

THIRD QUARTERLY REPORT 2016



A Sign of protection

Shaheen Insurance

A Project of Shaheen Foundation (PAF)

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COMPANY INFORMATION

BOARD OF DIRECTORS

Air Marshal Muhammad Jamshed Khan (Retd.)
Air Vice Marshal Syed Razi Ul Hassan Nawab (Retd.)
Air Commodore Zafar Yasin (Retd.)
Air Commodore Mahmood Ahmad (Retd.)
Group Captain Ehsan-ur-Rauf Sheikh (Retd.)
Mr. Aamir Shahzad Mughal

AUDIT COMMITTEE

Air Vice Marshal Syed Razi Ul Hassan Nawab (Retd.) - Chairman
Air Commodore Mahmood Ahmad (Retd.) - Member
Mr. Aamir Shahzad Mughal – Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Air Vice Marshal Syed Razi Ul Hassan Nawab (Retd.) –Chairman
Air Commodore Mahmood Ahmad (Retd.) - Member
Mr. Sohel N. Kidwai (CEO) – Member

INVESTMENT COMMITTEE

Air Marshal Muhammad Jamshed Khan (Retd.) - Chairman
Air Vice Marshal Syed Razi Ul Hassan Nawab (Retd.) - Member
Air Commodore Mahmood Ahmad (Retd.) - Member
Mr. Aamir Shahzad Mughal - Member
Mr. Sohel N. Kidwai (CEO) - In attendance
Mr. Nisar Ahmed Almani

CHIEF EXECUTIVE OFFICER

Mr. Sohel N. Kidwai

CFO & COMPANY SECRETARY

Mr. Nisar Ahmed Almani

COMPANY INFORMATION

HEAD OF OPERATIONS

Mr. Zia Mehdi

COUNTRY HEAD BUSINESS

Mr. Naveed Y. Butt

LEGAL ADVISOR

Surrridge & Beecheno

AUDITORS

Riaz Ahmed & Company
Chartered Accountants

COORDINATOR INTERNAL CONTROLS

Mr. Mahmood A. Mirza

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 Raod, Karachi-74200
Tel # 32630370-75, 322139850-51 Fax # 32626674
E-mail: info@shaheeninsurance.com
URL: 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
Direct # 32272595

Hyderabad

Branch Manager - Gulshan Ali Ansari
Upper 2nd Floor
House # 75, Soldier Bazar, Hyderabad
Tel # (022) 2720487
Fax # (022) 2720489
E-mail: hyd@shaheeninsurance.com
UAN: (021-111-765-111)

Lahore Zonal Office

Country Head Business Mr.Naveed Y. Butt
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

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

Islamabad

Branch Manager – Mujahid Raza Syed
Office # 6, 1st Floor VIP Plaza,
I-8 Markaz Islamabad
Tel: 051-4938283
Fax: 051-4938284
Email: isb@shaheeninsurance.com

Faisalabad

Branch Manager/ AGM Mr. Mohsin Khan
Office No2, 4th Floor, Ahmed Plaza,
Bilal Road, Civil Lines, Faisalabad
Tel. # (041) 2614112, 2621370, 2634658
Fax # (041) 2613514
Email: fsd@shaheeninsurance.com

Multan

GM Marketing – Mr. Muhammad Naeem Baig
Office no 103-B Fista Garden RTO office ,
Nawa Sher Chowk, Multan
Tel # 061-4580190, 4580191, 4580192
E-mail: naeem.baig@shaheeninsurance.com

Peshawar

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

Sialkot

Zonal Manager – Mr. Faisal Jamil
Office # 210 Karim Plaza Defence Road,
Near Allama Iqbal Town, Sialkot
Tel # (052) 3250982, 3550131
Fax # (052) 3257412
E-mail: sil@shaheeninsurance.com

Gujranwala

Zonal Manager – Mr.Faisal Jamil
Office # 12-B 5th Floor Bhutta Center
Gujranwala.
Tel # 055-4294269 - 4274269
Email: faisal.jamil@shaheeninsurance.com

Abbottabad

Branch Manager – Mr.Ejaz Raffique
Office # 9 1st Floor Silk Plaza Supply Manshara
Road Abbottabad. Mobile # 0301-8177155
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DIRECTORS' REPORT TO THE MEMBERS

The Directors are pleased to present the unaudited accounts of the company for the nine months ended September 30, 2016.

The results are summarized below;

	Rupees in million	
	September	September
	2016	2015
Gross Premium Written	286.632	268.784
Net Premium Revenue	197.541	173.732
Underwriting Results	53.522	38.899
Investment Income	12.665	9.110
Profit before tax	21.002	7.894
Profit after tax	19.024	5.084
Earnings Per Share	0.42	0.11

Our company demonstrated a robust growth during the nine months ended September 30, 2016 compared with the same period of 2015. Profit after tax of the company increased by **273% to Rs19.02Million** during the period under review against Rs 5.08 Million during the corresponding period of 2015. Underwriting profits of the company also increased manifolds from Rs. 38.90 Million in 2015 to Rs 53.52 Million in 2016 (**i.e. an increase of 38%**). Gross premium written during the first nine of 2016 also increased by 6.22% to Rs. 286.63 Million from Rs. 268.78 Million during the first nine months of 2015.

Investment income of company also depicted healthy growth of 39% mainly due to better dividend yield on investments of the company.

Major operational indicators of the company continue to look promising, and it is expected that the performance / profitability trend will continue during remaining months of the financial year.

