Estd : 1942

Habib Insurance Company Limited

Head Office : Habib Square, M. A. Jinnah Road, P.O. Box # 5217, Karachi.
Tel : 32424211, 32421882, 32420516, 32424030, 38 & 39
U.A.N. : 111-030303 Fax : (92-21) 32421600

Notice of Annual General Meeting

NOTICE is hereby given that the 74th Annual General Meeting of the Shareholders of the Company will be held at The Institute of Chartered Accountants of Pakistan, Kehkashan, Clifton, Karachi, on Wednesday, April 26, 2017 at 11:30 a.m. to transact the following business:

1. To receive and adopt the Audited Accounts for the year ended December 31, 2016 together with the Directors' and Auditors' Report thereon.

2. To approve payment of cash dividend @ 35% i.e. Rs. 1.75 per share of Rs. 5/- each for the year ended December 31, 2016 as recommended by the Board of Directors.

3. To appoint Auditors for the year ending December 31, 2017 and to fix their remuneration. EY Ford Rhodes, Chartered Accountants, being eligible offer themselves for reappointment.

4. To consider any other business of the Company with the permission of the Chair.

Special Business:

5. To consider and if thought fit, pass the following resolutions as Special Resolution, with or without modification, to amend the Articles of Association of the Company in order to enable the e-voting mechanism as prescribed in the Companies (E-Voting) Regulations, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP).

   "**RESOLVED** that subject to obtaining the requisite approval, the Articles of Association of the Company be and are hereby amended by adding a new Article 49A, appearing after the existing Article 49, as follows:

   49A The provisions and requirements for electronic voting by the members, as prescribed under the applicable laws and regulations from time to time, shall be deemed to be incorporated in these Articles, irrespective of the other provisions of these Articles and notwithstanding anything contradictory therein. Members may be allowed to appoint members as well as non-members as proxies for purposes of electronic voting to the extent permitted under the applicable laws and regulations. Electronic Voting

   FURTHER RESOLVED that the Chief Executive and/ or Company Secretary of the Company be and is hereby authorized to take or cause to be taken any and all actions necessary and incidental for the purposes of altering the Articles of Association of the Company, and make necessary filings and complete legal formalities as may be required to implement the aforesaid resolution."

6. To consider and if thought fit, to pass the following resolutions as Special Resolution with or without modification, to alter the Article 3 of the Memorandum of Association (MOA) of the Company by renaming existing clause (ff) to (gg) and inserting a new object clause (ff) after the object clause (ee) under Article 3 of the MOA;

   "**RESOLVED** that the necessary alteration in the MOA of the Company (the "MOA") be and is hereby considered and approved. The following sub existing clause (ff) of Article 3 of the MOA be and is hereby renamed as (gg) and a new clause (ff) be and hereby inserted after the existing clause (ee) under the Article 3 of the MOA:

   ~~(ff)~~ (gg) To do all such other things as are conducive to the attainments of the above objects.

   (ff) To undertake and carry on the business of all kinds of General Takaful & General Re-Takaful in Pakistan and/or in any part of the world."

   FURTHER RESOLVED that the Chief Executive and/ or Company Secretary be and is hereby authorized to do all acts, deeds and things, take any and all necessary steps to fulfill the legal, corporate and procedural formalities and file all necessary documents/returns to the Securities and Exchange Commission of Pakistan for seeking approvals as he/ they deem(s) necessary, expedient and desirable to give effect to the above resolution."

Karachi

7. To consider and if thought fit, approve allocation of initial amount of Rs.50,000,000 (Pak Rupees Fifty Million Only) to be used for Window Takaful Operations and to consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution;

   "RESOLVED that the sum of Rs.50,000,000 (Pak Rupees Fifty Million Only) for Window Takaful Operation be and is hereby allocated by the Company by way of transfer of assets or any other source be acceptable to the Securities and Exchange Commission of Pakistan and Shariah advisor of the Company."

