

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



Annual Report 2015



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Sindh Insurance Limited was incorporated on 20 December, 2013 with an authorized and paid up capital of Rs.500 million. All shares of the Company are held by Government of Sindh. Company obtained the Certificate of Commencement of Business on 22 September 2014. The registered office and principal place of business of the Company is situated at 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi. The Company operates only in Pakistan.

Sindh Insurance Limited is registered as non-life insurance Company with Securities and Exchange Commission of Pakistan from August, 2014 and has been licensed to transact all classes of non-life insurance business.

The Company management comprises of a team of qualified and experienced professionals. Sindh Insurance Limited has the capacity to underwrite risks in all avenues of General Insurance namely, Property (Fire & Engineering), Marine, Motor, Liabilities, Health and Accident etc. In addition, the Company has the expertise and arrangements with overseas reinsurance companies enabling it to offer comprehensive coverage for large infrastructure projects, specialized risks and umbrella/blanket covers for large corporate groups.

The Company intends to maintain its service par excellence backed by efficient clients' servicing and an innovative approach by its dedicated team of professionals; thereby providing the best possible coverage for the protection of risks for its valued clients.





VISION

Reaching everyone for Insurance and to meet expectation of our customers and shareholders



MISSION

To provide best returns to our shareholders, job opportunities to the people and premium service at competitive rates to our customers

Property Insurance

Fire & Explosion
Riot Strike Damage
Malicious Damage
Atmospheric Disturbances
Earth Quake
Air Craft Damage
External Explosion
Burglary
Terrorism

Marine Insurance

Cargo Export
Cargo Import
Cargo Inland

Motor Insurance

Comprehensive Private Car
Comprehensive Commercial Vehicle
Comprehensive Motorcycles

Engineering Insurance

All Risk Contractors'
Machinery Breakdown (MBD)
Computer Equipments
Electronic Equipments
Boiler & Pressure Vessels

Miscellaneous Insurance

Cash in Transit
Cash in Safe
Fidelity Guarantee
Mobile Phone
All Risk
Bond
Bankers Blanket
Burglary
Personal Accident
Product Liability
Public Liability
Workman Compensation
Commercial General Liability
Medical Insurance

Board of Directors

Muhammad Bilal Sheikh (Chairman)
 Mohammad Sohail Khan Rajput
 Syed Shahnawaz Nadir Shah
 Muhammad Naimuddin Farooqui
 Shamsuddin Khan
 Ahmed Salahuddin
 Akhtar Ali Khan

Chief Executive Officer

Muhammad Faisal Siddiqui

Chief Financial Officer & Company Secretary

Nadeem Akhter

Audit Committee

Muhammad Naimuddin Farooqui
 Mohammad Sohail Khan Rajput
 Syed Shahnawaz Nadir Shah

Risk Management/Operations Committee

Mohammad Sohail Khan Rajput
 Muhammad Naimuddin Farooqui
 Muhammad Faisal Siddiqui

Human Resources Committee

Muhammad Bilal Sheikh
 Shamsuddin Khan
 Muhammad Faisal Siddiqui

Procurement & Information Technology Committee

Muhammad Bilal Sheikh
 Shamsuddin Khan
 Muhammad Faisal Siddiqui

Nomination Committee

Mohammad Sohail Khan Rajput
 Muhammad Naimuddin Farooqui
 Syed Shahnawaz Nadir Shah

Underwriting Committee

Ahmed Salahuddin
 Muhammad Faisal Siddiqui
 Mohammad Raza
 Nadeem Akhter

Claim Committee

Ahmed Salahuddin
 Muhammad Faisal Siddiqui
 Mohammad Raza

Reinsurance Committee

Ahmed Salahuddin
 Muhammad Faisal Siddiqui
 Mohammad Raza

Key Management Personnel

Nadeem Akhter
 Mohammad Raza
 Nadeem Haider Sheikh
 Faiza Khalid

Auditors

M/s. Riaz Ahmad & Company
 Chartered Accountants

Legal Advisor

Muhammad Nadeem Khan

Bankers

Sindh Bank Limited

IFS Credit Rating

A (Single "A") by Pakistan Credit Rating Agency (PACRA)

Company Incorporate Number

0086229

National Tax Number

4231500-0

Membership

The Insurance Association of Pakistan (IAP)

Registered Office/Head Office

1st Floor, Imperial Court,
 Dr. Ziauddin Ahmed Road,
 Karachi, Pakistan

Contact

Tel : (92-21) 35640715-17
 Fax : (92-21) 35640714
 Email : info@sindhinsuranceltd.com
 Website : www.sindhinsuranceltd.com

MUHAMMAD BILAL SHEIKH

Chairman / Director

Chairman, Sindh Leasing Company Ltd., Sindh Modaraba Management Ltd. and Director, Sindh Bank Ltd. and Sui Southern Gas Company Ltd. (SSGCL). Mr. Sheikh holds Masters degree in Commerce from Punjab University, besides being a Fellow member of the Institute of Bankers Pakistan. He is a career banker with 48 year of experience. He has been Chief Executive of various Banks and DFIs for the last over 18 years.

MOHAMMAD SOHAIL KHAN RAJPUT

Director – Representing Government of Sindh

Mr. Rajput is presently Finance Secretary, Government of Sindh. He remained Special Finance Secretary, Government of Sindh, Director Thar Coal and Power Projects, assisted by World Bank, Director National Commission for Human Development, Consultant, World Bank, Washington DC and other key posts of Government of Sindh.

SYED SHAHNAWAZ NADIR SHAH

Director – Representing Government of Sindh

Chief Investment Specialist of Fund Management House in the Finance Department, Government of Sindh. Director in Sindh Leasing, Sindh Modaraba and other companies as a nominee from the Government of Sindh. Has vast experience of working in various financial institutions. Holds MBA from Institute of Business Administration.

MUHAMMAD NAIMUDDIN FAROOQUI

Director

Mr. Farooqui has been Chief Executive of Sindh Bank Limited, Sindh Leasing Company Limited and Orix Investment Bank of Pakistan. He holds MBA from Texas Southern University, Houston, USA and has vast experience of working in foreign and local financial institutions.

SHAMSUDDIN KHAN

Director

Mr. Khan is presently associated with Sindh Bank as Company Secretary and Head of Legal Affairs. He is a Fellow of Institute of Bankers Pakistan and possesses Master's Degree in Law with over 48 years of experience in financial sector. He is also a Board member of Sindh Microfinance Bank.

AHMED SALAHUDDIN

Director

Chief Executive Officer in Health eConnex (Pvt.) Ltd., a TPA Company. Mr. Ahmed is MBA and ACII, Chartered Insurer, Associate in Claims and Mariner, has over 25 years of experience in the insurance industry including as Chief Executive of PICIC Insurance.

AKHTAR ALI KHAN

Director

Mr. Khan is an advisor to Sindh Bank Limited. He is an Associate of Institute of Bankers' in Pakistan with over 50 years experience in the financial sector.

The Directors of your company are pleased to present their report along with the Accounts and Auditors' Report for the year ended December 31, 2015.

Operating Results

This was the first full operational year under review, your Company wrote gross insurance premium of Rs. 73.99 million in various classes of business, whereas, net premium revenue stood at Rs. 20.5 million. Investment income mainly contributed to the profit of the Company by Rs. 115.15 million.

Below are key financial figures for last two year:

	2015	2014
Gross Premium	73,994,813	2,319,819
Net Premium Revenue	20,508,168	(458,499)
Underwriting Results	(15,784,898)	(6,389,734)
Investment Income	115,154,090	61,538,068
Profit before tax	97,162,681	47,798,630
Profit after tax	67,318,967	32,025,082
Earning per share	1.35	0.64

Country Review

We hold an upbeat economic outlook on expected weakness in commodity prices over the next 12 months, further progress on structural reforms, a stable political and security situation, and tangible development on CPEC related projects. The GDP growth is anticipated to accelerate to 5.0% in 2016 driven by lower input costs, enhanced household income, benign interest rates outlook, and a modest pick-up in private and public sector investment activity, particularly due to expected progress on CPEC related development ventures. The headline inflation is expected to rise during the next year owing to reversal of the base effect, bottoming out of commodity prices, levying of new taxes and some PKR depreciation. External accounts position is also expected to remain comfortable due to a manageable trade deficit, healthy remittances, steady multilateral loan, and rising CPEC related inflows from China.

Insurance Sector Review

The insurance industry in Pakistan is relatively small compared to its peers in the region. Pakistan remains the classic example of a market where insurance is well established but where most people remain uninsured. The strong growth in premiums of the private sector during 2015 indicates insurance market is showing healthy growth for the coming years.

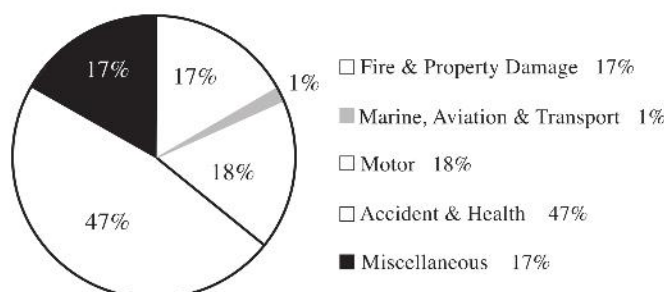
This growth has come from the provision of new products to existing users. New infrastructure projects, including CPEC and energy have provided support to the growth. It is estimated that premium income of the sector will rise by 9-10% annually.

Window Takaful Operations

Securities and Exchange Commission of Pakistan (SECP) through circular in 2014 invites conventional insurance companies to start Window Takaful Operations under Takaful Rules, 2012.

Sindh Insurance has applied for Window Takaful Operators. We are hopeful to obtain permission during second quarter of the coming year.

Premium Portfolio



Investment Income

The investment income of the Company has shown a substantial increase of 88% i.e. Rs. 115.15 million in year 2015 as compared to Rs. 61.31 million in year 2014. This increase mainly contributed by the capital gains of Rs. 78.43 million to the investment income.

Reinsurance

During first half of the year, Hannover Re and PRCL were main contributors and from third quarter of the year, the Company further obtained the reinsurance support from Saudi Re, Korean Re and Trust Re. The Company also obtained the retakaful support from Swiss Re for Window Takaful Operations.

Product Development

The Company is working on development of two new products i.e. Travel Insurance and Travel Guarantee Insurance. The Company has made reinsurance treaty arrangement with Hannover Re and introduced crop loan insurance. The Company will look into balanced product mix, as currently major business are generating from Health and Motor Business.

Corporate and Financial Reporting Framework

The Board is aware of its responsibilities under the law and the Public Sector Companies (Corporate Governance) Rules, 2013 issued by the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Board is pleased to state as follows:

- The Board has complied with the relevant principles of corporate governance, and has also identified the rules that have not been complied with and reasons for such non-compliance.
- The financial statements prepared by the management of the Company, presented fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- The Directors recognize their responsibility to establish and maintain sound system of internal control, which is regularly reviewed and monitored.
- International Financial Reporting Standards and International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.
- There are no doubts upon the company's ability to continue as a going concern.
- The statement of shareholding in the Company as on December 31, 2015 is included in the Report.
- The value of investment in the Provident Fund as on December 31, 2015 was Rs. 988,079/-.

Board Meetings

- During the year, four (4) meetings of the Board of Directors were held and attendance position was as under:

Serial No.	Name of Director	Number of Meetings Attended
01	Muhammad Bilal Sheikh	04
02	Mohammad Sohail Khan Rajput	03
03	Muhammad Naimuddin Farooqui	04
04	Syed Shahnawaz Nadir Shah	04
05	Shamsuddin Khan	04
06	Ahmed Salahuddin	01 *
07	Akhtar Ali Khan	02 *

* These Directors were elected on April 28, 2015.

Leave of absence was granted to the Directors who could not attend the Board meetings.

Future Outlook

With rating upgrade to "A" Sindh Insurance is poised to increase its market share while maintaining its prudent underwriting policy. Year 2016 will be a very important year for the company as we have to consolidate our gains and emerge as a prominent market player. We are aware of the challenges we might face but we have set ambitious goals as we believe that the strength of our sponsors and the associated companies will help us in achieving our targets.

The Company is working on Sindh Engro Coal Mining Company Limited for providing insurance cover on extraction of coal in Thar for generation of energy. The Company is also working with the Government of Sindh for providing personal accident cover to adult citizens of Sindh.

The Company will soon open branch in Lahore and smart branches in Multan, Hyderabad, Sukkur and Gwader.

Insurer Financial Strength (IFS) Rating

The Pakistan Credit Rating Company Limited (PACRA) has upgraded the Insurer Financial Strength (IFS) rating of Sindh Insurance Limited from "A-" (A minus) to "A" (Single A). The rating denotes strong capacity to meet policyholders and contract obligations.

Statement of Code of Conduct

The Board has adopted the statement of Code of Conduct. All employees have been conveyed of the same who have signed the statement and are required to observe these rules of conduct in relation to business and regulations.

Material Changes

There have been no material changes since December 31, 2015 and the Company has not entered into any commitment, which would affect its financial position at that date.

Dividend

No dividend was declared in period ended December 31, 2015.

Pattern of Shareholding

The pattern of shareholding, as required by section 236 of the Companies Ordinance 1984 and Public Sector Companies (Corporate Governance) Rules, 2013 is enclosed.

Auditors

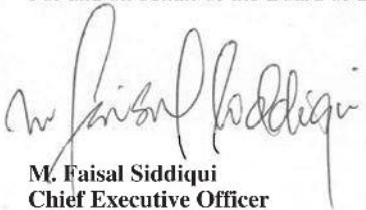
The Audit Committee has recommended the appointment of external auditor as per regulations.

