



**The Pakistan General**  
Insurance Company Limited

**Quarterly Report**  
**For the Period Ended**  
**September 30, 2018**



## Company Information

### Board of Directors

Ch. Mazhar Zahoor  
Mrs. Nasira Raees  
Mr. Muhammad Haroon  
Mr. Sajid Rabbani  
Ch. Habibiullah  
Mr. Malik Ejaz Nazir  
Mr. Shehroz Qammar

### Chief Executive Officer

Ch. Mazhar Zahoor

### Company Secretary

Ch. Mohsin Ali

### Audit Committee

Malik Ejaz Nazir  
Muhammad Haroon  
Ch. Habibullah

### Investment committee

Muhammad Haroon  
Malik Ejaz Nazir  
Ch. Habibullah  
Ch. Mazhar Zahoor  
Javed Iqbal Khan

### Human Resource Committee

Nasira Raees  
Malik Ejaz Nazir  
Ch. Habibullah

### Underwriting Committee

Ch. Mazhar Zahoor  
Zahid Iqbal Zia  
Tariq Qureshi

### Claims Committee

Nasira Raess  
Siddiq Sabir  
Zaheer Ahmed

### Reinsurance and Coinsurance Committee

Ch. Habibullah  
Muhammad Maqsood Peracha  
Khawar Munir

### Legal Advisors

Mr. Ahmad Ali Ranjah (Advocate High Court)

### Auditors

Muniff Ziauddin & Co.  
Chartered Accountants

### Tax Consultants

Kamran & Co.  
Chartered Accountants

### Share Registrar

Corplink (Private) Limited

### Registered and Head Office

PGI House, 5-A Bank Square  
The Mall Lahore

### Contacts

Tel.:	+92(42)3732-4404	+92(42)3722-3244
Fax.:	+92(42)3723-0895	+92(42)3723-0634
Email:	info@pgi.com.pk	
Web:	www.pgi.com.pk	

## Directors' Review Report to the Shareholders

The Board of Directors of "The Pakistan General Insurance Company Limited" ("the Company") is pleased to present the unaudited condensed interim financial statements for the nine months period ended September 30, 2018.

The comparative analysis of the nine months results at a glance is as under –

	Sep 30 / 2018 Rupees	Sep 30 / 2017 Rupees	Increase / (Decrease) Rupees	% age
<b>Underwriting</b>				
Net premiums revenue	1,109,263	218,783,496	(217,674,233)	-99.49%
Underwriting results	(69,536,192)	65,067,296	(134,603,488)	-206.87%
<b>Investments</b>				
In short-term bank placements	118,000,000	165,000,000	(47,000,000)	-28.48%
In properties	286,048,477	202,463,029	83,585,448	41.28%
Investment income	6,437,292	9,316,126	(2,878,834)	-30.90%
<b>Profitability / Equity</b>				
Share capital	464,014,500	464,014,500	-	0.00%
Underwriting profits	(69,536,192)	65,067,296	(134,603,488)	-206.87%
(Loss) / Profit before tax	(89,050,670)	39,991,807	(129,042,477)	-322.67%

Securities and Exchange Commission of Pakistan (SECP) has passed an order dated June 07, 2017 under section 11(1) (f) and section 12(1) and (4) read with section 63 (1) and section 156 of the Insurance Ordinance, 2000. The Company had filled a writ petition with the Honorable Lahore High Court which is pending adjudication. The legal counsel the Company is of the view that there is every likelihood that the case will be settled in favour of the Company.

The Company is conscious of the challenges which are being faced by the economy due to spiraling inflation and rising energy crises have crippled the already affected economy of the country. We are striving hard to sustain our performance under these circumstances. We also hope that the macro economic challenges will be addressed soon to enable conducive environment for the growth of industry.