8. To consider and if thought fit, pass the following Special Resolution regarding transmission of annual audited accounts and quarterly accounts to the Shareholders of the Company:

   "RESOLVED that transmission of annual audited financial statements, Auditors' report and Directors' report etc to the members of the Company at their registered address in soft form i.e. through CD/DVD/USB instead of transmitting the same in hard copies from the year ending December 31, 2017 in terms of SRO No. 470(I)/2016 dated May 31, 2016 be and is hereby approved.

   FURTHER RESOLVED that placement of quarterly accounts on the website instead of dispatching it to the Shareholders of the Company at their registered address from the period ending March 31, 2017 in terms of Circular # 19 of 2004 dated April 14, 2004 be and is hereby approved.

   FURTHER RESOLVED that the Company Secretary be and is hereby authorised to give effect to this resolution and to do or cause to do all acts, deeds and things that may be necessary or required and to sign such documents and take such steps from time to time, as and when necessary for the purposes of implementing this resolution."

9. To consider and if thought fit, pass the following Special Resolution for authorising investment by way of purchase of shares of the under-mentioned associated companies:

   "RESOLVED that the Company be and is hereby authorised to invest the under-mentioned amounts by way of purchase of ordinary shares of the under-mentioned associated companies within a period of two years.

Sr. No.	Name of the Company	Rs. in million
1	Bank AL Habib Limited	100
2	Habib Sugar Mills Limited	50
3	Habib Metropolitan Bank Limited	100
4	Indus Motor Company Limited	50
5	Shabbir Tiles & Ceramics Limited	25
6	Thal Limited	200

   FURTHER RESOLVED that the Executive Vice Chairman be and is hereby authorised to make the aforesaid investments as and when deemed appropriate and to delegate the aforesaid powers to any officers of the Company as he may deem fit."

   For Item #'s 5 to 9, a statement under Section 160 of the Companies Ordinance, 1984 is annexed.

By order of the Board

Murtaza Hussain
Company Secretary

Karachi: March 27, 2017

Notes:

1. The share transfer books of the Company will remain closed from Wednesday, April 12, 2017 to Wednesday, April 26, 2017 (both days inclusive).

2. A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as his/ her proxy to attend and vote on his/ her behalf. Proxy form, in order to be effective, must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the meeting.

3. The CDC account/ sub account holders are requested to bring with them their Computerised National ID Cards along with the Participant(s) ID number and their account numbers at the time of attending the AGM in order to facilitate identification of the respective shareholders. In case of corporate entity, the Board of Directors Resolution/ Power of Attorney with specimen signatures be produced at the time of meeting.

4. Members are requested to promptly communicate any change in their address to our Share Registrar, M/s. Central Depository Company of Pakistan Limited.

5. Pursuant to the directives of the Securities and Exchange Commission of Pakistan, CNIC number is mandatorily required to be mentioned on dividend warrants. Shareholders holding physical share certificate are therefore requested to submit a copy of their valid CNIC, if not already provided to M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block-B, SMCHS, Main Shahrah-e-Faisal, Karachi-74400 (the Share Registrar). In case of non-receipt of the copy of valid CNIC, Habib Insurance Company Limited would be unable to comply with SRO 831(1)2012 dated July 05, 2012 of SECP and therefore will be constrained under Section 251(2)(a) of the Companies Ordinance, 1984 to withhold dispatch of dividend warrant of such shareholders.

6. 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 12.5%
   (b) For non-filers of income tax returns 20.0%

   To enable the Company to make tax deduction on the amount of cash dividend @ 12.5% instead of 20.0%, 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 book closure of the Company, otherwise tax on their cash dividend will be deducted @ 20.0% instead of 12.5%.

   For shareholder holding their shares jointly, as per the clarification issued by the Federal Board of Revenue, withholding tax will be determined separately on 'Filer / Non-Filer' status of Principle shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of Principle shareholder and joint-holder(s) in respect of shares held by them to our share registrar, in writing as follows:

Company Name	Folio/CDC Account No.	Total shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC#	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proprotion (No. of Shares)

HABIB INSURANCE CO. LTD. Karachi

The Corporate shareholders having CDC account are required to have their National Tax number (NTN) updated with their respective participants, whereas physical shareholders should send a copy of their NTN certificate to the Company's Share Registrar, M/s. Central Depository Company of Pakistan Limited. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective Folio numbers.

