

Notice of the 54th Annual General Meeting

NOTICE is hereby given that the 54th Annual General Meeting (AGM) of Adamjee Insurance Company Limited (the "Company") will be held at the Institute of Chartered Accountants of Pakistan, Thoker Niaz Baig, Raiwind Road, Lahore on Wednesday, 29 April 2015 at 11 a.m. to transact the following business:

ORDINARY:

1. To receive, consider and adopt the Audited Annual Unconsolidated and Consolidated Financial Statements of the Company for the year ended 31 December 2014 and the Directors' and Auditors' reports thereon.
2. To declare and approve, as recommended by the directors, the payment of final cash dividend of Rs. 1.50 per share i.e. @ 15% for the year ended 31 December 2014.
3. To appoint auditors and fix their remuneration.

SPECIAL:

4. To consider and if thought fit, to pass the following resolution as special resolution with or without modification(s), addition(s) or deletion(s):

RESOLVED THAT "the validity of special resolution passed in the Extraordinary General Meeting of the Company held on 8 July 2008 which was revalidated till May 31, 2015 by special resolution dated 31 May 2012 for investment of Rs. 6 billion in shares of MCB Bank Limited, an associated company be and is hereby extended for further five years till 31 May 2020 to allow the Company to invest balance amount till 31 May 2020".

RESOLVED FURTHER THAT "the Chief Executive and/or Company Secretary (the "Authorized Officers") of the Company be and are hereby authorized and empowered on behalf of the Company to take all steps and actions necessary, ancillary and incidental for making the investment(s) in MCB Bank Limited and sign, execute and amend such documents, papers, instruments, etc., as may be necessary or expedient for the purpose of giving effect to the spirit and intent of the aforesaid resolution".

5. To consider and if thought fit, to pass the following resolution as special resolution with or without modification(s) to alter the Object Clause 3(1) of the Memorandum of Association of the Company by inserting a new Clause 3(1)(bb) after the existing Clause 3(1)(aaa):

RESOLVED THAT "the following new Clause 3(1)(bb) be and is hereby inserted after the existing Clause 3(1)(aaa) of the Object Clause of the Memorandum of Association subject to confirmation of Registrar/Securities and Exchange Commission of Pakistan:

To undertake and carry on in Pakistan and in any part of the world the business of all kinds of General Takaful and Re-Takaful business".

FURTHER RESOLVED THAT "the Chief Executive and/or Company Secretary be and is hereby authorized to do all acts, deeds and things, take any and all necessary steps to fulfil the legal, corporate and procedural formalities and file all necessary documents/returns/file application(s) with Securities and Exchange Commission of Pakistan seeking approvals as he/they deem(s) necessary, expedient and desirable to give effect to the above resolution".

Lahore: 8 April 2015

By Order of the Board
Tameez-ul-Haque
Secretary

Notes:

- 1) The financial statements and reports have been placed on the website of the Company, www.adamjeeinsurance.com.
- 2) The Share Transfer books of the Company will remain closed from Tuesday 21 April 2015 to Wednesday 29 April 2015 (both days inclusive). Transfers received in order at the office of the Company's Independent Share Registrar, M/s. Technology Trade (Private) Limited, Dagia House, 241-C, Block-2, P.E.C.H.S., Karachi by the close of business (5:00 PM) on Monday, 20 April 2015 will be treated in time for the purposes of entitlement of members to the final cash dividend and for attending and voting at the Annual General Meeting.
- 3) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member as a proxy to attend and vote instead of him/her. A proxy must be a member of the Company. A corporation or a company being a member of the Company may appoint any of its officers as its proxy through a resolution of its Board of Directors.
- 4) The instrument appointing a proxy must be received at the Registered Office of the Company not less than 48 hours before the time appointed for the Meeting. A member shall not be entitled to appoint more than one proxy. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with Company, all such instruments of proxy shall be rendered invalid. In case of a corporate entity, the Board of Directors' resolution / power of attorney with a specimen signature of the nominee shall be submitted with the above time limit.

- 5) Members who have deposited their shares in the Central Depository System of the Central Depository Company of Pakistan Limited will have to follow the undermentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting:

- a) In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with Participant ID number and the Account number at the time of attending the Meeting.
- b) In case of a corporate entity, the Board's resolution / power of attorney with a specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For Appointing Proxies:

- a) In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirements.
- b) The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- c) Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d) The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- e) In case of a corporate entity, the Board's resolution / power of attorney with a specimen signature shall be furnished (unless it has been provided earlier) along with the proxy form to the Company.

NOTICE to Shareholders who have not provided their CNIC:

The CNIC number of the shareholders is mandatory for the issuance of dividend warrants. In terms of S.R.O. 831(I)/2012 dated 5 July 2012 read with S.R.O. No. 19(I)/2014 dated 10 January 2014 in the absence of this information, payment of dividend shall be withheld. Therefore, the shareholders who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs (if not already provided) directly to our Independent Share Registrar at the address given hereinafter without any further delay.

Mandate for E-Dividends for Shareholders:

In order to make process of payment of cash dividend more efficient, an e-dividend mechanism has been envisaged by SECP. The shareholders are encouraged to provide a dividend mandate in favour of e-dividend by providing the dividend mandate form duly filled-in and signed. The Company shall adopt the procedure of e-dividend in phases. The dividend mandate form is available on the Company's website and can be emailed. The members who have opted for the mandate are requested to check the particulars of the bank account, which must be in sixteen (16) digits, and immediately notify changes if any before 20 April 2015 to the Independent Share Registrar in case of physical shares, and to brokers/CDC in case of CDC account holders.

