

## ***CONTENTS***

Company Information .....	02
Offices .....	04
Directors' Report to the Members .....	05
Auditor's Report to the Members .....	07
Balance Sheet .....	10
Profit & Loss Account .....	12
Statement of Comprehensive Income .....	13
Statement of Cash Flows .....	14
Statement of Changes in Equity .....	16
Statement of Premiums .....	17
Statement of Claims.....	18
Statement of Expenses .....	19
Statement of Investment Income .....	20
Notes to the Financial Statements .....	21

## ***COMPANY INFORMATION***

### **BOARD OF DIRECTORS**

Air Marshal Muhammad Arif Pervaiz (Retd.)  
Air Vice Marshal Syed Razi-ul-Hassan Nawab (Retd.) - Director designate  
Air Commodore Zafar Yasin (Retd.)  
Air Commodore Mahmood Ahmed (Retd.)  
Air Commodore Muhammad Masud Akhtar (Retd.)  
Group Captain Ehsan-ur-Rauf Sheikh (Retd.)  
Mr. Aamir Shahzad Mughal

### **CHIEF EXECUTIVE OFFICER**

Mr. Sohel N. Kidwai

### **CFO & COMPANY SECRETARY**

Mr. Nisar Ahmed Almani

### **AUDIT COMMITTEE**

Mr. Aamir Shahzad Mughal - Chairman  
Air Commodore Mahmood Ahmed (Retd) - Member  
Air Commodore Muhammad Masud Akhtar (Retd) - Member

### **Human Resource & Remuneration Committee**

Air Commodore Mahmood Ahmad (Retd) - Chairman  
Air Commodore Muhammad Masud Akhtar (Retd) - Member  
Mr. Sohel N. Kidwai (CEO) - Member

### **INVESTMENT COMMITTEE**

Air Marshal Muhammad Arif Pervaiz (Retd) - Chairman  
Mr. Aamir Shahzad Mughal - Member  
Air Commodore Mahmood Ahmed (Retd) - Member  
Mr. Sohel N. Kidwai - CEO - In attendance  
Mr. Nisar Ahmed Almani

# ***COMPANY INFORMATION***

## **COUNTRY HEAD BUSINESS**

Mr. Naveed Y. Butt

## **LEGAL ADVISOR**

SurrIDGE & Beecheno

## **AUDITORS**

Riaz Ahmed & Company  
Chartered Accountants

## **COORDINATOR INTERNAL CONTROL**

Hussain Bux Uner

## **ADMIN & HR**

Khalid Bin Wasi

## **REGISTERED OFFICE**

10th Floor, Shaheen Complex, M.R. Kayani Road, Karachi.

## **HEAD OFFICE**

10th Floor, Shaheen Complex, M.R. Kayani Road, Karachi.

## **SHARE REGISTRAR**

M/s. Corplink (Pvt) Ltd.  
Wings Arcade, 1-K, Commercial Model Town, Lahore.

## OFFICES

### Head Office

10th Floor, Shaheen Complex  
M. R. Kayani Road, Karachi - 74200  
Tel. # 32630370-75, 322139850-51 Fax # 32626674  
E-mail: [sihife@cyber.net.pk](mailto:sihife@cyber.net.pk)  
URL: [www.shaheeninsurance.com](http://www.shaheeninsurance.com)  
UAN: (021) 111-765-111

### Karachi

Branch Manager - Mr. M. Iftikhar Alam  
10th Floor, Shaheen Complex  
M.R. Kayani Road, Karachi - 74200  
Tel. # 32630370-75, 32213950-51, Fax # 32626674  
E-mail: [iftikhar.alam@shaheeninsurance.com](mailto:iftikhar.alam@shaheeninsurance.com)  
Direct # 32272595  
UAN: (021-111-765-111)

### Lahore Zonal Office

Branch Head / GM Mr. Muhammad Saleem  
Office # 4, 6th Floor, Shaheen Complex  
Opp. PTV Station 38, Abbott Road,  
Lahore.  
Tel # 042-36376270, 36376274, 36376278, 36376279  
Fax # 042-36376276  
E-mail: [lhr\\_zone@shaheeninsurance.com](mailto:lhr_zone@shaheeninsurance.com)

### Islamabad

Branch Manager - Abdul Hameed  
Office # 6, 1st Floor, VIP Plaza,  
I-8, Markaz Islamabad.  
Tel: 051-4938283  
Fax: 051-4938284  
E-mail: [isb@shaheeninsurance.com](mailto:isb@shaheeninsurance.com)

### Multan

Branch Manager - Mr. Arshad Mehmood Khan  
Shalimar Colony Near Madrasa Khair-ul-Muarif  
Bosan Road Multan.  
Tel # (061) 6750001-3  
Fax # (061) 6750004  
E-mail: [mul@shaheeninsurance.com](mailto:mul@shaheeninsurance.com)

### Sialkot

Branch Manager - Mr. Mian Waheed Akhter  
104, First Floor, Kareem Plaza, Defence  
Road, Near Allama Iqbal Town, Sialkot  
Tel. # (052) 3250982, 3550131  
Fax # (052) 3257412  
E-mail: [sil@shaheeninsurance.com](mailto:sil@shaheeninsurance.com)

### Hyderabad

Agency Manager - Syed Shakir Ali  
Upper 2nd Floor  
House # 75, Soldier Bazar  
Tel. # (021) 2720487  
Fax # (022) 2720489  
E-mail: [hyd@shaheeninsurance.com](mailto:hyd@shaheeninsurance.com)

### Lahore Corporate

Branch Manager / GM Mr. Sohaib Ansar Khan  
Office # 6, 6th Floor, Shaheen Complex  
Opp. PTV Station 38, Abbott Road,  
Lahore  
Tel # 042-36370384, 36370741, 36370742  
Fax # 042-36370385  
E-mail: [lhr\\_corporate@shaheeninsurance.com](mailto:lhr_corporate@shaheeninsurance.com)

### Faisalabad

Branch Manager / Mr. Gulshan Ali Ansari  
Office # 2, 4<sup>th</sup> Floor, Ahmed Plaza, Bilal Road,  
Civil Lines, Faisalabad,  
Tel. # (041) 2614112, 2621370, 2634658  
Fax # (041) 2613514  
E-mail: [fsd@shaheeninsurance.com](mailto:fsd@shaheeninsurance.com)

### Peshawar

Branch Manager - Mr. Aamir Shahzad  
Upper Basement, State Life Building  
34 - The Mall, Peshawar Cantt.  
Tel # (091) 5273122 Fax # (091) 5273106  
E-mail: [psw@shaheeninsurance.com](mailto:psw@shaheeninsurance.com)

## DIRECTORS' REPORT TO THE MEMBERS

The Directors are pleased to announce the results of your Company for the half year ended June 30, 2015.

