

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



SINDH **GOVERNMENT**

POWER TO THE PEOPLE

**Accounts for the Six month ended
30 June 2016 (Unaudited)**

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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
Fauza 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

Directors' Review

On behalf of the Board of Directors, I am pleased to present the results of your Company for the half year ended June 30, 2016.

COMPANY PERFORMANCE REVIEW

During the period ended June 30, 2016, the company underwrote risk assets which generated gross premium of Rs. 379.479 million. By the Grace of Almighty Allah, first time in the history of the Company operational results converted into profit of Rs. 5.118 million from loss of Rs. 10.239 million in the corresponding period. The net claim expense ratio stood at 43.333% of the net premium revenue. Gross premium mainly consisted of premium of Sindh Engro Coal Mining Company Limited amounting to Rs. 321.022 million. The benefits of this transaction shall continue to accrue as the reinsurance commission will continue to be earned over the policy period of 3.2 years. While the premium revenue is a one-time event, the profit from the transaction shall be reflected in more than three financial years.

Profit before tax stood at Rs. 37.358 million as on June 30, 2016 as compared with Rs. 62.642 million of the corresponding period last year. The profit after tax was Rs. 25.403 million as compared with profit after tax of Rs. 41.970 million of the corresponding period of 2015. This decrease in half yearly profit was due to lesser capital gains in the half year under review.

The total assets of the company increased to Rs. 1,033 million as compared with Rs. 676 million as at the year ended December 31, 2015. Total equity of the Company crossed over Rs. 624 million.

ECONOMIC OVERVIEW

With dip in oil prices and expansion in industry and services, Pakistan has witnessed the fastest economic growth of 4.71%, highest in the past eight years. With the positive trend, the investor confidence has slowly returned to the country. Finance and Insurance sector registered a growth of 7.84 percent in the outgoing fiscal year 2016 as compared to 6.48 percent in the year 2015. With all positive economic indicators any heavy investments in Power and Infrastructure sectors would definitely translate into a healthy growth for the insurance industry of Pakistan.

FUTURE OUTLOOK

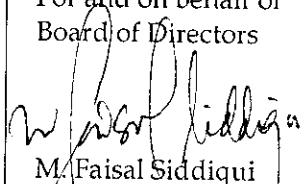
The Company is opening a branch in Civic Center for new product of Third Party Liability policy and hopes to start Window Takaful Operations as soon as SECP approval is received. Travel insurance will also be started from the third quarter. The Company is approaching various banks to obtain its share in the mandatory crop insurance scheme enforced by State Bank of Pakistan. Health insurance scheme of Government of Sindh employees is also in process.

ACKNOWLEDGEMENT

The Board would like to thank the shareholders for the confidence reposed in the company. The Board also expresses its sincere thanks to the strategic partners, vendors, suppliers and customers. As always the support and guidance provided by the Securities and Exchange Commission of Pakistan and the commitment and dedication of our staff is appreciated.

Further, the Board also wishes to record its appreciation for the Insurance Association of Pakistan (IAP) for its valuable support and contribution to the insurance industry.

For and on behalf of
Board of Directors



M. Faisal Siddiqui
Chief Executive Officer

Karachi. August 11, 2016

RIAZ AHMAD & COMPANY
Chartered Accountants

SINDH INSURANCE LIMITED

**REVIEW OF CONDENSED INTERIM FINANCIAL
INFORMATION**

**FOR THE SIX- MONTHS PERIOD ENDED
30 JUNE 2016**



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

Introduction

We have reviewed the accompanying:

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

of SINIH INSURANCE LIMITED ("the Company") together with notes to the accounts for the six-month period then ended 30 June 2016 (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of the condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review


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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim financial information for the quarter ended 30 June 2016 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the six-month period ended 30 June 2016. The figures of the condensed interim financial information for the half year and quarter ended 30 June 2015 have not been reviewed by any firm of chartered accountants.


RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Muhammad Hamid Jan

Date: 11 AUG 2016

KARACHI

SINDH INSURANCE LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT 30 JUNE 2016

| | 30 June 2016 Rupees (Unaudited) | 31 December 2015 Rupees (Audited) |
|---------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------|
| Share capital and reserve | | |
| Authorised share capital (150,000,000 shares of Rupees 10 each) | 1,500,000,000 | 500,000,000 |
| Issued, subscribed and paid-up share capital (50,000,000 shares of Rupees 10 each) | 500,000,000 | 500,000,000 |
| Retained earnings | 124,747,712 | 99,344,049 |
| TOTAL EQUITY | 624,747,712 | 599,344,049 |
| Underwriting provisions | | |
| Provision for outstanding claims (including IBNR) | 8,094,233 | 7,486,187 |
| Provision for unearned premium | 348,016,690 | 44,399,761 |
| Commission income unearned | 2,541,044 | 2,544,414 |
| | 358,651,967 | 54,430,357 |
| Deferred liabilities | | |
| Deferred tax | 1,929,416 | 1,925,777 |
| Provision for compensated leave absences | 2,332,516 | 1,431,567 |
| Creditors and accruals | | |
| Premium received in advance | 8,328 | 77,066 |
| Amount due to other insurers/reinsurers | 39,277,049 | 15,545,498 |
| Other creditors and accruals | 2,442,830 | 4,019,246 |
| Provision for taxation less payments | 4,302,192 | |
| | 46,030,399 | 19,641,810 |
| TOTAL LIABILITIES | 408,944,298 | 77,429,461 |
| CONTINGENCIES AND COMMITMENTS | | |
| TOTAL EQUITY AND LIABILITIES | 1,033,692,010 | 676,773,510 |
| Cash and bank deposits | | |
| Cash and other equivalents | 124,424 | 55,637 |
| Current and other accounts | 28,315,340 | 23,281,005 |
| Deposits maturing within 12 months | 65,402,725 | 30,000,000 |
| | 93,842,489 | 53,336,642 |
| Investments | | |
| Current assets | | |
| Premium due but unpaid | 43,543,662 | 27,508,448 |
| Due from other insurers/reinsurers | 4,897,366 | 3,388,046 |
| Accrued investment income | 10,421,078 | 13,512,476 |
| Re-insurance recoveries against outstanding claims | 791,481 | 1,415,047 |
| Loan to employees | 3,688,058 | 119,833 |
| Advance income tax (net of provision) | - | 4,607,577 |
| Deferred commission expense | 2,203,157 | 1,311,821 |
| Salvage recoveries accrued | - | - |
| Prepayments | 281,572,187 | 13,809,468 |
| Sundry receivables | 4,338,743 | 3,378,446 |
| | 351,455,732 | 69,051,157 |
| Fixed assets - tangible & intangible | | |
| Owned | | |
| Leasehold improvements | 10,884,529 | 11,163,619 |
| Furniture & fixtures | 2,145,406 | 2,236,325 |
| Office equipment | 5,427,487 | 5,695,844 |
| Computers | 873,066 | 812,769 |
| Vehicles | 4,885,391 | 5,428,212 |
| Intangible asset - computer software | 3,003,041 | 2,739,033 |
| | 27,218,920 | 28,075,802 |
| TOTAL ASSETS | 1,033,692,010 | 676,773,510 |

The annexed notes from 1 to 18 form an integral part of these financial statements.

