

RO/UIC/2021  
April 7, 2021

**General Manager**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road,  
Karachi - 74000.

Dear Sir,

**Notice Annual General Meeting**

As required under Clause No. 5.6.9 (b) of PSX Regulations. Please find enclosed herewith a copy of the notice of Annual General Meeting of the United Insurance Company of Pakistan Limited to be held on Friday, April 30, 2021 at 10:00 a.m. (through Video-link), for your reference prior to its publication in the newspapers.

Kindly acknowledge receipt.

With kind regards,



**Athar A. Khan**  
Company Secretary





# THE UNITED INSURANCE COMPANY OF PAKISTAN LTD.

## RATED AA BY PACRA

### NOTICE OF THE 61<sup>st</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 61<sup>st</sup> Annual General Meeting of the shareholders of **THE UNITED INSURANCE COMPANY OF PAKISTAN LIMITED** will be held on **Friday the April 30, 2021** at 10:00 a.m. (through Video-link) from the Registered Office of the Company situated at Office #204, 2nd Floor, Madina City Mall, Abdullah Haroon Road, Saddar Karachi, to transact the following business:

#### ORDINARY BUSINESS

- To confirm the minutes of the 60<sup>th</sup> Annual General Meeting of the Company held on April 27, 2020.
- To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended December 31, 2020 together with the Directors' and Auditors' reports thereon.
- To approve payment of Interim Dividend @ Rs. 0.60/- per share (i.e. 6%) as recommended by the Board of Directors. (already paid)
- To appoint Auditors and fix their remuneration for the year ending December 31, 2021. The present Auditors M/s. Ilyas Saeed & Co., Chartered Accountants, retires and being eligible, offer themselves for re-appointment.
- To elect Seven (7) Directors of the Company as the number fixed by the Board in accordance with the provision of Section 159(1) of the Companies Act- 2017 for a term of three (3) years. The name of retiring Directors of the Company are as follow:

i)	Mr. Javaid Sadiq	ii)	Mr. Khawas Khan Niazi
iii)	Mr. Muhammad Rahat Sadiq	iv)	Ms. Huma Waheed
v)	Mr. Agha Ali Imam	vi)	Mr. Jamil Ahmed Khan
vii)	Mr. Syed Rahat Ali Shah		

#### SPECIAL BUSINESS

- To ratify and approve transactions conducted with Related Parties for the year ended December 31, 2020 by passing the following special resolution with or without modification:  
**Resolved** that the transactions conducted with Related Parties as disclosed in the notes 36 & 31 of conventional & takaful operations respectively for the year ended December 31, 2020 be and are hereby ratified, approved and confirmed.
- To authorize the Board of Directors of the Company to approve transactions with Related Parties for the financial year ending December 31, 2021 by passing the following special resolution with or without modification:  
**Resolved** that the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis for the financial year ending December 31, 2021.
- To consider and if deemed fit, to pass the following Special Resolutions under section 199 of the Companies Act, 2017 with or without modification(s) addition(s) or deletion(s) as recommended by the Directors:  
**Resolved** that in pursuant of the requirement of Section 199 of the Companies Act, 2017 (the "Act"). The United Insurance Company of Pakistan Limited be and is hereby authorized to provide share deposit money/subordinated loan (subject to approval from regulator) to Apna Microfinance Bank Limited upto Rs. 500,000,000/- (Rupees Five Hundred Million Only) to fulfill the requirement of SBP.  
**Further Resolved** that for the purpose of giving effect to this special resolution the Chief Executive Officer and Chief Financial Officer be and are hereby empowered and authorized jointly to take all necessary actions and do all acts, deeds and things including execution of documents and agreement for the purposes of implementing the aforesaid resolution.
- To consider and, if thought fit to approve an increase in Authorised Capital of the Company and for this purpose to pass the following resolutions as Special Resolutions:
  - Resolved** that the Authorised Capital of the Company be increased from Rs. 3,000,000,000/- (Rupees Three Billion Only) divided into 300,000,000 (Three Hundred Million) Ordinary Shares of Rs. 10/- each to Rs. 4,000,000,000/- (Rupees Four Billion Only) divided into 400,000,000 (Four Hundred Million) Ordinary Shares of Rs. 10/- each,
  - Further Resolved** that as and by way of Special Resolution in respect of the increase in Authorised Capital of the Company, Clause 5 of the Memorandum of Association and Article 6 of the Article of Association of the Company be and are hereby altered to be read as under:  
**Clause 5 of the Memorandum of Association**  
"The Capital of the Company is Rs. 4,000,000,000/- (Rupees Four Billion Only), divided into 400,000,000 (Four Hundred Million) Ordinary Shares of Rs. 10/- each with power to increase, reduce, consolidate or otherwise reorganize the share capital of the Company in accordance with the provisions of the Companies Ordinance, 1984".  
**Article 6 of the Articles of Association**  
"The Capital of the Company is Rs. 4,000,000,000/- (Rupees Four Billion Only), divided into 400,000,000 (Four Hundred Million) Ordinary Shares of Rs. 10/- each with power to increase, reduce, consolidate or otherwise reorganize the share capital of the Company in accordance with the provisions of the Companies Ordinance, 1984".
- Further Resolved** that Chief Executive Officer and Secretary of the Company be and is hereby authorized to take necessary steps and execute documents as may be necessary or expedient for the purpose of giving effect to the spirit and intent of above resolutions.  
To consider and approve the remuneration of the Executive Directors (including Chief Executive Officer) and fee to the non- executive/independent Directors for attending the Board and its Committee(s) meetings:  
**Resolved** That the approval be and is hereby granted to pay remuneration, perquisite and other fringe benefits to the Chief Executive Officer, Executive Director(s) and Fee to the Non-executive/Independent Directors, in addition to boarding, lodging and travelling expenses on actual basis as per Company Policy.
- To transact any other business may be brought forward with the permission of the Chair.