The Results are summarized below;

	Rupees in million			
	June	June	% Age	December
	2015	2014		2014
Gross Premium Written	133.9968	147.6640	(9.26)	284.182
Net Premium Revenue	106.2050	117.8070	(9.85)	229.620
Net Claims	38.8395	35.8970	8.92	73.395
Underwriting Results	27.1919	35.7870	(24.02)	67.626
Investment Income	6.0379	5.3800	12.23	15.897
Profit/(Loss) Before Tax	5.9136	11.1660	(47.04)	11.817
Profit/(Loss) After Tax	4.8416	13.9420	(65.27)	12.962
Earnings Per Share	0.11	0.3600	(69.44)	0.31

Profit after tax for the half year ending June 30, 2015 was lesser than profit after tax for the corresponding half of 2014. Profit after tax of the company during the first half of 2015 was restricted mainly due to decrease in premium underwritten during the period under review coupled with decrease in other income. Decrease in premium underwritten is however temporary, which is likely to pick up in coming months, as we are vigorously pursuing to get enlistment with the agencies. Additionally, we are constantly in touch with the rating agency for improvement of our credit rating, so that the company has a level playing field with other competing insurance companies. It may be pertinent to mention here that our company has entered into an agreement with JS bank limited for providing insurance services. Besides exploring other business avenues, our company is also in the process of collaborating with other commercial banks to provide insurance services to their consumer finance clientele.

Board of Directors' of the company has taken concrete measures to arrange funds of Rs 56.15 million immediately, to clear the liability of cotton claim.

It would be worthwhile to mention here that severe shortage of electricity and gas continue to pose major challenges for the overall economic environment of the country affecting the insurance industry as well.

Investment income of the company increased to Rs 6.038 million during the period under review against Rs 5.380 million during the first half of 2014. This was mainly due to better liquidity position of the company as handsome balance of cash was placed with highly reputed commercial banks and Pakistan Investment Bonds, at competitive rates of return. Company, however, continue to pursue conservative investment strategy mainly focusing on low risk avenues. Company's investment committee has been vigilant and careful, while making investment decisions.

Decrease in Management and General Administrative Expenses of the company during the first half of 2015 compared with first half of 2014 are mainly attributed to prudent controls instituted at various levels of the company.

Despite constraints and economies of scale, our company would continue to pursue growth, and performance will improve in times to come.

Subsequent to half year ending June 30, 2015, one director Air Commodore Shahid Jamil Hashmi (Retd.) resigned from the board of the company due to his personal preoccupations. In place of outgoing director, Air Vice Marshal Syed Razi ul Hassan Nawab (Retd.) has been appointed as the director of the company subject to necessary approval by the Securities and Exchange Commission of Pakistan.

Your Directors would like to place on record their appreciation to the field force, staff, Securities and Exchange Commission of Pakistan, Pakistan Re-insurance Company Limited and all our re-insurers for their commitment and support.

Let me assure if we secure early enlistment with the banks, and achieve a step higher in our rating, InshaAllah we will definitely increase business with better results.



**Air Marshal Muhammad Arif Pervaiz (Retd.)  
Chairman**

August 26, 2015

**AUDITORS' REPORT TO THE MEMBERS  
ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

**Introduction**

We have reviewed the accompanying condensed interim balance sheet of SHAHEEN INSURANCE COMPANY LIMITED ("the Company") as at 30 June 2015 and the related:

- (i) condensed interim profit and loss account;
- (ii) condensed interim statement of comprehensive income;
- (iii) condensed interim statement of changes in equity;
- (iv) condensed interim statement of cash flows;
- (v) condensed interim statement of premiums;
- (vi) condensed interim statement of claims;
- (vii) condensed interim statement of expenses;
- (viii) condensed interim statement of investment income; and

notes forming part thereof for the six-month period then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of premiums, condensed interim statement of claims, condensed interim statement of expenses and condensed interim statement of investment income for the quarters ended 30 June 2015 and 30 June 2014 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the six-month period ended 30 June 2015.

## **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## **Basis for Qualified Conclusion**

Pursuant to a settlement agreement dated 29 November 2012 with First Capital Equities Limited and FCSC Group and Pace (Pakistan) Limited (previously, the related parties) {Note 9.6}, the Company acquired 4.7 million ordinary shares of First Capital Equities Limited (FCEL) at an agreed price of Rupees 40 per ordinary share which are carried in the balance sheet as 'available-for-sale investment' at Rupees 188 million. We noted that the quoted market value (Rupees 35.19 per share as at 30 June 2015) of this available for sale investment remained lower than the carrying amount (Rupees 40 per share) for last one and half year which indicates a prolonged decline in market value. However, the management of the Company has not made provision for impairment amounting to Rupees 22.607 million against this investment. Had this provision been made, profit for the period and investments would have been lower by the same amount.

We further noted that the quoted market price of Rupees 35.19 per ordinary share of FCEL as at the reporting date may not appear to have been derived by an active trade pattern (almost no transaction during the period), as its free float is not significant and equity of FCEL has almost been fully eroded due to continuous losses. The management could not so far dispose of this investment due to non-availability of active willing buyer. These factors indicate that the investment may be further impaired.



### **Qualified Conclusion**

Based on our review, except for the effects of matter mentioned in the basis for qualified conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the six-month period ended 30 June 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

### **Emphasis of Matter**

We also draw attention to note 10.2 which states that the Company made an advance amounting to Rupees 34.750 million against investment property located at D-1, 1st Floor 27H, College Road measuring 3,475 Square Feet during the years 2007 to 2009 which is under development and its title and possession will be transferred to the Company upon completion which is expected during the year.