Chairman

Director

Director


Chief Executive Officer


SINDH INSURANCE LIMITED
 CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

| Three months period ended 30 June 2016 | | | | | | | | |
|----------------------------------------|--------------------------|----------------------|------------------|---------------------|--------------------|--------|--------------------|--------------------|
| | Fire and property damage | Marine, aviation and | Motor | Accident and Health | Miscellaneous | Treaty | April to June 2016 | April to June 2015 |
| Note | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| | 567,605 | 613,471 | 13,711,380 | 9,368,389 | 2,754,915 | - | 27,015,760 | 288,373 |
| | (80,694) | 101,406 | (3,403,094) | (6,267,523) | 330,638 | - | (9,319,267) | (2,092) |
| 12 | (584,381) | (2,153,758) | (961,779) | (146,142) | (6,945,200) | - | (10,791,260) | (5,729,724) |
| | 441,477 | 31,137 | (1,586,464) | - | 464,474 | - | (649,376) | (43,323) |
| Underwriting results | 344,007 | (1,407,744) | 7,760,043 | 2,954,724 | (3,395,173) | - | 6,255,857 | (5,486,766) |
| Investment income | | | | | | | 33,393,839 | 17,491,022 |
| Other income | | | | | | | 1,408,494 | 118,198 |
| | | | | | | | 41,058,190 | 12,122,454 |
| General and administration expenses | | | | | | 13 | (7,565,376) | (3,960,883) |
| Profit before tax | | | | | | | 33,492,814 | 8,161,571 |
| Taxation | | | | | | | (10,877,754) | (2,693,318) |
| Profit for the period | | | | | | | 22,615,060 | 5,468,253 |
| Earnings per share - basic and diluted | | | | | | 14 | 0.45 | 0.11 |


| Six months period ended 30 June 2016 | | | | | | | | |
|--------------------------------------------------------|--------------------------|--------------------------------|-------------------|---------------------|--------------------|--------|----------------------|----------------------|
| | Fire and property damage | Marine, aviation and transport | Motor | Accident and Health | Miscellaneous | Treaty | January to June 2016 | January to June 2015 |
| Note | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| | 941,868 | 707,900 | 18,257,370 | 18,459,670 | 3,147,598 | - | 41,514,406 | 120,682 |
| | (188,631) | (80,409) | (4,554,021) | (13,411,030) | 243,225 | - | (17,990,916) | (262,867) |
| 12 | (976,079) | (3,597,375) | (1,606,439) | (244,099) | (11,600,418) | - | (18,024,410) | (10,241,799) |
| | 712,190 | 16,892 | (1,729,212) | (964) | 620,803 | - | (380,291) | 144,754 |
| Underwriting results | 489,298 | (2,952,992) | 10,367,698 | 4,803,577 | (7,588,792) | - | 5,118,789 | (10,239,230) |
| Investment income | | | | | | | 40,610,173 | 80,192,737 |
| Other income | | | | | | 11 | 3,653,424 | 257,413 |
| | | | | | | | 49,382,386 | 70,210,920 |
| General and administration expenses | | | | | | 13 | (12,024,056) | (7,567,928) |
| Profit before tax | | | | | | | 37,358,330 | 62,642,992 |
| Taxation | | | | | | | (11,954,667) | (20,672,187) |
| Profit for the period | | | | | | | 25,403,663 | 41,970,805 |
| Profit and loss appropriation: | | | | | | | | |
| Balance at beginning of the period | | | | | | | 99,344,049 | 32,025,082 |
| Profit for the period | | | | | | | 25,403,663 | 41,970,805 |
| Balance unappropriated profit at the end of the period | | | | | | | 124,747,712 | 73,995,887 |
| Earnings per share - basic and diluted | | | | | | 14 | 0.51 | 0.84 |

The annexed notes from 1 to 18 form an integral part of these financial statements.


 Chairman


 Director


 Director


 Chief Executive Officer

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016


| | Three months period ended 30 June | | Six months period ended 30 June | |
|-----------------------------------------------------------------------------|--------------------------------------|------------------|------------------------------------|-------------------|
| | 2016 | 2015 | 2016 | 2015 |
| | Rupees | Rupees | Rupees | Rupees |
| Profit for the period | 22,615,060 | 5,468,253 | 25,403,663 | 41,970,805 |
| 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 period | 22,615,060 | 5,468,253 | 25,403,663 | 41,970,805 |

The annexed notes from 1 to 18 form an integral part of these financial statements.


 Chairman


 Director


 Director


 Chief Executive Officer

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

| | Issued, subscribed and paid up share capital | Retained earnings | Total shareholders' equity |
|--------------------------------------------------------|-------------------------------------------------------|----------------------|-------------------------------|
| | Rupees | Rupees | Rupees |
| Balance as at 31 December 2014 | 500,000,000 | 32,025,082 | 532,025,082 |
| Profit for the six month period ended 30 June 2015 | - | 41,970,805 | 41,970,805 |
| Other Comprehensive income | - | - | - |
| Total comprehensive income | - | 41,970,805 | 41,970,805 |
| Balance as at 30 June 2015 | 500,000,000 | 73,995,887 | 573,995,887 |
| Profit for the six month period ended 31 December 2015 | - | 25,348,162 | 25,348,162 |
| Other Comprehensive income | - | - | - |
| Total comprehensive income | - | 25,348,162 | 25,348,162 |
| Balance as at December 31, 2015 | 500,000,000 | 99,344,049 | 599,344,049 |
| Profit for the six month period ended 30 June 2016 | - | 25,403,663 | 25,403,663 |
| Other Comprehensive income | - | - | - |
| Total comprehensive income | - | 25,403,663 | 25,403,663 |
| Balance as at 30 June 2016 | <u>500,000,000</u> | <u>124,747,712</u> | <u>624,747,712</u> |

