

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



SINDH INSURANCE

POWER TO THE PEOPLE

**Accounts for the nine month ended
30 September 2014 (Unaudited)**

Head Office: 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi - Pakistan.
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Corporate Information

Chairman of Board of Directors Muhammad Bilal Sheikh Non-Executive Director

Directors Mohammad Sohail Khan Rajput
Syed Shahnawaz Nadir Non-Executive Director
Muhammad Naimuddin Farooqui Non-Executive Director
Shamsuddin Khan Non-Executive Director

Chief Executive Officer Muhammad Faisal Siddiqui

Chief Financial Officer &
Company Secretary Nadeem Akhter

Auditors M/s Riaz Ahmed, Chartered Accountants

Legal Advisor Muhammad Nadeem Khan

Tax Consultant Jalis & Company, Chartered Accountants

Bankers Sindh Bank Limited

Head Office/ Registered Office 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi, Pakistan.
Tel: (92-21) 35840715-17
Fax: (92-21) 35840714
Email: info@sindhinsuranceLtd.com
Website: www.sindhinsuranceLtd.com

Key Management Personnel:

Head of Operations Muhammad Raza

Head of Sales Nadeem Halder Sheikh

Audit Committee:

Chairman Muhammad Naimuddin Farooqui
Member Mohammad Sohail Khan Rajput
Member Syed Shahnawaz Nadir

Directors' Review

The directors are pleased to present the condensed interim un-audited financial statements for the nine months ended 30th September 2014.

The results for the nine months are summarized below:

	September 30, 2014 -----Rupees-----
Investment income	38,021,635
Profit before tax	31,812,331
Profit after tax	21,186,486
Earning per share	0.42

By the grace of Allah, the Company received "Certificate for Commencement of Business" on September 22nd, 2014 and finalize reinsurance arrangement with *Hanover Re. and Pakistan Reinsurance Limited*.

Investment income giving good cushion to cover initial running and set-up expenses of the Company.

Future Outlook:

We are concentrating to develop a comprehensive infrastructure to meet the flexible business needs to compete in the insurance industry and move forward with the fluctuations in country's economy. We are successfully building our teams by inducting experienced professionals. We hope to build the business momentum and improve business in next quarter.

For and on behalf of
Board of Directors



M. Faisal Siddiqui
Chief Executive Officer

Karachi, October 30, 2014

SINDH INSURANCE LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2014 - UNAUDITED

Figures in Rupees

	September 30, Note 2014	September 30, Note 2014
SHARE CAPITAL AND RESERVE		
Authorised share capital 50,000,000 ordinary shares of Rs. 10 each	<u>500,000,000</u>	
ASSETS		
Issued, subscribed and paid-up share capital	500,000,000	
Retained earning	21,186,486	
General reserves	-	
Shareholders' equity	521,186,486	
LIABILITIES		
Underwriting provision		
Provision for outstanding claims(including IBNR)	-	
Provision for unearned premium	-	
Commission income unearned	-	
Total underwriting provision	-	
Deferred taxation	-	
Creditors and Accruals		
Premium received in advance	-	
Amount due to other insurers / reinsurers	-	
Taxation-net of provision	2,433,558	
Current portion of obligations	-	
Others creditors and accruals	738,983	
	8 3,172,511	
Borrowings	-	
Other liabilities	-	
TOTAL EQUITY AND LIABILITIES	<u>524,358,997</u>	
ASSETS		
Cash and Bank Deposits		
Cash and other equivalents		-
Current and other accounts		47,803,512
Deposits maturing in 12 months- held to maturity	8	400,000,000
Total cash and bank deposits		447,803,512
Investments	6	50,626,280
Other Assets		
Premium due but unpaid		-
Amount due from other insurers/reinsurers		-
Accrued income		2,620,712
Reinsurance recoveries against outstanding claims		-
Deferred commission expense		-
Prepaid reinsurance premium ceded		-
Sundry receivables		-
Prepayments	7	1,987,664
		4,508,376
Fixed Assets - Tangible	10	
Furniture & Fixtures		1,703,765
Computer & Accessories		202,786
Office equipment		5,654,375
Vehicle		1,876,333
Leasehold Improvements		11,883,580
		21,420,619
TOTAL ASSETS		<u>524,358,997</u>

The annexed notes form an integral part of these condensed interim financial statements.


