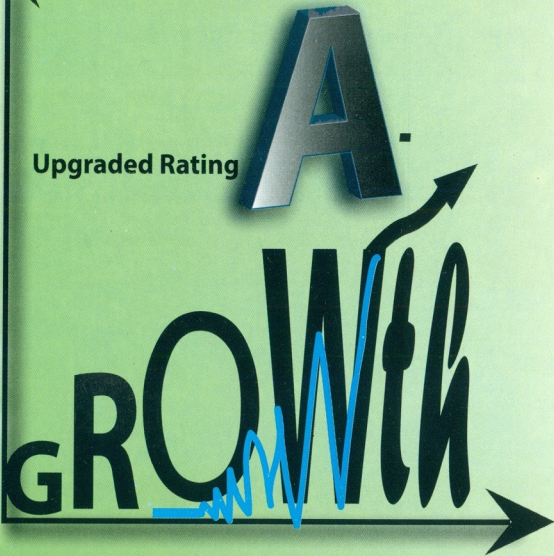


**Half Yearly Report  
June 2015  
(Un-Audited)**

**Paid up Capital Premium Clients HR**



**Crescent Star Insurance Limited**

(Formerly: The Crescent Star Insurance Company Limited)

ESDT 1957

*Nationwide Branch Network*

MOTOR

HEALTH

FIRE

MARINE

ENGG

TRAVEL

LIVESTOCK

CROP

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## Company Vision

- To serve with excellence.
- Excellence achieved through our corporate mission.
- The brand name of CSI with a vision to expand with prudent approach and provide the Insurance Service to Pakistan Industry on sound footing.

## Company Mission

- First and foremost to secure the interest of our policy holders by adopting proper risk management techniques, prudent financial planning and maintaining reinsurance arrangements with world-class reinsurers.
- To ensure profitability to our reinsurers who afford us underwriting capacity.
- To recognize human resources as the key element in progress and to provide our officers and field force due recompense for their efforts in building up the company.
- To generate operational profits and dividend return for our shareholders of the Company.

## Values

- Integrity
- Transparency
- Passion
- Team Work
- Corporate Social Responsibility

## Company Information

|                                     |  |
|-------------------------------------|--|
| Board of Directors                  | Mr. Naim Anwar (Managing Director & CEO)<br>Mr. Sakib Berjees<br>Mr. Mudassar Zubair Mirza<br>Syed Adnan Ali Zaidi<br>Syed Abid Raza<br>Mr. Jehangir Bashir Nawaz<br>Mr. Hanif Daud  |
| Managing Director & Chief Executive | Mr. Naim Anwar   |
| Management                          | Mr. Naim Anwar (Managing Director & CEO)<br>Mr. Akbar Naqi Zaidi (Advisor to Managing Director)<br>Mr. Kashif Naeem (Executive Director)<br>Mr. M. Omar Zubair (General Manager Operations)<br>Mr. Malik Mehdi Muhammad (CFO)<br>Mr. Aamir Ahmed (Head of Sales)<br>Syed Danish Hasan Rizvi (Head of Internal Audit)<br>Engr. Ehteshamul Haq Malik (General Manager) |
| Board Audit Committee               | Mr. Mudassar Zubair Mirza (Chairman)<br>Syed Adnan Ali Zaidi   |
| Board H.R.&Remuneration Committee   | Mr. Mudassar Zubair Mirza (Chairman)<br>Mr. Naim Anwar   |
| Board Investment Committee          | Syed Adnan Ali Zaidi (Chairman)<br>Mr. Naim Anwar<br>Mr. Mudassar Zubair Mirza   |
| Company Secretary                   | Mr. Khuzaima Hakimi  |
| C F O                               | Mr. Malik Mehdi Muhammad   |
| Auditors                            | Rahman Sarfarz Rahim Iqbal Rafiq<br>Chartered Accountants  |
| Legal Advisor                       | Jameel Khan  |
| Bankers                             | United Bank Limited<br>Faysal Bank Limited<br>Habib Bank Limited   |
| Share Registrar                     | MG Associates Private Limited<br>2, Mustafa Avenue, F/4, Block-9<br>Behind "The Forum", Clifton, Karachi<br>Tel #: 35877806-09 Fax #: 35877810   |
| Registered & Head Officer           | 2 <sup>nd</sup> Floor, Nadir House<br>I.I. Chundrigar Road<br>P.O.BOX No. 4616, Karachi  |



## Directors' Review

On behalf of the Board of Directors, I am pleased to present to you the un-audited financial statements for the six months ended 30 June 2015.