**For and on behalf of the Board**

**-sd-  
Chairman**

Lahore.  
November 14, 2019

**The Pakistan General Insurance Company Limited**  
**Condensed Interim Statement of Financial Position [Un-Audited]**  
**As at September 30, 2018**

		Sep 30, 2018 Un - audited	Dec. 31, 2017 Audited (Restated)
	Note	Rupees	Rupees
<b>ASSETS</b>			
Property and equipment	6	107,781,006	115,289,416
Investment property	7	286,048,477	297,193,223
Investments			
- Equity securities	8	2,090,848	2,091,298
- Government securities	9	29,038,211	29,038,211
- Term deposit and others	10	118,000,000	118,000,000
Loans and other receivables	11	24,542,907	24,916,794
Insurance / reinsurance receivables	12	199,736,058	286,268,765
Deferred commission expense / Acquisition cost		-	5,885,353
Prepayments	13	-	10,743,919
Cash and bank balances	14	22,240,083	28,750,680
<b>TOTAL ASSETS</b>		<b>789,477,590</b>	<b>918,177,659</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital			
50,000,000 (Dec. 31, 2017: 50,000,000) ordinary shares of Rs. 10/- each		500,000,000	500,000,000
Issued, subscribed and paid-up share capital	15	464,014,500	464,014,500
General reserves		50,985,500	50,985,500
Un-appropriated profit		4,991,343	93,959,995
Un-realized gains / (losses) on revaluation of investments		956,909	956,909
<b>Total equity</b>		<b>520,948,252</b>	<b>609,916,904</b>
<b>Surplus on revaluation of fixed assets</b>	16	<b>7,797,437</b>	<b>7,940,969</b>
<b>Liabilities</b>			
Underwriting provisions			
- Provision for outstanding claims (including IBNR)		41,200,000	47,967,350
- Provision for unearned premium		-	30,352,537
Deferred taxation	17	7,223,466	7,161,952
Short term borrowing		111,995,243	111,999,911
Insurers / reinsurers payables		41,198,123	40,696,964
Other creditors	18	30,048,123	32,081,793
Taxation - provision less payments	19	29,066,946	30,059,279
<b>Total liabilities</b>		<b>260,731,901</b>	<b>300,319,786</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>789,477,590</b>	<b>918,177,659</b>
<b>Contingencies and commitments</b>	20		

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

-sd-  
Chairman

-sd-  
Chief Executive Officer / Principal Officer

-sd-  
Director

-sd-  
Director

The Pakistan General Insurance Company Limited  
Condensed Interim Statement of Comprehensive Income [Un-Audited]  
For the Quarter and Nine Months Period Ended September 30, 2018

		Quarter Ended		Nine Months Period Ended	
	Note	Aggregate Sep 30, 2018	Aggregate Sep 30, 2017	Aggregate Sep 30, 2018	Aggregate Sep 30, 2017
----- Rupees -----					
Net insurance premium	21	(5,975,785)	75,147,380	1,109,263	218,783,496
Net insurance claims	22	-	3,330,484	6,757,016	(2,583,141)
Net commission and other acquisition cost	23	(7,452,906)	(14,110,261)	(40,713,918)	(42,437,328)
Management expenses		(13,178,821)	(29,383,985)	(36,688,553)	(108,695,731)
Underwriting results		(26,607,512)	34,983,618	(69,536,192)	65,067,296
Investment income	24	2,297,685	2,334,039	6,437,292	9,316,126
Rental income		444,228	354,365	1,332,684	1,326,750
Other income	25	-	13,385,938	-	14,316,574
Other expenses		(8,851,282)	(23,412,561)	(23,073,071)	(46,500,786)
		(6,109,369)	(7,338,219)	(15,303,095)	(21,541,336)
Results of operating activities		(32,716,881)	27,645,399	(84,839,287)	43,525,960
Finance cost	26	(858,342)	(1,974,411)	(4,211,383)	(3,534,153)
(Loss) / Profit before tax		(33,575,223)	25,670,988	(89,050,670)	39,991,807
Provision for taxation					
- current	19	-	(401,502)	-	(3,646,154)
- deferred		(20,505)	4,443,124	(61,514)	8,903,016
		(20,505)	4,041,622	(61,514)	5,256,862
(Loss) / Profit after tax		(33,595,728)	29,712,610	(89,112,184)	45,248,669
Other comprehensive income for the period					
Incremental depreciation transferred to reserves		47,844	74,272	143,532	194,965
Total other comprehensive income for the period		47,844	74,272	143,532	194,965
Total comprehensive (loss) / income for the period		(33,547,884)	29,786,882	(88,968,652)	45,443,634
(Loss)/Earnings per share basic and dilutive	27	(0.72)	0.64	(1.92)	0.98

