



Pakistan National Shipping Corporation

(ESTABLISHED UNDER ORDINANCE NO. XX OF 1979)

No. CAS/8927/20

1st October, 2020

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

Subject: Notice of Annual General Meeting

Dear Sir,

Enclosed please find a copy of the notice of the Annual General Meeting of Pakistan National Shipping Corporation which will be published on 3rd October, 2020 in the newspapers.

Your's Sincerely,

Muhammad Javid
Secretary PNSC

Notice of Annual General Meeting

Notice is hereby given that the 42nd Annual General Meeting of the Shareholders of Pakistan National Shipping Corporation (Corporation) will be held on Monday, the 26th October, 2020 at 1100 hours virtually through video link facility, in the light of SECP's directives to transact the following ordinary business.

1. To confirm minutes of the 41st Annual General Meeting of the Shareholders of the Corporation held on 28th October, 2019.
2. To consider and adopt the audited financial statements of the Corporation and the consolidated financial statements of the PNSC Group together with the reports of Auditors and Directors for the year ended 30th June, 2020.
3. To consider and approve Board's recommendation to pay 22.5 % Cash Dividend (i.e.) Rs.2.25 per share to the shareholders.
4. To consider appointment of joint auditors of the Corporation for the year ending 2020-2021 and to fix their remuneration.
5. To transact any other business that may be placed before the meeting with the permission of the chair.

By Order of the Board



Muhammad Javid
Corporation Secretary

Karachi
Dated: 01st October, 2020

Notes:

- i) The Share Transfer Books of the Corporation will remain closed from 20th October, 2020 to 26th October, 2020 (both days inclusive).
- ii) A shareholder entitled to attend and vote at this meeting is also entitled to appoint his/her proxy to attend the meeting. Proxies must be received at the Head Office of the Corporation not less than 48 hours before the time of holding the meeting. **CDC Accounts Holders** will further have to follow the guidelines as laid down in Circular 1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan. The shareholders are requested to promptly notify Share Registrar of the Corporation of any change in their addresses.

A) For Attending Meeting:

- i. Keeping in view the threat by the evolving coronavirus (COVID-19) situation, the Securities & Exchange Commission of Pakistan vide Circular No. 5 dated March 17, 2020 which have been extended up to October 31, 2020 vide their another circular No.25 of 2020 has advised the companies to modify their usual planning for Annual General Meeting in order to protect the well-being of the shareholders. In this regard special arrangement have been made for AGM which are as under:
- ii. AGM will be held through Zoom application – a video link facility.
- iii. To attend the meeting, members are requested to get themselves registered with the Company Secretary office by providing the following details at the earliest but not later than two working days before the AGM through following means:

Mobile/WhatsApp: 0300 8272582
E-mail: kashif.fazlani@pnsc.com.pk

Name of Shareholder	CNIC Number	CDC Account No./Folio No.	Mobile Number	Email Address

- iv. Upon receipt of the above information from the interested shareholders, the Corporation will send the login credentials at their e-mail address. On the date of AGM login facility will be opened at half hour before the meeting time, members will be able to login and join in the AGM proceedings through their smartphone / computer devices.

- v. In view of the above the Shareholders may also provide their comments/suggestions for the proposed agenda items of the AGM at least two working days before AGM by using the aforesaid means. Shareholders are requested to mention their full name, CNIC and CDC/Folio no. for this purpose.
- vi. In case of corporate entity, Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be provide to the Corporation in the manner described in para A(iii) above.

B) For Appointing Proxies:

- i. In case of individuals, the account holder or sub-account holder is and / or the person whose securities are in group account and their registration detail is uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. In case of corporate entities board of directors' resolution / power of attorney with specimen signature of the nominee shall be submitted along with the proxy form to Corporation in the manner described in para A(iii) above.

C) CNIC / NTN Number on Dividend Warrant (Mandatory)

As has already been notified from time to time, the Securities and Exchange Commission of Pakistan (SECP) vide Notification SRO 275(1)/2016 dated March 31, 2016 read with Notification SRO 19(1)/2014 dated January 10, 2014 and Notification SRO 831(1)/2012 dated July 5,2012 required that the Dividend Warrant(s) should also bear the Computerized National Identity Card (CNIC) Number of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s). Henceforth, issuance of dividend warrant(s) will be subject to submission of CNIC (individuals) NTN (corporate entities) by shareholders.

