

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO



SINDH INSURANCE

POWER TO THE PEOPLE

**Accounts for the nine months ended
30 September 2015 (Unaudited)**

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COMPANY INFORMATION

IN AID OF PESHAWAR MONTARA BAZAR BUILDING

SINDEH INSURANCE CO.

PAKISTAN

Board of Directors

Muhammad Bilal Sheikh (Chairman)
Mohammad Sohail Khan Rajput
Syed Shahnawaz Nadir
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

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

Underwriting Committee

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

IFA Rating

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

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Fax : (92-21) 35640714
Email : info@sindhinsuranceld.com
Website : www.sindhinsuranceld.com

Directors' Review

On behalf of the Board of Directors, I am pleased to present the results of nine months ended September, 30, 2015 of your Company.

COMPANY PERFORMANCE REVIEW

In this period ended September, 30, 2015, the company underwrote risk assets which generated gross premium of Rs. 63.84 million. The gross claim ratio stood merely at 2.59% of gross premium

Profit before tax is reported at Rs. 86.603 million as on September 30, 2015 as compared to Rs. 31.812 million to the nine months period ended September 30, 2014. The profit after tax is Rs. 58.024 million for the nine months period ended September, 30, 2015 as compared to the corresponding nine months period 2014 which posted a profit after tax of Rs. 21.186 million. A major portion of the income was derived from investments income of Rs. 110.160 million.

The total assets of the company for the nine months period ended September, 30, 2015 stood at Rs. 668 million as compared to an amount of Rs. 543 million in year ended December 31, 2014, showing an increase of almost 23%.

ECONOMIC OVERVIEW

The State Bank of Pakistan has reduced the SBP policy rate by 50bps from 6.5 percent to 6.0 percent in September 2015. The decrease in policy rate was primarily due to reduced rate of inflation and improving investor and consumer confidence. Year-on-year headline CPI inflation decelerated to 1.7 percent in August 2015 from 7.0 percent in August 2014. Following its declining trend of the past several months, the 12-month moving average CPI inflation came down to 3.6 percent in August 2015 from 8.4 percent in August 2014. Government plans of paring down of subsidy on electricity along with increase in its tariffs and the possible adverse impact of low food prices on crop production.

BANK ENLISTMENT

The Company is making rigorous efforts to enlist itself with all major commercial banks operating in Pakistan and with other financial institutions. For this purpose, Company has deputed a dedicated team of staff members for enlistment.

FUTURE OUTLOOK

The company is approaching the market for accident & health insurance business and will also approach the market for other non-life general insurance products.

ACKNOWLEDGEMENT

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

Further, we also wish to record our appreciation for the Insurance Association of Pakistan (IAP) for their valuable support and contribution to the insurance industry.

For and on behalf of
Board of Directors


M. Faisal Siddiqui
Chief Executive Officer

Karachi, October 28, 2015

SINDH INSURANCE LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT 30 SEPTEMBER 2015 - (UNAUDITED)

	30 September 2015 Rupees (Unaudited)	31 December 2014 Rupees (Audited)
Share capital and reserve		
Authorized share capital	500,000,000	500,000,000
Issued, subscribed and paid-up share capital	500,000,000	500,000,000
Retained earnings	90,049,746	32,025,082
TOTAL EQUITY	590,049,746	532,025,082
Underwriting provisions		
Provision for outstanding claims (excluding IBNR)	4,914,295	115,591
Provision for unearned premium	52,315,359	2,089,512
Commission income unearned	1,880,539	402,809
	59,110,193	2,615,352
Deferred liabilities		
Deferred tax	1,124,751	1,163,032
Creditors and accruals		
Premium received in advance	211,340	-
Amount due to other insurers/reinsurers	14,696,929	2,959,552
Others creditors and accruals	3,406,617	3,375,641
Provision for taxation less payments	-	1,350,326
	18,314,886	7,685,519
TOTAL LIABILITIES	78,549,830	11,764,883
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	668,599,576	543,789,965
	30 September 2015 Rupees (Unaudited)	31 December 2014 Rupees (Audited)
Cash and bank deposits		
Cash and other equivalents	52,613	49,372
Current and other accounts	71,365,179	35,289,507
Deposits maturing within 12 months	-	196,000,000
	71,417,792	135,337,879
Investments	505,949,589	355,127,003
Current assets		
Premium due but unpaid - considered good	36,731,159	2,102,755
Due from other insurers/reinsurers - considered good	2,445,678	447,485
Accrued investment income	3,906,288	18,534,001
Deferred commission expense	235,845	113,811
Prepaid reinsurance premium ceded	13,024,367	2,758,591
Provision for taxation less payments	132,554	-
Prepayments	1,185,604	1,910,573
Sundry receivables	5,773,976	1,650,509
	65,435,471	27,847,725
Fixed assets - tangible & intangible		
Owned		
Leasehold improvements	11,236,549	11,674,336
Furniture & fixtures	3,297,500	1,002,549
Office equipment	5,831,339	5,097,714
Computers	820,875	649,713
Vehicles	5,296,385	5,105,217
Intangible asset - computer software	314,073	47,825
	25,796,724	25,377,358
TOTAL ASSETS	668,599,576	543,789,965

