



THE UNIVERSAL INSURANCE CO. LTD.

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October 31, 2011

FAX NO.111-573-329

The General Manager
Karachi Stock Exchange (G) Limited,
Karachi.

Subject: **OFFER OF SHARES TO SPONSORS & DIRECTORS UNDER
PROVISO TO SUB SECTION (1) OF SECTION 86 OF THE
COMPANIES ORDINANCE 1984**

Dear Sir,

We have to inform you that Board of Directors of the Company have decided in their meeting held on October 31, 2011 at Rawalpindi to enhance the Paid-up Capital of the Company to meet the legal requirement U/S 28 of the Insurance Ordinance 2000 under Circular No. 3 of 2007 of Securities & Exchange Commission of Pakistan wherein the minimum Paid-up Capital for an existing Insurance Company is required to be raised to Rs. 300 million by December 31, 2011. The Karachi Stock Exchange rates remained between Rs. 4.00 to Rs. 1.05 during January 2011 to October 19, 2011.

In view of the above requirement and in consideration of the low stock market rates, the Board of Directors of the Company has decided to issue and offer new shares to sponsors and directors and such persons to whom directors deem fit for allotment of shares of the Company by offering 14.29% additional shares i.e 3,750,000 (Three million Seven Hundred Fifty Thousand) shares of Rs. 10/- each. The Board has advised the Company Secretary to convene Extra Ordinary General Meeting on Tuesday November 29, 2011 at 10:00 A.M at the Company's registered office for seeking consent and approval of the members of the Company in this context.

This is for your information please.

Thanking you,

Yours faithfully,

(Ijaz Ahmed)
Company Secretary