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

-sd-  
Chairman

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Chief Executive Officer / Principal Officer

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Director

-sd-  
Director

The Pakistan General Insurance Company Limited  
Condensed Interim Statement of Changes in Equity [Un-Audited]  
For the Nine Months Period Ended September 30, 2018

	Share Capital	General Reserves	Un- appropriated profit	Unrealized Gains / Losses on revaluation of investments	Total Equity
	----- Rupees -----				
<b>Balance as at December 31, 2016</b>	<b>400,012,500</b>	<b>114,987,500</b>	<b>52,347,304</b>	<b>485,973</b>	<b>567,833,277</b>
Profit for period	-	-	45,443,634	-	45,443,634
Other comprehensive income for the period					
Bonus shares issued during the period	64,002,000	(64,002,000)	-	-	-
<b>Balance as at September 30, 2017</b>	<b>464,014,500</b>	<b>50,985,500</b>	<b>97,790,938</b>	<b>485,973</b>	<b>613,276,911</b>
Loss for the period	-	-	(5,202,485)	-	(5,202,485)
Other comprehensive income for the period				470,936	
Transfer from surplus on revaluation of assets					
- on account of disposal of fixed assets	-	-	1,268,251	-	1,268,251
- on incremental depreciation of assets (net)	-	-	103,291	-	103,291
<b>Balance as at December 31, 2017</b>	<b>464,014,500</b>	<b>50,985,500</b>	<b>93,959,995</b>	<b>956,909</b>	<b>609,445,968</b>
Total comprehensive income for the period	-	-	(88,968,652)		(88,968,652)
<b>Balance as at September 30, 2018</b>	<b>464,014,500</b>	<b>50,985,500</b>	<b>4,991,343</b>	<b>956,909</b>	<b>520,477,316</b>

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

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Chairman

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Chief Executive Officer / Principal Officer

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Director

-sd-  
Director

**The Pakistan General Insurance Company Limited**  
**Condensed Interim Statement of Cash Flows [Un-Audited]**  
**For the Nine Months Period Ended September 30, 2018**