The annexed notes from 1 to 18 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

| | 30 June 2016 | 30 June 2015 |
|-------------------------------------------------------------|-------------------|----------------------|
| | Rupees | Rupees |
| OPERATING ACTIVITIES | | |
| <i>a) Underwriting activities</i> | | |
| Premiums received | 363,375,490 | 5,049,120 |
| Reinsurance premiums paid | (279,847,905) | (1,686,528) |
| Claims paid | (17,889,208) | (65,500) |
| Reinsurance and other recoveries received | 1,129,904 | - |
| Commissions paid | (3,818,999) | (608,449) |
| Commissions received | 2,544,002 | 444,075 |
| Other underwriting payments | (17,235,502) | (10,241,799) |
| Net cash flows from / (used in) underwriting activities | 48,257,782 | (7,109,081) |
| <i>b) Other operating activities</i> | | |
| Income tax paid | (3,041,210) | (18,795,594) |
| Management and administrative expenses paid | (15,084,386) | (7,566,076) |
| Others | (1,000,986) | (593,353) |
| Net cash used in other operating activities | (19,126,582) | (26,955,023) |
| Net cash flows from / (used in) operating activities | 29,131,200 | (34,064,104) |
| INVESTING ACTIVITIES | | |
| Profit / return received on investment | 17,698,444 | 29,373,042 |
| Other income received | 3,653,424 | 257,413 |
| Investment related expenses paid | (7,475) | (7,536) |
| Payments for investments | (2,191,040,211) | (1,174,610,403) |
| Proceeds from disposal of investments | 2,182,185,853 | 1,074,536,574 |
| Fixed capital expenditure | (1,115,388) | (2,053,274) |
| Net cash flows from / (used in) investing activities | 11,374,647 | (72,504,184) |
| FINANCING ACTIVITIES | | |
| Net cash flows from all activities | 40,505,847 | (106,568,288) |
| Cash and cash equivalents at the beginning of year | 53,336,642 | 135,337,879 |
| Cash and cash equivalents at end of the period | 93,842,489 | 28,769,591 |

5

| | 30 June 2016 | 30 June 2015 |
|--------------------------------------------------|-------------------|-------------------|
| | Rupees | Rupees |
| Reconciliation to profit and loss account | | |
| Operating cash flows | 29,131,200 | (34,064,104) |
| Depreciation on fixed assets | (1,387,090) | (1,628,089) |
| Amortization of intangibles | (585,180) | (34,240) |
| Investment related expenses | (7,475) | (7,536) |
| Income tax paid | 3,041,210 | 18,795,594 |
| Increase in assets other than cash | 290,103,550 | 183,341 |
| Increase in liabilities | (327,208,957) | (802,247) |
| Investment income | 40,617,648 | 80,200,273 |
| Other Income | 3,653,424 | |
| Profit before taxation | 37,358,330 | 62,642,992 |

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:

| | 30 June 2016 | 30 June 2015 |
|-------------------------------------------|-------------------|-------------------|
| | Rupees | Rupees |
| Cash and other equivalents | | |
| - Cash in hand | 4,966 | 62,593 |
| - Policy stamps in hand | 119,458 | 9,240 |
| | 124,424 | 71,833 |
| Current and saving accounts | | |
| - Current accounts | - | - |
| - Savings accounts | 28,315,340 | 3,697,758 |
| | 28,315,340 | 3,697,758 |
| Deposits maturing within 12 months | | |
| - Term deposit - local currency | 65,402,725 | 25,000,000 |
| | 93,842,489 | 28,769,591 |

The annexed notes from 1 to 18 form an integral part of these financial statements.



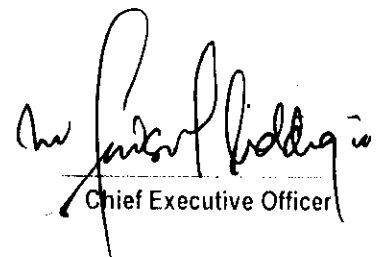
Chairman



Director



Director



Chief Executive Officer

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED)
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

Business underwritten inside Pakistan

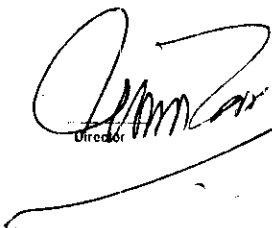
| Class | Premium written Rupees | Unearned premium reserve | | Premium earned Rupees | Reinsurance ceded Rupees | Prepaid reinsurance premium ceded | | Reinsurance expense Rupees | April to June | |
|--------------------------------|---------------------------|--------------------------|--------------------|--------------------------|-----------------------------|-----------------------------------|-------------------------------|-------------------------------|-------------------|----------------|
| | | Opening | Closing | | | 2016 | 2015 | | | |
| | | Rupees | Rupees | | | Net premium revenue Rupees | Net premium revenue Rupees | | | |
| Direct and facultative | | | | | | | | | | |
| Fire and property damage | 17,869,119 | 7,790,147 | 20,216,338 | 5,442,928 | 16,194,871 | 7,014,474 | 18,334,027 | 4,875,323 | 567,605 | 15,327 |
| Marine, aviation and transport | 75,664,681 | 161,938 | 70,522,747 | 5,303,672 | 58,606,289 | 11,769 | 63,927,657 | 4,690,401 | 613,471 | 7,298 |
| Motor | 26,431,843 | 9,269,355 | 21,473,977 | 14,227,221 | 579,261 | 10,308 | 73,728 | 515,841 | 13,711,380 | 242,596 |
| Accident & Health | 3,793,723 | 14,085,007 | 8,510,341 | 9,368,389 | | | | | 9,368,389 | |
| Miscellaneous | 242,988,607 | 4,879,308 | 227,293,287 | 20,574,623 | 212,741,072 | 2,701,069 | 197,622,433 | 17,819,708 | 2,754,915 | 23,157 |
| Sub total | 366,747,968 | 36,185,755 | 348,016,690 | 54,917,033 | 298,121,493 | 9,737,620 | 279,957,840 | 27,901,273 | 27,015,760 | 288,373 |
| Treaty | | | | | | | | | | |
| Proportional | | | | | | | | | | |
| Sub total | | | | | | | | | | |
| Grand total | 366,747,968 | 36,185,755 | 348,016,690 | 54,917,033 | 298,121,493 | 9,737,620 | 279,957,840 | 27,901,273 | 27,015,760 | 288,373 |

