

# **Shaheen Insurance**

THIRD QUARTERLY REPORT 2013

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# ***COMPANY INFORMATION***

## **BOARD OF DIRECTORS**

Air Marshal (R) M. Arif Pervaiz  
Air Commodore (R) Mehmood Ahmad  
Mr. Shahid Hameed  
Air Commodore (R) Zafar Yasin  
Air Commodore (R) Muhammad Masud Akhtar  
Air Commodore (R) Shahid Jamil Hashmi  
Group Capt. (R) Ehsan-ur-Rauf Sheikh

## **CHIEF OPERATING OFFICER**

Sohel Najam Kidwai

## **CHIEF FINANCIAL OFFICER**

Muhammad Farhan Janjuah

## **COMPANY SECRETARY**

Muhammad Farhan Janjuah

## **AUDITORS**

Anjum Asim Shahid Rehman  
Chartered Accountants

## **LEGAL ADVISOR**

SurrIDGE & BeechenO

## **REGISTERED OFFICE**

10th Floor, Shaheen Complex, M.R.Kayani Road, Karachi 74200.

## **HEAD OFFICE**

10th Floor, Shaheen Complex, M.R.Kayani Road, Karachi 74200.

## **SHARE REGISTRAR**

M/s Corplink (Pvt) Ltd  
Wings Arcade, 1-K, Commercial, Model Town, Lahore.



# OFFICES

## Head Office

10th Floor, Shaheen Complex  
M.R. Kayani Road, Karachi - 74200  
Tel. # 32630370-75, 32213950-51, Fax # 32626674  
E-mail: [sihifc@cyber.net.pk](mailto:sihifc@cyber.net.pk)  
URI: [www.shaheeninsurance.com](http://www.shaheeninsurance.com)  
UAN: (021) 111-765-111

## Karachi

Branch Manager-Mr. Asad Hassan  
10th Floor, Shaheen Complex  
M.R. Kayani Road, Karachi - 74200  
Tel. # 32630370-75, 32213950-51, Fax # 32626674  
E-mail: [sihifc@cyber.net.pk](mailto:sihifc@cyber.net.pk)  
URI: [www.shaheeninsurance.com](http://www.shaheeninsurance.com)  
UAN: (021) 111-765-111

## Lahore

Zonal Head - Mr. Naveed Butt  
Office # 4, 6th floor, Shaheen Complex  
opp: PTV Station 38, Abbott Road,  
Lahore  
Tel # 042-36376270, 36376274, 36376278, 36376279  
Fax # 042-36376276  
E-mail: [lhr\\_zone@shaheeninsurance.com](mailto:lhr_zone@shaheeninsurance.com)

## Islamabad

House No. 351, Street No. 15,  
Sector G-10/2, Islamabad  
Tel: 051-2105009, 2105010, 2105011  
Fax: 051-2105012  
Email: [isb@shaheeninsurance.com](mailto:isb@shaheeninsurance.com)

## Multan

Branch Manager - Mr. Arshad Mehmood Khan  
Shalimar Colony near Madrasa Khair-ul-Muarif  
Bosan Road Multan.  
Tel # (061) 6750001-3  
Fax # (061) 6750004  
E-mail: [mul@shaheeninsurance.com](mailto:mul@shaheeninsurance.com)

## Sialkot

Branch Manager - Mr. Muhammad Mujahid Ali  
104, First Floor, Kareem Plaza, Defence  
Road, Near Allama Iqbal Town, Sialkot  
Tel. # (052) 3250982, 3550131  
Fax. # (052) 3257412  
E-mail: [sil@shaheeninsurance.com](mailto:sil@shaheeninsurance.com)

## Hyderabad

Branch Manager - Syed Kashif Ali  
Upper 2nd Floor  
House # 75, Soldier Bazar  
Tel. # (022) 2720487  
Fax # (022) 2720489  
E-mail: [hyd@shaheeninsurance.com](mailto:hyd@shaheeninsurance.com)

## Lahore Corporate

Branch Manager Mr. Sohaib Ansar Khan  
Office # 6, 6th floor, Shaheen Complex  
opp: PTV Station 38, Abbott Road,  
Lahore  
Tel # 042-36370384, 36370741, 36370742  
Fax # 042-36370385  
E-mail: [lhr\\_corporate@shaheeninsurance.com](mailto:lhr_corporate@shaheeninsurance.com)

## Faisalabad

2nd Floor, Sitara Towers, Bilal Chowk  
Civil Lines, Faisalabad  
Tel. # (041) 2614112, 2621370, 2630644-5  
Fax # (041) 2631514  
E-mail: [fsd@shaheeninsurance.com](mailto:fsd@shaheeninsurance.com)

## Peshawar

Branch Manager - Mr. Muhammad Shoaib Khan  
6th Floor, State Life Building  
34 - The Mall, Peshawar Cantt.  
Tel. # (091) 5273122  
Fax # (091) 5273106  
E-mail: [psw@shaheeninsurance.com](mailto:psw@shaheeninsurance.com)

## DIRECTORS' REPORT TO THE MEMBERS

The Directors are pleased to announce the results of your Company for the nine months ended September 30, 2013:-

The results are summarized below:-

	All Figures Rs. in '000'			
	September 2013	September 2012	Increase/ (Decrease)	% Age
<b>Gross Premium written</b>	286,710	504,037	(217,327)	(43.12)%
<b>Net Premium revenue</b>	256,030	391,611	(135,581)	(34.62)%
<b>Claims Expenses</b>	345,959	294,723	51,236	17.38%
<b>Net Claims expense</b>	185,122	235,424	(50,302)	(21.37)%
<b>Underwriting results</b>	(37,362)	41,513	(78,875)	(190.00)%
<b>Investment income</b>	4,795	11,604	(6,809)	(58.68)%
<b>Mgmnt and General &amp; Admn exp</b>	121,441	128,628	(7,187)	(5.59)%
<b>Profit/ (Loss) before tax</b>	(85,215)	(13,532)	(71,683)	529.73%
<b>Profit/ (Loss) after tax</b>	(86,496)	(14,533)	(71,963)	495.17%
<b>Earning per Share</b>	(2.88)	(0.48)	(2.00)	500.00%
<b>Premium due but unpaid</b>	285,580	406,398	(120,818)	(30.00)%

Today Extra ordinary general meeting was held at Head Office. Shareholders have approved the increase of Authorised Capital from Rs. 300 million to Rs. 600 million. This will resolve many problems of the Company in near future as further injection of funds can be made available.