CHAIRMAN


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR

Karachi: October 30, 2014

BINDH INSURANCE LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 - UNAUDITED

Figures in Rupees

Notes	Fire and Property	Marine, aviation and transport	Motor	Miscellaneous	Nine Months Ended September 30, 2014	
Revenue Account						
Net Premium Revenue	-	-	-	-	-	
Net Claims	-	-	-	-	-	
Management Expenses	-	-	-	-	-	
Net Commission	-	-	-	-	-	
Underwriting results						
Net Investment Income					38,021,636	
Other income					2,600	
General and administrative expenses	12				(4,211,604)	
Profit before tax					31,812,331	
Taxation						
Current - for the period					(18,628,840)	
Prior					-	
Deferred					-	
Profit after tax					21,183,491	
Profit and Loss Appropriation Account						
Balance at commencement of the year						-
Loss: Transferred to general reserve						-
Add: Transferred from general reserve						-
Profit after tax					21,183,491	
Balance accumulated at the end of the period					4.42	
Earning per share					4.42	

The approved notes form an integral part of these condensed interim financial statements.


 CHAIRMAN
 Karachi, October 30, 2014


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

BINDH INSURANCE LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED JULY-SEPTEMBER 30, 2014 - UNAUDITED

Figures in Rupees

	Fire and Property	Marine, aviation and transport	Motor	Miscellaneous	Quarter Ended September 30, 2014	
Revenue Account						
Net Premium Revenue	-	-	-	-	-	
Net Claims	-	-	-	-	-	
Management Expenses	-	-	-	-	-	
Net Commission	-	-	-	-	-	
Underwriting results						
Net Investment Income					12,773,818	
Other income					2,595	
General and administrative expenses					(3,483,787)	
Profit before tax					9,292,533	
Taxation						
Current - for the period					(2,989,126)	
Deferred					-	
Profit after tax					6,303,407	
Profit and Loss Appropriation Account						
Balance at commencement of the period						-
Add: Transferred from general reserve						-
Profit after tax					6.13	
Balance accumulated at the end of the period					6.13	
Earning per share - Basic and Diluted					6.13	

The approved notes form an integral part of these condensed interim financial statements.


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2014 - UNAUDITED

Figures in Rupees

	Nine months period ended September 30, 2014	Quarter ended September 30, 2014
Profit after tax	21,186,486	6,323,433
Other comprehensive income		
Total comprehensive income for the period	<u>21,186,486</u>	<u>6,323,433</u>

The annexed notes form an integral part of these condensed interim financial statements.


CHAIRMAN

Karachi: October 30, 2014


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 - UNAUDITED

	September 30, 2014 Rupees
Operating Cash Flows	
Underwriting activities	
No activity	-
Net cash (used in) underwriting activities	-
Other operating activities	
Income tax paid	(8,192,287)
General and administrative expenses paid	(6,601,155)
Net cash (used in) other operating activities	(14,793,442)
Total cash flows (used in) operating activities	<u>(14,793,442)</u>
Investing activities	
Profit/return received	35,508,338
Other income received	2,500
Investment made	(460,626,290)
Fixed capital expenditure	(22,287,594)
Total cash flows (used in) investing activities	(437,403,046)
Financing activities	
Proceeds from Issuance of Capital	500,000,000
Total cash flows from financing activities	500,000,000
Net cash flows from all activities	<u>47,803,512</u>
Cash and cash equivalent at the beginning of the period	-
Cash and cash equivalent at the end of the period	<u><u>47,803,512</u></u>


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi: October 30, 2014

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 - UNAUDITED

Figures in Rupees

	Share Capital issued, subscribed and paid up Capital	Retained Earning	Total
Transactions with Owners			
Share capital issued @ 10/- each	500,000,000	-	500,000,000
Total comprehensive income for the period			
Profit for the period		21,186,488	21,186,488
Balance as at September 30, 2014	500,000,000	21,186,488	521,186,488

The annexed notes form an integral part of these condensed interim financial statements.


