

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



SINDH INSURANCE

POWER TO THE PEOPLE

**Condensed Interim Financial Statement
For the Period Ended
September 30 2016
(Unaudited)**

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COMPANY INFORMATION

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO


SINDH INSURANCE
POWER TO THE PEOPLE

Board of Directors

Muhammad Bilal Sheikh (Chairman)
Syed Hassan Naqvi
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
Syed Hassan Naqvi
Syed Shahnawaz Nadir Shah

Risk Management/Operations Committee

Syed Hassan Naqvi
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

Syed Hassan Naqvi
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, 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 nine months period ended September 30, 2016.

COMPANY PERFORMANCE REVIEW

During the period ended September 30, 2016, the company underwrote risk assets which generated gross premium of Rs. 438.091 million. Company's operations resulted in profit of Rs. 12.219 million from a loss of Rs. 12.822 million in the corresponding period last year. The net claim expense ratio stood at 43.958% of the net premium revenue as compared to 76.815% of the same period last year.

Profit before tax stood at Rs. 49.540 million as on September 30, 2016 as compared to Rs. 86.603 million of the corresponding period last year. The Company posted a profit after tax of Rs. 33.927 million for the nine months period ended September 30, 2016 as compared with profit of Rs. 58.024 in corresponding period. This decrease in profit was due to lesser capital gains in the period under review and lower returns on short term placements/deposits. Retained earnings increased from Rs. 99.344 million as at the year ended December 31, 2015 to Rs. 133.271 million.

The total assets of the company increased to Rs. 1,057 million as compared with Rs. 676 million as at the year ending December 31, 2015. Total equity of the Company stands over Rs. 633 million.

INDUSTRY OVERVIEW

The trends over the last few years show that Pakistan general insurance industry has been growing at around two and half or three times the GDP growth. This means that if Pakistani economy grows at about 04 per cent, the expected growth would be around 12 per cent. The year 2015 posted a growth of 11.47% for the industry. Premiums are however being lowered despite no improvements in the risk profiles. More vexatious fact is that even in case of risk deterioration situations the premiums remain unchanged as other players are ready to pick up risks below the renewal premiums.

The segments which are contributing towards the growth are Motor and Health. These are through "doorstep" business but due to cut throat competition the pricing of these products is coming under a lot of pressure.

FUTURE OUTLOOK

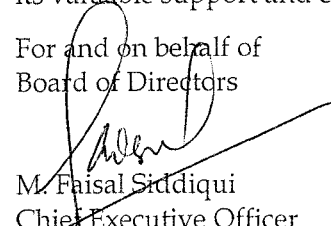
The Company is expecting to receive approval of Universal Accidental Insurance from Government of Sindh in last quarter of the year. This scheme covers all adult residents of the Sindh for accidental death. Furthermore the Company has received licence to act as Window Takaful Operator from SECP and will start Window Takaful Operations from last quarter of the year. This is likely to generate noticeable revenue for the Company. In addition the Company expects to generate revenue from programs being considered by Govt. of Sindh such as Mass Transit Scheme, Micro Health Insurance coverage, etc. Company approaching for business of Motor and Crop financing with Summit Bank & JS Bank and Crop financing with National Bank.

ACKNOWLEDGEMENT

The Board would like to thank its shareholder for the confidence reposed in the company and 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

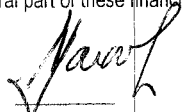
Karachi, October 31, 2016

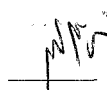
**SINDH INSURANCE LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT 30 SEPTEMBER 2016**

