

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the 37th Annual General Meeting of Century Insurance Company Limited will be held on Thursday, April 27, 2023 at 03:00 p.m. at Avari Towers Hotel, Fatima Jinnah Road, Karachi as well as through Electronic means/Video link facility to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2022 together with the Directors' and Auditors' reports thereon.
2. To declare final dividend in cash @ 25% i.e. Rs. 2.50 per share of Rs. 10.00 each as recommended by the Board of Directors.
3. To appoint Auditors and fix their remuneration.

The retiring auditors M/s. EY Ford Rhodes, Chartered Accountants, have been auditors of the Company for a period of two years. The Board, on the recommendation of the Audit Committee of the Company has proposed the appointment of M/s. BDO Ebrahim & Co., Chartered Accountants, as auditors for the year ending December 31, 2023.

## SPECIAL BUSINESS

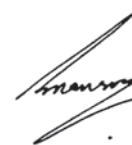
4. To consider, and if thought fit, to pass with or without modification the following resolutions as Special Resolution.

### Special Resolutions

- a) **"RESOLVED** that the transactions carried out in normal course of business with associated companies/related parties as disclosed in Note No.34 of the audited financial statements for the year ended December 31, 2022 be and are hereby ratified and approved."
- b) **"FURTHER RESOLVED** that the Chief Executive Officer of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending December 31, 2023 and in this connection the Chief Executive Officer be and is hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company."

Statement under Section 134 of the Companies Act, 2017 in the above matter mentioned in item No.4 is annexed.

By Order of the Board



(MANSOOR AHMED)

Company Secretary

Karachi: March 28, 2023

## Notes:

1. The share transfer books of the Company will remain closed from April 19, 2023 to April 27, 2023 (both days inclusive). Transfers received in order by the Shares Registrar of the Company, M/s. FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahr-e-Faisal, Karachi up to the close of business on April 18, 2023 will be treated in time for entitlement of the dividend.

2. Participation in the AGM proceedings via physical presence or through video link facility:

The arrangement for attending the AGM through electronic means will be as under:

1. To facilitate our members who want to attend AGM through Zoom application - a video link facility will be provided.
2. Shareholders interested in attending the AGM through Zoom application are hereby requested to get themselves registered with the Company Secretary office by providing the following details at the earliest but not later than 48 hours before the time of AGM (i.e. before 03.00 p.m. on April 25, 2023) through following means:

- a) Mobile/WhatsApp: 0315 5008228
- b) E-mail: mansoor@lakson.com.pk

Shareholders are advised to mention Name, CNIC Number, Folio/CDC Account Number, cell number and email ID for identification.

Upon receipt of the above information from the interested shareholders, the Company will send the login credentials at their e-mail address. On the date of AGM, shareholders will be able to login and participate in the AGM proceedings through their smartphone/computer devices.

In view of the above, the Shareholders can also provide their comments/suggestions for the proposed agenda items of the AGM by using the aforesaid means.

3. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the meeting as are available to a member. A proxy must be a member of the Company. A corporate entity, being a member, may appoint any person, regardless whether they are a member or not, as its proxy. In case of corporate entities, a resolution of the Board of Directors/Power of Attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted to the Company along with a completed proxy form. The proxy holders are requested to produce their national CNICs or original passports at the time of the meeting.
4. Forms of proxy, in order to be valid must be properly filled-in/executed and received at the registered office of the Company situated at Lakson Square, Building No. 2, Sarwar Shaheed Road, Karachi not later than 48 hours before the time of the meeting excluding holidays.
5. Members holding shares in physical form are requested to promptly notify Shares Registrar of the Company of any change in their addresses. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.
6. A member, who has deposited his/her shares into Central Depository Company of Pakistan Limited, must bring his/her participant's ID number and CDC account/sub-account number along with original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting.
7. Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividends directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the registrar of the Company M/s. FAMCO Associates (Private) Limited, in case of physical shares.

In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services. No further action is required if IBAN has already been incorporated/updated in the CDC account or physical folio of the shareholder.

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

8. Pursuant to Notification vide SRO.787(1)/2014 of September 08, 2014, the Securities & Exchange Commission of Pakistan (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 e-mail in future. In this respect members are hereby requested to convey their consent via e-mail on a standard request form which is available at the Company website i.e. [www.cicl.com.pk](http://www.cicl.com.pk). Please ensure that your e-mail has sufficient rights and space available to receive such e-mail which may be larger than 1 MB file in size. Further, it is the responsibility of the member to timely update the Shares Registrar of any change in the registered e-mail address.
9. The rates of deduction of income tax from dividend payments under section 150 of the Income Tax Ordinance, 2001 shall be as follows:
  1. Shareholders appearing in Active Taxpayers List (ATL): 15%
  2. Shareholders not appearing in Active Taxpayers List (ATL): 30%
  - (i) To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers 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 in ATL before the first day of book closure, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.
  - (ii) Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate or stay order from a competent court of law is made available to FAMCO Associates (Private) Limited, by the first day of Book Closure.
  - (iii) Further, according to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them (only if not already provided) to our Shares Registrar, in writing as follows:

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

The required information must reach our Shares Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

- (iv) For any query/problem/information, the investors may contact the Company Secretary at phone: 3840 0000 and email address: [mansoor@lakson.com.pk](mailto:mansoor@lakson.com.pk) and/or FAMCO Associates (Private) Limited at phone: 3438 0101-5 and email address: [info.shares@famco.com.pk](mailto:info.shares@famco.com.pk).