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi: October 30, 2014

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF PREMIUMS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Figures in Rupees

Class	Premium written	Unearned Premium reserve		Premium earned	Reinsurance Ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Nine Months ended September 30, 2014 Net Premium revenue
		Opening	Closing			Opening	Closing		
Direct and Facultative	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-
Treaty	-	-	-	-	-	-	-	-	-
Grand-total	-	-	-	-	-	-	-	-	-

Note: The company does not underwrite business outside Pakistan.
 The annexed notes form an integral part of these condensed interim financial statements.


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi: October 30, 2014

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF PREMIUMS
FOR THE QUARTER ENDED JULY-SEPTEMBER 30, 2014 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Figures in Rupees

Class	Premium written	Unearned Premium reserve		Premium earned	Reinsurance Ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Quarter ended September 30, 2014 Net Premium revenue
		Opening	Closing			Opening	Closing		
Direct and Facultative	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-
Treaty	-	-	-	-	-	-	-	-	-
Grand-total	-	-	-	-	-	-	-	-	-

Note: The company does not underwrite business outside Pakistan.
 The annexed notes form an integral part of these condensed interim financial statements.


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi: October 30, 2014

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF CLAIMS
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 - UNAUDITED
 BUSINESS UNDERWRITTEN INSIDE PAKISTAN

FOR

Figures in Rupees

Class	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	Nine Months ended September 30, 2014 Net claims expense
		Opening	Closing			Opening	Closing		
Direct and Facultative	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-
Treaty	-	-	-	-	-	-	-	-	-
Grand-total	-	-	-	-	-	-	-	-	-

Note: The company does not underwrite business outside Pakistan.
 The annexed notes form an integral part of these condensed interim financial statements.


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi, October 30, 2014

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF CLAIMS
 FOR THE QUARTER ENDED JULY-SEPTEMBER 30, 2014 - UNAUDITED
 BUSINESS UNDERWRITTEN INSIDE PAKISTAN

FOR

Figures in Rupees

Class	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	Quarter ended September 30, 2014 Net claims expense
		Opening	Closing			Opening	Closing		
Direct and Facultative	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-
Treaty	-	-	-	-	-	-	-	-	-
Grand-total	-	-	-	-	-	-	-	-	-

Note: The company does not underwrite business outside Pakistan.
 The annexed notes form an integral part of these condensed interim financial statements.


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi, October 30, 2014

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF EXPENSES
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Figures in Rupees

Class	Commission paid or payable	Deferred Commission		Net Commission expense	Other management expense	Underwriting expense	Commission from reinsurance	Nine Months Ended September 30, 2014 Net underwriting expense
		Opening	Closing					
Direct and Facultative	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-
Treaty	-	-	-	-	-	-	-	-
Grand-total	-	-	-	-	-	-	-	-

Note: The company does not underwrite business outside Pakistan
 Commission from reinsurance is arrived at by taking impact of the closing unearned commission.
 The annexed notes form an integral part of these condensed interim financial statements.


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi, October 30, 2014

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF EXPENSES
FOR THE QUARTER ENDED JULY-SEPTEMBER 30, 2014 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Figures in Rupees

Class	Commission paid or payable	Deferred Commission		Net Commission expense	Other management expense	Underwriting expense	Commission from reinsurance	Quarter Ended September 30, 2014 Net underwriting expense
		Opening	Closing					
Direct and Facultative	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-
Treaty	-	-	-	-	-	-	-	-
Grand-total	-	-	-	-	-	-	-	-

Note: The company does not underwrite business outside Pakistan
 Commission from reinsurance is arrived at by taking impact of the closing unearned commission.
 The annexed notes form an integral part of these condensed interim financial statements.


 CHAIRMAN


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi, October 30, 2014

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 - UNAUDITED

	Nine Months Ended September 30, 2014	Quarter Ended July - September 30, 2014
Rupees		
Income from Non-Trading Investment		
Held to Maturity		
Return on Government securities	2,391,562	1,484,165
Return on other fixed income securities and deposits	35,492,517	11,188,029
Amortisation of discount	144,970	101,616
	38,029,049	12,773,810
Investment related expenses	(7,414)	-
Net Investment Income	38,021,635	12,773,810

The annexed notes form an integral part of these condensed interim financial statements.