The Gross written Premium decreased from Rs 504.037 million in 2012 to Rs. 286.710 million in nine months of 2013. Net premium decreased to Rs. 256.030 million in 2013

from Rs. 391.611 million as compared to the corresponding period of 2012. Board already gave new directions for procurement of new business in SICL. Claims expenses increased by 17% during the nine months of 2013 as compared to prior period. Major reason was the Cotton claim loss incurred in early 2013.

Due to factors mentioned above Underwriting results deteriorated by Rs. 78.875 million from profit of Rs. 41.513 million in 2012 to loss of Rs. 37.362 million in 2013. Your Board has taken vital steps to stem the losses by giving directions on important operational matters.

Board guidance and management hard work has started showing results. Premium due but unpaid has reduced by Rs. 120.818 million. It was Rs. 406.398 million in nine months of 2012 and decreased to Rs. 285.580 million in 2013. Board appreciates the efforts of management. Similarly management and general & administrative expenses reduced to Rs. 121.441 million in 2013 from Rs. 128.628 million in 2012. A decrease of Rs. 7.187 million in the period mentioned. If we further evaluate from Profit & Loss Account only Rs. 16.472 million was spent in the third quarter of 2013 as compared to Rs. 29 million in 2012. A reduction of 43% in third quarter alone. Overall General & Administrative Expenses reduced to Rs. 55.183 million in 2013 as compared to Rs. 68.388 million in 2012, thereby decrease of Rs. 13.2 million or 19%. This is despite the fact that inflation has increased the prices. Board appreciates the efforts of new management and HO Accounts Department.

Investment income decreased by Rs. 6.8 million in nine months as compared to last year. It was Rs. 4.765 million in 2013 as compared to Rs. 11.604 million in 2012. investment in associated company is the reason. Loss before tax increased to Rs. 85.212 million in 2013 from Rs. 13.532 million in 2012. Similarly loss after tax increased from 14.533 million to Rs. 86.496 million in 2013 on factors mentioned above.

Your Directors would like to place on record their appreciation to the filed force, officers and staff of the Company for the dedicated contribution.

Your Directors would also like to than the Securities and Exchange Commission of Pakistan, Pakistan Re-insurance Company Limited and all our foreign re-insurers for their continued guidance and support.



**M. Arif Pervaiz**  
Air Marshal (Retd.)  
Chairman



**Condensed Interim Balance Sheet  
As at September 30, 2013**

		September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
	Note	----- Rupees -----	
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital		<u>300,000,000</u>	<u>300,000,000</u>
Issued, subscribed and paid-up capital	7	300,000,000	300,000,000
Retained earnings		(123,122,338)	(36,626,704)
Reserves		<u>20,000,000</u>	<u>20,000,000</u>
<b>Shareholders' equity</b>		<u>196,877,662</u>	<u>283,373,296</u>
<b>LIABILITIES</b>			
<b>Underwriting provisions</b>			
Provision for outstanding claims (including IBNR)		417,332,685	236,223,065
Provision for unearned premium		171,845,265	214,835,890
Premium deficiency reserve		3,278,626	3,278,626
Commission income unearned		3,940,887	7,806,009
<b>Total underwriting provisions</b>		596,397,463	462,143,590
<b>Creditors and Accruals</b>			
Premium received in advance		11,577,361	12,939,961
Amounts due to other insurers / reinsures		60,647,776	53,309,193
Accrued expenses		4,424,009	3,848,390
Agent balances		40,222,965	33,443,746
Taxation - provisions less payments		2,303,182	1,544,203
Other creditors and accruals	8	50,927,139	25,079,625
		170,102,432	130,165,118
<b>Borrowings</b>			
Liabilities against assets subject to finance lease		2,076,485	2,996,194
<b>Other liabilities</b>			
Divident payable-unclaimed		398,934	398,934
<b>Total liabilities</b>		<u>768,975,314</u>	<u>595,703,836</u>
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<u>965,852,976</u>	<u>879,077,132</u>
Contingencies and Commitments	9		

**Condensed Interim Balance Sheet  
As at September 30, 2013**

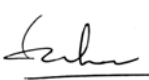
		September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
	Note	----- Rupees -----	
<b>ASSETS</b>			
<b>Cash and bank deposits</b>			
Cash and other equivalent		(6,192,186)	125,625
Current and other accounts		39,679,655	48,364,552
Deposits maturing within 12 months		-	-
		<u>33,487,469</u>	<u>48,490,177</u>
<b>Loans - Secured and considered good</b>			
To Employees		1,414,052	3,556,269
<b>Investments</b>	10	243,836,633	240,948,429
<b>Investment properties</b>	11	26,083,449	27,463,328
<b>Current Assets-Others</b>			
Premiums due but unpaid - Net	12	285,579,868	262,200,458
Amounts due from other insurers/ reinsures		50,204,372	61,672,193
Accrued investment income		-	29,753
Reinsurance recoveries against outstanding claims		165,873,062	48,434,185
Deferred commission expense		28,080,879	34,314,746
Advances, deposits and prepayments		62,373,008	69,542,850
Other receivables		4,365,443	9,624,703
		<u>596,476,632</u>	<u>485,818,888</u>
<b>Fixed assets Tangible</b>	15		
<b>Owned</b>			
Furniture, fixture and office equipment		11,269,180	11,138,726
Motor vehicles		12,906,188	18,890,819
Capital work in progress		34,750,008	34,750,008
		<u>58,925,376</u>	<u>64,779,553</u>
<b>Intangible</b>			
Computer software		3,289,315	5,208,456
<b>Leased</b>			
Motor vehicles		2,340,050	2,812,032
<b>TOTAL ASSETS</b>		<u><u>965,852,976</u></u>	<u><u>879,077,132</u></u>

