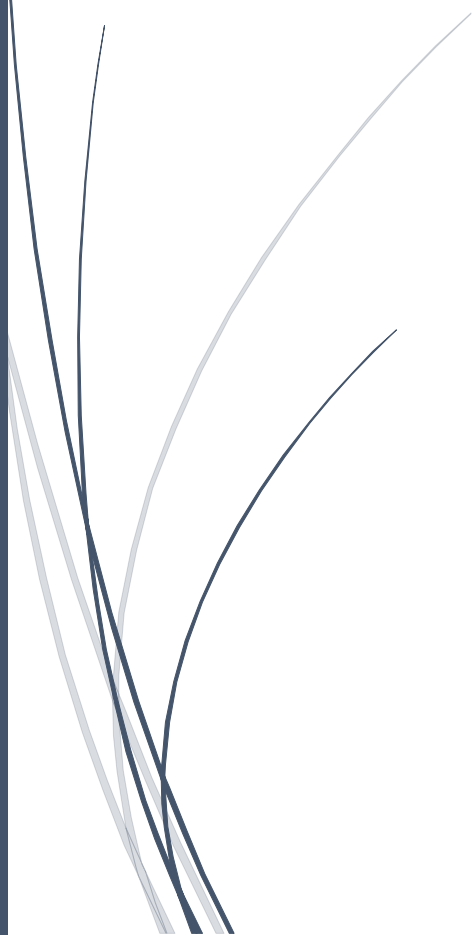




Annual Report2024

# PROGRESSIVE INSURANCE COMPANY LIMITED



# PROGRESSIVE INSURANCE COMPANY LTD.

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## **VISION STATEMENT**

To grow as a professional and trusted business entity with the objective to play a leading role in progress of insurance industry and safeguard interest of the policy holders, shareholders, re-insurance, business associate's partners as a whole.

## **MISSION STATEMENT**

- ❖ To strengthen the roots of the company, lifting it way past other Companies to standout and emerge as one of the leading Insurance Companies of Pakistan.
- ❖ To restore trust among shareholders and policyholders.
- ❖ To increase wealth of shareholders by procuring quality business and introducing new products with competitive edge over others.
- ❖ To Progress through good governance, recognized corporate and insurance practices and highly skilled marketing and office staff.

## **QUALITY POLICY**

**Progressive Insurance Company Limited believes in providing high quality solutions to risk exposures to the satisfaction of its, customers through:**

- ❖ Developing and maintaining the best quality culture;
  - ❖ Developing capabilities of employees of the Company;
  - ❖ Continuous improvement and teamwork spirit;
  - ❖ Updating business knowledge and techniques for betterment of each concern;
  - ❖ Efficient utilization of resources and manpower of the Company; and
  - ❖ Introducing high standards of professionalism globally.
-

# PROGRESSIVE INSURANCE COMPANY LTD.

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Abdul Aleem	Chairman
Mr. Syed Sabur Rehman	Director
Mr. Asim Anwer	Director
Mr. Ziauddin Abdus Shaafi	Director
Mr. Muhammad Abdul Wahab	Director
Mr. Muhammad Haroon	Director
Mr. Om Parkash	Director

### CHIEF EXECUTIVE COMPANY SECRETARY

G.M Shahid  
Abdul Wahab

### REGISTERED OFFICE

Office No. 505-507, 5<sup>th</sup> Floor, Japan Plaza  
M.A Jinnah Road Karachi.  
Tel: 021-32712551-52.

### HEAD OFFICE

Office No. 505-507, 5<sup>th</sup> Floor, Japan Plaza  
M.A Jinnah Road Karachi.  
Tel: 021-32712551- 52.

## AUDIT COMMITTEE

Name of Person	Designation
Ziauddin Abdus Shaafi	Chairman (Non-Executive Director)
Muhammad Abdul Wahab	Member (Non-Executive Director)
Abdul Haleem	Member (Non-Executive Director)

### BANKERS

The Bank of Khyber

### SHARES REGISTRAR

F.D Registrar Service (Pvt) Ltd

### AUDITORS

M/s. Mehboob Sheikh & Co  
Chartered Accountants

### LEGAL ADVISOR

Mr. Noman Amin Farooqi,  
Advocate

### STOCK EXCHANGE LISTING

Progressive Insurance Company Limited is  
on the Pakistan Stock Exchange Ltd.

### PUBLIC INFORMATION

Financial analysts, stock brokers and media desiring  
Information about the company and all types of general  
Insurance should contact Company Secretary & Chief Executive Officer,  
Progressive Insurance Company Limited, at Company's Head Office, Karachi.

### SHAREHOLDER INFORMATION

Inquiries concerning lost share certificates,  
dividend payment, change of address,  
verification of transfer deeds and share  
transfer should be directed to contact our  
registered office 505-507, 5<sup>th</sup> Floor, Japan  
Plaza, M.A Jinnah Road, Karachi.  
Tel: 021-32712551-52.

# **PROGRESSIVE INSURANCE COMPANY LTD.**

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## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Thirty-Eight Annual General Meeting of Progressive Insurance Company Limited will be held at Office No. 505-507, 5<sup>th</sup> Floor, Japan Plaza, M. A. Jinnah Road, Karachi on August 12, 2025 at 10:00 A.M to transact the following business:

### **Ordinary Business:**

1. To confirm the Minutes of the last Annual General Meeting of the Company held on September 20, 2024.
2. To receive, consider and adopt the Audited Accounts for the years ended December 31, 2024, together with the Directors' and Auditors' reports thereon.
3. Enhancement of Paid-up-capital by way of other than right.
4. To appoint Auditors and fix their remuneration for the year ended December 31, 2025.
5. To transact any other business with the permission of the Chair.

### **Following Business to be passed**

#### **Special Business:**

**"Resolved"** that Enhancement of Paid up capital by way of other than right.

The existing paid up capital of the company of Rs 161,500,000 to be enhanced by the way of further issue share capital other than right to the extent of Rs. 200,000,000.

**"Further Resolved"** To consider and if thought fit, increase the Authorized Capital of the Company be and is hereby increased from 200,000,000/- (Rupees Two Hundred Million) to Rs. 2,500,000,000/- (Rupees Two Billion Five Hundred Million) divided into 250,000,000 Ordinary shares of Rupees 10/- each and to pass the following Special Resolution with and without modification.

**"FURTHER RESOLVED"** that Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company be and are hereby amended to be read as under:

"Further Resolved that right shares will be issued at Rs.1.25 @ a discount of Rs. 8.75 subject to approval of S.E.C.P.

#### **Clause.**

The Capital of the Company is Rupees Two Billion Five Hundred Million (Rs. 2,500,000,000/-) divided into Two Hundred Fifty Million (250,000,000) Ordinary shares of Rupees Ten (Rs.10/-) each with the rights, privileges and conditions attaching thereto as are provided by regulations of the banking company for the time being with powers to increase or reduce the capital and to sub- divide the shares in the capital for the time being into several classes, however, various classes of ordinary shares, if any, as to profit, and other benefits shall be strictly proportionate to the paid up value of shares.

#### **Article**

The Authorized Capital of the Company is Rs. 2,500,000,000/- divided into 250,000,000 Ordinary shares of Rs. 10/- each.

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## PROGRESSIVE INSURANCE COMPANY LTD.

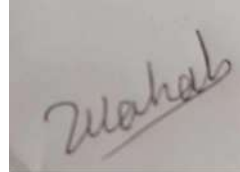
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"**Further resolved** that necessary formalities in this regard shall be completed by company secretary with the approval by board of directors of the company or as directed by the board in this regard.

Karachi:

By Order of the Board

Dated: 23 July, 2025



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Abdul Wahab  
**Company Secretary**

### NOTES:

- The Share Transfer Book of the Company closed from August 06, 2025 to August 12, 2025 (both days inclusive).
- A member entitled to attend and vote at this meeting may appoint another member as his/her Proxies in order to be received at the Registered Office of the Company not less than 48 hours before the time of Meetings.
- For attending the meetings and appointing proxies CDC Account holders will further have to follow the guidelines as laid in circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
- Shareholders are required to inform the Company of any change in their address immediately.

## CHAIRMAN REPORT

Dear Respected, Shareholders,

With great pleasure I welcome, all of you on behalf of the Board of Directors to the 38<sup>th</sup> Annual General Meeting of Progressive Insurance Co Ltd, and to present before you the Chairman Report, along with the audited financial statements as on 31st December 2024, for your kind consideration.

There are no doubts about the Company's ability to continue as a going concern (In are opinion a company can only go into winding up only if it is unable to pay its debts) whereas the company has no debts.

Despite our continuous payment of Annual Supervision Fees since 2017, we have been receiving claims from SECP office. As per requirements, we maintain records for 10 years (or 6 years for tax-related matters). Our records show timely payments since 2017. Notably, SECP invoices only reflect current period charges without mentioning any arrears or previous dues.

We requested SECP to consider condoning fees claimed prior to 2015 and settle the issue once and for all.

Pakistan Political Situation is very volatile, changes in government policies is affecting economic condition, people are migrating, there is uncertainty, the insurance industry is suffering, the investors confidences is shattered, Pakistan economy is in doldrums, no foreign direct investment is coming in fact most of the foreign multinational companies have exited from Pakistan Economic performance directly impacts the consumer.

I thank you for your gratitude and for your presence for the Shareholders meeting.

### **Regulatory Authority:**

We thank the SECP Chairman, Commissioner and the Insurance Division for helping and giving a positive response in the revival of the company.