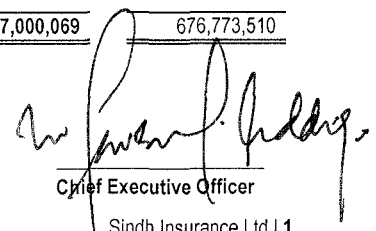
	30 September 2016 Rupees (Unaudited)	31 December 2015 Rupees (Audited)
Share capital and reserve		
Authorised share capital (150,000,000 shares of Rupees 10 each)	<u>1,500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up share capital (50,000,000 shares of Rupees 10 each)	500,000,000	500,000,000
Retained earnings	<u>133,271,709</u>	<u>99,344,049</u>
TOTAL EQUITY	<u>633,271,709</u>	<u>599,344,049</u>
Underwriting provisions		
Provision for outstanding claims (including IBNR)	15,489,837	7,486,182
Provision for unearned premium	351,052,313	44,399,761
Commission income unearned	<u>4,349,777</u>	<u>2,544,414</u>
	370,891,927	54,430,357
Deferred liabilities		
Deferred tax	1,755,508	1,925,727
Provision for compensated leave absences	<u>2,222,029</u>	<u>1,431,567</u>
Creditors and accruals		
Premium received in advance	8,424	77,066
Amount due to other insurers/reinsurers	45,500,153	15,545,498
Other creditors and accruals	1,282,663	4,019,246
Provision for taxation less payments	<u>2,067,656</u>	<u>-</u>
	48,858,896	19,641,810
TOTAL LIABILITIES	<u>423,728,360</u>	<u>77,429,461</u>
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	<u>1,057,000,069</u>	<u>676,773,510</u>
Cash and bank deposits		
Cash and other equivalents	169,082	55,637
Current and other accounts	11,356,881	23,281,005
Deposits maturing within 12 months	<u>80,402,725</u>	<u>30,000,000</u>
	91,928,688	53,336,642
Investments	573,886,530	526,309,909
Current assets		
Premium due but unpaid	79,716,291	27,508,448
Due from other insurers/reinsurers	8,222,345	3,388,046
Accrued investment income	4,283,953	13,512,476
Re-insurance recoveries against outstanding claims	1,399,956	1,415,042
Loan to employees	4,242,145	119,833
Advance income tax (net of provision)	-	4,607,577
Deferred commission expense	1,347,589	1,311,821
Prepayments	<u>263,561,862</u>	<u>13,809,468</u>
Sundry receivables	1,841,025	3,378,446
	364,615,166	69,051,157
Fixed assets - tangible & intangible		
Owned		
Leasehold improvements	10,744,983	11,163,619
Furniture & fixtures	2,152,658	2,236,325
Office equipment	5,297,663	5,695,844
Computers	1,026,609	812,769
Vehicles	4,613,980	5,428,212
Intangible asset - computer software	<u>2,733,792</u>	<u>2,739,033</u>
	26,569,685	28,075,802
TOTAL ASSETS	<u>1,057,000,069</u>	<u>676,773,510</u>

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


Chairman


Director


Director

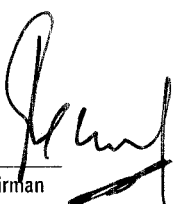

Chief Executive Officer

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

		Three months period ended 30 September 2016						July to	September
		Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous	Treaty	September 2016	2015
Note		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
		486,299	664,257	10,404,954	10,271,178	4,652,462	-	26,479,149	8,267,339
		(16,851)	-	(4,349,619)	(7,654,310)	(177,412)	-	(12,198,192)	(6,180,364)
	12	(506,969)	(705,112)	(743,208)	(2,245,585)	(3,022,603)	-	(7,223,477)	(5,103,968)
		335,360	6,808	(634,993)	(17,120)	352,795	-	42,850	433,512
		<u>297,839</u>	<u>(34,047)</u>	<u>4,677,134</u>	<u>354,163</u>	<u>1,805,242</u>	-	<u>7,100,330</u>	<u>(2,583,481)</u>
								9,346,711	29,968,236
								518,384	109,215
								<u>16,965,426</u>	<u>27,493,970</u>
							13	(4,783,100)	(3,532,986)
								<u>12,182,326</u>	<u>23,960,984</u>
								(3,658,329)	(7,907,125)
								<u>8,523,997</u>	<u>16,053,859</u>
							14	<u>0.17</u>	<u>0.32</u>

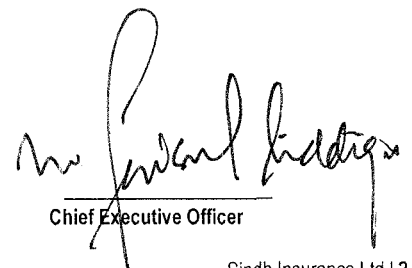
		Nine months period ended 30 September 2016						January to	September
		Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous	Treaty	September 2016	2015
Note		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
		1,428,167	1,372,157	28,662,324	28,730,848	7,800,060	-	67,993,555	8,388,221
		(205,532)	(80,409)	(8,903,640)	(21,065,340)	65,813	-	(30,189,108)	(6,443,431)
	12	(1,483,048)	(4,302,487)	(2,349,647)	(2,489,684)	(14,623,021)	-	(25,247,887)	(15,344,565)
		1,047,550	23,700	(2,364,205)	(18,084)	973,598	-	(337,441)	577,064
		<u>787,137</u>	<u>(2,987,039)</u>	<u>15,044,832</u>	<u>5,157,740</u>	<u>(5,783,550)</u>	-	<u>12,219,119</u>	<u>(12,822,711)</u>
								49,956,884	110,160,973
							11	4,171,808	366,628
								<u>66,347,812</u>	<u>97,704,890</u>
							13	(16,807,156)	(11,100,914)
								<u>49,540,656</u>	<u>86,603,976</u>
								(15,612,996)	(28,579,312)
								<u>33,927,660</u>	<u>58,024,664</u>
								99,344,049	32,025,082
								33,927,660	58,024,664
								<u>133,271,709</u>	<u>90,049,746</u>
							14	<u>0.68</u>	<u>1.16</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 COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

