

BUSINESS RECORDER

KARACHI & LAHORE

THURSDAY APRIL 7, 2016

RELiance INSURANCE COMPANY LIMITED

Notice of the Thirty Fourth Annual General Meeting

Notice is hereby given that the 34th Annual General Meeting of the Shareholders of RELIANCE INSURANCE COMPANY LIMITED will be held on Saturday the 30th April, 2016 at 12:30 p.m. at the Head Office of the Company at RELIANCE INSURANCE HOUSE, 181-A Sindh Muslim Housing Society near Mehdi Tower, off. Shersh-e-Faisal, Karachi, to transact the following business:

ORDINARY BUSINESS:

1. To confirm the Minutes of the 33rd Annual General Meeting of the company held on 20th April, 2015.
2. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st December, 2015 together with Directors' and Auditors' Reports thereon.
3. To consider and approve cash dividend 5% for the year ended 31st December, 2015 as recommended by the Board of Directors.
4. To appoint auditors and fix their remuneration for the year ending December 31, 2016. The present auditors M/s. BDO Ebrahim & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment.
5. To elect Nine (9) Directors in accordance with the provisions of Section 178 of the Companies Ordinance 1984, for a term of three years commencing from the date of holding of AGM i.e. April 30, 2016. As fixed by the Board of Directors the number of Directors to be elected will be Nine (9). The following are retiring directors and have offered themselves for re-election except Mr. Yasin Siddik:

Mr. Ismail H. Zakaria	Mr. A. Aziz Ayoub
Mr. Irfan Zakaria Bavary	Mr. Zohair Zakaria
Mr. Muhammad Omar Bavary	Mr. Noor M. Zakaria
Mr. Ahmed Ali Bavary	Mr. Hamza Omar Bavary
Mr. Yasin Siddik	Mr. Abdul Jabbar

SPECIAL BUSINESS:

6. To consider and approve the issuance of bonus shares @ 10% i.e. 10 ordinary shares for every 100 ordinary shares held, out of the profit for the year ended December 31st, 2015, as recommended by the Directors by passing the following Ordinary Resolution:

To consider and if thought fit to pass with or without modification the following resolution:

Resolved:

"that a sum of Rs. 46,397,780/- out of this Company's Profit be capitalized for issuing of 4,639,778 ordinary shares of Rs. 10/- each and allotted as fully paid-up Bonus Shares to the Members who registered in the Book of the Company as at close of business on April 16th, 2016 in the proportion of 10 new shares for every 100 existing ordinary shares held and that such new Shares shall rank pari passu with existing ordinary shares of the Company."

Further Resolved:

"that Bonus Shares forming part of such fraction holding which is not in exact multiple of 10/100 shares will be sold in the Stock Market and to pay the proceeds of sale when realized to a Charitable Institution."

"That for the purpose of giving effect to the foregoing, the Chief Executive and Company Secretary be and hereby authorized to give such directions as may be necessary and as they deem fit to settle any questions or any difficulties that may arise in the distribution of the said new shares or in the payment of the sale proceeds of the fraction."

7. To enhance the Fee payable to Directors for attending Board of Directors meeting from Rs.10,000/- to Rs.25,000/- and pass the following Resolution:

Resolved:

"that the Fee payable to Director for attending Board Meeting be and is hereby increased from Rs. 10,000/- (Rupees Ten Thousand) to Rs. 25,000/- (Rupees Twenty Five Thousand)."

Further Resolved:

"that the Figure Rs.10,000/- (Rupees Ten Thousand) appearing in Article 137 of Article of Association be and is hereby substituted by the figure Rs. 25,000/- (Rupees Twenty Five Thousand)."

8. To consider and approve remuneration of the Chief Executive of the Company for a further period of three years as approved by the Board of Directors.

The Statement Under Section 160(1)(b) of the Companies Ordinance 1984, pertaining to the special business referred to above is being circulated to the members along with the Notice of the Meeting.

OTHER BUSINESS:

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

The Share Transfer Books of the Company will remain closed from 19th April, 2016 to 30th April, 2016 (both days inclusive).

