



KPMG Taseer Hadi & Co.
Chartered Accountants

Alpha Insurance Company Limited

Condensed Interim Financial Information

For the half year ended
30 June 2017

**Alpha**

Insurance Company Limited

A subsidiary of State Life Insurance Corporation of Pakistan

DIRECTORS' REPORT TO THE MEMBERS ON CONDENSED INTERIM FINANCIAL INFORMATION

On behalf of the Board of Directors, I am pleased to present the Condensed Interim Financial Information for the six months period ended 30 June 2017.

General Review

The gross premium written for the six months has been less than the corresponding period in line with the management strategy not to underwrite business which are not in line with the underwriting guide lines, for clients having outstanding for long time and clients have high loss ratios for many years. As result of decrease in business the expenses to premium ratios have increased also the provision for some huge losses during the period under review have contributed towards the high underwriting losses.

It is also worth mentioning here that your company has initiated the process to increase the paid up capital to Rs. 500 million as required under the statute and fresh injection of the funds will bring more financial strength for the company.

Performance Highlights

The comparative financial highlights for six months ended on 30 June 2017 and 2016 are presented below:

	30 Jun 2017	30 Jun 2016	Increase / (Decrease)	
			Amount	%
Gross premium	57,697,816	69,617,658	(11,919,842)	(17%)
Net premium revenue	35,091,998	37,275,465	(2,183,467)	(6%)
Underwriting profit / (loss)	(76,838,819)	(48,553,160)	28,285,659	(58%)
Net Investment income	35,388,882	29,874,992	5,513,890	18%
Profit / (Loss) before tax	(52,472,024)	(31,275,331)	21,196,693	(68%)
Profit / (Loss) after tax	(49,474,877)	(20,483,654)	28,991,223	(142%)
Retained Earnings	156,648,115	201,050,838	(44,402,723)	(22%)
Paid-up Capital	403,600,000	403,600,000	-	0%
Earnings per share (EPS) Rs.	(1.23)	(0.51)	(0.72)	142%

Future Outlook

The management has devised a new strategy for procuring business under which focus is being given to motor products and personal accident to create a new niche for the Company, besides other classes of insurance business. The reason for focus to motor business is its high potential and immediate cash inflows which can be utilized to generate more investment income. The new strategy also ensures proper underwriting so as to avoid excessive exposures.

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Building No. 1-B, State Life Square,
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Under revised SOP's for claim settlement the Company is now finalizing claims in shortest possible time to facilitate the policy holders and build company's market reputation. The Company has also put in place new marketing team with revised commission structure to procure maximum business.

The management understand that due to change in underwriting policies there will be a down in the business but the same will be covered over the period with good business.

Acknowledgement

The directors of your company would like to take this opportunity to thank Securities and Exchange Commission of Pakistan, Insurance Association of Pakistan, State Bank of Pakistan, the Banks and Financial Institutions and to all the stakeholders for their continued support and cooperation. Further, staff, producers & agents for their efforts and our valued clients for their belief and trust are being acknowledged.

For and on behalf of the Board

Ghufuran Memon
Chairman

Karachi: August 26th, 2017

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**Alpha****Insurance Company Limited****A subsidiary of State Life Insurance Corporation of Pakistan****ڈائریکٹرز رپورٹ بنام ممبران****مختصر عبوری مالیاتی معلومات**

بورڈ آف ڈائریکٹرز کی جانب سے مورخہ 30 جون 2017 کو اختتام پذیر ہونیوالی ششماہی مدت کے لئے مختصر عبوری مالیاتی معلومات (Condensed Interim Financial Information) فراہم کرتے ہوئے انتہائی مسرت ہو رہی ہے۔

عمومی جائزہ

مذکورہ چھ ماہ کے لئے ضبط تحریر میں لایا گیا پریمیم گزشتہ برس اسی مدت کی نسبت کم رہا جس کی وجہ انڈر رائٹنگ گائیڈ لائنز کی پابندی، ایسے کلائنٹس جن پر بقایا جات طویل عرصے تک رہیں انکا برنس نہ کرنے اور ایسے کلائنٹس جن کا نقصان کا تناسب کئی برسوں تک بلند رہا کا کاروبار نہ کرنے سے متعلق انتظامیہ کی حکمت عملی کی پابندی کا رو بار میں کمی کا نتیجہ بنی۔ کاروبار میں کمی کی وجہ سے اخراجات کا تناسب پریمیم کے مقابلے میں بڑھ گیا اور زیر جائزہ مدت کے دوران بھاری نقصانات ہونے کے سبب انڈر رائٹنگ نقصانات میں اضافہ ہوا۔

یہاں اس بات کا ذکر بھی اہم ہے کہ آپ کی کمپنی نے ادا شدہ سرمایہ 500 ملین روپے تک بڑھانے کی کارروائی شروع کر دی ہے جیسا کہ دستور کی شرط ہے اور مزید فنڈز آنے سے کمپنی کی مالیاتی مضبوطی میں اضافہ ہوگا۔

کارکردگی کی جھلکیاں

مورخہ 30 جون 2017 اور 2016 کو ختم ہونے والے چھ ماہ کی مدتوں کی مالیاتی کارکردگی کا موازنہ ذیل میں پیش کیا جا رہا ہے:

اضافہ/ (کمی)	2016 جون 30	2017 جون 30	
رقم			فی صد
(11919842)	69,617,658	57,697,816	خام پریمیم (17%)
(2183467)	37,275,465	35,091,998	خالص پریمیم آمدنی (6%)
28285659	(48,553,160)	(76,838,819)	انڈر رائٹنگ منافع/ (نقصان) (58%)
5513890	29,874,992	35,388,882	خالص سرمایہ کاری آمدنی (18%)
21196693	(31,275,331)	(52,472,024)	نفع/ (نقصان) قبل از ٹیکس (68%)
28991223	(20,483,654)	(49,474,877)	نفع/ (نقصان) بعد از ٹیکس (142%)
(44402723)	201,050,838	156,648,115	بچت کردہ آمدنی (22%)
0%	403,600,000	403,600,000	ادا شدہ سرمایہ 0%
(0.72)	(0.51)	(1.23)	فی شیئر آمدنی (EPS) روپے 142%