	Three months period ended 30 September		Nine months period ended 30 September	
	2016	2015	2016	2015
	Rupees	Rupees	Rupees	Rupees
Profit for the period	8,523,997	16,053,859	33,927,660	58,024,664
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	8,523,997	16,053,859	33,927,660	58,024,664

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



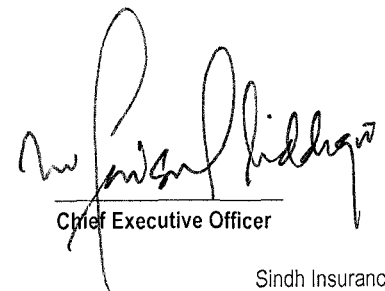
Chairman



Director



Director



Chief Executive Officer

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

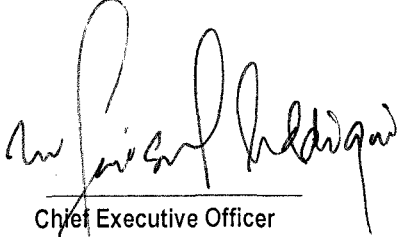
	Issued, subscribed and paid up share capital	Retained earnings	Total shareholders' equity
	Rupees	Rupees	Rupees
Balance as at 31 December 2014	500,000,000	32,025,082	532,025,082
Changes in equity for the nine months period ended 30 September 2015			
Profit for the nine months period ended 30 September 2015	-	58,024,664	58,024,664
Other Comprehensive income	-	-	-
Total comprehensive income	-	58,024,664	58,024,664
Balance as at 30 September 2015	<u>500,000,000</u>	<u>90,049,746</u>	<u>590,049,746</u>
Balance as at December 31, 2015	500,000,000	99,344,049	599,344,049
Changes in equity for the nine months period ended 30 September 2016			
Profit for the nine months period ended 30 September 2016	-	33,927,660	33,927,660
Other Comprehensive income	-	-	-
Total comprehensive income	-	33,927,660	33,927,660
Balance as at 30 September 2016	<u>500,000,000</u>	<u>133,271,709</u>	<u>633,271,709</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 NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

	30 September 2016	30 September 2015
	Rupees	Rupees
OPERATING ACTIVITIES		
<i>a) Underwriting activities</i>		
Premiums received	385,814,566	29,425,372
Reinsurance premiums paid	(287,994,801)	(5,754,980)
Claims paid	(25,345,358)	(1,658,092)
Reinsurance and other recoveries received	3,174,991	12,965
Commissions paid	(4,343,827)	(328,725)
Commissions received	5,775,981	2,584,483
Other underwriting payments	(24,036,200)	(15,344,563)
Net cash flows from / (used in) underwriting activities	53,045,351	8,936,460
<i>b) Other operating activities</i>		
Income tax paid	(9,107,982)	(30,400,473)
Management and administrative expenses paid	(21,058,058)	(10,075,130)
Others	1,455,241	(3,398,498)
Net cash used in other operating activities	(28,710,799)	(43,874,101)
Net cash flows from / (used in) operating activities	24,334,552	(34,937,641)
INVESTING ACTIVITIES		
Profit / return received on investment	35,249,659	55,281,441
Other Income received	4,171,808	366,628
Investment related expenses paid	(14,950)	(14,950)
Payments for investments	(2,257,490,835)	(1,662,719,388)
Proceeds from disposal of investments	2,233,864,911	1,580,753,697
Fixed capital expenditure	(1,523,100)	(2,649,874)
Net cash flows from / (used in) investing activities	14,257,494	(28,982,446)
FINANCING ACTIVITIES		
Net cash flows from all activities	38,592,046	(63,920,087)
Cash and cash equivalents at the beginning of year	53,336,642	135,337,879
Cash and cash equivalents at end of the period	91,928,688	71,417,792

	30 September 2016	30 September 2015
	Rupees	Rupees
Reconciliation to profit and loss account		
Operating cash flows	24,334,552	(34,937,641)
Depreciation on fixed assets	(2,083,976)	(2,162,867)
Amortization of intangibles	(945,241)	(67,641)
Investment related expenses	(14,950)	(14,950)
Income tax paid	9,107,982	30,400,473
Increase in assets other than cash	309,400,109	49,995,626
Increase in liabilities	(344,401,463)	(66,784,947)
Investment income	49,971,834	110,175,923
Other Income	4,171,808	-
Profit before taxation	49,540,656	86,603,976


