



PICIC
INSURANCE

PICIC INSURANCE LIMITED

Interim Financial Report
(Un-Audited)
Quarter Ended
September 30, 2023

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Vision Statement

PICIC Insurance shall emerge as the leading insurance and risk management services organization in Pakistan. We are in the business of providing solutions to mitigate insurable risk exposure of our clients. We shall do this on the basis of thorough risk evaluation and product knowledge.

Mission Statement

PICIC Insurance shall fully satisfy the needs and expectations of all its stakeholders:

- We shall put the interest of our clients first and ensure that they make informed decisions with respect to the products and services that we offer them.
- We shall give our employees a congenial work environment and shall give them opportunities for personal growth and development strictly on the basis of merit.
- We shall strive to continually provide above average returns to our shareholders.
- We shall support the development of the communities in which we live and work.

Company Information

Board of Directors

Mr. Irshad Ali Shaban Ali Kassim
Mr. Abu Ahmed
Mr. Munawar Ali Kassim
Mr. Muzaffar Ali Shah Bukhari
Mr. Moiz Ali*
Mr. Haji Ashraf Dhedhi*
Ms. Nudrat Fatima*
Mr. Hafiz Muhammad Hassan Saeed*
Mr. Muhammad Abdul Rasheed*
Mr. Muhammad Afzal Shehzad*
Mr. Muhammad Ali*

Managing Director / CEO

Mr. Moiz Ali

Board Audit Committee

Mr. Muzaffar Ali Shah Bukhari
Mr. Muhammad Afzal Shehzad
Mr. Muhammad Ali

Board Human Resources & Remuneration Committee

Mr. Muzaffar Ali Shah Bukhari
Mr. Muhammad Afzal Shehzad
Mr. Moiz Ali

Acting CFO & Company Secretary

Mr. Abdul Muhammad

Auditors

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

Legal Advisor

Soomro Law Associates

Bankers

Habib Metropolitan Bank Limited

Shares Registrar

F.D. Registrar Services (SMC- Pvt) Ltd.
1705, 17th Floor, Saima Trade Tower –A,
I.I. Chundrigar Road,
Karachi

Registered & Head Office

3rd Floor, Nadir House, I.I. Chundrigar Road,
Karachi
Tel: 021-32410781
Fax: 021-32410782
www.picicinsurance.com

(*Pending SECP approval)



DIRECTORS' REPORT

The Directors would like to present the condensed interim un-audited financial statements of the Company for the nine months period ended September 30, 2023.

For the 3rd quarter ended September 30, 2023, the Board's overall performance and effectiveness has been assessed as satisfactory, it is based on an evaluation of integral components, including vision, mission and values; engagement in strategic planning; monitor financial resource management. Improvement is an ongoing process leading to action plans.

The Company has stopped underwriting and is in the process of merger with Crescent Star Foods (Private) Limited which is pending before The High Court of Sindh. The Board has full confidence that once the merger is completed your company will unfold the Business Plan and strategy after approval from the Board.

Crescent Star Foods (Pvt.) Limited is in the process of merger with and into the Company which is pending approval by The Sind High Court. Further the Company has applied for surrender of its insurance license after which the Company will no longer remain in the insurance sector and rules and regulation of the Insurance Ordinance such as maintaining solvency etc. will not be applicable on the Company.

The management is confident that after the merger, the Company will have adequate resources to effectively enter a new phase with diversified interests to protect stake holders interest. The Company will unfold the Business Plan and strategy after the merger is approved enabling the Company to remain a going concern.

Future Plan

The management is in confident that after the merger, the company will have adequate resources to effectively enter a new phase with diversified interests to protect stake holders interest

Financial Highlights

The comparative financial highlights of your Company for the period ended September 30, 2023 are as follows:

	2023	2022
Rupees in '000.....	
Gross Premium Written	-	-
Net Premium Revenue	-	-
Net Claims including IBNR	-	-
Profit / (loss) from underwriting business	-	-
Investment Income	8,247	4,661
Profit after Taxation	13,920	1,288
Earnings per share (Rupees)	0.40	0.04

Acknowledgement

The Board of Directors would like to express its sincere appreciation to the Company's valued clients, reinsurers, brokers, business partners and other stakeholders. The Board would also like to thank the Securities and Exchange Commission of Pakistan, the Stock Exchanges and the Central Depository Company for their continued guidance and support. The Company's accomplishments would not have been possible without the dedication and commitment of the Company's motivated & dedicated employees; they deserve special recognition on behalf of the Board.