The annexed notes from 1 to 15 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

SINDH INSURANCE LIMITED
 CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

Note	Three months period ended 30 September 2015						July 2015 to September 2015	July 2014 to September 2014
	Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous	Treaty		
	Rupees							
Net premium revenue	270,056	(11,012)	3,521,116	4,173,261	315,114	-	8,207,539	-
Net claims	(656,175)	(6,942)	(1,168,093)	(3,797,957)	(551,417)	-	(6,180,564)	-
Management expenses	658,327	84,329	4,576,373	(8,136,044)	(2,086,983)	-	(5,103,968)	-
Net commission	276,154	(12,438)	(16,384)	1,536	184,585	-	433,512	-
Underwriting results	548,362	53,967	6,712,032	(7,759,144)	(2,138,698)	-	(2,583,481)	-
Investment income							29,968,236	12,777,600
Other income							192,215	2,500
							27,493,970	12,776,100
General and administration expenses						11	(3,532,086)	(3,483,757)
Profit before tax							23,960,954	9,292,551
Taxation							(7,997,125)	(2,060,120)
Profit for the period							16,053,859	6,232,431
Earnings per share - basic and diluted							0.32	0.13

Note	Nine months period ended 30 September 2015						January 2015 to September 2015	January 2014 to September 2014
	Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous	Treaty		
	Rupees							
Net premium revenue	331,182	(2,696)	3,513,832	4,219,451	326,442	-	8,388,231	-
Net claims	(634,232)	2,503	(1,443,024)	(3,797,957)	(570,721)	-	(6,443,431)	-
Management expenses	(1,625,813)	(52,708)	(2,786,536)	(8,134,842)	(2,744,666)	-	(15,314,565)	-
Net commission	387,637	(25,687)	(16,901)	(1,812)	237,833	-	577,064	-
Underwriting results	(1,541,231)	(79,588)	(732,629)	(7,718,150)	(2,781,113)	-	(12,522,711)	-
Investment income							110,150,933	38,021,625
Other income							362,625	2,500
							57,704,890	38,024,133
General and administration expenses						11	(3,100,914)	(6,211,804)
Profit before tax							86,603,976	31,812,351
Taxation							(28,579,312)	(3,025,845)
Profit for the period							58,024,664	21,186,186
Profit and loss appropriation:								
Balance at beginning of the period							32,035,082	-
Profit for the period							58,024,664	21,186,486
Balance unappropriated profit at the end of the period							90,049,746	21,186,486
Earnings per share - basic and diluted						12	1.16	0.42

The annexed notes from 1 to 15 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

	Three months period ended 30 September 2015		Six months period ended 30 September 2015	
	2015	2014	2015	2014
	----- Rupees -----			
Profit for the period	16,053,859	6,323,433	58,024,664	21,186,486
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	16,053,859	6,323,433	58,024,664	21,186,486

The annexed notes from 1 to 15 form an integral part of these financial statements.