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information

  
Air Marshal (R) M. Arif Pervaiz  
Chairman

  
Air Cdre (R) Shahid Jamil Hashmi  
Director

  
Air Cdre (R) Zafar Yasin  
Director

  
Sohail Najam Kidwani  
Chief Operating Officer

**Condensed Interim Profit and Loss Account (Unaudited)**  
**For the nine months period ended September 30, 2013**

Note	Three months period ended September 30, 2013						2012 Aggregate
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident and Health	Miscellaneous	2013 Aggregate	
	Rupees						
<b>Revenue Account</b>							
Net Premium Revenue	5,159,426	1,463,742	52,292,311	9,310,779	(2,338,968)	<b>65,887,290</b>	132,333,059
Net Claims	(6,750,236)	965,547	(10,432,237)	(10,875,973)	(10,321,300)	<b>(37,414,199)</b>	(65,424,690)
Management Expenses	(2,984,608)	(1,203,311)	(13,540,083)	(2,314,913)	(2,137,982)	<b>(22,180,897)</b>	(14,363,623)
Net Commission	(3,029,655)	(807,220)	(7,672,781)	(1,751,145)	(1,132,294)	<b>(14,393,095)</b>	(16,610,379)
Net Underwriting expenses	(6,014,263)	(2,010,531)	(21,212,864)	(4,066,058)	(3,270,276)	<b>(36,573,993)</b>	(30,974,002)
<b>Underwriting results</b>						<b>(8,100,902)</b>	35,934,367
Investment Income						<b>1,615,368</b>	2,328,476
Rental Income						<b>200,982</b>	226,182
Other Income						<b>135,448</b>	11,837
General and Administrative Expenses						<b>(16,472,447)</b>	(29,246,031)
<b>Profit for the period before Taxation</b>						<b>(22,621,551)</b>	9,254,831
Provision for Taxation						<b>(329,436)</b>	(1,000,000)
<b>Profit / (Loss) after Tax</b>						<b>(22,950,987)</b>	8,254,831
Profit (Loss) for the three months period						<b>(22,950,987)</b>	8,254,831
Balance at end of the year						<b>(22,950,987)</b>	8,254,831
<b>Earnings per share-basic and diluted</b>	17					(0.77)	0.29

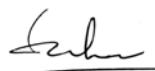
	Nine months period ended September 30, 2013						2012 Aggregate
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident and Health	Miscellaneous	2013 Aggregate	
	Rupees						
<b>Revenue Account</b>							
Net Premium Revenue	25,884,017	987,123	160,495,686	61,243,325	7,419,821	<b>256,029,972</b>	391,610,845
Net Claims	(22,402,132)	(4,182,412)	(82,667,515)	(59,559,020)	(15,585,813)	<b>(184,396,892)</b>	(235,423,978)
Management Expenses	(11,503,825)	(2,890,384)	(33,491,024)	(12,307,457)	(6,063,907)	<b>(66,256,596)</b>	(60,239,834)
Net Commission	(7,847,241)	(1,737,366)	(23,136,775)	(6,837,459)	(3,179,918)	<b>(42,738,759)</b>	(54,433,707)
Net Underwriting expenses	(19,351,066)	(4,627,750)	(56,627,799)	(19,144,916)	(9,243,825)	<b>(108,995,356)</b>	(114,673,541)
<b>Underwriting results</b>						<b>(37,362,275)</b>	41,513,326
Investment Income						<b>4,795,255</b>	11,604,419
Rental Income						<b>1,278,384</b>	1,273,818
Other Income						<b>1,257,107</b>	463,393
General and Administrative Expenses						<b>(55,183,955)</b>	(68,387,806)
<b>Profit for the period before Taxation</b>						<b>(85,215,484)</b>	(13,532,850)
Provision for Taxation						<b>(1,280,150)</b>	(1,000,000)
<b>Profit / (Loss) after Tax</b>						<b>(86,495,634)</b>	(14,532,850)
Balance at commencement of the year						<b>(36,626,704)</b>	(4,535,102)
Profit (Loss) for the nine months period						<b>(86,495,634)</b>	(14,532,850)
Balance at end of the year						<b>(123,122,338)</b>	(19,067,952)
<b>Earnings per share-basic and diluted</b>	17					(2.88)	(0.48)

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information.

  
**Air Marshal (R) M. Arif Pervaiz**  
**Chairman**

  
**Air Cdre (R) Shahid Jamil Hashmi**  
**Director**

  
**Air Cdre (R) Zafar Yasin**  
**Director**

  
**Sohail Najam Kidwani**  
**Chief Operating Officer**

**Condensed Interim Statement of Comprehensive Income (Un-audited)**  
**For the nine months period ended September 30, 2013**

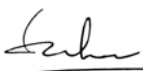
	<u>For the quarter ended</u>		<u>For the nine month period ended</u>	
	<u>Sep 30,</u>	<u>Sep 30,</u>	<u>Sep 30,</u>	<u>Sep 30,</u>
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<b>Rupees</b>			
Net (Loss) / Profit for the period	<b>(22,950,987)</b>	8,254,831	<b>(123,122,338)</b>	(19,067,952)
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b><u>(22,950,987)</u></b>	<b><u>(8,254,831)</u></b>	<b><u>(123,122,338)</u></b>	<b><u>(19,067,952)</u></b>

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information.