DIRECTOR

DIRECTOR

Karachi
Date: October 20, 2023

ڈائریکٹرز رپورٹ

ڈائریکٹران کمپنی کے غیر آڈٹ شدہ عبوری اختصاری مالیاتی گوشوارے برائے تھتہ مدت 30 ستمبر 2023 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

تیسری سہ ماہی تھتہ 30 ستمبر 2023 میں بورڈ کی مجموعی کارکردگی اور اٹریڈیری تسلیمش رہی جس کی بنیاد انفرادی اجزاء ہیں جن میں نصب العین، مشن اور اقدار، کلیدی منصوبہ بندی میں مصروفیت، مالیاتی وسائل کی انتظامی نگرانی شامل ہیں۔ بہتری ایک جاری عمل ہے جو عملی منصوبہ بندی پر منتج ہوتا ہے۔

کمپنی نے ذمہ داری کا کام روک دیا ہے اور کریڈٹ اسٹارٹ اپ (پرائیویٹ) لمیٹڈ میں اس کے الحاق کا عمل جاری ہے جو کہ عدالت عالیہ سندھ کے روبرو زیر التوا ہے۔ بورڈ کو مکمل اعتماد ہے کہ جیسے ہی آپ کی کمپنی کے الحاق کا عمل مکمل ہو جائے گا تو بورڈ کی منظوری سے آپ کی کمپنی نیا کاروباری منصوبہ اور حکمت عملی واضح کرے گی۔

کمپنی کریڈٹ اسٹارٹ اپ (پرائیویٹ) لمیٹڈ کے ساتھ انضمام کے عمل میں ہے جسکی منظوری سندھ ہائی کورٹ میں زیر التوا ہے۔ مزید یہ کہ کمپنی نے اپنے انشورنس لائسنس منسوخی / حوالے کرنے کی درخواست دائر کی ہوئی ہے جس کے بعد کمپنی کی انشورنس کے کاروبار سے وابستگی ختم ہو جائے گی اور اس عمل کے ساتھ ہی انشورنس کے قواعد و ضوابط جیسے سالوینسی وغیرہ برقرار رکھنا بھی لاگو نہیں ہوگا۔

انتظامیہ کو یقین ہے کہ کمپنی کے انضمام کے بعد اسٹیک ہولڈرز کے مفادات کے تحفظ کے ساتھ کمپنی موثر طریقے سے اور کافی وسائل کے ساتھ نئے مرحلے میں داخل ہوگی۔ انضمام کی منظوری کے بعد کمپنی کاروباری منصوبہ بندی اور حکمت عملی کو واضح کرے گی اور کمپنی کو مستقل روانی رکھنے کے قابل بنائے گی۔

مستقبل کی منصوبہ بندی

انتظامیہ پر اعتماد ہے کہ الحاق کے بعد کمپنی کے پاس کافی وسائل دستیاب ہونگے جس سے وہ ایک نئے مرحلے میں متنوع مفادات کے ساتھ داخل ہوتے ہوئے مستقبلیدان کے مفادات کا تحفظ ہوگا۔

مالیاتی جھلکیاں

آپ کی کمپنی کی مقابلہ مالیاتی جھلکیاں برائے تیسری سہ ماہی تھتہ 30 ستمبر 2023 درج ذیل ہیں:

ستمبر 2022

ستمبر 2023

روپے '000 میں

خام تھری پرییم

خالص پرییم ما حاصلات

خالص مطالبے بشمول IBNR

ذمہ داری کاروبار کا منافع / (خسارہ)

4,661

8,247

سرمایہ کار آمدن

1,288

13,920

منافع / (خسارہ) بعد از ٹیکس

0.04

0.40

فی حصص منافع / (خسارہ) (روپے)