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

Directors would like to place on record their appreciation to the field force, officers and staff of the Company for their commitment and contributions and urge to maintain the tempo for further growth.

Directors would also like to thank the Securities and Exchange Commission of Pakistan, Pakistan Re-insurance Company Limited and all our re-insurers for their continued guidance and support.



Air Marshal Muhammad Jamshed Khan (Retd.)
Chairman

October 26, 2016

شاہین انشورنس

ڈائریکٹرز رپورٹ برائے ممبران!

ڈائریکٹرز مسرت کے ساتھ 30 ستمبر 2016 کو اختتام پذیر نو ماہ کے کی غیر آڈٹ شدہ اکاؤنٹس پیش کر رہے ہیں۔
نتیجہ کا خلاصہ درج ذیل ہے۔

روپے ملین میں		
ستمبر 2015	ستمبر 2016	
268.784	286.632	تحریر کردہ مجموعی پریمیم
173.732	197.541	پریمیم کی صافی آمدنی
38.899	53.522	ذمہ نویسی کے نتائج
9.110	12.665	سرمایہ کاری کی آمدنی
7.894	21.002	ٹیکس سے قبل نفع
5.084	19.024	ٹیکس کے بعد نفع
0.11	0.42	آمدنی فی شیئر

2015 کے پہلے نو ماہ سے موازنہ کیا جائے تو ہماری کمپنی نے موجودہ سال اس عرصے میں مضبوط نمو کا مظاہرہ کیا۔ 30 ستمبر 2016 کے اختتام پذیر نو ماہ میں کمپنی کے ٹیکس کے بعد نفع میں 273 فیصد اضافہ ہو کر 19.02 ملین روپے تک جا پہنچا جبکہ 2015 کے اسی عرصے کے دوران یہ رقم 5.08 ملین روپے تھی۔ کمپنی کے تحریر کردہ نفع میں کئی گنا اضافہ دیکھنے میں آیا جو 2015 میں 38.90 ملین روپے تھا جبکہ 2016 میں 53.52 ملین روپے ہو گیا (38 فیصد اضافہ)۔ 2016 کے نو ماہ میں تحریر کردہ مجموعی پریمیم بھی 6.22 فیصد اضافے کے بعد 286.63 ملین روپے جا پہنچا جبکہ 2015 کے نو ماہ میں یہ رقم 268.78 ملین روپے تھی۔

کمپنی کی سرمایہ کاری کی آمدنی میں بھی 39 فیصد کی صحت مند نمو ہوئی جس کی بنیاد ہی وجہ کمپنی کی سرمایہ کاری پر بہتر ڈیویڈنڈ کا حصول ہے۔

کمپنی کے اکثریتی عملکاری اشارے امید افزا ہیں اور امید ہے کہ کارکردگی / منافع کے یہ رجحانات معاشی سال کے باقی مہینوں میں بھی جاری رہیں گے۔

آپ کی کمپنی مشکلات کے باوجود ترقی کی جدوجہد جاری رکھے گی اور آنے والے وقت میں مزید بہتری آئیگی۔

آپ کے ڈائریکٹرز فیلڈ میں موجود عملے، افسران اور کمپنی کے عملے کی انتھک جدوجہد کو تسلیم کرتے ہوئے انہیں خراج تحسین پیش کرتے ہیں اور تاکید کرتے ہیں کہ نمو کا سفر جاری رہے گا۔

اسی طرزے آپ کے ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان ری انشورنس کمپنی لمیٹڈ اور ہمارے تمام ری انشوررز کے شکر گزار ہیں جو مسلسل کمپنی کی رہنمائی و معاونت میں مصروف عمل ہیں۔

ایئر مارشل محمد جمشید خان (ریٹائرڈ)

چیئر مین

26 اکتوبر 2016

SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 30 SEPTEMBER 2016

Note	30 September 2016	31 December 2015
	-----Rupees-----	
	Un-audited	Audited

SHARE CAPITAL AND RESERVES

Authorized share capital

60,000,000 (31 December 2015: 60,000,000) ordinary shares of Rupees 10 each	6.1	600,000,000	600,000,000
Issued, subscribed and paid-up share capital	6.2	450,000,000	450,000,000
General reserve		20,000,000	20,000,000
Accumulated loss		(84,705,197)	(103,731,911)
Shareholders' equity		385,294,803	366,268,089

Underwriting provisions

Provision for outstanding claims (including IBNR)	159,125,940	164,713,923
Provision for unearned premium	193,066,361	145,921,759
Premium deficiency reserve	1,000,000	1,000,000
Commission income unearned	1,960,028	1,128,257
Total underwriting provisions	355,152,330	312,763,939

Creditors and Accruals

Premium received in advance	623,989	279,627
Amounts due to other insurers / reinsurers	36,701,757	31,500,364
Accrued expenses	19,834,721	9,540,166
Agent balances	28,748,270	18,130,920
Current portion of liabilities against assets subject to finance lease	882,977	1,147,106
Other creditors and accruals	47,597,800	39,258,509
	134,389,514	99,856,692

Borrowings

Liabilities against assets subject to finance lease	428,191	1,616,512
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Other liabilities

Unclaimed dividend	398,934	398,934
TOTAL LIABILITIES	490,368,969	414,636,077
TOTAL EQUITY AND LIABILITIES	875,663,772	780,904,166

CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 30 SEPTEMBER 2016

	Note	30 September 2016	31 December 2015
		-----Rupees-----	
		Un-audited	Audited
Cash and bank deposits	9		
Cash and other equivalents		2,657,039	2,660,953
Current and saving accounts		13,119,607	21,762,061
Deposits maturing within 12 months		150,912,869	150,000,000
		166,689,515	174,423,014
Loans - secured			
To employees		3,000	3,000
Investments	10	280,997,484	280,449,544
Investment properties	11	20,985,363	22,365,241
Current Assets-Others			
Premiums due but unpaid - net	12	204,624,652	87,575,473
Amounts due from other insurers / reinsurers		33,280,811	35,893,450
Accrued investment income		884,490	2,669,387
Reinsurance recoveries against outstanding claims		19,607,661	41,681,383
Taxation - payments less provisions		22,025,149	21,962,868
Deferred commission expense		28,477,115	22,114,864
Advances, deposits and prepayments		48,238,855	37,392,350
Other receivables		5,258,180	5,716,567
		362,396,911	255,006,342
Fixed assets - Tangible and intangible			
Owned			
Furniture, fixtures and office equipment		5,028,098	5,505,369
Motor vehicles		752,052	774,873
Capital work in progress - tangible	13.2	34,750,008	34,750,008
		40,530,158	41,030,250
Leased			
Motor vehicles		4,061,341	7,626,775
TOTAL ASSETS		875,663,772	780,904,166

Air Marshal Muhammad Jamshed
khan (Retd.) - Chairman

Air Vice Marshal Syed Razi Ul
Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal
Director

Sohel N. Kidwai
Chief Executive Officer

SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

Note	Quarter ended 30 September 2016					2016	2015
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Others	Aggregate	Aggregate
----- Rupees -----							
Revenue Account							
Net premium revenue	4,794,042	2,195,697	49,322,457	1,748,461	8,509,416	66,570,074	67,527,921
Net claims	(4,225,706)	(200,000)	(10,981,955)	(985,805)	(6,525,847)	(22,919,313)	(35,123,354)
Management expenses	(1,667,019)	(512,633)	(7,466,604)	(252,791)	(1,839,555)	(11,738,602)	(11,538,441)
Net commission	(4,045,905)	(694,412)	(6,860,993)	11,408	(773,607)	(12,363,510)	(9,158,795)
Underwriting results	(5,144,588)	788,652	24,012,905	521,273	(629,593)	19,548,649	11,707,331
Investment income						3,571,840	3,073,013
Rental income						976,540	676,937
Other income						11,283	986,278
General and administration expenses						(17,450,597)	(14,583,668)
Provision for Workers' Welfare Fund						(12,012)	-
Profit for the period before taxation						6,645,703	1,859,891
Provision for taxation							
-Current						(665,701)	(675,279)
-Prior						-	-
Profit after tax						5,980,002	1,184,612
Earnings per share-basic and diluted	17					0.13	0.03

Note	Nine months period ended 30 September 2016					2016	2015
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Others	Aggregate	Aggregate
----- Rupees -----							
Revenue Account							
Net premium revenue	14,228,311	4,916,307	151,569,466	5,945,680	20,881,649	197,541,414	173,732,939
Net claims	(4,747,478)	(2,784,974)	(50,268,121)	(7,339,189)	(7,177,591)	(72,317,353)	(73,962,870)
Management expenses	(4,938,174)	(1,367,762)	(23,656,384)	(890,195)	(5,003,918)	(35,856,434)	(33,578,238)
Net commission	(8,802,052)	(2,017,996)	(20,526,626)	(59,764)	(4,439,102)	(35,845,540)	(27,292,624)
Underwriting results	(4,259,393)	(1,254,425)	57,118,334	(2,343,467)	4,261,037	53,522,087	38,899,207
Investment income						12,665,861	9,110,928
Rental income						2,501,695	1,754,457
Other income						9,901,504	4,065,702
General and administration expenses						(57,284,019)	(45,936,158)
Provision for Workers' Welfare Fund						(305,000)	-
Profit for the period before taxation						21,002,128	7,894,136
Provision for taxation							
-Current						(1,975,414)	(2,809,264)
-Prior						-	-
Profit after tax						19,026,714	5,084,872
Accumulated loss account							
Balance of accumulated loss at commencement of the period						(103,731,911)	(129,916,865)
Profit for the six months period						19,026,714	5,084,872
Balance of accumulated loss at end of the period						(84,705,197)	(124,831,993)
Earnings per share-basic and diluted	17					0.42	0.11

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

Air Marshal Muhammad Jamshed Khan (Retd.) - Chairman

Air Vice Marshal Syed Razi Ul Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal Director

Sohel N. Kidwai Chief Executive Officer



SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE Nine MONTHS PERIOD ENDED 30 SEPTEMBER 2016

	<u>Quarter ended</u>		<u>Nine months period ended</u>	
	<u>30 Sep</u>	<u>30 Sep</u>	<u>30 Sep</u>	<u>30 Sep</u>
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	----- Rupees -----			
Profit for the period	5,980,002	1,184,612	19,026,714	5,084,872
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	5,980,002	1,184,612	19,026,714	5,084,872