### General Review

The gross premium written for the six months has been at Rs.163.637 million as compared to Rs. 164.858 million for the corresponding figures last year which is 0.74% lesser than the previous year. The net premium for the half year has been recorded as Rs.125.683 million against Rs. 34.703 million of the corresponding period. The increase in net premium stands at 262% which is a substantial increase. Profit after tax was up by 156% as compared to the corresponding period last year due to increase in net premium revenue. Earnings per share stood at Rs. 0.18.

### Performance Highlights

The comparative financial highlights for the six months ended 30 June 2015 and 2014 are presented below:-

| Rupees in millions (except for EPS) | 30June  | 30June   | Increase / (Decrease) |        |
|-------------------------------------|---------|----------|-----------------------|--------|
|                                     | 2015    | 2014     | Amount                | %      |
| Gross written premium               | 163.637 | 164.858  | (1.221)               | (0.74) |
| Net premium                         | 125.683 | 34.703   | 90.980                | 262.17 |
| Profit /(loss) before tax           | 12.419  | (19.464) | 31.883                | 163.80 |
| Profit /(loss) after tax            | 11.162  | (19.812) | 30.974                | 156.34 |
| Total assets                        | 646.071 | 607.259  | 38.812                | 6.39   |
| Paid-up capital                     | 620.125 | 620.125  | -                     | -      |
| Earnings per share (EPS) Rs.        | 0.18    | (0.49)   | 0.67                  | 136.73 |

### Future Outlook

The underwriting results for the half year are very encouraging and have shown profit, as it has started benefiting from the unearned premium maturing within the period. As more and more Banks are enlisting the Company on their panel, the Company expects to grow its Fire/Marine and Engineering business and the expected growth will benefit the results of 2016. Three year cycle of earned premium growth will reflect from 2016 results to strengthen the financial results of the Company.

Your Company is now in compliance with all regulations and is on progress to fulfil its strategy to be the fastest growing insurance company of Pakistan. The Branch Network has been expanded and professional team building has been done to achieve the desired growth. The Company has started new products eyeing towards individual clients in Health / Travel and other areas of Micro Insurance. A team of professionals are working on information technology to provide the backup needed for the technology based products reaching to the individual clients. The management expects this to be ready towards the end of 2015, and will provide a launching pad to many products for 2016.

The investment strategy approved and announced at the Annual General Meeting is well on course and the Company's subsidiary Crescent Star Foods (Pvt) Ltd has already signed Master Franchise Agreement with Golden Chick an American Tender Chicken and the Company has also signed Share Purchase Agreement with Interisk Technologies (Pvt) Ltd with the plan to change its name to Crescent Star Technologies (Pvt) Ltd. The Company has also made progress in the plan to underwrite the right shares of Dost Steel Ltd (subject to necessary approvals). The Company expects good progress in all three investment ventures by end of this year to reflect on its performance.

## Acknowledgments

The Directors of your Company would like to take this opportunity to thank Securities and Exchange Commission of Pakistan, Karachi Stock Exchange, Lahore Stock Exchange and the Insurance Association of Pakistan, State Bank of Pakistan, the Banks and Financial Institutions for their continued support and cooperation.

The Directors would also like to express their gratitude and appreciation for the support provided by our valued Re Insurers. The Directors would like to thank the consultants who have worked hard and are continuously supporting the Company in getting required approvals and to meet all regulatory requirements and compliances. The Company's management and the Board of Directors strongly believe in meeting all regulations and compliances which leads the Company to be a fully compliant Company in all respects.