		Sep 30, 2018	Sep 30, 2017
	Note	-----Rupees-----	
<b>Operating cash flows</b>			
a) Underwriting activities	28	33,695,612	80,502,005
b) Other operating activities			
Income taxes paid		(992,333)	(1,719,641)
General and management expenses paid		(42,179,343)	(90,120,425)
Other operating (payments) / receipts		(1,515,670)	(2,564,133)
Net cash generated (used in) other operating activities		(44,687,346)	(94,404,199)
Total cash flow from all operating activities (a+b)		(10,991,734)	(13,902,194)
<b>Investing activities</b>			
Profit / return received		6,437,292	7,035,318
Dividends received		-	17,973
Rentals received		1,332,684	1,326,750
Other income received		-	386
Payment for investments - Government Securities		-	(6,195,484)
Payment for investments - Term Deposits		-	(47,000,000)
Proceeds from disposal of investments		450	84,478,011
Payment for acquisition of investments		-	(77,438,812)
Advance for purchase of building		-	(37,105,000)
Proceeds from disposal of assets and investment properties		1,800,000	42,500,000
Fixed capital expenditure		(1,247,125)	(16,177,392)
Total cash (out) flow from investing activities		8,323,301	(48,558,250)
<b>Financing activities</b>			
Loan repayments received - net		373,887	72,600
Financial charges paid		(4,211,383)	(3,534,153)
Proceeds from short-term borrowings		(4,668)	111,811,901
Total cash in / (out) flow from financing activities		(3,842,164)	108,350,348
<b>Net cash inflow from all activities</b>		(6,510,597)	45,889,904
<b>Cash and cash equivalents at the beginning of the period</b>	14	28,750,680	3,430,095
<b>Cash and cash equivalents at the end of the period</b>	14	22,240,083	49,319,999
<b>Reconciliation to profit and loss account</b>			
Operating cash flows		(10,991,734)	(13,902,194)
Depreciation expense		(17,810,585)	(17,537,170)
Doubtful debts		-	(49,412,138)
Gain / (loss) on remeasurement of investments		-	(35,691)
Finance cost		(4,211,383)	(3,534,153)
Investment income		6,437,292	6,958,332
Rental income		1,332,684	1,326,750
Dividend income		-	17,973
Other income		-	386
Gain on disposal of investments		-	3,200,237
Gain on disposal of assets and investment properties		(289,696)	14,316,188
Decrease / (Increase) in assets other than cash		(103,161,979)	34,290,907
(Decrease) / Increase in liabilities other than running finance		39,583,217	69,559,242
<b>Profit after taxation</b>		(89,112,184)	45,248,669

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

-sd-  
**Chairman**

-sd-  
**Chief Executive Officer / Principal Officer**

-sd-  
**Director**

-sd-  
**Director**

**The Pakistan General Insurance Company Limited**  
**Condensed Interim Statement of Expenses [Un-Audited]**  
**For the Nine Months Period and Quarter Ended September 30, 2018**

**1 Status and nature of operations**

The Pakistan General Insurance Company Limited "the Company" was incorporated as a public limited company on July 26, 1947 under the Companies Act, 1913 (now Companies Act, 2017) and was listed on Pakistan Stock Exchange (formerly Karachi, Lahore and Islamabad Stock Exchanges) on July 25, 1995. The Company is engaged in providing General Insurance Services in spheres of Fire and property damage, Marine, aviation and transport, Motor act and Miscellaneous in Pakistan. The registered office of the Company is situated at Cooperative Bank House, 5 Bank Square, Lahore, Pakistan.

**2 Basis of preparation and statement of compliance**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, Insurance Rules, 2017 and Insurance Accounting Regulations, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, and Insurance Accounting Regulations, 2017 shall prevail.

The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the Securities and Exchange Commission of Pakistan vide SRO 89(I)/2017 and International Accounting Standard (IAS) 34, "Interim Financial Reporting" and do not include all the information required in the annual financial statements. Accordingly, this condensed interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2017.

This condensed financial information does not include all the information and disclosures required in the complete set of financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2017.

**2.1 Basis of measurement**

These condensed interim financial statements has been prepared under the historical cost convention except for certain financial instruments are carried at fair value, freehold land and buildings are stated at revalued amount, available for sale investments, which are stated at fair value.

**2.2 Functional and presentation currency**

These condensed interim financial statements have been presented in Pak Rupees which is also the Company's functional currency. All financial information presented in Pak Rupees has been rounded to nearest Rupees, unless otherwise stated.

**3 Going concern assessment**

The Securities and Exchange Commission of Pakistan ('SECP') has passed an order dated June 07, 2017 under section 11(1) (f) and section 12(1) and (4) read with section 63 (1) and section 156 of the Insurance Ordinance, 2000, directing the Company to cease entering into new contract of insurance from one month from date of direction. The Company had filed a writ petition against the above order with the Honourable Lahore High Court, Lahore which is pending adjudication. The legal counsel is of the opinion that there is every likelihood that the decision of the writ petition will be in favour of the Company. In view of the legal counsel opinion, the management is confident that the company shall remain going concern and the direction to cease entering into new contract shall be revoked by SECP.