Our conclusion is not further qualified in respect of this matter.

**RIAZ AHMAD & COMPANY**  
**Chartered Accountants**

**Name of engagement partner:**  
**Mubashar Mehmood**

**Date: 27th Aug. 2015**

**KARACHI**

**CONDENSED INTERIM BALANCE SHEET  
AS AT 30 JUNE 2015**

	Note	30 June 2015	31 December 2014
		Rupees	
		Un-audited	Audited
<b>Share capital and reserves</b>			
<b>Authorized share capital</b>			
60,000,000 (2014: 60,000,000) ordinary shares of Rupees 10 each		600,000,000	600,000,000
Issued, subscribed and paid-up share capital	6	450,000,000	450,000,000
General reserve		20,000,000	20,000,000
Accumulated loss		(125,075,243)	(129,916,865)
<b>Shareholders' equity</b>		<b>344,924,757</b>	<b>340,083,135</b>
<b>Underwriting provisions</b>			
Provision for outstanding claims (including IBNR)		197,712,596	228,704,455
Provision for unearned premium		123,915,424	125,728,997
Premium deficiency reserve		3,764,066	3,764,066
Commission income unearned		543,917	743,862
<b>Total underwriting provisions</b>		<b>325,936,003</b>	<b>358,941,380</b>
<b>Creditors and Accruals</b>			
Premium received in advance		3,453,457	3,854,296
Amounts due to other insurers / reinsurers		9,344,942	13,356,119
Accrued expenses		10,817,898	10,639,373
Agent balances		15,806,337	11,997,063
Taxation - provisions less payments		1,637,928	1,599,149
Current portion of liabilities against assets subject to finance lease		1,070,974	552,335
Other creditors and accruals	7	48,224,181	45,335,080
		90,355,717	87,333,415
<b>Borrowings</b>			
Liabilities against assets subject to finance lease		2,218,875	-
<b>Other liabilities</b>			
Unclaimed dividend		398,934	398,934
<b>TOTAL LIABILITIES</b>		<b>418,909,529</b>	<b>446,673,729</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>763,834,286</b>	<b>786,756,864</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8		

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

**CONDENSED INTERIM BALANCE SHEET  
AS AT 30 JUNE 2015**

Note	30 June 2015	31 December 2014	
	Rupees		
	Un-audited	Audited	
<b>Cash and bank deposits</b>			
Cash and other equivalents	2,089,999	1,333,342	
Current and saving accounts	30,863,939	39,775,824	
Deposits maturing within 12 months	150,000,000	189,290,000	
	<b>182,953,938</b>	<b>230,399,166</b>	
<b>Loans - secured</b>			
To employees	58,994	54,314	
<b>Investments</b>	<b>9</b>	<b>278,440,083</b>	
<b>Investment properties</b>	<b>10</b>	<b>58,035,167</b>	
		<b>58,955,085</b>	
<b>Current Assets-Others</b>			
Premiums due but unpaid - net	11	119,606,607	127,690,441
Amounts due from other insurers / reinsurers		12,289,331	15,057,279
Accrued investment income		2,637,648	1,837,735
Reinsurance recoveries against outstanding claims		27,024,421	30,089,146
Deferred commission expense		19,340,602	16,787,150
Advances, deposits and prepayments		36,200,663	45,682,240
Other receivables		10,974,824	10,343,677
		<b>228,074,096</b>	<b>247,487,668</b>
<b>Fixed assets - Tangible and intangible</b>			
<b>Owned</b>			
Furniture, fixtures and office equipment		6,146,467	6,624,788
Motor vehicles		1,831,216	3,503,697
Computer software - intangible		-	317,036
		<b>7,977,683</b>	<b>10,445,521</b>
<b>Leased</b>			
Motor vehicles		8,294,325	761,200
		<b>8,294,325</b>	<b>761,200</b>
<b>TOTAL ASSETS</b>		<b>763,834,286</b>	<b>786,756,864</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



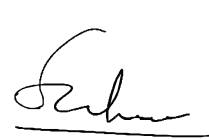
Chairman



Director



Director



Chief Executive Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015

		Quarter ended 30 June 2015					
Note	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Others	2015 Aggregate	2014 Aggregate
Rupees							
<b>Revenue Account</b>							
Net premium revenue	7,344,366	992,831	39,134,438	2,852,362	2,790,494	53,114,491	55,307,441
Net claims	(4,651,625)	(1,161,199)	(7,824,203)	(255,592)	735,690	(13,156,929)	(26,884,341)
Management expenses	(1,625,145)	(343,560)	(6,870,474)	(543,841)	(1,748,769)	(11,131,789)	(12,090,346)
Net commission	(1,254,384)	(628,794)	(5,234,104)	(88,489)	(1,512,981)	(8,718,752)	(12,623,335)
<b>Underwriting results</b>	<b>(186,787)</b>	<b>(1,140,722)</b>	<b>19,205,657</b>	<b>1,964,440</b>	<b>264,434</b>	<b>20,107,021</b>	<b>3,709,419</b>
Investment income						2,454,051	4,509,400
Rental income						476,260	549,018
Other income						490,788	30,344,155
General and administration expenses						(19,157,730)	(46,657,651)
Provision for Workers' Welfare Fund						(120,685)	-
<b>Profit / (loss) for the period before taxation</b>						<b>4,249,705</b>	<b>(7,545,659)</b>
Provision for taxation							
-Current						(541,030)	(592,782)
-Prior						-	3,466,010
Profit / (loss) after tax						<b>3,708,675</b>	<b>(4,672,431)</b>
<b>Earnings per share-basic and diluted</b>	16.					<b>0.08</b>	<b>(0.10)</b>