Definition of cash

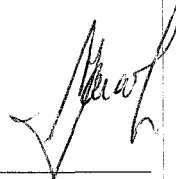
Cash comprises of cash in hand, policy stamps, cheques in hand, bank balances and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

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

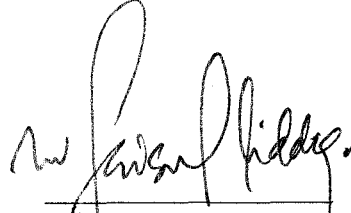
	30 September 2016	30 September 2015
	Rupees	Rupees
Cash and other equivalents		
- Cash in hand	31,172	46,965
- Policy stamps in hand	137,910	5,648
	169,082	52,613
Current and saving accounts		
- Current accounts	-	-
- Savings accounts	11,356,881	71,365,179
	11,356,881	71,365,179
Deposits maturing within 12 months		
- Term deposit - local currency	80,402,725	-
	91,928,688	71,417,792

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 NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016

Business underwritten inside Pakistan

Class	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	July to September	
		Opening	Closing			Opening	Closing		2016	2015
		Rupees	Rupees			Rupees	Rupees		Rupees	Rupees
Three months period ended 30 September 2016										
Direct and facultative										
Fire and property damage	5,183,238	20,216,338	20,510,249	4,889,327	4,467,173	18,334,022	18,398,166	4,403,029	486,299	270,056
Marine, aviation and transport	(1,082,845)	70,522,747	63,350,401	6,089,501	(1,066,295)	63,927,657	57,436,118	5,425,244	664,257	(11,012)
Motor	6,948,722	21,473,977	17,567,711	10,854,988	2,291,533	73,728	1,915,227	450,034	10,404,954	3,520,116
Accident & Health	38,060,819	8,510,341	36,299,982	10,271,178	-	-	-	-	10,271,178	4,173,261
Miscellaneous	9,501,675	227,293,287	213,323,970	23,470,992	5,352,610	197,622,433	184,156,513	18,818,530	4,652,462	315,118
Sub total	58,611,609	348,016,690	351,052,313	55,575,986	11,045,021	279,957,840	261,906,024	29,096,837	26,479,149	8,267,539
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	58,611,609	348,016,690	351,052,313	55,575,986	11,045,021	279,957,840	261,906,024	29,096,837	26,479,149	8,267,539

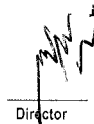
Class	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	January to September	
		Opening	Closing			Opening	Closing		2016	2015
		Rupees	Rupees			Rupees	Rupees		Rupees	Rupees
Nine months period ended 30 September 2016										
Direct and facultative										
Fire and property damage	25,733,252	8,491,854	20,510,249	13,714,857	23,040,601	7,644,256	18,398,166	12,286,691	1,428,167	331,182
Marine, aviation and transport	74,654,997	193,359	63,350,401	11,497,955	67,539,994	21,922	57,436,118	10,125,798	1,372,157	(2,696)
Motor	40,770,113	6,945,973	17,567,711	30,148,375	3,365,794	35,484	1,915,227	1,486,051	28,662,324	3,513,832
Accident & Health	43,199,982	21,830,848	36,299,982	28,730,848	-	-	-	-	28,730,848	4,219,461
Miscellaneous	253,732,707	6,937,727	213,323,970	47,346,464	219,168,769	4,534,148	184,156,513	39,546,404	7,800,060	326,442
Sub total	438,091,051	44,399,761	351,052,313	131,438,499	313,115,158	12,235,810	261,906,024	63,444,944	67,993,555	8,388,221
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	438,091,051	44,399,761	351,052,313	131,438,499	313,115,158	12,235,810	261,906,024	63,444,944	67,993,555	8,388,221

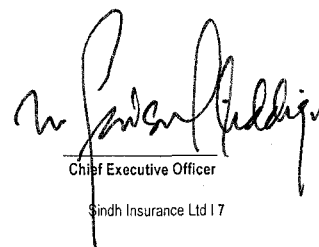
Note: The Company does not underwrite business outside Pakistan.

