



PICIC  
INSURANCE

Interim Financial Report  
(Un-Audited)  
First Quarter ended  
March 31, 2015

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## Company Information

<b>Board of Directors</b>	Mr. Irshad Ali Shaban Ali Kassim (Chairman) Mr. Shahid Ahmad Mr. Abu Ahmed Mr. Munawar Ali Kassim Mr. Muzaffar Ali Shah Bukhari Ms. Ayesha Mohammad Mr. Ghulam Muhammad Mr. Khalid Nawaz Awan
<b>Managing Director / CEO</b>	Mr. Afroz Quraishi
<b>Board Audit Committee</b>	Mr. Muzaffar Ali Shah Bukhari (Chairman) Mr. Abu Ahmed Mr. Munawar Ali Kassim Mr. Ghulam Muhammad
<b>Board Human Resources &amp; Remuneration Committee</b>	Ms. Ayesha Mohammad (Chairperson) Mr. Munawar Ali Kassim Mr. Khalid Nawaz Awan Mr. Afroz Quraishi
<b>CFO &amp; Company Secretary</b>	Mr. Muhammad Iqbal
<b>Auditors</b>	Muniff Ziauddin & Co. Chartered Accountants
<b>Legal Advisor</b>	Abdul Majeed & Co
<b>Bankers</b>	Habib Metropolitan Bank Limited NIB Bank Limited Silk Bank Limited.
<b>Shares Registrar</b>	FAMCO Associates (Pvt.) Ltd. 8-F, Next to Hotel Faran, Nursery Block - 6, P.E.C.H.S. Shahrah-e-Faisal Karachi
<b>Credit Rating</b>	Triple B Plus "BBB+" by JCR-VIS
<b>Registered &amp; Head Office</b>	1204, 12th Floor, Emerald Tower Clifton, Block-5, Karachi - 75600, Pakistan Tel: +92-21-35147651-5 UAN: 11 12 PICIC (111-274-242) Fax: +92-21-35147656 www.picicinsurance.com

## Directors' Review

We are pleased to present the condensed unaudited financial statements of the Company for the 1st quarter ended March 31, 2015.

### Business Review

The Company was able to post a significant growth of 63% in gross premium written for the first quarter which was Rs.214.1 million as compared to Rs.131.3 million for the corresponding period last year. The net premium revenue increased to Rs.94.6million against Rs.81.2 million last year same quarter. The underwriting results of the Company stood at a profit of Rs.29.2 million against a loss of Rs.8.4 million in the corresponding quarter last year. In all the classes of business except marine, accident & health and miscellaneous, the claims ratios have improved considerably. Further the management expenses and general & administrative expenses have also decreased by Rs.5.1 million from the corresponding quarter last year.

The company has adopted a progressive investment strategy with primary focus on preserving capital, maintaining liquidity and generating stable income stream over the longer term. Due to market fluctuation there is a net unrealized loss on investment during the first quarter.

The Company's real strength is its highly motivated Management team. The Marketing staffs have been given challenging and aggressive goal and targets and underwriting processes have also been strengthened to meet the changing market demands.

### Future Plan

The Board has already approved the issuance of Rs.700 million right shares at a discount of Rs.5 per share which after the shareholders' approval will be submitted to the SECP for their ratification. This will enable the Company to meet its minimum solvency requirement, as prescribed by the SECP under Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002. In addition the right share issue will provide fresh equity to the Company and will improve liquidity, Insurance rating, and would support the future growth and will improve the profitability for the advantage of all the stakeholders of the Company.