- (v) 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 FAMCO Associates (Private) Limited. Shareholders while sending NTN or NTN certificates, as the case may be, must quote Company name and their respective folio numbers. Without the NTN Company would not be in a position to check filer status on the ATL and hence higher tax of 30% may be applied in such cases.
10. Non-resident individual shareholders shall submit declaration or undertaking with copy of valid passport under definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of residential status for the purposes of tax deduction on dividend to the Shares Registrar M/s. FAMCO Associates (Private) Limited at 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahrāh-e-Faisal, Karachi or email at [info.shares@famco.com.pk](mailto:info.shares@famco.com.pk) at the latest by April 19, 2023. The copy of declaration form can be downloaded at Shares Registrar website: <https://famco.com.pk/share-registration-services/>.

In order to claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" on NJSP of Rs. 50/- to the Share Registrar, M/s. FAMCO Associates (Private) Limited, of the Company by first day of book closure. In case shares are held in scripless form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the shareholder, through their participant/Investor Account Services. Further, Non-Muslim shareholders are also required to file Solemn Affirmation (available on <https://famco.com.pk/share-registration-service/>) with the Shares Registrar of the Company in case of shares are held in physical certificates or with CDC Participant / Investor Account Services in case shares are in scripless form. No exemption from deduction of zakat will be allowed unless the above documents are complete in all respects have been made available as above.

Members can exercise their right to demand a poll subject to meeting requirements of Section 143 to Section 145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018, amended as on December 05, 2022. Members will be allowed to exercise their right to vote through postal ballot, that is voting by post and any electronic mode in accordance with the requirements and procedure contained in the aforesaid Regulations.

11. Members are requested to have their updated email and cell number incorporated in their physical folio with the Share Registrar of the Company and with their Participant or Broker / CDC Investor Account Services where their shares are held in electronic form.
12. An updated list for unclaimed dividend/shares of the Company is available on the Company's website [www.cicl.com.pk](http://www.cicl.com.pk). These are unclaimed dividend/shares which have remained unclaimed or unpaid for a period of three years from the date these have become due and payable.

Claims can be lodged by shareholders on Claim Forms as are available on the Company's website. Claim Forms must be submitted to the Company's Shares Registrar for receipt of dividend/shares.

13. The Securities and Exchange Commission of Pakistan has issued a letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021 addressed to all listed companies drawing attention towards the provision of Section 72 of the Companies Act, 2017 (Act) which requires all companies to replace shares issued by them in physical form with shares to be issued in the Book-Entry-form within a period not exceeding four years from the date of the promulgation of the Act.

In order to ensure full compliance with the provisions of the aforesaid Section 72 and to benefit from the facility of holding shares in the Book-Entry-Form, the shareholders who still hold shares in physical form are requested to convert their shares in the Book-Entry-Form.

14. Form of Proxy and Postal Ballot Paper are enclosed.

## **STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2017**

This statement sets out the material facts concerning Special Business, given in agenda items No. 4 of the Notice which will be considered to be passed by the members. The purpose of the Statement is to set forth the material facts concerning such Business.

### **Agenda Item No.4(a) of the Notice – Transactions carried out with associated companies/related parties during the year ended December 31, 2022 to be passed as a Special Resolution.**

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 Listed Companies (Code of Corporate Governance) Regulations, 2019.

During the Board meeting it was pointed out by the Directors that as the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the associated companies/related parties, the quorum of directors seemingly could not be formed for approval some of these transactions specifically, therefore, these transactions have to be approved by the shareholders in the General Meeting.

In view of the above, the transactions conducted during the financial year ended December 31, 2022 with associated companies/related parties shown in Note No.34 of the audited financial statements are being placed before the shareholders for their consideration and approval/ratification.

### **Agenda Item No.4(b) of the Notice – Authorization to the Chief Executive Officer for the transactions carried out and to be carried out with associated companies/related parties during the ensuing year ending December 31, 2023 to be passed as a Special Resolution.**

The Company would be conducting transactions with associated companies/related parties in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship and shareholding in the associated companies/related parties. Therefore, such transactions with associated companies/related parties have to be approved by the shareholders.

The shareholders may authorize the Chief Executive Officer to approve transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending December 31, 2023.

The Directors are interested in the above item to the extent of their common directorships and shareholding in the associated companies/related parties and the privileges attached thereto only.