

# Reliance Insurance Company Ltd.

(Incorporated in Pakistan)



**Head Office :**

"Reliance Insurance House"  
181-A, Sindhi Muslim Co-operative Housing Society,  
Karachi-74400, Pakistan. Tel: 34539415-17  
E-mail: reli-ins@cyber.net.pk Web Site : relianceins.com

REF/SH/INVT/40/04/2017

Dated: 7<sup>th</sup> April, 2017

P.O. Box No. : 13356  
GRAMS : TRUSTONUS  
Fax No. : 92-21-34539412

The General Manager,  
Pakistan Stock Exchange Ltd.,  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

Dear Sir,

## NOTICE OF ANNUAL GENERAL MEETING

We are pleased to send herewith in advance copy of the Notice of our Company's Annual General Meeting (AGM) to be held on Saturday, 29<sup>th</sup> April, 2017 for your information.

We are also sending herewith photo copies of the advertisements on Notice of (AGM) both in English and Urdu versions which are tentatively scheduled to be publish in daily newspaper in English language and a daily newspaper in a Urdu language on Saturday 8<sup>th</sup> April, 2017 in terms of Section 50(3) of the Companies Ordinance, 1984.

Thanking you,  
Yours faithfully,

(HAROON A. SHAKOOR)  
Chief Accountant & Company Secretary.

copy to:  
The Commissioner  
Securities & Exchange Commission of Pakistan  
Insurance Division,  
NIC Building  
63, Jinnah Avenue,  
Islamabad

hasnat.ahmad@secp.gov.pk

The Executive Director (SMD)  
Securities Exchange Commission of Pakistan  
NIC Building,  
63, Jinnah Avenue, Islamabad.

general.meetings@secp.gov.pk

Please find attached AGM Notice in PDF file for your kind perusal and record.

# **RELIANCE INSURANCE COMPANY LIMITED**

## **Notice of the Thirty Fifth Annual General Meeting**

**Notice** is hereby given that the 35th Annual General Meeting of the Shareholders of **RELIANCE INSURANCE COMPANY LIMITED** will be held on Saturday day the 29th April, 2017 at 12:30 p.m. at the Head Office of the Company at RELIANCE INSURANCE HOUSE 181-A Sindhi Muslim Housing Society near Mehdi Tower, off: Sharah-e-Faisal, Karachi, to transact the following business:

### **ORDINARY BUSINESS:**

1. To confirm the Minutes of the 34th Annual General Meeting of the company held on 30th April, 2016.
2. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st December, 2016 together with Directors' and Auditors' Reports thereon.
3. To consider and approve cash dividend of 5% for the year ended 31<sup>st</sup> December, 2016 as recommended by the Board of Directors.
4. To appoint auditors and fix their remuneration for the year ending December 31, 2017. The retiring Auditors, M/s. BDO Ebrahim & Co., Chartered Accountants have completed five years as Auditors of the Company and are no longer eligible for appointment. The Board of Directors recommends the appointment of Messrs Kreston Hyder Bhimji & Co., Chartered Accountants for the year 2017 who have indicated their consent to act as Auditors.

### **SPECIAL BUSINESS:**

5. 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 31, 2016, as recommended by the Directors by passing the following Ordinary Resolution:

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

Resolved

"That a sum of Rs. 51,037,530 out of the Company's Profit be capitalized for issuing of 5,103,753 ordinary shares of Rs.10/- each and allotted as fully paid up Bonus Shares to the Members who are registered in the Book of the Company as at close of business on April 18, 2017 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/ or 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."

6. To obtain consent of the shareholders in terms of S.R.O 470(1)/2016 dated May 31, 2016 issued by Securities and Exchange Commission of Pakistan (SECP) for the transmission of the annual balance sheet and profit and loss account, auditors' and directors' reports etc. ("annual audited accounts") and other information contained therein of the Company through CD/DVD/USB. In this regard following resolution to be considered and, if thought fit, to be passed as a special resolution with or without modification:

"Resolved that transmission of annual balance sheet, profit and loss account, auditors' and directors' reports etc. ("Annual Audited Accounts") and other information contained therein to the members at their registered address through CD/ DVD/ USB, instead of transmitting the same in hard copies, be and is hereby approved,"

7. To consider and if thought fit. to pass the following resolution, with or without modification(s), as Special Resolution to alter the Articles of Association of the Company by inserting new Articles Nos. 94-A, 113-A, and 120-A to enable the members for e-voting as required by Companies (E-Voting) Regulations, 2016 and video conferencing, issued by Securities and Exchange Commission of Pakistan vide SRO 43(1)/2016 dated January 22, 2016 and Circular No. 10 of 2014 dated May 21, 2014.

"Resolved by way of special resolution the Articles of Association of the Company be amended by adding following new clauses as 94-A 113-A, and 120-A".