### Financial Highlights

The comparative financial highlights of your Company for the quarter ended March 31, 2015 are as follows:

	2015	2014
----- Rupees in thousand -----		
Gross Premium Written	<b>214,132</b>	131,363
Net Premium Revenue	<b>94,589</b>	81,218
Net Claims including IBNR	<b>(35,202)</b>	(54,274)
profit /(Loss) from underwriting business	<b>29,186</b>	(8,409)
Investment (loss)/ Income	<b>(2,375)</b>	4,522
Loss after Taxation	<b>(5,430)</b>	(24,472)
Loss per share (Rupees)	<b>(0.16)</b>	(0.70)

### Acknowledgement

The Company would like to thank the shareholders of the Company for the confidence they have shown in us. We express our sincere thanks to the employees, strategic partners, reinsurers, Brokers and customers. We also appreciate the support and guidance provided by the Securities and Exchange Commission of Pakistan and all stock exchanges of Pakistan.

For and on behalf of the Board,

**Irshad Ali Shaban Ali Kassim**  
 Chairman

**Afroz Quraishi**  
 Managing Director / CEO

Karachi: April 25, 2015

## Condensed Interim Balance Sheet

As at March 31, 2015

	Note	(Un-audited) March 31, 2015	(Audited) December 31, 2014
----- Rupees in thousand -----			
<b>Share capital and reserves</b>			
Authorised share capital [50,000,000 (December 31, 2014: 50,000,000) Ordinary shares of Rs.10/- each]		<b>500,000</b>	500,000
Paid-up share capital [35,000,000 (December 31, 2014: 35,000,000) Ordinary shares of Rs.10/- each]		<b>350,000</b>	350,000
Accumulated loss		<b>(255,872)</b>	(250,442)
		<b>94,128</b>	99,558
<b>Underwriting provisions</b>			
Provision for outstanding claims (including IBNR)		<b>169,393</b>	185,953
Provision for unearned premium		<b>336,597</b>	286,037
Provision for premium deficiency		<b>7,781</b>	7,781
Commission income unearned		<b>18,779</b>	20,380
		<b>532,550</b>	500,151
<b>Creditors and accruals</b>			
Amounts due to other insurers / reinsurers		<b>352,899</b>	284,089
Other creditors and accruals		<b>44,232</b>	56,582
Accrued expenses		<b>8,974</b>	12,129
Unclaimed dividend		<b>195</b>	195
		<b>406,300</b>	352,995
<b>TOTAL LIABILITIES</b>		<b>938,850</b>	853,146
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,032,978</b>	952,704

### Contingencies and Commitments

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

	Note	(Un-audited) March 31, 2015	(Audited) December 31, 2014
----- Rupees in thousand -----			
<b>Cash and bank deposits</b>			
Cash and other equivalents		718	236
Current and other accounts		12,058	21,197
Deposits maturing within 12 months		77,000	20,000
		<b>89,776</b>	41,433
<b>Investments</b>	8	72,251	75,572
<b>Deferred Taxation</b>		2,619	2,619
<b>Current Assets - Others</b>			
Premiums due but unpaid		282,975	292,421
Amounts due from other insurers / reinsurers		187,619	199,834
Accrued profit		401	120
Reinsurance recoveries against outstanding claims		64,135	72,172
Taxation - payments less provision		24,572	24,543
Deferred commission expense		34,085	18,224
Deferred acquisition costs		34,191	35,520
Prepayments		216,107	170,572
Sundry and other receivables		6,650	6,820
		<b>850,736</b>	820,226
<b>Fixed assets</b>	9		
<b>Tangible</b>			
Furniture and fixture		12,035	7
Office equipment		3,349	641
Computer equipment		1,879	1,263
Motor vehicles		182	195
Capital work in progress		-	10,557
<b>Intangible</b>			
Computer software		151	191
		<b>17,596</b>	12,854
<b>TOTAL ASSETS</b>		<b>1,032,978</b>	952,704