Karachi:

Date: July 23, 2025

**Chairman**

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چیئرمین رپورٹ

محترم محترم شیئر ہولڈرز،

بورڈ آف ڈائریکٹرز کی جانب سے پروگریسو انشورنس کمپنی لمیٹڈ کے 38ویں سالانہ اجلاس میں آپ سب کا خیرمقدم کرتا ہوں، اور آپ کے سامنے 31 دسمبر 2024 کو آڈٹ شدہ مالیاتی گوشواروں کے ساتھ چیئرمین رپورٹ پیش کرنے

جاری تشویش کے طور پر جاری رکھنے کی کمپنی کی صلاحیت کے بارے میں کوئی شک نہیں ہے (یہ خیال ہے کہ کمپنی صرف اسی صورت میں سمیٹ سکتی ہے جب وہ اپنے قرض ادا کرنے سے قاصر ہو) جبکہ کمپنی پر کوئی قرض نہیں ہے۔

2017 سے ہماری سالانہ نگرانی کی فیس کی مسلسل ادائیگی کے باوجود، ہمیں SECP دفتر سے دعوے موصول ہو رہے ہیں۔ ضروریات کے مطابق، ہم 10 سال (یا ٹیکس سے متعلقہ معاملات کے لیے 6 سال) کا ریکارڈ برقرار رکھتے ہیں۔ ہمارے ریکارڈز 2017 سے بروقت ادائیگیوں کو ظاہر کرتے ہیں۔ خاص طور پر، ایس ای سی پی کی رسیدیں کسی بقایا جات یا سابقہ واجبات کا ذکر کے بغیر صرف موجودہ مدت کے چارجز کی عکاسی کرتی ہیں۔

ہم نے ایس ای سی پی سے درخواست کی کہ وہ 2015 سے قبل دعویٰ کی گئی معافی کی فیس پر غور کرے اور اس مسئلے کو ہمیشہ کے لیے حل کرے۔

پاکستان کی سیاسی صورتحال انتہائی ناگفتہ بہ ہے، حکومتی پالیسیوں میں تبدیلی سے معاشی حالت متاثر ہو رہی ہے، لوگ نقل مکانی کر رہے ہیں، غیر یقینی صورتحال ہے، انشورنس انڈسٹری متاثر ہو رہی ہے، سرمایہ کاروں کا اعتماد ٹوٹ رہا ہے، پاکستان کی معیشت تباہی کا شکار ہے، براہ راست غیر ملکی سرمایہ کاری نہیں آ رہی، زیادہ تر غیر ملکی ملٹی نیشنل کمپنیاں پاکستان سے نکل چکی ہیں، اس کا براہ راست اثر صارفین کی کارکردگی پر پڑ رہا ہے۔

میں آپ کے شکریہ اور شیئر ہولڈرز کے اجلاس میں آپ کی موجودگی کے لیے آپ کا شکریہ ادا کرتا ہوں۔

ریگولیٹری اتھارٹی:

ہم کمپنی کی بحالی میں مدد کرنے اور مثبت جواب دینے پر ایس ای سی پی کے چیئرمین، کمشنر اور انشورنس ڈویژن کا شکریہ ادا کرتے ہیں۔

Karachi:

Date: July 23, 2025

Chairman

## DIRECTOR'S REPORT

We Bow our heads in solid gratitude to Al Mighty Allah, The Powerful, the Beneficial, the Merciful, and the Provider to all Mankind, and all human beings for his Blessings.

By the Grace Of Allah The Board Of Directors Of Progressive Insurance Company Ltd, are pleased to present the Financial Report for the year 2024.

Insurance Industry remains encouraging and performed well despite the downward economic growth, soaring inflation, and political uncertainty, and external pressures.

Business is suspended by S.E.C.P, All The Expenses of the Company are met, thanks to the continuing Interest free Loan by the Directors who have committed to give Loans to the Company as and when required and the company is fulfilling's its obligations, The Company has had several meetings, and requested many times and written several letters to SECP inform PSX to open the trading of shares of the company.

So that the company can issue right shares, to their shareholders who are willing and have shown keen interest in subscribing and buying the shares, of the company, this will enhance the Capital of the company to more than Rupees Five Hundred Million.

The Directors have also given consent to convert the Loan given to the company and have sought permission from SECP which is awaited.

The Company has appointed a seasoned and Professional CEO, Mr. G.M. Shahid.

**Progressive Insurance Company Limited** is committed to maintain high standards of corporate governance without any exception.

### **Net Loss**

Total comprehensive loss by company is Rs.12,333,385 /- during the Financial year 2024.(Loss per Share Rs. 0.76)

### **Loan from Director/Sponsor**

An amount of Rs. 8,340,290/- has been obtained by the company during the year from the director to meet the misc expenditures of the company, the sponsor/directors of the company are continuously giving loan, as interest free, and payable to the directors as and when available with the company.

### **Remuneration of Directors & Chief Executive.**

The Directors and other Executives, have been performing voluntary services and no remuneration has been paid to them.

### **Corporate and Financial Reporting Framework**

#### **The Director confirm that:-**

- A. The Financial Statements prepared by the Management of the company present fairly the state of Affairs and the result of its operations.
-

## PROGRESSIVE INSURANCE COMPANY LTD.

- B. The Company has maintained proper books of Accounts.
- C. In Preparations of Financial Statements, appropriate accounting policies have been consistently applied and accounting estimates are based on reasonable and prudent Judgments.
- D. In preparations of Financial Statements International Accounting Standards as applicable in Pakistan have been followed and non -applicability, if any, has been adequately disclosed.
- E. The existing system of internal control and other procedures have been continuously reviewed by internal Auditor. The process of review will continue and any weakness in controls will have immediate attention of the management.
- F. International financial reporting standards as applicable in Pakistan and the requirements of Companies act 2017 have been followed in preparation of the financial statements, and any departure thereof has been adequately disclosed and explained.
- G. The system of internal control is sound in design and has been effectively implemented and monitored.
- H. There are no significant doubts upon the company's ability to continue as a going concern.
- I. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- J. During the year at least one Board of Directors meeting was held and attended by each director was as follows:

Board of Directors	No of Meeting
Om Parkash	1
Syed Sabur Rehman	4
Abdul Haleem	4
Ziauddin Abdus Shaafi	4
Mr.Asim Anwer	2
Muhammad Abdul Wahab	4
Muhammad Haroon	2

### **Pattern of Shareholding**

The pattern of shareholding of the Company is annexed to this report.

### **KEY OPERATING AND FINANCIAL DATA**

Following is the summary of key operating and financial data for the last 6 years:-

	2024	2023	2022	2021	2020	2019
Reserves and Retained Earnings	(17.56)	(16.42)	(13.91)	(57.57)	(48.01)	(46.73)
Investment Income	0.87	0.49	0.21	(0.12)	(0.29)	(0.30)
Direct Premium	-	-	-	-	-	-
Retained Premium	-	-	-	-	-	-
Net Claims Paid & Outstanding	-	-	-	-	-	-
loss before Tax	(12.333)	(8.745)	(10.03)	(9.487)	(0.175)	(0.178)
Divided declared – Cash			-	-	-	-

## **Remuneration Policy of Non-Executive Directors**

The fee of Non-Executive and independent directors for attending the board and committee meetings of the company is determined by the board from time to time.

## **External Auditors**

M/s Mahboob Sheikh & Company, Chartered Accountants have completed their assignments for the year 2024 and retire at the conclusion of the 38<sup>th</sup> Annual general Meeting.

Being eligible, they have offered themselves for the reappointment and pursuant to recommendation of Board Audit Committee.

Board of Directors has enclosed and recommended same for shareholders' approval.

## **Principal Risk and Political Uncertainty**

- a) Increase input costs due to rising inflation and devaluation in currency.
- b) Macroeconomic uncertainties leading to lower GDP and economic activities which might affect demand.

## **Response to Auditor Observation**

We are fully aware of the challenges, including recurring losses however the sponsors will convert the loan into equity. The sponsors have committed to keep on injecting the money into the company.

The sponsors are already in process to raise the capital of the company as required by the SECP.

While these efforts have been temporarily delayed due to the pending winding-up petition by SECP, we are actively contesting this in court, with confidence in favorable outcome. Additionally we are committed to providing interest-free funds to support the Company's working capital needs. We are also prioritizing compliance with SECP and PSX regulation, aiming to restore the Company's status and remove its shares from default counter.

The financial statements are prepared on a going concern basis, reflecting the director's belief in the Company recovery.

## **Future Outlook**

We continue to have a positive outlook on the long term growth potential of the business, however we foresee certain headwinds in the short term in the form of Pak Rupees depreciation, higher inflation. This might have an impact on the overall future result.

## **Acknowledgements:**

We take this opportunity to thank our valued shareholders, employees, clients, customer, who have trust in us and continue to provide sustained support in ensuring the progress of

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## PROGRESSIVE INSURANCE COMPANY LTD.

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the company. Our staff is the greatest strength, our shareholders have been loyal and have always given us the confidence and helped us in reviving the company.

Our shareholders are the ones who gave us the strength in confidence building measures and have always supported us no matter what for which the sponsors are indebted to them. Our shareholders are fundamental to everything we do, particularly in times of the significant change inside and outside our company.