Acknowledgement

The directors would like to take this opportunity to express their sincere gratitude to the Government of Sindh, Ministry of Commerce, Government of Pakistan, Securities and Exchange Commission of Pakistan (SECP), Insurance Association of Pakistan (IAP) and Sindh Bank Limited for their continued guidance and support.

Further, the Board also wish to record its appreciation for the staff and policyholders for their dedication and support.

For and on behalf of the Board of Directors



M. Faisal Siddiqui
Chief Executive Officer

March 31, 2016

KEY FINANCIAL DATA

ANNUAL REPORT 2015

	2015	2014
Written Premium	73,994,813	2,319,819
Earned Premium	31,684,584	230,287
Net Premium Revenue	20,508,168	(458,499)
Underwriting Result	(15,784,898)	(6,389,734)
Investment & Other Income	129,542,800	61,538,068
Profit / (Loss) before tax	97,162,681	47,798,630
Profit / (Loss) after tax	67,318,967	32,025,082
Paid-up Capital	500,000,000	500,000,000
Shareholders' Equity	599,344,049	532,025,082
Breakup Value per Share (RS.)	11.99	10.64
Investment & properties	526,309,909	355,227,003
Cash & Bank Balances	53,336,642	135,337,879
Total Assets Book Value	676,773,510	543,789,965

آپ کی کمپنی کے ڈائریکٹر اعلیٰ مسرت کے ساتھ سالانہ رپورٹ اور 31 دسمبر 2015 کو ختم ہونے والے سال کے حسابات، آڈیٹر رپورٹ کے ساتھ پیش کرتے ہیں۔

آپریٹنگ نتائج:

یہ کمپنی کا پہلا مکمل آپریٹنگ سال تھا۔ آپ کی کمپنی نے مختلف کاروباری درجات میں 73.99 ملین روپے کا مجموعی پریمیم حاصل کیا۔ جبکہ خالص پریمیم 20.5 ملین روپے رہا ہے۔ 115.15 ملین روپے کے ساتھ سرمایہ کاری سے ہونے والی آمدنی کا کمپنی کے منافع میں بڑا حصہ ہے۔ گزشتہ دو سال کے کلیدی مالیاتی اعداد و شمار درج ذیل ہیں۔

2014	2015	
2,319,819	73,994,813	مجموعی پریمیم
(458,499)	20,508,168	خالص پریمیم آمدنی
(6,389,734)	(15,784,898)	ایڈجسٹنگ نتائج
61,538,068	115,154,090	سرمایہ کاری سے آمدنی
47,798,630	97,162,681	قبل از ٹیکس منافع
32,025,082	67,318,967	بعد از ٹیکس منافع
0.64	1.35	فی شیئر آمدنی

ملکی جائزہ:

آئندہ بارہ ماہ کے دوران اشیاء صرف کے قیمتوں میں متوقع کمزوری، ڈھانچہ جاتی اصلاحات میں مزید پیشرفت، مستحکم سیاسی و یکپورٹی صورتحال اور سی پیک (CPEC) سے متعلق منصوبوں پر ٹھوس نشوونما کے باعث ہم ایک حوصلہ افزاء اقتصادی موقوف کے حامل ہیں۔ پیداواری لاگت میں کمی، قوت، خرید میں اضافے، شرح سود کے سازگار روپے، نجی اور عوامی ملکیت کے شعبہ جات میں سرمایہ کاری کی سرگرمیوں میں اوسط اضافہ، خصوصاً سی پیک (CPEC) سے متعلق ترقیاتی منصوبوں میں متوقع پیشرفت کے باعث سال 2012 کی مجموعی ملکی پیداوار میں 5% تک تیزی کا اندازہ لگایا جا رہا ہے۔ معکوس اساسی شرح سود، اشیاء صرف کی قیمتوں کی انتہائی کم شرح، نئے محاصل کے نفاذ اور پاکستانی روپے کی قدر میں کمی جیسے عوامل کی وجہ سے آئندہ سال مجموعی شرح سود میں اضافہ متوقع ہے۔ قابل قبول تجارتی خسارہ، بیرون ملک سے ترسیلات زر میں بہتری، کثیر جہتی قرضوں میں استحکام اور چائنہ سے سی پیک (CPEC) سے متعلقہ رقم کی آمد جیسے اقدامات سے تجارتی خسارے کا حساب موزوں رہنے کی بھی توقع ہے۔

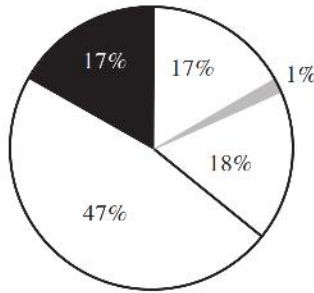
انشورنس کے شعبے کا جائزہ

پاکستان میں انشورنس کی صنعت کا حجم خطے میں اپنے دیگر ہم عصروں کے مقابلے میں نسبتاً کم ہے۔ پاکستان ایک ایسی مارکیٹ کی عمدہ مثال ہے جہاں انشورنس بہتر انداز میں قائم ہے مگر زیادہ تر شہری غیر بیمہ شدہ ہیں، سال 2015 کے دوران نجی شعبہ سے پریمیم میں مضبوط اضافہ آنے والے سالوں میں انشورنس مارکیٹ کی مستحکم نشوونما کے اشارے کا اظہار ہے۔

یہ نشوونما موجودہ صارفین کو نئی مصنوعات کی فراہمی سے آئی ہے۔ نئے ڈھانچہ جاتی منصوبوں بشمول سی پیک (CPEC) اور توانائی کے شعبہ جات بھی اس نشوونما میں اضافے کا باعث ہیں۔ انشورنس کے شعبہ کی پریمیم آمدنی میں سالانہ 9 سے 10 فیصد اضافے کا اندازہ ہے۔

ونڈ وٹکافل آپریشن:

2014 میں سیکورٹی اینڈ ایڈجسٹنگ کمیشن آف پاکستان (SECP) نے بذریعہ ایک سرکرہ وائی انشورنس کمپنیوں کو وٹکافل قواعد 2012 کے تحت وٹکافل آپریشن شروع کرنے کی دعوت دی۔ سندھ انشورنس نے وٹکافل آپریشن کے لئے درخواست دی ہے۔ ہم ہر امید ہیں کہ آئندہ سال کی دوسری سہ ماہی میں اجازت نامہ حاصل ہو جائے گا۔



پر بیمہ درجہ بندی / رپورٹ فیلو:

- آتشزدگی اور ملکیت کا نقصان 17%
- میریں، ایوی ایشن، ٹرانسپورٹ 17%
- موت 1%
- حادثات اور صحت 18%
- متفرقات 47%

سرمایہ کاری سے آمدنی:

سال 2014 کے 61.31 ملین روپے کے برعکس سال 2015 میں کمپنی کی آمدنی بذریعہ سرمایہ کاری میں 88% یعنی 115.15 ملین روپے تک کا اضافہ دیکھنے میں آیا ہے۔ یہ اضافہ زیادہ تر 78.43 ملین روپے کے کمپنیل گین سے حاصل ہوا۔

ری انشورنس:

سال کے پہلے نصف کے دوران، ہینوورری (Hannover Re) اور پی آر سی ایل (PRCL) مرکزی شراکت دار تھے اور سال کی تیسری سہ ماہی سے کمپنی نے سعودی ری (Saudi Re)، کورین ری (Korean Re)، اور ٹرسٹ ری (Trust Re) سے بھی مزید ری انشورنس حمایت حاصل کی ہے۔ کمپنی نے سوئس ری (Swiss Re) سے وڈ ونگفل آپریشنز کیلئے ری کفائل حمایت حاصل کی ہے۔

مصنوعات کا اجراء

کمپنی دونی مصنوعات جیسا کہ ٹریول انشورنس اور ٹریول گارنٹی انشورنس کے اجراء پر کام کر رہی ہے، کمپنی نے ہینوورری (Hanover Re) سے ری انشورنس معاہدے کے انتظامات کئے ہیں اور کراپ لون انشورنس بھی متعارف کروائی ہے۔ کمپنی متوازن پروڈکٹس کس بنائے گی کیونکہ زیادہ تر کاروبار صحت اور موٹر کے شعبہ جات سے پیدا ہوتا ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ ڈھانچہ:

سیکیورٹی اینڈ کنٹریکٹنگ کمیشن کی جانب سے جاری کردہ کمپنی لاء اور پبلک سیکیورٹیز (کارپوریٹ گورننس) رولز 2013 کے تحت بورڈ اپنی ذمہ داری سے بخوبی آگاہ ہے۔ اسی تناظر میں بورڈ درج ذیل امور کی تصدیق کرتے ہوئے خوش محسوس کرتا ہے۔

- ☆ بورڈ نے کارپوریٹ گورننس کے متعلقہ اصولوں کی پیروی کی ہے اور جہاں کسی قسم کی کمی واقع ہوئی اس کی نشاندہی وجوہات سمیت کی ہے۔
- ☆ کمپنی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارہ، اس کے موجودہ جاری حالات، آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کی درست عکاسی کرتے ہیں۔

☆ کمپنی کے حسابات کے کھاتے باقاعدہ اور باضابطہ طور پر مرتب کئے گئے ہیں۔

☆ سالانہ حسابات کی تیاری کیلئے مناسب حکمت عملیاں تسلسل کے ساتھ اپنائی گئی ہیں اور مالیاتی انداز محتاط روی سے لیے گئے ہیں۔

☆ ڈائریکٹر ایک مضبوط داخلی نظم و ضبط کے نظام کے قیام اور اسے برقرار رکھنے کے حوالے سے اپنی ذمہ داریوں سے مکمل طور پر آگاہ ہیں اور ان کا باقاعدگی سے جائزہ لیا جاتا ہے۔

☆ مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ اور حسابات کے معیارات جو پاکستان میں مروج ہیں کو ملحوظ خاطر رکھا گیا ہے اور کسی قسم کا احتراز مناسب انداز میں وجوہات سمیت بیان کیا گیا ہے۔

☆ کمپنی کے قائم رہنے کی صلاحیت کسی بھی قسم کے شک و شبہ سے بالاتر ہے۔

- ☆ اس رپورٹ میں 31 دسمبر 2015 کے مطابق شیئرز ہولڈنگ کا گوشوارہ شامل ہے۔
- ☆ 31 دسمبر 2015 پر پروویڈنٹ فنڈ میں سرمایہ کاری کی قدر 988,079 روپے ہے۔

بورڈ اجلاس:

دوران سال بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے ہیں اور ان میں حاضری کی تفصیل درج ذیل ہے۔

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں حاضری کی تعداد
1	محمد بلال شیخ	4
2	محمد سہیل خان راجپوت	3
3	محمد نعیم الدین فاروقی	4
4	سید شاہ نواز نادر شاہ	4
5	شمس الدین خان	4
6	احمد صلاح الدین	1*
7	اختر علی خان	2*

* یہ ڈائریکٹرز 28 اپریل 2015 کو منتخب ہوئے ہیں۔
جو ڈائریکٹرز بورڈ اجلاس میں شریک نہ ہو سکے ان کی غیر حاضری کی منظوری دی گئی۔

مستقبل کا منظر نامہ:

درجہ بندی 'A' تک بڑھنے کے بعد سندھ انشورنس محتاط انڈر رائٹنگ حکمت عملی برقرار رکھتے ہوئے مارکیٹ میں اپنا حصہ بڑھانے کے لئے مستعد ہے۔
2016 کمپنی کے لئے بہت اہم سال ہے کیونکہ ہمیں اپنی یافت کو مضبوط بنیادوں پر استوار کرتے ہوئے مارکیٹ میں قابل ذکر کھلاڑی کے طور پر ابھرنا ہے ہم نے پیش آنے والے چیلنجز سے بخوبی آگاہی رکھتے ہوئے جرات مندانہ اہداف مقرر کئے ہیں اور ہمیں یقین ہے کہ اپنی منسلکہ اور اتحادی کمپنیوں کی مدد سے یہ مقاصد حاصل کر لئے جائیں گے۔

کمپنی تھر میں توانائی کی پیداوار کے لئے کوئلہ نکالنے کے سلسلے میں سندھ اینگرو مائننگ کمپنی کو انشورنس کور فراہم کرنے پر کام کر رہی ہے۔ کمپنی حکومت سندھ کے ساتھ سندھ کے بالغ شہریوں کو ناگہانی حادثات کی صورت میں انشورنس کور فراہم کرنے پر بھی کام کر رہی ہے۔
کمپنی جلد ہی لاہور میں ایک برانچ اور ملتان، حیدرآباد، سکھراور گوادریں میں اسارٹ برانچوں کا افتتاح کرے گی۔

کمپنی کی مالیاتی مضبوطی کی درجہ بندی (IFS):

پاکستان کریڈٹ ریٹنگ ایجنسی PACRA نے سندھ انشورنس کی درجہ بندی A- (مقی اے) سے A (اے) تک بڑھادی ہے۔ درجہ بندی میں یہ بہتری پالیسی ہولڈر اور معاہدات کی ذمہ داریاں پوری کرنے کی مضبوط صلاحیت کا اظہار ہے۔

ضابطہ اخلاق:

بورڈ ایک ضابطہ اخلاق پر عمل پیرا ہے۔ یہ ضابطہ اخلاق تمام ملازمین کے باقاعدہ علم میں لایا گیا ہے اور دستخط حاصل کئے گئے ہیں، مزید برآں انہیں کاروباری اور قانونی معاملات میں اس ضابطہ اخلاق کی پاسداری کی ہدایت کی گئی ہے۔

ماڈی تبدیلیاں:

31 دسمبر 2015 سے کسی قسم کی ماڈی تبدیلیاں وقوع پذیر نہیں ہوئی ہیں اور کمپنی ایسے کسی انتظام یا معاہدے میں ملوث نہیں ہوئی جو بیان کردہ دورانیے میں مالی صورتحال پر اثر انداز ہو۔

منافع منقسمہ (Dividend):