اعتراف

اس موقع پر بورڈ آف ڈائریکٹرز اپنی مخلصانہ ستائش کمپنی کے قابل قدر کلائنٹس، ری انشورز، بروکرز، کاروباری شراکت دار اور دیگر مستقبلیدان کو پیش کرتا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمپنی آف پاکستان، اسٹاک ایکسینج اور سینٹرل ڈپازٹری کمپنی آف پاکستان کی رہنمائی اور تعاون پر ان کا مشکور ہے۔ کمپنی کی کامیابیاں ممکن نہ ہوتیں اگر کمپنی کے متحرک اور مخلص ملازم جہد اور محنت نہ کرتے وہ بورڈ کی جانب سے خصوصی ستائش کے مستحق ہیں۔

ڈائریکٹر

ڈائریکٹر

کراچی

تاریخ: 20 اکتوبر 2023

PICIC INSURANCE LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	---- Rupees in thousand ----	
ASSETS			
Property and equipment	6	1	1
Investments - Mutual funds	7	63,149	56,820
Taxation - payments less provision		26,308	26,308
Cash and bank	8	148	38
Total assets		89,606	83,167
 EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Authorized share capital			
125,000,000 Ordinary share of Rs.10 each		1,250,000	1,250,000
Ordinary share capital		350,000	350,000
Reserves		3,009	3,690
Unappropriated loss		(359,280)	(373,200)
Total Equity		(6,271)	(19,510)
 Liabilities			
Underwriting provisions		-	-
Outstanding claims including IBNR		54,216	54,216
Amounts due to other insurers / reinsurers		17,658	17,658
Other creditors and accruals	9	24,003	30,803
Total Liabilities		95,877	102,677
Total Equity and Liabilities		89,606	83,167
 Contingencies and commitments	 10		

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

Chief Executive / Principal Officer Director Director Director Chief Financial Officer

PICIC INSURANCE LIMITED
CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	Note	Quarter ended		Period ended	
		(Un-audited) September 30, 2023	(Un-audited) September 30, 2022	(Un-audited) September 30, 2023	(Un-audited) September 30, 2022
<i>---- Rupees in thousand ----</i>					
Net insurance premium		-	-	-	-
Net insurance claims		-	-	-	-
Net commission and other acquisition costs		-	-	-	-
Insurance claims and acquisition expenses		-	-	-	-
Management expenses		(2,084)	(1,351)	(4,514)	(3,372)
Underwriting results		(2,084)	(1,351)	(4,514)	(3,372)
Investment income	11	-	-	8,247	4,661
Return on bank balances		-	-	11,499	-
Other expenses		-	-	(75)	(1)
Results of operating activities		(2,084)	(1,351)	15,157	1,288
Profit before tax		(2,084)	(1,351)	15,157	1,288
Taxation – current		-	-	(1,237)	-
Profit after tax		(2,084)	(1,351)	13,920	1,288
Other comprehensive income:					
Unrealised gains / (losses) on available-for-sale investments		3,046	1,935	(681)	(8)
Others		-	-	-	-
Other comprehensive income for the period		3,046	1,935	(681)	(8)
Total comprehensive income for the period		962	584	13,239	1,280
Earnings per share - basic and diluted	12	(0.06)	(0.04)	0.40	0.04

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

Chief Executive / Principal Officer

Director

Director

Director

Chief Financial Officer

PICIC INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	Issued, subscribed and paid-up share capital	Unappropriated loss	Surplus on remeasurment- available for sale investment	Total shareholders' equity
	<i>--- Rupees in thousand ---</i>			
Balance as at January 01, 2021	350,000	(370,131)	1,693	(18,438)
Total comprehensive income for the period				
Net loss for the period ended September 30, 2022	-	1,288	(8)	1,280
Balance as at September 30, 2022	350,000	(368,843)	1,685	(17,158)
Balance as at January 01, 2023	350,000	(373,200)	3,690	(19,510)
Net profit for the period ended September 30, 2023	-	13,920	-	13,920
Other comprehensive income	-	-	(681)	(681)
Balance as at September 30, 2023	350,000	(359,280)	3,009	(6,271)

