



**PICIC Insurance Limited**  
HEAD OFFICE

1204, 12th Floor, Emerald Tower,  
Clifton, Block-5, Karachi - 75600, Pakistan.  
Tel | 021-35147651-5  
Fax | 021-35147656  
UAN | 11 12 PICIC (111-274-242)  
www.picicinsurance.com

AC/211/15  
April 08, 2015

The General Manager

- |   |                        |
|---|------------------------|
| 1. Karachi Stock Exchange Limited<br>Stock Exchange Building<br>Stock Exchange Road<br>Karachi. | Fax #: 021-111-573-329 |
| 2. Lahore Stock Exchange<br>19-Khyban-e-Aiwan-e-Iqbal<br>Lahore                                 | 042- 3636 8485         |
| 3. Islamabad Stock Exchange<br>Islamabad  | 051-111-473-329        |

Subject: **Notice Of Annual General Meeting**

Dear Sir,

Enclosed please find a copy of the Notice of Annual General Meeting to be held on April 30, 2015 at 2:30PM, for circulation amongst your members. This notice will appear in the English and Urdu daily newspaper namely Business Recorder and Nawa-e-Waqt of Karachi, Lahore and Islamabad on April 09, 2015.

Regards

  
**Faiza Khalid**  
Company Secretary

Cc:

The Director  
Insurance Division  
Securities & Exchange Commission of Pakistan  
4<sup>th</sup> Floor, Insurance Division, State Life Building # 2, Karachi

The Commissioner  
Securities Market Division  
Securities and Exchange Commission of Pakistan  
NIC Building, 63 Jinnah Avenue, Islamabad

## PICIC Insurance Limited

### Notice of Annual General Meeting

Notice is hereby given that the Eleventh Annual General Meeting of the Company will be held at the Institute of Chartered Accountants of Pakistan (ICAP) Auditorium, Chartered Accountants Avenue, Near Teen Talwar, Clifton, Karachi on Thursday April 30, 2015 at 02:30 PM to transact the following business:

#### Ordinary Business

1. To confirm the Minutes of the Tenth Annual General Meeting held on April 07, 2014.
2. To receive, consider and adopt the Audited Financial Statements for the year ended December 31, 2014 together with Directors' Report and Auditors' Report thereon.
3. To appoint auditors M/s. Muniff Ziauddin & Co., Chartered Accountants as statutory auditors for the year 2015 in place of retiring auditors M/s. A.F. Ferguson & Co., Chartered Accountants till the conclusion of the next Annual General Meeting.

Furthermore, one of the member has given the Notice under section 253 of the Companies Ordinance 1984 proposing M/s. Muniff Ziauddin & Co. Chartered Accountants as External Auditor of the Company in place of M/s. A.F. Ferguson & Co. Chartered Accountants.

#### Special Business

4. To approve issue of right shares at a discount of Rs. 5 by way of special resolution.
5. To consider and if thought fit to increase the authorised share capital of the Company by Rs. 750,000,000, i.e., from Rs. 500,000,000 to Rs. 1,250,000,000 and to accordingly approve the amendments to Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company to reflect such increase.

#### Other Business

6. Any other matter with the permission of Chair.

A Statement of Material Facts under section 160 (1) (b) of the Companies Ordinance, 1984 relating to said Special Business is given hereunder.

Karachi: April 09, 2015

By Order of the Board  
  
Faiza Khalid  
Company Secretary



#### Notes:

1. The share transfer books of the company will remain closed from April 23, 2015 to April 30, 2015 (both days inclusive).
2. All members are entitled to attend and vote at the meeting.
3. 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 situated at 1204, 12<sup>th</sup> Floor, Emerald

Tower, Clifton Block-5, Karachi not later than 48 hours before the meeting. A member shall not be entitled to appoint more than one proxy.

4. CDC shareholders are requested to bring their Computerized National Identity Cards, Accounts / Sub-Accounts Number and Participant's ID Number in the Central Depository Company (CDC) for identification purpose when attending the meeting. In case of a corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
5. The individual members who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) and the corporate members who have not yet submitted photocopy of their valid National Tax Number Certificate (NTN) to the company are once again requested to send the same with the Folio / CDC Account Number at the earliest directly to our Registrar, FAMCO Associates (Pvt) Limited, 8-F, next to Hotel Faran, Nursery Block – 6, P.E.C.H.S Shahrah-e-Faisal, Karachi, Pakistan.
6. Shareholders are requested to notify our Registrar immediately of any change in their addresses.
7. Form of proxy, if required, should be signed on Rs. 5/- revenue stamps.
8. The Securities and exchange Commission of Pakistan vide SRO 787(1)/2014 dated September 08, 2014 has allowed companies to circulate annual balance sheet, profit & loss account, auditors report and directors report along with notice of annual general meeting to its members through e-mail. Members who wish to avail this facility can give their consent to Company Secretary at email address :faiza.khalid@picicinsurance.com
9. Audited Accounts of the Company for the year ended December 31, 2014 are available on the Company's website: [www.picicinsurance.com](http://www.picicinsurance.com).

