

26 September 2016

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

Sub: **APPROVAL OF FINAL CASH DIVIDEND, AMEMNDMENT IN ARTICLES OF ASSOCIATION AND INVESTMENT IN ASSOCIATED COMPANIES & ASSOCIATED UNDERTAKINGS**

Dear Sir,

With reference to subject cited above, the shareholders of Arif Habib Limited in their Twelfth Annual General Meeting held on Saturday, 24th September 2016 at 10:30 a.m. at the Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi have approved the final cash dividend, amendments in Articles of Association and investment in Associated Companies & Associated Undertakings.

The resolutions for the aforementioned matters including resolutions regarding approval of other agenda items have been passed unanimously by the shareholders present in person or as proxies in the meeting who were entitled to vote thereat. Certified true copy of resolutions passed during the Annual General Meeting is enclosed as Annexure-I in compliance with the listing regulations.

Further, minutes of the Annual General Meeting will be submitted to the Exchange within the stipulated time.

Yours faithfully,



Muhammad Taha Siddiqui
Company Secretary



Extracts of resolutions passed during the Twelfth Annual General Meeting of Arif Habib Limited

Resolved that:

“The minutes of the 11th Annual General Meeting held on 19th September 2015 be and are hereby approved and the Chairman be and is hereby authorized to sign the minutes as token of confirmation.”

Resolved that:

“The annual audited financial statements of the Company together with the Directors' and the Auditors' Reports thereon for the year ended 30th June 2016 be and hereby approved and adopted.”

Resolved that:

“M/s. Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants be and hereby approved to be reappointed as external auditors for the year ending 30th June 2017 as recommended by the Board of Directors.”

Further resolved that:

“Chief Executive of the company be and is hereby authorized to fix the remuneration of external auditors for the year ending 30th June 2017.”

Resolved that:

“Final Cash Dividend for the year ended 30th June 2016 at Rs. 7.00 per share i.e. 70% as recommended by the Board of Directors be and is hereby approved.”

Special business

The following special resolutions were passed to approve the amendments / additions / deletions in certain clauses of Articles of Association of the Company

Resolved that:

“Subject to the necessary approvals to be obtained from regulators / creditors and any consequent modification thereon, the amendments / additions / deletions in certain Clauses of Articles of Association of the Company which are laid before the members as Annexure-A of Statement under Section 160(1)(b) and forms an integral part of this resolution, be and are hereby approved.”



Further resolved that:

“The Chief Executive or / and Company Secretary be and are hereby authorized to complete necessary formalities in connection with amendments in Articles of Association, as modified in the Annual General Meeting or in accordance with the advice of any regulator / creditor.”

The following special resolutions were passed to approve Investment in Associated Companies & Associated Undertakings

Resolved That:

“The consent and approval be and is hereby accorded under Section 208 of the Companies Ordinance, 1984 and “the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012” for renewal of following equity investments limit up to unutilized portion for which approval had been sought in previous general meeting(s), in associated companies and associated undertakings as mentioned in the Annexure-B of statement under Section 160(1)(b).”

Further Resolved That:

“The consent and approval be and is hereby accorded under Section 208 of the Companies Ordinance, 1984 and “Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012” for renewal of following sanctioned limits of loans and advances for which approval has been sought in previous general meeting, in associated companies and associated undertakings as mentioned in the Annexure-B of statement under Section 160(1)(b) whereas the renewal of limits will be in the nature of running finance for a period of one year and shall be renewable in next general meeting(s) for further period(s) of one year.”

----- Rupees in million -----

	Name of Companies & Undertakings	Renewal Requested	
		Unutilized Equity Portion	Sanctioned Loan/Advance/Guarantee
1	<i>Safemix Concrete Products Limited</i>	250	250
2	<i>Javedan Corporation Limited</i>	1,532	500
3	<i>MCB-Arif Habib Savings and Investments Limited</i>	500	-



Further resolved that:

“The Chief Executive and/or the Company Secretary be and are hereby authorized to take and do and/or cause to be taken or done any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company’s funds as above as and when required at the time of investment.”

Certified to be True Copy

Taha Siddiqui

Muhammad Taha Siddiqui
Company Secretary



**"STATEMENT UNDER SECTION 160(1)(B) OF THE COMPANIES ORDINANCE 1984
ARIF HABIB LIMITED
PROPOSED AMENDMENTS IN ARTICLES OF ASSOCIATION**

The Board of Directors has recommended to update the Articles of Association of the Company in order to incorporate provisions pertaining to e-voting, video conferencing and circulation of audited accounts to the members through CD/DVD/USB/email in light of various regulations, circulars and notifications of the Securities and Exchange Commission of Pakistan.

Clause	Existing Provision	Proposed Provision	Remarks
60A	-	The Company may provide video conference facility to its members at places other than the town in which general meeting is taking place after considering the geographical dispersal of its members, subject to the condition that members collectively holding ten percent (10%) or more shareholding residing at a geographical location provide their consent to participate in the general meeting through video conference at least ten (10) days prior to the date of the general meeting. The Company shall arrange video conference facility in that city subject to availability of such facility in that city. The Company shall intimate to members regarding venue of video conference facility at least five (5) days before the date of the general meeting along with complete information necessary to enable them to access such facility. The quorum as required under the Ordinance as well as Chairman of the general meeting shall be present at the place of the general meeting.	New Clause
75A	-	A member may opt for e-voting in a general meeting of the Company under the provisions of the Companies (E-Voting) Regulations, 2016 (including any statutory modification thereof), as amended from time to time. In the case of e-voting, both members and non-members can be appointed as proxy. The instruction to appoint execution officer and option to e-vote through intermediary shall be required to be deposited with the Company, at least ten (10) days before holding of the general meeting, at the Company's registered office address or through email. The Company will arrange for e-voting if the Company receives demand for poll from at least five (5) members or by any member having not less than one tenth of the voting power.	New Clause as per the Companies (E-Voting) Regulations, 2016
79A	-	An instrument of proxy in relation to e-voting shall be in the following form: I/We, _____ of _____, being a member of _____, holder of _____ Shares(s) as per Register Folio No. _____ hereby opt for e-voting through Intermediary and hereby consent to the appointment of Execution Officer _____ as proxy and will exercise e-voting as per the Companies (E-Voting) Regulations, 2016 and hereby demand for poll for resolutions. My secured email address is _____, please send login details, password and electronic signature through email. ----- Signature of member (Signature should agree with the specimen signature registered with the Company) Signed in the presence of: _____ Signature of Witness _____ Signature of Witness The proxy e-voting form shall be required to be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.	New Clause as per the Companies (E-Voting) Regulations, 2016