D) Withholding Tax on Dividend (Mandatory)

- i. Pursuant to the provision of the Finance Act 2020 the rates of deduction of Income tax from dividend payments under the Income Tax Ordinance, 2001 are as follows:

a)	For filers of income tax returns	15%
b)	For non-filers of income tax returns	30%

- ii. 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 at the time of dividend payment, otherwise they shall be treated as non-filers and tax on their cash dividend will be deducted at the rate of 30% instead of 15%.

E) Withholding Tax on Dividend In case of Joint Account Holders

- i. According to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions in case of joint accounts.
- ii. In this regard all shareholders who hold shares jointly 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:

Corporation Name	Folio/CDS Account No.	Total Status	Principal Shareholder		Joint Shareholder(s)	
			Name & CNIC No	Shareholding proportion (No. Shares)	Name & CNIC No	Shareholding Proportion. (No.of Shares)

- iii. The required information must reach our Share Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holder(s).
- iv. As per FBR Circulars C. No.1 (29) WHT/2006 dated 30 June 2010 and C. No.1 (43) DG (WHT) 2008- Vol. 11-664174-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 M/s. CDC Share Registrar Services Limited, before book closure otherwise tax will be deducted on dividend as per applicable rates.

- v. The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participant, whereas corporate physical shareholders should send a copy of their NTN certificate to our Share Registrar M/s. CDC Share Registrar Services Limited,. The shareholders while sending NTN or NTN certificate, as the case may be, must quote Corporation name and their respective folio numbers.

F) Dividend Mandate

- i. The provision of Section 242 of the Companies Act, 2017 (the "Act") provides that any dividend declared by a listed company shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders.
- ii. Further SECP through Circular No.18/2017 dated 1st August, 2017 has required the listed companies to approach their shareholders for obtaining electronic dividend mandate. In this connection please refer to the Corporation's announcement published in Daily Dawn & Daily Jang previously. Therefore, all shareholders are hereby advised once again to provide, if not already provided, details of their bank mandates at their earliest in the format also available on PNSC website www.pnsc.com.pk

G) Distribution of Annual Report through CD/DVD/USB.

SECP through its SRO 470(1)/2016 dated May 31, 2016 has allowed companies to circulate their annual accounts to shareholders through CD/DVD/USB at their registered email addresses instead of transmitting the hard copies. The Corporation has obtained members approval in its 38th AGM held on 28th October 2016. However any shareholder may request the Company Secretary in writing to provide a printed copy of the annual report at their registered address, free of cost.

H) Distribution of Annual Report through emails

Further pursuant to S.R.O. 787(1)/2014 dated 8th September 2014 SECP has permitted companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. A Standard **Consent Form** is available at the Corporation's website: www.pnsc.com.pk Members, who wish to avail this facility, should send duly filled-in Consent Form along with a copy of CNIC or valid passport (in case of foreign shareholder) to Corporation's Secretary at Registered Office of the Corporation. It will be the responsibility of members to intimate any change in their valid registered email address to the Corporation in timely manner.

I) Unclaimed Dividends & Bonus Shares

- i. Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact our Share Registrar M/s. CDC Share Registrar Services Limited, to collect / enquire about their unclaimed dividend or pending shares, if any.
- ii. Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan.

J) Code of Conduct for Shareholders in General Meeting

- I. Pursuant to the provision of Section 215 of Companies Act, 2017(the "Act")
 - a. A member of a company shall act in good faith while exercising its powers as a shareholder at the general meetings and shall not conduct themselves in a manner that is considered disruptive to proceedings of the meeting.
 - b. Without prejudice to his rights under this Act, a member of the company shall not exert influence or approach the management directly for decisions which may lead to create hurdle in the smooth functioning of management
 - c. 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 of level 1 on the standard scale.
- II. In compliance with Section 185 of Companies Act, 2017 Corporation shall not distribute gifts in any form to its members in its meeting.

K) Availability of Audited Financial Statements on Corporation's website

The audited financial statements of the Corporation for the year ended 30th June, 2019 will be available in due course on the Corporation's website <https://pnsc.com.pk/financial-statements.html>