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

Air Marshal Muhammad Jamshed
Khan (Retd.) - Chairman

Air Vice Marshal Syed Razi Ul
Hassan Nawab (Retd.) - Director

Aamir Shahzad
Mughal - Director

Sohel N. Kidwai
Chief Executive Officer

SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

	30 September 2016	30 September 2015
	----- Rupees -----	
OPERATING ACTIVITIES		
a) Underwriting activities		
Premiums received	206,600,297	273,029,051
Reinsurance premiums paid	(46,266,793)	(53,940,201)
Claims paid	(96,352,059)	(177,170,973)
Reinsurance and other recoveries received	40,520,445	27,866,902
Commissions paid	(43,475,116)	(28,702,912)
Commissions received	2,099,097	1,624,346
Net cash flows from underwriting activities	<u>63,125,871</u>	<u>42,706,212</u>
b) Other operating activities		
Income tax paid	(2,342,694)	(1,640,774)
Management and administration expenses paid	(78,055,842)	(54,031,680)
Loans advanced - net	-	19,320
Net cash used in other operating activities	<u>(80,398,536)</u>	<u>(55,653,134)</u>
Total cash used in all operating activities	(17,272,665)	(12,946,922)
INVESTING ACTIVITIES		
Profit / Return received	14,450,759	10,052,755
Rentals received	2,026,540	1,907,748
Payments for investments	(2,409,198)	(43,361,037)
Fixed capital expenditure	(3,358,582)	(369,750)
Proceeds from disposal of fixed assets	1,700,000	4,682,000
Total cash flow from / (used in) all investing activities	12,409,519	(27,088,284)
FINANCING ACTIVITIES		
Financial charges paid	(1,680,523)	(190,824)
Payments of finance lease liability	(1,188,321)	(803,647)
Total cash used in all financing activities	(2,868,844)	(994,471)
Net cash used in all activities	(7,731,990)	(41,029,677)
Exchange loss on cash and cash equivalents	(1,509)	12,062
Cash and cash equivalents at the beginning of year	174,423,014	230,399,166
Cash and cash equivalents at end of the period	<u>166,689,515</u>	<u>189,381,551</u>

30 September 2016 30 September 2015
----- Rupees -----

Reconciliation to profit and loss account

Operating cash flows	(17,272,665)	(12,946,922)
Exchange loss on cash and cash equivalents	(1,509)	12,062
Depreciation on fixed assets	(5,530,872)	(6,467,063)
Depreciation on investment property	(919,918)	(1,379,878)
Loss / gain on disposal of fixed assets	(380,375)	2,668,346
Taxes paid	2,342,694	1,640,774
Financial charges	(1,680,523)	(190,824)
Increase / (decrease) in assets other than cash	94,939,710	6,514,023
(Increase) / decrease in liabilities	(75,732,891)	5,780,878
Investment and other income	25,238,476	12,262,741
Provision for tax	(1,975,414)	(2,809,264)
Profit after taxation	19,026,714	5,084,873

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	50,516	183,171
- Policy stamps in hand	2,606,523	2,015,404
	<u>2,657,039</u>	<u>2,198,575</u>

Current and saving accounts

- Current accounts	288,732	11,130,116
- Savings accounts	12,830,875	26,052,859
	<u>13,119,607</u>	<u>37,182,975</u>

Deposits maturing within 12 months

Term Deposit- local currency	150,912,869	150,000,000
	<u>166,689,515</u>	<u>189,381,550</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

Air Marshal Muhammad Jamshed
Khan (Retd.) - Chairman

Air Vice Marshal Syed Razi Ul
Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal
Director

Sohel N. Kidwai
Chief Executive Officer

SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

	Paid-up share capital	Revenue reserves		Total
		General reserve	Accumulated loss	
----- Rupees -----				
Balance as at 31 December 2014	450,000,000	20,000,000	(129,916,865)	340,083,135
Total comprehensive income for the six months period ended 30 September 2015				
Profit for the nine months period ended 30 Sep 2015	-	-	5,084,872	5,084,872
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	5,084,872	5,084,872
Balance as at 30 Sep 2015	450,000,000	20,000,000	(124,831,993)	345,168,007
Total comprehensive income for the three months period ended 30 September 2015				
Profit for the three months period ended 31 Dec 2015	-	-	21,100,082	21,100,082
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	21,100,082	21,100,082
Balance as at 31 December 2015	450,000,000	20,000,000	(103,731,911)	366,268,089
Changes in equity for the nine month period ended 30 Sep 2016				
Profit for the nine months period ended 30 Sep 2016	-	-	19,026,714	19,026,714
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	19,026,714	19,026,714
Balance as at 30 September 2016	450,000,000	20,000,000	(84,705,197)	385,294,803

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

Air Marshal Muhammad Jamshed Khan (Retd.) - Chairman

Air Vice Marshal Syed Razi Ul Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal - Director

Sohel N. Kidwai Chief Executive Officer

SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PREMIUMS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

Business underwritten inside Pakistan

Class	Quarter ended 30 Sep 2016									2015 Net premium revenue
	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2016 Net premium revenue i=d-h	
		Opening	Closing			Opening	Closing			
a	b	c	d=a+b-c	e	f	g				
----- Rupees -----										
Direct and facultative										
Fire and property damage	8,578,916	30,441,017	27,489,767	11,530,166	15,394,294	14,757,057	23,415,227	6,736,124	4,794,042	4,304,725
Marine, aviation and transport	2,717,588	2,377,084	1,548,975	3,545,697	1,350,000	675,000	675,000	1,350,000	2,195,697	1,218,657
Motor	89,090,535	92,315,602	129,762,354	51,643,783	3,304,230	4,549,560	5,532,464	2,321,326	49,322,457	52,134,040
Accident and health	285,516	4,950,439	3,487,494	1,748,461	-	-	-	-	1,748,461	2,102,156
Others	15,672,034	27,829,267	30,777,770	12,723,531	7,749,000	6,828,224	10,363,109	4,214,115	8,509,416	7,768,343
Total	116,344,589	157,913,409	193,066,360	81,191,638	27,797,524	26,809,841	39,985,801	14,621,564	66,570,074	67,527,921
Treaty - proportional & non proportional	-	-	-	-	-	-	-	-	-	-
Grand total	116,344,589	157,913,409	193,066,360	81,191,638	27,797,524	26,809,841	39,985,801	14,621,564	66,570,074	67,527,921