CHAIRMAN


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR

Karschi: October 30, 2014

1 STATUS AND NATURE OF BUSINESS

Sindh Insurance Limited (the Company) was incorporated as a Public Limited Company in 2013 under the Companies Ordinance, 1984 and is fully subscribed by Government of Sindh. Shares of the Company are not quoted on any Stock Exchange. The Company is engaged in the general insurance business. The registered office and principal place of business of the Company is situated at 1st Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information of the company for the nine month period ended September 30, 2014 has been prepared in accordance with the requirements of the International Accounting Standard 34 – (IAS 34): interim financial information and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 shall prevail.

These condensed interim financial information do not include all the information and disclosures required in the annual financial statements, and will be presented in the Company's annual financial statements for the year ended 31 December 2014.

The condensed interim financial information for the nine month ended September 30, 2014 is un-audited. This is first year of operations of the Company therefore corresponding amounts are not presented in this financial information.

3 BASIS OF PRESENTATION

This condensed interim financial information has been prepared under the historical cost convention. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

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

4 ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information in conformity with the requirements of approved accounting standards as applicable in Pakistan requires management to make judgments / estimates and associated assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The judgments / estimates and associated assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimate about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year are disclosed in the followings notes:

- Taxation (note 5.4)
- Provision (note 5.7)

5 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of this financial information are set out below.

5.1 Investments

The management determines the appropriate classification of its investments in accordance with the requirements of International Accounting Standard 39: Financial Instruments: Recognition and Measurement (IAS-39). All investments are initially recognized at fair value of the consideration including the transaction costs. All purchases and sales of investment which require delivery within time frame established by the regulations or market convention are accounted for at the settlement date. Settlement date is the date an asset is delivered to or by the Company. Subsequently, these are recognized and classified into the following category:

i. At fair value through profit or loss: Investment acquired principally for the purpose of generating a profit from short-term fluctuation in price, are classified as held for trading.

ii. Available for sale: Available for sale financial assets are those non-derivative financial assets designated on initial recognition as available for sale or any other instruments that are not classified as (a) loans and receivables (b) held-to-maturity investments, or (c) financial assets at fair value through profit or loss or, the financial assets that are intended to be held for an indefinite period of time and may be sold in response to the need of liquidity are classified as available for sale.

iii. Held to maturity: Investments with fixed or determinable payments and fixed maturity where the company has positive intent and ability to hold to maturity are classified as held-to-maturity. Held to maturity investments are subsequently measured at amortized cost, taking into account any discount or premium using the effective interest method.

All of the investments of the Company as at reporting date are classified in Held to Maturity category, therefore, other categories are not relevant.

Gain or loss is recognized in profit and loss account when held to maturity investments are derecognized or impaired, and through the amortization process.

De-recognition: All investments are de-recognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

5.2 Interest/Mark-Up income

Interest/Mark-up income on securities is recognized using effective interest method. Income on bank deposits is recognized on accrual basis.

5.3 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and derecognized when the Company loses control of contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on the de-recognition of financial asset or financial liabilities is included in the profit and loss currently, as the case may be.

SINDH INSURANCE LIMITED
Notes to the Condensed Interim Financial Information
For the nine month period ended September 30, 2014

	September 30, 2014
	----Rupees----
6 INVESTMENTS	
Held - to - maturity	
Government securities	52,000,000
Less: Discount on PIB	<u>1,373,710</u>
	<u><u>50,626,290</u></u>
Discount on PIB will be amortized till the maturity date of bonds	
7 PREPAYMENTS	
Prepaid office rent	1,887,600
Prepaid insurance	<u>100,064</u>
	<u><u>1,987,664</u></u>
8 OTHER CREDITORS AND ACCRUALS	
Provident fund	255,480
EOBI	5,464
Withholding tax	1,839
Performance security	396,170
Legal fee	45,000
Website preparation fee	<u>35,000</u>
	<u><u>738,953</u></u>
9 DEPOSIT MATURING IN 12 MONTHS	
Held - to - maturity	
Deposit maturing in 12 months	<u>400,000,000</u>
	<u><u>400,000,000</u></u>
Deposit maturing in 12 months contains 8 Term Deposits with term of 6 months of Rs. 50,000,000/- each held in Sindh Bank Limited (an associated company).	