 Chairman


 Director


 Director


 Chief Executive Officer

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - UNAUDITED

	Issued, subscribed and paid up share capital	Retained earnings	Total shareholders' equity
	----- Rupees -----		
Balance as at December 30, 2013	-	-	-
Profit after tax for the period ended September 30, 2014	-	21,186,486	21,186,486
Other Comprehensive income	-	-	-
Total comprehensive income	-	21,186,486	21,186,486
Transactions with owners			
Issuance of ordinary shares during the period	500,000,000	-	500,000,000
Balance as at September 30, 2014	<u>500,000,000</u>	<u>21,186,486</u>	<u>521,186,486</u>
Balance as at January 1, 2015	500,000,000	32,025,082	532,025,082
Profit after tax for the period ended September 30, 2015	-	58,024,664	58,024,664
Other Comprehensive income	-	-	-
Total comprehensive income	-	58,024,664	58,024,664
Balance as at September 30, 2015	<u>500,000,000</u>	<u>90,049,746</u>	<u>590,049,746</u>


 Chairman


 Director


 Director


 Chief Executive Officer

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

	September 30, 2015	September 30, 2014
	Rupees	Rupees
OPERATING ACTIVITIES		
<i>a) Underwriting activities</i>		
Premiums received	29,425,372	-
Reinsurance premiums paid	(5,754,980)	-
Claims paid	(1,658,092)	-
Reinsurance and other recoveries received	12,965	-
Commissions paid	(328,725)	-
Commissions received	2,584,485	-
Other underwriting payments	(15,344,565)	-
Net cash used in underwriting activities	8,936,460	-
<i>b) Other operating activities</i>		
Income tax paid	(30,400,473)	(8,192,287)
Management and administrative expenses paid	(10,075,130)	(6,601,155)
Others	(3,398,498)	-
Net cash flows used in other operating activities	(43,874,101)	(14,793,442)
Net cash used in operating activities	(34,937,641)	(14,793,442)
INVESTING ACTIVITIES		
Profit / return received on investment	55,281,441	35,508,338
Other Income received	366,628	2,500
Investment related expenses paid	(14,950)	-
Payments for investments	(1,662,719,388)	(450,626,290)
Proceeds from disposal of investments	1,580,753,697	-
Fixed capital expenditure	(2,649,874)	(22,287,594)
Net cash used in investing activities	(28,982,446)	(437,403,046)
FINANCING ACTIVITIES		
Issue of shares	-	500,000,000
Net cash flow from financing activities	-	500,000,000
Net cash flows from all activities	(63,920,087)	47,803,512
Cash and cash equivalents at the beginning of year	135,337,879	-
Cash and cash equivalents at end of the period	71,417,792	47,803,512

	September 30, 2015	September 30, 2014
	Rupees	Rupees
Reconciliation to profit and loss account		
Operating cash flows	(34,937,641)	(14,793,442)
Depreciation on fixed assets	(2,162,867)	(211,963)
Amortization of intangibles	(67,641)	
Investment related expenses	(14,950)	
Income tax paid	30,400,473	(8,192,287)
Increase in assets other than cash	49,995,626	1,236,115
(Increase) in liabilities	(66,784,947)	15,209,449
Investment income	110,175,923	35,508,338
Profit before taxation	86,603,976	28,726,210

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

	September 30, 2015 (Unaudited)	September 30, 2014 (Unaudited)
	Rupees	Rupees
Cash and other equivalents		
- Cash in hand	46,965	-
- Policy stamps in hand	5,648	-
	52,613	-
Current and saving accounts		
- Current accounts	-	-
- Savings accounts	71,365,179	47,803,512
	71,365,179	47,803,512
Deposits maturing within 12 months		
- Term deposit - local currency	-	400,000,000
	71,417,792	447,803,512

The annexed notes from 1 to 15 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF PREMIUMS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

Class	Premium written	Three months period ended 30 September 2015							July to September	
		Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2015 Net premium revenue	2014 Net premium revenue
		Opening	Closing			Opening	Closing			
Rupees										
Direct and facultative										
Fire and property damage	2,422,563	1,467,959	3,011,986	1,883,386	4,771,358	1,370,794	4,328,832	1,613,553	276,096	-
Marine, aviation and transport	155,837	134,934	174,548	118,322	105,968	76,870	97,384	125,334	(11,002)	-
Motor	7,380,061	3,419,794	8,255,397	2,553,251	2,783,506	99,311	1,642,145	566,855	3,520,116	-
Accident & Health	33,789,638	-	29,926,277	4,173,261	-	-	-	-	4,173,261	-
Miscellaneous	11,079,556	318,314	(5,245,711)	13,151,155	8,781,688	50,243	6,993,892	1,056,001	(10,115)	-
Sub total	37,830,294	5,364,651	52,315,339	10,879,586	14,088,590	1,597,824	13,024,367	2,612,947	8,267,539	-
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	37,830,294	5,364,651	52,315,339	10,879,586	14,088,590	1,597,824	13,024,367	2,612,947	8,267,539	-