| Class | Premium written Rupees | Unearned premium reserve | | Premium earned Rupees | Reinsurance ceded Rupees | Prepaid reinsurance premium ceded | | Reinsurance expense Rupees | January to June | |
|--------------------------------|---------------------------|--------------------------|--------------------|--------------------------|-----------------------------|-----------------------------------|-------------------------------|-------------------------------|-------------------|----------------|
| | | Opening | Closing | | | 2016 | 2015 | | | |
| | | Rupees | Rupees | | | Net premium revenue Rupees | Net premium revenue Rupees | | | |
| Direct and facultative | | | | | | | | | | |
| Fire and property damage | 20,550,014 | 8,491,854 | 20,216,338 | 8,825,530 | 18,573,428 | 7,644,256 | 18,334,027 | 7,883,662 | 941,868 | 61,126 |
| Marine, aviation and transport | 75,737,842 | 193,359 | 70,522,747 | 5,408,454 | 58,606,289 | 21,922 | 63,927,657 | 4,700,554 | 707,900 | 8,316 |
| Motor | 33,821,391 | 6,945,973 | 21,473,977 | 19,293,387 | 1,074,261 | 35,484 | 73,728 | 1,036,017 | 18,257,370 | (6,284) |
| Accident & Health | 5,139,163 | 21,830,848 | 8,510,341 | 18,459,670 | | | | | 18,459,670 | |
| Miscellaneous | 244,231,037 | 6,937,727 | 227,293,287 | 23,875,472 | 213,816,159 | 4,534,148 | 197,622,433 | 20,727,874 | 3,147,598 | 57,524 |
| Sub total | 379,479,442 | 44,399,761 | 348,016,690 | 75,862,513 | 302,070,137 | 12,235,810 | 279,957,840 | 34,348,107 | 41,514,406 | 120,682 |
| Treaty | | | | | | | | | | |
| Proportional | | | | | | | | | | |
| Sub total | | | | | | | | | | |
| Grand total | 379,479,442 | 44,399,761 | 348,016,690 | 75,862,513 | 302,070,137 | 12,235,810 | 279,957,840 | 34,348,107 | 41,514,406 | 120,682 |

Note: The Company does not underwrite business outside Pakistan.

The annexed notes form 1 to 18 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

SINGH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

Business underwritten inside Pakistan

| Class | Total claims paid | Three months period ended 30 June 2016 | | | | | | | April to June | |
|--------------------------------|-------------------|----------------------------------------|------------------|------------------|-------------------------------------------|------------------------------------------------|----------------|------------------------------------------|-------------------------|-------------------------|
| | | Outstanding claims | | Claims expenses | Reinsurance and other recoveries received | Reinsurance and other recoveries in respect of | | Reinsurance and other recoveries revenue | 2016 Net claims expense | 2015 Net claims expense |
| | | Opening | Closing | | | Opening | Closing | | | |
| Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | |
| Direct and facultative | | | | | | | | | | |
| Fire and property damage | 869,861 | 1,005,000 | 340,000 | 204,861 | 700,167 | 804,000 | 228,000 | 124,167 | 80,694 | (84,479) |
| Marine, aviation and transport | 98,594 | 200,000 | | (101,406) | | | | | (101,406) | (5,445) |
| Motor | 1,164,884 | 1,404,192 | 2,644,402 | 2,405,094 | (150,600) | 847,400 | | (998,000) | 3,403,094 | 84,500 |
| Accident & Health | 7,643,730 | 5,661,038 | 4,284,831 | 6,267,523 | | | | | 6,267,523 | |
| Miscellaneous | 358,992 | 1,410,000 | 825,000 | (226,008) | 261,467 | 720,318 | 563,481 | 104,630 | (330,638) | 11,516 |
| Sub total | 10,136,061 | 9,680,230 | 8,094,233 | 8,550,064 | 811,034 | 2,371,718 | 791,481 | (769,203) | 9,319,267 | 2,092 |
| Treaty | | | | | | | | | | |
| Proportional | | | | | | | | | | |
| Sub total | | | | | | | | | | |
| Grand total | 10,136,061 | 9,680,230 | 8,094,233 | 8,550,064 | 811,034 | 2,371,718 | 791,481 | (769,203) | 9,319,267 | 2,092 |

| Class | Total claims paid | Six months period ended 30 June 2016 | | | | | | | January to June | |
|--------------------------------|-------------------|--------------------------------------|------------------|-------------------|-------------------------------------------|-------------------------------------------------------------------|----------------|------------------------------------------|-------------------------|-------------------------|
| | | Outstanding claims | | Claims expenses | Reinsurance and other recoveries received | Reinsurance and other recoveries in respect of outstanding claims | | Reinsurance and other recoveries revenue | 2016 Net claims expense | 2015 Net claims expense |
| | | Opening | Closing | | | Opening | Closing | | | |
| Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | |
| Direct and facultative | | | | | | | | | | |
| Fire and property damage | 1,027,955 | 521,199 | 340,000 | 846,756 | 827,034 | 396,959 | 228,000 | 658,075 | 188,681 | (21,943) |
| Marine, aviation and transport | 98,594 | 18,185 | | 80,409 | | | | | 80,409 | (9,445) |
| Motor | 4,349,334 | 3,437,715 | 2,644,402 | 3,568,021 | | 998,000 | | (998,000) | 4,554,021 | 274,951 |
| Accident & Health | 11,943,182 | 2,816,983 | 4,284,831 | 13,411,030 | | | | | 13,411,030 | |
| Miscellaneous | 470,143 | 692,100 | 825,000 | 603,043 | 302,870 | 20,083 | 563,481 | 846,268 | (243,225) | (9,304) |
| Sub total | 17,889,208 | 7,486,182 | 8,094,233 | 18,497,259 | 1,129,904 | 1,415,042 | 791,481 | 506,343 | 17,990,916 | 262,867 |
| Treaty | | | | | | | | | | |
| Proportional | | | | | | | | | | |
| Sub total | | | | | | | | | | |
| Grand total | 17,889,208 | 7,486,182 | 8,094,233 | 18,497,259 | 1,129,904 | 1,415,042 | 791,481 | 506,343 | 17,990,916 | 262,867 |

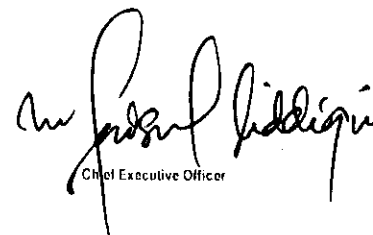
Note: The Company does not underwrite business outside Pakistan

The annexed notes from 1 to 18 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