Clause	Existing Provision	Proposed Provision	Remarks
100A	-	The Directors of the Company may participate in the Board of Directors' meetings, whether in Pakistan or abroad, through tele/video conferencing. The draft minutes of the meeting shall be sent to those Director(s) who had participated in the proceedings of the meeting through tele/video conference, for his/their confirmation. Thereafter, the minutes shall be signed by the Chairman of the meeting.	New Clause
134A	-	The Company may, after obtaining prior written consent from members, circulate notices of the general meeting and the annual balance sheet and profit and loss account, auditors' report and directors' report (annual audited accounts) to its members through email. Further, subject to the consent of the members obtained in the general meeting, circulate the annual balance sheet and profit and loss account, auditors' report and directors' report (annual audited accounts) to its members through CD/DVD/USB at their registered addresses. However, if a member prefers to receive hard copies for all the future annual audited accounts then such preference of the member shall be given to the Company in writing and thereafter the Company shall provide hard copies of all the future annual audited accounts to such member.	New Clause as per S.R.O 470 (I)/2016 dated May 31, 2016 issued by SECP.



ANNEXURE-B



**"STATEMENT UNDER SECTION 160(1)(B) OF THE COMPANIES ORDINANCE 1984
ARIF HABIB LIMITED
PROPOSED AMENDMENTS IN ARTICLES OF ASSOCIATION**

The Boards of Directors has recommended to update the Articles of Association of the Company in order to incorporate provisions pertaining to e-voting, video conferencing and circulation of audited accounts to the members through CD/DVD/USB/email in light of various regulations, circulars and notifications of the Securities and Exchange Commission of Pakistan.

1 Name of associated company / undertaking : Javedan Corporation Limited

S. No.	Description	Investment in Securities	Loans and Advances
a)	total investment approved;	2,000,000,000	500,000,000
b)	amount of investment made to date;	467,741,145	-
c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of running finance and availed as and when needed in the interest of the shareholders
d)	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		
i	Earnings / (Loss) per share	7.10	7.10
ii	Net Profit / (Loss)	800,521,000	800,521,000
iii	Shareholders Equity	8,745,100,000	8,745,100,000
iv	Total Assets	14,124,202,000	14,124,202,000
v	Break-up value	38.24	38.24

RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E Unutilised 1,532,258,855 Sanctioned 500,000,000

2 Name of associated company / undertaking : MCB - Arif Habib Savings and Investments Limited

S. No.	Description	Investment in Securities	Loans and Advances
a)	total investment approved;	500,000,000	-
b)	amount of investment made to date;	-	-
c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders	N/A
d)	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		
i	Earnings per share	3.87	3.87
ii	Net Profit	278,836,350	278,836,350
iii	Shareholders Equity	1,505,038,859	1,505,038,859
iv	Total Assets	2,019,331,578	2,019,331,578
v	Break-up value	20.90	20.90

RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E Unutilised 500,000,000 Sanctioned N/A



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ANNEXURE-B



**"STATEMENT UNDER SECTION 160(D)(B) OF THE COMPANIES ORDINANCE 1984
ARIF HABIB LIMITED
PROPOSED AMENDMENTS IN ARTICLES OF ASSOCIATION**

The Boards of Directors has recommended to update the Articles of Association of the Company in order to incorporate provisions pertaining to e-voting, video conferencing and circulation of audited accounts to the members through CD/DVD/USB/email in light of various regulations, circulars and notifications of the Securities and Exchange Commission of Pakistan.

3 Name of associated company / undertaking : Power Cement Limited

S. No.	Description	Investment in Securities	Loans and Advances
a)	total investment approved;	500,000,000	500,000,000
b)	amount of investment made to date;	8,368,000	-
c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of running finance and available as and when needed in the interest of the shareholders
d)	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		
i	Earnings per share	1.19	1.19
ii	Net Profit	(0.20)	(0.20)
iii	Shareholders Equity	433,833,000	433,833,000
iv	Total Assets	1,862,170,000	1,862,170,000
v	Break-up value	5,988,209,000	5,988,209,000
		5.09	5.09
		3.91	3.91
		491,632,000	500,000,000
		Unutilised	Sanctioned

4 Name of associated company / undertaking : Safe Mix Concrete Products Limited

S. No.	Description	Investment in Securities	Loans and Advances
a)	total investment approved;	250,000,000	250,000,000
b)	amount of investment made to date;	-	48,500,000
c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of running finance and available as and when needed in the interest of the shareholders
d)	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		
i	Earnings per share	1.04	1.04
ii	Net Profit	0.68	0.68
iii	Shareholders Equity	22,262,785	22,262,785
iv	Total Assets	298,127,012	298,127,012
v	Break-up value	458,307,524	458,307,524
		11.93	11.93
		250,000,000	250,000,000
		Unutilised	Sanctioned



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