31 دسمبر 2015 کو اختتام پذیر مدت کے لئے کسی قسم کے منافع منقسمہ کا اعلان نہیں کیا گیا۔

حصص ملکیت کا نمونہ:

کمپنی آرڈیننس 1984 کی شق 236 اور پبلک سیکلیٹینیز (کارپوریٹ گورننس) قواعد 2013 کے تحت مطلوب، حصص کی ملکیت کا نمونہ منسلک ہے۔

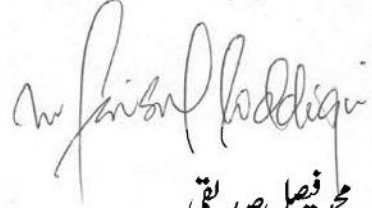
محاسب (Auditors):

آڈٹ کمیٹی نے قواعد کے تحت خارجی محاسب (External Auditors) کے تقرر کی سفارش کی ہے۔

اظہار تشکر:

ڈائریکٹرز اس موقع پر حکومت سندھ، وزارت تجارت پاکستان، سیکوریٹی اینڈ ایکنج کمیشن آف پاکستان (SECP)، انشورنس ایسوسی ایشن آف پاکستان (IAP) اور سندھ بینک لمیٹڈ کی مسلسل رہنمائی اور حمایت پر تہ دل سے شکر گزار ہیں۔ مزید برآں بورڈ ملازمین اور پالیسی ہولڈرز کی لگن اور تعاون کا بھی تہ دل سے شکریہ ادا کرتا ہے۔

برائے اور مخانب بورڈ آف ڈائریکٹرز



محمد فیصل صدیقی

چیف ایگزیکٹو آفیسر

31 مارچ، 2016

NOTICE OF THE SECOND ANNUAL GENERAL MEETING

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



ANNUAL REPORT 2015

Notice is hereby given that the Second Annual General Meeting of the shareholders of **Sindh Insurance Limited** will be held on **Thursday, April 28, 2016 at 10:00 am** at the registered office of the Company at 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi, to transact the following business:

ORDINARY BUSINESS

1. To confirm minutes of the First Annual General Meeting held on April 28, 2015.
2. To receive, consider and adopt the Audited Accounts for the year ended December 31, 2015 alongwith Directors' and Auditors' Report thereon.
3. To appoint Auditors for the year 2016 and fix their remuneration. Retiring Auditor M/s Riaz Ahmed & Company, Chartered Accountants being eligible, have offered themselves for re-appointment.

SPECIAL BUSINESS

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


RESOLVED that the Company's Authorized Capital be increased from Rs. 500 million to Rs. 1500 million.

RESOLVED FURTHER that the clause (v) of Memorandum of Association and clause IV (4) of Articles of Association related to the authorized capital of the Company be and hereby amended.

5. To transact any other business that may be placed before the meeting with the permission of the Chair.

Statement under section 160(1)(b) of the Companies Ordinance 1984 in respect of special business is being sent to the members alongwith the notice.

Karachi
March 31, 2016


By Order of the Board
Nadeem Akhter
Company Secretary

NOTES:

- 1) A member entitled to attend and vote is entitled to appoint another member/any other person as his/her proxy to attend and vote.
- 2) Duly completed instrument of proxy, and the other authority under which it is signed, must be lodged with the Company Secretary at the company's registered office 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi, at least 48 hours before the time of the meeting.
- 3) Share Transfer Books of the Company will remain closed from April 28, 2016 to May 4, 2016 (both days inclusive).
- 4) Any change of address of Member should be immediately notified to the Company's registered office 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi.
- 5) The CDC account holder will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.
 - A. For attending the meeting:
 - i. In Case of individuals, the account holder or sub-accounts holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original computerized national identity card (CNIC) or original passport at the time of attending the meeting.
 - ii. In case of corporate entity the Board of Directors resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.
 - B. For appointing proxies:
 - i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per account and their registration details are uploaded as per the regulations, shall submit the proxy form accordingly.
 - ii. The proxy form shall be witnessed by two persons whose names, address and CNIC numbers shall be mentioned on the form.
 - iii. Attested copies of CNIC or the passport
 - iv. The proxy shall produce his/her original CNIC or original passport at the time of meeting.
 - v. In case of corporate entity, the board of Director's resolution / power of attorney with specimen signature shall be submitted along with proxy form to the company.

STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1) (b) OF THE COMPANIES ORDINANCE, 1984 REGARDING THE SPECIAL BUSINESS

The Company is planning to increase its paid-up capital through (initial public offer) IPO of shares. The authorized capital is being increased with consideration of future needs to cover the issuance of shares. The related clauses of authorized capital in Memorandum and Article of Association are also amended.

**Statement of Compliance with the Public Sector Companies
(Corporate Governance) Rules, 2013**

Name of Company: **SINDH INSURANCE LIMITED**
 Name of the line ministry: **Ministry of Finance, Government of Sindh**
 For the year ended: **31 December 2015**

- I. This statement is being presented to comply with the Public Sector Companies (Corporate Governance) Rules, 2013 (hereinafter called "the Rules") issued for the purpose of establishing a framework of good governance, whereby a public sector company is managed in compliance with the best practices of public sector governance.
- II. The company has complied with the provisions of the Rules in the following manner:

S. No.	Provision of the Rules	Rule No.	Y	N																								
1.	The independent directors meet the criteria of independence, as defined under the Rules	2(d)		✓																								
2.	<div>The Board has the requisite percentage of independent directors. At present Board includes:</div> <table><tr><th>Category</th><th>Names</th><th>Date of Appointment</th></tr><tr><td>Independent Directors</td><td></td><td>----</td></tr><tr><td>Executive Directors</td><td>Muhammad Faisal Siddiqui</td><td>28-04-2015</td></tr><tr><td rowspan="7">Non-Executive Directors</td><td>Muhammad Bilal Sheikh</td><td>28-04-2015</td></tr><tr><td>Muhammad Sohail Khan Rajput</td><td>28-04-2015</td></tr><tr><td>Muhammad Naimuddin Farooqi</td><td>28-04-2015</td></tr><tr><td>Shamsuddin Khan</td><td>28-04-2015</td></tr><tr><td>Syed Shahnawaz Nadir</td><td>28-04-2015</td></tr><tr><td>Ahmed Salahuddin</td><td>28-04-2015</td></tr><tr><td>Akhtar Ali Khan</td><td>28-04-2015</td></tr></table>	Category	Names	Date of Appointment	Independent Directors		----	Executive Directors	Muhammad Faisal Siddiqui	28-04-2015	Non-Executive Directors	Muhammad Bilal Sheikh	28-04-2015	Muhammad Sohail Khan Rajput	28-04-2015	Muhammad Naimuddin Farooqi	28-04-2015	Shamsuddin Khan	28-04-2015	Syed Shahnawaz Nadir	28-04-2015	Ahmed Salahuddin	28-04-2015	Akhtar Ali Khan	28-04-2015	3(2)		✓
Category	Names	Date of Appointment																										
Independent Directors		----																										
Executive Directors	Muhammad Faisal Siddiqui	28-04-2015																										
Non-Executive Directors	Muhammad Bilal Sheikh	28-04-2015																										
	Muhammad Sohail Khan Rajput	28-04-2015																										
	Muhammad Naimuddin Farooqi	28-04-2015																										
	Shamsuddin Khan	28-04-2015																										
	Syed Shahnawaz Nadir	28-04-2015																										
	Ahmed Salahuddin	28-04-2015																										
	Akhtar Ali Khan	28-04-2015																										
3.	No casual vacancy occurred in the board during the year.	3(4)	✓																									
4.	The directors have confirmed that none of them is serving as a director on more than five public sector companies and listed companies simultaneously, except their subsidiaries.	3(5)		✓																								
5.	The appointing authorities have applied the fit and proper criteria given in the Annexure in making nominations of the persons for election as board members under the provisions of the Ordinance.	3(7)	✓																									
6.	The chairman of the board is working separately from the chief executive of the Company.	4(1)	✓																									
7.	The chairman has been elected from amongst the independent directors.	4(4)		✓																								
8.	The Board has evaluated the candidates for the position of the chief executive on the basis of the fit and proper criteria as well as the guidelines specified by the commission.	5(2)	✓																									

STATEMENT OF COMPLIANCE

ANNUAL REPORT 2015

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



9.	(a) The Company has prepared a “Code of Conduct” and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures, including posting the same on the company’s website. (www.sindhinsurancelttd.com) (b) The Board has set in place adequate systems and controls for the identification and redressal of grievances arising from unethical practices.	5(4)	✓	
10.	The Board has established a system of sound internal control, to ensure compliance with the fundamental principles of probity and propriety; objectivity, integrity and honesty; and relationship with the stakeholders, in the manner prescribed in the Rules.	5(5)	✓	
11.	The Board has developed and enforced an appropriate conflict of interest policy to lay down circumstances or considerations when a person may be deemed to have actual or potential conflict of interest, and the procedure for disclosing such interest.	5(5)(b)(ii)	✓	
12.	The Board has developed and implemented a policy on anti-corruption to minimize actual or perceived corruption in the company.	5(5)(b)(vi)	✓	
13.	(a) The Board has ensured equality of opportunity by establishing open and fair procedures for making appointments and for determining terms and conditions of service. (b) A Committee has been formed to investigating deviations from the company’s code of conduct.	5(5)(c)(ii)	✓	✓
14.	The Board has ensured compliance with the law as well as the company’s internal rules and procedures relating to public procurement, tender regulations, and purchasing and technical standards, when dealing with suppliers of goods and services, in accordance with the SPPRA Rules.	5(5)(c)(iii)	✓	
15.	The Board has developed a vision and mission statement, corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.	5(6)	✓	
16.	The Board has quantified the outlay of any action in respect of any service delivered or goods sold by the company as a public service obligation, and has submitted its request for appropriate compensation to the Government for consideration.	5(8)	N/A	
17.	(a) The Board has met at least four times during the period. (b) Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings, (c) The minutes of the meetings were appropriately recorded and circulated.	6(1) 6(2) 6(3)	✓	
18.	The Board has carried out performance evaluation of its members, including the chairman and the chief executive, on the basis of a process, based on specified criteria, developed by it. The board has also monitored and assessed the performance of senior management on annual/half-yearly/quarterly.	8	✓	

STATEMENT OF COMPLIANCE

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19.	The Board has reviewed and approved the related party transactions placed before it after recommendations of the audit committee. A party wise record of transactions entered into with the related parties during the year has been maintained.	9	✓																			
20.	The Board has approved the profit and loss account for, and balance sheet as at the end of, the first, second and third quarter of the period as well as financial period end, and has placed the annual financial statements on the company's website. Monthly accounts are also prepared and circulated amongst the board members.	10	✓																			
21.	All the Board members underwent an orientation course arranged by the company to apprise them of the material developments and information as specified in the Rules.	11	✓																			
22.	(a) The board has formed the requisite committees, as specified in the Rules, (b) The Committees were provided with written term of reference defining their duties, authorities and composition. (c) The minutes of the meetings of the committees were circulated to all the board members. (d) The committees were chaired by the following non-executive directors:	12	✓	✓																		
	<table><tr><th>Committee</th><th>Number of members</th><th>Name of Chair</th></tr><tr><td>Audit Committee</td><td>3</td><td>Muhammad Naimuddin Farooqi</td></tr><tr><td>Risk Management Committee</td><td>3</td><td>Mohammad Sohail Khan Rajput</td></tr><tr><td>Human Resources Committee</td><td>3</td><td>Muhammad Bilal Sheikh</td></tr><tr><td>Procurement Committee</td><td>3</td><td>Muhammad Bilal Sheikh</td></tr><tr><td>Nomination Committee</td><td>3</td><td>Mohammad Sohail Khan Rajput</td></tr></table>		Committee		Number of members	Name of Chair	Audit Committee	3	Muhammad Naimuddin Farooqi	Risk Management Committee	3	Mohammad Sohail Khan Rajput	Human Resources Committee	3	Muhammad Bilal Sheikh	Procurement Committee	3	Muhammad Bilal Sheikh	Nomination Committee	3	Mohammad Sohail Khan Rajput	✓
Committee	Number of members		Name of Chair																			
Audit Committee	3		Muhammad Naimuddin Farooqi																			
Risk Management Committee	3		Mohammad Sohail Khan Rajput																			
Human Resources Committee	3		Muhammad Bilal Sheikh																			
Procurement Committee	3		Muhammad Bilal Sheikh																			
Nomination Committee	3	Mohammad Sohail Khan Rajput																				
23.	The board has approved appointment of Chief Financial Officer, Company Secretary and Chief Internal Auditor, with their remuneration and terms and conditions of employment, and as per their prescribed qualifications.	13/14	✓																			
24.	The company has adopted International Financial Reporting Standards notified by the Commission under clause (i) of sub-section (3) of section 234 of the Ordinance.	16	✓																			
25.	The directors' report for this period has been prepared in compliance with the requirements of the Ordinance and the Rules and fully described salient matters required to be disclosed.	17	✓																			
26.	The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.	18	✓																			
27.	A formal and transparent procedure for fixing the remuneration packages of individual directors has been set in place. The annual report of the company contains criteria and details of remuneration of each director.	19	✓																			

