

## **PREMIER INSURANCE LIMITED**

### **Notice of Annual General Meeting**

Notice is hereby given that the 64th Annual General Meeting of Premier Insurance Limited (the "Company") will be held at the Beach Luxury, Aquarius Hall, Moulvi Tamizuddin Road, Karachi, on Wednesday April 27, 2016 at 9.00 a.m. to transact the following business:

#### **ORDINARY BUSINESS**

1. To confirm the minutes of the Annual Ordinary General Meeting of the Company held on April 28, 2015;
2. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2015, the report of the Auditors thereon and the report of the Directors;
3. To approve the payment of a cash dividend @10% i.e. Rs.1/- per ordinary share of Rs.10 each, out of the reserves for the year ended December 31, 2015, as recommended by the Directors;
4. To appoint Auditors of the Company and fix their remuneration. M/s.Deloitte Yousuf Adil, Chartered Accountants be appointed as auditors, in place of retiring auditors;

#### **SPECIAL BUSINESS**

1. To approve the issuance of bonus shares @20% i.e. one ordinary share for every five ordinary shares held, out of the reserve for the year ended December 31, 2015, as recommended by the Directors by passing the following Ordinary Resolution:

“RESOLVED THAT a sum of Rs.69,648,900 out of the reserves of the Company be capitalized and applied to the issue of 6964890 Ordinary Shares of Rs.10 each and allotted as fully paid up Bonus Shares to the Members, who are registered in the Books of the Company at the close of business on April 17, 2016 in the proportion of one new shares for every five existing Ordinary Shares held and that such new shares shall rank pari passu with the existing Ordinary Shares of the Company.

That for the purpose of giving effect to the foregoing, the Chief Executive, Chief Financial Officer and Company Secretary be and are hereby singly authorized to give such directions as may be necessary and settle any questions or any difficulties that may arise in the distribution of the said new shares.

FURTHER RESOLVED THAT fractional shares be disposed-off in accordance to the Article of Association of the Company.”

2. To consider, and if thought fit, to pass the following resolution with or without modification(s) as Special Resolution to amend the Articles of Association of the Company by inserting a new Item No. 52A to introduce E-Voting as prescribed by Securities and Exchange Commission of Pakistan.

“RESOLVED THAT the Articles of Association of the Company be and is hereby amended as under:

The provisions and requirements for E-Voting as prescribed by the Securities and Exchange Commission of Pakistan (SECP) from time to time shall be deemed to be incorporated in these Articles, irrespective of the other provisions of these Articles of Association and notwithstanding anything contradictory therein.”

3. To consider, and if thought fit, to pass the following resolution with or without modification(s) as Special Resolution to amend the Memorandum and Articles of Association of the Company.

“RESOLVED THAT the Memorandum of Association of the Company be and is hereby amended as under:

The Authorized Share Capital of the Company is PKR 750,000,000/- (Pak Rupees Seven Hundred Fifty Million only) divided into 75,000,000 shares of PKR 10/- (Pak Rupees Ten only) each with the power of the Company, specifically, to increase the Authorized Share Capital to include a further issues including of preference shares, and generally, to increase or reduce the capital and to divide the shares in the capital for time being into several classes in accordance with the provisions of the Companies Ordinance, 1984 and any rules made thereunder, and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being (in accordance with the applicable laws), and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company (in accordance with applicable laws).

FURTHER RESOLVED THAT the Articles of Association of the Company be and is hereby amended as under:

The Authorized Share Capital of the Company shall be PKR 750,000,000/- (Pak Rupees Seven Hundred Fifty Million only) divided into 75,000,000 ordinary shares of PKR 10/- (Pak Rupees Ten only) each with the power of the Company, specifically, to increase the Authorized Share Capital to include a further issues including issuance preference shares, and generally, to increase or reduce the capital and to divide the shares in the capital for time being into several classes in accordance with the provisions of the Companies Ordinance, 1984 and any rules made thereunder, and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with these Articles or the applicable law for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by these Articles or the Regulations in accordance with laws.

**RESOLVED FURTHER** that all the formalities and legal procedures be undertaken to effectuate the above resolution, for which purpose the Company Secretary is hereby singly authorized and empowered to act on behalf of the Company to implement the object and spirit of the above resolution to all intents and purposes, to sign all necessary documents and do all acts, deeds and things necessary for the same.”