		Six months period ended June 30, 2015					
Note	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Others	2015 Aggregate	2014 Aggregate
Rupees							
<b>Revenue Account</b>							
Net premium revenue	12,589,093	1,381,564	76,663,288	8,386,045	7,185,028	106,205,018	117,807,794
Net claims	(12,312,808)	(1,261,237)	(21,697,802)	(2,318,463)	(1,249,206)	(38,839,516)	(35,857,490)
Management expenses	(3,450,644)	(837,881)	(13,404,189)	(1,360,722)	(2,986,363)	(22,039,799)	(24,920,634)
Net commission	(3,200,095)	(1,205,022)	(10,287,261)	(288,594)	(3,152,858)	(18,133,830)	(21,201,483)
<b>Underwriting results</b>	<b>(6,374,454)</b>	<b>(1,922,576)</b>	<b>31,274,036</b>	<b>4,418,266</b>	<b>(203,399)</b>	<b>27,191,873</b>	<b>35,828,187</b>
Investment income						6,037,915	5,380,092
Rental income						1,077,520	1,098,036
Other income						3,079,424	34,272,570
General and administration expenses						(31,352,490)	(65,371,610)
Provision for Workers' Welfare Fund						(120,685)	-
<b>Profit for the period before taxation</b>						<b>5,913,557</b>	<b>11,207,275</b>
Provision for taxation							
-Current						(1,071,935)	(690,288)
-Prior						-	3,466,010
Profit after tax						<b>4,841,622</b>	<b>13,982,997</b>
<b>Accumulated loss account</b>							
Balance of accumulated loss at commencement of the year						(129,916,865)	(142,879,328)
Profit for the six months period						4,841,622	13,982,997
Balance of accumulated loss at end of the period						<b>(125,075,243)</b>	<b>(128,896,331)</b>
<b>Earnings per share-basic and diluted</b>	16.					<b>0.11</b>	<b>0.36</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information



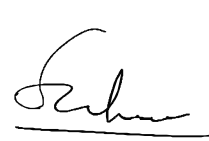
Chairman



Director



Director



Chief Executive Officer



**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015**

	30 June 2015	30 June 2014
	----- Rupees -----	
<b>OPERATING ACTIVITIES</b>		
<b>a) Underwriting activities</b>		
Premiums received	141,679,771	169,327,649
Reinsurance premiums paid	(25,189,008)	(24,482,322)
Claims paid	(86,827,890)	(134,009,689)
Reinsurance and other recoveries received	20,061,240	58,417,018
Commissions paid	(17,440,438)	(19,402,310)
Commissions received	362,485	378,121
Net cash flows from underwriting activities	<u>32,646,160</u>	<u>50,228,467</u>
<b>b) Other operating activities</b>		
Income tax paid	(1,033,156)	-
Management and administration expenses paid	(43,079,000)	(59,693,760)
Loans advanced - net	(4,680)	641,476
Net cash used in other operating activities	<u>(44,116,836)</u>	<u>(59,052,284)</u>
<b>Total cash used in all operating activities</b>	<b>(11,470,676)</b>	<b>(8,823,817)</b>
<b>INVESTING ACTIVITIES</b>		
Profit / Return received	5,238,000	5,789,522
Rentals received	625,000	770,634
Payments for investments	(43,361,037)	(15,179,041)
Proceeds from disposal of investments	-	3,452,253
Fixed capital expenditure	(369,750)	(68,000)
Proceeds from disposal of fixed assets	2,882,000	5,484,755
<b>Total cash (used in) / flows from all investing activities</b>	<b>(34,985,787)</b>	<b>250,123</b>
<b>FINANCING ACTIVITIES</b>		
Financial charges paid	(190,824)	-
Payments of finance lease liability	(803,647)	(487,233)
Issue of right shares	-	150,000,000
<b>Total cash flows from / (used in) all financing activities</b>	<b>(994,471)</b>	<b>149,512,767</b>
<b>Net cash flows from all activities</b>	<b>(47,450,934)</b>	<b>140,939,073</b>
Exchange gain on cash and cash equivalents	5,706	-
Cash and cash equivalents at the beginning of year	230,399,166	71,531,639
<b>Cash and cash equivalents at end of the period</b>	<b><u>182,953,938</u></b>	<b><u>212,470,712</u></b>

30 June 2015      30 June 2014  
----- Rupees -----

**Reconciliation to profit and loss account**

Operating cash flows	(11,470,676)	(8,823,817)
Exchange gain on cash and cash equivalents	5,706	-
Depreciation on fixed assets	(3,213,678)	(6,094,866)
Depreciation on investment property	(919,919)	(919,918)
Gain on disposal of fixed assets	1,998,346	5,948,549
Taxes paid	1,033,156	-
Financial charges	(190,824)	(150,049)
Decrease in assets other than cash	(19,413,570)	(131,886,961)
Decrease in liabilities	30,009,188	145,416,327
Investment and other income	8,196,513	11,184,020
Provision for Workers' Welfare Fund	(120,685)	-
Provision for tax	(1,071,935)	(690,288)
<b>Profit after taxation</b>	<b>4,841,622</b>	<b>13,982,997</b>

**Definition of cash**

Cash comprises of cash in hand, policy stamps, cheques in hand, bank balances and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

Cash for the purpose of the statement of cash flows consists of:

**Cash and other equivalents**

- Cash in hand	43,462	24,334,506
- Policy stamps in hand	2,046,537	-
	<u>2,089,999</u>	<u>24,334,506</u>

**Current and saving accounts**

- Current accounts	4,567,431	2,518,700
- Savings accounts	26,296,508	3,586,551
	<u>30,863,939</u>	<u>6,105,251</u>

**Deposits maturing within 12 months**

Term Deposit- local currency	150,000,000	182,030,955
	<u>182,953,938</u>	<u>212,470,712</u>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

  
\_\_\_\_\_  
Chairman

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Executive Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015**

	Paid-up share capital	Revenue reserves		Total
		General reserve	Accumulated loss	
----- Rupees -----				
Balance as at 31 December 2013	300,000,000	20,000,000	(142,879,328)	177,120,672
Changes in equity for the six month period ended 30 June 2014				
Issue of right shares during the period	150,000,000	-	-	150,000,000
Profit for the six month period ended 30 June 2014	-	-	13,982,997	13,982,997
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	13,982,997	13,982,997
Balance as at 30 June 2014	450,000,000	20,000,000	(128,896,331)	341,103,669
Changes in equity for the six month period ended 31 December 2014				
Loss for the six month period ended 31 December 2014	-	-	(1,020,534)	(1,020,534)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	-	(1,020,534)	(1,020,534)
<b>Balance as at 31 December 2014</b>	<b>450,000,000</b>	<b>20,000,000</b>	<b>(129,916,865)</b>	<b>340,083,135</b>
Changes in equity for the six month period ended 30 June 2015				
Profit for the six month period ended 30 June 2015	-	-	4,841,622	4,841,622
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	4,841,622	4,841,622
<b>Balance as at 30 June 2015</b>	<b>450,000,000</b>	<b>20,000,000</b>	<b>(125,075,243)</b>	<b>344,924,757</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