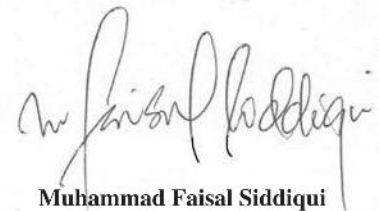
STATEMENT OF COMPLIANCE

ANNUAL REPORT 2015

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

SINDH INSURANCE
POWER TO THE PEOPLE

28.	The financial statements of the company were duly endorsed by the chief executive and chief financial officer, before approval of the board.	20	✓													
29.	<div>The board has formed an audit committee, with defined and written terms of reference, and having the following members:</div> <table><tr><th>Name of Member</th><th>Category</th><th>Professional Background</th></tr><tr><td>Muhammad Naimuddin Farooqi</td><td>Non-Executive</td><td>Banker</td></tr><tr><td>Mohammad Sohail Khan Rajput</td><td>Non-Executive</td><td>Finance Secretary Sindh</td></tr><tr><td>Syed Shah Nawaz Nadir</td><td>Non-Executive</td><td>Investment Specialist</td></tr></table> <div>The chief executive and chairman of the board are not members of the audit committee.</div>	Name of Member	Category	Professional Background	Muhammad Naimuddin Farooqi	Non-Executive	Banker	Mohammad Sohail Khan Rajput	Non-Executive	Finance Secretary Sindh	Syed Shah Nawaz Nadir	Non-Executive	Investment Specialist	21	✓	
Name of Member	Category	Professional Background														
Muhammad Naimuddin Farooqi	Non-Executive	Banker														
Mohammad Sohail Khan Rajput	Non-Executive	Finance Secretary Sindh														
Syed Shah Nawaz Nadir	Non-Executive	Investment Specialist														
30.	The board has set up an effective internal audit function, which has an audit charter, duly approved by the audit committee, and which worked in accordance with the applicable standards.	22	✓													
31.	The company has appointed its external auditors in line with the requirements envisaged under the Rules.		✓													
32.	The external auditors of the company have confirmed that the firm and all its partners are in compliance with international federation of Accountants (IFAC) guidelines on code of Ethics as applicable in Pakistan.		✓													
33.	The external auditors have not been appointed to provide non-audit services and the auditors have confirmed that they have observed applicable guidelines issued by IFAC in this regard.		✓													
34.	The company has complied with all the corporate and financial reporting requirements of the Rules.		✓													



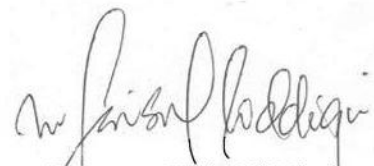
Muhammad Faisal Siddiqui
Chief Executive Officer

SCHEDULE II
SEE Paragraph 2(3)

Explanation for Non-Compliance with the
Public Sector Companies (Corporate Governance) Rules, 2013

We confirm that all other material requirements envisaged in the Rules have been complied with (except for the following, toward which reasonable progress is being made by the company to see compliance by the end of next accounting year).

Sr. No.	Rule/sub-rule no.	Reasons for non-compliance	Future course of action
1.	2(d), 3(2)	No independent director is nominated by Government of Sindh in the Company during the year	Company will request Government of Sindh to nominate independent director in the Board of Director for compliance of said rules.
2.	3(5)	One of the directors, Mr. Mohammad Sohail Khan Rajput is director in more than 5 companies, who is a Government Nominee and currently is Finance Secretary, Government of Sindh.	SECP has allowed relaxation from the said rules upto December 31, 2016.
3.	4(4)	The Chairman being nominee of Government of Sindh is a professional banker with unblemished tract record who was elect by the Board of Directors to Formulate the Company on a fast track basis.	SECP has allowed relaxation from the said rules upto December 31, 2016.
4.	5(5)(c)(ii)	Committee for investigating deviations from the Company's code of conduct	Said Committee is not mandatory for compliance of the rules.
5.	12	None of the meeting of any committee was held during the year except one meeting of human resource committee.	Company is making stern efforts to conduct committee meetings in upcoming year.


Muhammad Faisal Siddiqui
 Chief Executive Officer

**REVIEW REPORT TO THE MEMBERS
ON THE STATEMENT OF COMPLIANCE WITH THE PUBLIC SECTOR COMPANIES
(CORPORATE GOVERNANCE) RULES, 2013**

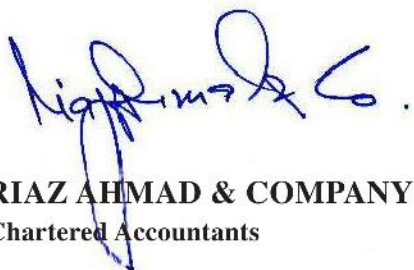
We have reviewed the enclosed Statement of Compliance with the best practices contained in the Public Sector Companies (Corporate Governance) Rules, 2013 (the Rules) prepared by the Board of Directors of SINDH INSURANCE LIMITED (the Company) for the year ended 31 December 2015.

The responsibility for compliance with the Rules is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Rules and report if it does not and to highlight any non-compliance with the requirements of the Rules. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Rules.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Rules require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the 'Statement of Compliance' does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Rules as applicable to the Company for the year ended 31 December 2015.



RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Muhammad Hamid Jan

Date: 31 March 2016
KARACHI

AUDITORS' REPORT TO THE MEMBERS

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



ANNUAL REPORT 2015

We have audited the annexed financial statements comprising of:

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


of SINDH INSURANCE LIMITED ("the Company") as at 31 December 2015 together with the notes forming part thereof, for the year then ended.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 (XXXIX of 2000) and the Companies Ordinance, 1984 (XLVII of 1984). Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the International standards on auditing as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as, evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- a) proper books of accounts have been kept by the company as required by the Insurance Ordinance, 2000 and the Companies Ordinance, 1984;
- b) the financial statements together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and the Companies Ordinance, 1984, and accurately reflect the books and records of the company and are further in accordance with accounting policies consistently applied except for as disclosed in Note 2.9 with which we concur;
- c) the financial statements together with the notes thereon, present fairly, in all material respects, the state of the company's affairs as at 31 December 2015 and of the profit, its comprehensive income, its cash flows and changes in equity for the year then ended in accordance with approved accounting standards as applicable in Pakistan, and give the information required to be disclosed by the Insurance Ordinance, 2000 and the Companies Ordinance, 1984; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).


RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Muhammad Hamid Jan

Date: 31 March 2016

KARACHI

BALANCE SHEET

AS AT 31 DECEMBER 2015

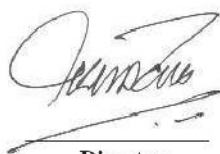
ANNUAL REPORT 2015

	Note	2015 Rupees	2014 Rupees
Share capital and reserve			
Authorised share capital	3.1	500,000,000	500,000,000
Issued, subscribed and paid-up share capital	3.2	500,000,000	500,000,000
Retained earnings		99,344,049	32,025,082
TOTAL EQUITY		599,344,049	532,025,082
Underwriting provisions			
Provision for outstanding claims (including IBNR)		7,486,182	115,991
Provision for unearned premium		44,399,761	2,089,532
Commission income unearned	18	2,544,414	409,809
		54,430,357	2,615,332
Deferred Liabilities			
Deferred tax	4	1,925,727	1,463,032
Creditors and accruals			
Premium received in advance		77,066	-
Amount due to other insurers/reinsurers	5	15,545,498	2,959,552
Other creditors and accruals	6	5,450,813	3,376,641
Taxation - provision less payments		-	1,350,326
		21,073,377	7,686,519
TOTAL LIABILITIES		77,429,461	11,764,883
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		676,773,510	543,789,965

The annexed notes from 1 to 33 form an integral part of these financial statements.



Chairman



Director



Director



Chief Executive Officer

BALANCE SHEET

AS AT 31 DECEMBER 2015

ANNUAL REPORT 2015


	Note	2015 Rupees	2014 Rupees
ASSETS			
Cash and bank deposits	8		
Cash and other equivalents		55,637	49,372
Current and other accounts		23,281,005	35,288,507
Deposits maturing within 12 months		30,000,000	100,000,000
		53,336,642	135,337,879
Investments	9	526,309,909	355,227,003
Current assets			
Premium due but unpaid	10	27,508,448	2,102,755
Due from other insurers/reinsurers	11	3,388,046	447,485
Accrued investment income	12	13,512,476	18,534,001
Re-insurance recoveries against outstanding claims		1,415,042	-
Loan to employees		119,833	-
Advance income tax (net of provision)		4,607,577	-
Deferred commission expense		1,311,821	443,811
Prepayments	13	13,809,468	4,669,164
Sundry receivables	14	3,378,446	1,650,509
		69,051,157	27,847,725
Fixed assets - tangible & intangible	15		
Owned			
Leaschold improvements		11,163,619	11,674,336
Furniture & fixtures		2,236,325	1,902,549
Office equipment		5,695,844	5,997,718
Computers		812,769	649,713
Vehicles		5,428,212	5,105,217
Intangible asset - computer software		2,739,033	47,825
		28,075,802	25,377,358
TOTAL ASSETS		676,773,510	543,789,965

The annexed notes from 1 to 33 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL REPORT 2015

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

SINDH INSURANCE
POWER TO THE PEOPLE

		Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscella- neous	Treaty	For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
Note		Rupees							
Net premium revenue	16	629,842	157,550	4,667,324	13,110,855	1,942,597	-	20,508,168	(458,499)
Net claims		(75,047)	(4,717)	(3,460,468)	(9,042,573)	(672,017)	-	(13,254,822)	(115,991)
Management expenses	17	(4,124,768)	(117,438)	(4,415,220)	(11,282,828)	(3,952,993)	-	(23,893,247)	(5,819,614)
Net commission		702,912	(44,180)	(32,339)	(6,736)	235,346	-	855,003	4,370
Underwriting results		(2,867,061)	(8,785)	(3,240,703)	(7,221,282)	(2,447,067)	-	(15,784,898)	(6,389,734)
Investment income								115,154,090	61,317,138
Other income							19	14,388,710	220,930
								113,757,902	55,148,034
General and administration expenses							20	(16,595,221)	(7,349,404)
Profit before tax								97,162,681	47,798,630
Taxation							21	(29,843,714)	(15,773,548)
Profit after tax								67,318,967	32,025,082
Profit and loss appropriation account:									
Balance at beginning of the year / period								32,025,082	-
Profit for the year / period								67,318,967	32,025,082
Balance unappropriated profit at the end of the year / period								99,344,049	32,025,082
Earnings per share - basic and diluted							22	1.35	0.64

The annexed notes from 1 to 33 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL REPORT 2015

	For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
	Rupees	Rupees
Profit for the year / period	67,318,967	32,025,082
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss account	-	-
	-	-
Total comprehensive income for the year / period	67,318,967	32,025,082

The annexed notes from 1 to 33 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL REPORT 2015

OPERATING ACTIVITIES

a) Underwriting activities

	For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
	Rupees	Rupees
Premiums received	48,666,186	217,064
Reinsurance premiums paid	(11,008,250)	(487,825)
Claims paid	(7,471,804)	-
Reinsurance and other recoveries received	172,131	-
Commissions paid	(1,976,344)	(61,835)
Commissions received	3,822,112	-
Other underwriting payments	(22,495,809)	(1,718,877)
Net cash used in underwriting activities	9,708,222	(2,051,473)

b) Other operating activities

Income tax paid	(35,338,922)	(12,960,189)
Management and administrative expenses paid	(10,834,297)	(9,259,831)
Others	(3,475,270)	220,930
Net cash flows used in other operating activities	(49,648,489)	(21,999,090)
Net cash used in operating activities	(39,940,267)	(24,050,563)

INVESTING ACTIVITIES

Profit / return received on investment	45,217,449	42,842,770
Other income received	13,242,834	-
Investment related expenses paid	(14,950)	(7,414)
Payments for investments	(2,156,522,415)	(629,489,224)
Proceeds from disposal of investments	2,060,412,624	274,210,001
Proceeds from disposal of fixed assets	1,475,000	-
Advance for purchase of vehicle	-	(1,627,500)
Fixed capital expenditure	(5,871,512)	(26,540,191)
Net cash used in investing activities	(42,060,970)	(340,611,558)

FINANCING ACTIVITIES

Issue of shares	-	500,000,000
Net cash flow from financing activities	-	500,000,000
Net cash flows from all activities	(82,001,237)	135,337,879
Cash and cash equivalents at the beginning of year	135,337,879	-
Cash and cash equivalents at end of the period	53,336,642	135,337,879

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



ANNUAL REPORT 2014

Reconciliation to profit and loss account

	31 DECEMBER 2015 Rupees	31 DECEMBER 2014 Rupees
Operating cash flows	(39,940,267)	(24,050,563)
Depreciation on fixed assets	(2,900,689)	(1,143,326)
Amortization of intangibles	(592,906)	(19,507)
Provision for Worker Welfare Fund	-	(977,850)
Investment related expenses	(14,950)	(7,414)
Income tax paid	35,338,922	12,960,189
Increase in assets other than cash	43,244,880	7,686,224
Increase in liabilities	(66,552,209)	(7,973,675)
Investment income	115,169,040	61,324,552
Other income	13,410,860	-
Profit before taxation	97,162,681	47,798,630

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
- Policy stamps in hand

Current and saving accounts

- Current accounts
- Savings accounts

Deposits maturing within 12 months

- Term deposit - local currency

	31 DECEMBER 2015 Rupees	31 DECEMBER 2014 Rupees
Cash and other equivalents	31,463	36,586
	24,174	12,786
	55,637	49,372
Current and saving accounts	-	-
	23,281,005	35,288,507
	23,281,005	35,288,507
Deposits maturing within 12 months	30,000,000	100,000,000
	53,336,642	135,337,879

The annexed notes from 1 to 33 form an integral part of these financial statements.