آئندہ کے امکانات

کاروبار کے حصول کے لئے انتظامیہ نے نئی حکمت عملی وضع کی ہے جس کے تحت موثر پروڈکٹس اور پرسنل ایکٹیوٹس پر توجہ مرکوز کی جا رہی ہے تاکہ کمپنی موثر میں خاص مقام حاصل کر سکے اور ساتھ ساتھ دوسری کلاسز میں بھی برنس کرتی رہے۔ موثر برنس پر توجہ مرکوز کرنے کی وجہ اس میں موجود قوی امکانات برائے برنس اور کمیشن انفلو ہے جسے مزید انوسٹمنٹ انکم حاصل کرنے کی غرض سے کام میں لایا جاسکتا ہے۔ نئی حکمت عملی موزوں انڈر رائٹنگ کو یقینی بنائے گی تاکہ زائد نقصانات سے بچا جاسکے۔

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کھیز کے تصفیہ کے لئے نظر ثانی شدہ SOPs کے تحت کمپنی اب پالیسی ہولڈرز کو سہولیات فراہم کرنے اور مارکیٹ میں کمپنی کی نیک نامی پیدا کرنے کی غرض سے ممکن حد تک کم از کم وقت میں کھیز کے تصفیہ کی کارروائی کو حتمی شکل دے رہی ہے۔ کمپنی نے ایک نئی مارکیٹنگ ٹیم بھی تشکیل دی ہے جس کے لئے نیا کمیشن اسٹرکچر وضع کیا گیا ہے تاکہ زیادہ سے زیادہ بزنس لایا جاسکے۔

انتظامیہ ادراک رکھتی ہے کہ انڈر رائٹنگ پالیسیوں میں تبدیلی کے سبب کاروبار میں کمی آئے گی لیکن یہ کمی آنے والے وقت میں اچھا بزنس ملنے کی وجہ سے پوری ہو جائے گی۔

تشکر

آپ کی کمپنی کے ڈائریکٹر اس موقع پر سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، انشورنس ایسوسی ایشن آف پاکستان، اسٹیٹ بینک آف پاکستان، بینکوں اور فنانشل انسٹیٹیوشنز کے ساتھ ساتھ اپنے تمام اسٹیک ہولڈروں سے اظہار تہنیت کرتی ہے کہ انہوں نے اپنی اعانت و تعاون میں کمی نہیں کی۔ ان کے علاوہ پروڈیوسرز اور ایجنٹس کی جدوجہد اور اپنے معزز گاہکوں کا ہم پر بھروسہ اور اعتماد کرنے پر بھی ان کا شکریہ ادا کرتی ہے۔

برائے اور منجانب بورڈ

غفران حسین
چیئر مین

کراچی مورخہ 26 اگست 2017۔

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Independent Auditors' Review Report to the Members on Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying

- i) condensed interim balance sheet;
- ii) condensed interim profit and loss account;
- iii) condensed interim statement of comprehensive income;
- iv) condensed interim statement cash flows;
- v) condensed interim statement of changes in equity;
- vi) condensed interim statement of premiums;
- vii) condensed interim statement of claims;
- viii) condensed interim statement of expenses; and
- ix) condensed interim statement of investment income

of **Alpha Insurance Company Limited** ("the Company") as at 30 June 2017 and for the half year then ended together with notes to the accounts (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of the condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. Our responsibility is to express a conclusion on the condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.



KPMG Taseer Hadi & Co.

Emphasis of Matter

We draw attention to note 1.1 of the condensed interim financial information, which describes that the Company has subsequently offered 25% right subscription to increase the paid up capital of the Company to comply with the minimum capital requirement. In this respect, the Company has received subscription money of Rs. 96.4 million from its parent company and is in the process of completing necessary formalities to increase the share capital. Our conclusion is not qualified in respect of this matter.

Other Matter

The figures for the quarter ended 30 June 2017 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.

Date: 26 August 2017



Karachi



KPMG Taseer Hadi & Co.
KPMG Taseer Hadi & Co.
Chartered Accountants
Muhammad Taufiq

Alpha Insurance Company Limited
Condensed Interim Balance Sheet
As at June 30, 2017

	June 30, 2017	December 31, 2016
Note	(Rupees) (Un-audited)	(Audited)
SHARE CAPITAL AND RESERVES		
Authorised share capital [50,000,000 (December 31, 2016: 50,000,000) Ordinary shares of Rs. 10 each]	<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up share capital [40,360,000 (December 31, 2016: 40,360,000) Ordinary shares of Rs. 10 each]	<u>403,600,000</u>	<u>403,600,000</u>
Retained earnings	<u>156,648,115</u>	<u>206,122,992</u>
Reserves	<u>10,175,000</u>	<u>10,175,000</u>
TOTAL EQUITY	570,423,115	619,897,992
LIABILITIES		
Underwriting provisions		
Provision for outstanding claims (including IBNR)	<u>460,507,272</u>	<u>198,988,834</u>
Provision for premium deficiency	<u>19,601,456</u>	<u>19,610,021</u>
Provision for unearned premium	<u>65,861,270</u>	<u>72,294,491</u>
Commission income unearned	<u>4,138,496</u>	<u>5,753,868</u>
	550,108,494	296,647,214
Creditors and accruals		
Amounts due to other insurers / reinsurers	<u>93,199,855</u>	<u>103,075,459</u>
Accrued expenses	<u>34,050,899</u>	<u>34,608,813</u>
Other creditors and accruals	<u>47,492,719</u>	<u>48,293,276</u>
	174,743,473	185,977,548
Unclaimed dividend	<u>3,011,260</u>	<u>3,011,260</u>
TOTAL LIABILITIES	727,863,227	485,636,022
TOTAL EQUITY AND LIABILITIES	<u>1,298,286,342</u>	<u>1,105,534,014</u>
CONTINGENCIES AND COMMITMENTS		

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.