Business underwritten inside Pakistan

| Class | Three months period ended 30 June 2016 | | | | | | | | April to June | |
|--------------------------------|----------------------------------------|---------------------|------------------|------------------------|--------------------------|----------------------|-----------------------------|-------------------------------|-------------------------------|--|
| | Commission paid or payable | Deferred commission | | Net commission expense | Other management expense | Underwriting expense | Commission from reinsurance | 2016 Net underwriting expense | 2015 Net underwriting expense | |
| | | Opening | Closing | | | | | | | |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | |
| Direct and facultative | | | | | | | | | | |
| Fire and property damage | 123,675 | 1,108,446 | 655,171 | 576,950 | 584,381 | 1,161,331 | 1,018,477 | 142,904 | 190,411 | |
| Marine, aviation and transport | 29,161 | 26,294 | 26,345 | 29,110 | 2,153,758 | 2,182,868 | 60,247 | 2,122,621 | 144,774 | |
| Motor | 2,646,706 | 390,433 | 1,405,079 | 1,631,560 | 961,779 | 2,593,339 | 45,096 | 2,548,243 | 5,050,938 | |
| Accident & Health | 82,175 | - | 82,175 | - | 146,142 | 146,142 | - | 146,142 | - | |
| Miscellaneous | 2,842 | 48,706 | 34,387 | 17,161 | 6,945,200 | 6,962,361 | 481,635 | 6,480,726 | 386,968 | |
| Sub-total | 2,884,059 | 1,573,879 | 2,203,157 | 2,254,781 | 10,791,260 | 13,046,041 | 1,605,405 | 11,440,636 | 5,773,047 | |
| Treaty | | | | | | | | | | |
| Proportional | | | | | | | | | | |
| Sub total | | | | | | | | | | |
| Grand total | 2,884,059 | 1,573,879 | 2,203,157 | 2,254,781 | 10,791,260 | 13,046,041 | 1,605,405 | 11,440,636 | 5,773,047 | |


| Class | Six months period ended 30 June 2016 | | | | | | | | January to June | |
|--------------------------------|--------------------------------------|---------------------|------------------|------------------------|------------------------------------|----------------------|-----------------------------|-------------------------------|-------------------------------|--|
| | Commission paid or payable | Deferred commission | | Net commission expense | Other management expense (Note 12) | Underwriting expense | Commission from reinsurance | 2016 Net underwriting expense | 2015 Net underwriting expense | |
| | | Opening | Closing | | | | | | | |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | |
| Direct and facultative | | | | | | | | | | |
| Fire and property damage | 460,171 | 1,215,875 | 655,171 | 1,020,875 | 976,079 | 1,996,954 | 1,733,065 | 263,889 | 2,172,662 | |
| Marine, aviation and transport | 41,020 | 31,514 | 26,345 | 46,189 | 3,597,375 | 3,643,564 | 63,081 | 3,580,483 | 151,316 | |
| Motor | 3,174,661 | 57,729 | 1,405,079 | 1,827,311 | 1,806,439 | 3,433,750 | 98,099 | 3,335,651 | 7,163,426 | |
| Accident & Health | 82,175 | 964 | 82,175 | 964 | 244,099 | 245,063 | - | 245,063 | - | |
| Miscellaneous | 60,972 | 5,739 | 34,387 | 32,324 | 11,600,418 | 11,632,742 | 653,127 | 10,979,615 | 609,641 | |
| Sub-total | 3,818,999 | 1,311,821 | 2,203,157 | 2,927,663 | 18,024,410 | 20,952,073 | 2,547,372 | 18,404,701 | 10,097,045 | |
| Treaty | | | | | | | | | | |
| Proportional | | | | | | | | | | |
| Sub total | | | | | | | | | | |
| Grand total | 3,818,999 | 1,311,821 | 2,203,157 | 2,927,663 | 18,024,410 | 20,952,073 | 2,547,372 | 18,404,701 | 10,097,045 | |

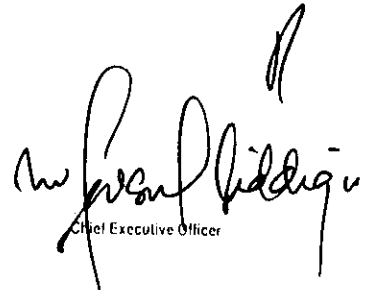
Note: The Company does not underwrite business outside Pakistan

The annexed notes from 1 to 18 form an integral part of these financial statements


Chairman


Director


Director



Chief Executive Officer

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED)
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

| | Three months period ended 30 June | | Six months period ended 30 June | |
|------------------------------------------------------|-----------------------------------|-------------------|---------------------------------|-------------------|
| | 2016 | 2015 | 2016 | 2015 |
| | Rupees | Rupees | Rupees | Rupees |
| Income from non-trading investments | | | | |
| Held-to-maturity | | | | |
| Return on Government Securities | 1,226,053 | 609,440 | 3,435,166 | 949,404 |
| Return on other fixed income securities and deposits | 2,840,255 | 2,744,797 | 5,924,831 | 7,898,687 |
| | <u>4,066,308</u> | <u>3,354,237</u> | <u>9,359,997</u> | <u>8,848,091</u> |
| Available-for-sale | | | | |
| Return on Government Securities | 2,539,290 | 10,114,835 | 2,678,276 | 17,025,016 |
| Dividend income on available for sale investments | - | - | 944,379 | - |
| Gain on sale of available-for-sale investments | 26,788,241 | 4,021,950 | 28,111,226 | 54,327,166 |
| Impairment loss | - | - | (476,230) | - |
| | <u>29,327,531</u> | <u>14,136,785</u> | <u>31,257,651</u> | <u>71,352,182</u> |
| | <u>33,393,839</u> | <u>17,491,022</u> | <u>40,617,648</u> | <u>80,200,273</u> |
| Investment related expenses | - | - | (7,475) | (7,536) |
| Net investment income | <u>33,393,839</u> | <u>17,491,022</u> | <u>40,610,173</u> | <u>80,192,737</u> |

The annexed notes from 1 to 18 form an integral part of these financial statements.


 Chairman


 Director


 Director


 Chief Executive Officer

SINDH INSURANCE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

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 held by Government of Sindh. The Company is engaged in the non-life insurance business comprising of fire, marine, motor, aviation, engineering, health, transportation etc. The registered office and principal place of business of the Company is situated at 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi.

