



March 03, 2020

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

Dear Sir,

Re: Notice of Meeting of EFU General Insurance Limited

We enclose a copy of Notice of 87th Annual General Meeting to be held on Friday
March 27, 2020.

Please acknowledge receipt.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Amin Punjani'.

Amin Punjani
Company Secretary

E F U GENERAL INSURANCE LTD.

EFU House, M.A. Jinnah Road, P.O. Box 5005, Karachi-74000.
Phones: 32313471-90. Fax: 92-21-32310450.
E-mail: info@efuinsurance.com Web: www.efuinsurance.com



Notice of Meeting

Notice is hereby given that the 87th Annual General Meeting of the Shareholders of EFU General Insurance Limited will be held at the Registered Office of the Company at Kamran Centre, 1st Floor, 85 East, Jinnah Avenue, Blue Area, Islamabad, on Friday March 27, 2020 at 10:00 a.m. to:

A. ORDINARY BUSINESS:

1. confirm the minutes of the 86th Annual General Meeting held on April 23, 2019.
2. receive, consider and approve the Audited Financial Statements (consolidated and unconsolidated) for the year ended December 31, 2019 together with the Chairman's review, Directors' and Auditors' reports thereon.
3. consider and if thought fit to approve the payment of Final Dividend at the rate of 55 % i.e. Rs. 5.50 per share as recommended by the Board of Directors and also approve the 45 % i.e. Rs. 4.5 per share Interim Cash Dividends already paid to the Shareholders for the year ended December 31, 2019.
4. appoint Auditors of the Company for the year 2020 and fix their remuneration. The Audit Committee and the Board of Directors have recommended the name of M/S KPMG Taseer Hadi & Co., Chartered Accountants for re-appointment as auditors.

B. SPECIAL BUSINESS:

5. to consider, and if thought fit, to pass the following resolutions with or without modification(s) as Special Resolutions:

“Resolved that the transactions carried out by the Company in the normal course of business with EFU Life Assurance Limited and Allianz EFU Health Insurance Limited (related parties) in 2019 be and are hereby ratified, approved and confirmed.”

“Further Resolved that the Managing Director & Chief Executive be and is hereby authorized to approve all the transactions carried out in the normal course of business with EFU Life Assurance Limited and Allianz EFU Health Insurance Limited till the next Annual General Meeting.”

6. transact any other matter with the permission of the chair.

Attached to this notice of meeting being sent to the members is a statement under Section 134(3)(b) of the Companies Act, 2017 setting forth:



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- a. All material facts concerning the resolutions contained in items 5 of the notice.
- b. Status of previous approval of investments in associated company.

By Order of the Board



AMIN PUNJANI

Company Secretary

Karachi: 08 February 2020

NOTES

1. A member entitled to attend and vote at the General Meeting is entitled to appoint another member as a proxy to attend and vote in respect of him. Form of proxy must be deposited at the Company's Registered Office not later than 48 hours before the time appointed for the meeting.
2. CDC Account holders are advised to follow the following guidelines of the Securities and Exchange Commission of Pakistan.
 - A. For attending the meeting:
 - (i) In case of individuals, the account holder and / or sub - account holder 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 and / or sub-account holder and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - (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 the 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 shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

3. The Share Transfer Books of the Company will be closed from March 21, 2020 to March 27, 2020 (both days inclusive). Transfers received in order by our Share Registrar, CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 at the close of business on March 20, 2020 will be considered in time to attend and vote at the meeting and for the entitlement of Dividend.
4. Members are requested to notify / submit the following, in case of book entry securities in CDC to respective CDC participants and in case of physical shares, to the Company's Share Registrar, if not earlier provided / notified:
- Change in their addresses;
 - Valid and legible photocopies of Computerized National Identity Card (CNIC) for Individuals and National Tax Number (NTN) both for individual & corporate entities.

5. **ELECTRONIC TRANSMISSION OF FINANCIAL STATEMENTS AND NOTICES**

Pursuant to Notification vide SRO 787 (I) / 2014 dated September 08, 2014, the Securities and Exchange Commission of Pakistan (SECP) has directed all companies to facilitate their members receiving annual financial statements and notice of annual general meeting through electronic mail system (E-mail). The Company is pleased to offer this facility to our valued members who desire to receive annual financial statements and notices through email in future.