Business underwritten inside Pakistan

Class	Nine months period ended 30 Sep 2016									2015 Net premium revenue
	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2016 Net premium revenue i=d-h	
		Opening	Closing			Opening	Closing			
a	b	c	d=a+b-c	e	f	g				
----- Rupees -----										
Direct and facultative										
Fire and property damage	39,668,631	20,803,573	27,489,767	32,982,437	28,870,757	13,298,596	23,415,227	18,754,126	14,228,311	16,893,818
Marine, aviation and transport	9,752,084	932,280	1,548,975	9,135,389	4,050,000	844,082	675,000	4,219,082	4,916,307	2,600,221
Motor	182,471,191	105,293,942	129,762,354	158,002,779	8,066,619	3,899,158	5,532,464	6,433,313	151,569,466	128,797,328
Accident and health	7,969,185	1,463,989	3,487,494	5,945,680	-	-	-	-	5,945,680	10,488,201
Others	46,771,342	17,427,975	30,777,770	33,421,547	13,093,449	9,809,558	10,363,109	12,539,898	20,881,649	14,953,371
Total	286,632,433	145,921,759	193,066,360	239,487,832	54,080,825	27,851,394	39,985,801	41,946,418	197,541,414	173,732,939
Treaty - proportional & non proportional	-	-	-	-	-	-	-	-	-	-
Grand total	286,632,433	145,921,759	193,066,360	239,487,832	54,080,825	27,851,394	39,985,801	41,946,418	197,541,414	173,732,939

Note: The Company does not underwrite business outside Pakistan.
The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

Air Marshal Muhammad Jamshed Khan
(Retd.) - Chairman

Air Vice Marshal Syed Razi Ul
Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal
Director

Sohel N. Kidwai
Chief Executive Officer



SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016
Business underwritten inside Pakistan

Class	Quarter ended 30 Sep 2016									
	Claims paid a	Outstanding claims		Claims expense d=a+c-b	Reinsurance and other recoveries received e	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue h=e+g-f	2016 Net claims expense i=d-h	2015 Net claims expense
		Opening b	Closing c			Opening f	Closing g			
----- Rupees -----										
Direct and facultative										
Fire and property damage	11,573,961	68,818,927	61,178,928	3,933,962	24,092,513	31,260,557	6,876,300	(291,744)	4,225,706	22,893,187
Marine, aviation and transport	1,428,961	5,840,613	4,611,652	200,000	-	1,918,547	1,918,547	-	200,000	-
Motor	21,939,696	66,512,933	60,662,084	16,088,847	4,065,399	1,345,225	2,386,718	5,106,892	10,981,955	11,116,730
Accident and health	1,700,617	21,579,497	20,864,685	985,805	-	-	-	-	985,805	1,080,931
Others	(918,478)	4,139,541	11,808,591	6,750,572	(7,290,551)	910,820	8,426,096	224,725	6,525,847	32,506
Total	35,724,757	166,891,511	159,125,940	27,959,186	20,867,361	35,435,149	19,607,661	5,039,873	22,919,313	35,123,354
Treaty - proportional & non proportional	-	-	-	-	-	-	-	-	-	-
Grand total	35,724,757	166,891,511	159,125,940	27,959,186	20,867,361	35,435,149	19,607,661	5,039,873	22,919,313	35,123,354

Business underwritten inside Pakistan

Class	Nine months period ended 30 Sep 2016									
	Claims paid a	Outstanding claims		Claims expense d=a+c-b	Reinsurance and other recoveries received e	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue h=e+g-f	2016 Net claims expense i=d-h	2015 Net claims expense
		Opening b	Closing c			Opening f	Closing g			
----- Rupees -----										
Direct and facultative										
Fire and property damage	27,539,012	83,388,179	61,178,928	5,329,761	30,102,093	36,396,110	6,876,300	582,283	4,747,478	34,679,300
Marine, aviation and transport	3,035,013	4,861,691	4,611,652	2,784,974	-	1,918,547	1,918,547	-	2,784,974	1,065,010
Motor	56,778,486	56,306,279	60,662,084	61,134,291	9,927,185	1,447,733	2,386,718	10,866,170	50,268,121	32,814,532
Accident and health	3,905,718	17,431,214	20,864,685	7,339,189	-	-	-	-	7,339,189	3,399,394
Others	5,093,830	2,726,560	11,808,591	14,175,861	491,167	1,918,993	8,426,096	6,998,270	7,177,591	2,004,634
Total	96,352,059	164,713,923	159,125,940	90,764,076	40,520,445	41,681,383	19,607,661	18,446,723	72,317,353	73,962,870
Treaty - proportional & non proportional	-	-	-	-	-	-	-	-	-	-
Grand total	96,352,059	164,713,923	159,125,940	90,764,076	40,520,445	41,681,383	19,607,661	18,446,723	72,317,353	73,962,870

Note: The Company does not underwrite business outside Pakistan.
The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

Air Marshal Muhammad Jamshed Khan
(Retd.) - Chairman

Air Vice Marshal Syed Razi Ul
Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal
Director