Dated: 26th March, 2016

By Order of the Board
HAROON A. SHAKOOR
Chief Accountant & Company Secretary

1. A member of the Company entitled to attend and vote may appoint any member as his/her proxy to attend and vote on his/her behalf. PROXIES MUST BE RECEIVED AT THE HEAD OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Any member wishing to contest the election of Directors shall file the following with the Company Secretary of the Company at its Head Office located at 181-A, Sindh Muslim Co-operative Housing Society, Karachi, not later than 14 days before the date of the above-said Annual General Meeting.
 - (a) His/Her intention to offer himself/herself for the election in terms of Section 178(3) of the Companies Ordinance 1984. His/She should also confirm that:
 - (i) He/She is not ineligible to become a director of the Company under any applicable laws and regulations (including listing regulations of Stock Exchanges);
 - (ii) Neither he/she nor his/her spouse is engaged in the business of brokerage or is a sponsor, director or officer of a corporate brokerage house;
 - (iii) He/She is not serving as a director in more than seven listed companies simultaneously. Provided that this limit shall not include the directorships in the listed subsidiaries of a listed holding company;
 - (iv) His/her name is borne in the register of national tax payers.
 - (b) Consent to act as Director on Form 28 under Section 164 of the Companies Ordinance 1984. A copy of the relevant documents may be obtained from the Office of the Company Secretary of the Company or may be downloaded from the website of SECP.
 - (c) Detailed profile along with his / her office address as required under SRO 25(1) 2012 dated January 16th, 2012 of the SECP.
 - (d) Signed declaration in respect of being compliant with the requirements of Code of Corporate Governance for Insurance 2016 and the eligibility criteria as set out in the Companies Ordinance 1984 to act as director of listed companies.
 - (e) Information on Annexure A and affidavit on Annexure B required under the Insurance Companies (Sound and Prudent Management) Regulations 2012 notified by the SECP vide SRO 151(1) 2012 dated January 9, 2012. Annexure A and B are available at SECP website and can also be obtained from the Office of the Company Secretary of the Company.
3. CDC Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting:

- i) In case of individuals, the account holder or sub-account holder and/or person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii) In case of 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.

B. 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 requirements.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his original CNIC or original Passport at the time of the meeting.
- v) In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature of the nominee shall be submitted (unless it has been provided earlier) along with a proxy form to the Company.

4. Shareholders are requested to inform the Company of any change in their address, if any, immediately.

5. SUBMISSION OF COPIES CNIC (MANDATORY)

Securities and Exchange Commission of Pakistan (SECP) has directed vide Notification No. SRO No. 831(1)/2012 of July 5, 2012 in supersession of earlier Notification No. SRO No. 779(1)2011 of August 19, 2011 has directed all listed Companies to ensure that Dividend Warrants should bear the Computerized National Identity Card (CNIC) numbers of the registered members. Members who have not yet provided attested copies of their valid CNICs/NTNs (in case of corporate entities) are requested to send the same directly to the Registrar of the Company at the earliest. No dividend will be payable unless the CNIC number is printed on the dividend warrants, so please let us have your CNIC numbers, failing which we will not be responsible if we are not able to pay the dividend.

6. Dividend Mandate - Payment of Cash Dividend Electronically (Optional)

In compliance with the SECP's Circular No. 19 of 2012 dated June 5, 2012, the Company wishes to inform its shareholders, that under the law they are also entitled to receive their cash dividend directly in their bank accounts instead of receiving it through dividend warrants. Shareholders, wishing to exercise this option, may submit their application to the Company's Share Registrar, giving particulars relating to their name, folio number, bank account number, title of account and complete mailing address of the bank. CDC account holders should submit their request directly to their broker (agent) / CDC.

7. Electronic Transmission of Annual Financial Statements and Notices

Pursuant to notification vide SRO 787(1) / 2014 of September 8, 2014, the SECP has directed to facilitate the members of the Company receiving annual financial statements and notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive annual financial statements and notices of the Company through email in future. In this respect members are hereby requested to convey their consent via email on a standard request form which is available at the Company website www.relianceins.com. Please ensure that your email has sufficient rights and space available to receive such email which may be larger than 5 MB file in size. Further, it is the responsibility of the member to timely update the share registrar of any change in their registered email address.

Financial Statements and relevant reports have been placed on the website of the company which can be seen on www.relianceins.com.