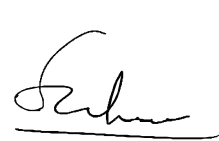
Chairman



Director



Director



Chief Executive Officer



CONDENSED INTERIM STATEMENT OF PREMIUMS (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015

Business underwritten inside Pakistan

Class	Quarter ended 30 June 2015									2015 Net premium revenue iedh	2014 Net premium revenue
	Premium written			Premium earned			Reinsurance ceded				
	a	b	c	d=a+b-c	e	f	g	h=e+f-g			
<b>Direct and facultative</b>											
Fire and property damage	10,995,445	14,827,319	15,244,819	10,577,945	2,999,148	9,696,620	9,462,187	3,233,579	7,344,366	1,952,784	
Marine, aviation and transport	2,645,647	1,627,201	1,591,854	2,880,994	1,698,162	844,082	844,081	1,698,163	992,831	894,563	
Motor	48,251,959	80,196,046	87,027,200	41,420,805	1,394,669	6,083,017	5,191,319	2,286,367	39,134,438	43,228,331	
Accident and health	8,047,914	4,536,574	9,732,128	2,852,362	-	-	-	-	2,852,362	5,910,401	
Others	3,305,629	15,934,818	10,319,425	8,921,022	4,708,247	9,810,718	8,388,437	6,130,528	2,790,494	3,321,342	
<b>Total</b>	<b>73,246,594</b>	<b>117,121,958</b>	<b>123,915,424</b>	<b>66,453,128</b>	<b>10,790,224</b>	<b>28,424,437</b>	<b>23,886,024</b>	<b>13,338,637</b>	<b>53,114,491</b>	<b>55,307,744</b>	

Business underwritten inside Pakistan

Class	Six month period ended 30 June 2015									2015 Net premium revenue iedh	2014 Net premium revenue
	Premium written			Premium earned			Reinsurance ceded				
	a	b	c	d=a+b-c	e	f	g	h=e+f-g			
<b>Direct and facultative</b>											
Fire and property damage	14,285,370	22,225,559	15,244,819	21,266,110	9,196,759	8,942,445	9,462,187	8,677,017	12,589,093	5,840,976	
Marine, aviation and transport	5,937,905	817,757	1,591,854	5,163,808	3,376,325	1,250,000	844,081	3,792,244	1,381,564	2,644,016	
Motor	93,183,729	76,452,681	87,027,200	82,609,210	4,463,665	6,673,576	5,191,319	5,945,922	76,665,288	91,654,121	
Accident and health	12,008,320	6,109,651	9,732,126	8,386,045	-	-	-	-	8,386,045	10,616,724	
Others	8,581,452	20,123,149	10,319,425	18,385,176	6,909,030	12,679,555	8,388,437	11,200,148	7,185,028	7,051,957	
<b>Total</b>	<b>133,996,776</b>	<b>125,728,997</b>	<b>123,915,424</b>	<b>135,810,349</b>	<b>23,945,779</b>	<b>28,545,576</b>	<b>23,886,024</b>	<b>29,605,331</b>	<b>106,205,078</b>	<b>117,807,794</b>	

Note: The Company does not underwrite business outside Pakistan.  
The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



Chairman



Director



Director



Chief Executive Officer

CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015  
Business underwritten inside Pakistan

Class	Claims paid a	Outstanding claims		Claims expense d=a+c-b	Quarter ended 30 June 2015		Reinsurance and other recoveries in respect of outstanding claims Opening f	Reinsurance and other recoveries in respect of closing claims Closing g	Reinsurance and other recoveries revenue h=e+g-f	2015 Net claims expense i=h-j	2014 Net claims expense		
		Opening b	Closing c		Reinsurance and other recoveries received e	Reinsurance and other recoveries in respect of opening claims Opening f						Reinsurance and other recoveries in respect of closing claims Closing g	Reinsurance and other recoveries revenue h=e+g-f
		Rupees											
Direct and facultative													
Fire and property damage	16,267,659	92,264,966	86,572,565	10,575,268	9,393,495	21,075,712	17,605,850	5,923,633	4,651,625	5,917,845			
Marine, aviation and transport	593,349	8,199,913	8,399,914	793,350	(331,194)	3,476,931	3,440,276	(367,849)	1,161,199	2,796,809			
Motor	19,763,985	76,671,514	66,344,218	9,436,299	2,654,138	1,050,442	8,400	1,612,096	7,624,203	16,437,004			
Accident and health	5,011,964	29,143,121	24,386,759	255,592	-	-	-	-	255,592	(2,543,159)			
Others	1,184,774	12,740,382	12,009,140	453,532	915,635	5,696,508	5,969,895	1,169,222	(735,680)	4,375,941			
Total	42,821,331	219,079,896	197,712,596	21,514,031	12,632,274	31,299,593	27,024,421	8,357,102	13,156,929	26,884,341			
Treaty - Proportional	-	-	-	-	-	-	-	-	-	-	-		
Grand total	42,821,331	219,079,896	197,712,596	21,514,031	12,632,274	31,299,593	27,024,421	8,357,102	13,156,929	26,884,341			