4. To consider and if thought fit, pass a special resolution pursuant to Section 208 of the Companies Ordinance, 1984 to authorize investments in the Equity of the of the following Associated Undertakings:

Rupees in millions				
Sr. No.	Name of Company	Amount of Investment Approved	Amount Utilized	Additional Approvals
1	Crescent Cotton Mills Limited	Rs.10.0	Rs.01.05	Rs.40.0
2	Crescent Textile Mills Limited	Rs.20.0	Rs.11.09	Rs.30.0
3	Shams Textile Mills Limited	Rs.20.0	Rs.06.69	Rs.30.0
4	Suraj Cotton Mills Limited	Rs.29.9	Rs.15.65	Rs.20.1
5	First Equity Modaraba	Rs.25.0	Rs.07.31	Rs.25.0
6	Shakarganj Mills Limited	Rs.10.0	-	Rs.40.0
7	Crescent Steel & Allied Products Limited	-	-	Rs.50.0
8	Crescent Jute Products Limited	-	-	Rs.50.0
9	Crescent Fibres Limited	-	-	Rs.50.0

Statement under section 160(1)(b) of the Companies Ordinance, 1984 relating to the aforesaid special resolution to be transacted at the said Annual General Meeting are attached.

#### **OTHER BUSINESS**

1. To transact any other business with the permission of the Chair.

By Order of the Board

Iftikhar Gadar  
Company Secretary

Karachi, March 29, 2016

#### **Notes:**

#### **CLOSURE OF SHARE TRANSFER BOOKS**

The Share Transfer Books of the company shall remain closed from April 18, 2016 to April 27, 2016 (both days inclusive). Transfers received in order at 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 by the close of business on April 17, 2016 will be treated in time for this purpose.

#### **PARTICIPATION IN THE ANNUAL GENERAL MEETING**

A member entitled to attend and vote at the above meeting may appoint a proxy to attend and vote on his behalf. No person shall act as a proxy (except for a corporation) unless he is entitled to be present and vote in his own right. Instrument appointing proxy must be deposited at the Registered Office of the company at least 48 hours before the time of the meeting.

## **A. FOR ATTENDING THE MEETING**

- i) In case of individuals, the account holder or sub-account holders whose registration details are uploaded as per the Regulations shall authenticate his/her original valid Computerized National Identity Card (CNIC) or the original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution / power of attorney which specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

## **B. FOR APPOINTING PROXIES**

- i) In case of individuals, the account holder or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per the above requirement.
- ii) Attested copies of the valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the Proxy Form.
- iii) The proxy shall produce original valid CNIC or original passport at the time of the meeting.
- iv) In case of corporate entity, the Board of Directors' resolution / power of attorney which specimen signature shall be submitted (unless it has been provided earlier) along with the Proxy Form of the Company.
- v) Proxy Form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the forms.

## **CNIC / NTN NUMBER ON DIVIDEND WARRANT (MANDATORY)**

As has already been notified from time to time, the Securities and Exchange Commission of Pakistan (SECP) vide Notification S.R.O. 19(I)/2014 dated 10th January 2014 read with Notification S.R.O. 831(1)/2012 dated July 5, 2012 require that the Dividend Warrant(s) should also bear the Computerized National Identity Card (CNIC) Number of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s).

Henceforth, issuance of dividend warrant(s) will be subject to submission of CNIC (individuals) / NTN (corporate entities) by shareholders.

**DEDUCTION OF INCOME TAX FROM DIVIDEND UNDER SECTION 150  
THE INCOME TAX ORDINANCE, 2001 (MANDATORY)**

(i) Pursuant to the provisions of the Finance Act 2015 effective July 1, 2015, the rates of deduction of income tax from dividend payments under the Income Tax Ordinance have been revised as follows:

1. Rate of tax deduction for filer of income tax return 12.5%
2. Rate of tax deduction for non-filers of income tax return 17.5%

To enable the company to make tax deduction on the amount of cash dividend @ 12.5% instead of 17.5%, shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 17.5% instead of 12.5%

(ii) Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to FAMCO Associates (Pvt) Ltd., by the first day of Book Closure.

(iii) Further, according to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder (s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them (**only if not already provided**) to our Share Registrar, in writing as follows:

Company Name	Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach our Share Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

(iv) For any query/problem/information, the investors may contact the Company Secretary at phone: 021-32416331-4 and email address [info@pil.com.pk](mailto:info@pil.com.pk) and/or M/s.FAMCO Associates (Pvt.) Ltd. at phone 021-34380101-5 and email address: [info.shares@famco.com.pk](mailto:info.shares@famco.com.pk)

(v) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or M/s.FAMCO Associates (Pvt.) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

## **DIVIDEND MANDATE**

In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide Circular No. 18 of 2012 dated June 05, 2012, it is to inform you that under Section 250 of the Companies Ordinance, 1984 a shareholder may, if so desired, direct the Company to pay dividend through his/her/its bank account.

Further, transferee of shares may exercise option for dividend mandate by using the revised "Form of Transfer Deed" available on Company's website. The revised form of transfer deed will enable the transferees to receive cash dividend directly in their bank accounts, if such transferee provides particulars of its bank account which he/she/it desires to be used for credit of cash dividend.

If they so desires the shareholders have the option to seek the dividend mandate by using the standardized "Dividend Mandate Form" available on Company's website [www.pil.com.pk](http://www.pil.com.pk).

Shareholders who hold shares in physical form are requested to submit the required Dividend Mandate Form to our Share Registrar, while those shareholder who hold shares in Central Depository Company are to submit the Dividend Mandate Form to their Participant/ Investor Account Services.