Class	Premium written	Nine months period ended 30 September 2015							January to September	
		Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2015 Net premium revenue	2014 Net premium revenue
		Opening	Closing			Opening	Closing			
Rupees										
Direct and facultative										
Fire and property damage	6,764,335	6,96,471	31,11,585	8,388,779	1,876,291	1,410,155	4,329,826	3,007,392	331,132	-
Marine, aviation and transport	219,297	213,442	174,548	257,791	110,420	207,531	37,304	294,487	(3,696)	-
Motor	11,503,637	339,625	8,255,397	3,977,855	705,511	1,000,667	1,642,145	549,933	3,513,832	-
Accident & Health	33,545,738	-	29,926,277	4,219,461	-	-	-	-	4,219,461	-
Miscellaneous	11,419,429	-	9,246,711	2,172,718	8,882,158	-	6,993,892	1,846,276	(26,442)	-
Sub total	63,842,436	2,089,532	52,315,339	13,616,699	15,494,164	2,758,591	13,024,367	5,238,388	8,388,221	-
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	63,842,436	2,089,532	52,315,339	13,616,699	15,494,164	2,758,591	13,024,367	5,238,388	8,388,221	-

Note: The Company does not underwrite business outside Pakistan.

The annexed notes form 1 to 15 form an integral part of these financial statements.


Chairman


Director


Director


Chief Executive Officer

SINDH INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CLAIMS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 (UNAUDITED)

Class	Total claims paid	Outstanding claims		Claims expenses	Re-insurance and other recoveries received	Re-insurance and other recoveries in respect of outstanding claims		Re-insurance and other recoveries revenue	July to September	
		Opening	Closing			Opening	Closing		2015 Net claims expense	2014 Net claims expense
		Rupees								
Direct and facultative										
Fire and property damage	-	67,042	723,217	646,175	-	-	-	-	-	646,175
Marine, aviation and transport	-	3,023	10,963	6,912	-	-	-	-	-	6,912
Motor	875,826	235,236	1,078,691	1,108,286	12,965	12,250	-	715	-	1,165,073
Accident & Health	1,267,756	-	2,536,601	3,797,957	-	-	-	-	-	3,797,957
Miscellaneous	-	28,304	376,721	351,411	-	-	-	-	-	351,411
Sub total	1,492,382	325,608	4,914,295	6,181,279	12,965	12,250	-	715	-	6,180,564
Treaty	-	-	-	-	-	-	-	-	-	-
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	1,492,382	325,608	4,914,295	6,181,279	12,965	12,250	-	715	-	6,180,564

Class	Total claims paid	Outstanding claims		Claims expenses	Re-insurance and other recoveries received	Re-insurance and other recoveries in respect of outstanding claims		Re-insurance and other recoveries revenue	January to September	
		Opening	Closing			Opening	Closing		2015 Net claims expense	2014 Net claims expense
		Rupees								
Direct and facultative										
Fire and property damage	-	88,957	723,217	674,272	-	-	-	-	-	674,272
Marine, aviation and transport	-	23,469	10,963	12,503	-	-	-	-	-	(2,503)
Motor	890,735	13,538	1,078,791	1,148,289	12,965	-	-	12,263	-	1,443,004
Accident & Health	1,267,396	-	2,536,601	3,797,957	-	-	-	-	-	3,797,957
Miscellaneous	-	-	307,721	376,721	-	-	-	-	-	376,721
Sub total	1,688,992	115,994	4,914,295	6,456,395	12,965	-	-	12,263	-	6,443,431
Treaty	-	-	-	-	-	-	-	-	-	-
Proportional	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
Grand total	1,688,992	115,994	4,914,295	6,456,395	12,965	-	-	12,263	-	6,443,431

Note: The Company does not underwrite business outside Pakistan.