  
**Air Marshal (R) M. Arif Pervaiz**  
**Chairman**

  
**Air Cdre (R) Shahid Jamil Hashmi**  
**Director**

  
**Air Cdre (R) Zafar Yasin**  
**Director**

  
**Sohail Najam Kidwani**  
**Chief Operating Officer**

**Condensed Interim Statement of Cash Flow (Unaudited)**  
**For the nine month period ended September 30, 2013**

	September 30, 2013	September 30, 2012
	----- Rupees -----	
<b>OPERATING ACTIVITIES</b>		
<i>a) Underwriting activities</i>		
Premiums received	264,693,036	393,737,209
Reinsurance premiums paid	(54,864,095)	(68,721,813)
Claims paid	(164,849,067)	(238,688,431)
Reinsurance and other recoveries received	43,398,152	49,354,448
Commissions paid	(41,104,219)	(62,954,637)
Commissions received	7,513,693	21,900,096
Other insurance recovery	12,429,102	-
Net cash flows from underwriting activities	67,216,602	94,626,872
<i>b) Other operating activities</i>		
Income tax paid	(521,171)	(1,509,277)
Management and administrative expenses paid	(85,226,579)	(114,608,456)
Loans refunded	2,142,217	21,510
Net cash flows used in other operating activities	(83,605,533)	(116,096,223)
<b>Total cash flows / (used in) all operating activities</b>	<b>(16,388,931)</b>	<b>(21,469,351)</b>
<b>INVESTING ACTIVITIES</b>		
Profit / Return received	3,961,034	7,731,642
Rentals received	950,982	1,125,000
Payments for investments	-	(7,736,252)
Proceeds from disposal of investments	-	10,455,382
Fixed capital expenditure	(2,877,282)	(1,534,641)
Proceeds from disposal of fixed assets	271,198	522,000
<b>Total cash flows from all investing activities</b>	<b>2,305,932</b>	<b>10,563,131</b>
<b>FINANCING ACTIVITIES</b>		
Financial charges paid	-	(399,642)
Payments of finance lease liability	(919,709)	(520,601)
Issue of right shares	-	50,000,000
<b>Total cash flows / (used in) from all financing activities</b>	<b>(919,709)</b>	<b>49,079,757</b>
<b>Net cash flows from all activities</b>	<b>(15,002,708)</b>	<b>38,173,537</b>
Cash and cash equivalents at the beginning of period	48,490,177	26,323,815
<b>Cash and cash equivalents at end of period</b>	<b>33,487,469</b>	<b>64,497,352</b>

**Condensed Interim Statement of Cash Flow (Unaudited)**  
**For the nine month period ended September 30, 2013**

	September 30, 2013	September 30, 2012
	----- Rupees -----	
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	(16,388,931)	(21,469,351)
Depreciation on fixed assets	(9,514,012)	(12,753,595)
Depreciation on investment property	(1,379,878)	-
Gain on disposal of fixed assets	436,166	294,668
Taxes paid	521,171	1,509,277
Financial charges	-	(399,642)
Increase in assets other than cash	108,809,606	114,579,394
Increase in liabilities	(174,191,187)	(111,433,122)
Investment and other income	3,931,281	11,604,419
Provision for tax	1,280,150	(1,000,000)
<b>Loss after taxation</b>	<b>(86,495,634)</b>	<b>(19,067,952)</b>

**Definition of cash**

Cash comprises of cash in hand, policy stamps, cheques in hand, bank balances and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

Cash for the purpose of the statement of cash flows consists of:

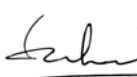
	September 30, 2013	September 30, 2012
	----- Rupees -----	
<b>Cash and other equivalents</b>		
- Cash in hand	(6,192,186)	172,358
- Policy stamps in hand	-	-
	<b>(6,192,186)</b>	<b>172,358</b>
<b>Current and saving accounts</b>		
- Current accounts	49,441,146	28,749,399
- Savings accounts	(9,761,492)	33,075,230
	39,679,654	61,824,629
	<b>33,487,468</b>	<b>61,996,987</b>

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information

  
Air Marshal (R) M. Arif Pervaiz  
Chairman

  
Air Cdre (R) Shahid Jamil Hashmi  
Director

  
Air Cdre (R) Zafar Yasin  
Director

  
Sohail Najam Kidwani  
Chief Operating Officer

**Condensed Interim Statement of Changes in Equity (Un-audited)**  
**For the nine months period ended Sep 30, 2013**

		Revenue reserves		
	Paid-up share capital	Retained earnings	General reserve	Total
	----- Rupees -----			
Balance as at January 01, 2012	250,000,000	(4,535,102)	20,000,000	275,118,465
<i>Changes in equity for the nine month period ended Sep 30, 2012</i>				
Issue of right shares during the period	50,000,000	-	-	
Total comprehensive income for the period	-	(40,346,433)	-	-
Balance as at Sep 30, 2012	300,000,000	(44,881,535)	20,000,000	275,118,465
<i>Changes in equity for the nine month period ended December 31, 2012</i>				
Total comprehensive income for the period	-	8,254,831	-	8,254,831
<b>Balance as at January 01, 2013</b>	<b>300,000,000</b>	<b>(36,626,704)</b>	<b>20,000,000</b>	<b>283,373,296</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(86,495,634)</b>	<b>-</b>	<b>(78,000,000)</b>
<b>Balance as at Sep 30, 2013</b>	<b>300,000,000</b>	<b>(123,122,338)</b>	<b>20,000,000</b>	<b>205,373,296</b>

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information.

### Condensed Interim Statement of Premium (Unaudited) For the quarter and nine month period ended September 30, 2013

Business underwritten inside Pakistan

Quarter ended September 30

Class	Premium written (Note 26) a	Unearned premium reserve		*Premium earned d=a+b-c	Reinsurance ceded		Prepaid reinsurance premium ceded		2013 Net premium revenue i=d-h	2012 Net premium revenue
		Opening	Closing		Opening	Closing	Opening	Closing		
		b	c		e	f	g	h=e+f-g		
Rupees										
<b>Direct and facultative</b>										
Fire and property damage	10,320,058	28,278,893	26,594,597	12,004,354	16,425,535	15,609,488	25,190,095	6,844,928	5,159,426	17,462,830
Marine, aviation and transport	3,807,272	3,079,853	2,047,303	4,839,821	2,128,631	1,506,897	259,449	3,376,079	1,463,742	4,697,788
Motor	45,038,414	117,299,989	107,879,014	54,459,390	2,377,500	4,471,141	4,681,563	2,167,078	52,292,311	63,490,759
Accident and health	5,450,550	17,998,125	14,137,897	9,310,779	-	-	-	-	9,310,779	35,844,718
Others	16,523,087	13,262,516	21,186,454	8,599,149	10,838,494	6,186,018	6,086,395	10,938,117	(2,338,968)	10,836,965
<b>Total</b>	<b>81,139,381</b>	<b>179,919,376</b>	<b>171,845,265</b>	<b>89,213,492</b>	<b>31,770,160</b>	<b>27,773,544</b>	<b>36,217,502</b>	<b>23,326,202</b>	<b>65,887,290</b>	<b>132,333,060</b>

