

CRESCENT STAR INSURANCE LIMITED NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 59th Annual General Meeting of the shareholders of Crescent Star Insurance Limited will be held on April 30, 2016 at 9.00 a.m. at 2nd Floor, Nadir House I.I. Chundrigar Road, Karachi to transact the following business.

ORDINARY BUSINESS:

1. To confirm and approve the minutes of the Extra Ordinary General Meeting held on October 03, 2015.
2. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2015 together with the Directors' and Auditors' reports thereon.
3. To appoint Auditors for the year ending December 31, 2016 and fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, pass special resolution pursuant to Section 208 of the Companies Ordinance, 1984 (the "Ordinance") to authorize further investment in Share Capital of Crescent Star Foods (Private) Limited (CSF) up to a value of approximately Rs. 50 million in aggregate, this will enhance the total investment in CSF up to Rs. 120 million in aggregate.

"Resolved that pursuant to the requirements of Section 208 of the Ordinance, the Company be and is hereby authorized to further invest in Share Capital of, Crescent Star Foods (Private) Limited up to a value of approximately Rs. 50 million in aggregate."

"Resolved further that the Chief Executive Officer and the Company Secretary of the Company be and are hereby authorized singly to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of the above transaction but not limited to filing of all the requisite statutory forms and all other documents with SECP, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolutions."

5. To consider and, if thought fit, pass special resolution pursuant to Section 208 of the Ordinance, to authorize investment in Share Capital of Pak-Kuwait Takaful Company Limited up to a value of approximately Rs. 50 million.

"Resolved that pursuant to the requirements of Section 208 of the Ordinance, the Company be and is hereby authorized to make investment in Share Capital of Pak-Kuwait Takaful Company Limited up to a value of approximately Rs. 50 million."

"Resolved further that the Chief Executive Officer and the Company Secretary of the Company be and are hereby authorized singly to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of the above transaction but not

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limited to filing of all the requisite statutory forms and all other documents with SECP, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolutions.”

6. To consider and, if thought fit, pass special resolution to amend Article of Association clause 63 regarding Directors remuneration.

“**Resolved that**, ordinary remuneration of a Director other than the regularly paid Chief Executive and full time working director for every meeting of the board attended by him shall be and is hereby amended from Rupees Two Hundred to such other sum as may be approved by the Board of Directors. The words and figures in Clause 63 of the Article of Association of the Company be and are hereby amended accordingly.”

7. To consider and, if thought fit, to make addition in Article of Association regarding attendance of Directors in the Board Meetings through Tele/Video conferencing as per Circular no 6 of 2010.

“**Resolved that**, Participation of Director in Board meetings in person or through tele/video conferencing enabling the use of technology, the Article of Association of the Company be and are hereby amended accordingly.”

A statement under section 160(1)(b) of the Ordinance, relating to the aforesaid special businesses to be transacted at the said Annual General Meeting is attached.

ANY OTHER BUSINESS

8. To consider any other business with the permission of Chairman.

Karachi: April 8, 2016

By order of the Board
Mehtab Alam
Secretary

Notes:

1. **CLOSURE OF SHARE TRANSFER BOOKS:**

The Share Transfer Books of the Company shall remain closed from April 24, 2016 to April 30, 2016 (both days inclusive). Transfers received at our registrar office M/s F. D. Registrar Services (SMC-Pvt.) Limited 17th Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi by the close of business on April 23, 2016 will be treated in time.

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2. PROXY FORM:

A member entitled to attend and vote at this meeting may appoint another person as his/her proxy to attend, speak and vote instead of him/her behalf at the meeting. Proxies, in order to be valid, must be received at the registered office of the Company not later than 48 hours before the meeting. A member shall not be entitled to appoint more than one proxy.

3. NOTICE FOR CDC SHAREHOLDERS:

Central Depository Company (CDC) shareholders are requested to bring their Computerized National Identity Cards, Account/Sub-Account and Participant's ID Number in the CDC for identification purpose when attending the meeting. In case of corporate entity, the Board's Resolution/Power of Attorney with specimen signature shall be furnished (unless it has been provided earlier) at the time of meeting.

4. NOTICE TO SHAREHOLDER'S WHO HAVE NOT PROVIDED THEIR CNIC'S:

Members who have not yet submitted photocopy of their Computerized National Identity Cards to the Registrar of the Company are requested to send the same at the earliest.

5. NOTICE TO SHAREHOLDER FOR CHANGE IN THEIR ADDRESSES:

Shareholders are requested to notify to the Company's Share Registrar immediately of any change in their addresses.

6. AUDITED FINANCIAL STATEMENT THROUGH E-MAIL:

Securities & Exchange Commission of Pakistan (SECP) through its Notification SRO 787(I)/2014 dated September 8, 2014, has allowed the circulation of Audited Financial Statements along with the Notice of Annual General Meeting to the members of the Company through email. Therefore, all members who wish to receive the soft copy of Annual Report are requested to send their email addresses. The consent form for electronic transmission can be downloaded for the Company's website: <http://www.cstarinsurance.com/>.

The Company shall, however provide hard copy of the Audited Financial Statements to its shareholder, on request, free of cost, within seven days of receipt of such request.

The Company shall place the financial statements and reports on the Company's website at least twenty one days (21) days prior to the date of the Annual General Meeting.

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STATEMENT UNDER SECTION 160(1)(b) OF THE ORDINANCE:

Agenda Item 1: Investment in Share Capital of Crescent Star Foods (Private) Limited

The Board of Directors have decided to further invest in Share Capital of Crescent Star Foods (Private) Limited to a value of approximately up to Rs.50 million in aggregate.