We also thank the shareholders, and customers / policy holders and all stake holders for their support and confidence in the Company and its management. The Company and its Directors extend special thanks and appreciation to officers and members of the staff and the entire CSIL team for their devotion, dedication and hard work and their contribution to the growth of their Company.



**Naim Anwar**  
Managing Director & CEO

Karachi: August 31, 2015

# AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

## Introduction

We have reviewed the accompanying condensed interim balance sheet of **Crescent Star Insurance Limited** as at **30 June 2015** and the related

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

notes to the accounts for the six month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim financial information for the quarter ended 30 June 2015 have not been reviewed as we are required to review only cumulative figures for the half year ended on that date.

## Scope of Review

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

## Conclusion

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



**Rahman Sarfaraz Rahim Iqbal Rafiq**  
CHARTERED ACCOUNTANTS  
Engagement Partner: A. Rahman Mir  
Lahore: August 31, 2015

# CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT JUNE 30, 2015

|  |      | Un-Audited<br>30 June<br>2015 | Audited<br>31 December<br>2014 |
|--|------|-------------------------------|--------------------------------|
|  | Note | ------(Rupees)-----           |                                |
| <b>Share Capital and Reserves</b>                              |      |                               |                                |
| <b>Authorised Capital</b>                                      |      |                               |                                |
| 65,000,000 (2014: 65,000,000) ordinary shares of Rs. 10/- each |      |                               |                                |
|  |      | 650,000,000                   | 650,000,000                    |
| Issued, subscribed and paid-up share capital                   | 7    | 620,125,000                   | 620,125,000                    |
| Discount on Issue of right shares                              | 8    | (199,650,000)                 | (199,650,000)                  |
| Reserves   | 9    | 26,264,833                    | 26,264,833                     |
| Accumulated loss   |      | (83,184,421)                  | (94,346,615)                   |
|  |      | 363,555,412                   | 352,393,218                    |
| <b>Underwriting Provisions</b>                                 |      |                               |                                |
| Provision for outstanding claims (including IBNR)              |      | 56,827,486                    | 43,638,093                     |
| Provision for unearned premium                                 |      | 141,848,673                   | 115,877,861                    |
| Commission income unearned                                     |      | 1,187                         | 33,983                         |
| <b>Total underwriting provisions</b>                           |      | 198,677,346                   | 159,549,937                    |
| <b>Creditors and Accruals</b>                                  |      |                               |                                |
| Premiums received in advance                                   |      | 4,483,982                     | 34,015                         |
| Amounts due to others insurers /reinsurers                     |      | 15,439,540                    | 15,724,531                     |
| Accrued expenses   |      | 12,747,286                    | 11,295,673                     |
| Other creditors and accruals                                   | 10   | 46,128,813                    | 29,849,287                     |
| <b>Borrowings</b>  |      |                               |                                |
| Borrowing under musharaka arrangements                         |      | 4,620,224                     | 5,577,686                      |
|  |      | 83,419,845                    | 62,481,192                     |
| <b>Other Liabilities</b>                                       |      |                               |                                |
| Unpresented dividend warrants                                  |      | 418,209                       | 418,209                        |
| <b>TOTAL LIABILITIES</b>                                       |      | 282,515,400                   | 222,449,338                    |
| <b>TOTAL EQUITY AND LIABILITIES</b>                            |      | 646,070,812                   | 574,842,556                    |
| <b>Contingencies and Commitments</b>                           |      |                               |                                |

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



Naim Anwar  
Chief Executive/Principal Officer



Mudassar Zubair Mirza  
Director

|      | Un-Audited<br>30 June<br>2015 | Audited<br>31 December<br>2014 |
|------|-------------------------------|--------------------------------|
| Note | ------(Rupees)-----           |                                |

