



Estd : 1942

Habib Insurance Company Limited

Head Office : Habib Square, M. A. Jinnah Road, P.O. Box # 5217, Karachi.
Tel : 32424211, 32421882, 32420516, 32424030, 38 & 39
U.A.N. : 111-030303 Fax : (92-21) 32421600

STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984

The Statement is annexed to the Notice of the 71st Annual General Meeting to be held on April 30, 2014 at which certain business are to be transacted. The purpose of this statement is to set forth material facts concerning such special business.

ITEM NUMBER 6 OF THE AGENDA

With the issuance of 25% bonus shares as proposed, the Paid-up Capital of the Company would increase to Rs. 619,373,778. Therefore, the present Authorised Capital of the Company needs to be increased to facilitate the issuance of the proposed bonus shares. Accordingly, the Board of Directors, in their meeting held on March 20, 2014 has recommended to increase the Authorised Capital from Rs. 500,000,000/- (Rupees five hundred million) to Rs. 650,000,000/- (Rupees six hundred fifty million) divided into 130,000,000 (One hundred thirty million) ordinary shares of Rs. 5/- each. Increase in Authorised Capital will also necessitate amendments in Clause # 5 of the Memorandum of Association and Article # 3 of the Articles of Association of the Company.

The Directors are interested in this business to the extent of their shareholding.

ITEM NUMBER 7 OF THE AGENDA

The Board of Directors of Habib Insurance Company Limited in their meeting held on March 20, 2014 have proposed to issue bonus shares in the proportion of 25 shares for every 100 shares held and to pay the proceeds of fractional bonus shares to a charitable institution.

The Directors are interested in this business to the extent of their shareholding.




Habib Insurance Company Limited

Status of approvals for investment in associated companies

Bank AL Habib Limited

Sr. No.	Description	Information Required
1	Information to be disclosed to the members:- If the associated company or associated undertaking in which the investment is being made or any of its sponsors or directors is also a member of the investing company, the information about interest of the associated company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to section 208 of the Ordinance	Bank AL Habib Limited is not holding any shares of the investing company. No Director or Chief Executive has any interest in the investing company except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the investing company. The shareholding of Directors and Chief Executive is disclosed in the pattern of shareholding
2	In case any decision to make investment under the authority of a resolution passed pursuant to provisions of section 208 of the Ordinance is not implemented either fully or partially till the holding of subsequent general meeting(s), the status of the decision must be explained to the members through a statement having the following details namely:-	
a)	total investment approved;	Rs. 60 million approved by the shareholders at Annual General Meeting held on April 28, 2012
b)	amount of investment made to date;	Rs. 59.918 million
c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time;	Remaining amount will not be invested
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	The shareholders equity of the investee company has increased to Rs. 25,282.051 million from Rs. 23,814.147 million due to an increase in reserves of Rs. 1,467.904 million

Muhammad Usman



Habib Insurance Company Limited

Habib Sugar Mills Limited

Sr. No.	Description	Information Required
1	Information to be disclosed to the members:- If the associated company or associated undertaking in which the investment is being made or any of its sponsors or directors is also a member of the investing company, the information about interest of the associated company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to section 208 of the Ordinance	Habib Sugar Mills Limited is holding 4,291,018 shares of the investing company. No Director or Chief Executive has any interest in the investing company except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the investing company. The shareholding of Directors and Chief Executive is disclosed in the pattern of shareholding
2	In case any decision to make investment under the authority of a resolution passed pursuant to provisions of section 208 of the Ordinance is not implemented either fully or partially till the holding of subsequent general meeting(s), the status of the decision must be explained to the members through a statement having the following details namely:-	
a)	total investment approved;	Rs. 25 million approved by the shareholders at Annual General Meeting held on April 28, 2012
b)	amount of investment made to date;	Nil
c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time;	Amount will not be invested
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	The shareholders equity of the investee company has increased to Rs. 4,632.767 million from Rs. 4,054.851 million due to increase in reserves of Rs. 577.916 million

Muhammad Hassan



Habib Insurance Company Limited

Habib Metropolitan Bank Limited

Sr. No.	Description	Information Required
1	Information to be disclosed to the members:- If the associated company or associated undertaking in which the investment is being made or any of its sponsors or directors is also a member of the investing company, the information about interest of the associated company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to section 208 of the Ordinance	Habib Metropolitan Bank Limited is not holding any shares of the investing company. No Director or Chief Executive has any interest in the investing company except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the investing company. The shareholding of Directors and Chief Executive is disclosed in the pattern of shareholding
2	In case any decision to make investment under the authority of a resolution passed pursuant to provisions of section 208 of the Ordinance is not implemented either fully or partially till the holding of subsequent general meeting(s), the status of the decision must be explained to the members through a statement having the following details namely:-	
a)	total investment approved;	Rs. 50 million approved by the shareholders at Annual General Meeting held on April 29, 2013
b)	amount of investment made to date;	Rs. 5.970 million
c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time;	Remaining amount may be invested on availability of shares at reasonable price within the period specified in the earlier resolution
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	The shareholders equity of the investee company has decreased to Rs. 27,984.176 million from Rs. 28,188.025 million due to decrease in reserves of Rs. 203.849 million





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April 7, 2014

The General Manager
Karachi Stock Exchange Limited
Stock Exchange Road
Karachi

Dear Sir,

Re: Notice of the 71st Annual General Meeting, Statement u/s 160(1)(b) of the Companies Ordinance, 1984 & Proposed Amendment to be made in Memorandum & Articles of Association

We are enclosing herewith notice of the 71st Annual General Meeting of our Company to be held on April 30, 2014 alongwith statement u/s 160(1)(b) of the Companies Ordinance, 1984 for your record.