Business underwritten inside Pakistan

Class	Claims paid a	Outstanding claims		Claims expense d=a+c-b	Six month period ended 30 June 2015		Reinsurance and other recoveries in respect of opening claims Opening f	Reinsurance and other recoveries in respect of closing claims Closing g	Reinsurance and other recoveries revenue h=e+g-f	2015 Net claims expense i=h-j	2014 Net claims expense		
		Opening b	Closing c		Reinsurance and other recoveries received e	Reinsurance and other recoveries in respect of opening claims Opening f						Reinsurance and other recoveries in respect of closing claims Closing g	Reinsurance and other recoveries revenue h=e+g-f
		Rupees											
Direct and facultative													
Fire and property damage	28,566,884	93,453,666	86,572,565	21,705,783	13,286,614	21,489,489	17,605,850	9,392,975	12,312,808	6,399,987			
Marine, aviation and transport	1,293,140	8,392,532	8,399,914	1,300,622	(256,194)	3,144,797	3,440,276	39,285	1,261,237	1,124,825			
Motor	46,704,266	86,028,260	66,344,218	27,020,214	5,314,012	-	8,400	5,322,412	21,697,802	22,506,278			
Accident and health	6,778,808	28,847,104	24,386,759	2,318,463	-	-	-	-	2,318,463	348,114			
Others	3,464,802	11,982,893	12,009,140	3,491,049	1,716,808	5,444,860	5,969,895	2,241,943	1,249,206	5,478,276			
Total	86,827,890	228,704,495	197,712,596	55,836,031	20,061,240	30,089,146	27,024,421	16,996,515	38,639,516	35,957,490			
Treaty - Proportional	-	-	-	-	-	-	-	-	-	-	-		
Grand total	86,827,890	228,704,495	197,712,596	55,836,031	20,061,240	30,089,146	27,024,421	16,996,515	38,639,516	35,957,490			

Note: The Company does not underwrite business outside Pakistan.  
The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



Chairman



Director



Director



Chief Executive Officer

STATEMENT OF EXPENSES (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015  
Business underwritten inside Pakistan

Class	Commissions paid or payable a	Deferred Commission			Net Commission expense d=a+b-c	Other Management expenses e	Underwriting expense f=d+e	*Commission from reinsurers g	2015 Net underwriting expenses h=f-g	2014 Net underwriting expenses
		Opening		Closing						
		b	c							
Quarter ended 30 June 2015										
Direct and facultative										
Fire and property damage	3,258,654	2,390,486	4,457,868	1,191,272	1,528,145	2,816,417	(63,112)	2,879,529	4,307,429	
Marine, aviation and transport	556,664	390,042	37,912	628,794	343,560	972,354	-	972,354	1,367,803	
Motor	6,561,671	10,888,010	12,164,212	5,285,469	6,870,474	12,155,943	51,386	12,104,577	14,503,308	
Accident and health	383,572	127,407	422,490	88,489	543,841	632,330	-	632,330	2,242,865	
Others	631,856	3,004,111	1,978,121	1,657,846	1,748,769	3,406,615	144,864	3,261,751	2,292,476	
Total	11,392,417	16,800,056	19,340,603	8,851,870	11,131,789	19,983,659	133,118	19,850,541	24,713,881	
Treaty - Proportional	-	-	-	-	-	-	-	-	-	
Grand total	11,392,417	16,800,056	19,340,603	8,851,870	11,131,789	19,983,659	133,118	19,850,541	24,713,881	
Six month period ended 30 June 2015										
Business underwritten inside Pakistan										
Class	Commissions paid or payable a	Deferred Commission			Net Commission expense d=a+b-c	Other Management expenses e	Underwriting expense f=d+e	*Commission from reinsurers g	2015 Net underwriting expenses h=f-g	2014 Net underwriting expenses
Direct and facultative										
Fire and property damage	4,540,281	3,249,130	4,457,868	3,331,523	3,450,644	6,782,167	131,428	6,650,739	8,664,307	
Marine, aviation and transport	1,326,532	196,492	37,912	1,205,022	837,881	2,042,903	-	2,042,903	2,827,783	
Motor	13,245,203	9,344,823	12,164,212	10,428,814	13,404,189	23,830,003	138,554	23,691,449	27,323,197	
Accident and health	391,052	320,032	422,490	288,594	1,360,722	1,649,316	-	1,649,316	2,993,063	
Others	1,746,665	3,676,763	1,978,121	3,445,307	2,986,363	6,431,670	292,448	6,139,222	4,323,767	
Total	21,291,713	16,787,160	19,340,603	18,696,260	22,038,799	40,736,059	562,430	40,173,629	46,122,177	
Treaty - Proportional	-	-	-	-	-	-	-	-	-	
Grand total	21,291,713	16,787,160	19,340,603	18,696,260	22,038,799	40,736,059	562,430	40,173,629	46,122,177	

\* Commission from reinsurers is arrived at after taking the impact of the opening and closing balances of unearned commission.

Note: The Company does not underwrite business outside Pakistan.

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



Chairman



Director



Director



Chief Executive Officer

**CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015**

	Quarter ended		Six month period ended	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
	----- Rupees -----			
<b>Income from trading investments - net</b>				
Gain on sale of held for trading investments	-	1,108,617	-	1,165,987
Dividend income	-	298,752	-	298,752
	-	1,407,369	-	1,464,739
<b>Income from non-trading investments</b>				
<i>Held-to-maturity</i>				
Return on other fixed income securities	<b>3,094,580</b>	3,935,163	<b>7,083,148</b>	4,826,426
Return on PIBs	<b>732,224</b>	309,357	<b>1,157,566</b>	309,357
	<b>3,826,804</b>	4,244,520	<b>8,240,714</b>	5,135,783
<b>Available for sale</b>				
Dividend income	<b>39,539</b>	-	<b>39,539</b>	-
<b>Unrealized loss on revaluation of held-for-trading investments</b>	<b>(1,412,292)</b>	(914,614)	<b>(2,242,338)</b>	(989,695)
<b>Investment related expenses</b>	-	(227,875)	-	(230,735)
<b>Net investment income</b>	<b>2,454,051</b>	4,509,400	<b>6,037,915</b>	5,380,092

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



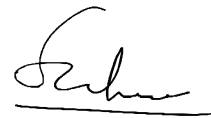
Chairman



Director



Director



Chief Executive Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015**

**1. STATUS AND NATURE OF BUSINESS**

Shaheen Insurance Company Limited ("the Company") was incorporated in March 1995 under the Companies Ordinance, 1984, as a Public Company and obtained the certificate for commencement of business in July 1995. It was registered with the Controller of Insurance in November 1995 to carry out non-life insurance business comprising fire, marine, motor, aviation, engineering, transportation, health, etc. The shares of the company are listed on Karachi, Lahore and Islamabad Stock Exchanges.

