

16-78 /1533
April 07, 2017

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21- 3454 1314

www.deloitte.com

Mr. Munawar Salemwala
Chief Financial Officer
Premier Insurance Limited (the Company)
Karachi.

Dear Sir

CERTIFICATE ON RESIDUAL FREE RESERVES AS REQUIRED UNDER RULE 6 (iii) OF THE COMPANIES (ISSUE OF CAPITAL) RULES, 1996

We have been requested to provide you with a certificate on the annexed computation of residual free reserves for the purpose of issue of bonus shares by the Company, as required under Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996.

Scope of certificate

This certificate is issued in terms of the requirement of Rule 6 (iii) read with the definition of free reserves as contained in Rule 5 of the Companies (Issue of Capital) Rules, 1996.

Management's responsibility

It is the management's responsibility to prepare and submit to Pakistan Stock Exchange the computation of residual free reserves for the issue of bonus shares in compliance with the Rule 6 of the Companies (Issue of Capital) Rules, 1996.

Auditors' responsibility

Our responsibility is to certify the compliance of the requirement of Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996 in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our procedures were limited to verifying the factual accuracy of computation of residual free reserves on the basis of audited financial statements for the year ended December 31, 2016.

Certificate

We certify that the residual free reserves of the Company, in terms of the meaning given to free reserves in the Companies (Issue of Capital) Rules, 1996 after the proposed issue of bonus shares of face value of Rs. 41,789,345 would be higher than fifteen percent of the enhanced paid-up capital of Rs. 459,682,794.

Restriction on use and distribution

This certificate is issued in relation to the Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996 and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and the attachment.

Yours truly,



Chartered Accountants

31 December 2016**Working of free reserves****(Rs. in '000)**

Issued Subscribed and Paid-up Capital	417,893
Proposed Bonus issue (10%)	<u>41,789</u>
Enhanced Capital	459,682
15% of Enhanced Capital	68,952
General Reserve	1,084,258
Accumulated losses	<u>(280,102)</u>
	804,156
Less: Proposed Bonus issue	(41,789)
Free Reserves	762,367



Munawar Salemwala
Chief Financial Officer
Dated: April 06, 2017



Premier Insurance Limited