Karachi:  
Date: July 23, 2025

For and on behalf of the  
Board of Directors



**G.M.Shahid**  
Chief Executive Officer

## ڈائریکٹر کی رپورٹ

ہم اپنے سروں کو اللہ تعالیٰ کا شکر ادا کرتے ہوئے جھکتے ہیں جو کہ قادرِ مطلق، نفع بخش، مہربان، اور تمام بنی نوع انسان اور تمام انسانوں کو اس کی نعمتوں کے لیے فراہم کرنے والا ہے۔  
اللہ کے فضل سے پروگریسو انشورنس کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز کو مالیاتی رپورٹ برائے سال 2024 پیش کرنے پر خوشی ہے۔

نیچے کی طرف جانے والی اقتصادی ترقی، بڑھتی ہوئی افراط زر، سیاسی غیر یقینی صورتحال اور بیرونی دباؤ کے باوجود انشورنس انڈسٹری حوصلہ افزا ہے اور اچھی کارکردگی کا مظاہرہ کر رہی ہے۔  
S.E.C.P کی طرف سے کاروبار معطل ہے، کمپنی کے تمام اخراجات پورے کیے جاتے ہیں، ان ڈائریکٹرز کی جانب سے بلا سود قرض جاری رکھنے کی بدولت جنہوں نے کمپنی کو ضرورت پڑنے پر قرض دینے کا عہد کیا ہے اور کمپنی اپنی ذمہ داریاں پوری کر رہی ہے، کمپنی نے کئی میٹنگیں کیں، اور کئی بار درخواست کی اور کئی خطوط لکھے کہ SECP کو کمپنی کے شیئر کی اوپن ٹریڈنگ سے آگاہ کیا جائے۔  
تاکہ کمپنی اپنے حصص یافتگان کو جو کمپنی کے حصص کو سبسکرائب کرنے اور خریدنے میں گہری دلچسپی ظاہر کر رہے ہیں، اپنے حصص یافتگان کو رائٹ حصص جاری کر سکے، اس سے کمپنی کا سرمایہ پانچ سو ملین روپے سے زیادہ ہو جائے گا۔

ڈائریکٹرز نے کمپنی کو دیے گئے قرض کو تبدیل کرنے کی رضامندی بھی دی ہے اور ایس ای سی پی سے اجازت طلب کی ہے جس کا انتظار ہے۔

کمپنی نے ایک تجربہ کار اور پیشہ ور سی ای او مسٹر جی ایم کو مقرر کیا ہے۔ شاید۔  
پروگریسو انشورنس کمپنی لمیٹڈ بغیر کسی رعایت کے کارپوریٹ گورننس کے اعلیٰ معیار کو برقرار رکھنے کے لیے پرعزم ہے۔

خالص نقصان

مالی سال 2024 کے دوران کمپنی کا کل جامع نقصان 12,333,385/- روپے ہے۔ (فی شیئر نقصان 0.76 روپے)  
ڈائریکٹر/اسپانسر سے قرض

روپے کی رقم 8,340,290/- کمپنی نے سال کے دوران ڈائریکٹر سے کمپنی کے متفرق اخراجات کو پورا کرنے کے لیے حاصل کیا ہے، کمپنی کے سپانسر/ڈائریکٹر مسلسل قرض دے رہے ہیں، بغیر سود کے، اور جب بھی کمپنی کے پاس دستیاب ہو ڈائریکٹرز کو قابل ادائیگی۔

ڈائریکٹرز اور چیف ایگزیکٹو کا معاوضہ۔

ڈائریکٹرز اور دیگر ایگزیکٹوز رضاکارانہ خدمات انجام دے رہے ہیں اور انہیں کوئی معاوضہ ادا نہیں کیا گیا ہے۔

## PROGRESSIVE INSURANCE COMPANY LTD.

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

ڈائریکٹر نے تصدیق کی کہ:-

- A. کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات کافی حد تک معاملات کی حالت اور اس کے کام کے نتائج کو پیش کرتے ہیں۔
- B. کمپنی نے اکاؤنٹس کی صحیح کتابیں رکھی ہیں۔
- C. مالیاتی گوشواروں کی تیاریوں میں، مناسب اکاؤنٹنگ پالیسیوں کو مسلسل لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- D. مالیاتی گوشواروں کی تیاری میں پاکستان میں لاگو ہونے والے بین الاقوامی اکاؤنٹنگ معیارات کی پیروی کی گئی ہے اور غیر قابل اطلاق، اگر کوئی ہے، مناسب طور پر ظاہر کیا گیا ہے۔
- E. اندرونی کنٹرول کے موجودہ نظام اور دیگر طریقہ کار کا اندرونی آڈیٹر مسلسل جائزہ لے رہا ہے۔ جائزہ لینے کا عمل جاری رہے گا اور کنٹرول میں کسی بھی کمزوری پر انتظامیہ کی فوری توجہ ہوگی۔
- F. پاکستان میں لاگو ہونے والے بین الاقوامی مالیاتی رپورٹنگ کے معیارات اور کمپنیز ایکٹ 2017 کے تقاضوں کو فنانشل سٹیٹمنٹس کی تیاری میں فالو کیا گیا ہے، اور اس کی کسی بھی روانگی کے بارے میں مناسب طور پر انکشاف اور وضاحت کی گئی ہے۔
- G. اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔
- H. جاری تشویش کے طور پر جاری رکھنے کی کمپنی کی صلاحیت پر کوئی خاص شک نہیں ہے۔
- I. کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی خارج نہیں ہوا ہے، جیسا کہ فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے۔
- J. سال کے دوران بورڈ آف ڈائریکٹرز کی کم از کم ایک میٹنگ ہوئی اور ہر ڈائریکٹر نے اس میں شرکت کی:

### Board of Directors

Om Parkash  
Syed Sabur Rehman  
Abdul Haleem  
Ziauddin Abdus Shaafi  
Mr. Asim Anwer  
Muhammad Abdul Wahab  
Muhammad Haroon

### No of Meeting

1  
4  
4  
4  
2  
4  
2

## شیئر ہولڈنگ کا نمونہ

کمپنی کے شیئر ہولڈنگ کا نمونہ اس رپورٹ کے ساتھ منسلک ہے۔

### KEY OPERATING AND FINANCIAL DATA

گزشتہ 6 سالوں کے اہم آپریٹنگ اور مالیاتی ڈیٹا کا خلاصہ درج ذیل ہے:-

	2024	2023	2022	2021	2020	2019
Reserves and Retained Earnings	(17.56)	(16.42)	(13.91)	(57.57)	(48.01)	(46.73)
Investment Income	0.87	0.49	0.21	(0.12)	(0.29)	(0.30)
Direct Premium	-	-	-	-	-	-
Retained Premium	-	-	-	-	-	-
Net Claims Paid & Outstanding	-	-	-	-	-	-
loss before Tax	(12.333)	(8.745)	(10.03)	(9.487)	(0.175)	(0.178)
Divided declared – Cash			-	-	-	-

نان ایگزیکٹو ڈائریکٹرز کے معاوضے کی پالیسی

کمپنی کے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے غیر ایگزیکٹو اور آزاد ڈائریکٹرز کی فیس کا تعین بورڈ وقتاً فوقتاً کرتا ہے۔

بیرونی آڈیٹرز

میسرز محبوب شیخ اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے سال 2024 کے لیے اپنی اسائنمنٹس مکمل کر لی ہیں اور 38 ویں سالانہ جنرل میٹنگ کے اختتام پر ریٹائر ہو رہے ہیں۔ اہل ہونے کے ناطے، انہوں نے بورڈ آڈٹ کمیٹی کی سفارش کے مطابق دوبارہ تقرری کے لیے خود کو پیش کیا ہے۔

بورڈ آف ڈائریکٹرز نے منسلک کیا ہے اور شیئر ہولڈرز کی منظوری کے لیے اس کی سفارش کی ہے

بنیادی خطرہ اور سیاسی غیر یقینی صورتحال

(a) بڑھتی ہوئی افراط زر اور کرنسی کی قدر میں کمی کی وجہ سے ان پٹ لاگت میں اضافہ۔

(ب) میکرو اکنامک غیر یقینی صورتحال جس کی وجہ سے جی ڈی پی اور معاشی سرگرمیاں کم ہوتی ہیں جو طلب کو متاثر کر سکتی ہیں۔

آڈیٹر کے مشاہدے کا جواب

ہم بار بار ہونے والے نقصانات سمیت چیلنجوں سے پوری طرح آگاہ ہیں تاہم اسپانسرز قرض کو ایکویٹی میں تبدیل کر دیں گے۔ اسپانسرز نے کمپنی میں رقم لگاتے رہنے کا عہد کیا ہے۔



## PROGRESSIVE INSURANCE COMPANY LTD.

ایس ای سی پی کی طرف سے مطلوبہ طور پر اسپانسرز کمپنی کے سرمائے کو بڑھانے کے لیے پہلے سے ہی عمل میں ہیں۔

اگرچہ یہ کوششیں ایس ای سی پی کی زیر التوا سمیٹنے کی پٹیشن کی وجہ سے عارضی طور پر تاخیر کا شکار ہوئی ہیں، ہم سازگار نتائج پر اعتماد کے ساتھ عدالت میں اس کا فعال طور پر مقابلہ کر رہے ہیں۔ اس کے علاوہ ہم کمپنی کی ورکنگ کیپیٹل کی ضروریات کو پورا کرنے کے لیے بلا سود فنڈ فراہم کرنے کے لیے پرعزم ہیں۔ ہم SECP اور PSX ریگولیشن کی تعمیل کو بھی ترجیح دے رہے ہیں، جس کا مقصد کمپنی کی حیثیت کو بحال کرنا اور اس کے حصص کو ڈیفالٹ کاؤنٹر سے ہٹانا ہے۔

مالیاتی گوشواروں کو تشویش کی بنیاد پر تیار کیا جاتا ہے، جو کمپنی کی بحالی پر ڈائریکٹر کے یقین کی عکاسی کرتا ہے۔