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO



## Condensed Interim Profit and Loss Account (Un-Audited)

For the Quarter ended March 31, 2015

						Quarter ended	
	Fire and property	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	March 31, 2015 Aggregate	March 31, 2014 Aggregate
Note	Rupees in thousand						
<b>Revenue account</b>							
Net premium revenue	26,037	3,971	26,015	19,067	19,499	94,589	81,218
Net claims	(2,256)	59	(17,528)	(15,022)	(455)	(35,202)	(54,274)
Management expenses	(12,735)	(107)	(956)	(950)	(791)	(15,539)	(32,444)
Net commission	(9,262)	584	(2,329)	(1,712)	(1,943)	(14,662)	(2,909)
<b>Underwriting results</b>	1,784	4,507	5,202	1,383	16,310	29,186	(8,409)
Net investment (loss) / income						(3,074)	2,619
Return on bank balances						699	1,903
Gain on disposal of fixed assets						535	-
Other income						-	404
						27,346	(3,483)
General and administrative expenses						(32,676)	(20,854)
Financial charges						-	(66)
Other charges						(72)	(69)
<b>Loss before taxation</b>						(5,402)	(24,472)
Taxation							
- Current						(28)	-
<b>Loss after taxation</b>						(5,430)	(24,472)
<b>Loss per share -</b>							
basic and diluted (Rupees)	11					(0.16)	(0.70)

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

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO

## Condensed Interim Statement of Comprehensive Income (Un-Audited)

For the Quarter ended March 31, 2015

	Quarter ended March 31, 2015	Quarter ended March 31, 2014
	----- Rupees in thousand -----	
<b>Net loss for the quarter</b>	<b>(5,430)</b>	(24,472)
Other comprehensive income for the quarter	-	-
<b>Total comprehensive loss for the quarter</b>	<b>(5,430)</b>	(24,472)

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

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO

## Condensed Interim Statement of Changes In Equity (Un-Audited)

For the Quarter ended March 31, 2015

	Paid-up share capital	Accumulated loss	Total
	----- Rupees in thousand -----		
<b>Balance as at January 01, 2014</b>	350,000	(121,395)	228,605
Net loss for the quarter ended March 31, 2014	-	(24,472)	(24,472)
<b>Balance as at March 31, 2014</b>	350,000	(145,867)	204,133
Total comprehensive income for the nine months 2014	-	(106,490)	(106,490)
<b>Other comprehensive income for the year</b>			
- Re-measurement of post employment benefit obligations	-	1,915	1,915
	-	(104,575)	(104,575)
<b>Balance as at December 31, 2014</b>	350,000	(250,442)	99,558
Net loss for the quarter ended March 31, 2015	-	(5,430)	(5,430)
<b>Balance as at March 31, 2015</b>	350,000	(255,872)	94,128