A Statement of material facts under section 134(3) and 166(3) of the Companies Act, 2017, pertaining to the special business contained in Agenda Items 6,7,8 & 9 is annexed to this Notice of Meeting.

By Order of the Board  
**Athar A. Khan**  
(Company Secretary)

#### NOTES:

##### Video Link Facility for Attending the Meeting

In pursuance of SECP's circulars nos. 4 & 6 of 2021, pertaining to Regulatory Relief to dilute the impact of COVID-19 for the Corporate Sector, Company has been advised to modify their usually planning for Annual General Meeting for the well-being of the shareholders and avoid large gatherings by provision of video-link facilities.  
Considering the restriction imposed by the Government on public gatherings and SECP's directives, the Company convenes this AGM virtually via video-link facilities managed from the Registered Office of the Company. To attend the AGM through video-link, members are required to register their particulars by sending an email at athar.khan@theunitedinsurance.com. The members registering to connect through video-link facility are required to mentioned their full name, cnic number, folio/cdc account no, valid email address, cell no. and no. of shares in the email with subject "Registration for UIC's AGM" Video link and login credentials will be shared with those Members whose email, containing all the required particulars are received at the given email address before (5.00 p.m.) on Monday 26th April 2021. Shareholders can also provide their comments and questions for the agenda items of the AGM on the same email address.

##### Closure of Share Transfer Books

The register of members and the share transfer books of the Company will remain closed as of 23rd April 2021 to 30th April 2021 (both days inclusive).  
Transfer will be on order at the office of our Shares Registrar M/s. F.D. Registrar Services (Pvt.) Limited, Suit # 1705, 17th Floor, Saima Trade Center, I. I. Chundrigar Road, Karachi by the close of business (5:00 p.m.) on Thursday, April 22, 2021 will be treated in time for the purpose of any entitlement and to attend, participate and vote at the Meeting.

##### Participant in the Annual General Meeting

A member entitled to attend and vote at the Meeting may appoint any other member as his/her proxy to attend and vote. Proxies must be received at the registered office of the Company not later than forty-eight (48) working hours before the Meeting. A blank Proxy Form is attached at the end of the report and also available at Company's website: www.theunitedinsurance.com for downloading.

CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

##### A. For Attendance:

- Individuals should be account or sub-account holder(s) and their registration details should be uploaded according to the CDC Regulations. They must establish their identity by providing a copy of their CNIC or passport.
- Corporate entities must provide a certified copy of a resolution of their respective boards of directors, or a power of attorney for attending the Meeting, which should bear the attorney's specimen signature.