10 FIXED ASSETS - Tangible

Particulars	Leasehold improvements	Furniture and fixture	Machine equipments	Computers	Vehicles	Total
COST						
Additions	12,088,075	1,763,176	6,045,999	234,343	2,156,000	22,287,593
As at September 30, 2014	<u>12,088,075</u>	<u>1,763,176</u>	<u>6,045,999</u>	<u>234,343</u>	<u>2,156,000</u>	<u>22,287,593</u>
ACCUMULATED DEPRECIATION						
Charge for the year	204,495	59,410	391,624	31,577	179,667	866,773
As at September 30, 2014	<u>204,495</u>	<u>59,410</u>	<u>391,624</u>	<u>31,577</u>	<u>179,667</u>	<u>866,773</u>
Written down value as at September 30, 2014	<u>11,883,580</u>	<u>1,703,766</u>	<u>5,654,375</u>	<u>202,766</u>	<u>1,976,333</u>	<u>21,420,820</u>
Rate	5%	10%	10%	33.33%	20%	

SINDH INSURANCE LIMITED**Notes to the Condensed Interim Financial Information****For the nine month period ended September 30, 2014****5.4 Income tax**

This is the policy of management that all taxes, direct or indirect should be paid according to the regulations provided by institutions of federal and provincial government.

Current: Provision for current taxation is based on taxable income at the current rates of taxation after taking into account available tax credits and rebates, if any.

Deferred: Provision for deferred tax is made using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax estimated as at reporting date is not significant, therefore not recognized in these financial information.

5.5 Fixed assets and depreciation

These are stated cost less accumulated depreciation and impairment loss, if any. Depreciation is charged to income on reducing balance method using the following rates:

- Leasehold improvements	5%
- Furniture and fixture	10%
- Machine equipment	10%
- Computer	33.33%
- vehicles	20%

Depreciation is charged on proportional basis, when assets become available for use and on disposal. These assets' residual values, useful lives and method for depreciation are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Subsequent costs are included in the assets carrying amount or recognized as a separate part, as appropriate, only when it is possible that future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. Normal repair and maintenance are charged to profit and loss account.

5.6 Cash and cash equivalent

For the purpose of cash flow statement, cash and cash equivalents include cash at bank in current and saving accounts, cash and stamps in hand and bank deposits.

5.7 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

5.8 Contingencies and commitments

There is no contingency and commitment as at September 30, 2014.

11. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common Directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices determined under "Comparable uncontrolled price method". Transactions with related parties including remuneration to key management personnel, these aggregate transactions with related parties which are not disclosed in respective notes are as follows:

	Balance as on September 30, 2014	Transactions for the period September 30, 2014
	Rupees	
Associated Companies		
Investment in Term Deposits	400,000,000	
Bank Account	47,803,512	
Income on term deposits		32,630,136
Income on bank account		2,862,381
Key management personnel		
Remuneration		2,065,001
Others		
Director meeting fee		90,000
12 GENERAL AND ADMINISTRATIVE EXPENSES		
Salaries and allowances		2,579,183
Contribution for provident fund		127,740
Director meeting fee		90,000
Communication		90,811
Brokerage and commission		114,800
Advertisement expenses		258,962
Electricity and diesel expenses		22,489
Security charges		116,932
Depreciation expense		866,773
Insurance		86,803
Entertainment		20,621
Other operating expenses		226,476
Printing and stationary		65,453
legal and professional fee		145,635
Conveyancer		49,000
Vehicle running expenses		51,220
Miscellaneous expense		32,941
Janitorial services		37,334
Electricity		132,736
Bank charges		7,473
Office rent		1,088,400
		6,211,804
13 EARNINGS PER SHARE - basic and diluted		
	Nine month period ended, September 30, 2014	Three month period ended, September 30, 2014
	Rupees	
Profit for the period	21,186,486	6,323,433
	Number of shares	
Weighted average number of shares of Rs. 10 each	50,000,000	50,000,000
Earnings per share - basic and diluted	0.42	0.13

14 GENERAL

14.1 This condensed interim financial information was authorised for issue in the board of directors meeting held on _____

14.2 The figures for the quarter and nine month period ended September 30, 2014 have been rounded off to the nearest rupee.


CHAIRMAN


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR