailed profile along with his/her office address for placement onto the Company's website
- The selection of independent directors shall be as per requirements of Section 166 of the Companies Act, 2017. Any member intending to contest as independent director shall submit a declaration that he/she qualifies the criteria of eligibility and independence notified under the Companies Act, 2017 and rules and regulations issued thereunder.
- An attested copy of Computerized National Identity Card (CNIC).
- A declaration that:
  - He/she is not ineligible to become a director of the Company under any applicable laws and regulations (including Pakistan Stock Exchange Limited Regulations).
  - He/she is not serving as a director of more than seven listed companies.
  - Neither he/she nor his/her spouse is engaged in the business of brokerage or is a sponsor director or officer of a corporate brokerage house.
  - He/she is aware of his/her duties and powers under the relevant laws, Memorandum & Articles of Association of Company and Pakistan Stock Exchange Limited Regulations.

#### 4. Participation in the AGM:

All members, entitled to attend and vote at the meeting, are entitled to appoint another person in writing as their proxy to attend and vote on their behalf. A proxy need not be a member of the Company. In case of corporate entities, a resolution of the board of directors/power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity and attested copy of CNIC shall be submitted to the Company at meeting or along with a completed proxy form. The proxy holders are required to produce their original valid CNICs or original passports at the time of the meeting.

In order to be effective, duly completed and signed proxy forms must be received at the Company's Registered Office at least 48 hours before the time for holding the meeting.

CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

#### A. For Attending the Meeting

- In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall authenticate his/her original valid CNIC or the original passport at the time of attending the meeting.
- In case of corporate entity, the board of directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

#### B. For Appointing Proxies

- In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per above requirements.
- Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce original valid CNIC or original passport at the time of the meeting.
- 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.
- Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

#### 5. Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001 ("Income Tax Ordinance")

The rates of deduction of withholding tax for filers and non-filers as prescribed under Section 150 of the Income Tax Ordinance 2001, are as under:

For filers of income tax returns	15.00%
For non-filer of income tax returns	30.00%

#### Withholding tax on Dividend in case of Joint Account Holders

Members who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his/her shareholding.

If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher side, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company latest by the Annual General Meeting date.

Folio/CDC A/c No.	Total No of Shares	Name of Principal Shareholder and CNIC #	Share Holding	Name of Joint Shareholders and CNIC #	Share Holding
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#### Valid Tax Exemption Certificate for Exemption from Withholding Tax:

A valid tax exemption certificate is necessary for exemption from the deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001. Members who qualify under Clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 and wish to seek an exemption must provide a copy of their valid tax exemption certificate to the Shares Registrar prior to the date of commencement of Book closure otherwise tax will be deducted according to the applicable law.

#### Unclaimed Dividend

Shareholders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar FAMCO Associates (Private) Limited, 8-F Near Hotel Faran, Block 6, P.E.C.H.S. Shakra-e-Faisal, Karachi to collect / enquire about their unclaimed dividend, if any.

#### 6. Change of Address:

Shareholders are requested to promptly notify any change in their address quoting their Folio No(s), to the Share Registrar of the Company.

#### 7. Notice of Shareholders who have not provided their CNIC:

The members who have not yet submitted copy of their valid CNIC / NTN (in case of corporate entities) are requested to submit the same to the Company's Share Registrar with members Folio No. / CDC Account No. mentioned thereon.

#### 8. Postal Ballot

- Pursuant to the Companies (Postal Ballot) Regulations, 2018 for the purpose of election of directors and for any other agenda item, the members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.
- If the number of persons who offer themselves to be elected is more than the number of directors fixed under Section 159(1) of the Companies Act, 2017, then the Company shall provide its members with the option of voting by postal ballot in accordance with the provisions of the Companies (Postal Ballot) Regulations, 2018.

#### 9. Deposit of Physical Shares into CDC Accounts

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e. May 31, 2017.

The shareholder having physical shareholding may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited.

#### 10. Payment of Cash Dividend Electronically

Under second proviso to Section 242 of the Companies Act, 2017 listed companies are required to pay declared cash dividends only through electronic mode directly into the bank accounts designated by the entitled shareholders.

Accordingly, the shareholders of the Company are requested to provide the following information for payment of cash dividend to be declared by the Company through electronic mode directly in the bank account designated by you.

Title of Bank Account	
Account Number	
IBAN Number	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Shareholder	

The shareholders are also required to intimate the changes, if any in the above-mentioned information to the Company and the Share Registrar as soon as they occur. In case of shares held electronically, then the above electronic credit mandate form must be submitted directly to shareholder(s) / broker/participant/CDC account services.

#### 11. Transmission of Annual Accounts, Notices of Meetings, Auditor's Report and Directors' Report through CD, DVD or USB Pursuant to S.R.O 470(I)/2016 dated May 31, 2016, the shareholders of the Company have accorded approval in general meeting for transmission of annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company through CD or DVD or USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copy of the aforesaid documents may send to the Company Secretary / Share Registrar, the Standard Request Form provided in the annual report and also available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. The shareholders who intend to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website: <https://www.dawoodhercules.com>

#### 12. The Company has placed the audited unconsolidated and consolidated financial statements and notice of AGM along with Proxy Form both in English and Urdu language on its website <https://www.dawoodhercules.com>.