Sohel N. Kidwai
Chief Executive Officer



SHAHEEN INSURANCE COMPANY LIMITED
STATEMENT OF EXPENSES (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

Business underwritten inside Pakistan

Class	Quarter ended 30 Sep 2016								
	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	2016 Net underwriting expenses h=f-g	2015 Net underwriting expenses
		Opening b	Closing c						
	Rupees								
Direct and facultative									
Fire and property damage	3,664,077	7,507,144	7,818,444	3,352,777	1,667,019	5,019,796	(693,128)	5,712,923	2,126,349
Marine, aviation and transport	635,491	449,074	390,154	694,412	512,633	1,207,045	-	1,207,045	1,042,248
Motor	7,406,974	14,774,558	15,425,231	6,756,301	7,466,604	14,222,905	(104,692)	14,327,597	14,439,454
Accident and health	-	(11,545)	(138)	(11,408)	252,791	241,383	-	241,383	416,952
Others	1,978,476	4,985,185	4,843,424	2,120,237	1,839,555	3,959,792	1,346,630	2,613,162	2,672,231
Total	13,685,018	27,704,416	28,477,115	12,912,320	11,738,602	24,650,922	548,810	24,102,111	20,697,234
Treaty - proportional & non proportional	-	-	-	-	-	-	-	-	-
Grand total	13,685,018	27,704,416	28,477,115	12,912,320	11,738,602	24,650,922	548,810	24,102,111	20,697,234

Business underwritten inside Pakistan

Class	Nine months period ended 30 Sep 2016								
	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	2016 Net underwriting expenses h=f-g	2015 Net underwriting expenses
		Opening b	Closing c						
	Rupees								
Direct and facultative									
Fire and property damage	10,944,566	5,882,703	7,818,444	9,008,825	4,938,174	13,946,999	206,773	13,740,226	8,760,752
Marine, aviation and transport	2,162,622	245,527	390,154	2,017,996	1,367,762	3,385,758	-	3,385,758	3,085,246
Motor	22,730,156	13,203,629	15,425,231	20,508,554	23,656,384	44,164,939	(18,072)	44,183,011	38,184,224
Accident and health	2,530	57,096	(138)	59,764	890,195	949,959	-	949,959	2,047,093
Others	7,635,242	2,725,909	4,843,424	5,517,727	5,003,918	10,521,646	1,078,625	9,443,021	8,793,548
Total	43,475,116	22,114,864	28,477,115	37,112,866	35,856,434	72,969,300	1,267,326	71,701,974	60,870,863
Treaty - proportional & non proportional	-	-	-	-	-	-	-	-	-
Grand total	43,475,116	22,114,864	28,477,115	37,112,866	35,856,434	72,969,300	1,267,326	71,701,974	60,870,863

* 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 18 form an integral part of this condensed interim financial information.

Air Marshal Muhammad Jamshed Khan (Retd.) -
Chairman

Air Vice Marshal Syed Razi Ul
Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal
Director

Sohel N. Kidwai
Chief Executive Officer

SHAHEEN INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

	Quarter ended		Nine months period ended	
	30 September 2016	30 September 2015	30 September 2016	30 September 2015
	----- Rupees -----			
Income from trading investments - net				
Gain on sale of held for trading investments	-	-	-	-
Dividend income	-	-	-	-
	-	-	-	-
Income from non-trading investments				
Held-to-maturity				
Return on other fixed income securities	2,301,527	1,808,745	6,912,506	8,891,894
Return on PIBs	1,150,100	1,179,117	3,612,684	2,336,568
	3,451,628	2,987,862	10,525,191	11,228,462
Available for sale				
Dividend income	-	-	2,491,261	39,653
Unrealized loss on revaluation of held-for-trading investments	120,212	85,151	(350,591)	(2,157,187)
Investment related expenses	-	-	-	-
Net investment income	3,571,840	3,073,013	12,665,861	9,110,928

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

Air Marshal Muhammad Jamshed
Khan (Retd.) - Chairman

Air Vice Marshal Syed Razi Ul
Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal
Director

Sohel N. Kidwai
Chief Executive Officer

SHAHEEN INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE Nine MONTHS PERIOD ENDED 30 SEPTEMBER 2016

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 Limited 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 Pakistan Stock Exchange.

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 Sep 2016 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.

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 does not include all the information and disclosures required in annual financial statements, and should therefore be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2015.

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, investment 'at fair value through profit or loss- held for trading investments' are stated at fair value and certain investments classified as available-for-sale are stated at lower of cost or market 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 2015.

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 2015.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

The Company's financial risk management and insurance risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended 31 December 2015.

6. SHARE CAPITAL

6.1 Authorized share capital

30 September 2016	31 December 2015		30 September 2016	31 December 2015
Number of shares			----- Rupees -----	
			Un-audited	Audited
<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 September 2016	31 December 2015		30 September 2016	31 December 2015	
Number of shares			Rupees		
			Un-audited	Audited	
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 bonus shares	120,000,000	120,000,000	
10,000,000	10,000,000	Ordinary shares of Rs. 10 each, issued as right shares fully paid in cash	100,000,000	100,000,000	
15,000,000	15,000,000	Ordinary shares of Rs. 10 each, issued as right shares fully paid in cash	150,000,000	150,000,000	
45,000,000	45,000,000		450,000,000	450,000,000	

7. OTHER CREDITORS AND ACCRUALS

Provincial services tax	39,293,869	27,824,699
Withholding tax payable	2,510,396	2,418,411
Workers welfare fund payable	905,441	612,453
Unearned rental income	-	475,155
Payable to provident fund	2,875,127	5,248,643
Others	2,012,968	2,679,148
	47,597,800	39,258,509

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

8.1.1 Securities and Exchange Commission of Pakistan (SECP) has conducted 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. Decisions in this regard are awaited.