Chairman

Director

Director

Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL REPORT 2015

	Issued, subscribed and paid up share capital	Retained earnings	Total shareholders' equity
	Rupees		
Balance as at December 20, 2013	-	-	-
Profit after tax for the period ended December 31, 2014	-	32,025,082	32,025,082
Other Comprehensive income	-	-	-
Total comprehensive income	-	32,025,082	32,025,082
Transactions with owners			
Issuance of ordinary shares during the period	500,000,000	-	500,000,000
Balance as at December 31, 2014	500,000,000	32,025,082	532,025,082
Profit after tax for the year ended December 31, 2015	-	67,318,967	64,156,639
Other Comprehensive income	-	-	-
Total comprehensive income	-	67,318,967	64,156,639
Balance as at December 31, 2015	500,000,000	99,344,049	596,181,721



Chairman



Director



Director



Chief Executive Officer

STATEMENT OF PREMIUMS FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL REPORT 2015

Business underwritten inside Pakistan

Class	Premium written	Unearned Premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expenses	Net premium revenue	
		Opening	Closing			Opening	Closing		For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
----- Rupees -----										
Direct and facultative										
Fire and property damage	12,773,962	1,636,421	8,491,854	5,918,529	11,382,590	1,550,353	7,644,256	5,288,687	629,842	9,447
Marine, aviation and transport	363,694	213,482	193,359	383,817	40,618	207,571	21,922	226,267	157,550	1,253
Motor	13,673,462	239,629	6,945,973	6,967,118	1,334,611	1,000,667	35,484	2,299,794	4,667,324	(469,199)
Accident & health	34,941,703	-	21,830,848	13,110,855	-	-	-	-	13,110,855	-
Miscellaneous	12,241,992	-	6,937,727	5,304,265	7,895,816	-	4,534,148	3,361,668	1,942,597	-
Sub total	73,994,813	2,089,532	44,399,761	31,684,584	20,653,635	2,758,591	12,235,810	11,176,416	20,508,168	(458,499)
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	73,994,813	2,089,532	44,399,761	31,684,584	20,653,635	2,758,591	12,235,810	11,176,416	20,508,168	(458,499)

Note: The Company does not underwrite business outside Pakistan.

The annexed notes from 1 to 33 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

STATEMENT OF CLAIMS

FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL REPORT 2015

Business underwritten inside Pakistan

Class	Total claims paid	Outstanding claims		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claim expense	
		Opening	Closing			Opening	Closing		For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
----- Rupees -----										
Direct and facultative										
Fire and property damage	198,958	88,985	521,199	631,172	159,166	-	396,959	556,125	75,047	88,985
Marine, aviation and transport	-	13,468	18,185	4,717	-	-	-	-	4,717	13,468
Motor	1,047,256	13,538	3,437,715	4,471,433	12,965	-	998,000	1,010,965	3,460,468	13,538
Accident & health	6,225,590	-	2,816,983	9,042,573	-	-	-	-	9,042,573	-
Miscellaneous	-	-	692,100	692,100	-	-	20,083	20,083	672,017	-
Sub total	7,471,804	115,991	7,486,182	14,841,995	172,131	-	1,415,042	1,587,173	13,254,822	115,991
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	7,471,804	115,991	7,486,182	14,841,995	172,131	-	1,415,042	1,587,173	13,254,822	115,991

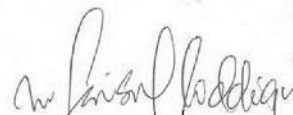
Note: The Company does not underwrite business outside Pakistan.

The annexed notes from 1 to 33 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

STATEMENT OF EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL REPORT 2015

Business underwritten inside Pakistan

Class	Commission paid or payable	Deferred commission		Net commission expense	Other management expense (Note 17)	Underwriting expense	Commission from reinsurance	Net underwriting expense	
		Opening	Closing					For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
----- Rupees -----									
Direct and facultative									
Fire and property damage	1,465,466	387,327	1,215,875	636,918	4,124,768	4,761,686	1,339,830	3,421,856	4,463,483
Marine, aviation and transport	59,364	37,046	31,514	64,896	117,438	182,334	20,716	161,618	675,728
Motor	154,730	19,438	57,729	116,439	4,415,220	4,531,659	84,100	4,447,559	680,404
Accident & health	7,700	-	964	6,736	11,282,828	11,289,564	-	11,289,564	-
Miscellaneous	13,254	-	5,739	7,515	3,952,993	3,960,508	242,861	3,717,647	-
Sub-total	1,700,514	443,811	1,311,821	832,504	23,893,247	24,725,751	1,687,507	23,038,244	5,819,614
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-
Grand total	1,700,514	443,811	1,311,821	832,504	23,893,247	24,725,751	1,687,507	23,038,244	5,819,614

Note: The Company does not underwrite business outside Pakistan.

The annexed notes from 1 to 33 form an integral part of these financial statements.




Chairman



Director



Director



Chief Executive Officer

STATEMENT OF INVESTMENT INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL REPORT 2015

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

SINDH INSURANCE
POWER TO THE PEOPLE

	For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
	Rupees	Rupees
Income from non-trading investments		
Held-to-maturity		
Return on Government Securities	6,359,686	4,158,109
Return on other fixed income securities and deposits	1,676,992	43,283,953
	8,036,678	47,442,062
Available-for-sale		
Return on Government Securities	24,736,332	3,592,330
Dividend income on available for sale investments	5,694,587	-
Gain on sale of available-for-sale investments	78,432,531	10,290,160
Impairment loss	(1,731,088)	-
	107,132,362	13,882,490
	115,169,040	61,324,552
Investment related expenses	(14,950)	(7,414)
Net investment income	115,154,090	61,317,138

The annexed notes from 1 to 33 form an integral part of these financial statements.



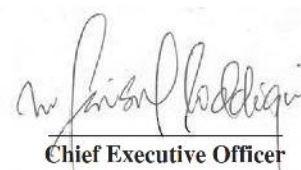
Chairman



Director



Director



Chief Executive Officer

1 THE COMPANY AND ITS OPERATIONS

Sindh Insurance Limited (the Company) was incorporated under the Companies Ordinance, 1984, as a Public Limited Company on 20 December 2013 and obtained the certificate of commencement of business on 22 September 2014. All shares of the Company are beneficially held by Government of Sindh directly and through nominee directors. The Company is engaged in the non-life insurance business comprising of fire, marine, motor, aviation, engineering, transportation, accident and health etc. The registered office and principal place of business of the Company is situated at 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi. The Company operates only in Pakistan

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied during the year unless otherwise stated.

2.1 BASIS OF PREPARATION

a) Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards as are notified under the Companies Ordinance 1984, provisions of and directives issued under Companies Ordinance 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 shall prevail.

The SECP has allowed the insurance companies to defer the application of International Accounting Standard – 39 (IAS-39) “Financial Instruments: Recognition and Measurement” in respect of valuation of “available-for-sale investments”. Accordingly, the requirements of IAS-39, to the extent allowed by SECP have not been considered in the preparation of these financial statements. The effect of such departure from the requirement of IAS - 39 is disclosed in Note 9.5.

b) Basis of presentation

These financial statements have been prepared on the format of financial statements issued by the Securities and Exchange Commission of Pakistan (SECP) through Securities and Exchange Commission (Insurance) Rules, 2002 [SEC (Insurance) Rules, 2002], vide SRO 938 dated 12 December 2002.

c) Accounting convention

These financial statements have been prepared under the historical cost convention except certain investments which are stated at lower of cost and market value. Accrual basis of accounting has been used except for cash flow information.

d) Functional and Presentation Currency

Items included in these financial statements are measured using the currency of primary economic environment in which the Company operates. These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

e) Critical accounting estimates and judgements

The preparation of these financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these financial statements or judgment was exercised in application of accounting policies, are as follows:

i) Provision for outstanding claims including claims incurred but not reported (IBNR)

Provision for liability in respect of unpaid reported claims is made on the basis of individual case estimates. Provision for IBNR is based on the management's best estimate which takes into account the past trends, expected future patterns of reporting of claims and the claims actually reported subsequent to the balance sheet date.

ii) Provision for taxation

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

iii) Provision for doubtful receivables

The receivable balances are reviewed against any provision required for any doubtful balances on an ongoing basis. The provision is made while taking into consideration expected recoveries, if any.

iv) Useful lives, patterns of economic benefits and impairments - Fixed assets and intangibles

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item with a corresponding effect on the depreciation charge and impairment.

v) Classification of investments

The Company classifies its investments into "available-for-sale" and "held-to-maturity" categories. The classification is determined by management at initial recognition and depends on the purpose for which the investments are acquired.

Revisions to accounting estimates are recognized in the year in which estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

f) Standards, interpretations and amendments to published approved standards that are effective in current year and are relevant to the Company

Standards, interpretations and amendments to published approved accounting standards that are effective in the current year

The following standards, amendments and interpretations of approved accounting standards are effective for accounting periods beginning on or after 01 January 2015:

- IAS 27 Separate financial statements(Amendments)
- IFRS 11 'Joint Arrangements
- IFRS 12 ' Disclosure of interests in other entities(Amendments)
- IFRS 13 - Fair value measurement

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after 01 January 2015 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these financial statements.

g) Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following other standards, amendments and interpretations of approved accounting standards are effective for accounting periods beginning on or after 01 January 2016:

	Effective date (accounting periods beginning on or after)
- IFRS 9 – Financial Instruments: Classification and Measurement	1-Jan-2018
- IFRS 15, 'Revenue from contracts	1-Jan-2018
- IFRS 11 Joint Arrangements-Accounting for Acquisition of Interest in Joint Operation (Amendment)	1-Jan-2016
- IFRS 14 – Regulatory Deferral Accounts	1-Jan-2016
- IAS 1 – Presentation of Financial Statements Disclosure Initiative (Amendment)	1-Jan-2016
- IAS 16 Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)	1-Jan-2016
- IAS 27–Separate Financial Statements–Equity Method in Separate Financial Statements (Amendment)	1-Jan-2016
- Annual improvements 2014; IFRS 5, 'Non-current assets held for sale and discontinued operations'. IFRS 7, 'Financial instruments: disclosures'. IAS 19, 'Employee benefits'. IAS 34, 'Interim financial reporting'	1-Jan-2016

There are other new and amended standards and interpretations that are mandatory for the Company's accounting periods beginning on or after 01 January 2016 but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these financial statements.

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

2.2 Insurance contracts

Insurance contracts are those contracts where the Company (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its life time, even if the insurance risk reduces significantly during this period, unless all rights and liabilities are extinguished or expired.

Insurance contracts issued by the Company are generally classified in four basic categories i.e. Fire and property, Marine, aviation and transport, Motor, Accident and Health and Miscellaneous and are issued to multiple types of clients with business in engineering, automobiles, cement, power, textile, paper, agriculture, services and trading sectors etc. and individuals as well. The tenure of these insurance contracts depends upon terms of the policies written and vary accordingly.

- Fire and property insurance contracts generally cover the assets of the policy holders against damages by fire, earthquake, riots and strike, explosion, atmospheric disturbance, flood, electric fluctuation and impact, burglary, loss of profit followed by the incident of fire, contractor's all risk, erection all risk, machinery breakdown and boiler damage etc.

- Marine aviation and transport insurance contracts generally provide cover for loss or damage to cargo while in transit to and from foreign land and inland transit due to various insured perils including loss of or damage to carrying vessel etc.

- Motor insurance contracts provide indemnity for accidental damage to or loss of insured vehicle including loss of or damage to third party and other comprehensive car coverage.
- Accident and Health insurance contracts mainly compensate hospitalization and out patient medical coverage to the insured.
- Miscellaneous insurance contracts provide variety of coverage including cover against burglary, loss of cash in safe, cash in transit and cash on counter, fidelity guarantee, personal accident, workmen compensation, travel and crop etc.

In addition to direct insurance, the Company also participates in risks under co-insurance contracts from other companies and also accepts risks through re-insurance inward by way of facultative acceptance on case to case basis provided such risks are within the underwriting policies of the Company. The nature of the risks undertaken under such arrangement is consistent with the risks in each class of business as stated above.

The Company neither issues investment contracts nor does it issue insurance contracts with discretionary participation features (DPF).

2.2.1 Premium

Premium received / receivable under a policy is recognized as written from the date of attachment of the policy to which it relates. Premium income under a policy is recognized over the period of insurance from inception to expiry as follows:

- (a) For direct business, evenly over the period of the policy;
- (b) For proportional reinsurance business, evenly over the period of underlying insurance policies; and
- (c) For non-proportional reinsurance business, in accordance with the pattern of the reinsurance service.

Where the pattern of incidence of risk varies over the period of the policy, premium is recognized as revenue in accordance with the pattern of the incidence of risk.

Administrative surcharge is recognized as premium at the time the policies are written.

Provision for unearned premium represents the portion of premium written relating to the unexpired period of coverage and is recognized as a liability by the Company. This liability is calculated by applying the twenty fourths method as specified in the SEC (Insurance) Rules, 2002, for most of the policies issued for a period of one year. The remaining policies issued the liability is calculated on prorata basis as to the unexpired period.

Receivables under insurance contracts are recognized when due, at the fair value of the consideration receivable less provision for doubtful debts, if any. Provision for impairment on premium receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to original terms of receivable. Receivables are also analyzed as per their ageing and accordingly provision is maintained on a systematic basis.

2.2.2 Reinsurance ceded

The Company enters into reinsurance contracts in the normal course of business in order to limit the potential for losses arising from certain exposures. Outward reinsurance premiums are accounted for in the same period as the related premiums for the direct or accepted reinsurance business being reinsured.

Reinsurance liabilities represent balances due to reinsurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the provision for outstanding claims or settled claims associated with the reinsurance policies and are in accordance with the related reinsurance contract.

Reinsurance assets are not offset against related insurance liabilities. Income or expenses from reinsurance contract are not offset against expenses or income from related insurance assets.

Reinsurance assets or liabilities are derecognized when the contractual rights or obligations are extinguished or expired.

The Company assesses its reinsurance assets for impairment on reporting date. If there is an objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes the impairment loss in the profit and loss account.

The portion of reinsurance premium not recognized as an expense is shown as a prepayment.

Commission income from reinsurers is recognized at the time of issuance of the underlying insurance policy by the Company. This income is deferred and brought to account as revenue in accordance with the pattern of recognition of the reinsurance premium to which it relates. Profit commission, if any, which the Company may be entitled to under the terms of reinsurance, is recognized on accrual basis.