Its registered office is located at 10th floor, Shaheen Commercial Complex, Karachi.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

This condensed interim financial report (condensed interim financial information) of the Company for the six months period ended 30 June 2015 has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 have been followed.

The Securities and Exchange Commission of Pakistan ("SECP") has allowed insurance companies to defer the application of International Accounting Standard (IAS) 39 "Financial Instruments: Recognition and Measurement" in respect of "Investment available -for- sale" until suitable amendments have been made in the law. Accordingly the requirements of IAS -39, to the extent allowed by the SECP, have not been considered in the preparation in this condensed interim financial information.

**2.2** This condensed interim financial information is unaudited but subject to limited review by the statutory auditors and is being submitted to the shareholders in accordance with the Section 245 to the Companies Ordinance, 1984. This condensed interim financial information should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2014.

**2.3 Basis of Presentation**

This condensed interim financial information has been prepared under the historical cost convention, except that 'held to maturity' investments are stated at amortized cost and investment 'at fair value through profit or loss- held for trading investments' are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

This condensed interim financial information has been prepared and presented in Pakistani rupees, which is the Company's functional and presentation currency.

**3. SIGNIFICANT ACCOUNTING POLICIES AND COMPUTATION METHODS**

The accounting policies and the methods of computation applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of financial statements of the Company for the year ended 31 December 2014.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31 December 2014.

**5. FINANCIAL AND INSURANCE RISK MANAGEMENT**

The insurance risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended 31 December 2014.

**6. SHARE CAPITAL**

**6.1 Authorized share capital**

30 June 2015	31 December 2014		30 June 2015	31 December 2014
<i>Number of shares</i>			<i>----- Rupees -----</i>	
<u>60,000,000</u>	<u>60,000,000</u>	Ordinary shares of Rs. 10 each	<u>600,000,000</u>	<u>600,000,000</u>

## 6.2 Issued, subscribed and paid - up share capital

30 June 2015	31 December 2014		30 June 2015	31 December 2014
Number of shares			----- Rupees -----	
8,000,000	8,000,000	Ordinary shares of Rs. 10 each, fully paid in cash	80,000,000	80,000,000
12,000,000	12,000,000	Ordinary shares of Rs. 10 each, issued as fully paid bonus shares	120,000,000	120,000,000
10,000,000	10,000,000	Ordinary shares of Rs. 10 each, issued as right shares	100,000,000	100,000,000
15,000,000	15,000,000	Ordinary shares of Rs. 10 each, issued as right shares	150,000,000	150,000,000
<u>45,000,000</u>	<u>45,000,000</u>		<u>450,000,000</u>	<u>450,000,000</u>

## 7. OTHER CREDITORS AND ACCRUALS

Federal excise duty payable	34,963,614	32,575,984
Withholding tax payable	1,987,876	1,853,536
Workers welfare fund payable	831,410	710,725
Unearned rental income	32,588	485,108
Payable to provident fund	5,285,989	5,294,410
Others	5,122,704	4,415,317
	<u>48,224,181</u>	<u>45,335,080</u>

## 8. CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

- 8.1.1** Securities and Exchange Commission of Pakistan has postponed the hearing on show cause notices issued under section 208 of the companies ordinance 1984 and section 39 read with section 156 and section 158 of the Insurance ordinance 2000. Hearing is likely to take place in current year.
- 8.1.2** A claim was raised by General Trading Establishment in 2011 amounting to Rs. 60.65 million, which was rejected by the surveyor. The aggrieved party filed a suit against the Company in the High court of Sindh. The legal advisor of the Company is of the view that the Company is likely to be successful in respect of this suit. Therefore, no provision has been made in the condensed interim financial
- 8.1.3** The income tax assessments of the Company have been finalized up to and including the assessment year 2013-14 (financial year ended December 31, 2013), unless amended.

However, assessments for tax years 2004, 2006 and 2007 had been amended by the taxation officer, against which the Company had preferred an appeal before the Commissioner Inland Revenue (Appeal) (CIR(A)). Subsequently, CIR(A) confirmed the order of taxation officer, against which company preferred to file an appeal before the Appellate Tribunal Inland Revenue (ATIR). ATIR decided the case in favor of the Company. Case was decided in favour of the company in High Court as well, through the order dated September 5, 2013. However, taxation officer has filed civil petition against the order with the Supreme Court of Pakistan; the decision of which is pending. The demand raised was of Rs 2.045 million for the tax year 2004, Rs 8.22 million for the tax year 2006, and Rs 9.689 million for tax year 2007 against apportionment of expenditure. As it is expected that the matter will be decided in favour of the Company, no provision has been made in the accounts.

### 8.2 Commitments

There were no commitments as at 30 June 2015 ( 31 December 2014: Nil)

## 9. INVESTMENTS

### 9.1 Type of investments

		30 June 2015	31 December 2014
		----- Rupees -----	
<b>Held-to-maturity</b>			
Government Securities	9.2	56,679,357	14,650,846
Term finance certificates - Listed	9.3	-	-
		<u>56,679,357</u>	<u>14,650,846</u>
		1,698,000	3,940,338
<b>At fair value through profit or loss - Held for trading</b>			
<b>Available-for-sale investments</b>			
First Capital Equities Limited		188,000,000	188,000,000
Mutual Funds			
Open-end funds		32,062,726	32,062,726
		<u>278,440,083</u>	<u>238,653,910</u>

## 9.2 Government Securities

Type of security	Maturity date	Profit (%)	Face value	30 June 2015	31 December 2014
----- Rupees -----					
Pakistan Investment Bonds	18 July 2018	11.50%	15,000,000	<b>14,699,684</b>	14,650,846
Pakistan Investment Bonds	18 July 2018	11.50%	8,600,000	<b>9,590,544</b>	-
Pakistan Investment Bonds	18 July 2017	11.50%	3,000,000	<b>3,249,028</b>	-
Pakistan Investment Bonds	30 August 2018	12.00%	25,800,000	<b>29,140,101</b>	-
				<b>56,679,357</b>	14,650,846

9.3 At 31 December 2012, the TFC was classified as non-performing as per the valuation report of debt securities by the Mutual Fund Association of Pakistan under SECP Circular 33 of 2012 dated 24 October 2012.

