



Dawood Hercules

5<sup>th</sup> April 2018

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Dear Sir,

**Notice of Annual General Meeting**

Enclosed please find a copy of the Notice of the Annual General Meeting to be held on 27<sup>th</sup> April 2018, for circulation amongst the TRE Certificate Holders of the Exchange.

Kindly acknowledge receipt of the same.

Thanking you,

Yours sincerely,

Shafiq Ahmed  
Company Secretary

# NOTICE OF 50<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that 50th Annual General Meeting of the shareholders of Dawood Hercules Corporation Limited (the "Company") will be held on Friday, April 27, 2018 at 10:00 a.m. at The Dawood Foundation Business Hub, Ground Floor, Dawood Centre M.T. Khan Road, Karachi to transact the following businesses:

## ORDINARY BUSINESS

1. To confirm the minutes of the Extraordinary General Meeting held on March 6, 2018.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2017 together with the Auditor's and Directors' Reports thereon.
3. To approve the payment of final cash dividend at the rate of Rs. 2 per share i.e. (20%) as recommended by the Board of Directors. This is in addition to the interim cash dividend at the rate of Rs. 2 per share i.e. (20%) already paid to the shareholders, thus making a total cash dividend of Rs. 4 per share i.e (40%) for the year ended December 31, 2017.
4. To appoint Auditors for the year ending December 31, 2018 and to fix their remuneration.
5. To transact any other business of the Company with the permission of the Chair.

By Order of the Board

Karachi  
March 19, 2018

Shafiq Ahmed  
Company Secretary

## Notes:

### 1. Placement of Financial Statements:

The Company has placed the Audited Annual Financial Statements together with Directors' and Auditors' Report thereon for the year ended December 31, 2017 on its website: [www.dawoodhercules.com](http://www.dawoodhercules.com).

### 2. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from April 20, 2018 to April 27, 2018 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, Messrs. FAMCO Associates (Private) Limited, 8-F, Next to Hotel Faran, Block-6, P.E.C.H.S, Shakra-e-Faisal, Karachi, by close of business (5:00 p.m.) on April 19, 2018, will be treated as being in time for the purposes of payment of final dividend to the transferees and to attend and vote at the meeting.

### 3. Participation in the Annual General Meeting:

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. A corporate entity, being member, may appoint any person, regardless whether they are a member or not, as its proxy. 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 shall be submitted to the Company along with a completed proxy form. The proxy holders are required to produce their original 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 of the meeting.

4. CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan (SECP) in Circular No. 1 of 2000:

#### A. For Attending the Meeting

- a. In case of Individuals, the account holders or sub-account holders whose registration details are uploaded as per Regulations shall authenticate his/her

original valid Computerized National Identity Card (CNIC) or the original Passport at the time of attending the meeting.

- b. 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**

- a. 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.
- b. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- c. The proxy shall produce original valid CNIC or original passport at the time of the meeting.
- d. 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.
- e. Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

#### **5. Computerized National Identity Card (CNIC) / National Tax Number (NTN):**

With reference to the Securities and Exchange Commission of Pakistan (SECP) Notifications SRO 19(1)/2014 and SRO 831(1)/2012 dated July 5, 2012, which mandate that the dividend warrants should bear CNIC number of the

registered member or their authorized person, except in case of minor(s) and corporate members. All those individual members holding physical shares who have not yet recorded their CNIC No. are once again reminded to immediately submit the copy of their CNIC to Company's Share Registrar Messrs. FAMCO Associates (Private) Limited, 8-F, Next to Hotel Faran, Block-6, P.E.C.H.S, Shakra-e-Faisal, Karachi. Members while sending CNIC must quote their respective folio numbers. The corporate members having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate entities having physical shares should send a copy of their NTN certificates to Company's Share Registrar. The corporate members while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

#### **6. Consent for Video Conference Facility:**

Members can also avail video conference facility under the provision of Section 134(1)(b) of Companies Act, 2017 to participate in the general meeting and consent from members as per following format. The members must hold in aggregate 10% or more shareholding residing in that city and consent of shareholders must reach at the registered address of the Company at least 10 days prior to the general meeting in order to participate in the meeting through video conference. The Company will intimate members regarding venue of video conference facility at least 7 days before the date of Annual General Meeting along with complete information necessary to enable them to access such facility.

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of Dawood Hercules Corporation Limited, holder of \_\_\_\_\_ ordinary share (s) as per Register Folio/CDC Account No \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of Members

## 7. Withholding Tax on Dividend:

The 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. These tax rates are as under:

- (a) For filers of income tax returns : 15%
- (b) For non-filers of income tax returns : 20%

Shareholders who are filers are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the website of FBR by the first day of book closure, otherwise they shall be treated as non-filers and tax on their cash dividend will be deducted at the rate of 20% instead of 15.0%.

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

In order to enable the Company to follow the directives of the regulators to determine shareholding ratio of the Joint Account Holder(s) (where shareholding has not been determined by the Principal Shareholder) for deduction of withholding tax on dividend of the Company, Shareholders are requested to please furnish the shareholding ratio detail of themselves as Principal Shareholder and their Joint Holders, to the Company's Share Registrar, enabling the Company to compute withholding tax of each shareholder accordingly. The required information must reach to Company's Share Registrar before book closure otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holders(s).

### Requirement of valid tax exemption certificate for claiming exemption from withholding tax:

As per FBR Circulars C. No. 1 (29) WHT/2006 dated 30 June 2010 and C. No. 1 (43) DG (WHT) /2008- Vol. II -66417-R dated 12 May 2015, the valid exemption certificate is mandatory to claim

exemption of withholding tax U/S 150 of the Income Tax Ordinance 2001 (tax on dividend amount) where the statutory exemption under clause 47B of part – IV of Second Schedule is available. The shareholders who fall in the category mentioned in above clause and want to avail exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar before book closure otherwise tax will be deducted on dividend as per applicable rates.

## 8. 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. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc.

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 concerned Share Registrar as soon as these 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.

**9. 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: [www.dawoodhercules.com](http://www.dawoodhercules.com).

**Update under Clause 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, with respect to the Special Resolution passed at the Extraordinary General Meeting held on March 6, 2018:**

Total investment approved	Total investment approved of PKR 17,430 million inclusive of Loan of amount (if required) not exceeding PKR 10,130 million.
Amount of investment made to date	In process
Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time; and	Not applicable
Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment	None