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


 Chairman


 Director


 Director


 Chief Executive Officer

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF EXPENSES
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

Class	Commission paid or payable	Three months period ended 30 September 2015					July to September		
		Deferred commission		Net commission expense	Other management expense	Underwriting expense	Commission from reinsurance	2015 Net underwriting expense	2014 Net underwriting expense
		Opening	Closing						
Rupees									
Direct and facultative									
Fire and property damage	56,030	207,391	129,562	134,429	658,327	(521,898)	411,583	(934,481)	
Marine, aviation and transport	22,010	26,237	28,237	20,010	(84,359)	(64,349)	7,572	(71,921)	
Motor	23,253	8,267	59,403	34,117	(1,376,373)	(4,342,250)	13,733	(4,359,389)	
Accident & Health	-	4,484	2,888	1,536	8,136,044	8,137,690	-	8,137,640	
Miscellaneous	2,068	11,369	5,755	7,602	2,086,983	2,054,585	180,633	1,904,893	
Sub-total	104,251	329,348	235,845	197,754	5,103,968	5,301,722	625,580	4,676,142	
Treaty									
Proportional	-	-	-	-	-	-	-	-	
Sub total	-	-	-	-	-	-	-	-	
Grand total	104,251	329,348	235,845	197,754	5,103,968	5,301,722	625,580	4,676,142	

Class	Commission paid or payable	Nine months period ended 30 September 2015					January to September		
		Deferred commission		Net commission expense	Other management expense	Underwriting expense	Commission from reinsurance	2015 Net underwriting expense	2014 Net underwriting expense
		Opening	Closing						
Rupees									
Direct and facultative									
Fire and property damage	140,106	387,227	129,562	197,875	7,623,813	2,023,68	785,605	1,238,181	
Marine, aviation and transport	35,299	37,446	28,237	44,108	52,708	30,816	17,421	79,395	
Motor	135,094	10,438	69,403	85,129	2,786,536	(2,621,665)	68,228	2,803,437	
Accident & Health	7,700	-	2,888	4,812	8,134,842	8,139,684	-	8,139,684	
Miscellaneous	10,526	-	5,755	4,771	2,744,667	2,739,411	242,604	2,506,854	
Sub-total	328,725	443,811	235,845	336,691	15,344,555	15,881,256	1,113,755	14,767,501	
Treaty									
Proportional	-	-	-	-	-	-	-	-	
Sub total	-	-	-	-	-	-	-	-	
Grand total	328,725	443,811	235,845	336,691	15,344,555	15,881,256	1,113,755	14,767,501	

Note: The Company does not underwrite business outside Pakistan.

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


 Chairman


 Director


 Director


 Chief Executive Officer

SINDH INSURANCE LIMITED
 CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

	Three months period ended 30 September		Nine months periods ended 30 September	
	2015	2014	2015	2014
----- Rupees -----				
Income from non-trading investments				
Held-to-maturity				
Return on Government Securities	3,777,476	1,585,781	4,726,880	2,536,532
Return on other fixed income securities and deposits	911,188	11,188,029	3,809,875	35,492,317
	<u>4,688,664</u>	<u>12,773,810</u>	<u>13,536,755</u>	<u>38,029,049</u>
Available-for-sale				
Return on Government Securities	7,063,958	-	24,088,974	-
Dividend income on available for sale investments	0	-	3,793,297	-
Gain on sale of available-for-sale investments	18,223,028	-	68,756,897	-
	<u>25,286,986</u>	<u>-</u>	<u>96,639,168</u>	<u>-</u>
	<u>29,975,650</u>	<u>12,773,810</u>	<u>110,175,923</u>	<u>38,029,049</u>
Investment related expenses	(7,412)	-	(14,950)	(7,414)
Net investment income	<u>29,968,238</u>	<u>12,773,810</u>	<u>110,160,973</u>	<u>38,021,635</u>

The annexed notes from 1 to 15 form an integral part of these financial statements.


 Chairman


 Director


 Director


 Chief Executive Officer

SINDH INSURANCE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

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 un-audited interim condensed financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and under the provisions of and directives issued under Companies Ordinance 1984 with format prescribed under 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.

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

3 BASIS OF MEASUREMENT

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

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 December 31, 2014 except general and administration expenses equivalent to an amount of forty percent were charged to underwriting activities for proper distribution of expenses effective from January 1st, 2015.