For any query / clarification / information, the shareholder may contact the Share Registrar at the following address:

M/s. Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B
SMCHS, Main Shahrah-e-Faisal
Karachi-74400

7. Securities & Exchange Commission of Pakistan through its Notification SRO 787(I)/2014 dated September 8, 2014 has allowed the circulation of Audited Financial Statements along with Notice of Annual General Meeting to the members through e-mail. Therefore all members of the Company who wish to receive soft copy of Annual Report are requested to send their e-mail addresses to our Share Registrar through consent form. The said consent form for electronic transmission can be downloaded from the Company's website www.habibinsurance.net. Audited Financial Statements and Reports are being placed on the aforesaid website.

8. **Consent for video conference facility**

For this Annual General Meeting, under following conditions, Members can also avail video conference facility at Karachi.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility 5 days before the date of Annual General Meeting along with complete information necessary to enable them to access such facility.

In this regard, members who wish to participate through video conference facility at Karachi should send a duly signed request as per following format to the registered address of the Company at least 10 days before the date of General Meeting.

I/We, ______________________________ of ______________________________ being a member of

Habib Insurance Company Limited, holder of ________________ ordinary share(s) as per register Folio

No./ CDC Sub-Account No.:__________ hereby opt for video conference facility at Karachi.

____
Signature of Member

Estd : 1942

Habib Insurance Company Limited

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STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984

The statement is annexed to the Notice of the 74th Annual General Meeting to be held on April 26, 2017 at which certain business are to be transacted. The purpose of this statement is to set forth material facts concerning such special business.

ITEM NUMBER 5 OF THE AGENDA

The shareholders' approval is being sought to amend the Articles of Association of the Company in order to give effect to the requirements of Companies (E-Voting) Regulations, 2016, issued by SECP, thereby facilitating voting through electronic means for the shareholders of the Company. As recommended by the Board of Directors on March 27, 2017, it is intended to propose the resolutions stated in the notice to be passed as Special Resolutions in order to effectuate the above.

ITEM NUMBER 6 & 7 OF THE AGENDA

1. Reason of this Alteration in the Memorandum of Association is that Company is intended to commence the General Takaful Business and to act as Window Takaful Operator and this alternation will enable the Company to do the same.

2. The Directors of the Company has already approved the Company to commence General Takaful Business and to complete all the formalities in connection with obtaining the license etc. to act as Window Takaful Operator.

3. The Directors have already approved to transfer an amount of not less than Rs.50,000,000 (Pak Rupees Fifty Million Only) to be deposited in a separate bank account for window takaful business in a scheduled bank. The directors have also undertaken that this transferred amount shall be used for Takaful Window operations only.

4. The Directors of the Company are interested in this business to the extent of their investment in this Company. The interest of the directors is the same as that of the shareholders of the Company.

5. The Directors have also undertaken / declared that all the takaful undertakings will be in accordance with the injunction of Shariah.

ITEM NUMBER 8 OF THE AGENDA

Securities & Exchange Commission of Pakistan has vide SRO 470(I)/2016 dated May 31, 2016 allowed the companies to circulate the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to its members through CD/DVD/USB subject to consent of shareholders in the general meeting.

After approval of the shareholders, the Company will place a Standard Request Form on its website to communicate their need of hard copies of the documents along with postal and e-mail address of the Company Secretary/ Share Registrar to whom such requests shall be made. The Company shall supply the hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand.

Securities & Exchange Commission of Pakistan has vide Circular # 19 of 2004 dated April 14, 2004 also allowed the Companies to place their quarterly accounts of the Company on their website instead of dispatching to the Shareholders of the Company.

Accordingly, the Directors have placed the matter before the shareholders for their approval and to pass the Special Resolution as proposed in the notice of meeting. This is in compliance to the above mentioned notification of Securities & Exchange Commission of Pakistan and the Directors and Shareholders are interested to this as Directors & Shareholders.

Karachi

ITEM NUMBER 9 OF THE AGENDA

As recomended by the Board of Directors in their meeting held on March 27, 2017, it is proposed to make investment by way of purchase of shares of our associated companies. In this regard the Company seeks the approval of the shareholders under section 208 of the Companies Ordinance, 1984.