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

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO

## Condensed Interim Statement of Cash Flows (Un-Audited)

For the Quarter ended March 31, 2015

	March 31, 2015	March 31, 2014
----- Rupees in thousand -----		
<b>OPERATING ACTIVITIES</b>		
<b>a) Underwriting activities</b>		
Premiums received	301,499	140,596
Reinsurance premiums paid	(148,257)	(87,061)
Claims paid	(58,109)	(65,354)
Reinsurance and other recoveries received	14,384	10,091
Commissions paid	(25,539)	(4,061)
Commission received	39,978	50,315
Net cash inflow from underwriting activities	123,956	44,526
<b>b) Other operating activities</b>		
Income tax paid	(57)	(150)
General management expenses paid	(70,072)	(51,098)
Operating (payments) / receipts - net	(1,232)	(9,026)
Other charges	(72)	(69)
Other income	-	404
Net cash used in other operating activities	(71,433)	(59,939)
<b>Total cash (used in) / inflow from operating activities</b>	<b>52,523</b>	<b>(15,413)</b>
<b>INVESTMENT ACTIVITIES</b>		
Profit / return received	418	1,137
Dividend received	280	206
Payments for investments	(33)	-
Proceeds from disposal of fixed assets	541	-
Fixed capital expenditure	(5,386)	(254)
<b>Total cash generated from investing activities</b>	<b>(4,180)</b>	<b>1,089</b>
<b>FINANCING ACTIVITIES</b>		
Payments under musharakah agreement	-	(278)
<b>Total cash used in financing activities</b>	<b>-</b>	<b>(278)</b>
<b>Net cash (used in)/ inflow from all activities</b>	<b>48,343</b>	<b>(14,602)</b>
Cash at the beginning of the year	41,433	102,162
<b>Cash at the end of the year</b>	<b>89,776</b>	<b>87,560</b>
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	52,523	(15,413)
Depreciation / amortisation	(638)	(535)
Gain on disposal of fixed assets	535	-
Financial charges	-	(66)
Investment (loss) / income	(3,074)	2,619
Return on bank balances	699	1,903
(Decrease) / increase in assets other than cash	(12,287)	20,113
(Increase) in liabilities	(35,317)	(24,891)
(Increase) in unearned premium	(7,871)	(8,202)
<b>Loss after taxation</b>	<b>(5,430)</b>	<b>(24,472)</b>
<b>Definition of cash</b>		
Cash comprises of cash in hand and at banks, stamps in hand and short term placements with banks		
<b>Cash for the purpose of statement of cash flows consists of:</b>		
<b>Cash and other equivalents</b>		
- cash in hand	-	-
- stamps in hand	718	428
	718	428
<b>Current and other accounts</b>		
- current accounts	381	7,149
- saving accounts	11,677	29,983
	12,058	37,132
<b>Deposits maturing within 12 months</b>	<b>77,000</b>	<b>50,000</b>
	<b>89,776</b>	<b>87,560</b>

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

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO

## Condensed Interim Statement of Premiums (Un-Audited)

For the Quarter ended March 31, 2015

Business underwritten inside Pakistan

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended	
									March 31, 2015	March 31, 2014
----- Rupees in thousand -----										
<b>Direct and facultative</b>										
1. Fire and property	175,489	97,820	214,471	58,838	92,156	86,183	145,538	32,801	<b>26,037</b>	4,936
2. Marine, aviation and transport	1,475	20,467	1,815	20,127	999	16,684	1,527	16,156	<b>3,971</b>	3,415
3. Motor	13,177	72,506	47,631	38,052	7,445	12,102	7,510	12,037	<b>26,015</b>	31,374
4. Accident and health	13,087	31,112	25,208	18,991	4	321	401	(76)	<b>19,067</b>	35,142
5. Miscellaneous	10,904	64,132	47,472	27,564	10,866	54,073	56,874	8,065	<b>19,499</b>	6,351
Total	214,132	286,037	336,597	163,572	111,470	169,363	211,850	68,983	<b>94,589</b>	81,218

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

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO

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## Condensed Interim Statement of Claims (Un-Audited)

For the Quarter ended March 31, 2015

Business underwritten inside Pakistan

Class	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended	
									March 31, 2015	March 31, 2014
----- Rupees in thousand -----										
Direct and facultative										
1. Fire and property	7,965	19,879	17,766	5,852	6,114	18,379	15,861	3,596	2,256	272
2. Marine, aviation and transport	2,302	36,498	33,892	(304)	2,026	27,634	25,363	(245)	(59)	737
3. Motor	21,522	61,139	59,218	19,601	4,344	9,237	6,966	2,073	17,528	17,461
4. Accident and health	24,137	47,977	38,862	15,022	-	-	-	-	15,022	35,537
5. Miscellaneous	2,183	20,460	19,655	1,378	1,900	16,922	15,945	923	455	267
Total	58,109	185,953	169,393	41,549	14,384	72,172	64,135	6,347	35,202	54,274

