

KARACHI STOCK EXCHANGE LIMITED

KSE/N-7047

NOTICE

December 24, 2013

Reproduced hereunder Financial Projections received from **THE CRESCENT STAR INSURANCE COMPANY LIMITED**, for information of all concerned.

(Copy of the same is also available on our Website www.kse.com.pk)

THE CRESCENT STAR INSURANCE COMPANY LIMITED
ANNEXURE

Board of Directors' Meeting dated August 3, 2013
Information on Right Issue of Ordinary Shares for Stock Exchange

1. NEED FOR ISSUE OF RIGHT SHARES AND ITS BENEFITS TO THE COMPANY

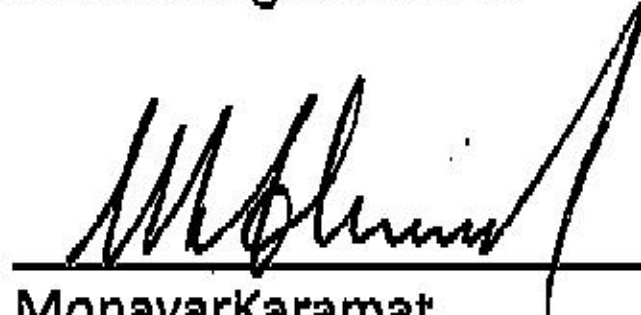
Amount of the proposed issue:	412.5%	Rs 499,125,000 divided into 49,912,500 Ordinary Shares of Rs 10/- each at a discount of Rs 4/- per share
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The Securities and Exchange Commission of Pakistan (SECP) wide its Circular No. 3 of 2007 dated 10 April 2007 has fixed the Minimum Required Paid Up Capital for a General Insurance Company at Rs 300,000,000/- (Pak Rupees Three Hundred Million) from 31 December 2011 onwards. The SECP has issued a Show Cause Notice dated 1st February 2012 to the Company according to which SECP has enquired the reason for the non-compliance and about its future strategy with the minimum capital requirement regulations.

The Company in reply to the above mentioned show cause notice submitted a detailed business plan with the SECP for the enhancement of the paid up capital to the minimum required limit of Rs 300.00 million. In the said business plan the Chief Executive Officer mentioned the road map for capital enhancement by issuing right shares at Rs. 6 per share i.e. at 40% discount. The Securities and Exchange Commission - Insurance Division has accepted the said plan and has directed the Company to enhance the Capital of the Company accordingly. The Board of Directors considered the same and found it prudent and fast tracked. The Directors are further of the opinion that it shall enable the Company to meet the Minimum Capital Requirement before the year ending 31 December 2013 as targeted. Therefore, after due consideration the Board has recommended the Issuance of Right Shares.



Naim Anwar
Chief Executive Officer/Director



Monavar Karamat
Director



Syed Adnan Ali Zaidi
Director



Mudassar Zubair Mirza
Director