##### B. For Appointing Proxies:

- Individuals should be account or sub- account holder(s) whose registration details should be uploaded according to CDC Regulations and their forms of proxy must be lodged at the registered office of the Company not later than 48 hours before the time for holding the Meeting.
- The form of proxy must be attested by two men, or any one man and two women, whose names, addresses and CNIC numbers should be given underneath their signatures.
- Attested copies of CNIC or passport of the member and proxy must be submitted with the form of proxy.

##### Unclaimed Dividend

Shareholders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend.  
In compliance with Section 244 of the Companies Act-2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend.

##### Change of Address (if any)

Shareholders are requested to immediately notify change in address, if any to the Company's Share Registrar, M/s. F.D. Registrar Services (Pvt.) Limited, Suit # 1705, 17th Floor, Saima Trade Tower A, I.I. Chundrigar Road, Karachi 74000.

##### Deposit of Physical Shares in to CDC Account:

As per Section 72 of the Companies Act, 2017 every existing listed 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, i.e., May 31, 2017.  
The Shareholders having physical shareholding are encouraged to 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, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

##### Transmission of Annual Financial Statements through Email

The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(1)/2014 dated 8th September 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. Accordingly, members are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-mail. In order to avail this facility a Standard Request Form is available at the Company's website www.theunitedinsurance.com to be sent along with copy of his/her/ its CNIC/Passport to the Company's Share Registrar.

Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice.

##### Placement of Financial Accounts on Website

Pursuant to the notification of the SECP (SRO 1196(I)/2019) dated October 3, 2019, the financial statement of the Company have been placed on the Company's website at www.theunitedinsurance.com.

##### Details of Beneficial Ownership

Attention of corporate entities/legal persons is also invited towards SECP Circular No. 16 and 20 of 2018. Respective shareholders (corporate entities/legal persons) are advised to provide the information pertaining to ultimate beneficial owners and/or other information as prescribed in the subject SECP Circulars to the Share Registrar of the Company.

#### STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT-2017 IN RESPECT OF ELECTION OF DIRECTORS:

Any member who seeks to contest an election to the office of Director, whether he is a retiring director or otherwise, shall file with the Company at its registered office not later than 14 days before the date of the above said meeting:

- \* Notice of his/her intention to offer himself/herself for election as Director in terms of Section 159(3) of the Companies Act- 2017.
- \* Consent to act as Director on Form-28, duly completed and signed by the candidate as required under Section 167(I) of the Companies Act- 2017.
- \* Detailed profile along with the office address for placement on the Company's website seven (7) days prior to the date of election in terms of S.R.O. 25(I)/2012 of January 16, 2012.
- \* Signed declaration to the effect that he/she is aware of the duties and powers of directors under the Companies Act- 2017, Memorandum and Articles of Association of the Company, Rule Book of Pakistan Stock Exchange and the Listed Companies (Code of Corporate Governance) Regulations, 2019; and other relevant laws and regulations.
- \* Signed declaration to the effect that he/she is compliant with the requirements and eligibility criteria as set out in the Companies Act-2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 to be appointed as a Director/Independent Director of the listed Company.
- \* Attested copy of valid CNIC/Passport and NTN.
- \* Independent Directors will be elected through the process of election of directors in terms of Section 159 of the Companies Act-2017 and they shall meet the criteria laid down under section 166(2) of the Companies Act-2017.

#### STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT-2017 IN RESPECT OF MATERIAL FACTS

The statement sets out material facts concerning "Special Business" to be transacted at the Annual General Meeting of the Company to be held on April 30, 2021. The approval of the Members of the Company will be sought for:

##### Item No. 6 (a) Related Party Transactions

The transactions carried out in normal course of business with associated companies (Related parties) were being approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The transactions conducted during the financial year ended December 31, 2020 with associated companies as shown in relevant notes of the Audited Financial Statements are being placed before the shareholders for their consideration and approval/ratification. The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

##### Item No. 6 (b) Authorization for the Board of Directors to approve the related party transactions during the year ending December 31, 2021

The Company shall be conducting transactions with its related parties during the year ending December 31, 2021 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship in the holding/associated companies. In order to promote transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis for the year ending December 31, 2021, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification.