Circulation of Annual Financials through E-mail:

The Securities and Exchange Commission of Pakistan vide SRO 787(1)/2014 dated 8 September 2014 has allowed companies to circulate the annual balance sheet, profit & loss account, auditors report and directors report along with notice of Annual General Meeting to its members through email. Members who wish to avail this facility can give their consent on the Standard Request Form available on the Company's website.

Deduction of Withholding Tax on the Amount of Dividend:

Pursuant to Circular No. 19/2014 dated 24 October 2014, SECP has directed all companies to inform shareholders about changes made in Section 150 of the Income Tax Ordinance, 2001. The Company hereby advises to its shareholders, the important amendments, as under:

The Government of Pakistan through Finance Act, 2014 has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

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| a. | For filers of income tax returns | 10% |
| b. | For non-filers of income tax returns | 15% |

To enable the Company to make tax deductions on the amount of cash dividend @10% instead of 15%, all shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of Federal Board of Revenue, despite the fact that they are filers, are advised to make sure that their names are entered into the ATL before the date for the payment of the cash dividend, otherwise the tax on their cash dividend will be deducted @15% instead of @10%.

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 its Independent Share Registrar at the below mentioned address. The shareholders, while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

Address of Independent Share Registrar of the Company:

Name : Technology Trade (Pvt) Ltd.
Address: Dajia House, 241-C, Block 2, P.E.C.H.S., Karachi
Phone: (92-21) 34391316-17-19

Statement under Section 160(1)(b) of the Companies Ordinance, 1984

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on 29 April 2015.

Item 4 of Agenda: Revalidation of Period of Investment in MCB Bank Ltd.

The members of AICL, in their Extraordinary General Meeting held on 8 July 2008 had approved investment in the shares of MCB Bank Ltd. ("MCB"), an associated company, up to an amount of Rs. 6 billion against which Rs. 2.98 billion has been invested up to 31 December 2014 for the purchase of 13,521,683 shares of MCB and Rs. 3.02 billion remains uninvested.

Regulation 8(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulation 2012 issued vide S.R.O. 27(1)/2012 (S.R.O. 27) dated 16 January 2012 requires that special resolution authorizing investment in associated companies or undertakings shall be valid for a period of twelve months unless specifically authorized by the members in the General Meeting.

Members in the Extraordinary General Meeting of the Company held on 31 May 2012 revalidated the investment to be made up to 31 May 2015. It is now proposed to further extend the period of investment for five years up to 31 May 2020. Section 208 of the Companies Ordinance, 1984 requires that no change in nature and terms and conditions of the investment shall be made except under the authority of a special resolution. Accordingly, the change in the period of the investment is being presented to the shareholders for approval through passing of special resolution.

Adamjee Insurance Co. Ltd. is an associated company of MCB Bank Limited due to common directorship of three Directors.

The Directors of the Company are not directly or indirectly concerned or interested in the aforesaid business except to the extent of their shareholdings in MCB Bank Limited, the details of which are as follows:

Mian Umer Mansha	31,986,378 shares
Muhammad Ali Zeb	550 shares
Imran Maqbool	-

Item 5 of Agenda: Amendment in Object Clause of the Memorandum of Association

The registered insurers have been allowed to undertake General Takaful Business subject to authorization from Securities and Exchange Commission of Pakistan under Takaful Rules, 2012. Therefore, the Directors have approved the undertaking of General Takaful business subject to authorization from the SECP. After the approval of amendment by members, confirmation shall be taken from Securities and Exchange Commission of Pakistan (SECP).

Since the Takaful business is a sharia'h-based scheme, it should be attractive for many Pakistanis.

The Company is a Registered Insurer engaged in general insurance business and is subject to the grant of the requisite authorization by SECP, eligible to undertake General Takaful business as Window Takaful Operator. For this purpose, the Directors have proposed that a new sub-clause (bb) be inserted in the Objects Clause 3(1) of the Memorandum of Association of the Company.

The Directors are not interested, directly or indirectly, in the above business except to the extent of their investments as has been detailed in the Pattern of Shareholdings annexed to the Directors' Report.

Inspection of Documents

Original and amended copies of the Memorandum of Association have been kept at the Registered Office of the Company which can be inspected on any working day during usual business hours till the date of the Annual General Meeting.

Statement under Regulation 4(2) of the Companies (Investment in Associated Companies or Associated Undertaking) Regulation 2012

STATUS OF PENDING INVESTMENT DECISIONS

Description	MCB Bank Limited	Nishat Hotels & Properties Ltd.
Date of approval	8 July 2008	28 April 2014
Total Investment	Rs. 6 billion	Rs. 500 million
Reason for not having made complete investment so far	The investment was to be made in three years. If the proposed special resolution is passed by the shareholders, the remaining amount will be invested when overall economic situation further improves and depending upon the market price of shares	The Company has not yet received offer of shares
Material change in financial statement since date of resolution passed		
a) Break-up value	Dec 2007 Rs. 54.31 Dec 2014 Rs. 96.05	Jun 2013 Rs. 12.26 Jun 2014 Rs. 10.24
b) Earnings per share	Dec 2007 Rs. 18.26 Dec 2014 Rs. 21.85	Jun 2013 Rs. (0.37) Jun 2014 Rs. (0.11)
c) Balance sheet footing	Dec 2007 Rs. 55.12 billion Dec 2014 Rs. 130.10 billion	Jun 2013 Rs. 2.86 billion Jun 2014 Rs. 7.30 billion