



PICIC Insurance Limited

HEAD OFFICE

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Clifton, Block-5, Karachi - 75600, Pakistan.

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www.picicinsurance.com

AC/629/15
October 08, 2015

The General Manager

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

Subject: **Notice Of Extra Ordinary General Meeting**

Dear Sir,

Enclosed please find a copy of the Notice of Annual General Meeting to be held on October 30, 2015 at 03:00PM, 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 October 09, 2015.

Yours Sincerely


Afroz Quraishi
Company Secretary



Cc:

The Director
Insurance Division
Securities & Exchange Commission of Pakistan
4th 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 Extra Ordinary General Meeting

Notice is hereby given that an Extra Ordinary 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 Friday October 30, 2015 at 03.00 pm to transact the following business:

Ordinary Business

1. To confirm the Minutes of the eleventh Annual General Meeting held on April 30, 2015.

Special Business

2. To consider and, if thought fit to pass with or without modification, the following as special resolution, for the issuance of right issue of the Company at Par as approved/ recommended by Board of Directors of the Company on September 29, 2015.

"RESOLVED THAT The paid up share capital of the Company be increased by the issue of further 35,000,000 (thirty five million) ordinary shares of Rs. 10 each, that, such shares be offered to the shareholders in proportion to 1 right share for every 1 share presently held by each shareholder at par of Rs. 10 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.


ALSO RESOLVED THAT the Chief Executive Officer and the CFO & Company Secretary of the Company be and is hereby authorised to enter into any agreement for the purposes of the issuance of the Right shares and 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.

Other Business

3. 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.

By Order of the Board


Afroz Quraishi
Company Secretary

Karachi October 9, 2015

Notes:

1. The share transfer books of the company will remain closed from October 23, 2015 to October 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, 12th 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 Shakra-e-Faisal, Karachi, Pakistan.

6. Shareholders are requested to notify our Registrar immediately of any change in their addresses.
7. For appointing proxies :
 - (i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - a. The proxy form shall be witnessed by two persons whose names, addresses and NIC numbers shall be mentioned on the form.
 - b. Attested copies of NIC or the passport of the beneficial owners and of the Proxy shall be furnished with the proxy form.
 - c. The Proxy shall produce his/her original NIC or original passport at the time of the Meeting.
 - (ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

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.2 of the Notice, to be transacted at the Extra Ordinary General Meeting of the PICIC Insurance Limited.

Item No. 2

Issue of right shares at par of Rs. 10 and to authorize the CEO and CFO & Company Secretary to take all necessary actions in respect thereof

The Board of Directors in their meeting held on September 29, 2015 proposed the issuance of ordinary share having a face value of PKR 10 (Pak Rupees Ten) by way of a rights issue at par of Rs. 10 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 Right Issue previously was not approved unanimously by the board of directors and subsequently a relaxation was requested from SECP for Section 5(ii) of The Companies (Issue of Capital) Rules 1996. The subject request was not acceded by the competent Authority for relaxation of requirement of Rule 5(ii). Keeping in view the situation Board of Directors of the company in its meeting on September 29, 2015 discussed the matter of Issue of Rights and decided unanimously to issue rights at par value (Rs.10) which was approved by all directors in the meeting.

The Right Share are being issued to meet the solvency requirement provide fresh equity which will improve the liquidity ratio, allow the future growth and will improve the profitability of the company to benefit all the stakeholders. Injection of the additional capital would make the company solvent, facilitate growth of the business, rating of the Company, which will reduce the loss of business, improve operational viability, profitability of the Company and ensure good return to the Shareholders on their investment. Funds generated through right share will be utilized partly to meet the working capital requirement and to expand the operations of the Company. The additional capital will be used for investment.