In compliance with Regulations No. 8 of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012 the following information is annexed with the notice for approval of investment in associated companies.

Bank AL Habib Limited

Regulation No. 3(1)a

Sr. No.	Description	Information Required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Bank AL Habib Limited being associated on the basis of common directorship. Mr. Abbas D.Habib and Mr. Ali Raza D. Habib, Director & Executive Vice Chairman of the Company is also Chairman and Director of Bank AL Habib Limited.
2	Purpose, benefits and period of investment	Long term investment to earn dividend income as well as prospective capital gains
3	Maximum amount of investment	Rs. 100 million
4	Maximum price at which securities will be acquired	Not more than the price quoted on the stock exchange
5	Maximum number of securities to be acquired	Equivalent to the amount of investment
6	Number of securities and percentage thereof held before and after the proposed investment	4,123,000 shares (0.37%) held before proposed investment. Number of shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs. 56.72 per share
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Not Applicable
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	December 31, 2016: Rs. 38.59
10	Earning per share of the associated company or associated undertaking for the last three years	2016: Rs. 7.33 per share 2015: Rs. 6.60 per share 2014: Rs. 5.71 per share
11	Sources of fund from which securities will be acquired	Own source

HABIB INSURANCE CO. LTD. Karachi

Sr. No.	Description	Information Required
12	Where the securities are intended to be acquired using borrowed funds: i) Justification for investment through borrowings; and ii) Detail of guarantees and assets pledged for obtaining such funds	Not Applicable
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Not Applicable
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	No Director or Chief Executive has any interest in the proposed investment, except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the Company
15	Any other important details necessary for the members to understand the transaction	None
16	In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely: i) Description of the project and its history since conceptualisation; ii) Starting and expected dates of completion of work; iii) Time by which such project shall become commercially operational; and iv) Expected time by which the project shall start paying return on investment	Not Applicable

Regulation No. 3(3)

Sr. No.	Description	Information Required
	The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment	The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of Bank AL Habib Ltd.

Habib Sugar Mills Limited

Regulation No. 3(1)a

Sr. No.	Description	Information Required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Habib Sugar Mills Limited being associated on the basis of common directorship. Mr. Ali Raza D. Habib, Executive Vice Chairman of the Company is also Director of Habib Sugar Mills Limited.
2	Purpose, benefits and period of investment	Long term investment to earn dividend income as well as prospective capital gains
3	Maximum amount of investment	Rs. 50 million
4	Maximum price at which securities will be acquired	Not more than the price quoted on the stock exchange
5	Maximum number of securities to be acquired	Equivalent to the amount of investment
6	Number of securities and percentage thereof held before and after the proposed investment	4,448,758 shares (2.97%) held before proposed investment. Number of shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs. 52.09 per share
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Not Applicable
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	September 30, 2016: Rs. 43.54
10	Earning per share of the associated company or associated undertaking for the last three years	2016: Rs. 5.50 per share 2015: Rs. 5.43 per share 2014: Rs. 5.31 per share
11	Sources of fund from which securities will be acquired	Own source

Sr. No.	Description	Information Required
12	Where the securities are intended to be acquired using borrowed funds: i) Justification for investment through borrowings; and ii) Detail of guarantees and assets pledged for obtaining such funds	Not Applicable
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Not Applicable
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	No Director or Chief Executive has any interest in the proposed investment, except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the Company
15	Any other important details necessary for the members to understand the transaction	None
16	In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely: i) Description of the project and its history since conceptualisation; ii) Starting and expected dates of completion of work; iii) Time by which such project shall become commercially operational; and iv) Expected time by which the project shall start paying return on investment	Not Applicable

Regulation No. 3(3)

Sr. No.	Description	Information Required
	The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment	The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of Habib Sugar Mills Ltd.