Chief Executive



Chairperson


Director


Director


Alpha Insurance Company Limited
Condensed Interim Balance Sheet
As at June 30, 2017


		June 30, 2017	December 31, 2016
	<i>Note</i>	(Un-audited)	(Audited)
ASSETS			
Cash and bank deposits			
Cash and cash equivalents	10	392,315	226,505
Current and other accounts		31,509,971	22,094,188
Deposits maturing within 12 months		80,000,000	75,000,000
		<u>111,902,286</u>	<u>97,320,693</u>
Investments	11	625,361,277	636,388,384
Deferred Assets			
Deferred taxation		33,357,890	29,395,718
Staff retirement benefits		1,866,229	1,866,229
		<u>35,224,119</u>	<u>31,261,947</u>
Other Assets			
Premiums due but unpaid		41,628,085	61,178,663
Amounts due from other insurers / reinsurers		35,704,764	33,966,669
Accrued investment income		19,503,468	19,984,830
Reinsurance recoveries against outstanding claims		349,449,412	137,403,653
Taxation - payments less provision		40,526,371	37,511,437
Deferred commission expense		8,361,854	13,195,827
Prepayments		20,347,993	25,709,828
Sundry receivables	12	4,306,561	4,247,532
		<u>519,828,508</u>	<u>333,198,439</u>
Fixed assets	13		
Tangible			
Furniture and fixtures		4,350,522	4,875,092
Office equipment		753,040	856,090
Computer and related accessories		336,673	403,385
Motor vehicles		529,917	1,229,984
		<u>5,970,152</u>	<u>7,364,551</u>
TOTAL ASSETS		<u><u>1,298,286,342</u></u>	<u><u>1,105,534,014</u></u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.



Chief Executive


Chairperson


Director


Director

Alpha Insurance Company Limited
Condensed Interim Profit and Loss Account (Un-audited)
For the half year ended June 30, 2017

Note	Quarter ended June 30, 2017						Aggregate	
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Credit and suretyship	Miscellaneous	2017	2016
	(Rupees)							
Revenue account								
Net premium revenue	2,596,723	(2,851,267)	2,960,976	5,675,858	1,559,254	(2,105,055)	7,836,489	19,489,609
Net claims	(45,942,687)	2,048,367	1,862,462	(2,261,592)	-	(2,019,291)	(46,312,741)	(30,033,906)
Premium deficiency expense	2,812,516	(1,148,859)	-	(1,872,454)	-	(6,724,849)	(6,933,646)	(3,300,630)
Management expenses	(5,150,226)	(2,725,623)	(1,882,458)	(4,629,009)	(959,110)	(1,115,420)	(16,461,846)	(13,769,973)
Net commission	(1,720,244)	(834,647)	(584,330)	(283,748)	5,230	(502,549)	(3,920,288)	(2,701,754)
Underwriting results	(47,403,918)	(5,512,029)	2,356,650	(3,370,945)	605,374	(12,467,164)	(65,792,032)	(30,316,654)
Net investment income							24,192,588	25,546,107
Other income							844,575	502,982
General and administrative expenses							(6,954,193)	(7,452,218)
Loss for the quarter before taxation							(47,709,062)	(11,719,783)
Taxation								
- Current							(55,010)	(231,546)
- Deferred							272,433	6,348,075
							217,423	6,116,529
Loss for the quarter after taxation							(47,491,639)	(5,603,254)
Earnings per share-basic and diluted	14						(1.18)	(0.14)

	Half year ended June 30, 2017						Aggregate	
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Credit and suretyship	Miscellaneous	2017	2016
	(Rupees)							
Revenue account								
Net premium revenue	7,390,012	6,211,420	10,950,942	7,841,743	1,291,085	1,406,796	35,091,998	37,275,466
Net claims	(60,053,610)	(3,591,405)	(2,843,496)	(3,389,691)	-	(655,973)	(70,534,175)	(36,126,965)
Premium deficiency expense	388,274	(155,021)	-	(139,835)	-	(84,853)	8,565	(10,114,460)
Management expenses	(12,868,067)	(6,956,583)	(4,801,253)	(4,645,779)	(1,661,346)	(2,449,000)	(33,382,028)	(34,588,260)
Net commission	(3,579,121)	(1,722,371)	(1,348,196)	(391,992)	23,144	(1,004,643)	(8,023,179)	(4,998,941)
Underwriting results	(68,722,512)	(6,213,960)	1,957,997	(725,554)	(347,117)	(2,787,673)	(76,838,819)	(48,553,160)
Net investment income							35,388,882	29,874,992
Other income							1,597,045	763,681
General and administrative expenses							(12,619,132)	(13,360,844)
Loss for the half year before taxation							(52,472,024)	(31,275,331)
Taxation								
- Current							(965,025)	(461,430)
- Deferred							3,962,172	11,253,107
							2,997,147	10,791,677
Loss for the half year after taxation							(49,474,877)	(20,483,654)
Earnings per share-basic and diluted	14						(1.23)	(0.51)

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive

Chairperson

Director

Director

Alpha Insurance Company Limited
Condensed Interim Statement of Comprehensive Income (Un-audited)
For the half year ended June 30, 2017


	<u>Quarter ended June 30,</u>		<u>Half year ended June 30,</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	<u>(Rupees)</u>			
Loss after taxation	(47,491,639)	(5,603,254)	(49,474,877)	(20,483,654)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>(47,491,639)</u>	<u>(5,603,254)</u>	<u>(49,474,877)</u>	<u>(20,483,654)</u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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 Chief Executive


 Chairperson


 Director


 Director

Alpha Insurance Company Limited
Condensed Interim Statement of Changes in Equity (Un-audited)
For the half year ended June 30, 2017