Nine month period ended September 30

Class	Premium written (Note 26) a	Unearned premium reserve		*Premium earned d=a+b-c	Reinsurance ceded		Prepaid reinsurance premium ceded		2013 Net premium revenue i=d-h	2012 Net premium revenue
		Opening	Closing		Opening	Closing	Opening	Closing		
		b	c		e	f	g	h=e+f-g		
Rupees										
<b>Direct and facultative</b>										
Fire and property damage	43,530,667	40,308,289	26,594,597	57,244,359	32,216,429	24,334,008	25,190,095	31,360,342	25,884,017	49,634,293
Marine, aviation and transport	15,041,311	1,388,877	2,047,303	14,382,885	9,033,645	4,621,566	259,449	13,395,762	987,123	23,537,815
Motor	170,925,195	103,609,019	107,879,014	166,655,200	7,132,500	3,708,577	4,681,563	6,159,514	160,495,686	192,681,698
Accident and health	29,025,185	46,356,037	14,137,897	61,243,325	-	-	-	-	61,243,325	88,998,232
Others	28,187,488	23,173,668	21,186,454	30,174,702	21,162,312	7,678,964	6,086,395	22,754,881	7,419,821	36,758,807
<b>Total</b>	<b>286,709,846</b>	<b>214,835,890</b>	<b>171,845,265</b>	<b>329,700,471</b>	<b>69,544,886</b>	<b>40,343,115</b>	<b>36,217,502</b>	<b>73,670,499</b>	<b>256,029,972</b>	<b>391,610,845</b>

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information.

  
**Chairman**  
 Air Marshal (R) M. Arif Pervaiz

  
**Director**  
 Air Cdre (R) Shahid Jamil Hashmi

  
**Director**  
 Air Cdre (R) Zafar Yasin

  
**Chief Operating Officer**  
 Sohail Najam Kidwani



# Condensed Interim Statement of Claims (Unaudited) For the quarter and nine month period ended September 30, 2013

Business underwritten inside Pakistan

Quarter ended Sep 30, 2013

Class	Claims paid a	Outstanding claims		Claims expense d=a+c-b	Reinsurance and other recoveries received e	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue h=e+g-f	2013 Net claims expense i=d-h	2012 Net claims expense
		Opening b	Closing c			Opening f	Closing g			
----- Rupees -----										
Direct and facultative										
Fire and property damage	24,653,745	181,363,515	157,134,110	424,340	25,113,920	164,155,374	132,715,558	(6,325,896)	6,750,236	7,536,580
Marine, aviation and transport	222,864	17,124,725	16,822,191	(79,670)	936,487	6,864,727	6,814,117	885,877	(965,547)	3,896,585
Motor	25,403,585	143,615,640	141,718,869	23,506,814	9,837,577	4,566,499	7,803,499	13,074,577	10,432,237	30,683,153
Accident and health	5,782,579	57,505,561	62,598,955	10,875,973	(6,141,377)	-	-	-	10,875,973	25,833,908
Others	2,529,076	33,941,563	39,058,560	7,646,073	(6,141,377)	15,798,504	18,539,888	(3,399,993)	11,046,066	(2,525,536)
Total	58,591,849	433,551,004	417,332,685	42,373,530	29,746,607	191,385,104	165,873,062	4,234,565	38,138,965	65,424,690

Nine month period ended Sep 30, 2013


Class	Claims paid a	Outstanding claims		Claims expense d=a+c-b	Reinsurance and other recoveries received e	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue h=e+g-f	2013 Net claims expense i=d-h	2012 Net claims expense
		Opening b	Closing c			Opening f	Closing g			
----- Rupees -----										
Direct and facultative										
Fire and property damage	30,391,281	23,035,127	157,134,110	164,490,264	26,874,048	17,501,474	132,715,558	142,088,132	22,402,132	12,824,803
Marine, aviation and transport	3,059,674	13,897,753	16,822,191	5,984,112	2,322,652	7,335,069	6,814,117	1,801,700	4,182,412	7,903,102
Motor	96,381,804	136,947,641	141,718,869	101,153,032	19,196,444	8,514,426	7,803,499	18,485,517	82,667,515	115,345,623
Accident and health	32,352,696	35,392,631	62,598,955	59,559,020	-	-	-	-	59,559,020	84,129,338
Others	2,663,612	26,949,913	39,058,560	14,772,259	(4,994,992)	15,083,216	18,539,888	(1,538,320)	16,310,579	15,221,112
Total	164,849,067	236,223,065	417,332,685	345,958,687	43,398,152	48,434,185	165,873,062	160,837,029	185,121,658	235,423,978

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information.

  
M. Arif Pervaiz  
Chairman

  
Air Cdre (R) Shahid Jamil Hashmi  
Director

  
Air Cdre (R) Zafar Yasin  
Director

  
Sohail Najam Kidwani  
Chief Operating Officer

## Condensed Interim Statement of Expenses (Unaudited) For the quarter and nine month period ended September 30, 2013

Business underwritten inside Pakistan

Quarter ended September 30

Class	Quarter ended September 30											
	Commissions paid or payable		Deferred Commission		Net Commission expense	Other Management expenses (Note 2f)	Underwriting expense	*Commission from reinsurers	2013 Net underwriting expenses	2012 Net underwriting expenses		
	a	b	c	c	d=a+b-c	e	f=d+e	g	h=f-g			
Rupees												
Direct and facultative												
Fire and property damage	3,568,299	9,458,395	8,237,319		4,789,376	2,984,608	7,773,984	1,759,721	6,014,263	4,882,991		
Marine, aviation and transport	1,021,112	789,858	526,823		1,284,147	1,203,311	2,487,457	476,926	2,010,531	1,413,042		
Motor	5,934,707	16,378,564	14,639,698		7,673,572	13,540,083	21,213,656	791	21,212,864	15,460,240		
Accident and health	774,843	3,257,633	2,281,331		1,751,145	2,314,913	4,066,058		4,066,058	6,769,155		
Miscellaneous	1,929,608	1,827,381	2,395,709		1,361,280	2,137,982	3,499,262	228,986	3,270,276	2,448,574		
Total	13,228,569	31,711,830	28,080,879		16,859,520	22,180,897	39,040,417	2,466,424	36,573,993	30,974,002		
Treaty	-	-	-		-	-	-	-	-	-		
Grand total	13,228,569	31,711,830	28,080,879		16,859,520	22,180,897	39,040,417	2,466,424	36,573,993	30,974,002		
Nine month period ended September 30												
Class	Commissions paid or payable		Deferred Commission		Net Commission expense	Other Management expenses (Note 2f)	Underwriting expense	*Commission from reinsurers	2013 Net underwriting expenses	2012 Net underwriting expenses		
	a	b	c	c	d=a+b-c	e	f=d+e	g	h=f-g			
Rupees												
Direct and facultative												
Fire and property damage	12,840,060	10,894,859	8,237,319		15,497,600	11,503,825	27,001,425	7,650,359	19,351,066	18,935,779		
Marine, aviation and transport	3,848,553	377,885	526,823		3,695,615	2,890,384	6,589,999	1,962,249	4,627,750	10,126,345		
Motor	23,332,125	14,454,635	14,639,698		23,147,062	33,491,024	56,638,085	10,286	56,627,799	56,213,373		
Accident and health	4,709,462	5,264,771	2,281,331		7,692,902	12,307,457	20,000,359	855,443	19,144,916	20,622,622		
Miscellaneous	3,153,508	3,322,596	2,395,709		4,080,395	6,063,907	10,144,302	900,478	9,243,825	8,775,422		
Total	47,883,708	34,314,746	28,080,879		54,117,575	66,256,596	120,374,171	11,378,815	108,995,356	114,673,541		
Treaty	-	-	-		-	-	-	-	-	-		
Grand total	47,883,708	34,314,746	28,080,879		54,117,575	66,256,596	120,374,171	11,378,815	108,995,356	114,673,541		