**4 Summary of significant accounting policies**

The accounting policies and the methods of computation adopted in preparation of this condensed interim financial information are the same as those applied in preparation of financial statements for the year ended December 31, 2017.

**4.1 Change in accounting policy**

As disclosed in financial statements for the year ended December 31, 2017, the Company changed its accounting policy in relation to the available-for-sale investments to comply with the requirements of IAS 39 "Financial Instruments - Recognition and Measurement. The changes were made in the financial statements for the above year and these investments are now being carried at fair value and comparative information were restated in accordance with the requirement of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Accordingly, the comparative figures in other comprehensive income and statement of changes in equity have also been restated.

**4.2** The Company's financial and insurance risk management objectives and policies are consistent with those that were disclosed in the annual financial statements of the Company as at and for the year ended December 31, 2017.



**The Pakistan General Insurance Company Limited**  
**Condensed Interim Statement of Expenses [Un-Audited]**  
**For the Nine Months Period and Quarter Ended September 30, 2018**

**5 Critical accounting estimates and judgments**

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statement, 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 financial statements as at and for the year ended December

		Un - audited Sep 30, 2018	Audited Dec. 31, 2017
		-----Rupees-----	
<b>6 Property and equipment</b>			
Book value at beginning of the period / year		115,289,416	121,742,329
Additions during the period / year	- note 6.1	1,247,125	5,776,847
Disposal during the period / year		(2,089,696)	(2,718,029)
Depreciation charge for the period / year		(6,665,839)	(9,511,731)
Carrying amount at end of the period / year		<u>107,781,006</u>	<u>115,289,416</u>
<b>6.1 Additions during the period / year</b>			
Furniture and fixtures		17,125	25,000
Office equipment		180,000	804,520
Vehicles		1,050,000	4,947,327
		<u>1,247,125</u>	<u>5,776,847</u>
<b>7 Investment property</b>			
Book value at beginning of the period / year		297,193,223	236,295,705
Additions during the period / year		-	99,430,000
Disposal during the period / year		-	(26,219,179)
Depreciation charge for the period / year		(11,144,746)	(12,313,303)
Carrying amount at end of the period / year		<u>286,048,477</u>	<u>297,193,223</u>
<b>8 Investments - Equity securities</b>			
Available for sale investments		<u>2,090,848</u>	<u>2,091,298</u>
<b>9 Investments - Government securities</b>			
Held to maturity investments - Pakistan Investment Bonds (PIBs)		<u>29,038,211</u>	<u>29,038,211</u>
These PIBs are deposited with State Bank of Pakistan as statutory deposit pursuant to the requirements of section 29(2)(a) of the Insurance Ordinance, 2000.			
<b>10 Investments - Term deposit and others</b>			
Short-term deposits maturing within 12 months		<u>118,000,000</u>	<u>118,000,000</u>
<b>11 Loans and other receivables</b>			
Loan to employees and agents		4,322,500	4,368,750
Advance for purchase of assets		13,593,500	13,593,500
Security deposits		5,477,649	5,477,649
Accrued interest		1,149,258	1,149,258
Sundry receivables		-	327,637
		<u>24,542,907</u>	<u>24,916,794</u>
<b>12 Insurance / reinsurance receivables</b>			
Unsecured - considered good			
Due from insurance contract holders		186,553,538	250,430,788
Due from other insurers / reinsurers		13,182,520	35,837,977
		<u>199,736,058</u>	<u>286,268,765</u>
<b>13 Prepayments</b>			
Prepaid reinsurance premium ceded		-	10,743,919

The Pakistan General Insurance Company Limited  
Condensed Interim Statement of Expenses [Un-Audited]  
For the Nine Months Period and Quarter Ended September 30, 2018