5 OTHER CREDITORS AND ACCRUALS	30 September 2015	31 December 2014
	Rupees	Rupees
Commission payable	92,077	415,282
Federal excise duty payable	510,959	265,382
Federal insurance fee payable	48,372	17,669
Withholding tax payable	168,291	95,152
Provident fund contributions payable	-	482,988
Sundry creditors	287,743	1,022,318
Provision for Audit fee	86,625	100,000
Provision for Workers Welfare Fund	2,212,550	977,850
	<u>3,406,617</u>	<u>3,376,641</u>

6 CONTINGENCIES AND COMMITMENTS

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

SINDH INSURANCE LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

7 INVESTMENTS	Note	30 September	31 December
		2015	2014
		Rupees	Rupees
Held-to-maturity			
Government securities	7.1	50,988,008	50,717,456
Available-for-sale			
Government securities	7.2	327,990,804	304,509,547
Mutual Funds	7.3	126,970,777	-
		<u>505,949,589</u>	<u>355,227,003</u>

	Maturity Year	Face Value (Rupees)	Coupon Rate (%)		
7.1 Held-to-maturity					
5 Years Pakistan Investment Bonds - cost	18 Jul-18	52,000,000	11.50	50,717,456	50,481,320
Add: Amortization of discount for the period				270,552	236,136
				<u>50,988,008</u>	<u>50,717,456</u>
7.2 Available-for-sale					
20 Years Pakistan Investment Bonds - cost	18 Aug 31	285,500,000	13.00	329,460,533	304,797,902
Less: Amortization of premium for the period				(1,469,729)	(288,355)
				<u>327,990,804</u>	<u>304,509,547</u>

7.3 Mutual Fund

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

Name of Entity	Name of Fund	No. of Units	NAV	Amounts (Rupees)
IBL Fund Managers Limited	Govt Securities - Class C	221,828	111.23	25,000,000
NDP Pulkston Asset Management Ltd	Income Opportunity Fund	2,383,091	10.95	25,467,889
ABL Asset Management Company Ltd	Govt Securities - Fund B	2,503,927	10.55	26,395,888
AL - Mezzan Investment	Muzan Islamic Income Fund - Growth B	486,476	51.39	25,000,000
NCB - Anif Habib Savings	MCD Pakistan Sovereign	461,303	54.23	25,000,000
				<u>126,970,777</u>

8 SUNDRY RECEIVABLES

Considered good

Advance for purchase of vehicle	-	1,527,500
Advance for purchase of software	1,500,000	
Other receivables	4,273,976	23,009
	<u>5,773,976</u>	<u>1,550,509</u>

SINDH INSURANCE LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
 FIXED ASSET SCHEDULE

9 The following is a statement of operating fixed assets:

Particulars	Tangibles					Intangibles			Total
	Leasehold Improvements	Furniture and fixture	Office Equipment	Computers	Vehicles	Total tangible assets	Intangibles	Total intangible assets	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Period ended 31 December 2014									
Opening book value	11,574,336	1,902,549	5,997,718	649,713	5,105,217	25,329,533	47,825	47,825	25,377,358
Additions		558,820	285,165	365,500	1,102,500	2,315,985	333,889	333,889	2,649,874
Disposal / write offs									
Cost									
Accumulated depreciation / amortization									
Depreciation / amortization charge for the period	437,987	163,869	655,516	184,332	911,332	4,162,867	67,641	67,641	2,230,508
Closing net book value	<u>11,480,001</u>	<u>2,297,500</u>	<u>5,831,339</u>	<u>820,878</u>	<u>5,296,385</u>	<u>25,482,651</u>	<u>314,073</u>	<u>314,073</u>	<u>25,796,724</u>
As at 31 December 2014									
Cost	12,083,075	2,073,771	6,240,661	767,852	5,111,000	26,472,859	67,332	67,332	26,540,191
Accumulated depreciation / amortization	413,739	122,722	642,943	38,139	305,783	1,443,326	19,507	19,507	1,462,833
	<u>11,674,336</u>	<u>1,902,549</u>	<u>5,997,718</u>	<u>649,713</u>	<u>5,105,217</u>	<u>25,199,533</u>	<u>47,825</u>	<u>47,825</u>	<u>25,377,358</u>
As at 30 September 2015									
Cost	12,088,075	2,584,091	6,529,826	1,073,353	6,513,500	28,788,844	107,221	107,221	29,190,065
Accumulated depreciation / amortization	851,526	285,591	698,487	252,474	1,217,115	3,396,193	81,118	81,118	3,393,341
	<u>11,236,549</u>	<u>2,297,500</u>	<u>5,831,339</u>	<u>820,878</u>	<u>5,296,385</u>	<u>25,432,651</u>	<u>314,073</u>	<u>314,073</u>	<u>25,796,724</u>