The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

##### Item No. 7 Equity Investment in Apna Microfinance Bank Limited

The Company has disclosed following information in the statement annexed to the notice, pursuant to sub-section (3) of sections 134 of the Companies Act, 2017 of general meeting called for considering investment decision under section 199 of the Act:-

##### Regulation No 3(1) (a) Disclosure for all types of investment:

##### Disclosure regarding associated company

##### A. Regarding Associated Company or Associated Undertakings

(i)	Name of Associated Company	Apna Microfinance Bank Limited
(ii)	Basis of Relationship	Associated Company
(iii)	Earnings/(Loss) per share for the last three years	Year ended December, 2018 (0.21)
		Year ended December, 2019 (0.17)
		Year ended December, 2020 (0.11)
(iv)	Break-up value per share, based on latest financial statement	Break-up value per share on the basis of latest financial statement as at December 31, 2020 is Rs.10/-
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statement	As per financial statements for the year ended December 31, 2020: Total Assets =Rs.28,831 Million Total Liabilities =Rs.26,572 Million Total Revenue =Rs.3,418,310 Million Profit After Tax =Rs.37,219 Million
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely	Not Applicable
	I Description of the project and its history since conceptualization	Not Applicable
	II Starting date and expected date of completion of work	Not Applicable
	III Time by which such project shall become commercially operational	Not Applicable
	IV Expected time which the project shall paying return on investment	Not Applicable
	V Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amount	Not Applicable

##### B. General Disclosures:

(i)	Maximum amount of investment to be made	Rs. 500/- Million (Rupees Five Hundred Million)
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	These are the long term strategic investment will able to generate dividend income as well as prospective capital gain in future.
(iii)	Sources of funds to be utilize for investment and where the investment is intended to be made using borrowed funds:	
		Not applicable as investment will be made from company's own funds
(iv)	Salient features on the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	Not applicable as shares will be purchased time to time
(v)	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, Sponsor and Chief executive has any interest in the proposed investments.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/ justification for any impairment or write offs	Apna Micro Finance Bank limited (AMBL) is associated undertaking of The United Insurance Company of Pakistan Limited and holding 44.50% shares in AMBL. Bank has recovered from its loss making operations and posted profit after tax of Rs.37.219 million in 2020 and Rs.53.525 Million in 2019.
(vii)	Any other important details necessary for the members to understand the transaction	share deposit money is interest free and will be utilized by the bank for the issue of ordinary shares and is not refundable. Moreover, It is injected in Apna Micro Finance Bank Limited to meet its capital adequacy ratio (CAR) in accordance with applicable Prudential Regulations for Microfinance Banks' issued by State Bank of Pakistan (SBP).

##### (b) Additional disclosure regarding Equity Investment

(i)	Maximum price at which securities will be acquired	Fair value of stocks
(ii)	In case the purchase price is higher than the market value in case of limited securities and fair value in case of unlisted securities, justification thereof	Shares will be purchased at face value
(iii)	Maximum number of securities to be acquired	Securities shall be acquired equivalent to the amount of investment.
(iv)	Number of securities and percentage thereof held before and after the proposed investment	The United Insurance Company of Pakistan Limited is holding 44.50% shares in Apna Micro Finance Bank Limited and will maintain its holding upto 47.5% in future.
(v)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities	Market Rate on March 25, 2021 is Rs.23.79/- per share. Weighted Avg Rate of twelve weeks preceding from March 25, 2021 is Rs.22.21/- per share.
(vi)	Fair value determined in terms of sub-regulation (1) regulation 5 for investment in unlisted securities	Not Applicable

##### Item No. 8 Increase in Authorized Share Capital

In order to cater for further increase in paid up capital, the Authorized Share Capital of the Company needs to be enhanced. Accordingly, the Board of Directors has recommended to increase the Authorized Share Capital of the Company from Rs. 3,000,000,000/- (Rupees Three Billion Only) divided into 300,000,000 Ordinary Shares of Rs. 10/- each to Rs. 4,000,000,000/- (Rupees Four Billion Only) divided into 400,000,000 Ordinary Shares of Rs. 10/- each.

The proposed increase in the Authorized Share Capital of the Company will also necessitate amendments in clause 5 of the Memorandum of Association and Article 6 of the Articles of Association of the Company. Therefore, the Board of Directors has also recommended alteration in the Memorandum of Association and Articles of Association of the Company to reflect increase in Authorized Share Capital of the Company.

##### Item No. 9 Remuneration of Directors

Approval of the House is required for remuneration, perquisite and other fringe benefits to the Chief Executive Officer, Executive Director(s) and fee of the Non-Executive/Independent Directors, in addition to boarding, lodging and travelling expenses on actual basis as per Company Policy.