مستقبل کا آؤٹ لک

ہم کاروبار کی طویل مدتی ترقی کی صلاحیت کے بارے میں ایک مثبت نقطہ نظر رکھتے ہیں، تاہم ہم مختصر مدت میں پاک روپے کی قدر میں کمی، زیادہ افراط زر کی صورت میں کچھ اہم نتائج کی پیش گوئی کر رہے ہیں۔ اس کا اثر مستقبل کے مجموعی نتائج پر پڑ سکتا ہے۔

اعترافات:

ہم اس موقع کو اپنے قابل قدر شیئر ہولڈرز، ملازمین، کلائنٹس، گاہک کا شکریہ ادا کرنے کے لیے استعمال کرتے ہیں، جن کا ہم پر بھروسہ ہے اور کمپنی کی ترقی کو یقینی بنانے میں مسلسل مدد فراہم کرتے ہیں۔ ہمارا عملہ سب سے بڑی طاقت ہے، ہمارے شیئر ہولڈرز وفادار رہے ہیں اور انہوں نے ہمیشہ ہمیں اعتماد دیا ہے اور کمپنی کو بحال کرنے میں ہماری مدد کی ہے۔

ہمارے شیئر ہولڈرز وہ ہیں جنہوں نے ہمیں اعتماد سازی کے اقدامات میں طاقت دی اور ہمیشہ ہمارا ساتھ دیا چاہے اس کے لیے اسپانسرز ان کے مقروض ہوں۔ ہمارے شیئر ہولڈرز ہمارے ہر کام کے لیے بنیادی حیثیت رکھتے ہیں، خاص طور پر ہماری کمپنی کے اندر اور باہر نمایاں تبدیلی کے وقت۔

Karachi:  
Date: July 23, 2025

For and on behalf of the  
Board of Directors



**G.M.Shahid**  
Chief Executive Officer

## **MAHBOOB SHEIKH & Co.** **CHARTERED ACCOUNTANTS**

### **KARACHI OFFICE:**

Dar-ul-Salam, B-6, Block-20, Railway Society

Gulistan-e-Jauhar, Karachi (75290)

**Tel:** 021-34612680, **Mobile:** 0335-1251393

**Email:** asgharimamkhalid@gmail.com

### **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF PROGRESSIVE INSURANCE COMPANY LIMITED**

**ON THE AUDIT OF THE FINANCIAL STATEMENTS OF DECEMBER 31, 2024**

#### **OPINION**


We have audited the annexed financial statements of Progressive Insurance Company Limited (the Company) which comprise the statement of financial position as at December 31, 2024, the statement of profit or loss and other comprehensive Income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof, conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 and the insurance Ordinance, 2000, in the manner so required and respectively give a true and fair view of the state of Company's affairs as of December, 31 2024, the statement of profit or loss and other comprehensive income. the statement of changes in equity the statement of cash flows for the year then ended.

#### **BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **MATERIAL UNCERTAINTY RELATING TO GOING CONCERN**

We draw attention to note 2 to these financial statements which disclose that the Company has not generated any revenue and is reporting recurring losses, and the loss for the year ended on December 31, 2024, amounted to Rs. 12.333 million (Dec 2023. Rs. 8.745 million). Additionally, it describes the matters relating to non-compliances by the Company with the minimum paid-up capital required of Rs. 



500 million as per the Insurance Rule 2017, as a result The insurance license of the Company has been suspended, many years ago. Moreover, the Company has not complied with the Companies Act 2017 requirement for submission of quarterly and half-year financial statements and statement of compliance and regulatory returns with applicable law. Further, the trading of shares of the Company was suspended since June 22, 2009 and the Company's shares were placed on the default counter of Pakistan Stock Exchange (PSX) according to the PSX regulation 5.11 1(b) in this regard

In the prior year's audit report, the auditor had mentioned, quote "The Company has undertaken several steps that include changing the business activity from "General Insurance" to "General Trading and Agriculture application for cancellation of insurance license, proposing to change to the name to "Progressive Trading and Agriculture Company Limited, changing the year end from December to June, intend to increase the authorize share capital and incorporating these changes in the Memorandum and Articles of the Company. But these efforts of the Company are on-hold by the SECP because of winding up petition by the SECP is pending in the High Court for not complying with minimum share capital requirements and other matters. The Company has engaged an advocate to contest the case and he has assured that this is a winning case" unquote. However, at present, this decision is totally changed and the Board intends to revive the company and starts its business as well as commercial activities as and when the Insurance license is renewed which is suspended by SECP and application to this effect if filed before SECP.

Currently, the Company in the process of complying with all of the SECP and PSX regulations and is actively pursuing for obtaining necessary approvals from relevant authorities for removal of its shares from the default counter of the PSX. Additionally, the Directors of the Company have also agreed to provide Interest-free funds to finance the working capital requirements of the Company as and when needed. The Board has appointed a new Chief Executive Officer for taking necessary steps for the revival of business activities. Furthermore, the company has no major liability, except the annual supervision fee which is in dispute with SECP. The Management has committed and confirmed that once this fee is settled, the company will pay it immediately and the management is also planning to convene a Board meeting followed by an Extraordinary General Meeting (EOGM) to seek approval for converting the Director's loan into equity, on completion of all the requirements of SECP. On the basis of the above steps, the Financial Statements are prepared on going concern.

The company has not involved in any business activity since long and also during the year and the company is suspended in Sales Tax and is Inactive in Active Taxpayers' List (Income) issued by Federal Board of Revenue (FBR) which shows the company has not been filing its Tax Returns timely, the expenses incurred for the purpose of maintaining the company in existence are borne by the Director and is credited to loan from directors, hence in this position, we are unable to offer any comments and our audit opinion is modified on the financial statements presented to us for the Audit.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters



## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

## **RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the requirements of Insurance Ordinance, 2000 and Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is responsible for overseeing the Company's financial reporting process.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with BAS OS applicable in Pakistan will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain



audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from error is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern both of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with the board of directors regarding, among other matters, also that we are not on the approved list of auditors of State Bank of Pakistan as well as Audit Oversight Board, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017) and the Insurance Ordinance 2000: and 

## PROGRESSIVE INSURANCE COMPANY LTD.

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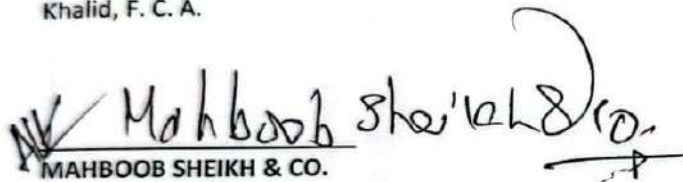
b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statement thereon have been drawn up in conformity with the Companies Act, 2017 (XXI of 2017) and the Insurance Ordinance, 2000. and are in agreement with the books of account and

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the company's business and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980)

In the prior year, the financial statements for the year ended on December 31, 2023 were audited by M/S S. M. Suhail & Co., Chartered Accountants and Mr. S. M. Suhail, F. C. A. was the Engagement Partner.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Asghar Imam Khalid, F. C. A.

  
MAHBOOB SHEIKH & CO.

Chartered Accountants

Karachi

Dated:

UDIN:



## **MAHBOOB SHEIKH & Co.** **CHARTERED ACCOUNTANTS**

### **KARACHI OFFICE:**

Dar-ul-Salam, B-6, Block-20, Railway Society  
Gulistan-e-Jauhar, Karachi (75290)

**Tel:** 021-34612680, **Mobile:** 0335-1251393

**Email:** asgharimamkhalid@gmail.com

### **INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF PROGRESSIVE INSURANCE COMPANY LIMITED**

**ON THE STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE FOR INSURERS, 2016  
AND LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 FOR THE YEAR  
ENDED DECEMBER 31, 2024**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Code of Corporate Governance for Insurers, 2016 prepared by the Board of Directors of Progressive Insurance Company Limited (the Company) for the year ended December 31, 2024, in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Code is that of the Board Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirement of the Code. A review is limited primarily to inquire of the Company's personnel and review of the various documents prepared by the Company to comply with the Code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors statement on internal control covers all risk and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedure and risks.

The Regulations require the Company to place before the Audit Committee and upon recommendation of the Audit Committee place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

We have highlighted the instances of non-compliances with the Regulations below as reflected in the corresponding paragraph reference in the Statement of Compliance. These instances of non-compliances are primarily due to the fact that the Company is not in operation due to suspension of license by the Securities Exchange Commission of Pakistan (SECP).