8. Deduction of Withholding Tax on the Amount of Dividend

Pursuant to SECP directives vide Circular No. 19/2014 dated October 24, 2014, the SECP has directed all companies to inform shareholders about changes made in Section 150 of the Income Tax Ordinance 2001. We hereby advise shareholders as under:

The Government of Pakistan through Finance Act 2015 has made certain amendments in section 150 of the Income Tax Ordinance 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

- a. For filers of income tax returns 12.50%
- b. For non-filers of income tax returns 17.50%

To enable the Company to make tax deduction on the amount of cash dividend @12.50% instead of 17.50%, all the 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 make sure that their names are entered into ATL for future payment of dividend, if any. For any query / problem / information, the investors may contact our Share Registrar. In case of Joint Account, each holder is to be treated individually as either a filer or non-filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder. In this regard shareholders are requested to provide shareholding proportions along with the CNIC Nos. of Principal Shareholder and Joint Shareholders in respect of shares held by them to our Share Registrar in writing by April 18, 2016, or if no notification is received, each joint holder shall be assumed to have an equal number of shares.

Individual and corporate shareholders having CDC account are required to have their National Tax Number (NTN) updated with their respective participants, whereas non-CDC shareholders should send a copy of their NTN certificate to the Company or its Share Registrar. The shareholders while sending NTN or NTN certificates, as the case may be, must quote Company name and their respective folio numbers.

Company Name	Folio/CDC Account No.	Total Shares	Principal Shareholder		Joint Shareholders		Signature
			Name and CNIC No.	Proportion (No. of Shares)	Name and CNIC No.	Proportion (No. of Shares)	

9. Requirement of Valid Tax Exemption Certificate for Claiming from Withholding Tax.

As per FBR Circulars C No. 1(29) WHT/2006 dated June 30, 2010 and C No. 1(43)DG (WHT) 2008-Vol-II-66417-R dated May 12, 2015 the valid exemption certificate is mandatory to claim exemption amount of withholding tax LIS 150 of the Income Tax Ordinance 2001 (tax on dividend amount) where the statutory exemption under Clause 47B of Part IV of Second Schedule is available. The shareholder, who fall in the category mentioned in the above clause and want to avail exemption LIS 150 of the Ordinance, must provide Tax Exemption Certificate to our Share Registrar. In case of those shareholders who are non-residents are requested to please provide their respective detail including residence status/country of residence with copy of their NICOP to our Share Registrar before book closure in case of non-availability of status in their respective portfolio, the respective tax on dividends would be applicable.

STATEMENT UNDER SECTION 160(1)(B) OF THE COMPANIES ORDINANCE 1984 PERTAINING TO THE SPECIAL BUSINESS:

The statement set out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on April 30th, 2016.

ITEM NO. 6, 7 AND 8 OF THE AGENDA

"I, further Resolved that the decision of the Board of Directors, of the Company to issue 4,639,778 ordinary shares of Rs. 10/- each by capitalizing Rs. 46,397,780/- out of the Free Reserve of the Company and allotted as fully paid-up bonus shares to the members of the Company who were registered in the book of the Company on 18th April, 2016 in the ratio of 10 shares such new shares for every 100 existing ordinary shares held ranking pari passu with the existing ordinary shares of the Company."

None of the Directors of the Company are interested in this business except to the extent of their entitlement to bonus shares as shareholders. A Special Resolution to amend the sub-clause in the Articles of Association of the Company Approval of the Shareholders of the Company will be sought for amendment of Article 137. The amendment seek to increase fee payable to directors from existing limit of Rs. 10,000/- to Rs. 25,000/- for attending Board Meetings.

Shareholders' approval will be sought for the payment of remuneration and provision of certain facilities to the Chief Executive/Managing Director, as approved by the Board in their meeting held on 26th March, 2016. The Chief Executive is interested only in the remuneration payable to him. It is proposed to move the following resolution at the meeting.

Resolved that the Company hereby approve and authorize payment as remuneration to the Chief Executive/Managing Director as follows:

- i) Monthly Basic Salary Rs. 493,000/-. The Chairman be and is hereby authorized to determine annual increases.
- ii) All fringe benefits and other prerequisites as are allowed to Senior Executives of the Company.