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information.

  
Air Marshal (R) M. Arif Pervaiz

Chairman

  
Air Cdre (R) Shahid Jamil Hashmi

Director

  
Air Cdre (R) Zafar Yasin

Director

  
Sohail Najam Kidwani

Chief Operating Officer

**Condensed Interim Statement of Investment Income (Unaudited)**  
**For the quarter and nine month period ended September 30, 2013**

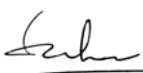
	For the quarter ended		For the nine month period ended	
	Sep 30, 2013	Sep 30, 2012	Sep 30, 2013	Sep 30, 2012
	----- Rupees -----			
<b>Income from trading investments - net</b>				
Dividend income	1,114,614	-	1,646,015	1,028,909
<b>Income from non-trading investments</b>				
<i>Held to maturity</i>				
Return on other fixed income securities and bank deposits	228,349	1,165,459	1,028,159	2,360,456
<i>Available for sale</i>				
Dividend income	-	698,880	-	3,085,609
	228,349	1,864,339	1,028,159	5,446,065
<b>(Loss) sale of non-trading investments (available-for-sale)</b>	-	(13,989)	-	-
<b>Unrealized (loss) / gain on revaluation of held for trading investments</b>	1,407,482	938,086	3,500,959	6,540,991
<b>Investment related expenses</b>	(459,960)	(459,960)	(1,379,878)	(1,411,546)
<b>Net investment income</b>	<u>2,290,485</u>	<u>2,328,476</u>	<u>4,795,255</u>	<u>11,604,419</u>

The annexed notes from 01 to 17 form an integral part of this condensed interim financial information.

  
Air Marshal (R) M. Arif Pervaiz  
**Chairman**

  
Air Cdre (R) Shahid Jamil Hashmi  
**Director**

  
Air Cdre (R) Zafar Yasin  
**Director**

  
Sohail Najam Kidwani  
**Chief Operating Officer**

## **Notes to the Condensed Interim Financial Report (Unaudited)**

### **For the nine month period ended September 30, 2013**

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

Shaheen Insurance Company Limited (the Company) was incorporated in March 1995 under the Companies Ordinance, 1984, as a Public Company and obtained the certificate for commencement of business in July 1995. It was registered with the Controller of Insurance in November 1995 to carry out non-life insurance business comprising fire, marine, motor, aviation, engineering, transportation, etc. The shares of the company are listed on Karachi, Lahore and Islamabad Stock Exchanges.

Its registered office is located at 10th floor, Shaheen Commercial Complex, Karachi.

#### **2 STATEMENT OF COMPLIANCE**

This condensed interim financial report of the company for the nine months period ended September 30, 2013 has been prepared in accordance with the requirements of the International Accounting Standard 34- (IAS 34); Interim Financial Reporting and provisions and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC(Insurance ) Rules, 2002. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 have been followed.

This condensed interim financial information does not include all the information and disclosures required for annual financial statements, and this condensed interim financial information should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2012.

This condensed interim financial information is unaudited but has been reviewed by the external auditors of the Company.

#### **3 BASIS OF PRESENTATION**

This condensed interim financial information has been prepared under the historical cost convention, except that 'held to maturity' investments are stated at amortised cost and investment 'at fair value through profit or loss- held for trading investments' are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

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

#### **4 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of financial statements of the Company for the year ended December 31, 2012.

#### **5 ESTIMATES AND JUDGEMENTS**

The preparation of condensed interim financial information requires management to make judgements, 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.

In preparing these condensed interim financial information, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended December 31, 2012.

#### **6 FINANCIAL AND INSURANCE RISK MANAGEMENT**

The insurance risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended December 31, 2012

## Notes to the Condensed Interim Financial Report (Unaudited) For the nine month period ended September 30, 2013

### 7 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

#### 7.1 Authorized share capital

Sep 30, 2013	December 31, 2012		Sep 30, 2013	December 31, 2012
Number of shares			----- Rupees -----	
<u>30,000,000</u>	<u>30,000,000</u>	Ordinary shares of Rs. 10 each	<u>300,000,000</u>	<u>300,000,000</u>

#### 7.2 Issued, subscribed and paid-up capital

Sep 30, 2013	December 31, 2012		Sep 30, 2013	December 31, 2012
Number of shares			----- Rupees -----	
8,000,000	8,000,000	Ordinary shares of Rs. 10 each fully paid in cash	80,000,000	80,000,000
12,000,000	12,000,000	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	120,000,000	120,000,000
		Ordinary shares of Rs. 10 each issued as right shares		
		As at January 1	50,000,000	50,000,000
		Issued during the year 2012 (Refer note 7.2.1)	50,000,000	50,000,000
<u>10,000,000</u>	<u>10,000,000</u>		<u>100,000,000</u>	<u>100,000,000</u>
<u>30,000,000</u>	<u>30,000,000</u>		<u>300,000,000</u>	<u>300,000,000</u>

- 7.2.1 During the year 2012, the Board of Directors in its meeting held on February 7, 2012 resolved to issue right shares in the ratio of 1 right share for every 5 shares at Rs. 10 per share which has been fully subscribed by the shareholders and underwriters and the Company has issued the shares accordingly.