94-A "Resolved that the company may provide video conference facility to its Members at places other than the town in which general meeting is taking place after considering the geographical dispersal of its Members, subject to the condition that Members collectively holding ten percent (10%) or more shareholding residing at a geographical location provide their consent to participate in the general meeting through video conference at least ten (10) days prior to the date of the general meeting. The company shall arrange video conference facility subject to availability of such facility in that city and an intimation to the Members shall be given by the Company at least five (5) days before the date of general meeting regarding venue of video conference facility along with complete information. However, the quorum, as required under the Ordinance, as well as the Chairman of the general meeting, shall be present at the place of the general meeting."

113-A "Resolved that a Member may opt for e-voting in a general meeting of the Company under the provisions of the Companies (E-Voting) Regulations, 2016 (including any statutory modification thereof), as amended from time to time. In the case of e-voting, both Members and non-members can be appointed as proxy. The instruction to appoint execution officer and option to e-vote through intermediary shall be required to be deposited with the Company, at least ten (10) days before holding of the general meeting, at the Company's registered office address or through email. The Company will arrange for e-voting if the Company receives demand for poll from at least five (5) members or by any member having not less than one tenth of the voting power."

120-A An instrument appointing a proxy relating to e-voting shall be in the following form:

I/ We \_\_\_\_\_ of \_\_\_\_\_ being a member of Reliance Insurance Company Limited holding \_\_\_\_\_ Ordinary Share(s) as per Registered Folio No. \_\_\_\_\_ hereby opt for e-voting through intermediary and hereby consent the appointment of execution officer \_\_\_\_\_ as proxy and will exercise e-voting as per the Companies (E- voting) Regulations, 2016 and hereby demand for poll for resolutions. My secured e-mail address is \_\_\_\_\_ please send login details, password and electronic signature through e-mail.

\_\_\_\_\_  
Signature of Members

CNIC No. \_\_\_\_\_

(Signature should agree with the specimen signature registered with the Company.)

Signed in the presence of:

\_\_\_\_\_  
Signature of Witness

CNIC No. \_\_\_\_\_

\_\_\_\_\_  
Signature of Witness

CNIC No. \_\_\_\_\_

"Further Resolved that the Chief Executive Officer and/or Company Secretary be and is hereby authorized to do all acts, deed and things, take all steps and actions necessary, ancillary and incidental for altering the Articles of Association of the Company including filing of all requisite documents/statutory forms as may be required to be filed with the Registrar of Companies and complying with all other regulatory requirements so as to effectuate the alterations in the Articles of Association and implementing the aforesaid special resolution ."

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 member's alongwith the Notice of the Meeting.

#### **OTHER BUSINESS:**

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

The Share Transfer Books of the Company will remain closed from 19th April, 2017 to 29th April, 2017 (both days inclusive).

By order of the Board

**(HAROON A. SHAKOOR)**

Chief Accountant & Company Secretary.

Karachi: 28th March, 2017

#### **NOTES:**

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. 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 up-loaded 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) alongwith proxy form to the Company.
3. Shareholders are requested to inform the Company of any change in their address, if any immediately.

#### **4. SUBMISSION OF COPIES CNIC (MANDATORY)**

Securities and Exchange Commission of Pakistan (SECP) has directed vide Notification No.SRO.831(1)/2012 of July 5, 2012 in supersession of earlier Notification No.SRO.779(1)2911 of August 18, 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 CINCs/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.

#### **5 Dividend Mandate - Payment of Cash Dividend Electronically (Optional)**

In compliance with the SECP's Circular No 18 of 2012 dated June 6, 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 (participant) / CDC.

#### **6 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](http://www.relianceins.com). Please ensure that your email has sufficient rights and space available to receive such email which may be larger than 1 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](http://www.relianceins.com).

#### **7 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, 2016 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 20.00%

To enable the Company to make tax deduction on the amount of cash dividend @12.50% instead of 20.00%, 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 file 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 alongwith the CNIC Nos. of Principal shareholder and Joint shareholder(s) in respect of shares held by them to our Share Registrar in writing by April 18, 2017, 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 #	Total Shares	Principal shareholder		Joint Shareholders		Signature
			Name and CNIC #	Proportion (No of Shares)	Name and CNIC #	Proportion (No of Shares)	

**8 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 U/S 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 U/S 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 29, 2017.

**ITEM NO. 5, 6, AND 7 OF THE AGENDA**

“Further Resolved that the decision of the Board of Directors of the Company to issue 5,103,753 ordinary shares of Rs. 10 each by capitalizing Rs. 51,037,530 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, 2017 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.

To give effect to the notification S.R.O 470(1)/2016 dated May 31, 2016 issued by Securities and Exchange Commission of Pakistan (SECP) shareholder’ approval is being sought to allow the Company to circulate its Annual Report through CD/DVD/USB at register address. If a member prefers to receive hard copies for all the future annual reports, then such preference of the member shall be communicated to the Company in writing in which case the Company shall be bound to provide hard copies of all the future annual reports.

**Alteration in the Articles of Association:**

To give effect to the companies (E-Voting) Regulations 2016. Shareholders’ approval is being sought to amend the Articles of Association of the company to enable e-voting. The detail of amendments proposed in the Articles of Association is part of resolution mentioned in the Notice.

None of the Directors of the Company have any direct or indirect interest in above said Special Business.