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


Chairman


Director


Director


Chief Executive Officer
Sindh Insurance Ltd 17

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016


Business underwritten inside Pakistan

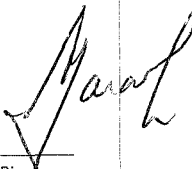
Class	Total claims paid	Outstanding claims		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of		Reinsurance and other recoveries revenue	July to September	
		Opening	Closing			Opening	Closing		2016 Net claims expense	2015 Net claims expense
Direct and facultative										
Fire and property damage	144,256	340,000	300,000	104,256	115,405	228,000	200,000	87,405	16,851	656,175
Marine, aviation and transport	-	-	-	-	-	-	-	-	-	6,942
Motor	1,842,588	2,644,402	6,489,082	5,687,268	1,212,814	-	124,835	1,337,649	4,349,619	1,168,073
Accident & Health	5,272,832	4,284,831	7,224,283	8,212,284	557,974	-	-	557,974	7,654,310	3,797,957
Miscellaneous	196,474	825,000	1,476,472	847,946	158,894	563,481	1,075,121	670,534	177,412	551,417
Sub total	7,456,150	8,094,233	15,489,837	14,851,754	2,045,087	791,481	1,399,956	2,653,562	12,198,192	6,180,564
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	7,456,150	8,094,233	15,489,837	14,851,754	2,045,087	791,481	1,399,956	2,653,562	12,198,192	6,180,564

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	January to September	
		Opening	Closing			Opening	Closing		2016 Net claims expense	2015 Net claims expense
Direct and facultative										
Fire and property damage	1,172,211	521,199	300,000	951,012	942,439	396,959	200,000	745,480	205,532	634,232
Marine, aviation and transport	98,594	18,185	-	80,409	-	-	-	-	80,409	(2,503)
Motor	6,191,922	3,437,715	6,489,082	9,243,289	1,212,814	998,000	124,835	339,649	8,903,640	1,443,024
Accident & Health	17,216,014	2,816,983	7,224,283	21,623,314	557,974	-	-	557,974	21,065,340	3,797,957
Miscellaneous	666,617	692,100	1,476,472	1,450,989	461,764	20,083	1,075,121	1,516,802	(65,813)	570,721
Sub total	25,345,358	7,486,182	15,489,837	33,349,013	3,174,991	1,415,042	1,399,956	3,159,905	30,189,108	6,443,431
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	25,345,358	7,486,182	15,489,837	33,349,013	3,174,991	1,415,042	1,399,956	3,159,905	30,189,108	6,443,431

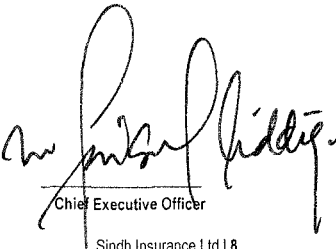
Note: The Company does not underwrite business outside Pakistan.

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


Chairman


Director


Director


Chief Executive Officer
Sindh Insurance Ltd 18

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


Business underwritten inside Pakistan

Class	Commission paid or payable	Deferred commission		Net commission expense	Other management expense	Underwriting expense	Commission from reinsurance	July to September	
		Opening	Closing					2016 Net underwriting expense	2015 Net underwriting expense
		Rupees	Rupees					Rupees	Rupees
Direct and facultative									
Fire and property damage	249,870	655,171	447,407	457,634	506,969	964,603	792,994	171,609	(934,481)
Marine, aviation and transport	97,766	26,345	50,044	74,067	705,112	779,179	80,875	698,304	(71,921)
Motor	171,613	1,405,079	763,925	812,767	743,208	1,555,975	177,774	1,378,201	(4,359,989)
Accident & Health	-	82,175	65,055	17,120	2,245,585	2,262,705	-	2,262,705	8,137,640
Miscellaneous	5,579	34,387	21,158	18,808	3,022,603	3,041,411	371,603	2,669,808	1,904,893
Sub-total	524,828	2,203,157	1,347,589	1,380,396	7,223,477	8,603,873	1,423,246	7,180,627	4,676,142
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-
Grand total	524,828	2,203,157	1,347,589	1,380,396	7,223,477	8,603,873	1,423,246	7,180,627	4,676,142

Class	Commission paid or payable	Deferred commission		Net commission expense	Other management expense (Note 12)	Underwriting expense	Commission from reinsurance	January to September	
		Opening	Closing					2016 Net underwriting expense	2015 Net underwriting expense
		Rupees	Rupees					Rupees	Rupees
Direct and facultative									
Fire and property damage	710,041	1,215,875	447,407	1,478,509	1,483,048	2,961,557	2,526,059	435,498	1,238,181
Marine, aviation and transport	138,786	31,514	50,044	120,256	4,302,487	4,422,743	143,956	4,278,787	79,395
Motor	3,346,274	57,729	763,925	2,640,078	2,349,647	4,989,725	275,873	4,713,852	2,803,437
Accident & Health	82,175	964	65,055	18,084	2,489,684	2,507,768	-	2,507,768	8,139,654
Miscellaneous	66,551	5,739	21,158	51,132	14,623,021	14,674,153	1,024,730	13,649,423	2,506,834
Sub-total	4,343,827	1,311,821	1,347,589	4,308,059	25,247,887	29,555,946	3,970,618	25,585,328	14,767,501
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-
Grand total	4,343,827	1,311,821	1,347,589	4,308,059	25,247,887	29,555,946	3,970,618	25,585,328	14,767,501

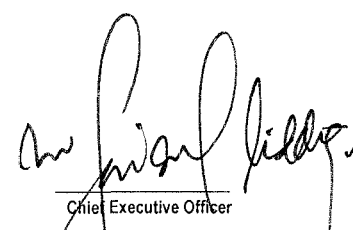
Note: The Company does not underwrite business outside Pakistan.

