



KPMG Taseer Hadi & Co.
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Company Secretary
askari general insurance company limited
4th Floor, AWT Plaza
The Mall
Rawalpindi

Our ref I-923-2016

21 March 2016

Dear Sir,

**AUDITORS' CERTIFICATE ON FREE RESERVE AS REQUIRED UNDER
COMPANIES (ISSUE OF CAPITAL) RULES, 1996**

We have been requested to provide you with a certificate under the Rule 6 of the Companies (Issue of Capital) Rule, 1996 (the Rules), that free reserves of askari general insurance company limited (the Company) will be more than 15 percent of the issued paid up capital after issuance of 3,883,440 bonus shares.

Scope of certificate

We understand that pursuant to the requirements of Rule 6. Our certificate is required to be filed with Pakistan Stock Exchange and Securities and Exchange Commission of Pakistan (SECP).

Management responsibility

It is the management responsibility to comply with the requirements of the Rules.

Auditors responsibility

Our responsibility is to certify the Company's compliance with the requirement of the Rules in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

- a) Obtained working of free reserves of the Company after proposed issue of bonus shares, based on audited financial statements for the year ended 31 December 2015;

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- b) Obtained certified details of all contingent liabilities as at 31 December 2015;
- c) Obtained a representation letter from the Company that free reserves of the Company are 15% of the enhanced capital after issue of bonus shares and all contingent liabilities has been deducted while calculating the minimum residual reserve;
- d) Verified the working of free reserve to ensure that same is drawn up as required by the Rules and is based on the audited financial statement of the Company for the year ended 31 December 2015; and
- e) Verified that all contingent liabilities as disclosed in the audited financial statements of the Company for the year ended 31 December 2015 has been deducted while calculating the minimum residual reserve.

Certificate

Based on procedures mentioned above, we certify that the free reserve of the Company as disclosed in the audited financial statements for the year ended 31 December 2015, will be more than 15 percent of the increased paid-up capital of the Company after the proposed issue of 3,883,440 bonus shares of Rs. 10 each and all contingent liabilities which have been disclosed in the audited financial statements of the Company for the year ended 31 December 2015, have been deducted while calculating the minimum residual reserve.

Restriction on use and distribution

Our report is given in our capacity as statutory auditors of the Company and is issued solely for the purpose set forth in the scope paragraph and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours faithfully