	Issued, subscribed and paid-up capital	Capital reserve Reserve for exceptional losses *	Revenue reserve General reserve	Retained earnings	Total Share holders' equity
	(Rupees)				
Balance as at January 1, 2016	403,600,000	3,355,000	6,820,000	221,534,492	635,309,492
<i>Total comprehensive income for the half year:</i>					
Loss for the half year ended June 30, 2016	-	-	-	(20,483,654)	(20,483,654)
Other comprehensive income	-	-	-	-	-
	-	-	-	(20,483,654)	(20,483,654)
Balance as at June 30, 2016	403,600,000	3,355,000	6,820,000	201,050,838	614,825,838
<i>Total comprehensive income for the half year:</i>					
Profit for the half year ended December 31, 2016	-	-	-	5,009,090	5,009,090
Other comprehensive income	-	-	-	63,064	63,064
	-	-	-	5,072,154	5,072,154
Balance as at December 31, 2016	403,600,000	3,355,000	6,820,000	206,122,992	619,897,992
<i>Total comprehensive income for the half year</i>					
Loss for the half year ended June 30, 2017	-	-	-	(49,474,877)	(49,474,877)
Other comprehensive income	-	-	-	-	-
	-	-	-	(49,474,877)	(49,474,877)
Balance as at June 30, 2017	403,600,000	3,355,000	6,820,000	156,648,115	570,423,115

* The reserve for exceptional losses represents amounts set aside till December 31, 1978 to avail deduction thereof in computing taxable income, as allowed previously under the old Income Tax Act of 1922. After the introduction of the Repealed Income Tax Ordinance, 1979, which did not permit the said deduction, the Company discontinued the setting aside of amounts thereafter as reserve for exceptional losses.

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive

Chairperson

Director

Director

Alpha Insurance Company Limited
Condensed Interim Statement of Cash Flows (Un-audited)
For the half year ended June 30, 2017

	June 30, 2017	June 30, 2016
	(Rupees)	
OPERATING ACTIVITIES		
Underwriting activities		
Premiums received	77,248,394	66,709,675
Reinsurance premiums paid	(33,380,400)	(22,732,341)
Claims paid	(46,404,751)	(24,562,262)
Reinsurance and other recoveries received	25,343,255	9,298,989
Commission paid	(11,722,584)	(13,169,755)
Commission received	3,316,546	24,099,500
Other underwriting payments	(29,773,535)	(33,658,023)
Net cash (used in) / from underwriting activities	(15,373,075)	5,985,783
Other operating activities		
Income tax paid	(3,979,959)	(3,586,667)
General management expenses paid	(14,011,075)	(15,839,070)
Operating payments	(4,023,968)	(1,992,569)
Operating receipts	5,189,168	983,578
Net cash used in other operating activities	(16,825,834)	(20,434,728)
Net cash used in all operating activities	(32,198,909)	(14,448,945)
INVESTMENT ACTIVITIES		
Profit / return received	27,791,934	30,261,162
Dividends received	6,907,499	4,831,359
Payments made against purchase of investment	(243,013,732)	(112,974,148)
Proceeds from disposal of investments	255,211,651	99,031,163
Fixed capital expenditure	(116,850)	(141,452)
Net cash generated from investing activities	46,780,502	21,008,084
FINANCING ACTIVITIES		
Net cash used in financing activities	-	-
Net cash from all activities	14,581,593	6,559,139
Cash and cash equivalents at the beginning of the period	97,320,693	33,151,043
Cash and cash equivalents at the end of the period	111,902,286	39,710,182





Alpha Insurance Company Limited
Condensed Interim Statement of Cash Flows (Un-audited)
For the half year ended June 30, 2017

	June 30, 2017	June 30, 2016
	(Rupees)	
Reconciliation to Profit and Loss account		
Operating cash flows	(32,198,909)	(14,448,945)
Depreciation expense	(1,511,249)	(1,650,565)
Increase / (decrease) in assets other than cash	187,111,432	22,284,912
(Increase) / decrease in liabilities	(242,227,205)	(67,797,155)
Investment and other income	35,388,882	29,874,992
Deferred tax asset recorded during the period	3,962,172	11,253,107
Loss after taxation	<u>(49,474,877)</u>	<u>(20,483,654)</u>

Definition of cash:

Cash comprises of cash in hand, stamps in hand and bank balances.

Cash for the purpose of the Statement of Cash Flows consists of:

Cash and other equivalent	392,315	185,880
Current and other accounts	31,509,971	39,524,302
Deposits maturing within 12 months	80,000,000	-
Total	<u>111,902,286</u>	<u>39,710,182</u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

[Signatures]

[Signature]
 Chief Executive

[Signature]
 Chairperson

[Signature]
 Director

[Signature]
 Director

Alpha Insurance Company Limited
Condensed Interim Statement of Premiums (Un-audited)
For the half year ended June 30, 2017

Business underwritten inside Pakistan

Class	Quarter ended June 30, 2017								Net Premium Revenue	
	Premium Written	Unearned premium reserve		Premium earned	Re-insurance ceded	Prepaid re-insurance premium ceded		Re-insurance expense	2017	2016
		Opening	Closing			Opening	Closing			
(Rupees)										
Direct and facultative										
Fire and property damage	9,199,531	31,717,715	29,799,271	11,117,975	5,411,997	16,970,101	13,860,846	8,521,252	2,596,723	4,595,342
Marine, aviation and transport	4,874,264	3,908,992	9,167,261	(384,005)	2,044,113	1,439,678	1,016,529	2,467,262	(2,851,267)	2,507,321
Motor	3,366,293	11,513,626	10,763,732	4,116,187	1,081,163	2,204,377	2,130,329	1,155,211	2,960,976	7,916,118
Accident and health	8,001,470	1,695,065	4,020,677	5,675,858	-	-	-	-	5,675,858	1,774,774
Credit and suretyship	1,684,834	2,468,363	1,680,854	2,472,343	1,123,563	1,559,845	1,770,319	913,089	1,559,254	733,210
Miscellaneous	1,979,366	7,753,804	10,429,475	(696,305)	249,338	2,261,581	1,102,169	1,408,750	(2,105,055)	1,962,844
Total	29,105,758	59,057,565	65,861,270	22,302,053	9,910,174	24,435,582	19,880,192	14,465,564	7,836,489	19,489,609