2.2.3 Provision for outstanding claims including IBNR

The Company recognizes liability in respect of all claims incurred up to the reporting date which is measured at the undiscounted value of the expected future payments. The claims are considered to be incurred at the time of the incident giving rise to the claim except as otherwise expressly indicated in the insurance contract. The liability for claims include amounts relating to unpaid reported claims, claims incurred but not reported (IBNR), expected claims settlement costs, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

Provisions for IBNR are based on the best estimate which takes into account the past trend, expected future patterns of reporting claims and the claims actually incurred subsequent to the balance sheet date.

The Company accounts for IBNR based on an analysis of past claims reporting pattern by tracking movement in claims incurred in an accounting period.

2.2.4 Reinsurance recoveries against outstanding claims

Claims recoveries receivable from the reinsurer are recognized as an asset at the same time as the claims which give rise to the right of recovery are recognized as a liability and are measured at the amount expected to be received.

2.2.5 Commission expense and other acquisition costs

Commission expense incurred in obtaining and recording policies is deferred and recognized as an expense in accordance with pattern of recognition of premium revenue.

Other acquisition costs are charged to profit and loss account at the time the policies are accepted.

2.2.6 Premium deficiency reserve

The Company maintains a provision in respect of premium deficiency for the class of business where the unearned premium liability is not adequate to meet the expected future liability, after reinsurance, from claims and other supplementary expenses expected to be incurred after the balance sheet date in respect of the unexpired policies in that class of business at the reporting date.

The movement in the premium deficiency reserve is recorded as an expense / income in profit or loss account for the year.

For this purpose, loss ratios for each class are estimated based on historical claim development. Judgment is used in assessing the extent to which past trends may not apply in future or the effects of one-off claims. If these ratios are adverse, premium deficiency is determined. The loss ratios estimated on these basis for the unexpired portion are as follows:

	2015
- Fire and property damage	12%
- Marine, aviation and transport	3%
- Motor	74%
- Accidental and health	69%
- Miscellaneous	35%

Based on an analysis of combined operating ratio for the expired period of each reportable segment, the management considers that the unearned premium reserve for all classes of business as at the year end is adequate to meet the expected future liability after reinsurance, from claims and other expenses expected to be incurred after the balance sheet date in respect of policies in those classes of business in force at the reporting date. Hence, no reserve for the same has been created in these financial statements.

2.3 Staff retirement benefits

The Company operates an contributory provident fund scheme for all its eligible employees. Equal monthly contributions to the fund are made by the Company and the employees at the rate of 10% of basic salary.

2.4 Creditors, accruals and provisions

Liabilities for creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid for the goods and / or services received, whether or not billed to the Company.

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of past events and, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.5 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash and bank deposits and excludes bank balances held under lien.

2.6 Investments

All investments are initially recognized at cost being the fair value of the consideration given and include any transaction costs. All purchases and sales of investments that require delivery within the time frame established by regulations or market convention are accounted for at the trade date. Trade date is the date when the Company commits to purchase or sell the investment.

These investments are classified as 'held-to-maturity' and 'available-for-sale'.

Held-to-maturity

Investments with fixed maturity, where management has both the intent and ability to hold to maturity, are classified as 'held-to-maturity'.

Subsequently, these are measured at amortized cost less provision for impairment, if any. Any premium paid or discount availed on acquisition of 'held-to-maturity' investments is deferred and amortized over the term of investment using the effective yield.

These are reviewed for impairment at year end and any losses arising from impairment are charged to the profit and loss account.

Available-for-sale

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity, changes in interest rates, equity prices or exchange rates are classified as available-for-sale.

Subsequent to initial recognition at cost, these are stated at the lower of cost or market value (market value being taken as lower if the reduction is other than temporary) in accordance with the requirements of the SEC (Insurance) Rules, 2002. The Company uses stock exchange quotations at the reporting date to determine the market value of its quoted investments. The Company uses appropriate valuation techniques to estimate the fair value of unquoted investments in unlisted securities. If such estimated fair value is lesser than the cost, the Company recognizes the impairment adjustments.

In case of fixed income securities redeemable at a given date where the cost is different from the redemption value, such difference is amortized uniformly over the period between the acquisition date and the date of maturity in determining 'cost' at which these investments are stated as per the requirements of the SEC (Insurance) Rules, 2002.

2.7 Taxation

2.7.1 Current

Provision for current taxation is based on taxable income for the period determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the period, if enacted.

2.7.2 Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the profit and loss account, except in the case of items credited or charged to statement of comprehensive income in which case it is included in statement of comprehensive income.

2.8 Fixed assets

2.8.1 Tangible

Owned fixed assets are stated at cost, signifying historical cost, less accumulated depreciation and any provision for accumulated impairment. Cost of an item of fixed assets consists of historical cost, borrowing cost pertaining to erection / construction period of qualifying asset directly attributable cost of bringing the asset to working condition. Depreciation is charged to income applying the reducing balance method at the rates specified for calculation of depreciation in note 15. The useful lives and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit and loss account as and when incurred.

Depreciation on additions is charged from the month the assets are available for use while on disposals, depreciation is charged up to the month in which the assets are disposed off.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable. If any such indications exist and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the assets disposed of. These are taken to profit and loss account.

2.8.2 Intangible

These are stated at cost less accumulated amortization and any provision for accumulated impairment, if any.

Amortization is calculated from the month the assets are available for use using the straight-line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization methods are reviewed, and adjusted if appropriate, at each reporting date.

Software development costs are only capitalized to the extent that future economic benefits are expected to be derived by the Company.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable. If any such indications exist and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

2.9 Expenses of management

Expenses of management have been allocated to various revenue accounts on equitable basis.

Previously, expenses of management allocated to underwriting business represented directly attributable expenses. Indirect expenses were charged as General and administration expenses. This change has no financial effect on the current, previous and future years' profitability and earning per share since this change relates to presentation and disclosure aspects only. Reclassification of change due to this change is disclosed in Note 32.

2.10 Investment income

From available-for-sale investments

- Return on fixed income securities

Return on fixed income securities is recognized on a time proportion basis.

- Dividend

Dividend income is recognized when the Company's right to receive the dividend is established.

- Gain / loss on sale of available-for-sale investments

Gain / loss on sale of available-for-sale investments is recognized in profit and loss account in the year of sale.

2.11 Foreign currencies

Transactions in foreign currencies are accounted for in Pak Rupees at the rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the reporting date. Exchange differences are taken to the profit and loss account currently.

2.12 Financial instruments

Financial assets and liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of contractual rights that comprise the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on the de-recognition of the financial assets and liabilities is included in the profit and loss account.

Financial instruments carried on the balance sheet include cash and bank, investments, premium due but unpaid, amounts due from other insurers / reinsurers, accrued investment income, sundry receivables, amounts due to other insurers / reinsurers and other creditors and accruals. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

2.13 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the shareholders and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.14 Off setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to set-off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated if there is any potential dilutive effect on the Company's reported net profits.

2.16 Impairment

Financial assets

A financial asset is considered to be impaired if objective evidence indicate that one or more events had a negative effect on the estimated future cash flow of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as a difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of available-for-sale financial asset is calculated with reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Non financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in profit and loss account. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit and loss account.

2.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (the board of directors) who is responsible for allocating resources and assessing performance of the operating segments.

The Company accounts for segment reporting using the classes of business as specified under the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 as the primary reporting format based on the Company's practice of reporting to the management on the same basis.

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them while the carrying amount of certain assets used jointly by two or more segments have been allocated to segments on a reasonable basis. Those assets and liabilities which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities.

2.18 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds.

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	Note	2015 Rupees	2014 Rupees
8 CASH AND BANK DEPOSITS			
Cash and other equivalents			
Cash in hand		31,463	36,586
Policy stamps		24,174	12,786
		55,637	49,372
Current and other accounts			
Current accounts		-	-
Saving accounts	8.1	23,281,005	35,288,507
		23,281,005	35,288,507
Deposits maturing within 12 months			
Fixed and term deposits	8.2	30,000,000	100,000,000
		53,336,642	135,337,879
8.1	The rate of return on these accounts ranges from 5% to 9.5% per annum.		
8.2	These represent Term Deposit Receipts (TDRs) in local currency carrying interest rates of 5.95% to 6.10% per annum.		
9 INVESTMENTS			
Held-to-maturity			
Government securities	9.1	100,403,206	50,717,456
Available-for-sale			
Government securities	9.2	224,780,893	304,509,547
Mutual funds	9.3	201,125,810	-
		425,906,703	304,509,547
		526,309,909	355,227,003
9.1 Held-to-maturity			
Market treasury bills	9.1.1	49,324,250	-
Pakistan Investment Bonds			
Pakistan Investment Bonds - cost		50,481,320	50,481,320
Add: Cumulative amortization of discount at year end		597,636	236,136
		51,078,956	50,717,456
		100,403,206	50,717,456
9.1.1	This represent a market treasury bills with a face value of Rupees 50,000,000 carrying effective yield rate of 6.244%. This will mature on 17 March 2016.		
9.2 Available-for-sale			
Pakistan Investment Bonds			
Pakistan Investment Bonds - cost		225,240,510	304,797,902
Less: Cumulative amortization of premium at the year end		(459,617)	(288,355)
		224,780,893	304,509,547

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9.3 Mutual Funds

At cost	No. of Units	
	2015	2014
NAFA Income Opportunity Fund	2,323,966.86	-
NAFA Government Security Fund	2,353,827.32	-
ABL - Government Security Fund -B	2,509,927.42	-
ABL Income Fund	2,410,033.45	-
MCB - Pakistan Sovereign Fund	461,002.84	-
MCB - Pakistan Income Enhancement Fund	450,694.07	-
Meezan Islamic Income Fund	475,014.25	-
Meezan Sovereign Fund	461,716.04	-
	202,856,897	-
Less: Impairment loss carrying value at year end	(1,731,087)	-
	201,125,810	-

- 9.4** On 31 December 2015, the fair value of available-for-sale securities was Rupees 428,184,920. As per the Company's accounting policy, 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 Measurements' dealing with the recognition and measurement of financial instruments requires that these instruments should be measured at fair value. Accordingly, had these investments been measured at fair value, their carrying value as at 31 December 2015 would have been higher by Rupees 2,278,217.

	Note	2015 Rupees	2014 Rupees
10 PREMIUM DUE BUT UNPAID			
Considered good		27,508,448	2,102,755
Considered doubtful		-	-
		27,508,448	2,102,755
Provision for doubtful balances		-	-
		27,508,448	2,102,755
11 AMOUNTS DUE FROM OTHER INSURERS / REINSURERS			
Considered good			
- foreign		2,217,335	-
- local		1,170,711	447,485
		3,388,046	447,485
12 ACCRUED INVESTMENT INCOME			
Term deposit receipts		89,322	356,165
Government securities		13,423,154	18,177,836
		13,512,476	18,534,001
13 PREPAYMENTS			
Prepaid reinsurance ceded		12,235,810	2,758,591
Prepaid insurance expense		126,047	348,888
Prepaid rent		1,176,719	1,461,660
Others		270,891	100,025
		13,809,468	4,669,164
14 SUNDRY RECEIVABLES			
Considered good			
Advance for purchase of vehicle		-	1,627,500
Advance for health claims	14.1	1,210,420	-
Insurance claim receivable	14.2	1,475,000	-
Other receivables		693,026	23,009
		3,378,446	1,650,509

14.1 This represent the advance given to Third Party Administrator, M/s Health E-Connex (Private) Limited against health claims.

14.2 This represent the insurance claim receivable from National Insurance Company Limited against loss of vehicle.

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15 Fixed Assets - Owned

Particulars	Tangibles					Intangible		Total	
	Leasehold Improvements	Furniture and fixture	Office Equipment	Computers	Vehicles	Total tangible assets	Intangibles		Total intangible assets
----- Rupees -----									
Year ended 31 December 2015									
Opening book value	11,674,336	1,902,549	5,997,718	649,713	5,105,217	25,329,533	47,825	47,825	25,377,358
Additions	73,000	558,820	311,265	446,800	2,825,013	4,214,898	3,284,114	3,284,114	7,499,012
Disposal / write offs									
Cost	-	-	-	-	(1,627,500)	(1,627,500)	-	-	(1,627,500)
Accumulated depreciation / amortization	-	-	-	-	320,527	320,527	-	-	320,527
	-	-	-	-	(1,306,973)	(1,306,973)	-	-	(1,306,973)
Depreciation / amortization charge for the period	(583,717)	(225,044)	(613,139)	(283,744)	(1,195,045)	(2,900,689)	(592,906)	(592,906)	(3,493,595)
Closing net book value	11,163,619	2,236,325	5,695,844	812,769	5,428,212	25,336,769	2,739,033	2,739,033	28,075,802
As at 31 December 2015									
Cost	12,161,075	2,584,091	6,551,926	1,154,652	6,608,513	29,060,257	3,351,446	3,351,446	32,411,703
Accumulated depreciation / amortization	(997,456)	(347,766)	(856,082)	(341,883)	(1,180,301)	(3,723,488)	(612,413)	(612,413)	(4,335,901)
	11,163,619	2,236,325	5,695,844	812,769	5,428,212	25,336,769	2,739,033	2,739,033	28,075,802
As at 31 December 2014									
Cost	12,088,075	2,025,271	6,240,661	707,852	5,411,000	26,472,859	67,332	67,332	26,540,191
Accumulated depreciation / amortization	(413,739)	(122,722)	(242,943)	(58,139)	(305,783)	(1,143,326)	(19,507)	(19,507)	(1,162,833)
	11,674,336	1,902,549	5,997,718	649,713	5,105,217	25,329,533	47,825	47,825	25,377,358
Depreciation / amortization rate (%)	5	10	10	33.33	20		33.33		