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

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO

## Condensed Interim Statement of Expenses (Un-Audited)

For the Quarter ended March 31, 2015

Business underwritten inside Pakistan

Class	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers *	Net underwriting expense	
		Opening	Closing					Quarter ended	
								March 31, 2015	March 31, 2014
Rupees in thousand									
Direct and facultative									
1. Fire and property	32,924	10,163	32,324	10,763	12,735	23,498	1,501	21,997	3,693
2. Marine, aviation and transport	386	1,648	140	1,894	107	2,001	2,478	(477)	1,751
3. Motor	832	5,096	3,373	2,555	956	3,511	226	3,285	12,786
4. Accident and health	176	(293)	(1,807)	1,690	950	2,640	(22)	2,662	11,823
5. Miscellaneous	997	1,610	55	2,552	791	3,343	609	2,734	5,300
Total	35,315	18,224	34,085	19,454	15,539	34,993	4,792	30,201	35,353

\* Commission from reinsurers is arrived after taking impact of opening and closing unearned commission.

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

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO

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## Condensed Interim Statement of Investment Income (Un-Audited)

For the Quarter ended March 31, 2015

	Quarter ended March 31, 2015	Quarter ended March 31, 2014
	----- Rupees in thousand -----	
<b>Income from non trading investments</b>		
<b>Held to maturity</b>		
Net unrealised gain on revaluation of investments	1,028	942
	<b>1,028</b>	942
<b>At fair value through profit or loss</b>		
Net unrealised (loss) / gain on revaluation of investments	(4,350)	1,204
Dividend income	280	479
	<b>(4,070)</b>	1,683
	<b>(3,042)</b>	2,625
Investment related expenses	(32)	(6)
<b>Net investment (loss) / income</b>	<b>(3,074)</b>	2,619

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

**Irshad Ali Shaban Ali Kassim**  
Chairman

**Abu Ahmed**  
Director

**Munawar Ali Kassim**  
Director

**Afroz Quraishi**  
Managing Director / CEO



## **Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)**

For the Quarter ended March 31, 2015

### **1 STATUS AND NATURE OF BUSINESS**

PICIC Insurance Limited (the Company) was incorporated on April 23, 2004 under the Companies Ordinance, 1984 as a public limited company and registered as a non-life insurance company by the Securities and Exchange Commission of Pakistan (SECP) under the Insurance Ordinance, 2000. It is engaged in providing all classes of non-life insurance business. The Company is listed on the Karachi, Lahore and Islamabad Stock Exchanges. The registered office of the Company is situated at 1204, 12th floor, Emerald Tower, Clifton Block - 5, Karachi. The Company operates with 6 (December 31, 2014: 6) branches in Pakistan.

### **2 STATEMENT OF COMPLIANCE**

2.1 These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', provisions of the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where the requirements differ, the provisions of the Companies Ordinance 1984, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 and the said directives prevail.

2.2 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 December 31, 2014

### **3 BASIS OF MEASUREMENT**

These condensed interim financial statements have been prepared under the historical cost convention except for investments and certain staff retirement benefits which are carried at fair value and at present value respectively.

These condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

### **4 FUNCTIONAL AND PRESENTATION CURRENCY**

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

### **5 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2014.

## 6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and the methods used for critical accounting estimates and judgments adopted in these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2014.

## 7 INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company's insurance and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended December 31, 2014.

	Note	March 31, 2015	December 31, 2014
----- Rupees in thousand -----			
		(Un-audited)	(Audited)
<b>8 INVESTMENTS</b>			
<b>Designated at fair value through profit and loss account</b>			
Mutual funds		4,145	4,203
Listed shares		23,629	27,920
		<u>27,774</u>	<u>32,123</u>
<b>HELD TO MATURITY</b>			
Government securities	8.1	44,477	43,449
		<u>72,251</u>	<u>75,572</u>

### 8.1 Government securities - Market treasury bills

These securities have been deposited with the State Bank of Pakistan in compliance with the requirements of section 29 of the Insurance Ordinance, 2000. These carry rate of return of 9.96% (December 31, 2013: 9.10%) per annum and will mature in May 2015.