HABIB INSURANCE CO. LTD.
Karachi

Habib Metropolitan Bank Limited

Regulation No. 3(1)a

Sr. No.	Description	Information Required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Habib Metropolitan Bank Limited being associated on the basis of common directorship. Mr. Mohammedali R.Habib, Director of the Company is also Chairman of Habib Metropolitan Bank Ltd.
2	Purpose, benefits and period of investment	Long term investment to earn dividend income as well as prospective capital gains
3	Maximum amount of investment	Rs. 100 million
4	Maximum price at which securities will be acquired	Not more than the price quoted on the stock exchange
5	Maximum number of securities to be acquired	Equivalent to the amount of investment
6	Number of securities and percentage thereof held before and after the proposed investment	3,000,424 shares (0.29%) held before proposed investment. Number of shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs. 36.45 per share
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Not Applicable
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	December 31, 2016: Rs. 37.92
10	Earning per share of the associated company or associated undertaking for the last three years	2016: Rs. 5.85 per share 2015: Rs. 7.32 per share 2014: Rs. 4.70 per share
11	Sources of fund from which securities will be acquired	Own source

Sr. No.	Description	Information Required
12	Where the securities are intended to be acquired using borrowed funds: i) Justification for investment through borrowings; and ii) Detail of guarantees and assets pledged for obtaining such funds	Not Applicable
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Not Applicable
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	No Director or Chief Executive has any interest in the proposed investment, except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the Company
15	Any other important details necessary for the members to understand the transaction	None
16	In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely: i) Description of the project and its history since conceptualisation; ii) Starting and expected dates of completion of work; iii) Time by which such project shall become commercially operational; and iv) Expected time by which the project shall start paying return on investment	Not Applicable

Regulation No. 3(3)

Sr. No.	Description	Information Required
	The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment	The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of Habib Metropolitan Bank Ltd.

Indus Motor Company Limited

Regulation No. 3(1)a

Sr. No.	Description	Information Required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Indus Motor Company Limited being associated on the basis of common directorship. Mr. Mohammedali R.Habib, Director of the Company is also Director of Indus Motor Company Ltd.
2	Purpose, benefits and period of investment	Long term investment to earn dividend income as well as prospective capital gains
3	Maximum amount of investment	Rs. 50 million
4	Maximum price at which securities will be acquired	Not more than the price quoted on the stock exchange
5	Maximum number of securities to be acquired	Equivalent to the amount of investment
6	Number of securities and percentage thereof held before and after the proposed investment	43,810 shares (0.06%) held before proposed investment. Number of shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs. 1685.12 per share
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Not Applicable
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	June 30, 2016 : Rs. 351.52
10	Earning per share of the associated company or associated undertaking for the last three years	2016: Rs. 145.74 per share 2015: Rs. 115.91 per share 2014: Rs. 49.28 per share
11	Sources of fund from which securities will be acquired	Own source

Sr. No.	Description	Information Required
12	Where the securities are intended to be acquired using borrowed funds: i) Justification for investment through borrowings; and ii) Detail of guarantees and assets pledged for obtaining such funds	Not Applicable
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Not Applicable
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	No Director or Chief Executive has any interest in the proposed investment, except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the Company
15	Any other important details necessary for the members to understand the transaction	None
16	In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely: i) Description of the project and its history since conceptualisation; ii) Starting and expected dates of completion of work; iii) Time by which such project shall become commercially operational; and iv) Expected time by which the project shall start paying return on investment	Not Applicable

Regulation No. 3(3)

Sr. No.	Description	Information Required
	The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment	The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of Indus Motor Company Ltd.

HABIB INSURANCE CO. LTD.
Karachi

Habib Insurance Company Limited

Shabbir Tiles & Ceramics Limited

Regulation No. 3(1)a

Sr. No.	Description	Information Required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Shabbir Tiles & Ceramics Limited being associated on the basis of common directorship. Mr. Rafiq M. Habib, Director of the Company is also Director of Shabbir Tiles & Ceramics Ltd.
2	Purpose, benefits and period of investment	Long term investment to earn dividend income as well as prospective capital gains
3	Maximum amount of investment	Rs. 25 million
4	Maximum price at which securities will be acquired	Not more than the price quoted on the stock exchange
5	Maximum number of securities to be acquired	Equivalent to the amount of investment
6	Number of securities and percentage thereof held before and after the proposed investment	1,600,000 shares (0.67%) held before proposed investment. Number of shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs. 12.76 per share
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Not Applicable
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	June 30, 2016 : Rs. 8.14
10	Earning per share of the associated company or associated undertaking for the last three years	2016: Rs. (0.49) per share 2015: Rs. (0.32) per share 2014: Rs. (0.17) per share
11	Sources of fund from which securities will be acquired	Own source