#### Cash and Bank Deposits

|                                    |    |            |           |
|------------------------------------|----|------------|-----------|
| Cash and other equivalents         | 12 | 1,635,141  | 1,561,639 |
| Current and other accounts         | 13 | 9,175,124  | 1,578,454 |
| Deposits maturing within 12 months |    | -          | 1,000,000 |
|                                    |    | 10,810,265 | 4,140,093 |

|                       |    |             |             |
|-----------------------|----|-------------|-------------|
| Investments           | 14 | 64,220,938  | 86,064,384  |
| Investment Properties | 15 | 183,932,750 | 183,932,750 |
| Deferred Taxation     |    | 13,543,178  | 13,543,178  |


#### Current Assets - Others

|   |    |             |             |
|---|----|-------------|-------------|
| Premiums due but unpaid                           | 16 | 193,190,250 | 175,172,599 |
| Amounts due from other insurers / reinsurers      |    | 57,229,547  | 39,816,899  |
| Accrued investment income                         |    | 2,511,983   | 3,314,894   |
| Reinsurance recoveries against outstanding claims |    | 8,552,929   | 23,010,767  |
| Taxation - payments less provision                |    | 1,556,022   | 2,201,814   |
| Deferred commission expense                       |    | 6,140,414   | 5,369,172   |
| Prepaid reinsurance premium ceded                 |    | 16,062,805  | 5,866,269   |
| Sundry receivables                                | 17 | 68,876,303  | 15,132,171  |
|   |    | 354,120,253 | 269,884,585 |

#### Fixed Assets - Tangible Owned

|  |  |            |            |
|--|--|------------|------------|
| Furniture and fixtures & office equipments |  | 8,469,856  | 6,302,429  |
| Motor vehicles                             |  | 10,973,572 | 10,975,137 |
|  |  | 19,443,428 | 17,277,566 |

|                     |  |                    |                    |
|---------------------|--|--------------------|--------------------|
| <b>TOTAL ASSETS</b> |  | <b>646,070,812</b> | <b>574,842,556</b> |
|---------------------|--|--------------------|--------------------|

  
Syed Abid Raza  
Director

  
Syed Adnan Ali Zaidi  
Director

# CONDENSED INTERIM PROFIT AND LOSS (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2015

|  | Three months period ended June 2015 |                             |                    |                     |                    |                     |              |
|--|-------------------------------------|-----------------------------|--------------------|---------------------|--------------------|---------------------|--------------|
|  | Fire & Property Damage              | Marine Aviation & Transport | Motor              | Accident & Health   | Miscellaneous      | 30 June 2015        | 30 June 2014 |
| Note   | (Rupees)                            |                             |                    |                     |                    |                     |              |
| <b>Revenue Account</b>                               |                                     |                             |                    |                     |                    |                     |              |
| Net premium revenue                                  | 1,094,614                           | 648,937                     | 25,752,967         | 9,245,805           | 2,551,813          | <b>39,294,136</b>   | 19,112,985   |
| Net claims   | (5,217,566)                         | (1,848,567)                 | (4,666,374)        | (1,655,291)         | (3,789,916)        | <b>(17,177,714)</b> | (5,076,628)  |
| Management expenses                                  | (1,927,770)                         | (832,243)                   | (10,578,084)       | (15,344,317)        | (1,153,454)        | <b>(29,835,868)</b> | (17,339,418) |
| Net commission                                       | 17,617                              | 433,437                     | 9,407,145          | 1,185,839           | (672,742)          | <b>10,371,296</b>   | 3,103,173    |
|  | <b>(7,127,719)</b>                  | <b>(2,247,373)</b>          | <b>(5,837,313)</b> | <b>(15,813,769)</b> | <b>(5,616,112)</b> | <b>(36,642,286)</b> | (19,312,873) |
| <b>Underwriting result</b>                           | <b>(6,033,105)</b>                  | <b>(1,598,436)</b>          | <b>19,915,654</b>  | <b>(6,567,964)</b>  | <b>(3,064,299)</b> | <b>2,651,850</b>    | (199,888)    |
| Investment income                                    |                                     |                             |                    |                     |                    | <b>3,800,924</b>    | 1,680,613    |
| Other income   |                                     |                             |                    |                     |                    | <b>1,438,290</b>    |              |
| General and administrative expense                   |                                     |                             |                    |                     |                    | <b>(6,603,103)</b>  | (6,861,416)  |
| <b>Profit / (loss) before tax</b>                    |                                     |                             |                    |                     |                    | <b>1,287,961</b>    | (5,380,691)  |
| Provision for taxation                               |                                     |                             |                    |                     |                    | <b>(392,981)</b>    | (191,266)    |
| <b>Profit / (loss) after tax</b>                     |                                     |                             |                    |                     |                    | <b>894,980</b>      | (5,571,957)  |
| <b>Earnings/(Loss) per share - basic and diluted</b> |                                     |                             |                    |                     |                    | <b>0.01</b>         | (0.26)       |