#### **Statement of Material Facts under Section 160 (1) (b) of the Companies Ordinance, 1984**

This statement sets out the material facts concerning the special Business, given in Agenda Item No.4 and 5 of the Notice, to be transacted at the Eleventh Annual General Meeting of the PICIC Insurance Limited.

#### **Item No. 4**

#### **Issue of right shares at a discount of Rs. 5 and to authorise the CEO to take all necessary actions in respect thereof**

The Board of Directors in their meeting held on April 03, 2015 (and adjourned to April 06, 2015) proposed the issuance of ordinary share having a face value of PKR 10 (Pak Rupees Ten) by way of a rights issue at a discount of Rs. 5 per ordinary share. This will enable the company to improve its profitability and meet the minimum solvency requirements imposed under the Insurance Ordinance 2000. The issuance of the rights shares at a discount is subject to the prior approval of the members and the thereafter the approval of the SECP under Section 84 of the Companies Ordinance 1984.

The Board of Directors of the Company have recommended that the following resolution be passed at the Annual General Meeting as Special Resolution, with or without modification:

**“RESOLVED THAT** subject to the approval of the SECP under Section 84 of the Companies Ordinance 1984. the paid up share capital of the Company be increased by the issue of further 70,000,000 (seventy million) ordinary shares of Rs. 10 each, that, such shares be offered to the shareholders in proportion to 200 right shares for every 100 shares presently held by each shareholder at a discount of Rs. 5 per share, that such offer be open for acceptance until such date as determined by the Chief Executive

Officer of the Company, and that a notice be sent to each shareholder specifying the number of shares he is entitled to subscribe and stating that if the offer is not accepted by the date aforesaid such shareholder shall be deemed to have declined the offer.

**FURTHER RESOLVED THAT** the Chief Executive Officer of the Company be and is hereby authorised to select and enter into an underwriting arrangement with an underwriter for the purposes of the issuance of the shares in accordance with the Companies (Issue of Capital) Rules, 1996 and to prepare, execute and file all necessary documents as required under section 84 of the Companies Ordinance 1984, and to undertake and make all necessary arrangements to give effect to the resolutions as set down above.

**FURTHER RESOLVED THAT** the circular in the prescribed form under section 86(3) of the Companies Ordinance 1984 required to accompany the notice aforesaid, a copy whereof as tabled at the meeting, be and is hereby approved, that the Chief Executive Officer or the Company Secretary be and are hereby authorised to sign such circular, and that copies of such circular be filed with the Registrar of Companies and be sent to each of the shareholders along with the notice aforesaid and further the Chief Executive Officer or the Company Secretary be and are hereby authorised to prepare, execute and file all necessary documents and to undertake and make all necessary arrangements to give effect to the resolutions as set down above."

#### **Item No. 5**

##### **Increase in Authorised Share Capital and Amendments to Memorandum and Articles of Association**

The present authorised share capital of the Company is Rs. 500,000,000 divided into 50,000,000 ordinary shares of Rs. 10 each of which 35,000,000 ordinary shares are issued. The Board of Directors at their meeting held on April 03, 2015 (adjourned to April 06, 2015) decided to raise funds through the issue of 70,000,000 ordinary shares of Rs. 10 each at discount of Rs. 5 per share as and by way of a rights issue. The purpose of the rights issue is to meet the minimum solvency requirements imposed under the Insurance Ordinance 2000, improve the liquidity ratio, improve the profitability and to benefit all stakeholders. In order to facilitate the issuance of the rights shares, the Directors of the Company have recommended that the authorised share capital of the Company be raised to Rs. 1,250,000,000 by Rs. 750,000,000 and that Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company be amended accordingly to reflect the same.

The Board of Directors of the Company have recommended that the following resolution be passed at the Annual General Meeting as Special Resolution, with or without modification:

**RESOLVED THAT** the Authorised Share Capital of the Company be and is hereby increased from Rs. 500,000,000 (Rupees Five Hundred Million) to Rs. 1,250,000,000 (Rupees One Billion and two hundred fifty million) and that:

Clause V of the Memorandum of Association of the Company be and is hereby amended to read as follows:

- "V. The Authorised Share Capital of the Company is Rs.1,250,000,000 (Rupees One Billion and two hundred fifty million) divided into 125,000,000 (One Hundred and twenty five Million) ordinary shares of Rs. 10/- (Rupees Ten Only) each with power to increase or reduce the capital and to consolidate or sub-divide the shares and issue shares of different kinds of classes therein of higher or lower denominations in such manner as may for the time being authorised by the regulations of the Company and subject to any incident authorised and consent required by law."

Article 4 of the Articles of Association of the Company be and is hereby amended to read as follows:

- "4. The Authorised Share Capital of the Company is Rs. 1,250,000,000 (Rupees One Billion and two hundred fifty million) divided into 125,000,000 (One Hundred and twenty five Million) ordinary shares of Rs. 10/- (Rupees Ten Only) each. The Company shall have the power to increase or reduce the capital and to consolidate or sub-divide the shares and issue shares of different kinds of classes therein of higher or lower denominations and to vary, modify or abrogate any such rights or conditions in such manner as may for the time being be provided by the Company in such manner as may be authorised by the regulations of the Company and subject to applicable laws."