### 8 OTHER CREDITORS AND ACCRUALS

	Sep 30, 2013	December 31, 2012
	----- Rupees -----	
Federal excise duty payable	34,663,972	13,434,267
Withholding tax payable	3,303,138	2,421,086
Workers welfare fund payable	815,074	2,532,715
Unearned rental income	32,586	359,988
Payable to provident fund	4,818,049	2,166,952
Others	7,294,320	4,164,617
	<u>50,927,139</u>	<u>25,079,625</u>

### 9 CONTINGENCIES AND COMMITMENTS

#### 9.1 CONTINGENCIES

- 9.1.1 The Company has filed an appeal before the Appellate Bench Securities and Exchange Commission of Pakistan in relation to order dated December 17, 2012 by the SECP with regards to non compliance of the minimum solvency requirements as at December 31, 2011.

The SECP order explains that the Company is in default of the minimum solvency requirements by Rs. 49.328 million as on December 31, 2011. On request of legal counsel of the Company, the SECP instructed the Company to provide revised solvency statement as at September 30, 2012. However, the new solvency statement showed a shortfall of Rs. 82.6 million.

Taking into consideration the new solvency statement, SECP imposed a fine of Rs. 0.3 million on the Company and Rs. 0.1 million each on the directors of the Company. The Company has filed an appeal against the order. Hearing on appeal before appellate bench was held on December 27, 2013

The status of other contingencies is same as disclosed in the financial statements for the year ended December 31, 2012.

# Notes to the Condensed Interim Financial Report (Unaudited) For the nine month period ended September 30, 2013

## 10 INVESTMENTS

### 10.1 Type of investments

	Sep 30, 2013	December 31, 2012
	----- Rupees -----	
<b>Held-to-maturity</b>		
Certificate of Investments	-	712,646
<b>At fair value through profit or loss - Held for trading</b>	<b>23,696,351</b>	<b>20,173,057</b>
<b>Available-for-sale investments</b>		
First Capital Equities Limited	188,000,000	188,000,000
Mutual Funds		
Open-end funds	32,062,726	32,062,726
	<u>243,759,077</u>	<u>240,948,429</u>

10.2 Market value of quoted available for sale securities is Rs. 263.6 million (December 31, 2012: Rs. 311.728 million).

10.3 Had the Company adopted International Accounting Standard (IAS) 39 "Financial instruments-recognition and measurement" in respect of recognition of gain / (loss) on measurement of available for sale securities directly into equity, the investments of the Company would have been higher by Rs. 43.53 million (2012: Rs. 87.482 million) and the net equity would have increased by the same amount.

10.4 On November 29, 2012, the Company through an agreement settled balance of 'reverse repo' and 'premium due but unpaid' amounting to Rs. 99.89 million (reverse repo and associated mark-up) and Rs. 88.859 million of FCSC Group and Pace (Pakistan) Limited respectively against 4.7 million shares of First Capital Equities Limited (a related party) at Rs. 40 per share against the market value of Rs. 69 per share as at that date. The agreement was subsequently amended on March 7, 2013 to make the clause of "restriction on holding period" and "SWAP against property" null and void.

### 11 INVESTMENT PROPERTIES - at cost less accumulated depreciation

Shops and office premises (leasehold properties) have been valued under the market value basis by Maqsood Ahmed (Private) Limited and M.J. Surveyors (Private) Limited. Market value of shop and office premises based on the valuations as of March 28, 2013 and March 25, 2013 amounted to Rs. 99.726 million, and 13 million (2012: March 1, 2012 and February 2, 2012 amounted to Rs. 55.3 million and 13 million) respectively.

Sep 30, 2013	December 31, 2012
----- Rupees -----	

### 12 PREMIUMS DUE BUT UNPAID - unsecured

Considered good	285,579,868	262,200,458
Considered doubtful	13,742,644	13,742,644
	299,322,512	275,943,102
Provision against doubtful debts	(13,742,644)	(13,742,644)
	<u>285,579,868</u>	<u>262,200,458</u>

**Notes to the Condensed Interim Financial Report (Unaudited)**  
**For the nine month period ended September 30, 2013**

**12.1 PREMIUMS DUE BUT UNPAID FROM RELATED PARTIES**

	Sep 30, 2013	December 31, 2012
	----- Rupees -----	
World Call Services Pvt.Ltd.	11,692,302	12,007,085
WorldCall Telecom Ltd.	101,166,683	89,532,445
WorldCall Cable (Pvt.) Ltd.	4,587	4,587
World Call Multimedia Ltd.	(143,859)	-
World Call Communications Ltd.	-	-
World Call Phones Cards	15,271	-
World Call Telecom Ltd.Payphone Div.	309,170	-
	<b>113,044,154</b>	<b>101,544,117</b>
Media Times (Pvt) Ltd	5,182,769	4,489,098
Total Media Ltd.,	28,625	28,625
Media Time-Aajkal	107,289	-
Mediatime-Bussiness Plus	177,133	-
Zaiqa TV	41,985	-
	<b>5,537,801</b>	<b>4,517,723</b>
First Capital Securities Corp	327,195	289,265
First Capital Investment Ltd	151,765	114,846
First Capital Equities Ltd	259,728	-
First National Equities Ltd	76,295	-
Total	<b>814,983</b>	<b>404,111</b>
Pace Pakistan Ltd	14,806,402	13,861,972
Pace Barka Properties Ltd	6,336,795	6,243,121
Pace Woodland (Pvt) Ltd	1,083,084	1,083,084
	<b>22,226,281</b>	<b>21,188,177</b>
Shaheen Foundation PAF	1,142,356	994,228
Shaheen Airport Services (SAPS)	8,455,165	4,423,338
Shaheen Airport Services	2,889,563	-
Shaheen Air International HO 1	-	-
Shaheen Freight Services	144,980	-
Shaheen Complex PPB 1	38,000	-
Shaheen Aerotraders	-	-
Shaheen Housing Complex	40,626	-
Shaheen Medical Services PPB 1	13,629	-
Shaheen Complex	18,900	-
Shaheen Knitware	38,910	38,930
Hawk Advertising & Communication	50,476	-
	<b>12,832,605</b>	<b>5,456,496</b>
Ever Green Water Valley	-	1,891,263
Northway Investments Limited	-	153,310
Trident Construct (Pvt) Ltd	-	9,948
	<b>-</b>	<b>2,054,521</b>
	<b>154,455,824</b>	<b>135,165,145</b>