## 9 FIXED ASSETS

The details of additions and disposals during the quarter ended March 31, 2015 are as follows:

	Additions (at cost)		Disposals (at net book value)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
----- Rupees in thousand -----				
<b>Tangible</b>				
Office equipment *	2,859	23	6	-
Computer equipment *	779	61	-	-
Motor vehicles	-	172	-	-
Furniture & Fixture *	12,305	-	-	-
Capital work in progress	-	-	10,557	-
<b>Intangible</b>				
Computer software	-	-	-	-
	<u>15,943</u>	<u>256</u>	<u>10,563</u>	<u>-</u>

\* The capital work in progress has been transferred to various fixed assets accounts w.e.f. February 19, 2015.

## 10 CONTINGENCIES AND COMMITMENTS

### 10.1 CONTINGENCIES

The tax assessment of the Company has been finalised upto and including the tax year 2013. The tax returns filed are to be taken as deemed assessment in terms of Section 120 of the Income Tax Ordinance, 2001. However, while finalising the tax audit for the tax year 2007, the Taxation Officer had disallowed certain expenses claimed by the Company and increased the tax charge by Rs. 3.128 million. The Company has contested the amended order by filing an appeal before the Commissioner Inland Revenue (Appeals) which has been decided whereby substantial relief has been allowed. However, a second appeal has been filed before the Appellate Tribunal Inland Revenue for the remaining disallowed amount which is pending adjudication. Further, while finalising the tax audit for the tax year 2008, the Taxation Officer had charged minimum taxation on gross receipts of the Company and increased the tax charge by Rs. 1.51 million. The Company has contested the amended order by filing an appeal before the Commissioner Inland Revenue (Appeals) which is pending adjudication. The management, based on the advice of its tax advisor, is confident of a favourable outcome in both cases and, accordingly, no provision in this respect has been made in these financial statements.

During the year ended 2009, the Taxation Officer had passed an order along with notice of demand under section 161/205 of the Income Tax Ordinance, 2001, on alleged default of non-deduction of withholding tax on payments of insurance premium to non-resident reinsurer for the tax year 2009. The tax authorities had filed a writ petition against the Company along with other insurance companies in the High Court of Sindh. The petition has been dismissed by the Court and favorable outcome has been given in favor of the Company along with other insurance companies. The Company had also filed an appeal with the Commissioner Income Tax Appeals which is pending adjudication, to date. The tax impact of the above amounts to Rs 5.48 million against which no provision has been made in these financial statements, as the Company is confident of a favorable outcome.

### 10.2 Commitments

Commitments for capital expenditure

Period ended	
March 31, 2015	March 31, 2014
----- Rupees in thousand -----	
(Un-audited)	(Audited)
-	1,542

## 11 LOSS PER SHARE

Basic loss per share are calculated by dividing the net loss for the quarter by the weighted average number of shares as at the quarter end as follows:

	Quarter ended	
	March 31, 2015	March 31, 2014
	----- Rupees in thousand -----	
Loss after tax for the quarter	<b>(5,430)</b>	(24,472)
	----- Number in thousand -----	
Weighted average number of shares of Rs. 10 each	<b>35,000</b>	35,000
	----- (Rupees) -----	
Basic loss per share of Rs. 10 each	<b>(0.16)</b>	(0.70)

11.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

## 12 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated entities having directors in common, major share holders, directors and key management personnel. The transactions with related parties are as follows:

	Quarter ended	
	March 31, 2015	March 31, 2014
	----- Rupees in thousand -----	
Transactions for the period	(Un-audited)	(Un-audited)
Premium written	<b>164</b>	4,733
Claims paid	<b>33</b>	414
Return on bank balances	-	868
Bank charges	-	69
Remuneration of key management personnel	<b>7,069</b>	17,003
Contribution for staff provident fund	<b>658</b>	924
Charge in respect of gratuity fund	<b>929</b>	1,408

Balances outstanding at period / year end

Payable to gratuity fund  
 Premiums due but unpaid

March 31, 2015	December 31, 2014
----- Rupees in thousand -----	
(Un-audited)	(Audited)
(1,795)	(1,795)
956	1,630

### 13 SEGMENT REPORTING

The following presents segment assets and liabilities as at March 31, 2015 and December 31, 2014.