9.4 Market value of quoted available-for-sale securities is Rupees 209.85 (31 December 2014: Rupees 208.68 million).

9.5 Had the Company followed International Accounting Standard (IAS) 39 "Financial Instruments: Recognition and Measurement" in respect of recognition of gain / (loss) on measurement of available for sale securities directly into equity, the investments of the Company would have been lower by Rs. 10.21 million (2014: lower by Rs. 11.383 million) and the net equity would have decreased by the same amount.

9.6 On 29 November 2012, the Company through an agreement settled balance of 'reverse repo' and 'premium due but unpaid' amounting to Rs. 99.89 million (reverse repo and associated mark-up) and Rs. 88.859 million of FCSC Group and Pace (Pakistan) Limited respectively against 4.7 million shares of First Capital Equities Limited (a related party) at Rs. 40 per share against the market value of Rs. 69 per share as at that date. The agreement was subsequently amended on 07 March 2013 to make the clause of restriction on holding period and SWAP against property null and void.

The company has filed a petition in Honorable Civil Court, Lahore on 4 April 2015 against the First Capital Equities Limited praying the recovery of Rupees 188 million. The case is pending for hearing.

The Company has been served a show cause notice dated 02 May 2013 by the SECP stating that investment with FCEL is creating difficulty for the Company with respect to the liquidity and solvency. Further, it appears that the Company has not followed the requirements of section 208 of the Companies Ordinance, 1984 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulation, 2012. The SECP has conducted hearing on this matter. The decision of SECP is awaited.





11. PREMIUMS DUE BUT UNPAID - NET	30 June	31 December
	2015	2014
	----- Rupees -----	
Considered good	119,606,607	127,690,441
Considered doubtful	25,310,430	25,310,430
	<u>144,917,037</u>	<u>153,000,871</u>
Provision for doubtful receivables	(25,310,430)	(25,310,430)
	<u>119,606,607</u>	<u>127,690,441</u>
<b>11.1 Premiums due but unpaid from related parties include:</b>		
Shaheen Airport Services (SAPS)	322,884	3,202,171
Shaheen Foundation, PAF	110,039	-
Shaheen Aero Traders	-	205,608
Shaheen Knitwear	55,248	134,207
Hawks Advertising and Communication	-	5,518
	<u>488,171</u>	<u>3,547,504</u>

## 12. ADDITIONS AND DELETIONS IN FIXED ASSETS

Details of the cost of operating assets that have been acquired and disposed of during the six month period are as follows:

	30 June 2015		30 June 2014	
	Additions	Disposals	Additions	Disposals
	----- Rupees -----		----- Rupees -----	
Furniture, fixtures and office equipment	369,750	1,180,989	68,000	2,206,880
Motor vehicles	-	1,535,000	-	12,593,000
Motor vehicles Leased	8,853,000	2,076,000	-	-
	<u>9,222,750</u>	<u>4,791,989</u>	<u>68,000</u>	<u>14,799,880</u>

## 13. SEGMENT REPORTING

Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirement of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following table presents information regarding segment assets, liabilities as at 30 June 2015 and 31 December 2014, unallocated capital expenditures and non-cash expenses during the current and last period:

	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident and Health	Others	Total						
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014				
	Rupees											
<b>SEGMENT ASSETS</b>												
Segment assets	49,081,219	56,438,964	21,149,423	24,319,924	208,523,080	239,782,696	98,378,663	113,126,567	39,251,826	45,136,051	416,384,211	478,804,192
Unallocated corporate assets											347,450,075	307,952,672
Total assets											<u>763,834,286</u>	<u>786,756,864</u>
<b>SEGMENT LIABILITIES</b>												
Segment liabilities	43,192,829	47,072,202	18,612,077	20,283,725	183,506,072	199,987,709	86,575,942	94,351,779	34,542,692	37,645,151	366,429,612	399,340,566
Unallocated corporate liabilities											52,479,917	47,333,163
Total liabilities											<u>418,909,529</u>	<u>446,673,729</u>
Capital expenditure	1,087,130	47,763	468,452	20,581	4,618,706	202,922	2,179,050	95,736	889,413	38,198	9,222,751	405,200
Depreciation / Amortization	487,247	1,431,865	209,958	617,000	2,070,084	6,083,321	976,641	2,870,037	389,667	1,145,109	4,133,597	12,147,332



**Other balances with associated companies**

	30 June 2015		31 December 2014	
	----- Rupees -----			
Prepaid rent	4,043,632		6,957,736	
Security deposits	4,147,200		4,147,200	
<b>Transactions for the period with other related parties</b>	<b>Quarter ended</b>		<b>Six month period ended</b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	----- Rupees -----		----- Rupees -----	
Contribution to the provident fund	150,447	(201,202)	292,473	273,202
Remuneration of key management personnel	3,935,274	4,790,486	9,013,764	9,954,701
			<b>30 June</b>	<b>31 December</b>
			<b>2015</b>	<b>2014</b>
	----- Rupees -----			
Payable to Provident Fund			5,285,989	5,294,410

- 15.1 Insurance and claim related transactions with related parties are carried in normal course of business.
- 15.2 Remuneration to the key management personnel are in accordance with the terms of their employment.
- 15.3 Contribution to the provident fund is in accordance with the Company's staff services rules.
- 15.4 Other transactions are at agreed terms.

**16. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED**

	Quarter ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2015	2014	2015	2014
	----- Rupees -----		----- Rupees -----	
Profit / (loss) for the period	3,708,675	(4,672,431)	4,841,622	13,982,997
	Number of Shares		Number of Shares	
Weighted average number of ordinary shares of Rs. 10 each	45,000,000	45,000,000	45,000,000	39,116,022
	----- Rupees -----		----- Rupees -----	
Earnings / (loss) per share	0.08	(0.10)	0.11	0.36

- 16.1 The company has not issued any instrument which would dilute its basic earnings per share when exercised.
- 17. GENERAL**
- 17.1 This condensed interim financial information was approved and authorized for issue in the board of directors meeting held on 26th August, 2015
- 17.2 The figures have been rounded off to the nearest rupee.



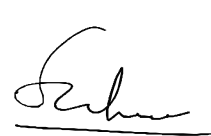
Chairman



Director



Director



Chief Executive Officer