	Un - audited Sep 30, 2018	Audited Dec. 31, 2017
	-----Rupees-----	
<b>14 Cash and bank balances</b>		
Cash in hand	214,553	226,957
Cash with banks		
- On current accounts	22,021,350	28,039,784
- On saving accounts	4,180	483,939
	22,025,530	28,523,723
	22,240,083	28,750,680
<b>15 Issued, subscribed and paid-up share capital</b>		
20,000,000 fully paid ordinary shares of Rs. 10 each	200,000,000	200,000,000
26,401,450 fully paid bonus shares of Rs. 10 each	264,014,500	264,014,500
	464,014,500	464,014,500
<b>16 Surplus on revaluation of fixed assets</b>		
Balance at beginning of the period / year	7,940,969	9,312,511
Less: Realization of surplus on disposal (net of tax)	-	(1,268,251)
Less: Incremental depreciation transferred to un-appropriated profit	(143,532)	(103,291)
Balance at end of the period / year	7,797,437	7,940,969
<b>17 Deferred taxation</b>		
Accelerated tax depreciation	29,997,609	29,936,095
Provision for doubtful receivables	(23,184,246)	(23,184,246)
Loss on remeasurement of available for sale investments	410,103	410,103
	7,223,466	7,161,952
<b>18 Other creditors</b>		
Accrued expenses	1,241,118	1,759,118
Other creditors and accruals	28,807,005	30,322,675
	30,048,123	32,081,793
<b>19 Taxation - provision less payments</b>		
Balance at beginning of the period / year	30,059,279	656,688
Add: Charge for the period / year	-	33,071,592
Less: Paid / deducted during the period / year	(992,333)	(3,669,001)
Balance at end of the period / year	29,066,946	30,059,279
<b>20 Contingencies and commitments</b>		
There have been no significant changes in the contingencies and commitments as disclosed in the annual financial statements of the Company for the year ended December 31, 2017.		

	For the Quarter ended		For the Half Year ended	
	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017
	-----Rupees-----		-----Rupees-----	
<b>21 Net insurance premium</b>				
Gross premium written	-	12,925,705	-	201,097,884
Add: Opening unearned premium reserve	-	173,621,125	30,352,537	163,091,409
Less: Closing unearned premium reserve	-	106,114,302	-	106,114,302
Premium earned	-	80,432,528	30,352,537	258,074,991
Less: Reinsurance premium ceded	5,975,785	5,725,206	18,499,355	22,400,509
Add: Opening prepaid reinsurance premium ceded	-	10,961,160	10,743,919	28,292,204
Less: Closing prepaid reinsurance premium ceded	-	11,401,218	-	11,401,218
Reinsurance expense	5,975,785	5,285,148	29,243,274	39,291,495
	(5,975,785)	75,147,380	1,109,263	218,783,496

**The Pakistan General Insurance Company Limited**  
**Condensed Interim Statement of Expenses [Un-Audited]**  
**For the Nine Months Period and Quarter Ended September 30, 2018**