	March 31, 2015 (Un-audited)			December 31, 2014 (Audited)		
	Segment liabilities	Unallocated liabilities	Total liabilities	Segment liabilities	Unallocated liabilities	Total liabilities
----- Rupees in thousand -----						
Fire and property damage	443,393		443,393	303,427		303,427
Marine, aviation and transport	75,146		75,146	122,501		122,501
Motor	104,206		104,206	131,954		131,954
Accident and health	23,422		23,422	29,691		29,691
Miscellaneous	168,688		168,688	199,961		199,961
Unallocated	-	218,123	218,123	-	165,170	165,170
Total	814,855	218,123	1,032,978	787,534	165,170	952,704

	March 31, 2015 (Un-audited)			December 31, 2014 (Audited)		
	Segment liabilities	Unallocated liabilities	Total liabilities	Segment liabilities	Unallocated liabilities	Total liabilities
----- Rupees in thousand -----						
Fire and property damage	466,124		466,124	272,861		272,861
Marine, aviation and transport	75,625		75,625	103,966		103,966
Motor	127,380		127,380	152,775		152,775
Accident and health	73,250		73,250	88,195		88,195
Miscellaneous	171,523		171,523	186,577		186,577
Unallocated	-	24,948	24,948	-	48,772	48,772
Total	913,902	24,948	938,850	804,374	48,772	853,146

### 14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

### 15 AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company on April 25, 2015

**Irshad Ali Shaban Ali Kassim**  
 Chairman

**Abu Ahmed**  
 Director

**Munawar Ali Kassim**  
 Director

**Afroz Quraishi**  
 Managing Director / CEO

# TITLE INNER BACK

## Branch Network

Branch Network	Branch Head / Incharge	Details
Karachi Sales Office		Suit No. E- 1, Executive Floor, Glass Tower, Main Clifton Road, Karachi. Tel : 021-3565 3394-5, 3565 5612-3 & 3563 9712-13 Fax : 021-3565 4764
Lahore Branch	Mr. Shakeel Ahmed	Office # 615, 6th Floor, Plot # 82-D/1 Al Hafeez Shopping Main Boulevard, Gulberg-III, Lahore Tel : 042-3577 4921 - 22 Fax : 042-3577 4687
Islamabad Branch	Mr. Jaffar Awan	Office # 1, Plot # 1917, Atta Arcade, National Police Foundation, Main PWD - Bahria Road, Tel : 051-5194092 Fax : 051-215 0068
Multan Branch	Mr. Muhammed Waheed Zafar	1st Floor Al Razzak Plaza Opp. Children Complex Hospital, Abdali Road, Multan Tel : 061-4589398 - 99 & 4586665 Fax : 061-4585896
Faisalabad Branch	Mr. Sajjad Ali	Ahmed Plaza, 4th Floor Civil Line, Bilal Road Faisalabad Tel : 041-254 0420-22 Fax : 041-554 0423
Sukkur Branch	Mr. Muhammed Jamshed	Bunder Road, Upper Utility Store, Chacher House Sukkur Tel : 071-562 7263 Fax : 071-562 7283



**PICIC Insurance Limited**

**Registered & Head Office**

1204, 12th Floor, Emerald Towers,  
Clifton, Block-5, Karachi - 75600, Pakistan.  
UAN: 11 12 PICIC (111-274-242)  
Landline: +92 21 35147651-5  
Fax: +92 21 35147656  
[www.picicinsurance.com](http://www.picicinsurance.com)

CORPORATE