# PROGRESSIVE INSURANCE COMPANY LTD.

## MAHBOOB SHEIKH & Co. CHARTERED ACCOUNTANTS

### KARACHI OFFICE:

Dar-ul-Salam, B-6, Block-20, Railway Society  
Gulistan-e-Jauhar, Karachi (75290)

Tel: 021-34612680, Mobile: 0335-1251393

Email: asgharimamkhalid@gmail.com

Reference	Description
1	No Annual Statement of compliance with Section 11 & 12 of the Insurance Ordinance 2000 was submitted by the management as per requirement (ixxviii) & (ixxix) of the Code of Corporate governance for Insurer 2016 (The "Code") for the year ended December 31, 2024.
2	No female director is appointed at the board as required by regulation 7 of The regulations.
3	No Independent director is being appointed on the board as required by regulation 6(1) of the Code.
4	The complete records of statutory books and of particulars of the significant policies along with their date of approval or updating is not being maintained by the company.
5	The Company has not prepared a code of conduct as required by the Regulation 10(3) (II) of the Code.
6	The Company has not established a sound system of internal control as required by the regulation 10(3) (II) of the Code
7	The Company has not arranged the Director's training program as required by the regulation 18 of the regulations
8	The Company has not established Underwriting Committee, Claim Statement Committee, Reinsurance and Co-Insurance Committee, HR & Remuneration Committee, Nomination Committee. Ethics Committee and Risk Management Committee
9	The quarterly and half yearly meetings were not held due to the non-existence of the committees stipulated in point 8. Further, the Audit Committee only convened four meetings in order to fulfill the regulatory requirement of holding the last quarterly meeting as per regulation 27 (2)(I) of the Code
10	The Company has not established an effective internal audit function as per the requirements of regulation of Regulation 31(1) of the Code
11	The Company has not appointed an Actuary as per the requirement (IXXIII) of the Code
12	The Company has not prepared an Investment Policy as per the requirement of the Code .I
13	The Company has not established a Risk Management Department as per the requirement of the Code
14	The Company has not set up a Grievance Function as per the requirement of the Code



# PROGRESSIVE INSURANCE COMPANY LTD.

## **MAHBOOB SHEIKH & Co.** **CHARTERED ACCOUNTANTS**

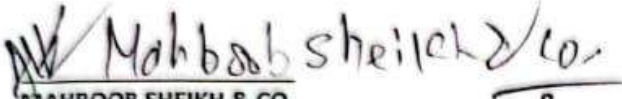
### **KARACHI OFFICE:**

Dar-ul-Salam, B-6, Block-20, Railway Society  
Gulistan-e-Jauhar, Karachi (75290)

**Tel:** 021-34612680, **Mobile:** 0335-1251393

**Email:** asgharimamkhalid@gmail.com

Based on our review, the above instances of non-compliances with the Regulations nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2024.

  
**MAHBOOB SHEIKH & CO.**  
Chartered Accountants  
Karachi

Dated:

UDIN:



# PROGRESSIVE INSURANCE COMPANY LTD.

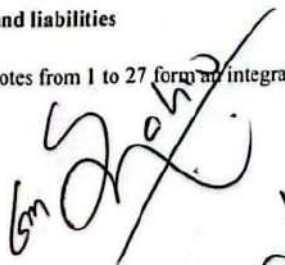
## Progressive Insurance Company Limited

### Statement of Financial Position

As at December 31, 2024

		2024	2023
ASSETS	Note	Rupees	
<b>Non-current assets</b>			
Property and equipment	5	20,714,684	21,786,991
		20,714,684	21,786,991
<b>Current assets</b>			
Investments	6	3,838,740	3,724,902
Long Term Deposits	7	1,000,000	1,000,000
Advance, deposits and other receivables	8	2,847,962	6,367,962
Cash and bank balances	9	19,800	13,109
Non Current Asset held for sale	10	111,500,000	111,500,000
		119,206,502	122,605,973
<b>Total assets</b>		139,921,186	144,392,964
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<i>Authorized capital</i>			
20,000,000 (2023: 20,000,000) ordinary shares of Rs. 10/- each		200,000,000	200,000,000
<b>Issued, subscribed and paid-up capital</b>	11	161,500,000	161,500,000
<b>Revenue reserves</b>			
OCI Reserve		1,756,482	1,642,644
Accumulated Losses		(90,518,697)	(78,185,312)
		72,737,785	84,957,332
<b>Loan from director</b>	12	62,851,223	54,510,933
		135,589,008	139,468,265
<b>Current liabilities</b>			
Other Payables	13	931,423	1,523,943
Unclaimed Dividend		300,755	300,755
<b>Advance against Non-Current Asset held for sale</b>	14	3,100,000	3,100,000
		4,332,178	4,924,698
<b>Contingencies and commitments</b>	15	-	-
<b>Total equity and liabilities</b>		139,921,186	144,392,963

The annexed notes from 1 to 27 form an integral part of these financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

# PROGRESSIVE INSURANCE COMPANY LTD.

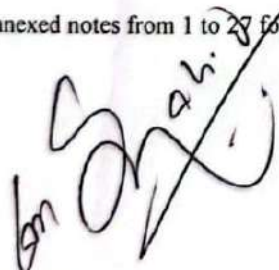
## Progressive Insurance Company Limited

### Statement of Profit and Loss

For the year ended December 31, 2024

	Note	2024 Rupees	2023
Net insurance premium		-	-
Net insurance claims		-	-
Net commission expense		-	-
Insurance claims and acquisition expenses		-	-
Management expenses	16	(12,875,843)	(8,791,694)
Underwriting results		(12,875,843)	(8,791,694)
Investment Income	17	87,677	49,945
Other Income	18	492,520	-
		580,197	49,945
Results from operating activities		(12,295,646)	(8,741,749)
Finance costs	19	(37,739)	(3,507)
Loss before tax		(12,333,385)	(8,745,256)
Taxation		-	-
Loss after taxation		(12,333,385)	(8,745,256)
Loss per share - basic and diluted		(0.76)	(0.54)

The annexed notes from 1 to 28 form an integral part of these financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer



# PROGRESSIVE INSURANCE COMPANY LTD.

## Progressive Insurance Company Limited

### Statement of Comprehensive Income

For the year ended December 31, 2024

	2024	2023
	<u>Rupees</u>	
Loss after taxation	(12,333,385)	(8,745,256)
<b>Other comprehensive income</b>		
Unrealized gain / (loss) on NIT units	69,300	215,600
Unrealized gain / (loss) on Equity Investments	44,538	35,987
	113,838	251,587
<b>Total comprehensive loss for the year</b>	<u>(12,219,547)</u>	<u>(8,493,669)</u>

The annexed notes from 1 to 27 form an integral part of these financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

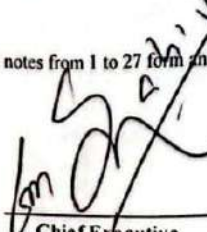
# PROGRESSIVE INSURANCE COMPANY LTD.

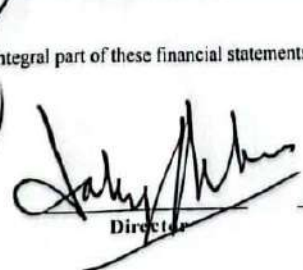
## Progressive Insurance Company Limited


### Statement of Changes in Equity For the year ended December 31, 2024

	Issued, subscribed and paid up capital	Loan from Director	Unrealized gain / (loss) on investments	Unappropriated profits	Total
	Rupees				
Balance as at December 31, 2022	161,500,000	24,818,384	1,391,057	(69,440,056)	118,269,385
Total comprehensive income for the year ended December 31, 2023					
Profit / (loss) after taxation	-	-	-	(8,745,256)	(8,745,256)
Other comprehensive income / (loss)	-	-	251,587	-	251,587
	-	-	251,587	(8,745,256)	(8,493,669)
Transaction with owners					
Loan received from director during the year		29,692,549	-	-	29,692,549
Balance as at December 31, 2023	161,500,000	54,510,933	1,642,644	(78,185,312)	139,468,265
Balance as at December 31, 2023	161,500,000	54,510,933	1,642,644	(78,185,312)	139,468,265
Total comprehensive income for the half year ended December 31, 2024					
Profit / (loss) after taxation	-	-	-	(12,333,385)	(12,333,385)
Other comprehensive income / (loss)	-	-	113,838	-	113,838
	-	-	113,838	(12,333,385)	(12,219,547)
Transaction with owners during the year					
Loan received from director	-	11,465,290	-	-	11,465,290
Loan repaid to director	-	(3,125,000)	-	-	(3,125,000)
Balance as at December 31, 2024	161,500,000	62,851,223	1,756,482	(90,518,697)	135,589,008

The annexed notes from 1 to 27 form an integral part of these financial statements.

  
 Chief Executive

  
 Director

  
 Chief Financial Officer



# PROGRESSIVE INSURANCE COMPANY LTD.

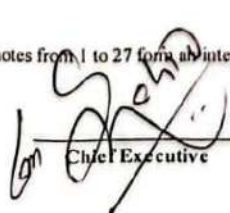
## Progressive Insurance Company Limited

### Statement of Cash Flows

For the year ended December 31, 2024

	December 31, 2024	December 31, 2023
	Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>OPERATING CASHFLOWS</b>		
a) Underwriting activities		
Insurance premium received	-	-
Reinsurance premium paid	-	-
Claims paid	-	-
Reinsurance and other recoveries received	-	-
Commission paid	-	-
Commission received	-	-
Management expenses paid	-	-
Net cash flow generated from underwriting activities	-	-
b) Other operating activities		
Income tax paid	-	-
General management expenses paid	(12,357,057)	(7,234,406)
Other operating payments	-	-
Finance costs	(37,739)	(3,507)
Settlement discount	492,520	-
Other operating receipts	3,520,000	-
Other payment on operating assets	-	(131,494)
Other receipts on operating assets	-	-
Net cash flow used in other operating activities	(8,382,276)	(7,369,407)
Total cash flow generated from all operating activities	(8,382,276)	(7,369,407)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Profit/return received	-	3,395
Dividend received	87,677	46,550
Rentals received	-	-
Payment for investments / investment properties	-	-
Proceeds from investments / investment properties	-	-
Fixed capital expenditures	(39,000)	-
Total cash flow generated from investing activities	48,677	49,945
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loans received/repaid to director - net	8,340,290	7,127,549
Total cash flow used in financing activities	8,340,290	7,127,549
Net cash flow (used in) / generated from all activities	6,691	(191,913)
Cash and cash equivalents at the beginning of year	13,109	205,022
Cash and cash equivalents at the end of year	19,800	13,109
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	(8,382,276)	(7,369,407)
Depreciation expense	(1,111,307)	(1,171,027)
Increase/(Decrease) in assets other than cash	(3,520,000)	128,843
(Increase)/Decrease in liabilities other than director's loan	592,520	(383,610)
Markup on deposits	-	3,395
Dividend income	87,677	46,550
Loss after taxation	(12,333,386)	(8,745,256)

The annexed notes from 1 to 27 form an integral part of these financial statements

  
Chief Executive

  
Director

  
Chief Financial Officer

# PROGRESSIVE INSURANCE COMPANY LTD.

## Progressive Insurance Company Limited

### Notes to the Financial Statements

For the year ended December 31, 2024

#### 1. INTRODUCTION

##### 1.1 Legal status of the company

Progressive Insurance Company Limited ('the Company') was incorporated in Pakistan as a public limited company in 1987 under the repealed Companies Ordinance, 1984 (now Companies Act 2017). The Company's shares are quoted on Pakistan Stock Exchange.