Class	Half year ended June 30, 2017								Net Premium Revenue	
	Premium Written	Unearned premium reserve		Premium earned	Re-insurance ceded	Prepaid re-insurance premium ceded		Re-insurance expense	2017	2016
		Opening	Closing			Opening	Closing			
(Rupees)										
Direct and facultative										
Fire and property damage	22,241,291	32,282,968	29,799,271	24,724,988	13,996,544	17,199,278	13,860,846	17,334,976	7,390,012	8,515,219
Marine, aviation and transport	12,023,824	8,232,202	9,167,261	11,088,765	4,665,013	1,228,861	1,016,529	4,877,345	6,211,420	5,714,513
Motor	8,298,531	15,738,401	10,763,732	13,273,200	2,162,325	2,290,262	2,130,329	2,322,258	10,950,942	15,054,066
Accident and health	8,029,809	3,832,611	4,020,677	7,841,743	-	-	-	-	7,841,743	2,926,075
Credit and suretyship	2,871,486	1,863,153	1,680,854	3,053,785	1,885,213	1,647,806	1,770,319	1,762,700	1,291,085	1,287,960
Miscellaneous	4,232,875	10,345,156	10,429,475	4,148,556	795,701	3,048,228	1,102,169	2,741,760	1,406,796	3,777,633
Total	57,697,816	72,294,491	65,861,270	64,131,037	23,504,796	25,414,435	19,880,192	29,039,039	35,091,998	37,275,466

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive

Chairperson

Director

Director

Alpha Insurance Company Limited
Condensed Interim Statement of Claims (Un-audited)
For the half year ended June 30, 2017

Business underwritten inside Pakistan

Class

Quarter ended June 30, 2017									Net claims expense	
Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Re-insurance & other recoveries in respect of outstanding claims		Re-insurance and other recoveries revenue	2017	2016	
	Opening	Closing			Opening	Closing				
(Rupees)										
937,317	347,403,374	391,501,171	45,035,114	1,197,556	315,378,996	313,273,867	(907,573)	45,942,687	2,180,182	
40,656	15,668,452	13,568,256	(2,059,540)	12,197	9,945,467	9,922,097	(11,173)	(2,048,367)	2,643,553	
2,002,861	24,201,884	20,320,561	(1,878,462)	(16,000)	2,570,000	2,570,000	(16,000)	(1,862,462)	4,775,303	
1,633,780	-	627,812	2,261,592	-	-	-	-	2,261,592	1,996,766	
-	-	-	-	-	-	-	-	-	-	
589,117	33,310,579	34,489,472	1,768,010	51,586	23,986,315	23,683,448	(251,281)	2,019,291	18,438,102	
5,203,731	420,584,289	460,507,272	45,126,714	1,245,338	351,880,777	349,449,412	(1,186,027)	46,312,741	30,033,906	

Class

Half year ended June 30, 2017								Net claims expense	
Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Re-insurance & other recoveries in respect of outstanding claims		Re-insurance and other recoveries revenue	2017	2016
	Opening	Closing			Opening	Closing			
(Rupees)									
2,742,850	98,265,862	391,501,171	295,978,159	1,702,503	79,051,821	313,273,867	235,924,549	60,053,610	2,156,238
5,866,357	14,133,066	13,568,256	5,301,547	1,725,400	9,937,355	9,922,097	1,710,142	3,591,405	3,999,682
5,240,061	22,092,126	20,320,561	3,468,496	(16,000)	1,929,000	2,570,000	625,000	2,843,496	7,136,810
3,114,810	352,931	627,812	3,389,691	-	-	-	-	3,389,691	3,511,074
-	-	-	-	-	-	-	-	-	-
29,440,673	64,144,849	34,489,472	(214,704)	21,931,352	46,485,477	23,683,448	(870,677)	655,973	19,323,161
46,404,751	198,988,834	460,507,272	307,923,189	25,343,255	137,403,653	349,449,412	237,389,014	70,534,175	36,126,965

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive

Chairperson

Director

Director

Alpha Insurance Company Limited
Condensed Interim Statement of Expenses (Un-audited)
For the half year ended June 30, 2017

Business underwritten inside Pakistan

Class	Quarter ended June 30, 2017							Net underwriting expense	
	Commission paid / payable	Deferred commission expense		Commission expense	Management expenses	Underwriting expenses	Commission from reinsurers	2017	2016
		Opening	Closing						
(Rupees)									
Direct and facultative									
Fire and property damage	1,725,133	7,613,133	5,565,965	3,772,301	5,150,226	8,922,527	2,052,057	6,870,470	5,432,322
Marine, aviation and transport	1,103,977	948,501	559,783	1,492,695	2,725,623	4,218,318	658,048	3,560,270	823,779
Motor	326,155	1,096,129	837,954	584,330	1,882,458	2,466,788	-	2,466,788	4,078,619
Accident and health	400,074	84,696	201,022	283,748	4,629,009	4,912,757	-	4,912,757	3,816,773
Credit and suretyship	342,339	413,037	503,573	251,803	959,110	1,210,913	257,033	953,880	1,634,430
Miscellaneous	317,548	1,214,177	693,557	838,168	1,115,420	1,953,588	335,619	1,617,969	685,804
Total	4,215,226	11,369,673	8,361,854	7,223,045	16,461,846	23,684,891	3,302,757	20,382,134	16,471,727

Class	Half year ended June 30, 2017							Net underwriting expense	
	Commission paid / payable	Deferred commission expense		Commission expense	Management expenses	Underwriting expenses	Commission from reinsurers	2017	2016
		Opening	Closing						
(Rupees)									
Direct and facultative									
Fire and property damage	4,625,669	8,722,719	5,565,965	7,782,423	12,868,067	20,650,490	4,203,302	16,447,188	14,964,757
Marine, aviation and transport	2,845,160	746,938	559,783	3,032,315	6,956,583	9,988,898	1,309,944	8,678,954	6,072,543
Motor	811,280	1,374,870	837,954	1,348,196	4,801,253	6,149,449	-	6,149,449	10,619,428
Accident and health	401,491	191,523	201,022	391,992	4,645,779	5,037,771	-	5,037,771	3,944,720
Credit and suretyship	544,536	429,584	503,573	470,547	1,661,346	2,131,893	493,691	1,638,202	1,727,751
Miscellaneous	631,083	1,730,193	693,557	1,667,719	2,449,000	4,116,719	663,076	3,453,643	2,258,002
Total	9,859,219	13,195,827	8,361,854	14,693,192	33,382,028	48,075,220	6,670,013	41,405,207	39,587,201