In this regards, those members who wish to avail this facility are hereby requested to convey their consent via email on a standard request form which is available at the Company's website.

Please ensure that your email account has sufficient rights and space available to receive such email which may be greater than 1 MB in size. Further, it is the responsibility of member(s) to timely update the share registrar of any change in his (her / its / their) registered email address at the address of Company's Registrar.

6. **ELECTRONIC DIVIDEND MANDATE**

Under section 242 of Companies Act, 2017 it is mandatory for all listed Companies to pay cash dividend to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested (if not already provided) to fill in Bank Mandate Form for Electronic Credit of Cash Dividend available in the Annual Report and also on the Company's website and send it duly signed along with a copy of CNIC to the Share Registrar of the Company, CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 in case of physical shares.





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In case shares are held in CDC, electronic dividend mandate form must be directly submitted to shareholder's brokers / participant / CDC account services as the case may be.

In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to shareholders.

7. SUBMISSION OF VALID CNIC / SNIC (MANDATORY)

As per SECP directives, the dividend warrants of the shareholders whose valid CNICs, are not available with the Share Registrar could be withheld. All shareholders having physical shareholding are, therefore, advised to submit a photocopy of their valid CNICs immediately, if already not provided, to the Company's Share Registrar at the following address, CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 without any further delay.

8. DEDUCTION OF WITHHOLDING TAX ON THE AMOUNT OF DIVIDEND

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

- (i) The Government of Pakistan through Finance Act, 2019 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: | 15 % |
| b. | for non-filers of income tax returns: | 30 % |

To enable the Company to make tax deduction on the amount of cash dividend @15% instead of 30%, 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 before the date for payment of the cash dividend otherwise tax on their cash dividend will be deducted @30% instead @15%.

- (ii) In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax be deducted by the Company on the basis of shareholding of each joint-holder as may be notified to the Company in writing. The joint-holders are, therefore, requested to submit their shareholdings otherwise each joint-holder shall be presumed to have an equal number of shares.

- (iii) For any query / problem / information, the investors may contact the Company and / or the Share Registrar at the following phone numbers & email address. The contact number of Company Secretary is 021-32313471-90 & email: amin.punjani@efuinsurance.com and the contact numbers of Share Registrar, CDC Share Registrar Services Limited is 021-111-111-500 & email: info@cdcsrsl.com.



- (iv) 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 its Share Registrar, CDC Share Registrar Services Limited, The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

9. CONSENT FOR VIDEO CONFERENCING FACILITY

Pursuant to the provision to the Companies Act, 2017 the members can also avail the video Conferencing facility. In this regard, please fill the following and submit to registered address of the Company at least 10 days before the holding of annual general meeting. If the Company receives consent from members holding aggregate 10% or more shareholding residing at the geographical location to participate in the meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.

I / We, _____ of _____, being a member of EFU General Insurance Ltd. holder of _____ ordinary share(s) as per registered folio / CDC no. _____ hereby opt for video conferencing facility.

10. UNCLAIMED DIVIDEND

As per the provision of section 244 of the Companies Act 2017, any shares issued or dividend declared by the Company which have remained unclaimed / unpaid for a period of three years from the date on which it was due and payable are required to be deposited with the Commission for the credit of Federal Government after issuance of notices to the shareholders to file their claim. The details of the shares issued and dividend declared by the Company which have remained due for more than three years was sent to shareholders, uploaded on Company website and Final notice was issued in newspaper on October 23, 2018. In case, no claim is lodged with the Company in the given time, deposit the unclaimed / unpaid amount and shares with the Federal Government pursuant to the provision of Section 244 (2) of Companies Act, 2017.

11. DEPOSIT OF PHYSICAL SHARES IN TO CDC ACCOUNTS:

As per section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act.

The shareholder having physical shareholding may open CDC sub-account with any of the brokers or investor account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing regulations of the stock exchange.