##### 1.2 Location of the registered office

Particular	Location	Address
Registered office	Karachi	Room 505-507, 5th Floor, Japan Plaza, M.A. Jinnah Road, Karachi.

##### 1.3 Principal business activity

The principal activity of the Company is to provide non-life insurance services for fire, marine, motor, and miscellaneous classes.

#### 2. Material Uncertainty relating to Going Concern

The Company cannot undertake any new insurance business as the Company does not meet the minimum paid-up capital required of Rs. 500 million net off any discount offered on issue of shares as required under clause 11 of the Insurance Rule 2017. As a result of this, the insurance license of the Company has been suspended, many years ago.

Further, the trading of shares of the Company was suspended and the Company's shares were placed on the default counter of Pakistan Stock Exchange ("PSX"), according to the PSX regulation 5.11.1(b) in this regard.

The Company has not generated any revenue and is reporting recurring losses and the loss for the year ended on December 31, 2024, amounted to Rs. 12.333 million (Dec 2023: Rs. 8.745 million).

The above-stated conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

However, the management of the company is striving to improve the position of the company. The Company, has undertaken several steps that include complete regulatory compliance.

Since the license of the company has not been canceled, and the Court order dated 12th November 2015 as quoted as the petitioner M/s. Progressive Insurance Company Limited has made an application to this court under order No. 39 rules 1/2 read 151 C.P.C (C.M.A 245/2015) praying to direct respondent (SECP) to allow petitioner continue business as per business plan and also direct the respondent (SECP) not to disturb smooth work/business of the petitioner unquoted" depicts and clarify that the Company can do business but since the license is suspended the Management decided not to underwrite any business till the suspension is lifted/restored and the Company has already filed a contempt proceeding against SECP and decision is pending with SECP and the Court. The Company is a "Going Concern" as all the expenses including salaries, overheads, annual supervision fee, the PSX fee, CDC fee, and all other running expenses are being met through the sponsor interest free loan for several years. As long as all the payment are made and there is no liabilities at all, as the Company is fulfilling all obligations, therefore, in our opinion the Company is a Going Concern.

Currently, the Company is in the process of complying with all of the SECP and PSX regulations and is actively pursuing for obtaining necessary approvals from relevant authorities for removal of its shares from default counter of the PSX. Additionally, the Directors has been graciously supporting the Company by extending loans to meet recurring loans to meet recurring payments, ensuring the Company's continuity and operations. On the basis of above steps, financial statements is prepared on Going Concern.





## 3. BASIS OF PREPARATION

These financial statements have been prepared in line with the format of financial statements issued by the Securities and Exchange Commission of Pakistan (SECP) through Securities and Commission (Insurance) Rules, 2002 [SEC (Insurance) Rules, 2002], vide S.R.O. 938 dated December 12, 2002, with appropriate modifications based on the advice of the Shariah Board of the Company. Furthermore, the guidelines issued by the Institute of Chartered Accountants of Pakistan (ICAP) vide its circular no. 3 / 2017 dated February 7, 2017 in respect of companies that are not considered going concern for recognition and measurement of assets and liabilities, have also been applied.

These financial statements reflect the financial position and results of operations of both, the Company, and the PTF, in a manner that the assets, liabilities, income and expenses of the Company, and of PTF, remain separately identifiable. For this purpose, any receivables and payables between the Company and, the PTF have been eliminated.

### 3.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017, 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, 2002 have been prevailed.

### 3.2 Use of estimates and judgements

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of the assets and liabilities that are not readily apparent, from the other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed, on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 3.3 Basis of measurement

The financial statements have been prepared under the historical cost bases except for the available-for-sale investments that have been measured at fair value.

### 3.4 Functional and presentation currency

These financial statements have been prepared and presented in Pakistani Rupees, which is the Company's functional and presentation currency.

### 3.5 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been stated in these financial statements.

## 4. Summary of Significant Accounting Policies

The significant accounting policies adopted in preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated changes in the relevant financial statements.

## 4.1 Operating assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged over the estimated useful life of the asset on a systematic basis to income applying the reducing balance method at the rates specified in note 7 to the financial statements, after taking into account residual value.

Depreciation on additions is charged from the month in which the asset is put to use whereas no depreciation is charged in the month the asset is disposed off.

Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is possible that the future economic benefits associated with the items will flow to the company and the cost of the item can be measured reliably. Maintenance and normal repairs are charged to the statement of profit and loss currently.

An item of tangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss in the year the asset is derecognized.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## 4.2 Impairment

The carrying amount of assets are reviewed at each reporting period to determine whether there is any indication of impairment of any assets or group of assets. If any such indication exists, the recoverable amount of such assets is estimated and impairment losses are recognized immediately in the financial statements. The resulting impairment loss is taken to statement of profit and loss except for impairment loss on revalued assets, which is adjusted against related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset.

An impairment loss is reversed (except for impairment loss relating to goodwill), if there has been a change in the estimate used to determine the recoverable amount. Such reversals are only made to the extent that the asset's carrying amount does not exceed the amount that would have been determined if no impairment loss had been recognized.

In accordance with the Company's policy, an allowance for doubtful accounts is established to account for the potential impairment of receivables. The provision for impairment is recognized based on an assessment of the likelihood of recovery of the outstanding balance. In cases where the Company determines that it is improbable that the receivable will be collected, the allowance for impairment is written off as an expense.

## 4.3 Financial instruments

Financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized when the contractual right to receive future cash flows from the asset expire or is transferred along with the risk and reward of the asset. Financial liabilities are de-recognized when obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial asset and liabilities is recognized in the statement of profit and loss of the current year.

# PROGRESSIVE INSURANCE COMPANY LTD.

## 4.4 Investments

All investments are initially recognized at cost being the fair value of the consideration given and include transaction costs, except for held for trading investments in which case transaction costs are charged to statement of profit and loss.

All investments are initially recognized at cost being the fair value of the consideration given and include transaction costs, except for held for trading investments in which case transaction costs are charged to statement of profit and loss.

Investments are recognized and classified as follows:

- Investments at 'fair value through profit or loss'
- Held to maturity
- Loans and receivables
- Available for sale

## 5. Property and equipment

	Building	Office Equipment	Furniture and Fixtures	Air Conditioner	Motor Vehicles	Total
<i>Note</i>						
(Rupees)						
As at 1 January 2023						
Cost	-	1,435,771	1,497,096	324,860	2,642,053	5,899,780
Accumulated depreciation	-	(1,186,388)	(1,379,680)	(312,265)	(2,628,429)	(5,506,762)
Net book value	-	249,383	117,416	12,595	13,624	393,018
Additions during the year	22,550,000	15,000	-	-	-	22,565,000
	22,550,000	264,383	117,416	12,595	13,624	22,958,018
Depreciation charge	(1,127,500)	(26,439)	(11,742)	(1,259)	(4,087)	(1,171,027)
Closing net book value	21,422,500	237,944	105,674	11,336	9,537	21,786,991
As at 31 December 2023						
Cost	22,550,000	1,450,771	1,497,096	324,860	2,642,053	28,464,780
Accumulated depreciation	(1,127,500)	(1,212,827)	(1,391,422)	(313,524)	(2,632,516)	(6,677,789)
	21,422,500	237,944	105,674	11,336	9,537	21,786,991
Movement during the year ended December 31, 2024						
Opening net book value	21,422,500	237,944	105,674	11,336	9,537	21,786,991
Additions during the year	-	-	39,000	-	-	39,000
Depreciation for the year	(1,071,125)	(23,794)	(12,392)	(1,135)	(2,861)	(1,111,307)
Reclassification						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Disposal						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Closing net book value	20,351,375	214,150	132,282	10,201	6,676	20,714,684
As at December 31, 2024						
Cost	22,550,000	1,450,771	1,536,096	324,860	2,642,053	28,503,780
Accumulated depreciation	(2,198,625)	(1,236,621)	(1,403,814)	(314,659)	(2,635,377)	(7,789,096)
Net book value	20,351,375	214,150	132,282	10,201	6,676	20,714,684
Depreciation rates (% per annum)	5	10	10	10	30	

*Note* December 31, 2024 December 31, 2023  
Rupees

## 6. Investments

Investment in quoted securities  
Investment in NIT Units  
Investment in Term Deposits  
Total Investment

6.1	210,490	165,952
6.2	2,378,250	2,308,950
6.3	1,250,000	1,250,000
	<u>3,838,740</u>	<u>3,724,902</u>