SINDH INSURANCE LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

Three months period ended 30 September		Nine months period ended 30 September	
2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)

----- Rupees -----

10 MANAGEMENT EXPENSES

Salaries, allowance and benefits	2,535,361	-	6,467,410	-
Rent, rates and taxes	133,200	-	399,600	-
Travelling and conveyance	27,000	-	703,261	-
Printing and stationery expenses	-	-	92,074	-
Repair and maintenance	1,800	-	18,742	-
Meeting fee	20,000	-	20,000	-
Survey fee	21,800	-	135,150	-
Security charges	-	-	13,996	-
Miscellaneous expenses	8,281	-	93,723	-
Share of general and administration expense charged	2,355,323	-	7,400,608	-
	<u>5,102,765</u>		<u>15,344,564</u>	

11 GENERAL AND ADMINISTRATIVE EXPENSES

Salaries, wages, allowance and benefits	3,546,931	1,448,747	8,771,324	2,776,544
Directors meeting fee	50,000	60,000	110,000	90,000
Rent, rates and taxes	427,746	477,600	1,081,836	1,088,400
Legal and professional charges	160,800	91,350	450,170	145,635
Auditors' remuneration	22,125	-	121,825	-
Depreciation	534,778	624,810	2,162,867	866,773
Amortization of intangibles	33,401	-	67,641	-
Printing and stationery	121,606	54,500	449,280	63,453
Repair and maintenance	117,145	-	400,515	51,220
Travelling and conveyance	20,329	-	1,073,356	-
Advertising	9,000	196,806	34,498	258,962
Utilities	207,471	141,512	722,387	155,225
Communication	81,369	75,531	321,805	90,811
Office expenses	398,812	71,046	924,460	380,762
Other charges	6,759	155,216	124,026	155,216
Insurance expenses	150,037	79,185	451,032	86,803
Provision for Workers Welfare Fund	-	-	1,234,700	-
Expense share charged to management expenses	(2,355,323)	-	(7,400,608)	-
	<u>3,532,986</u>	<u>3,476,343</u>	<u>11,100,914</u>	<u>6,311,804</u>

12 EARNINGS PER SHARE - BASIC AND DILUTED

Three months period ended 30 September		Nine months period ended 30 September	
2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)

----- Rupees -----

There is no dilutive effect on the basic earnings per share which is based on:

Net profit after tax for the period - Rupees	<u>16,053,859</u>	<u>6,323,433</u>	<u>58,024,664</u>	<u>21,186,486</u>
Weighted average number of ordinary shares - Number	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>
Basic earnings per share - Rupees	<u>0.32</u>	<u>0.13</u>	<u>1.16</u>	<u>0.42</u>

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SINDH INSURANCE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2015 - (UNAUDITED)

13. 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 arms 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:

	Balance as on September 30, 2015	Transactions from July 01, to September 30, 2015
	----- Rupees -----	
Companies having common directorship		
Sindh Bank Limited (SBL)		
Bank Accounts	71,365,180	
Premium Receivable	32,277,920	
Claim Payable	1,583,591	
Income on bank account		733,653
Premium Written		56,046,548
Premium Received		23,768,619
Claim Paid		1,525,781
FDR Forfeited		25,000,000
Income on FDR		157,537
Sindh Modarba Management Limited (SMI)		
Premium Receivable	209,051	
Premium Written		272,706
Premium Received		63,555
Amount receivable for sharing of generator	109,215	
Sindh Leasing Company Limited (SLCL)		
Premium Written		135,413
Premium Received		135,413
Claim Payable	47,382	
Health Econnex (Private) Limited		
Advance For Health Claim Expenses	1,732,544	
Health claims paid on behalf of company		1,267,356
Key Management Personnel		
Remuneration & benefits paid to key Management Personnel		8,138,035
Retirement benefits		170,909
Directors		
Meeting Fees		50,000

14. DATE OF AUTHORIZATION FOR ISSUE

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

15. GENERAL

Figures have been rounded to the nearest Rupees.

Chairman

Director

Director

Chief Executive Officer