8.1.2 The Company was served a show cause notice on April 27, 2016 under regulation 16(1)(a) of part B of Annexure II of the Securities and Exchange Commission (Insurance) Rules, 2002, and section 34 and section 46(1)(b) read with section 156 of Insurance Ordinance, 2000 for not recording the investment in FCEL shares at fair value. Hearing in this regard was conducted and decision in this regard is awaited.

8.1.3 M/s. New Lal Enterprise (Pvt.) Ltd. and M/s. Zahid Enterprises (Pvt.) Ltd have filed 4 suits against the Company in the Insurance Tribunal, Karachi. 3 suits pertain to claim of damages on delayed claims settlement, while one suit relates to marine claim. Total amount involved is approximately Rs 28 Million. As the legal advisor of the Company is confident about favorable outcome of these suits, no provision has been made in the condensed interim financial information of the Company.

8.1.4 The income tax assessments of the Company have been finalized up to and including the assessment year 2014-15 (financial year ended December 31, 2014), 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 the Company preferred to file an appeal before the Appellate Tribunal Inland Revenue (ATIR). ATIR decided the case in favour 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 condensed interim financial information of the Company.

8.2 Commitments

There were no commitments as at 30 Sep 2016 (31 December 2015: Nil)

9. CASH AND BANK DEPOSITS	Note	30 September	31 December
		2016	2015
		----- Rupees -----	
		Un-audited	Audited
Cash and other equivalents			
- Cash in hand		50,516	2,681
- Policy stamps and bond papers in hand		2,606,523	2,658,272
		<u>2,657,039</u>	<u>2,660,953</u>
Current and saving accounts			
- Current accounts		288,732	1,908,778
- Saving accounts	9.1	12,830,875	19,853,283
		<u>13,119,607</u>	<u>21,762,061</u>
Deposits maturing within 12 months			
Term deposit - local currency	9.2	150,912,869	150,000,000
		<u>166,689,515</u>	<u>174,423,014</u>

9.1 These carry profit rates ranging between 3% to 5.5% (2015: 5% to 7%) per annum.

9.2 The rate of return on term deposits with various banks range from 5.25% to 6.30% per annum (2015: 5.93% to 9.80% per annum) payable on monthly basis & due on maturity. These term deposits have maturities upto 17 February 2017 (2015: upto 22 January 2016).

10. INVESTMENTS		30 June	31 December
		2016	2015
		----- Rupees -----	
		Un-audited	Audited
10.1	Type of investments		
	Held-to-maturity		
	Government Securities	54,798,657	55,760,802
	Term finance certificates - Listed	-	-
		<u>54,798,657</u>	<u>55,760,802</u>
	At fair value through profit or loss - Held for trading		
	Available-for-sale investments		
	First Capital Equities Limited	188,000,000	188,000,000
	Mutual Funds		
	Open-end funds	36,580,968	34,720,382
		<u>280,997,484</u>	<u>280,449,544</u>

10.2 Government Securities

Type of security	Maturity date	Profit (%)	Face value	30 Sep 2016	31 December 2015
				----- Rupees -----	
Pakistan Investment Bonds	18 July 2018	11.50%	15,000,000	14,823,264	14,736,238
Pakistan Investment Bonds	18 July 2018	11.50%	8,600,000	9,182,935	9,372,887
Pakistan Investment Bonds	18 July 2017	11.50%	3,000,000	3,096,548	3,170,338
Pakistan Investment Bonds	30 August 2018	12.00%	25,800,000	27,695,910	28,481,339
				<u>54,798,657</u>	<u>55,760,802</u>

10.3 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.

10.4 On 30 Sep 2016, the fair value of available-for-sale securities was Rupees 176.945 million (31 December 2015: Rupees 176.514 million). As per the Company's accounting policy and requirements of Insurance Ordinance, 2000, available-for-sale investments are stated at lower of cost or market value (market value being taken as lower if the reduction is other than temporary). However, International Accounting Standard (IAS) 39, 'Financial Instruments Recognition and Measurement' requires that these instruments should be measured at fair value. Accordingly, had these instruments been measured at fair value, the carrying value as at 30 Sep 2016 would have been lowered by Rupees 47.57 million (31 December 2015: lowered by Rupees 46.205 million).

10.5 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. Regular hearings have been conducted during the period.

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. INVESTMENT PROPERTIES - at cost less accumulated depreciation

		30 Sep 2016 (Un-audited)								
Note		Cost			Depreciation			Written down value as at 30 Sep 2016	Depreciation rate %	
		As at 1 January 2016	Addition/ (Deletion)	As at 30 Sep 2016	As at 1 January 2016	For the period	As at 30 Sep 2016			
----- Rupees -----										
	Shop premises	11.1	33,948,414	-	33,948,414	11,927,346	1,273,066	13,200,412	20,748,002	5
	Office premises	11.1	2,848,320	-	2,848,320	2,504,147	106,812	2,610,959	237,361	5
			36,796,734	-	36,796,734	14,431,493	1,379,878	15,811,371	20,985,363	
		31 December 2015 (Audited)								
Note		Cost			Depreciation			Written down value as at 31 December 2015	Depreciation rate %	
		As at 1 January 2015	Addition/ (Deletion)	As at 31 December 2015	As at 1 January 2015	For the year	As at 31 December 2015			
----- Rupees -----										
	Shop premises	11.1	33,948,414	-	33,948,414	10,229,925	1,697,421	11,927,346	22,021,068	5
	Office premises	11.1	2,848,320	-	2,848,320	2,361,732	142,415	2,504,147	344,173	5
			36,796,734	-	36,796,734	12,591,657	1,839,836	14,431,493	22,365,241	

11.1 Valuation of the shops and office premises (leasehold properties) have been made under the market value basis by Maqsood Ahmed (Private) Limited and GIP Surveyors (Private) Limited. Market value of shop and office premises as of 31 December 2015 amounted to Rs. 80.596 million, and Rs. 13.4 million respectively.

12	PREMIUMS DUE BUT UNPAID - NET	Note	30 September	31 December
			2016	2015
			----- Rupees -----	
			Un-audited	Audited
	Considered good		204,624,652	87,575,473
	Considered doubtful		40,310,430	30,310,430
			<u>244,935,082</u>	<u>117,885,903</u>
	Provision for doubtful receivables	12.1	<u>(40,310,430)</u>	<u>(30,310,430)</u>
			<u>204,624,652</u>	<u>87,575,473</u>
12.1	Reconciliation of provision for doubtful balances			
	Opening provision		30,310,430	25,310,430
	Charged for the period / year		10,000,000	5,000,000
	Written off during the period / year		-	-
			<u>40,310,430</u>	<u>30,310,430</u>
12.2	Premiums due but unpaid from related parties include:			
	Shaheen Airport Services (SAPS)		50,627,431	885,370
	Shaheen Foundation, PAF		5,093,430	255,288
	Shaheen Aero Traders		460,013	42,846
	Shaheen Knitwear		865,766	56,011
	Shaheen Complex		9,627,775	-
	Hawks Advertising and Communication		163,415	139,485
			<u>66,837,830</u>	<u>1,379,000</u>

13. ADDITIONS AND DELETIONS IN FIXED ASSETS

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

	30 Sep 2016		30 Sep 2015	
	Additions	Disposals	Additions	Disposals
	----- Rupees -----		----- Rupees -----	
	-----Un-audited-----			
Furniture, fixtures and office equipment	943,082	-	369,750	1,180,989
Motor vehicles	2,415,500	-	-	1,535,000
Motor vehicles Leased	-	2,447,500	8,853,000	2,076,000
	<u>3,358,582</u>	<u>2,447,500</u>	<u>9,222,750</u>	<u>4,791,989</u>

13.2 Capital work in progress represents advance against the purchase of property from Pace Pakistan Limited (previously a related party) situated at First floor of Pace tower project, 27-H, Gulberg II, Lahore. The property has been valued under the market value basis by Maqsood Ahmed (Private) Limited, as of 31 December 2015 at Rs. 47.955 million {As of 03 April 2014 at Rs. 37.53 million}. No depreciation has been charged during the period (2015: Nil) as the property is not yet completed and available for use for the purpose intended by management.

14. 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 Sep 2016 and 31 December 2015, 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 Sep 2016	31 December 2015	30 Sep 2016	31 December 2015	30 Sep 2016	31 December 2015	30 Sep 2016	31 December 2015	30 Sep 2016	31 December 2015	30 Sep 2016	31 December 2015
----- Rupees -----												
SEGMENT ASSETS												
Segment assets	67,002,736	56,438,964	28,871,924	24,319,924	284,663,199	239,782,686	134,300,649	113,126,567	53,584,238	45,136,051	568,422,747	472,372,814
Unallocated corporate assets											307,241,025	308,531,352
Total assets											875,663,772	780,904,166
SEGMENT LIABILITIES												
Segment liabilities	51,617,815	47,072,202	22,242,459	20,283,725	219,299,887	199,987,709	103,463,030	94,351,779	41,280,423	37,645,151	437,903,615	373,362,123
Unallocated corporate liabilities											52,524,925	41,273,954
Total liabilities											490,428,541	414,636,077
Capital expenditure	395,892	47,763	170,593	20,581	1,681,961	202,922	793,529	95,736	316,608	38,198	3,358,582	9,445,650
Depreciation / Amortization	760,386	1,431,865	327,655	617,000	3,230,523	6,083,321	1,524,121	2,870,037	608,105	1,145,109	6,450,790	5,678,244

17 EARNINGS PER SHARE - BASIC AND DILUTED

	Quarter ended		Nine months period ended	
	30 September 2016	30 September 2015	30 September 2016	30 September 2015
	----- Rupees -----		----- Rupees -----	
	-----Un-audited-----			
Profit for the period	5,980,002	1,184,612	19,026,714	5,084,872
	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	45,000,000
	----- Rupees -----		----- Rupees -----	
Earnings per share	0.13	0.03	0.42	0.11

17.1 The company has not issued any instrument which would dilute its basic earnings per share when exercised.

18. GENERAL

18.1 This condensed interim financial information was approved and authorized for issue in the board of directors meeting held on October 26, 2016

18.2 The figures have been rounded off to the nearest rupee.

Air Marshal Muhammad Jamshed
Khan (Retd.) - Chairman

Air Vice Marshal Syed Razi Ul
Hassan Nawab (Retd.) - Director

Aamir Shahzad Mughal
Director

Sohel N. Kidwai
Chief Executive Officer