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

Chief Executive

Chairperson

Director

Director

Alpha Insurance Company Limited
Condensed Interim Statement of Investment Income (Un-audited)
For the half year ended June 30, 2017

	Quarter ended		Half year ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	(Rupees)			
Income from non-trading investment				
Held-to-maturity				
Return on government securities	11,802,164	13,594,496	24,856,783	26,941,719
Return on term deposit receipts	122,740	-	438,972	-
Return on term finance certificates	1,367,610	1,106,710	1,367,610	2,226,160
Amortisation of discount and premium on Pakistan Investment Bonds and term finance certificates	830,407	393,250	912,532	780,879
	<u>14,122,921</u>	<u>15,094,456</u>	<u>27,575,897</u>	<u>29,948,758</u>
Available-for-sale				
Dividend income	6,026,200	4,304,035	6,642,174	4,831,359
Gain on sale of available-for-sale investments	6,294,864	1,214,712	6,294,864	1,433,598
	<u>12,321,064</u>	<u>5,518,747</u>	<u>12,937,038</u>	<u>6,264,957</u>
Provision for impairment in value of investments (Diminution) / appreciation in value of available-for-sale investments	(2,251,397)	4,932,904	(5,124,053)	(6,338,723)
Total investment income	<u>24,192,588</u>	<u>25,546,107</u>	<u>35,388,882</u>	<u>29,874,992</u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

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Chief Executive

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Chairperson

[Handwritten signature]
Director

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Director

Alpha Insurance Company Limited

Notes to and forming part of the Condensed Interim Financial Information (Un-audited)

For the half year ended June 30, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

Alpha Insurance Company Limited ("the Company") was incorporated in Pakistan on December 24, 1951 under the Indian Companies Act VII of 1913 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. The Company is engaged in providing non-life insurance business comprising fire, marine, motor, health, credit and suretyship and miscellaneous. The Company commenced its commercial operations on January 23, 1952.

The registered office of the Company is situated at State Life Building, I. I. Chundrigar Road, Karachi. The Company has 17 (December 31, 2016: 17) branches in Pakistan. The parent entity of the Company is State Life Insurance Corporation of Pakistan Limited holding 93.99% (December 31, 2016: 93.99%) shares of the Company.

- 1.1 As per SRO 828(I)/2015 dated August 2015, issued by Securities and Exchange Commission of Pakistan (SECP), the minimum capital requirement for the Company as at June 30, 2017, is Rs. 450 million, however, the Company has a paid up capital of Rs. 403.6 million at this date thus resulting in a shortfall of Rs. 46.4 million. The Company subsequently offered 25% right shares to increase the paid up capital to Rs. 500 million to comply with the minimum capital requirement, accordingly the Company has received subscription money of Rs. 96.4 million from its parent company State Life Corporation of Pakistan and is in the process of completing necessary formalities to increase the share capital.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002. In case the requirements differ, the provisions or directives of Companies Ordinance, 1984, Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 shall prevail. The condensed financial information is in the format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003.

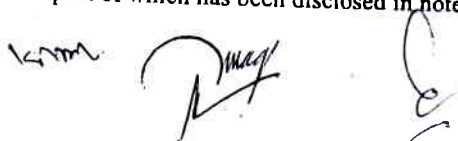
This condensed interim financial information does not include all of the information and disclosures as required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2016.

The Securities and Exchange Commission of Pakistan (SECP) has allowed insurance companies to defer the application of International Accounting Standards (IAS) - 39 "Financial Instruments: Recognition and Measurement" in respect of valuation of "available for sale investments". Accordingly, the requirements of IAS-39, to the extent allowed by SECP as aforesaid, have not been considered in the preparation of this condensed interim financial information.

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP vide its press release dated July 20, 2017, these condensed interim financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

During the period, SECP has issued Insurance Accounting Regulations, 2017, which were applicable with effect from February 9, 2017. However, the Company applied for the extension relating to the applicability of the said regulations for preparation of the half-yearly condensed interim financial statements for the period ended June 30, 2017 which was allowed by SECP vide letter ID/OSM/Alpha/2017/10576, dated August 10, 2017. Hence, the condensed interim financial statements for the period ended June 30, 2017 are prepared in accordance with the requirements of SEC (Insurance) Rules, 2002.

Major impact in accordance with the format prescribed by Insurance Rules, 2017 is on presentation and disclosure of financial statements as per Annexure II of Insurance Rules, 2017 and on valuation of available-for-sale investments the impact of which has been disclosed in note 11.1.



3 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or amortised cost as applicable. In addition, obligation in respect of staff retirement benefits is carried at present value.

This condensed interim financial information has been prepared using the accrual basis of accounting.

4 FUNCTIONAL AND PRESENTATION CURRENCY

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

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and method of computation adopted for the preparation of this condensed interim financial information are consistent with those applied in the preparation of the published annual financial statements of the Company for the year ended December 31, 2016.

5.1 New and amended standards and interpretations that are effective in the current period

There are certain other new and amended standards and interpretations that have been published and are mandatory for accounting periods beginning on or after January 1, 2017 but are considered not to be relevant or did not have any significant effect on the Company's operations and are, therefore, not detailed in this condensed interim financial information.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates and that such estimates and judgments are continually evaluated based on historical experience and expectations of future events that are believed to be reasonable under the circumstances.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended December 31, 2016.

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, 2016.