Furthermore, please note that the proposed amendment to be made in Memorandum & Articles of Association are as follows:

The figures and words "Rs. 500,000,000 (Rupees five hundred million) divided into 100,000,000 (One hundred million) ordinary shares of the denomination of Rs.5/- each" appearing in Clause # 5 of the Memorandum of Association and in Article # 3 of the Articles of Association of the Company be and are hereby substituted by the figures and words "Rs. 650,000,000 (Rupees six hundred fifty million) divided into 130,000,000 (One hundred thirty million) ordinary shares of the denomination of Rs.5/- each".

Thanking you

Yours faithfully

Shabbir Gulamali
Company Secretary



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Notice of Annual General Meeting

NOTICE is hereby given that the 71st Annual General Meeting of the Shareholders of the Company will be held at The Institute of Chartered Accountants of Pakistan, Kehkashan, Clifton, Karachi, on Wednesday, April 30, 2014 at 12:15 p.m. to transact the following business:

1. To receive and adopt the Audited Accounts for the year ended December 31, 2013 together with the Directors' and Auditors' Report thereon.
2. To approve payment of cash dividend @ 25% i.e. Rs. 1.25 per share of Rs. 5/- each for the year ended December 31, 2013 as recommended by the Board of Directors.
3. To approve the issue of bonus shares in the proportion of 25 shares for every 100 shares held i.e. 25% for the year ended December 31, 2013 as recommended by the Board of Directors, subject to approval of increase in Company's Authorised Share Capital as mentioned in item No. 6 as "Special Business".
4. To appoint Auditors for the year ending December 31, 2014 and to fix their remuneration. Existing auditors Messrs. KPMG Taseer Hadi & Co., Chartered Accountants, have retired. In compliance with the Code of Corporate Governance and based on the recommendation of the Audit Committee, the Board recommends the appointment of Messrs. Ford Rhodes Sidat Hyder & Co., Chartered Accountants, as auditors in place of the retiring auditors.
5. To consider any other business of the Company with the permission of the Chair.

Special Business

6. To consider and pass the following Special Resolution to increase the Authorised Share Capital of the Company.

"RESOLVED that the authorised share capital of the Company be and is hereby increased to Rs. 650,000,000 by the creation of 30,000,000 ordinary shares of Rs. 5/- each, such new shares to rank pari pasu in all respects with the existing ordinary shares in the capital of the Company.

FURTHER RESOLVED that the figures and words "Rs. 500,000,000/- (Rupees five hundred million) divided into 100,000,000 (One hundred million) ordinary shares of the denomination of Rs. 5/- each" appearing in Clause # 5 of the Memorandum of Association and in Article # 3 of the Articles of Association of the Company be and are hereby substituted by the figures and words "Rs. 650,000,000 (Rupees six hundred fifty million) divided into 130,000,000 (One hundred thirty million) ordinary shares of the denomination of Rs. 5/- each".

7. To consider and pass the following special resolution regarding payment of proceeds of fractional bonus shares to a charitable institution.

"RESOLVED that in the event of any member holding shares which are not an exact multiple of 25:100, the Directors be and are hereby authorised to consolidate all such fractions of bonus shares and sell these shares in the stock market and to pay the proceeds of sale when realised to a charitable institution.

FURTHER RESOLVED that the Directors be and are hereby authorised and empowered to give effect to this resolution and to do or cause to be done all acts, deeds and things that may be necessary or required."

For item #'s 6 and 7, statement under section 160 of the Companies Ordinance, 1984 is annexed.

Karachi: March 20, 2014



By order of the Board

Shabbir Gulamali
SHABBIR GULAMALI
Company Secretary

Habib Insurance Company Limited

Notes:

1. The share transfer books of the Company will remain closed from Thursday, April 17, 2014 to Wednesday, April 30, 2014 (both days inclusive).
2. A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as his/ her proxy to attend and vote on his/ her behalf. Proxy form, in order to be effective, must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the meeting.
3. The CDC account/ sub account holders are requested to bring with them their Computerised National ID Cards along with the Participant(s) ID number and their account numbers at the time of attending the AGM in order to facilitate identification of the respective shareholders. In case of corporate entity, the Board of Directors Resolution/ Power of Attorney with specimen signatures be produced at the time of meeting.
4. Members are requested to promptly communicate any change in their address to our Share Registrar, M/s. Noble Computer Services (Pvt.) Limited situated at First Floor, House of Habib Building, Siddiqsons Tower, 3-Jinnah Cooperative Housing Society, Main Shahrah-e-Faisal, Karachi-75350.

Muhammad Arif



A blue circular stamp with the text "HABIB INSURANCE CO. LTD. Karachi" around the perimeter and a small star at the bottom. The stamp is partially overlaid by a handwritten signature in blue ink.