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


Chairman


Director



Director


Chief Executive Officer
Sindh Insurance Ltd 19

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

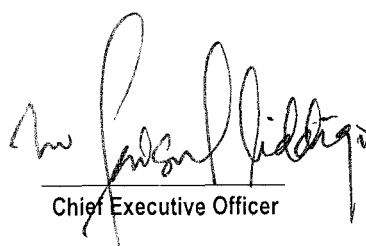
	Three months period ended 30 September		Nine months period ended 30 September	
	2016	2015	2016	2015
	Rupees	Rupees	Rupees	Rupees
Income from non-trading investments				
Held-to-maturity				
Return on Government Securities	2,326,685	3,777,476	5,761,851	4,726,880
Return on other fixed income securities and deposits	2,920,364	911,188	8,845,195	8,809,875
	<u>5,247,049</u>	<u>4,688,664</u>	<u>14,607,046</u>	<u>13,536,755</u>
Available-for-sale				
Return on Government Securities	4,062,521	7,063,958	6,740,797	24,088,974
Dividend income on available for sale investments	-	-	944,379	3,793,297
Gain on sale of available-for-sale investments	44,616	18,223,028	28,155,842	68,756,897
Impairment loss	-	-	(476,230)	-
	<u>4,107,137</u>	<u>25,286,986</u>	<u>35,364,788</u>	<u>96,639,168</u>
	<u>9,354,186</u>	<u>29,975,650</u>	<u>49,971,834</u>	<u>110,175,923</u>
Investment related expenses	(7,475)	(7,412)	(14,950)	(14,950)
Net investment income	<u>9,346,711</u>	<u>29,968,238</u>	<u>49,956,884</u>	<u>110,160,973</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 NINE MONTHS PERIOD ENDED 30 SEPTEMBER 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 nine month's period ended 30 September 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 information.

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 except claims incurred but not reported (IBNR) calculated as per SECP circular.

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 September 2016	31 December 2015
	Rupees (Unaudited)	Rupees (Audited)
Commission to agents	279,406	139,452
Sindh Sales tax on services	317,718	936,023
Federal insurance fee	196,249	75,749
Withholding tax	86,606	208,341
Auditor's remuneration	76,000	415,500
Sundry creditors	326,684	2,244,181
	<u>1,282,663</u>	<u>4,019,246</u>

6 CONTINGENCIES AND COMMITMENTS

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

		30 September 2016	31 December 2015
		Rupees (Unaudited)	Rupees (Audited)
7 INVESTMENTS			
Held-to-maturity			
Government securities	7.1	115,567,266	100,403,206
Fixed income securities	7.1	25,000,000	-
Available-for-sale			
Government securities	7.2	315,857,597	224,780,893
Mutual Funds	7.3	117,461,667	201,125,810
		<u>573,886,530</u>	<u>526,309,909</u>

	Maturity Year	Face Value (Rupees)	Coupon Rate (%)		
7.1 Held-to-maturity					
Market treasury bills				64,216,945	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				869,001	597,636
				<u>51,350,321</u>	<u>51,078,956</u>
				<u>140,567,266</u>	<u>100,403,206</u>
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				(41,140)	(459,617)
				4,896,136	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				(2,209,139)	-
				<u>310,961,461</u>	<u>-</u>
				<u>315,857,597</u>	<u>224,780,893</u>

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- Arif Habib Savings	MCB - Pakistan Sovereign Fund	-	461,002.84	-	25,000,000
MCB- Arif 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
				<u>117,937,897</u>	<u>202,856,897</u>
Less: Impairment loss				(476,230)	(1,731,087)
Carring value at period/year end				<u>117,461,667</u>	<u>201,125,810</u>

8 PREPAYMENTS

Prepaid reinsurance ceded	261,906,024	12,235,810
Prepaid insurance expense	310,063	126,048
Prepaid rent	1,317,067	1,176,719
Others	28,708	270,891
	<u>263,561,862</u>	<u>13,809,468</u>

9 SUNDRY RECEIVABLES

Considered good

Advance for health claims	441,809	1,210,420
Insurance claim receivable	-	1,475,000
Security deposit	474,653	-
Advance for expense	110,500	111,000
Other receivables	814,063	582,026
	<u>1,841,025</u>	<u>3,378,446</u>