8 OTHER CREDITORS AND ACCRUALS

	Note	(Un-audited) June 30, 2017	(Audited) December 31, 2016
		(Rupees)	
Commission payable to agents		14,790,772	15,159,485
Cash margins against performance bonds		8,289,095	4,696,972
Federal excise duty		18,427,069	21,609,860
Income tax deducted at source		79,814	348,973
Workers' Welfare Fund	8.1	2,197,746	2,197,746
Others	8.2	3,708,223	4,280,240
		<u>47,492,719</u>	<u>48,293,276</u>

- 8.1 The Finance Act, 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court.

The Honourable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act, 2008 are ultra-vires to the Constitution.

The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated November 10, 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

In view of the above, on prudent basis the management has decided not to reverse charge for WWF recorded for the years upto 2015 amounting to Rs. 2.198 million.

- 8.2 This includes outstanding claims in respect of which cheques have been issued by the Company for claim settlement but the same have not been encashed by the claimant. The following is the ageing as required by SECP circular No. 11 dated May 19, 2014:

	(Un-audited) June 30, 2017	(Audited) December 31, 2016
	(Rupees)	
- More than 6 months	197,330	333,864
- 1 to 6 months	-	-

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

- 9.1.1 Various insurance claims amounting to Rs. 88.030 million (December 31, 2016: Rs. 93.181 million) have been lodged by various parties against the Company. The Company has not acknowledged these claims as the management considers that the Company is not liable to settle these amounts.

- 9.1.2 The Additional Commissioner Inland Revenue issued notices under section 122 (5A) for passing an amended order on certain issues (provision for outstanding claims including IBNR, Dividend Income and Capital Gain) for the tax years 2011, 2015 and 2016. For tax year 2011, the Company has filed a petition before the Honorable High Court challenging the validity of the notice being barred by limitation of time. The Honorable High Court while admitting the aforementioned petition has restrained the department to take up the amended proceedings. For the tax years 2015 and 2016, the Company is in the process of submitting the requisite information to the tax authorities.

9.2 Commitments

There are no commitments as at June 30, 2017 and December 31, 2016.

10 CASH AND BANK DEPOSITS

Cash and other equivalents

- cash in hand
- stamps in hand

Current and other accounts

- current accounts
- saving accounts

Deposits maturing within 12 months

Term deposits - local currency

Note	(Un-audited) June 30, 2017	(Audited) December 31, 2016
	(Rupees)	
	163,265	49,999
	229,050	176,506
	392,315	226,505
	5,959,815	4,380,149
10.1	25,550,156	17,714,039
	31,509,971	22,094,188
10.2	80,000,000	75,000,000
	111,902,286	97,320,693

10.1 These accounts carry interest at rates ranging between 3.75% to 4.00% (2016: 3.93% to 4.58%) per annum.

10.2 This has tenure of one month and carries mark-up at the rate 5.6% per annum.

	Note	(Un-audited) June 30, 2017	(Audited) December 31, 2016
11 INVESTMENTS			
		(Rupees)	
Available-for-sale			
Listed equity securities		115,400,166	118,596,642
Less: Diminution in value of investments		<u>(9,645,131)</u>	<u>(4,521,078)</u>
	11.1	<u>105,755,035</u>	<u>114,075,564</u>
Held-to-maturity			
Government securities		<u>509,327,526</u>	<u>501,396,084</u>
Term finance certificates		<u>10,278,716</u>	<u>20,916,736</u>
	11.2	<u>519,606,242</u>	<u>522,312,820</u>
		<u><u>625,361,277</u></u>	<u><u>636,388,384</u></u>

11.1 The fair value of available for sale investments is Rs. 225,017,163 (December 31, 2016: Rs. 231,566,455). Available for sale investments are stated at lower of cost or market value (market value being taken as lower if the reduction is other than temporary) as required by the SEC (Insurance) Rules, 2002. However, the International Accounting Standard (IAS) 39 Financial Instruments: Recognition and Measurement requires that these instruments should be measured at fair value.

Had these investments been measured at fair value, their carrying values as at June 30, 2017 would have been higher by Rs. 119,262,128 (December 31, 2016: Rs. 118,109,895) and shareholder's equity would have increased by the same amount.

11.2 This includes Pakistan Investment Bonds, Treasury Bills and Term Finance Certificates which carry profit at rates ranging from 7% to 11.25%, 5.99% and 15% respectively.

	Note	(Un-audited) June 30, 2017	(Audited) December 31, 2016
12 SUNDRY RECEIVABLES			
		(Rupees)	
Advances - secured			
To staff		154,602	143,452
Unsecured			
Long term security deposit		1,974,910	1,919,461
Federal insurance fee receivable		364,094	456,644
Miscellaneous receivables	12.1	<u>1,812,955</u>	<u>1,727,975</u>
		<u><u>4,306,561</u></u>	<u><u>4,247,532</u></u>

12.1 This includes Rs. 1,558,728 (December 31, 2016: Rs. 1,558,728) receivable from State Life Insurance Corporation of Pakistan, the parent company.

Amir Durrani

13 FIXED ASSETS

	(Un-audited) June 30, 2017	(Audited) December 31, 2016
	(Rupees)	
Opening book value	7,364,551	10,407,004
Add: Additions during the period / year	116,850	157,155
Less: Deletions during the period / year	-	-
	7,481,401	10,564,159
Less: Net book value of assets disposed off / transferred during the period / year	-	-
Less: Depreciation for the period / year	(1,511,249)	(3,199,608)
	5,970,152	7,364,551

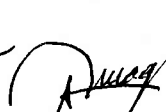

14 EARNINGS PER SHARE

	Quarter ended June 30,		Half year ended June 30,	
	2017	2016	2017	2016
	(Rupees)			
Loss after tax for the period	(47,491,639)	(5,603,254)	(49,474,877)	(20,483,654)
	(Number of Shares)			
Weighted average number of ordinary shares	40,360,000	40,360,000	40,360,000	40,360,000
Basic and diluted earnings per share	(1.18)	(0.14)	(1.23)	(0.51)

15 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise State Life Insurance Corporation of Pakistan being the parent company, associated entities having directors in common, other subsidiaries of parent company, key management personnel, gratuity fund and provident fund. The transactions with related parties other than those disclosed elsewhere in the condensed interim financial information are as follows:

