



Notice of Annual General Meeting

Notice is hereby given that the fifty-fourth Annual General Meeting of Security Papers Limited will be held on Friday, August 30, 2019 at 11:00 am at The Institute of Bankers Pakistan, M.T. Khan Road, Karachi to transact the following business:

A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2019 together with the Directors' and Auditors' Reports thereon.
2. To approve the final payment of cash dividend at the rate of Rs. 7.25 per share i.e. 72.5% for the year ended June 30, 2019 as recommended by the Board of Directors. This is in addition to the interim cash dividend already paid at the rate of Rs. 1 per share i.e. 10% making a total of Rs. 8.25 per share i.e. 82.5%.
3. To appoint Auditors for the year 2019-20 and to fix their remuneration.

Karachi,
July 26, 2019

NOTES:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from August 22, 2019 to August 30, 2019 (both days inclusive). Transfers received in order at the office of the Share Registrar, M/s. FAMCO Associates (Pvt.) Limited, 8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi by the close of business on August 21, 2019 will be considered in time to determine the abovementioned entitlement and to attend and vote at the Meeting.

2. Participation in the Annual General Meeting

A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote on his/her behalf. The instrument appointing proxy must be received at the Registered Office of the Company duly stamped and signed, no later than 48 hours before the meeting.

CDC Account Holders will further have to follow the below mentioned guidelines as laid down in Circular No. 1, dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

By Order of the Board

(Faisal Saeed Khan)
Company Secretary



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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 the 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/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:

- (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, addresses and CNIC numbers shall be mentioned on the form.
- (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 the proxy form to the Company.

3. CNIC/NTN Number on Dividend Warrant (Mandatory)

As it has already been notified from time to time, SECP has directed vide its Notification S.R.O. 831(1)/2012 dated July 5, 2012 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).

In order to comply with the SECP's directives and in terms of Section 243(2)(a) of the Companies Act, 2017, the Company shall be constrained to withhold the Dividend Warrant(s), in case of non-availability of a copy of valid CNIC (for individuals) and National Tax Number (for corporate entities).

Accordingly, shareholders who have not yet submitted a copy of their valid CNIC or NTN are once again requested to immediately submit the same to the Company or Share Registrar, M/s. FAMCO Associates (Pvt.) Limited.



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4. Deduction of Withholding Income Tax from Dividend under Section 150 the Income Tax Ordinance, 2001 (Mandatory)

(i) Pursuant to the provisions of the Finance Act, 2019 effective July 1, 2019, the rates of deduction of Withholding Income Tax from dividend payments under the Income Tax Ordinance have been revised as follows:

1. Rate of Withholding Income Tax deduction for the persons whose names are appearing on ATL ---- 15%.
2. Rate of Withholding Income Tax deduction for the persons whose names are not appearing on ATL ---- 30%.

To enable the company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers' List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Persons not appearing in the Active Taxpayers' List: The rate of tax required to be deducted/collected, as the case may be, is increased by 100% (as specified in the First Schedule to the Income Tax Ordinance, 2001 (updated as per Finance Act, 2019).

(ii) Withholding Tax will be determined separately on 'persons names appearing on ATL/persons names not appearing on ATL' 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 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:

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

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).

(iii) As per FBR Circulars No. 1 (29) WHT/2006 dated 30th June 2010 and No. 1 (43) DG (WHT)/2008- Vol. II -66417-R dated 12th 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 the 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.

(iv) For any query/problem/information, the investors may contact the Company Secretary at phone: 021-99248285 and email address: comsec@security-papres.com and/or FAMCO Associates (Pvt.) Ltd. at phone: 021-34380101-5 and email address: info.shares@famco.com.pk.



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- (v) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or FAMCO Associates (Pvt.) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

5. Payment of Cash Dividend Electronically (Mandatory)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholder only through electronic mode directly into their bank account designated by the entitled shareholders instead of issuing physical dividend warrants.

Therefore, shareholders are requested to provide the details of their bank mandate information specifying: (a) title of account (b) account number (c) IBAN number (d) bank name and (e) branch name, code and address to the Company or Share Registrar. Those shareholders who hold shares with participants/Central Depository Company of Pakistan (CDC) are advised to provide the same to their concerned participant/CDC.

Please note that as per Section 243(3) of the Companies Act, 2017, listed companies are entitled to withhold payment of dividend, if necessary information is not provided by shareholders.

For the convenience of shareholders, e-Dividend Mandate Form is available on the Company's website: <http://www.security-papers.com>.

6. Unclaimed/Unpaid Shares and Dividends

In accordance with the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividends declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it is due and payable, the Company shall give ninety days notices to the shareholders to file claim. If no claim is made before the Company by the shareholders, the Company shall proceed to deposit the unclaimed or unpaid shares/dividends with the Federal Government in compliance with Section 244 of the Companies Act, 2017.

In this regard, a Notice dated December 28, 2017 was sent by Registered Post acknowledgement due on the last known addresses of the shareholders to submit their claims within 90 days to the Company. In compliance of Section 244(1)(b) of the Companies Act, 2017 a Final Notice had also been published on March 30, 2018 in two daily newspapers i.e. (i) Business Recorder and (ii) Daily Jang in English and Urdu respectively.

In case no claim is received within the given period from the aforesaid Notice, the Company shall proceed to deposit the unclaimed/unpaid amount with the Federal Government pursuant to the provisions of sub-section (2) of Section 244 of the Companies Act, 2017.

7. Placement of Financial Accounts on Website

Pursuant to the notification of the SECP (SRO 634(I)/2014) dated July 10, 2014, the financial statements of the Company have been placed on the Company's website at www.security-papers.com.