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

Chief Executive / Principal Officer

Director

Director

Director

Chief Financial Officer

PICIC INSURANCE LIMTIED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	(Un-audited)	(Un-audited)
	September 30,	September 30,
	2023	2022
	---- Rupees in thousand ----	
Operating cash flows		
(a) Underwriting activities		
Reinsurance premiums paid	-	-
Claims paid	-	-
Reinsurance and other recoveries received	-	-
Commissions paid	-	-
Commissions received	-	-
Management expenses paid	-	-
Net cash inflow / (outflow) from underwriting activities	-	-
(b) Other operating activities		
Income tax paid	*	*
Management expenses paid	*	*
Other charges	*	*
Net cash outflow from other operating activities	*	*
Total cash inflow / (outflow) from operating activities	(12,627)	(1,385)
Investment activities		
Dividends received	8,247	4,661
Investment in mutual funds	(8,247)	(4,661)
Payments for investments	1,237	1,399
Other income	11,499	-
Total cash (outflow) / inflow from investing activities	12,736	1,399
Net cash inflow from all activities	110	15
Cash at beginning of the period	38	22
Cash at end of the period	148	37
	(Un-audited)	(Un-audited)
	September 30,	September 30,
	2023	2022
	----- (Rupees) -----	
Reconciliation to profit and loss account		
Operating cash flows	(12,627)	(1,385)
Net investment Income	8,247	4,653
Other income	11,499	-
DeciProfit before tax for the period	6,801	(1,988)
Profit after taxation for the period	13,920	1,280

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

Chief Executive / Principal Officer Director Director Director Chief Financial Officer

PICIC INSURANCE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

1. STATUS AND NATURE OF BUSINESS

1.1 PICIC Insurance Limited (the Company) was incorporated on April 23, 2004 as a public limited Company under the repealed Companies Ordinance, 1984 (replaced by Companies Act 2017) 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 Pakistan Stock Exchange Limited. The registered office of the Company is situated at 3rd Floor, Nadir House, I.I. Chundrigar Road, Karachi.

1.2 In accordance with the requirements of the Insurance Ordinance, 2000 and as mentioned in the Insurance Rules, 2017, the minimum solvency requirement (i.e. excess of admissible assets over liabilities) is Rs 150 million. The Company is not meeting the minimum solvency requirement as at December 31, 2022.

1.3 Merger of Crescent Star Foods (Private) Limited into PICIC Insurance Limited

During the year ended December 31, 2017, the shareholders of the Company have approved in an EOGM dated July 06, 2017 the scheme of merger of PICIC Insurance Limited and Crescent Star Foods (Private) Limited (CSF), whereby CSF will be merged with and into the Company. The intention of the management is to convert the Company into a FMCG Company. Keeping in line with the above intention the management has commenced proceedings for surrendering the Insurance License and has filed a petition before the Honourable High Court for the merger scheme which is pending till date.

In this regard, the Company has also entered into an agreement with Crescent Star Insurance Limited (parent company of CSF) for the transfer of insurance related assets and liabilities subject to approval from the SECP and successful surrender of insurance license.

The merger process with Crescent Star Foods (Private) Limited, which is a going concern, has not been completed so far due to SECP's rejection of surrender of insurance license. The management is confident about the favourable outcome of its appeal to the High Court of Sindh against the rejection. Accordingly, these financial statements has been prepared on going concern basis.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the nine months period ended September 30, 2023 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan-Insurance Rules, 2017 and International Accounting Standard 34 - Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these condensed interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2022.

3. BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under historical cost convention except for certain investments which are stated at their fair values. Accrual basis of accounting has been used except for cash flow information.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information is in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual financial statements as at and for the year ended December 31, 2022.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended December 31, 2022.

Certain amendments and interpretations to approved accounting standards became effective during the period were not relevant to the Company's operation and do not have any impact on the accounting policies of the Company.

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	---- Rupees in thousand ----	
6. PROPERTY AND EQUIPMENT			
Cost		6,173	6,173
Accumulated depreciation		(6,172)	(6,172)
Written down value		<u>1</u>	<u>1</u>

7 INVESTMENTS

Held-to- maturity

Mutual Fund

7.1 63,149 56,820

7.1 The mutual fund investments includes Rs.63.1 million invested in Pakistan Income Fund and deposited with the State Bank of Pakistan in compliance with the requirement of section 29 of the insurance ordinance 2000.