	(Un-audited) June 30, 2017	(Un-audited) June 30, 2016
	(Rupees)	
Transactions		
Rent paid (parent company)	2,377,908	2,083,948
Contribution to provident fund	311,889	343,931
Remuneration to key management personnel	7,169,298	2,504,470
Directors' remuneration	960,000	400,000
Cash dividend received from associate companies	-	419,634
	(Un-audited) June 30, 2017	(Audited) December 31, 2016
	(Rupees)	
Balances		
Investment in Fauji Fertilizer Company Limited:	-	5,892,283
Nil number of shares (December 31, 2016: 79,627 number of shares)		
Receivable from State Life Insurance Corporation of Pakistan	1,558,728	1,558,728
Receivable from gratuity fund	1,866,229	1,866,229
Due to employees' provident fund	-	110,384

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FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value										
Cash and bank deposits*										
Investments										
- Government securities				111,902,286		111,902,286				
- Term finance certificates			509,277,526			509,277,526				
- Quoted equity securities			10,278,716			10,278,716		510,783,317		510,783,317
- Unquoted equity securities		105,755,035				105,755,035	225,017,163	10,540,307		10,540,307
- Premiums due but unpaid*										
- Amounts due from other insurers / reinsurers*				41,628,085		41,628,085				
- Accrued investment income*				35,784,764		35,784,764				
- Reinsurance recoveries against outstanding claims*				19,503,468		19,503,468				
- Sundry receivables*				349,449,412		349,449,412				
				4,306,561		4,306,561				
Financial liabilities not measured at fair value										
Provision for outstanding claims (including IBNR)*					(468,507,272)	(468,507,272)				
Amounts due to other insurers / reinsurers*					(93,199,855)	(93,199,855)				
Accrued expenses*					(34,850,899)	(34,850,899)				
Other creditors and accruals*					(24,788,899)	(24,788,899)				
Unclaimed dividend*					(3,011,260)	(3,011,260)				
		105,755,035	519,606,242	562,494,576	(617,557,376)	570,298,477	225,017,163	521,331,524		746,348,687

	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value										
Cash and bank deposits*										
Investments										
- Government securities				97,320,693		97,320,693				
- Term finance certificates			501,396,084			501,396,084		501,396,084		501,396,084
- Quoted equity securities			20,916,736			20,916,736		20,916,736		20,916,736
- Unquoted equity securities		113,456,562				113,456,562	231,566,455			231,566,455
- Premiums due but unpaid*		619,002				619,002			619,002	619,002
- Amounts due from other insurers / reinsurers*				61,178,663		61,178,663				
- Accrued investment income*				33,966,669		33,966,669				
- Reinsurance recoveries against outstanding claims*				19,984,830		19,984,830				
- Sundry receivables*				137,403,653		137,403,653				
				3,790,888		3,790,888				
Financial liabilities not measured at fair value										
Provision for outstanding claims (including IBNR)*					(198,988,834)	(198,988,834)				
Amounts due to other insurers / reinsurers*					(103,075,459)	(103,075,459)				
Accrued expenses*					(34,608,813)	(34,608,813)				
Other creditors and accruals*					(24,136,697)	(24,136,697)				
Unclaimed dividend*					(3,011,260)	(3,011,260)				
		114,075,564	522,312,820	353,645,396	(363,821,063)	626,212,717	231,566,455	522,312,820	619,002	754,498,277

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

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17 SEGMENT REPORTING

The Company has six primary business segments for reporting purposes namely fire and property damage, marine, aviation and transport, motor, accident and health, credit and suretyship and miscellaneous.

Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of the gross premium written by the segments.

	June 30, 2017			December 31, 2016		
	(Unaudited)			(Audited)		
Segment assets	Unallocated assets	Total assets		Segment assets	Unallocated assets	Total assets
	(Rupees)			(Rupees)		
Fire and property	349,525,918	-	349,525,918	135,766,881	-	135,766,881
Marine, aviation and transport	23,751,906	-	23,751,906	25,485,179	-	25,485,179
Motor	14,101,790	-	14,101,790	16,402,880	-	16,402,880
Accident and health	1,348,463	-	1,348,463	282,237	-	282,237
Credit and Suretyship	2,526,082	-	2,526,082	2,634,144	-	2,634,144
Miscellaneous	28,065,384	-	28,065,384	56,621,257	-	56,621,257
Unallocated	-	878,966,799	878,966,799	-	868,341,436	868,341,436
Total	419,319,543	878,966,799	1,298,286,342	237,192,578	868,341,436	1,105,534,014

	June 30, 2017			December 31, 2016		
	(Unaudited)			(Audited)		
Segment liabilities	Unallocated liabilities	Total liabilities		Segment liabilities	Unallocated liabilities	Total liabilities
	(Rupees)				(Rupees)	
Fire and property	429,136,857	-	429,136,857	134,867,601	-	134,867,601
Marine, aviation and transport	24,516,190	-	24,516,190	22,691,772	-	22,691,772
Motor	31,084,293	-	31,084,293	37,830,527	-	37,830,527
Accident and health	7,639,721	-	7,639,721	4,185,542	-	4,185,542
Credit and Suretyship	2,195,121	-	2,195,121	2,322,727	-	2,322,727
Miscellaneous	55,536,312	-	55,536,312	75,235,738	-	75,235,738
Unallocated	-	177,754,733	177,754,733	-	208,502,115	208,502,115
Total	550,108,494	177,754,733	727,863,227	277,133,907	208,502,115	485,636,022

17.1 Segment wise financial performance for the quarter and half year ended June 30, 2017 have been detailed in the condensed interim profit and loss account for the quarter and half year ended June 30, 2017.

18 CORRESPONDING FIGURES

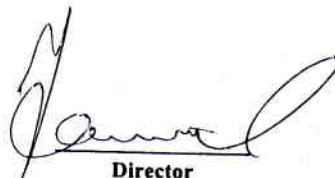
Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison.

19 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on Aug 26, 17 by the Board of Directors of the Company.


Chief Executive


Chairperson


Director


Director