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8. Consent for Video Link Facility

Further to SECP S.R.O. No.1027/(I)2014 dated 13th November 2014 clause 1(b) "The Company may provide video link facility to its members for attending the general meeting at places other than the town in which the 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 link at least 10 days prior to the date of meeting, the Company shall arrange video link facility in that city subject to availability of such facility in that city".

The Company will intimate members regarding venue of video link 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 Security Papers Limited, holder of _____ Ordinary Share(s) as per Register CDC/Folio No. _____ hereby opt for video link facility at _____.

9. Change of Address (If any)

Members are requested to notify any change in their addresses immediately.

Shareholders are requested to provide the abovementioned information/documents to (i) respective Central Depository System (CDS) participants and (ii) in case of physical securities, to the Company/Share Registrar.



FORM OF PROXY

I/We _____ of _____
_____ being member(s) of SECURITY PAPERS LIMITED and holder of _____
Ordinary Shares as per Share Register Folio/CDC Account No. _____ hereby appoint _____
Folio/CDC Account No. _____ of _____ CNIC No. or Passport No: _____ or failing
whom _____ Folio/CDC Account No. _____ of _____ CNIC No. or Passport
No. _____ who is also a member of the Company as my/our proxy to attend and vote for me/us and on my/our
behalf at the 54th ANNUAL GENERAL MEETING of the Company to be held on Friday, August 30, 2019 at 11:00 am and at any
adjournment thereof.

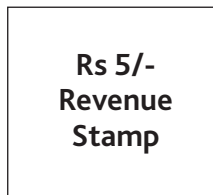
Signed this _____ day of _____ 2019

Witnesses: 1. Signature _____
Name: _____
Address: _____
CNIC or Passport No. _____

2. Signature _____
Name: _____
Address: _____
CNIC or Passport No. _____

Signature _____
(Signature should agree with the specimen signature
registered with the Company)

CNIC or Passport No. _____



IMPORTANT

1. This form of proxy, duly completed and signed, must be deposited at the Company's Registered Office not later than 48 hours before the Meeting.
2. This form should be signed by the member or by his/her attorney duly authorised in writing. If the member is a Corporation, its common seal should be affixed to the instrument.
3. A member entitled to attend and vote at the Meeting may appoint any other member as his/her proxy to attend and vote on his/her behalf except that a corporation may appoint a person who is not a member.

For CDC Account Holders/Corporate Entities:

In addition to the above, following requirements have to be met:

- (i) The proxy form shall be witnessed by two persons whose names, addresses and CNIC or Passport Numbers shall be mentioned on the form.
- (ii) Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (iii) The proxy shall produce his/her original CNIC or original Passport at the time of the Meeting.
- (iv) 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.



پروکسی فارم

میں/ہم..... از..... بحیثیت سیکورٹی پیپرز لمیٹڈ کے ممبر اور حامل..... عدد عام حصص بمطابق شیئر رجسٹر فوئیو/ سی ڈی سی اکاؤنٹ نمبر..... بذریعہ ہذا جناب / محترمہ..... فوئیو/سی ڈی سی اکاؤنٹ نمبر..... حامل سی این آئی سی نمبر یا پاسپورٹ نمبر..... یا بصورت دیگر..... فوئیو/سی ڈی سی اکاؤنٹ نمبر..... حامل سی این آئی سی نمبر یا پاسپورٹ نمبر..... جو کمپنی کے / کی ممبر بھی ہیں، کو کمپنی کے جمعہ 30 اگست 2019 کو صبح گیارہ بجے یا کسی ملٹی شدہ تاریخ کو منعقد ہونے والے 54 ویں سالانہ اجلاس میں اپنی جانب سے شرکت اور رائے دہی کے لیے اپنا پروکسی مقرر کرتا ہوں / کرتے ہیں۔

دستخط..... بتاریخ..... 2019

5/- روپے کا
محصول ٹکٹ

گواہ 1: دستخط
..... نام
..... پتہ
..... سی این آئی سی یا پاسپورٹ نمبر
..... دستخط
..... نام
..... پتہ
..... سی این آئی سی یا پاسپورٹ نمبر

گواہ 2:

دستخط.....

(دستخط کمپنی کے پاس رجسٹرڈ دستخط کے نمونے کے مطابق ہوں)

..... سی این آئی سی / پاسپورٹ نمبر.....

اہم:

- 1- پروکسی فارم ہذا مکمل اور دستخط کے ہمراہ اجلاس کے انعقاد سے کم از کم اڑتالیس (48) گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں جمع کرا دیا جائے۔
- 2- فارم پر ممبر یا اس کا تحریراً مقرر کردہ اٹارنی دستخط کرے گا۔ ممبر کا پوریشن ہونے کی صورت میں اس کی مہر فارم پر ثبت کرنی ہوگی۔
- 3- اجلاس میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کے لیے دوسرے ممبر کو اپنا پروکسی مقرر کر سکتا ہے تاہم کارپوریشن کسی بھی غیر ممبر کو اپنا پروکسی مقرر کر سکتی ہے۔

برائے سی ڈی سی اکاؤنٹ ہولڈرز/ کارپوریشن ادارے

مزید براں مندرجہ ذیل شرائط پر عمل کرنا ہوگا:

- (i) پروکسی فارم پر دو افراد کی گواہی ہونی چاہیے جن کے نام، پتے اور سی این آئی سی یا پاسپورٹ نمبر فارم میں درج ہوں۔
- (ii) ممبر اور پروکسی کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پروکسی فارم کے ہمراہ منسلک کرنی ہوں گی۔
- (iii) پروکسی کو اجلاس کے وقت اپنا اصل سی این آئی سی یا اصل پاسپورٹ پیش کرنا ہوگا۔
- (iv) کارپوریشن ادارے کی صورت میں ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی مع نامزدہ فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پروکسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