

National foods

National Foods Limited stands as one of the most compelling succession stories in Pakistan's corporate history — a homegrown family enterprise that defied the structural fragility that claims 70% of Pakistani family businesses before the second generation and built itself into the country's largest branded food company through four decades of deliberate, values-driven stewardship. Abdul Majeed started the business in Karachi in 1970 with the simple yet effective goal of using standardized spice blends and recipe mixes to bring convenience, hygienic practices, and consistency to Pakistani home cooking during a period when Pakistani households were largely unfamiliar with packaged food. What started out as a modest business making a few spice products would eventually develop into a publicly traded multinational with yearly sales of more than Rs. 30 billion, exports to more than 40 nations, and a brand presence so ingrained in Pakistani culinary culture that "National" is now practically synonymous with the category it created.

Abdul Majeed founded the company on the same tenets that characterize many successful family businesses: the brand's reputation was the company's most important and most vulnerable asset, and product quality was non-negotiable. His insistence on standardized formulae and identical packaging set National Foods apart from the start in Pakistan's informal, relationship-driven corporate culture, where taking short cuts is sometimes justified as commercial pragmatism. He realized that in the food industry, customer confidence has developed over many years and broken in a matter of days. This idea was more than just a founding principle; it was a stewardship requirement that all succeeding generations would have to uphold.

The passing from Abdul Majeed to the second generation was the crucial test; according to Pakistani business history, most family businesses do not survive intact. The Majeed family overcame it by formalizing governance, integrating professional management alongside family leadership, and listing the business on the Pakistan Stock Exchange—all actions that most Pakistani patriarchs are culturally resistant to. That choice had a profound impact. The family willingly complied with the disclosure, accountability, and transparency requirements that most Pakistani family businesses have spent their whole lives evading by going public. The Majeed family simultaneously obtained outside funding for expansion and enforced the institutional discipline that informally run enterprises continuously lack—and consistently fail without—by keeping most of the company while allowing public shareholders.

Abrar Hasan, who held the position of Chief Executive Officer and played a pivotal role in the company's development from a local spice manufacturer into a diversified branded food firm, was the driving force behind National Foods' professional modernization. His nomination was a practical example of the Three-Circle Family

Business principle: leadership is chosen based on institutional vision and ability rather than blood ties. Under his direction, National Foods aggressively broadened its product line to include recipe mixes, desserts, sauces, jams, ketchups, pickles, condiments, and the nation's first commercial iodized salt. The company's innovative hygienic branded packaging systematically turned consumers away from unofficial, unbranded market purchases and established National Foods as a household name in every significant product category it entered.

The company's overseas plan was just as ambitious as its home expansion. Recognizing that Pakistani families living overseas carry their culinary identity with them and pay a premium for the authentic taste of home, National Foods built a dedicated global infrastructure targeting the South Asian diaspora across 40 countries to protect its balance sheet against Pakistan's ongoing currency devaluation. Instead of depending on simple export agreements, the firm created wholly owned foreign companies, such as National Foods Pakistan (UK) Ltd. and National Foods FZCO in the United Arab Emirates. In Canada, and National Epicure Inc. in Britain. To satisfy both local demand and export volume requirements, manufacturing capacity increased domestically concurrently, with industrial hubs formed in Karachi and Nooriabad and a cutting-edge mega-plant constructed in Faisalabad. The Canadian subsidiary's historic cross-border acquisition of A-1 Bags and Supplies Inc., formerly known as A1 Cash and Carry, marked the culmination of the global expansion and permanently changed National Foods from an overseas grocery exporter into a localized distributor directly integrated into the North American supply chain.

The company's most important and least obvious accomplishment was the governance framework that supported all of this expansion. National Foods made significant investments in developing a professional organizational architecture, hiring competent leaders in the fields of finance, marketing, supply chain, and human resources, and developing procedures and systems that allowed operations to function without the continuous presence of any one person. In addition to being commercial credentials for export eligibility, the company's pursuit of international food safety standards and quality certifications for its manufacturing facilities served as governance tools that integrated auditable accountability into the company's operational DNA, making informal mismanagement structurally challenging in a business environment where it is otherwise the norm.

Because it shows that the governance concepts underlying the Walton, Ford, Cathy, and Kristiansen families are not only Western phenomenon, but National Foods' journey is also very instructive for Pakistani family enterprises. Operating in Pakistan's complex kinship dynamics, informal business culture, and difficult regulatory environment, a Pakistani family business can establish the same structural underpinnings that sustain businesses over generations: professional management, public accountability, separate

ownership and operations, and an unwavering dedication to brand integrity. The Majeed family did not survive by evading Pakistan's structural problems. They accomplished this by creating an organization that was resilient to them. In a country where the absence of succession planning is treated as a cultural norm and where 70% of family businesses collapse before the second generation, National Foods stands as evidence that the norm is a choice — and that a different choice produces a fundamentally different outcome.ⁱ

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