	Nine months period ended 30	
	September	
	2016	2015
	Rupees	Rupees
10 ADDITIONS IN FIXED ASSETS		
Details of the cost of operating assets that have been acquired during the nine months period are as follows:		
Leasehold improvements	-	-
Furniture & fixtures	85,700	558,820
Office equipment	30,000	289,165
Computers	467,400	365,500
Vehicles	-	1,102,500
Intangible asset - computer software	940,000	333,889
	<u>1,523,100</u>	<u>2,649,874</u>

	Three months period ended 30		Nine months period ended 30	
	September		September	
	2016	2015	2016	2015
	Rupees	Rupees	Rupees	Rupees
11 OTHER INCOME				
Profit on bank deposit	416,799	-	3,843,214	-
Income on generator sharing	109,215	109,215	327,645	327,645
Other	-	-	8,579	38,983
Exchange Gain / (Loss)	(7,630)	-	(7,630)	-
	<u>518,384</u>	<u>109,215</u>	<u>4,171,808</u>	<u>366,628</u>

	Three months period ended 30		Nine months period ended 30	
	September		September	
	2016	2015	2016	2015
	Rupees	Rupees	Rupees	Rupees
12 MANAGEMENT EXPENSES				
Salaries, allowance and benefits	4,761,778	3,954,134	15,407,120	9,975,940
Rent, rates and taxes	180,246	304,298	807,500	832,334
Legal and professional charges	133,148	73,170	1,654,866	228,798
Travelling and conveyance	22,285	35,131	755,001	1,132,603
Printing and stationary expenses	380,963	48,642	767,059	271,786
Depreciation	278,754	213,911	833,590	865,147
Amortization of intangibles	144,024	13,360	378,096	27,056
Repair and maintenance	329,417	48,658	644,762	178,868
Office expenses	169,332	159,525	632,779	369,784
Utilities	126,528	82,990	328,858	288,956
Communication	66,802	32,548	159,745	128,722
Survey fee	108,090	21,800	134,867	135,150
Advertising expenses	-	3,600	20,000	13,799
Insurance expenses	107,085	60,014	280,621	180,412
Services charges	90,228	-	1,805,740	-
Miscellaneous expenses	74,569	8,281	588,189	93,723
Other Charges	250,226	42,703	49,092	127,606
Provision for Worker Welfare Fund	-	-	-	493,880
	<u>7,223,477</u>	<u>5,102,765</u>	<u>25,247,887</u>	<u>15,344,564</u>

	Three months period ended 30		Nine months period ended 30	
	September		September	
	2016	2015	2016	2015
	Rupees	Rupees	Rupees	Rupees
13 GENERAL AND ADMINISTRATIVE EXPENSES				
Salaries, wages, allowance and benefits	2,227,854	2,128,158	7,662,119	5,262,794
Directors meeting fee	325,000	30,000	500,000	66,000
Rent, rates and taxes	338,171	256,648	879,451	649,102
Legal and professional charges	54,692	96,480	2,182,299	270,102
Auditors' remuneration	116,430	13,275	200,950	73,095
Depreciation	418,132	320,866	1,250,386	1,297,720
Amortization of intangibles	216,037	20,041	567,145	40,585
Printing and stationery	243,350	72,964	635,878	269,568
Repair and maintenance	255,508	70,287	715,251	240,189
Travelling and conveyance	31,746	12,198	364,916	644,014
Advertising	-	5,400	-	20,699
Utilities	189,792	124,483	493,287	433,432
Communication	41,675	48,821	181,090	193,083
Office expenses	166,037	239,287	495,851	554,676
Other charges	42,148	4,056	301,700	74,416
Insurance expenses	116,529	90,023	376,834	270,620
Provision for Workers Welfare Fund	-	-	-	740,820
	<u>4,783,100</u>	<u>3,532,986</u>	<u>16,807,156</u>	<u>11,100,914</u>

(Handwritten signatures and initials)

14 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

Weighted average number of ordinary shares - Number

Basic earnings per share - Rupees

July to September		January to September	
2016	2015	2016	2015
Rupees	Rupees	Rupees	Rupees
8,523,997	16,053,859	33,927,660	58,024,664
50,000,000	50,000,000	50,000,000	50,000,000
0.17	0.32	0.68	1.16