2 BASIS OF PREPARATION

These condensed interim financial report (condensed interim financial information) of the company for the six month's period ended 30 June 2016 have been prepared in accordance with the requirements of International Accounting Standard IAS 34 - "Interim Financial Reporting" and under the provisions of and directives issued under Companies Ordinance 1984, the Insurance Ordinance, 2000 and the 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 Securities and Exchange Commission of Pakistan ("SECP") has allowed insurance companies to defer the application of International Accounting Standard (IAS) 39 "Financial Instruments: Recognition and Measurement" in respect of "Investment available for sale" until suitable amendments have been made in the law. Accordingly the requirements of IAS 39, to the extent allowed by the SECP, have not been considered in the preparation in this condensed interim financial

These condensed interim financial information is unaudited but subject to limited review by the statutory auditors and is being submitted to the shareholders in accordance with the section 245 to the Companies Ordinance, 1984. This condensed interim financial information should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2015.

3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except that 'Held to Maturity' investments are stated at amortized cost and investments "at fair value through profit or loss - held for trading investments" are stated at fair value.

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

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

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

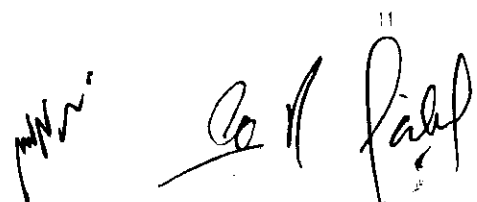
The accounting policies and the methods of computation adopted in the preparation of these interim condensed financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended 31 December 2015.

5 OTHER CREDITORS AND ACCRUALS

| | 30 June 2016 | 31 December 2015 |
|-----------------------------|-----------------------|---------------------|
| | Rupees (Unaudited) | Rupees (Audited) |
| Commission to agents | 136,767 | 139,452 |
| Sindh Sales tax on services | 1,593,983 | 936,023 |
| Federal insurance fee | 276,824 | 75,749 |
| Withholding tax | 121,260 | 208,341 |
| Auditor's remuneration | 120,000 | 415,500 |
| Sundry creditors | 193,996 | 2,244,181 |
| | <u>2,442,830</u> | <u>4,019,246</u> |

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies or commitments as at the balance sheet date.

11


| | | 30 June 2016 Rupees (Unaudited) | 31 December 2015 Rupees (Audited) |
|---------------------------|-----|------------------------------------------|--------------------------------------------|
| 7 INVESTMENTS | | | |
| Held-to-maturity | | | |
| Government securities | 7.1 | 100,981,256 | 100,403,206 |
| Fixed income securities | 7.1 | 25,000,000 | - |
| Available-for-sale | | | |
| Government securities | 7.2 | 317,731,946 | 224,780,893 |
| Mutual Funds | 7.3 | 117,461,667 | 201,125,810 |
| | | 561,174,869 | 526,309,909 |

| | Maturity Year | Face Value (Rupees) | Coupon Rate (%) | | |
|---------------------------------------------------------|------------------|------------------------|--------------------|--------------------|--------------------|
| 7.1 Held-to-maturity | | | | | |
| Market treasury bills | | | | 49,722,050 | 49,324,250 |
| TPL Traker Sukuk | | | | 25,000,000 | - |
| Pakistan Investment Bonds - cost | 18-Jul-18 | 52,000,000 | 11.50 | 50,481,320 | 50,481,320 |
| Add: Cumulative amortization of discount for the period | | | | 777,886 | 597,636 |
| | | | | 51,259,206 | 51,078,956 |
| | | | | 125,981,256 | 100,403,206 |
| 7.2 Available-for-sale | | | | | |
| 20 Year Pakistan Investment Bonds - cost | 18-Aug-31 | 4,300,000 | 13.00 | 4,937,276 | 225,240,510 |
| Less: Cumulative amortization of premium for the period | | | | (30,937) | (459,617) |
| | | | | 4,906,339 | 224,780,893 |
| 3 Year Pakistan Investment Bonds - cost | 26-Mar-18 | 300,000,000 | 8.75 | 313,170,600 | - |
| Less: Cumulative amortization of premium for the period | | | | (344,993) | - |
| | | | | 312,825,607 | - |
| | | | | 317,731,946 | 224,780,893 |
| 7.3 Mutual Fund | | | | | |

The break up of company investment in Open end mutual funds is as follows:

| Name of AMC | Name of Fund | No. of Units | | | |
|-------------------------------------|----------------------------------------|--------------|--------------|--------------------|--------------------|
| | | 2016 | 2015 | | |
| NBP Fullerton Assets Management Ltd | NAFA Income Opportunity Fund | | 2,323,966.86 | - | 26,893,849 |
| NBP Fullerton Assets Management Ltd | NAFA Government Security Fund | 1,485,341.52 | 2,353,827.32 | 15,752,901 | 25,000,000 |
| ABL Asset Management Company Ltd | ABL - Government Security Fund - B | 2,777,542.42 | 2,509,927.42 | 27,149,244 | 26,963,048 |
| ABL Asset Management Company Ltd | ABL Income Fund | 2,492,721.25 | 2,410,033.45 | 25,000,000 | 25,000,000 |
| MCB Anif Habib Savings | MCB - Pakistan Sovereign Fund | | 461,002.84 | - | 25,000,000 |
| MCB Anif Habib Savings | MCB - Pakistan Income Enhancement Fund | | 450,694.07 | - | 25,000,000 |
| Al Meezan Investment | Meezan Islamic Income Fund | 498,367.79 | 475,014.25 | 25,546,333 | 25,000,000 |
| Al Meezan Investment | Meezan Sovereign Fund | 481,980.30 | 461,716.04 | 24,489,419 | 24,000,000 |
| | | | | 117,937,897 | 202,856,897 |
| Less: Impairment loss | | | | (476,230) | (1,731,087) |
| Carrying value at period/year end | | | | 117,461,667 | 201,125,810 |

7.4 Market value of available for securities is Rupees 435,774,746 (31 December 2015: Rupees 428,184,920)

8 PREPAYMENTS

| | | |
|---------------------------|--------------------|-------------------|
| Prepaid reinsurance ceded | 279,957,840 | 12,235,810 |
| Prepaid insurance expense | 512,378 | 126,048 |
| Prepaid rent | 961,834 | 1,176,719 |
| Others | 140,135 | 270,891 |
| | 281,572,187 | 13,809,468 |

9 SUNDRY RECEIVABLES

Considered good

| | | |
|----------------------------|------------------|------------------|
| Advance for health claims | 2,522,406 | 1,210,420 |
| Insurance claim receivable | - | 1,475,000 |
| Security deposit | 474,653 | - |
| Advance for expense | 216,000 | 111,000 |
| Other receivables | 1,125,684 | 582,026 |
| | 4,338,743 | 3,378,446 |