# PROGRESSIVE INSURANCE COMPANY LTD.

## 6.1 Investment in quoted securities

Investee company	Number of Shares		Market Value per Share		Total Market Value	
	2024	2023	2024	2023	2024	2023
Sui Southern Gas Company Limited	297	297	48.96	11.33	14,541	3,365
SAMBA Bank Ltd	74	74	9.25	10.59	685	784
Bank of Punjab Limited	2,103	2,103	10.81	6.48	22,733	13,627
K Electricity Corporation Limited	477	477	5.6	5.26	2,671	2,509
Suraj Cotton Limited	17	17	137.58	124.88	2,339	2,123
OLP Modaraba	359	359	16.23	12.21	5,827	4,383
HBL growth fund - Class A	500	500	11.43	8.48	5,715	4,240
HBL growth fund - Class B segment	500	500	34.887	19.10	17,444	9,549
DG Khan Cement Limited	375	375	104.92	77.40	39,345	29,025
Nirala MSR Foods Limited	2,000	2,000	0	-	-	-
Ghani Global Limited	165	165	16.73	11.21	2,760	1,850
Ghani Chemical Industries Limited	306	306	18.64	11.66	5,704	3,568
Silk Bank Limited	8,673	8,673	1.02	1.09	8,846	9,454
Saudi Pak Leasing Company Limited	2,000	2,000	0	-	-	-
Treet Corporation Limited	1,000	1,000	14.36	18.62	14,360	18,620
Escort Investment Bank	3,000	3,000	5.05	4.72	15,150	14,160
Engro Power Gen Qadirpur	1,000	1,000	26.72	31.92	26,720	31,920
Ghandhara Tyre And Rubber Co.Ltd	500	500	51.3	33.55	25,650	16,775
<b>TOTAL</b>	<b>23,346</b>	<b>23,346</b>			<b>210,490</b>	<b>165,952</b>

The increase/decrease in Market value of Share scripts has been mentioned OCI Reserve.

## 6.2 Investment in NIT Units

Mutual Funds Category	Number of Units		Market Value per Share		Total Market Value	
	2024	2023	2024	2023	2024	2023
NIT Units	35,000	35,000	67.95	65.97	2,378,250	2,308,950
	<b>35,000</b>	<b>35,000</b>			<b>2,378,250</b>	<b>2,308,950</b>

The increase/decrease in Market value of Share scripts has been mentioned OCI Reserve.

## 6.3 Investment in Term Deposits

	2024	2023
Bank of Khyber Limited	250,000	250,000
United Bank Limited	1,000,000	1,000,000
	<b>1,250,000</b>	<b>1,250,000</b>

### 6.3.1 The term deposits carry markup at rates ranging from 10% - 12%.

## 7. Long Term Deposits

Statutory deposit in State Bank of Pakistan	1,000,000	1,000,000
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## 8. Advance, deposits and other receivables

	2024	2023
Advance Tax	526,748	526,748
Accrued Investment Income	194,026	194,026
Advance to employees	44,000	64,000
Advances	2,012,000	5,512,000
Other Receivables	3,694	3,694
Prepaid Insurance	67,494	67,494
	<b>2,847,962</b>	<b>6,367,962</b>

### 8.1 Advances

This represents an amount of Rs. 5.512 million (Dec 2023) given as advances against the purchase of properties. However, the deals not yet materialized and the parties refunded Rs. 3.5 million during the current year and remaining amount is outstanding from the parties.

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# PROGRESSIVE INSURANCE COMPANY LTD.

9.	<b>Cash and bank balances</b>	<b>2024</b>	<b>2023</b>
	Cash in hand	-	11,288
	Cash at bank	19,800	1,821
		<u>19,800</u>	<u>13,109</u>

10. **Non Current Asset held for sale**

Description of Non-Current Assets	Carrying Value	Fair Value Less Cost to Sell	Lower of: - Carrying Value; OR - Fair Value less Cost to Sell
Property (Note 10.1)	111,500,000	120,000,000	111,500,000
Total Non-Current Assets held for Sale			<u>111,500,000</u>

- 10.1. On December 23, 2020, the Company entered into a contractual agreement with Mr. Ghulam Nabi Gandro, an individual party, for the sale of its property located at Mirpur Sakro, Thatta. The property spans 999 acres and was sold for a total consideration of Rs. 120 million, whereas its carrying value was recorded at Rs. 111.5 million. The payment terms stipulated in the agreement allowed for the total consideration to be received over a period of two years. However, due to unforeseen circumstances, the Company has only received a partial payment of Rs. 3.1 million to date. The Company expects to receive the remaining balance in the next financial year.

	<b>2024</b>	<b>2023</b>
	----- Rupees -----	
11. <b>Issued, subscribed and paid-up capital</b>		
5,000,000 Ordinary Shares of Rs. 10/- each fully paid in cash	50,000,000	50,000,000
11,150,000 Ordinary Shares of Rs. 10/- each fully paid in kind	111,500,000	111,500,000
	<u>161,500,000</u>	<u>161,500,000</u>

12. **Loan from director**

Interest free loan (unsecured)	12.1	62,851,223	54,510,933
--------------------------------	------	------------	------------

- 12.1 The loan represents funds received from the director, Mr. S. Sabur Rehman, in the form of both cash and in-kind contributions, provided to support the company's day-to-day operational expenditures.

In accordance with the guidance issued by the Institute of Chartered Accountants of Pakistan (ICAP) through a Technical Release i.e. TR-32, where a loan from a director is repayable at the discretion of the entity, such an arrangement does not meet the definition of a financial liability. Accordingly, the amount has been classified as equity at face value, and is not subject to subsequent remeasurement.

Any future decision by the company to repay this amount through cash or other financial assets will be accounted for as a direct debit to equity.

The company, subject to the approval of the Securities and Exchange Commission of Pakistan (SECP), intends to settle this amount through the issuance of shares to Mr. Sabur Rehman, other than by way of rights issue.

	<b>2024</b>	<b>2023</b>
Note	----- Rupees -----	
13. <b>Other Payables</b>		
Accrued Expenses	153,050	153,050
Audit Fee Payable	400,000	594,000
Professional Fee Payable	-	398,520
Other Creditors - Controllor Insurance	378,373	378,373
	<u>931,423</u>	<u>1,523,943</u>

# PROGRESSIVE INSURANCE COMPANY LTD.

## 14. Advance against Non-Current Asset held for sale

Advance against sale of property	14.1	3,100,000	3,100,000
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### 14.1 The Company received an advance of Rs. 3.1 million from Mr. Ghulam Nabi Ghandaro against the proposed sale of its property located in Thatta. However, the buyer failed to fulfill the remaining payment obligations, and the transaction is yet to proceed to completion.

The deal is currently under mutual discussion for formal closure and settlement of the advance received. The amount is recorded as a liability until final resolution.

## 15. CONTINGENCIES AND COMMITMENTS

In addition to the litigations as disclosed in Note 2 to the financial statements, following are the Contingent Assets of the company.

		2024	2023
	Note	Rupees	
Contingent Asset	15.1	200,000,000	-

### 15.1 This Contingent Asset Pertains to a property bearing No. Plot No. 26-D East, situated at civic centre Jinnah Avenue F-6, G/6, Blue Area Islamabad, owned by Progressive Insurance Co. Ltd is under litigation.

## 16. Management expenses

		2024	2023
	Note	Rupees	
Salaries, allowances and benefits		5,373,340	2,108,751
Utilities and Communication		421,174	317,532
Auditors' remuneration	16.1	400,000	393,825
Advertisement		-	13,294
Depreciation		1,111,306	1,171,026
Conveyance		1,094,240	115,350
Repair and maintenance		253,130	1,065,280
Website maintenance		-	50,000
Legal and professional charges		927,360	886,365
Printing and stationery		7,990	42,384
Entertainment		220,899	246,498
Security charges		-	213,000
Travelling		1,841,013	957,370
Fuel		759,495	963,277
Internet charges		-	32,922
Donation		10,200	10,000
Miscellaneous		160,260	158,551
Insurance		-	46,269
Postage and Courier Charges		45,436	-
Fees and Subscription		250,000	-
		<u>12,875,843</u>	<u>8,791,694</u>
		2024	2023

Note ----- Rupees -----

### 16.1 Auditors' remuneration

Annual Audit Fee	200,000	250,000
Interim Review Fee	130,000	95,000
Out of Pocket Expenses	40,000	21,225
Sindh Sales Tax @ 15%	30,000	27,600
	<u>400,000</u>	<u>393,825</u>



# PROGRESSIVE INSURANCE COMPANY LTD.

## 17. Investment Income

Dividend Income from Investments	17.1	87,677	46,556
Profit on deposits		-	3,393
		<u>87,677</u>	<u>49,949</u>

## 17.1 Dividend Income from Investments

Dividend from equity securities	9,277	46,556
Profit from NIT units	<u>78,400</u>	-
	<u>87,677</u>	<u>46,556</u>

## 18. Other Income

Settlement discount	<u>492,520</u>	-
	<u>492,520</u>	-

## 19. Finance costs

Bank Charges	<u>37,739</u>	<u>3,507</u>
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## 20. Remuneration of Chief Executive and Directors

The Chief Executive, Directors and other Executives, have been performing voluntary services and no remuneration has been paid to them in current and previous year.

## 21. Related Party Transactions

Related parties comprise related group companies, associates, Directors, staff retirement funds, and key management personnel. The Company in the normal course of the business carried out transactions with various related parties. During the year ended on December 31, 2024, there were no related party transactions, except as disclosed below.