## Notes to the Condensed Interim Financial Report (Unaudited) For the nine month period ended September 30, 2013

### 13. ADDITIONS AND DELETIONS IN FIXED ASSETS

Details of the cost of operating assets that have been acquired and disposed off during the nine month period ended September 30, 2011 are as follows:

	September 30, 2013		September 30, 2012	
	Additions	Disposals	Additions	Disposals
	Rupees		Rupees	
Furniture, fixtures and office equipment	2,743,782	108,898	1,246,141	345,000
Motor vehicles	133,500	162,300	288,500	849,500
Computer software				
	<u>2,877,282</u>	<u>271,198</u>	<u>1,534,641</u>	<u>1,194,500</u>

### 14. TRANSACTIONS WITH RELATED PARTIES

The company has related party relationship with its employee provident funds, key management personnel entities with substantial holdings in the company and companies with common directors.

Transactions with related parties during the period and balances with them as at the period end are as follows:

<i>Transactions and balances with associated companies</i>	Quarter ended		Nine month period ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
	Rupees		Rupees	
Insurance premium				
Balance at beginning of the period	36,843,466	215,612,173	42,244,771	259,143,509
Gross insurance premium written (including administrative surcharge, government levies and policies stamps)	14,009,793	113,353,746	21,871,955	19,362,800
Received / Adjusted during the period	(9,441,589)	(86,841,416)	(22,705,056)	(36,381,806)
Balance at end of the period	<u>41,411,670</u>	<u>242,124,503</u>	<u>41,411,670</u>	<u>242,124,503</u>
Insurance claim expense				
Outstanding claims at beginning of the period	3,051,608	16,297,522	2,104,338	19,588,951
Gross claim expense for the period	1,801,162	48,235,488	2,453,804	24,667,928
Claim paid during the period	(1,368,466)	(49,931,689)	(1,073,838)	(29,655,558)
Outstanding claims at end of the period	<u>3,484,304</u>	<u>14,601,321</u>	<u>3,484,304</u>	<u>14,601,321</u>
<i>Other transactions for the period with associated companies</i>				
Rental income - net	<u>1,452,402</u>	<u>375,000</u>	<u>1,452,402</u>	<u>1,125,000</u>
Rental expense	<u>9,475,225</u>	<u>1,158,480</u>	<u>11,664,941</u>	<u>3,631,974</u>
Brokerage, commission and advisory expenses	<u>-</u>	<u>4,244,982</u>	<u>-</u>	<u>4,312,232</u>
<i>Other balances with associated companies</i>			September 30, 2013	September 30, 2012
Other receivable			<u>957,648</u>	<u>957,648</u>
Premium received in advance			<u>-</u>	<u>1,211,229</u>
Prepaid rent			<u>13,497,313</u>	<u>18,313,672</u>
Advance for the purchase of office premises (capital work in progress)			<u>34,750,008</u>	<u>34,750,008</u>
<i>Transactions for the period with other related parties</i>	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
	Rupees		Rupees	
Contribution to the provident fund	<u>1,639,719</u>	<u>580,424</u>	<u>1,639,719</u>	<u>2,329,931</u>
Remuneration of key management personnel	<u>11,094,135</u>	<u>3,395,050</u>	<u>21,629,625</u>	<u>12,340,926</u>
Payable to provident fund			<u>4,818,049</u>	<u>1,228,368</u>



# Notes to the Condensed Interim Financial Report (Unaudited)

## For the nine month period ended September 30, 2013

### 15 SEGMENT REPORTING

Class of businesswise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirement of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following table presents information regarding segment assets, liabilities as at December 31, 2012 and December 31, 2011, unallocated capital expenditures and non-cash expenses during the current and last year:

	Fire & Property Damage		Marine, Aviation & Transport		Motor		Accident and Health		Miscellaneous		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	Rupees											
<b>SEGMENT ASSETS</b>												
Segment assets	81,598,365	109,068,455	35,161,277	36,610,989	346,673,179	266,031,861	163,556,207	118,189,194	65,256,831	71,140,174	692,245,859	601,040,673
Unallocated corporate assets											274,285,525	278,036,460
Total assets											966,531,384	879,077,133
<b>SEGMENT LIABILITIES</b>												
Segment liabilities	83,993,846	82,923,663	36,193,506	21,360,396	356,850,456	297,220,452	168,357,722	112,978,362	67,172,574	60,787,885	712,568,104	575,270,757
Unallocated corporate liabilities											53,629,255	20,433,079
Total liabilities											766,197,359	595,703,836
Capital expenditure	339,159	1,147,908	146,146	494,641	1,440,928	4,876,924	679,812	2,300,874	271,236	918,019	2,877,282	9,738,366
Depreciation / Amortisation	7,594,871	1,831,086	385,767	789,027	3,803,472	7,779,425	1,794,432	3,670,239	715,955	1,464,378	14,294,498	15,534,155

### 16 LOSS / EARNINGS PER SHARE - basic and diluted

	Quarter ended		Nine month period ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
	Rupees		Rupees	
(Loss) / Profit for the period	(22,950,987)	8,254,831	(86,495,634)	(14,532,850)
	Number of Shares		Number of Shares	
Weighted average number of shares of Rs. 10 each	30,000,000	Restated 28,445,998	30,000,000.00	Restated 30,000,000
	Rupees		Rupees	
(Loss) / Earnings per share	(0.77)	0.29	(2.88)	(0.48)

16.1 The company has not issued any instrument which would dilute its basic earnings per share when exercised.

### 17 GENERAL


17.1 This condensed interim financial report was authorised for issue in the board of directors meeting held on January 06, 2014

17.2 The figures for the quarter and nine month period ended September 30, 2013 have been rounded off to the nearest rupee.

  
Air Marshal (R) M. Arif Pervaiz  
Chairman

  
Air Cdre (R) Shahid Jamil Hashmi  
Director

  
Air Cdre (R) Zafar Yasin  
Director

  
Sohail Najam Kidwani  
Chief Operating Officer

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