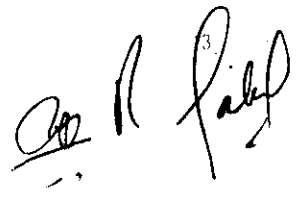
M.N.
Q. H. Jafar

| | 30 June 2016 Rupees (Unaudited) | 31 December 2015 Rupees (Audited) |
|----------------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------|
| 10 ADDITIONS IN FIXED ASSETS | | |
| Details of the cost of of operating assets that have been acquired during the six month period are as follows: | | |
| Furniture & fixtures | 22,000 | 439,720 |
| Office equipment | 17,000 | 62,665 |
| Computers | 227,200 | 137,050 |
| Vehicles | - | 43,500 |
| Intangible asset - computer software | 848,963 | 333,889 |
| | <u>1,115,163</u> | <u>1,016,824</u> |

| | Three months period ended 30 June | | Six months period ended 30 June | |
|-----------------------------|--------------------------------------|----------------|------------------------------------|----------------|
| | 2016 Rupees | 2015 Rupees | 2016 Rupees | 2015 Rupees |
| 11 OTHER INCOME | | | | |
| Profit on bank deposit | 1,294,695 | - | 3,426,415 | - |
| Income on generator sharing | 109,215 | 109,215 | 218,430 | 218,430 |
| Other | 4,584 | 8,983 | 8,579 | 38,983 |
| | <u>1,408,494</u> | <u>118,198</u> | <u>3,653,424</u> | <u>257,413</u> |

| | Three months period ended 30 June | | Six months period ended 30 June | |
|----------------------------------|--------------------------------------|------------------|------------------------------------|-------------------|
| | 2016 Rupees | 2015 Rupees | 2016 Rupees | 2015 Rupees |
| 12 MANAGEMENT EXPENSES | | | | |
| Salaries, allowance and benefits | 5,893,011 | 3,206,714 | 10,645,342 | 6,021,806 |
| Rent, rates and taxes | 311,070 | 283,606 | 627,254 | 528,036 |
| Legal and professional charges | 1,354,384 | 67,470 | 1,521,718 | 792,009 |
| Travelling and conveyance | 631,644 | 1,059,731 | 732,716 | 513,285 |
| Printing and stationery expenses | 194,240 | 99,531 | 386,096 | 131,070 |
| Depreciation | 283,768 | 374,563 | 554,836 | 651,236 |
| Amortization of intangibles | 121,099 | 11,386 | 234,072 | 13,696 |
| Repair and maintenance | 215,805 | 65,356 | 315,345 | 130,210 |
| Office expenses | 198,755 | 106,103 | 463,447 | 224,225 |
| Utilities | 131,191 | 88,352 | 202,330 | 205,966 |
| Communication | 33,054 | 50,262 | 92,943 | 96,174 |
| Survey fee | 16,300 | 31,000 | 26,777 | 113,350 |
| Advertising expenses | - | 8,599 | 20,000 | 10,199 |
| Insurance expenses | - | 64,076 | 173,536 | 120,398 |
| Services charges | 1,129,009 | - | 1,715,512 | - |
| Miscellaneous expenses | 277,930 | 212,975 | 312,486 | 690,139 |
| | <u>10,791,260</u> | <u>5,729,724</u> | <u>18,024,410</u> | <u>10,241,799</u> |

| | Three months period ended 30 June | | Six months period ended 30 June | |
|-----------------------------------------------|--------------------------------------|------------------|------------------------------------|------------------|
| | 2016 Rupees | 2015 Rupees | 2016 Rupees | 2015 Rupees |
| 13 GENERAL AND ADMINISTRATIVE EXPENSES | | | | |
| Salaries, wages, allowance and benefits | 3,199,737 | 1,487,347 | 5,434,265 | 3,134,636 |
| Directors meeting fee | 175,000 | 30,000 | 175,000 | 36,000 |
| Rent, rates and taxes | 266,803 | 225,609 | 541,280 | 392,454 |
| Legal and professional charges | 1,775,998 | 101,205 | 2,127,607 | 1,738,827 |
| Auditors' remuneration | 47,050 | 70,825 | 84,520 | 59,820 |
| Depreciation | 425,653 | 561,845 | 832,254 | 976,854 |
| Amortization of intangibles | 181,649 | 17,079 | 351,108 | 20,544 |
| Printing and stationery | 290,100 | 145,483 | 392,528 | 196,604 |
| Repair and maintenance | 315,832 | 87,772 | 459,743 | 169,907 |
| Travelling and conveyance | 289,786 | 579,706 | 333,170 | 631,816 |
| Advertising | - | 12,899 | - | 15,299 |
| Utilities | 196,787 | 197,021 | 303,495 | 308,949 |
| Communication | 49,567 | 75,394 | 139,415 | 144,262 |
| Office expenses | 117,763 | 118,823 | 329,814 | 315,389 |
| Other charges | 233,651 | 67,030 | 259,552 | 70,360 |
| Insurance expenses | - | 96,115 | 260,305 | 180,597 |
| Provision for Workers Welfare Fund | - | 86,730 | - | 740,820 |
| | <u>7,565,376</u> | <u>3,960,883</u> | <u>12,024,056</u> | <u>7,567,928</u> |

14 EARNINGS PER SHARE - BASIC AND DILUTED

| | April to June | | January to June | |
|--------------------------------------------------------------------------------|----------------|----------------|-----------------|----------------|
| | 2016 Rupees | 2015 Rupees | 2016 Rupees | 2015 Rupees |
| There is no dilutive effect on the basic earnings per share which is based on: | | | | |
| Net profit after tax for the period - Rupees | 22,615,060 | 5,468,253 | 25,403,663 | 41,970,805 |
| Weighted average number of ordinary shares - Number | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| Basic earnings per share - Rupees | 0.45 | 0.11 | 0.51 | 0.84 |