	Note	For the year ended 31 December 2015 Rupees	For the period from 20 December 2013 to 31 December 2014 Rupees
16 NET PREMIUM REVENUE			
Premium revenue (net of reinsurance)		20,391,577	(459,697)
Administrative surcharge	16.1	116,591	1,198
		20,508,168	(458,499)
16.1 Administrative surcharge			
Premium written and net premium revenue include administrative surcharge, class wise detail of which is given below:			
Fire and property damage		34,929	400
Marine, aviation and transport		8,107	449
Motor		61,164	349
Accident & health		-	-
Miscellaneous		12,391	-
		116,591	1,198
17 MANAGEMENT EXPENSES			
Salaries, allowance and benefits	17.1	15,707,979	2,781,589
Rent, rates and taxes		1,220,408	1,046,124
Legal and professional charges		206,302	357,020
Travelling and conveyance		1,494,596	447,720
Printing and stationary expenses		309,866	114,165
Repair and maintenance		243,611	46,183
Depreciation		1,160,276	457,030
Amortization of intangibles		237,162	7,803
Advertising		17,000	109,691
Utilities		378,837	103,140
Communication		181,340	66,514
Office expenses		493,658	165,797
Other charges		128,131	22,676
Insurance expenses		254,313	67,693
Meeting fee		20,000	-
Survey fee		151,750	-
Security charges		13,996	17,590
Brokerage and Commission		734,198	-
Service charges		632,387	6,486
Miscellaneous expenses		307,437	2,393
		23,893,247	5,819,614

17.1 This includes Company's contribution to the staff provident fund of Rupees 334,318.

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18. COMMISSION FROM REINSURERS

Class	Commission received or receivable	Unearned commission		2015	2014
		Opening	Closing	Commission from reinsurers	Commission from reinsurers
----- Rupees -----					
Fire and property damage	2,926,227	394,241	1,339,838	1,339,830	33,579
Marine, aviation and transport	11,335	15,568	6,187	20,716	4,097
Motor	219,437	-	135,337	84,100	-
Accident & Health	-	-	-	-	-
Miscellaneous	665,113	-	422,252	242,861	-
	3,822,112	409,809	2,544,414	1,687,507	37,676

19. OTHER INCOME

	For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
	Rupees	Rupees
Service income	203,618	-
Return on saving accounts	12,564,671	-
Gain on disposal of fixed asset	168,027	-
Income on generator sharing	436,860	218,430
Reversal of provision	977,850	-
Other	37,684	2,500
	14,388,710	220,930

20. GENERAL AND ADMINISTRATIVE EXPENSES

Salaries, wages, allowance and benefits	20.1	8,850,122	2,649,966
Directors meeting fee		110,000	120,000
Rent, rates and taxes		1,031,412	769,986
Legal and professional charges		309,453	535,531
Auditors' remuneration	20.2	527,250	100,000
Depreciation		1,740,413	685,996
Amortization of intangibles		355,744	11,704
Printing and stationery		319,113	153,824
Repair and maintenance		313,298	64,978
Travelling, conveyance and entertainment		858,499	476,302
Advertising		25,499	164,537
Utilities		568,256	154,709
Communication		272,009	99,771
Office expenses		740,487	248,695
Other charges		192,196	34,015
Insurance expenses		381,470	101,540
Provision for Workers Welfare Fund		-	977,850
		16,595,221	7,349,404

20.1 This includes Company's contribution to the staff provident fund of Rupees 468,670.

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		For the year ended 31 December 2015	For the period from 20 December 2013 to 31 December 2014
		Rupees	Rupees
20.2 Auditor's remuneration			
Audit fee		115,000	100,000
Tax and other certifications		412,250	-
		527,250	100,000
21 TAXATION			
Current	21.1	29,381,019	14,310,516
Deferred	21.2	462,695	1,463,032
		29,843,714	15,773,548
21.1 Relationship between tax expense and accounting profit			
The relationship between tax expense and accounting profit is as follows:			
Accounting profit before tax		97,162,681	47,798,630
Tax @ 32%		31,092,059	15,773,548
Effect of taxable temporary differences on account of:			
- tax depreciation allowance		(91,550)	(1,785,723)
- dividend income		(1,252,809)	-
- gain on disposal of fixed asset		(53,769)	
- provision for Workers Welfare Fund		(312,912)	322,691
		29,381,019	14,310,516
21.2 Deffered tax effect due to temporary difference of:			
- tax depreciation allowance		462,695	1,785,723
- provision for Workers Welfare Fund		-	(322,691)
		462,695	1,463,032
22 EARNINGS PER SHARE - BASIC AND DILUTED			
There is no dilutive effect on the basic earnings per share which is based on:			
Net profit after tax for the period - Rupees		67,318,967	32,025,082
Weighted average number of ordinary shares - Number		50,000,000	50,000,000
Basic earnings per share - Rupees		1.35	0.64

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23. REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE OFFICER AND EXECUTIVES

For year ended 31 December 2015

	Chief Executive Officer	Directors	Executives	Total
	Rupees			
Basic pay	2,799,997	-	3,527,268	6,327,265
House rent allowance	1,260,009	-	1,587,264	2,847,273
Utilities	279,997	-	352,740	632,737
Medical allowance	279,997	-	352,728	632,725
Others perquisites	676,935	-	674,157	1,351,092
Meeting fee	-	110,000	-	110,000
	5,296,935	110,000	6,494,157	11,901,092
Number of Persons	1	3	3	

For the period from 20 December 2013 to 31 December 2014

	Chief Executive Officer	Directors	Executives	Total
	Rupees			
Basic pay	1,887,877	-	762,169	2,650,046
House rent allowance	849,550	-	342,976	1,192,526
Utilities	188,787	-	76,218	265,005
Medical allowance	188,787	-	76,216	265,003
Others perquisites	566,945	-	174,052	740,997
Meeting fee	-	120,000	-	120,000
	3,681,946	120,000	1,431,631	5,233,577
Number of Persons	1	2	3	

24. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common Directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices determined under "Comparable uncontrolled price method". Transactions and balances with related parties have been disclosed in relevant notes to the financial statements. Other transactions and balances not elsewhere disclosed are summarized as follows:

	Balance as on 31 December 2015	Transactions for the year ended 31 December 2015	Balance as on 31 December 2014	Transactions for the year ended 31 December 2014
Associated Companies				
Sindh Bank Limited (SBL)				
Bank balances	23,281,005		35,288,507	
Premium due but unpaid	19,487,583			
Claim payable	6,972,173			
Investment in Term Deposit Receipts	204,300,000		100,000,000	
Payable to Sindh Bank Limited			(13,497)	
Purchase of Pakistan Investment Bond (PIB) from SBL		229,478,263		652,000,000
Sale of Pakistan Investment Bond (PIB) to SBL		811,570,402		274,000,000
Income on saving account		13,189,911		6,325,049
Premium written		55,123,086		
Premium received		35,635,503		
Claim paid		7,011,794		
Term Deposit Receipts encashed		125,000,000		
Income on Term Deposit Receipts		964,383		36,958,904

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	Balance as on 31 December 2015	Transactions for the year ended 31 December 2015	Balance as on 31 December 2014	Transactions for the year ended 31 December 2014
Associated Companies				
Sindh Modarba Management Limited (SML)				
Premium due but unpaid	24,773			
Claim payable	20,000			
Premium written		374,054		
Premium received		349,281		
Claim paid		31,468		
Payable to Sindh Modarba Company Limited			(10,384)	
Payment made to Sindh Modarba Management Limited against expenses paid on behalf of the Company				24,289
Income on sharing of generator		436,860		218,430
Sindh Leasing Company Limited (SLCL)				
Premium written		189,437		
Premium received		189,437		
Claim paid		67,838		
Payable to Sindh Leasing Company Limited			(69,072)	
Payment made to Sindh Leasing Management Limited against expenses paid on behalf of the Company				1,689,574
Others				
Health Econnex (Private) Limited				
Advance for health claim expenses	1,210,420			
Health claims paid on behalf of company		6,225,590		

25	NUMBER OF EMPLOYEES	2015	2014
	Number of employees at the end of the year	32	15
	Average number of employees during the period	24	6

26 FINANCIAL AND INSURANCE RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest / mark-up rate risk, price risk and currency risk). The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below. The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing the Company's risk management policies.

The individual risk wise analysis is given below:

26.1 Credit risk and concentration of credit risk

Credit risk is the risk that arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counterparties in various sectors and by continually assessing the credit worthiness of counterparties.

Concentration of credit risk occurs when a number of counterparties have a similar type of business activities. As a result any change in economic, political or other conditions would affect their ability to meet contractual obligations in similar manner. The Company's credit risk exposure is not significantly different from that reflected in these financial statements. The management monitors and limits the Company's exposure and makes conservative estimates of provisions for doubtful assets, if any. The management is of the view that it is not exposed to significant concentration of credit risk as its financial assets are adequately diversified in entities of sound financial standing, covering various industrial sectors.

The carrying amount of financial assets represents the maximum credit exposure, as specified below:

	2015 Rupees	2014 Rupees
Bank balances	53,281,005	135,337,679
Investments	526,309,909	355,227,003
Premiums due but unpaid	27,508,448	2,102,755
Re-insurance recoveries against outstanding claims	1,415,042	-
Loan to employees	119,833	-
Amounts due from other insurers / reinsurers	3,388,046	447,485
Accrued investment income	13,512,476	18,534,001
Sundry receivables	3,378,446	1,650,509
	628,913,205	513,299,432

Provision for impairment is made for doubtful receivables according to the Company's policy. The impairment provision is written off when the Company expects that it cannot recover the balance due. During the period, receivables of Rupees Nil were further impaired and provided for.

The age analysis of premium due but unpaid from other than related parties is as follows:

Upto 3 months	6,218,767	2,102,755
3 to 6 months	1,045,019	-
6 to 12 months	732,306	-
More than 12 months	-	-
	7,996,092	2,102,755

The age analysis of premium due but unpaid from related parties is as follows:

Upto 3 months	24,773	-
3 to 6 months	19,487,583	-
6 to 12 months	-	-
More than 12 months	-	-
	19,512,356	-

The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

	Rating		Rating Agency	2015	2014
	Short term	Long term		Rupees	Rupees
Saving accounts					
Sindh Bank Limited	A-1+	AA	JCR-VIS	23,281,005	35,288,507
Term deposit certificates					
JS Bank Limited	A1+	A+	PACRA	15,000,000	-
Sindh Bank Limited	A-1+	AA	JCR-VIS	-	100,000,000
Pak Oman Microfinance Bank Limited	Unrated	Unrated		15,000,000	-
				533,281,005	135,288,507

The credit quality of amount due from other insurers can be assessed with reference to external credit rating as follows:

	Amount due from other insurers / reinsurers	
	2015 Rupees	2014 Rupees
A or above	1,171,446	447,485
BBB	-	-
Unrated	2,216,600	-
Total	3,388,046	447,485

26.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of adequate funds through committed credit facilities. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management follows an effective cash management program to mitigate the liquidity risk.

The following are the contractual maturities of financial liabilities, including estimated interest payments on an undiscounted cash flow basis:

	As at 31 December 2015			
	Carrying amount	Contractual cash flow	Upto one year	More than one year
	Rupees	Rupees	Rupees	Rupees
Financial liabilities				
Premium received in advance	77,066	77,066	77,066	-
Provision for outstanding claims	7,486,182	7,486,182	7,486,182	-
Amount due to insurers / reinsurers	15,545,498	15,545,498	15,545,498	-
Other creditors and accruals	5,450,813	5,450,813	5,450,813	-
	28,559,559	28,559,559	28,559,559	-

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	As at 31 December 2014			
	Carrying amount	Contractual cash flow	Upto one year	More than one year
Financial liabilities			Rupees	
Provision for outstanding claims	115,991	115,991	115,991	-
Amount due to insurers / reinsurers	2,959,552	2,959,552	2,959,552	-
Other creditors and accruals	1,537,600	1,537,600	1,537,600	-
	4,613,143	4,613,143	4,613,143	-

26.3 Market risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The market risks associated with the Company's business activities are interest / mark-up rate risk, price risk and currency risk.

a) Interest / mark-up rate risk

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark-up rate risk arises from mismatching of financial assets and liabilities that mature or repaid in a given period. The Company manages this mismatch through risk management strategies where significant changes in gap position can be adjusted. At the reporting date the interest / mark-up rate profile of the Company's significant interest / mark-up bearing financial instruments was as follows:

	As at 31 December 2015		As at 31 December 2014	
	Effective interest rate (%age)	Rupees	Effective interest rate (%age)	Rupees
Fixed rate financial instruments				
Financial assets				
Investments-PIBs	11.5% to 13%	275,859,849	11.25% to 11.50%	355,227,003
Investments-T-Bills	6.24%	49,324,250	-	-
Bank deposits	6% to 9%	23,336,642	9.50%	35,288,507
Term deposit receipts	5.95% to 6.10%	30,000,000	10.00%	100,000,000
Floating rate financial instruments				
Financial assets		-		-
Financial liabilities		-		-

Sensitivity analysis

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate will not affect fair value of any financial instrument. Since there are no floating rate financial instruments, therefore, sensitivity analysis cannot be produced.

b) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest / mark-up rate risk or currency risk), whether those changes are caused by factor specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instrument traded in the market. The Company is not exposed to price risk as the Company has no equity investments.

c) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not exposed to foreign currency risk as the Company has no financial assets and financial liabilities in foreign currencies.

26.4 Insurance risk

The principal risk the Company faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Company is to ensure that sufficient reserves are available to cover these liabilities. The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements. Further, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims and similar procedures are put in place to reduce the risk exposure of the Company. The Company further enforces a policy of actively managing and prompt pursuing of claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the Company.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts.

Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Company substantially dependent upon any single reinsurance contract. Reinsurance policies are written with approved reinsurers on either a proportionate basis or non-proportionate basis. The reinsurers are carefully selected and approved and are dispersed over several geographical regions.

Experience shows that larger the portfolio is in similar insurance contracts, smaller will be the relative variability about the expected outcome. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The Company principally issues the general insurance contracts e.g. marine and aviation, property, motor and general accidents. Risks under non-life insurance policies usually cover twelve month or lesser duration. For general insurance contracts the most significant risks arise from accidental fire, atmospheric disaster and terrorist activities. Insurance contracts at times also cover risk for single incidents that expose the Company to multiple insurance risks.

a) Geographical concentration of insurance risk

To optimize benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risks with reference to the geographical location, the most important of which is risk survey.

Risk surveys are carried out on a regular basis for the evaluation of physical hazards associated primarily with the commercial / industrial occupation of the insured. Details regarding the fire separation / segregation with respect to the manufacturing processes, storage, utilities, etc. are extracted from the layout plan of the insured facility. Such details are formed part of the reports which are made available to the underwriters / reinsurers for their evaluation. Reference is made to the standard construction specifications laid down by Insurance Association of Pakistan (IAP). For fire and property risk a particular building and neighboring buildings, which could be affected by a single claim incident, are considered as a single location. For earthquake risk, a complete city is classified as a single location. Similarly, for marine risk, multiple risks covered in a single vessel voyage are considered as a single risk while assessing concentration of risk. The Company evaluates the concentration of exposures to individual and cumulative insurance risks and establishes its reinsurance policy to reduce such exposures to levels acceptable to the Company.

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A risk management solution is implemented to help assess and plan for risk in catastrophic scenarios. It provides a way to better visualize the risk exposure of the Company and to determine the appropriate amount of Reinsurance coverage to protect the business portfolio.

b) Reinsurance arrangements

Keeping in view the maximum exposure in respect of key zone aggregates, a number of proportional and nonproportional reinsurance arrangements are in place to protect the net account in case of a major catastrophe. Apart from the adequate event limit which is a multiple of the treaty capacity or the primary recovery from the proportional treaty, any loss over and above the said limit would be recovered from the non-proportional treaty which is very much in line with the risk management philosophy of the Company.

In compliance with regulatory requirements, the reinsurance agreements are duly submitted to the Securities and Exchange Commission of Pakistan on an annual basis.

The Company's class wise risk exposure (based on maximum loss coverage in a single policy is as follows):

Class	Gross sum insured	Reinsurance	Net exposure of risk	Net exposure of risk
			2015	2014
	Rupees	Rupees	Rupees	
Fire and property damage	350,265,000	338,265,000	12,000,000	10,000,000
Marine, aviation and transport	31,003,652	21,003,652	10,000,000	-
Motor	9,000,000	8,250,000	750,000	6,000,000
Accident and Health	1,000,000	-	1,000,000	-
Miscellaneous	350,000,000	332,500,000	17,500,000	-
	741,268,652	700,018,652	41,250,000	16,000,000

c) Uncertainty in the estimation of future claims payment

Claims on general insurance contracts are payable on a claim occurrence basis. The Company is liable for all insured events that occur during the term of the insurance contract including the event reported after the expiry of the insurance contract term.

An estimated amount of the claim is recorded immediately on the intimation to the Company. The estimation of the amount is based on management judgment or preliminary assessment by the independent surveyor appointed for this purpose. The initial estimates include expected settlement cost of the claims.

There are several variable factors which affect the amount and timing of recognized claim liabilities. The Company takes all reasonable measures to mitigate the factors affecting the amount and timing of claim settlements. However, uncertainty prevails with estimated claim liabilities and it is likely that final settlement of these liabilities may be different from initial recognized amount. Since this is the first year of operations, the provision for IBNR is based on management best estimate; hence, actual amount of IBNR may differ from the amount estimated.

d) Key assumptions

The principal assumption underlying the liability estimation of IBNR is that the Company's future claim development will follow similar market pattern for occurrence and reporting. The management uses qualitative judgment to assess the extent to which reporting pattern will not apply in future. The judgment includes external factors e.g. treatment of one-off occurrence claims, changes in market factors, economic conditions, etc. The internal factors such as portfolio mix, policy conditions and claim handling procedures are further used in this regard.

e) Sensitivity analysis

As the Company enters into short term insurance contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below, showing an impact on profit / (loss) before tax net of reinsurance:

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	Pre-tax loss		Shareholders' equity	
	2015	2014	2015	2014
	Rupees	Rupees	Rupees	Rupees
10% increase in loss				
Fire and property damage	7,505	8,898	5,103	5,962
Marine, aviation and transport	472	1,347	321	902
Motor	346,047	1,354	235,312	907
Accident and Health	904,257	-	614,895	-
Miscellaneous	67,202	-	45,697	-
	1,325,483	11,599	901,328	7,771
10% decrease in loss				
Fire and property damage	(7,505)	(8,898)	(5,103)	(5,962)
Marine, aviation and transport	(472)	(1,347)	(321)	(902)
Motor	(346,047)	(1,354)	(235,312)	(907)
Accident and Health	(904,257)	-	(614,895)	-
Miscellaneous	(67,202)	-	(45,697)	-
	(1,325,483)	(11,599)	(901,328)	(7,771)

f) Claim development

Since this is the second accounting period of the Company's operations, the claims development table cannot be produced.

27 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair values except for available-for-sale investments which are stated at lower of cost and market value in accordance with the requirements of the SEC (Insurance) Rules, 2002. The carrying and fair value of these investments have been disclosed in note 7 to the financial statements. Since the financial assets are not stated at exact fair values, therefore, analysis under following groups from level 1 to level 3 based on the degree to which fair value is observable is not produced:

Level 1: Quoted Market prices

Level 2: Valuation techniques (market observable)

Level 3: Valuation techniques (non market observable)

The carrying values of all financial assets and liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

28 FINANCIAL INSTRUMENT BY CATEGORIES

As at 31 December 2015

	Loans and receivables	Held-to-maturity	Available-for-sale	Total
	Rupees			
Financial assets				
Cash and bank balances	53,336,642	-	-	53,336,642
Investments	-	100,403,206	425,906,703	526,309,909
Premiums due but unpaid	27,508,448	-	-	27,508,448
Re-insurance recoveries against outstanding claims	1,415,042	-	-	1,415,042
Loan to employees	119,833	-	-	119,833
Amounts due from other insurers / reinsurers	3,388,046	-	-	3,388,046
Accrued investment income	13,512,476	-	-	13,512,476
Sundry receivables	3,378,446	-	-	3,378,446
	102,658,933	100,403,206	425,906,703	628,968,842

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As at 31 December 2015

Financial Liabilities

Provision for outstanding claims (including IBNR)
Loan to employees
Amount due to other insurers / reinsurers
Other creditors and accruals

At amortized
cost

Rupees

7,486,182
77,066
15,545,498
5,450,813
28,559,559

As at 31 December 2014

Financial assets

Cash and bank balances
Investments
Premiums due but unpaid
Amounts due from other insurers / reinsurers
Accrued investment income
Sundry receivables

Loans and receivables	Held-to- maturity	Available-for- sale	Total
Rupees			
135,337,879	-	-	135,337,879
-	50,717,456	304,509,547	355,227,003
2,102,755	-	-	2,102,755
447,485	-	-	447,485
18,534,001	-	-	18,534,001
1,650,509	-	-	1,650,509
158,072,629	50,717,456	304,509,547	513,299,632

As at 31 December 2014

Financial liabilities

Provision for outstanding claims (including IBNR)
Amount due to other insurers / reinsurers
Other creditors and accruals

At amortized
cost

Rupees

115,991
2,959,552
1,537,600
4,613,143

29 PROVIDENT FUND RELATED DISCLOSURE

The following information is based on un-audited financial information of the provident fund for the year ended 31 December 2015.

	2015 Rupees	2014 Rupees
Size of the funds - Total assets	1,507,598	-
Cost of investments	960,000	-
Percentage of investments made	64%	-
Fair value of investments	988,079	-

The break-up cost of investments is as follows:

	2015 Percentage	2015 Rupees	2014 Percentage	2014 Rupees
Term deposit receipts	-	-	-	-
Investments in mutual funds	66%	988,079	0%	-
Cash at bank - saving account	34%	519,519	0%	-
	100%	1,507,598	0%	-

The above investment / placement of funds has been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

30 CAPITAL RISK MANAGEMENT

The Company's goals and objectives when managing capital are:

- to be an appropriately capitalised institution in compliance with the paid-up capital requirement set by the SECP. Minimum paid up capital requirement for non-life insurers is Rupees 300 million. The Company's current paid-up capital is well in excess of the limit prescribed by the SECP;
- to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for the other stakeholders;
- to provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk;
- to maintain strong ratings and to protect the Company against unexpected events/ losses; and
- to ensure a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

31 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorized for issue on _____ by the Board of Directors of the Company.

32 CORRESPONDING FIGURES

32.1 No significant reclassification/re-arrangement of corresponding figures has been made during the year except for followings:

From	To	Reason	Rupees
General and administrative expenses	Underwriting expense	For better presentation	4,100,735
Prepaid reinsurance ceded	Prepayments	For better presentation	2,758,591
			<u>6,859,326</u>

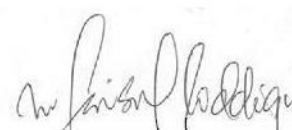
33 GENERAL

- Figures have been rounded to the nearest Rupee.


Chairman


Director


Director


Chief Executive Officer

HELD BY THE SHAREHOLDERS OF SINDH INSURANCE LIMITED AS AT DECEMBER 31, 2015

Number of Shareholders	Shareholding		Shares Held	Percentage %
	From	To		
1	1	49,999,993	49,999,993	99.999986
7	49,999,994	50,000,000	7	0.000014
8			50,000,000	100.0000

Categories of Shareholders	Shareholders	Shares Held	Percentage
<u>Associated Company</u>	-	-	-
<u>Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful Companies and Modarabas</u>	-	-	-
<u>Mutual Funds</u>	-	-	-
<u>Other Companies</u>	-	-	-
<u>Shareholding Above 5%</u>			
Government of Sindh	1	49,999,993	99.999986
<u>Directors, CEO, Executives and their Spouses and Minor Childrens</u>			
Muhammad Bilal Sheikh	1	1	0.000002
Mohammad Sohail Khan Rajput	1	1	0.000002
Syed Shahnwaz Nadir	1	1	0.000002
Muhammad Naimuddin Farooqui	1	1	0.000002
Shamsuddin Khan	1	1	0.000002
Ahmed Salahuddin	1	1	0.000002
Akhtar Ali Khan	1	1	0.000002
Individuals	-	-	-
Total	8	50,000,000	100.000000

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO


SINDH INSURANCE
Power To The People

TRAVEL COMFORT



TRAVEL INSURANCE

Quote Folio No. _____

Second Annual General Meeting

I/We _____ of _____
 being a member of **Sindh Insurance Limited** and holder of _____ ordinary shares,
 hereby appoint _____ of _____
 or failing him _____ of _____
 who are also members of Sindh Insurance Limited as my/our proxy in my/our absence to attend and vote for me/us and
 on my/our behalf at the Second Annual General Meeting to be held on Thursday, April 28, 2016 at 10:00 am at 1st Floor,
 Imperial Court, Dr. Ziauddin Ahmed Road, Karachi and at any adjournment thereof.

Signed this _____ day of _____ 2016

1. Witness:

Signature _____

Name _____

Address _____

CNIC No. _____

Passport No. _____

**Please affix
 Rupees Five
 Revenue
 Stamp**

2. Witness:

Signature _____

Name _____

Address _____

CNIC No. _____

Passport No. _____

Signature of Member

Importants: This instrument appointing a proxy, duly completed, must be received by the Company Secretary at the Company's Head Office/Registered Office, 1st Floor, Imperial Court, Dr. Ziauddin Amed Road, Karachi., not later than 48 hours before the time of holding the meeting.

دوسرا سالانہ عام اجلاس

میں/ہم _____ ساکن _____ بحیثیت رکن سندھ انشورنس لمیٹڈ اور حامل
_____ عام حصص، اس دستاویز کے ذریعے
_____ ساکن _____
یا ان کی عدم دستیابی کی صورت میں _____ ساکن _____
جیسا کہ وہ بھی سندھ انشورنس لمیٹڈ کے رکن ہیں کو بطور میرے/ہمارے مختار، جو کہ میری / ہماری غیر موجودگی کی صورت میں دوسرے
سالانہ عام اجلاس منعقدہ جمعرات 28 اپریل 2016، 10 بجے صبح، بمقام پہلی منزل امپیریل کورٹ، ڈاکٹر ضیاء الدین احمد روڈ، کراچی یا کسی بھی
دیگر صورت میں شرکت کرنے اور میرے/ہمارے لئے حق رائے دہی استعمال کر سکے، مقرر کرتے ہیں

دستخط _____ سورجہ _____ 2016

۱۔ گواہ

دستخط: _____

نام: _____

پتہ: _____

قومی شناختی کارڈ نمبر: _____

پاسپورٹ نمبر: _____

۲۔ گواہ

دستخط: _____

نام: _____

پتہ: _____

قومی شناختی کارڈ نمبر: _____

پاسپورٹ نمبر: _____

اہم ترین:

یہ دستاویز ایک مختیار کار کی تقرری ہے جو کہ مکمل کر کے اجلاس شروع کرنے کے 48 گھنٹے پہلے کمپنی سیکریٹری کو درج ذیل پتہ پر موصول ہونا ضروری ہے۔

پتہ:

پہلی منزل امپیریل کورٹ، ڈاکٹر ضیاء الدین احمد روڈ، کراچی۔

برائے مہربانی پانچ روپے
کے رسیدی ٹکٹ چسپاں
کریں۔

رکن کے دستخط