Sr. No.	Description	Information Required
12	Where the securities are intended to be acquired using borrowed funds: i) Justification for investment through borrowings; and ii) Detail of guarantees and assets pledged for obtaining such funds	Not Applicable
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Not Applicable
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	No Director or Chief Executive has any interest in the proposed investment, except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the Company
15	Any other important details necessary for the members to understand the transaction	None
16	In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely: i) Description of the project and its history since conceptualisation; ii) Starting and expected dates of completion of work; iii) Time by which such project shall become commercially operational; and iv) Expected time by which the project shall start paying return on investment	Not Applicable

Regulation No. 3(3)

Sr. No.	Description	Information Required
	The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment	The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of Shabbir Tiles & Ceramics Ltd.

Thal Limited

Regulation No. 3(1)a

Sr. No.	Description	Information Required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Thal Limited being associated on the basis of common directorship. Mr. Rafiq M. Habib, Director of the Company is also Director of Thal Limited.
2	Purpose, benefits and period of investment	Long term investment to earn dividend income as well as prospective capital gains
3	Maximum amount of investment	Rs. 200 million
4	Maximum price at which securities will be acquired	Not more than the price quoted on the stock exchange
5	Maximum number of securities to be acquired	Equivalent to the amount of investment
6	Number of securities and percentage thereof held before and after the proposed investment	575,400 shares (0.71%) held before proposed investment. Number of shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs. 531.16 per share
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Not Applicable
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	June 30, 2016 : Rs. 251.44
10	Earning per share of the associated company or associated undertaking for the last three years	2016: Rs. 31.72 per share 2015: Rs. 30.48 per share 2014: Rs. 20.44 per share
11	Sources of fund from which securities will be acquired	Own source

Karachi

Sr. No.	Description	Information Required
12	Where the securities are intended to be acquired using borrowed funds: i) Justification for investment through borrowings; and ii) Detail of guarantees and assets pledged for obtaining such funds	Not Applicable
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Not Applicable
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	No Director or Chief Executive has any interest in the proposed investment, except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the Company
15	Any other important details necessary for the members to understand the transaction	None
16	In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely: i) Description of the project and its history since conceptualisation; ii) Starting and expected dates of completion of work; iii) Time by which such project shall become commercially operational; and iv) Expected time by which the project shall start paying return on investment	Not Applicable

Regulation No. 3(3)

Sr. No.	Description	Information Required
	The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment	The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of Thal Ltd.

Karachi

Estd : 1942

Habib Insurance Company Limited

Head Office : Habib Square, M. A. Jinnah Road, P.O. Box # 5217, Karachi.
Tel : 32424211, 32421882, 32420516, 32424030, 38 & 39
U.A.N. : 111-030303 Fax : (92-21) 32421600

TO ALL MEMBERS OF THE COMPANY

STATEMENT UNDER SECTION 218 (2) OF THE COMPANIES ORDINANCE, 1984

This is to inform you that the Board of Directors of the Company in their meeting held on March 27, 2017 approved remuneration of Mr. Ali Raza D. Habib, Executive Vice Chairman of the Company. He will be entitled to a salary of Rs. 1,300,000 per month, subject to an increment not exceeding 20% per annum. In addition, he shall be entitled for all other benefits incidental or relating to such office.

This is to further inform you that the Board of Directors of the Company in their meeting held on March 27, 2017 have appointed Mr. Shabbir Gulamali as Chief Executive Officer of the Company. He will be entitled to a salary of Rs. 625,000 per month, subject to an increment not exceeding 20% per annum. In addition, he shall be entitled for all other benefits incidental or relating to such office.

By order of the Board

Murtaza Hussain
Company Secretary

Karachi: March 27, 2017