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
		---- Rupees in thousand ----	
8 CASH AND BANK DEPOSITS			
Cash and other equivalents			
Cash in hand		-	-
Policy stamps and bond papers in hand		-	-
		-	-
Current and other accounts			
Current accounts		148	38
Profit and loss savings accounts		-	-
		148	38
		<u>148</u>	<u>38</u>
		<u>148</u>	<u>38</u>

9 OTHER CREDITORS AND ACCRUALS

Unclaimed dividend

Others

195 195
9.1 23,808 30,608
24,003 30,803

9.1 This includes Rs. 16.435 million on account of expenses of the Company met by Crescent Star Insurance Limited (CSIL) in view of merger of the Company with Crescent Star Foods (Pvt) Limited (CSF), a subsidiary of CSIL.

10 CONTINGENCIES AND COMMITMENTS

10.1 CONTINGENCIES

The status of contingencies remain unchanged as disclosed in the annual financial statements as of December 31, 2022.

(Un-audited) (Un-audited)
September 30, **September 30,**
2023 **2022**
---- Rupees in thousand ----

11 INVESTMENT INCOME

Income from debt securities

Held to maturity

Return on government securities

7,566 2,759

7,566 2,759

Less: Investment related expenses

- -

Investment income

7,566 2,759

Quarter ended
September 30, **September 30,**
2022 **2022**
---- Rupees in thousand ----

Period ended
September 30, **September 30,**
2023 **2022**
---- Rupees in thousand ----

**12 EARNINGS PER SHARE -
BASIC AND DILUTED**

Profit after tax for the period

(2,084) (1,351)

13,920 1,288

----- (Number) -----

Weighted average number
of Ordinary shares

35,000 35,000

35,000 35,000

---- Rupees in thousand ----

Earnings per share -
basic and diluted

(0.06) (0.04)

0.40 0.04

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

13 SEGMENT INFORMATION

Current period	For the nine months period ended September 30, 2023						
	property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Aggregate
	---- Rupees in thousand ----						
Gross written premium (inclusive of administrative surcharges)	-	-	-	-	-	-	-
Insurance premium earned	-	-	-	-	-	-	-
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-
Commission income	-	-	-	-	-	-	-
Net underwriting income	-	-	-	-	-	-	-
Insurance claims	-	-	-	-	-	-	-
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-
Net claims	-	-	-	-	-	-	-
Commission expense	-	-	-	-	-	-	-
Management expense	-	-	-	-	-	-	(4,514)
Net insurance claims and expenses	-	-	-	-	-	-	(4,514)
Underwriting results	-	-	-	-	-	-	(4,514)
Net investment income							8,247
Return on bank balances							11,499
Other income							-
Other expenses							(75)
Result of operating activities							15,157
Finance costs							-
Profit before tax for the period							15,157

Prior period	For the nine months period ended September 30, 2022						
	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Aggregate
	---- Rupees in thousand ----						
Gross written premium (inclusive of administrative surcharges)	-	-	-	-	-	-	-
Insurance premium earned	-	-	-	-	-	-	-
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-
Net insurance premium	-	-	-	-	-	-	-
Commission income	-	-	-	-	-	-	-
Net underwriting income	-	-	-	-	-	-	-
Insurance claims	-	-	-	-	-	-	-
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-
Net claims	-	-	-	-	-	-	-
Commission expense	-	-	-	-	-	-	-
Management expense	-	-	-	-	-	-	(3,372)
Net insurance claims and expenses	-	-	-	-	-	-	(3,372)
Underwriting results	-	-	-	-	-	-	(3,372)
Net investment income							4,661
Return on bank balances							-
Other expenses							(1)
Result of operating activities							1,288
Finance costs							-
Profit before tax for the period							1,288

14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

15 AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Company on October 20, 2023.

Chief Executive / Principal Officer

Director

Director

Director

Chief Financial Officer



PICIC Insurance Limited

Registered & Head Office

3rd Floor, Nadir House,
I.I Chundrigar Road, Karachi

Tel: 021-32410781

Fax: 021-32410782

www.picicinsurance.com