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		Nine months period ended 30	
	September		September	
	2016	2015	2016	2015
	Rupees	Rupees	Rupees	Rupees
Companies having common directorship				
Sindh Bank Limited (SBL)				
Income on bank account	406,465	7,866,127	3,843,214	7,866,127
Income on term deposit	-	27,397	-	356,165
Premium Written	56,719,796	56,046,548	65,545,225	56,046,548
Claim Paid	2,636,064	1,525,781	15,528,147	1,525,781
Sindh Modarba Management Limited (SMML)				
Premium Written	468,757	272,706	507,142	273,780
Claim Paid	163,116	-	175,116	-
Sindh Leasing Company Limited (SLCL)				
Premium Written	189,082	125,413	1,514,947	125,413
Claim Paid	2,520	-	679,210	-
Sindh Micro Finance Bank Limited				
Premium Written	35,718	-	181,895	49,150
Health Econnex (Private) Limited				
Health claims paid on behalf of company	4,714,858	1,267,356	17,216,014	1,267,356
Directors				
Meeting Fee	325,000	50,000	500,000	110,000
Key Management Personnel				
Remuneration & benefits paid to key Management Personnel	3,402,534	3,178,035	9,996,222	8,890,638
Retirement benefits	189,954	170,909	569,863	474,545
Balances			30 September	31 December
			2016	2015
Companies having common directorship				
Sindh Bank Limited (SBL)				
Bank Accounts			10,490,784	71,203,196
Term Deposit			-	25,000,000
Premium Receivable			47,955,430	32,302,654
Claim Payable			8,007,456	1,583,591
Sindh Modarba Management Limited (SMML)				
Premium Receivable			608	209,051
Claim Payable			5,000	-
Amount receivable for sharing of generator			109,215	109,215
Sindh Leasing Company Limited (SLCL)				
Claim Payable			81,962	62,382
Premium Receivable			-	-
Sindh Micro Finance Bank Limited				
Claim Payable			-	-
Premium Receivable			94,878	-
Health Econnex (Private) Limited				
Advance For Health Claim Expense			2,522,406	1,210,420

16. OPERATING SEGMENTS

Segment results	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	2015
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Net premium revenue	1,428,167	331,182	1,372,157	(2,895)	28,662,324	3,513,632	28,730,848	4,219,461	7,800,060	326,442			67,993,555	8,386,221
Net Claims	(205,532)	(634,232)	(80,409)	2,503	(8,903,640)	(1,443,024)	(21,065,340)	(3,797,957)	65,813	(570,721)			(30,189,108)	(6,443,431)
Premium deficiency / reserve														
Management expenses	(1,483,048)	(1,625,813)	(4,302,487)	(52,708)	(2,349,647)	(2,786,536)	(2,489,684)	(8,134,842)	(14,623,021)	(2,744,666)			(25,247,887)	(15,344,565)
Net Commission	1,047,550	387,632	23,700	(26,667)	(2,364,205)	(16,901)	(18,084)	(4,812)	973,598	237,833			(337,444)	577,065
Underwriting results	787,137	(1,541,231)	(2,987,039)	(79,588)	15,044,832	(732,629)	5,157,740	(7,718,150)	(5,783,550)	(2,751,112)			12,219,119	(12,822,710)
Investment income													49,956,884	110,160,973
Share of profit / (loss) from associate													4,171,808	366,628
Other income													(16,807,156)	(11,100,914)
General administrative expenses													37,321,537	99,426,687
Profit before tax													49,540,656	86,603,976
Taxation - current													(15,612,996)	(28,579,312)
Profit after tax													33,927,660	58,024,664
Other Segment Information														
Segment assets	20,711,092	4,847,383	60,065,158	157,569	32,813,325	8,330,263	34,768,975	24,318,857	204,213,655	8,205,094			352,592,205	45,859,167
Un-allocated assets											704,407,864	630,914,343	704,407,864	630,914,343
													1,057,000,069	676,773,510
Segment liabilities	24,475,572	7,419,440	71,006,329	241,177	38,777,526	12,750,361	41,088,638	37,222,619	241,331,845	12,558,776			416,679,910	70,192,373
Un-allocated liabilities											640,320,159	606,581,137	640,320,159	606,581,137
													1,057,000,069	676,773,510
Capital expenditure											1,523,100	2,649,874	1,523,100	7,499,012
Depreciation											3,029,217	2,230,508	3,029,217	3,493,595

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.



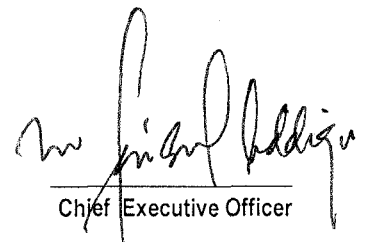
Chairman



Director



Director



Chief Executive Officer

PATTERN OF SHAREHOLDINGS
HELD BY THE SHAREHOLDERS OF
SINDH INSURANCE LIMITED
AS AT SEPTEMBER 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
Syed Hassan Naqvi	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