## **PAYMENT OF CASH DIVIDEND ELECTRONICALLY**

The SECP has initiated e-dividend mechanism through its letter No: 8(4) SM/CDC/2008 dated April 05, 2013. In order to avail benefits of e-dividend (such as instant credit of dividends, no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address etc.) shareholders are hereby advised to provide details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) bank name, (iv) branch name, code and address.

## **CONSENT FOR ELECTRONIC TRANSMISSION OF AUDITED FINANCIAL STATEMENTS & NOTICES**

Consent Form to receive Annual Financial Statements through e-mail. The Securities & Exchange Commission of Pakistan (SECP) through its Notification SRO 787(1)2014 of September 8, 2014 has allowed companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail.

If any member intends to receive the above through e-mail, he may provide us or to our Share Registrar, his consent on the consent form as available on company's website ([www.pil.com.pk](http://www.pil.com.pk)), duly filled and signed.



**Status of previous approvals for investments in associated companies under section 160(1)(b) of the Companies Ordinance, 1984 and are the annexed to the Notice of the 64th Annual General Meeting of the Premier Insurance Limited to be held on Wednesday April 27, 2016, at which certain Special Business are to be transacted.**

(i)	name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Crescent Cotton Mills Ltd.	Crescent Textile Mills Ltd.	Shams Textile Mills Ltd.	Suraj Cotton Mills Ltd.	First Equity Modaraba	Shakarganj Mills Ltd.	Crescent Steel & Allied Products Ltd.	Crescent Jute Products Ltd.	Crescent Fibres Ltd.
	<b>Investment made as at December 31, 2015</b>	Rs.01.05 million	Rs.11.09 million	Rs.06.69 million	Rs.15.65 million	Rs.07.31 million	-	-	-	-
(ii)	purpose, benefits and period of investment	The investment will enable the Company to earn dividend income including Bonus / Right shares and prospective capital gains. The period of the proposed equity investment is long term.								
(iii)	maximum amount of investment	50 million	50 million	50 million	50 million	50 million	50 million	50 million	50 million	50 million
(iv)	maximum price at which securities will be acquired	Fair value on the date of purchase, or in the case of negotiated purchase recorded on the Stock Exchange, the best price which can be negotiated in an arm's length transaction taking into consideration all factors attached to the purchase / sale.								
(v)	maximum number of securities to be acquired	Such number of shares which can be purchased by utilizing the said amount of investment at the price determined under (iv) above.								
(vi)	number of securities and percentage thereof held before and after the proposed investment	After completion of the proposed investment, the total shareholding and percentage of holding of the Company will depend upon the price at which the Company will be able to purchase the shares.								
(vii)	in case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs.45.0	Rs.18.63	Rs.21.20	Rs.136.14	Rs.4.8	Rs.8.34	Rs.125.73	Rs.2.75	Rs.42.78
(viii)	in case of investment in unlisted securities, fair market value of such securities determined in terms of Regulation 6(1)	NOT APPLICABLE								
(ix)	break-up value of securities intended to be acquired on the basis of the latest audited financial statements	Rs.27.99	Rs.56.09	Rs.86.50	Rs.188.0	Rs.12.03	Rs.(10.24)	Rs.65.2	Rs.(11.5)	Rs.74.45
(x)	earning per share of the associated company or associated undertaking for the last three years	2015 Rs.(1.00) 2014 Rs.4.53 2013 Rs.12.01	Rs.3.97 Rs.4.68 Rs.2.27	Rs.(6.15) Rs.(6.44) Rs.(2.87)	Rs.24.7 Rs.30.0 Rs.45.6	Rs.0.22 Rs.0.546 Rs.0.471	Rs.(2.05) Rs.(9.19) Rs.3.84	Rs.1.71 Rs.5.8 Rs.13.1	Rs.(0.29) Rs.6.94 Rs.(2.68)	Rs.3.59 Rs.14.15 Rs.19.62
(xi)	sources of fund from which securities will be acquired	Out of Company's own source funds								
(xii)	where the securities are intended to be acquired using borrowed funds (I) justification for investment through borrowings; and (II) detail of guarantees and assets pledged for obtaining such funds	NOT APPLICABLE NOT APPLICABLE								
(xiii)	salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	NOT APPLICABLE								
(xiv)	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	None of the directors, sponsors, majority shareholders and their relatives, have interest in the proposed acquisition, except to the extent of their shareholding in the associated company or associated undertaking or the transaction under consideration.								
(xv)	any other important details necessary for the members to understand the transaction	NOT APPLICABLE								
(xvi)	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, the following further information, is required, namely (I) description of the project and its history since conceptualization; (II) starting and expected date of completion of work; (III) time by which such project shall become commercially operational; and (IV) expected time by which the project shall start paying return on investment	NOT APPLICABLE NOT APPLICABLE NOT APPLICABLE NOT APPLICABLE								