Name of the related party	Particulars	2024	2023
		———— Rupees ————	
	<i>Transactions during the year</i>		
	Loan repayment during the year	3,125,000	-
	Loan obtained during the year	8,575,900	7,142,549
	Property acquired	-	22,550,000
	<i>Balances as at the year end</i>		
	Loan payable	62,851,223	54,510,933
	<i>Transactions during the year</i>		
	Loan recovered during the year	3,500,000	-
	<i>Balances as at the year end</i>		
	Loan receivable	2,012,000	5,512,000

Mr. S. Sabur Rehman  
(Chief executive)

Pearl Air Limited  
(Associated Company)

*AK*



## 22. Management Of Insurance And Financial Risk

The Company is exposed to various insurance and financial risks as part of its operations. However, given its relatively short time in business, these risks have not yet materialized. To mitigate any potential negative impact on the Company's financial performance, its risk management program focuses solely on relevant financial markets. The risks arising from the Company's financial assets and liabilities are also limited. The Company consistently manages its financial exposure in a manner consistent with previous periods, as described in the notes below.

The Board of Directors bears ultimate responsibility for establishing and overseeing the Company's risk management framework. This includes developing policies aimed at managing risk effectively.

### 22.1 Insurance Risk

The Company issues insurance contract which are classified in the following segments.

- Fire and property damage
- Marine, aviation and transport
- Motor
- Miscellaneous

The basic risk that the company faces under these contracts is that the actual claims payments or timing thereof, differs from expectation. This is influenced by the frequency of claims, severity of claims and subsequent development of claims. However, as explained in Note 2, the company cannot undertake any insurance business as the Company does not meet the minimum paid-up capital requirement, therefore, the insurance risk is currently Nil.

### 22.2 Financial Risk

The Board of Director of the company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from use of financial instruments.

- Liquidity risk
- Credit risk
- Market risk

#### 22.2.1 Liquidity Risk

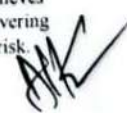
Liquidity risk refers to the potential that a company may experience challenges in meeting its financial obligations as they become due. Effective liquidity risk management practices necessitate maintaining adequate cash and marketable securities, as well as ensuring access to adequate funds through committed credit facilities. To minimize risk, the company finances its operations through equity and working capital while preserving an

The management is committed to implementing an effective cash management system, which facilitates the company's ability to maintain adequate liquidity levels. By monitoring cash flows, identifying potential liquidity challenges, and taking proactive steps to mitigate risks, the company aims to safeguard its ability to meet financial obligations as they arise.

#### 22.2.2 Credit Risk

Credit risk is a significant risk factor that arises when one party involved in a financial instrument fails to meet their obligation, potentially causing financial losses for the other party. The Company recognizes the importance of managing credit risk effectively and employs several strategies to mitigate it, including closely monitoring credit exposure, conducting transactions with a diversified pool of counterparties across various sectors, and continuously evaluating the creditworthiness of counterparties to ensure they meet the established standards. By implementing these measures, the Company aims to maintain a robust credit risk management framework that mitigates potential losses and enables it to continue conducting business operations with confidence.

Concentration of credit risk arises when several counterparties share similar business activities, and any change in economic, political, or other conditions could affect their ability to meet contractual obligations in the same way. The Company recognizes this risk and takes proactive steps to manage its credit risk exposure effectively. The Company's credit risk exposure is not significantly different from that reflected in its financial statements. The management monitors and limits the Company's exposure to concentration of credit risk and maintains conservative estimates of provisions for doubtful assets, if any. Based on its assessment, the management believes that the Company's financial assets are adequately diversified among entities of sound financial standing, covering various industrial sectors, as noted in note 6, and that it is not exposed to significant concentration of credit risk.



# PROGRESSIVE INSURANCE COMPANY LTD.

## 22.2.3 Market Risk

Market risk refers to the possibility that the value of financial instruments held by an organization may experience fluctuations due to changes in market prices. These fluctuations may arise from factors specific to individual securities or issuers, or from general market trends affecting all traded securities. The organization under consideration is exposed to equity price risk, which arises from changes in the levels of the PSX-Index and the value of individual shares.

## 23. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

The Company measures fair value of its assets and liabilities using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 : Quoted market price (unadjusted) in an active market.

Level 2 : Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

Fair values of financial assets that are traded in active markets are based on quoted market prices. As of the reporting date, the Company did not have any other financial instruments that required any valuation technique for their measurement.

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

June 30, 2024	Level 1	Level 2	Level 3	Total
	Rupees			
<i>Financial assets measured at fair value</i>				
Short term investments	3,838,740	-	-	3,838,740

June 30, 2023	Level 1	Level 2	Level 3	Total
	Rupees			
<i>Financial assets measured at fair value</i>				
Short term investments	3,724,902	-	-	3,724,902

24. NUMBER OF EMPLOYEES	2024	2023
	Number	
Total employees of the Company at the year end	9	7
Average employees of the Company during the year	8	7

## 25. CORRESPONDING FIGURES

Corresponding figures have been re-arranged or reclassified wherever necessary for better presentation and disclosure. There is no material reclassification to report in the financial statements.

## 26. GENERAL

Figures have been rounded off to the nearest of a Pakistani Rupee.

## 27. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors meeting held on





Chief Executive      Director      Chief Financial Officer

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**PROGRESSIVE INSURANCE COMPANY LTD.**

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**PATTERN OF SHARE HOLDING AS AT 31-03-2024**

<b>NUMBER OF SHARE HOLDER</b>	<b>SHARE HOLDINGS</b>		<b>TOTAL SHARE HELD</b>
151	1	100	13,572
200	101	500	87,900
158	501	1000	155,895
249	1001	5000	745,800
69	5001	10000	558,250
29	10001	15000	364,883
14	15001	20000	261,000
10	20001	25000	244,000
5	25001	30000	138,800
3	30001	35000	99,500
7	35001	40000	269,500
1	40001	45000	42,000
1	55001	60000	57,000
1	60001	65000	64,500
2	65001	70000	132,700
1	95001	100000	100,000
1	120001	125000	125,000
1	135001	140000	140,000
1	145001	150000	150,000
1	165001	170000	166,400
1	180001	185000	185,000
1	500001	505000	505,000
1	975001	980000	978,000
1	2900001	2905000	2,902,000
1	7660001	7665000	7,663,300
<b>914</b>			<b>16,150,000</b>



# PROGRESSIVE INSURANCE COMPANY LTD.

## PROGRESSIVE INSURANCE COMPANY LIMITED

CATEGORIES OF SHARE CERTIFICATE HOLDING AS ON 31-12-2024

	NO. OF SHARE HOLDING	NO OF SHARE HOLDERS	PERCENTAG E %
<u>ASSOCIATED COMPANIES</u>			
<u>UNDERTAKING &amp; RELATED PARTIES</u>	1	978,000	6.06%
<u>PAKISTAN INDUSTRIES &amp; COMMERCIAL LEASING COMPANY LTD.</u>			
<u>DIRECTORS, C.E.O. THEIR SPOUSE AND CHIL</u>	7	10,053,300	62.25%
Mr. Abdul Haleem	500		
Miauddin Abdus Shaafi	500		
Mr. Asim Anwer	500		
Muhammad Abdul Wahab	500		
Muhammad Haroon	500		
Om Parash	500		
<u>Chief Executive Officer/Director</u>			
SYED SABUR REHMAN	10,050,300		
<u>BANKS DEVELOPMENT FINANCIAL INSTITUTIONS</u>			
<u>NON BANKING FINANCIAL INSTITUTIONS, INSURANCE</u>			
<u>COMPANIES, MODARABAS &amp; MUTUAL FUNDS</u>	3	29,500	0.18%
Bank AL-Falah Ltd.	6,500		
First Dawood Investmetn Bank Ltd.	3,000		
Escort Investment Bank Ltd.	20,000		
<u>SHAREHOLDING TEN PERCENT OR MORE VOTING</u>			
<u>INTEREST IN THE LISTED COMPANIES</u>			
<u>MR. SABUR REHMAN</u>			
<u>INDIVIDUAL</u>	879	3,876,700	24.00%
<u>OTHER CORPORATE SHAREHOLDERS</u>	24	1,212,500	7.51%
	914	16,150,000	100%

# PROGRESSIVE INSURANCE COMPANY LTD.

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## FORM OF PROXY

I/We \_\_\_\_\_  
Of \_\_\_\_\_ Being  
a shareholder of Progressive Insurance Company Limited do hereby appoint  
\_\_\_\_\_ of \_\_\_\_\_ also a share  
holder of the said Company, to be my proxy and to vote for me at the Annual General  
Meeting of the Company to be held on the April 28, 2023 and at any adjournment thereof in  
the same manner as I/We myself/ourselves would vote if personally present at such  
meeting.

As witness my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

Signature \_\_\_\_\_

CNIC No: \_\_\_\_\_

Number of shares held \_\_\_\_\_

Folio No/ Id No: \_\_\_\_\_

Witness: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

### Important Note:

- 1 This form of Proxy, duly completed, must be deposited with registered office 505-507, 5<sup>th</sup> Floor, Japan Plaza, M.A Jinnah Road Karachi.
  - 2 CDC Shareholders and their Proxies are each requested to attach attested photocopy of their National Identity Card or Passport with this proxy from before submission to the Company.
  - 3 No person shall act as proxy unless he/she is a member of the Company.
  - 4 CDC Shareholders or their Proxies are requested to bring with them their original National Identity Card or Passport along with the Participant's ID number and their account number at the time of attending the Annual General Meeting in order to facilitate their identification.
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# PROGRESSIVE INSURANCE COMPANY LTD.

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Office No. 505-507 , 5<sup>th</sup> Floor, Japan Plaza M.A Jinnah Road Karachi  
Tel: 021-32712551