	For the Quarter ended		For the Half Year ended	
	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017
	-----Rupees-----		-----Rupees-----	
<b>22 Net insurance claims</b>				
Claims paid	-	12,720	10,334	631,570
Add: Closing outstanding claims (including IBNR)	41,200,000	46,661,571	41,200,000	46,661,571
Less: Opening outstanding claims (including IBNR)	41,200,000	50,004,775	47,967,350	44,694,400
Claim expenses	-	(3,330,484)	(6,757,016)	2,598,741
Less: Reinsurance and other recoveries received	-	-	-	15,600
Add: Closing reinsurance recoveries receivable	-	-	-	-
Less: Opening reinsurance recoveries receivable	-	-	-	-
Reinsurance and other recoveries revenue	-	-	-	15,600
	-	(3,330,484)	(6,757,016)	2,583,141
<b>23 Net commission and other acquisition cost</b>				
Commission paid or payable	7,452,906	2,602,774	34,828,565	37,958,985
Add: Opening deferred commission expense	-	31,618,250	5,885,353	24,749,144
Less: Closing deferred commission expense	-	20,110,763	-	20,110,763
Net commission expense	7,452,906	14,110,261	40,713,918	42,597,366
Less: Commission received/recoverable from reinsurer	-	-	-	160,038
	7,452,906	14,110,261	40,713,918	42,437,328
<b>24 Investment income</b>				
Available for sale investments				
- Dividend income	-	225	-	17,973
- Gain on disposal of available for sale investment	-	127,059	-	3,200,237
Held to maturity investments				
- Return on deposits and bank placements	2,297,685	2,306,165	6,437,292	6,958,332
Reversal/(Provision) for impairment - AFS investments	-	(19,079)	-	(35,691)
Investment related expenses	-	(80,331)	-	(824,725)
	2,297,685	2,334,039	6,437,292	9,316,126
<b>25 Other income</b>				
Gain on disposal of investment properties	-	13,385,938	-	14,316,188
Miscellaneous income	-	-	-	386
	-	13,385,938	-	14,316,574
<b>26 Finance cost</b>				
Bank charges and commission	27,343	122,718	213,265	238,990
Mark-up on short-term borrowings	830,999	1,320,718	3,998,118	1,320,752
	858,342	1,443,436	4,211,383	1,559,742

**27 Earnings per share**

**27.1 Basic earning per share**

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

		For the Quarter ended		For the Half Year ended	
		Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017
(Loss) / Profit after tax for the period	Rs.	(33,595,728)	29,786,882	(89,112,184)	45,248,669
Weighted average number of outstanding shares	Number	46,401,450	46,401,450	46,401,450	46,401,450
Basic loss / earnings per share	Rs.	(0.72)	0.64	(1.92)	0.98

**27.2 Diluted earnings per share**

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

**The Pakistan General Insurance Company Limited**  
**Condensed Interim Statement of Expenses [Un-Audited]**  
**For the Nine Months Period and Quarter Ended September 30, 2018**

	Un - audited Sep 30, 2018	Un - audited Sep 30, 2017
	-----Rupees-----	
<b>28 Underwriting activities</b>		
Premiums received	81,058,081	141,317,431
Reinsurance premiums paid	(18,499,355)	(22,400,509)
Claims paid	(10,334)	(631,570)
Reinsurance and other recoveries received	5,975,785	15,600
Commissions paid	(34,828,565)	(37,958,985)
Commissions received	-	160,038
Net cash from underwriting activities	<u>33,695,612</u>	<u>80,502,005</u>

**29 Transactions with related parties**

The related parties comprise holding company, subsidiaries and associated undertakings, other related group companies, directors of the Company, key management personnel and post employment benefit plans.

	Un - audited Sep 30, 2018	Un - audited Sep 30, 2017
	-----Rupees-----	
Remuneration paid to executives, directors and chief executive officer	3,215,466	3,291,005
Contribution paid to provident fund	101,035	102,132

All transaction with related parties have been carried out on commercial term and conditions.

**30 Segment Reporting**

As the Company is under direction from SECP to not enter into new insurance contracts, therefore the Company had not written any premium during the period. In view of the same, segment wise analysis is not reported in these financial statements.

**31 Corresponding figures**

Corresponding figures have been re-arranged or re-classified for better presentation and disclosure in order to comply with the requirements of S.R.O. 88(I)/2017 - 'Insurance Accounting Regulations, 2017', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas the condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable periods of immediately preceding financial period.

**32 Date of authorization of issue**

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on November 14, 2019.

-sd-  
Chairman

-sd-  
Chief Executive Officer / Principal Officer

-sd-  
Director

-sd-  
Director

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- 📊 Risk profiler\*
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