Statement under section 134(3) of the Companies Act, 2017:

This statement sets out the material facts pertaining to the Special Business to be transacted at the Annual General Meeting of the Company to be held on March 27, 2020.





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1. Item No. 5 of the Notice

Transactions carried out with related parties during the year ended December 31, 2019 to be passed as a Special Resolution.

The transactions carried out in normal course of business with associated companies (related parties) are approved by the Board as recommended by the Audit Committee on quarterly basis. In the case of EFU Life Assurance Ltd and Allianz EFU Health Insurance Ltd., a majority of the Directors were interested and in accordance with the provisions of Section 208 of the Companies Act, 2017. Such transactions, therefore, are being placed before the shareholders for approval through special resolution proposed to be passed in the annual general meeting.

In view of the above, the normal business transactions conducted during the year 2019 with EFU Life Assurance Ltd and Allianz EFU Health Insurance Ltd as per following details are being placed before the shareholders for their consideration and approval / ratification.

		Amount in PKR '000'
EFU Life Assurance Limited	Premium written	40,655
EFU Life Assurance Limited	Premium paid	18,355
EFU Life Assurance Limited	Claims paid	20,594
EFU Life Assurance Limited	Dividend received	684,717
EFU Life Assurance Limited	Dividend paid	50,320
Allianz EFU Health Insurance Limited	Premium written	2,234
Allianz EFU Health Insurance Limited	Premium paid	17,665
Allianz EFU Health Insurance Limited	Claims paid	938

The names of Directors with interest as director in related parties:

- Mr. Saifuddin N. Zoomkawala, Director of the Company is also a director in EFU Life Assurance Limited and Allianz EFU Health Insurance Limited.
- Mr. Hasanali Abdullah, Director of the Company is also a director in EFU Life Assurance Limited and Allianz EFU Health Insurance Limited.
- Mr. Taher G. Sachak, Director of the Company is also a director in EFU Life Assurance Limited and Allianz EFU Health Insurance Limited.
- Mr. Ali Raza Siddiqui, Director of the Company is also a director in EFU Life Assurance Limited.
- Mr. Mahmood Lotia, Director of the Company is also a director in Allianz EFU Health Insurance Limited.

Authorization to the Chief Executive for the approval of transactions carried out and to be carried out with EFU Life Assurance Ltd. & Allianz EFU Health Insurance Ltd. (related parties) till the next Annual General Meeting to be passed as a Special Resolution.

The Company would be conducting transactions with EFU Life Assurance Ltd and Allianz EFU Health





Insurance Ltd in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship in EFU Life Assurance Ltd. and Allianz EFU Health Insurance Ltd. as detailed herein above. Therefore, in order to comply with the provisions of clause 15 under Listed Companies (Code of Corporate Governance) Regulations 2019. The shareholders may authorize the Managing Director & Chief Executive to approve transactions carried out and to be carried out in the normal course of business with EFU Life Assurance Ltd and Allianz EFU Health Insurance Ltd till the next Annual General Meeting.

The names of Directors and nature and extent of their interest in the proposed resolution is the same as mentioned above.

Status of approvals for investment in Associated undertakings:

As required by Regulation no. 4(2) information under Regulation 3 of the Companies' (investment in associated companies and associated undertakings) Regulations, 2017, the status of approvals is as follows:

i. total investment approved;

(a) Rs. 1 Billion in EFU Life Assurance Limited was further approved by the shareholders at Annual General Meeting of the Company held on April 07, 2018.

ii. amount of investment made to date;

The amount of Rs. 114.299 million has been invested out of Rs. 1 Billion till December 31, 2019.

iii. reasons for not having made complete investment so far where resolution required it to be implemented in specified time;

The period in which the investment of Rs. 1 Billion is to be made as approved by the shareholders is up to April 6, 2021. Investment will be made on availability of shares at reasonable price.

iv. and material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company.

Since the date of passing the initial resolution by the shareholders of the Company on April 07, 2018 the shareholders equity of the investee company was Rs.5,958 as at December 31, 2018 & 5,908 as at December 31, 2019.