15 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 controlled 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:

| | Three months period ended 30 June | | Six months period ended 30 June | |
|---------------------------------------------------------|--------------------------------------|----------------|---------------------------------------|-----------------------------------------------|
| | 2016 Rupees | 2015 Rupees | 2016 Rupees | 2015 Rupees |
| Companies having common directorship | | | | |
| Sindh Bank Limited (SBL) | | | | |
| Income on bank account | 2,103,430 | 2,176,989 | 3,426,415 | 6,934,304 |
| Income on term deposit | | 1,191,094 | 1,587,668 | 1,587,669 |
| Premium Written | 8,111,700 | - | 8,825,429 | - |
| Claim Paid | 8,584,264 | - | 15,904,957 | - |
| Sindh Modarba Management Limited (SMML) | | | | |
| Premium Written | 5,248 | 1,074 | 38,025 | 1,074 |
| Claim Paid | 3,000 | - | 12,000 | - |
| Sindh Leasing Company Limited (SLCL) | | | | |
| Premium Written | - | - | 1,325,865 | - |
| Claim Paid | 216,011 | - | 667,570 | - |
| Sindh Micro Finance Bank Limited | | | | |
| Premium Written | 107,160 | 49,150 | 146,177 | 49,150 |
| Health Econnex (Private) Limited | | | | |
| Health claims paid on behalf of company | 7,643,730 | - | 12,501,156 | - |
| Directors | | | | |
| Meeting Fee | 75,000 | 30,000 | 175,000 | 60,000 |
| Key Management Personnel | | | | |
| Remuneration & benefits paid to key Management Personal | 3,134,249 | 2,860,964 | 6,268,498 | 5,721,928 |
| Retirement benefits | 189,954 | 151,818 | 379,908 | 303,636 |
| Balances | | | Balance as on 30 June 2016 | Balance as on 31 December 2015 |
| Companies having common directorship | | | | |
| Sindh Bank Limited (SBL) | | | | |
| Bank Accounts | | | 28,315,340 | 23,281,005 |
| Term Deposit | | | - | 25,000,000 |
| Premium Receivable | | | 10,696,417 | 19,487,583 |
| Claim Payable | | | 6,455,132 | 6,972,173 |
| Sindh Modarba Management Limited (SMML) | | | | |
| Premium Receivable | | | - | 24,773 |
| Claim Payable | | | 40,000 | 20,000 |
| Amount receivable for sharing of generator | | | 218,430 | 109,215 |
| Sindh Leasing Company Limited (SLCL) | | | | |
| Claim Payable | | | 20,000 | - |
| Sindh Micro Finance Bank Limited | | | | |
| Premium Receivable | | | 107,160 | - |
| Health Econnex (Private) Limited | | | | |
| Advance For Health Claim Expense | | | 2,522,406 | 1,210,420 |

M. N. I. J. Patel

16. OPERATING SEGMENTS

| | Fire and Property | | Marine, Aviation & Transport | | Motor | | Accident and health | | Miscellaneous | | Un-allocated | | Total |
|----------------------------------|-------------------|-------------|------------------------------|-----------|-------------|-------------|---------------------|--------------|---------------|-------------|--------------|--------|---------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| Segment results | | | | | | | | | | | | | |
| Net premium revenue | 941,868 | 629,842 | 707,900 | 157,550 | 18,257,370 | 4,667,324 | 18,459,670 | 13,110,855 | 3,147,598 | 1,942,597 | - | - | 41,514,406 |
| Net Claims | (188,681) | (75,047) | (80,409) | (4,717) | (4,554,021) | (3,460,468) | (13,411,030) | (9,042,573) | 243,225 | (672,017) | - | - | (17,990,916) |
| Premium deficiency reserve | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Management expenses | (976,079) | (4,124,768) | (3,597,375) | (117,438) | (1,606,439) | (4,415,220) | (244,099) | (11,282,828) | (11,600,418) | (3,952,993) | - | - | (18,024,410) |
| Net Commission | 712,190 | 702,912 | 16,892 | (44,180) | (1,729,212) | (32,339) | (964) | (6,736) | 620,803 | 235,346 | - | - | (980,291) |
| Underwriting results | 489,298 | (2,867,061) | (2,952,992) | (8,785) | 10,367,698 | (3,240,703) | 4,803,577 | (7,221,282) | (7,588,792) | (2,447,067) | - | - | 5,118,789 |
| Investment income | | | | | | | | | | | | | 14,051,538 |
| Other income | | | | | | | | | | | | | 27,742,285 |
| General administrative expenses | | | | | | | | | | | | | (12,014,505) |
| Profit before tax | | | | | | | | | | | | | 29,779,318 |
| Taxation - current | | | | | | | | | | | | | 34,898,107 |
| Profit after tax | | | | | | | | | | | | | (11,167,396) |
| Other Segment Information | | | | | | | | | | | | | |
| Segment assets | 17,961,528 | 7,915,292 | 66,146,144 | 224,710 | 29,527,161 | 8,474,774 | 4,473,812 | 21,654,699 | 213,284,860 | 7,585,106 | - | - | 331,393,505 |
| Un-allocated assets | | | | | | | | | | | | | 702,298,505 |
| | | | | | | | | | | | | | 1,033,692,010 |
| Segment liabilities | 21,568,204 | 12,091,134 | 79,428,294 | 343,259 | 35,456,217 | 12,945,780 | 5,372,154 | 33,076,989 | 256,072,681 | 11,586,753 | - | - | 397,897,550 |
| Un-allocated liabilities | | | | | | | | | | | | | 635,794,460 |
| | | | | | | | | | | | | | 1,033,692,010 |
| Capital expenditure | | | | | | | | | | | | | 1,115,388 |
| Depreciation | | | | | | | | | | | | | 1,972,270 |
| | | | | | | | | | | | | | 3,493,595 |

Mr. S. S. S. S.

17 DATE OF AUTHORIZATION FOR ISSUE


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

18 GENERAL

- Figures have been rounded to the nearest Rupees.



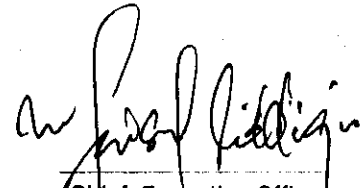
Chairman



Director



Director



Chief Executive Officer

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



SINDH INSURANCE

POWER TO THE PEOPLE
PATTERN OF SHAREHOLDINGS
 HELD BY THE SHAREHOLDERS OF
 SINDH INSURANCE LIMITED
 AS AT JUNE 30, 2016

| Number of Shareholders | Shareholding | | Shares Held | Percentage |
|------------------------|-----------------|---------------|-------------|------------|
| | From | To | | |
| 1 | From 1 | To 49,999,993 | 49,999,993 | 99.999986 |
| 7 | From 49,999,994 | To 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> | | | |
| Governamet 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 |

Sindh Insurance Limited

Nadeem Akhter
 Company Secretary

Sindh Insurance Ltd.
 Head Office: 1st Floor, Imperial Court,
 Dr. Ziauddin Ahmed Road,
 Karachi - Pakistan.

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 Web : www.sindhinsurancecld.com