S. No.	NATURE OF INFORMATION REQUIRED TO BE DISCLOSED PURSUANT TO THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR UNDERTAKINGS) REGULATIONS, 2012	RELEVANT INFORMATION
Agenda 1	Investment in Share Capital	
1.	Name of the associated company or associated undertaking along with criteria based on which the relationship is established	Crescent Star Foods (Private) Limited (CFOODS) is a subsidiary of the Company. The relationship is established based on 100% holding of the Company.
2.	Purpose, benefits and period of investment	<p>Purpose & Benefit The objective of the Company is to enter the lucrative food business category through a maximum of 50% holding in a newly formed Company.</p> <p>Period of Investment Long Term</p>
3.	Maximum amount of investment	Previous PKR 70 million New PKR 50 million Total PKR 120 million
4.	Maximum price at which securities will be acquired	PKR 10/-
5.	Maximum number of securities to be acquired	12 million ordinary shares
6.	Number of securities/units and percentage thereof held before and after the proposed investment	Before Investment 0% After Investment 50%
7.	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	N/A
8.	In case of investment in unlisted securities fair market value of such securities determined in terms of regulation 6(1)	Crescent Star Foods (Private) Limited is a newly set up company and the project is currently in formative phase. The current fair value of investment is assumed at PKR 10/- due to the above factor. The fair value of the investment will be applicable once the Company commences its operations.

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9.	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	N/A
10.	Earnings/(Loss) per share of the subsidiary company or associated undertaking for the last three years	N/A
11.	Sources of fund from which securities will be acquired	Through own resources
12.	If the securities are intended to be acquired using borrowed funds: a. justification for investment through borrowings; and b. detail of the guarantees and assets pledged for obtaining such funds	N/A
13.	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	N/A
14.	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Common Directorship. None of the directors, sponsors, majority shareholders and their relatives have any interest in the proposed acquisition, except to the extent of their shareholding in the Company and that certain directorship are the Nominee Directors on the Company's Board.
15.	Any other important details necessary for the members to understand the transaction	None
16.	In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, disclose further information as follows: 1. Description of the project and its history since conceptualization. 2. Expected date of completion of work. 3. Time by which such project shall become commercially viable. 4. Expected time by which the project shall start paying return on investment.	30 food outlets to be rolled out in next 10 years across different cities of Pakistan. December 31, 2016. The project shall be commercially viable from the year 2016. The project shall start paying return from 3 rd year of its operation.

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Agenda Item 2: Investment in Share Capital of Pak-Kuwait Takaful Company Limited

The Board of Directors have decided to further invest in Share Capital of Pak-Kuwait Takaful Company Limited to a value of approximately up to Rs.50 million in aggregate.

S. No.	NATURE OF INFORMATION REQUIRED TO BE DISCLOSED PURSUANT TO THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR UNDERTAKINGS) REGULATIONS, 2012	RELEVANT INFORMATION						
Agenda 2	Investment in Share Capital							
1.	Name of the associated company or associated undertaking along with criteria based on which the relationship is established	Pak-Kuwait Takaful Company Limited (PKTC) is a subsidiary of the Company. The relationship is established based on 62.5% holding of the Company.						
2.	Purpose, benefits and period of investment	<p>Purpose & Benefit The objective of the Company is to enter the Islamic insurance business through a maximum of 62.5% holding in the Company.</p> <p>Period of Investment Long Term</p>						
3.	Maximum amount of investment	PKR 50 million						
4.	Maximum price at which securities will be acquired	PKR 1.75/-						
5.	Maximum number of securities to be acquired	28.125 million ordinary shares						
6.	Number of securities/units and percentage thereof held before and after the proposed investment	Before Investment Nil After Investment 62.5%						
7.	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	N/A						
8.	In case of investment in unlisted securities fair market value of such securities determined in terms of regulation 6(1)	The break-up value for last three years are: <table style="margin-left: auto; margin-right: auto;"> <tr> <td>2014</td> <td>2013</td> <td>2012</td> </tr> <tr> <td>Rs. 1.28</td> <td>Rs. 4.37</td> <td>Rs. 4.41</td> </tr> </table>	2014	2013	2012	Rs. 1.28	Rs. 4.37	Rs. 4.41
2014	2013	2012						
Rs. 1.28	Rs. 4.37	Rs. 4.41						
9.	Earnings/(Loss) per share of the subsidiary company or associated undertaking for the last three years	<table style="margin-left: auto; margin-right: auto;"> <tr> <td>2014</td> <td>2013</td> <td>2012</td> </tr> <tr> <td>Rs. 0.48</td> <td>Rs. 0.72</td> <td>Rs. 1.27</td> </tr> </table>	2014	2013	2012	Rs. 0.48	Rs. 0.72	Rs. 1.27
2014	2013	2012						
Rs. 0.48	Rs. 0.72	Rs. 1.27						
10.	Sources of fund from which securities will be acquired	Through own resources						

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11.	If the securities are intended to be acquired using borrowed funds: a. justification for investment through borrowings; and b. detail of the guarantees and assets pledged for obtaining such funds	N/A
12.	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	N/A
13.	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Common Directorship. None of the directors, sponsors, majority shareholders and their relatives have any interest in the proposed acquisition, except to the extent of their shareholding in the Company and that certain directorship are the Nominee Directors on the Company's Board.
14.	Any other important details necessary for the members to understand the transaction	None

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