Six months period ended June 2015

|   | Fire & Property Damage | Marine Aviation & Transport | Motor             | Accident & Health  | Miscellaneous      | 30 June 2015<br>Aggregate | 30 June 2014<br>Aggregate |
|---|------------------------|-----------------------------|-------------------|--------------------|--------------------|---------------------------|---------------------------|
| Note  | ----- (Rupees) -----   |                             |                   |                    |                    |                           |                           |
| <b>Revenue Account</b>                                  |                        |                             |                   |                    |                    |                           |                           |
| Net premium revenue                                     | 2,383,315              | 2,287,108                   | 81,130,007        | 35,608,569         | 4,274,296          | 125,683,295               | 34,702,569                |
| Net claims  | (5,866,214)            | (2,096,247)                 | (12,169,188)      | (14,098,141)       | (3,956,694)        | (38,186,484)              | (8,281,217)               |
| Management expenses                                     | (2,727,828)            | (1,675,953)                 | (19,678,183)      | (22,033,018)       | (2,429,333)        | (48,544,315)              | (30,525,283)              |
| Net commission  | (675,356)              | (383,929)                   | (3,183,988)       | (1,591,130)        | (1,706,249)        | (7,540,652)               | 183,775                   |
|   | (9,269,398)            | (4,156,129)                 | (35,031,359)      | (37,722,289)       | (8,092,276)        | (94,271,451)              | (38,622,725)              |
| <b>Underwriting result</b>                              | <b>(6,886,083)</b>     | <b>(1,869,021)</b>          | <b>46,098,648</b> | <b>(2,113,720)</b> | <b>(3,817,980)</b> | <b>31,411,844</b>         | <b>(3,920,156)</b>        |
| Investment income                                       |                        |                             |                   |                    |                    | 5,973,185                 | 2,213,946                 |
| Other income  |                        |                             |                   |                    |                    | 1,438,495                 | 235,532                   |
| General and administrative expense                      |                        |                             |                   |                    |                    | (26,404,457)              | (17,993,451)              |
| <b>Profit / (loss) before tax</b>                       |                        |                             |                   |                    |                    | <b>12,419,067</b>         | <b>(19,464,129)</b>       |
| Provision for taxation                                  |                        |                             |                   |                    |                    | (1,256,873)               | (347,376)                 |
| <b>Profit / (loss) after tax</b>                        |                        |                             |                   |                    |                    | <b>11,162,194</b>         | <b>(19,811,505)</b>       |
| <b>Profit and loss appropriation account</b>            |                        |                             |                   |                    |                    |                           |                           |
| Balance at commencement of the year                     |                        |                             |                   |                    |                    | (94,346,615)              | (58,516,447)              |
| Total comprehensive (loss)/ income for the period       |                        |                             |                   |                    |                    | 11,162,194                | (19,811,505)              |
| <b>Balance of accumulated loss at end of the Period</b> |                        |                             |                   |                    |                    | <b>(83,184,421)</b>       | <b>(78,327,952)</b>       |
| <b>Earnings/(Loss) per share - basic and diluted</b>    |                        |                             |                   |                    |                    | <b>0.18</b>               | <b>(0.49)</b>             |

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



Naim Anwar  
Chief Executive/Principal Officer



Mudassar Zubair Mirza  
Director



Syed Abid Raza  
Director



Syed Adnan Ali Zaidi  
Director



# CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS ENDED JUNE 30, 2015

|  | Quarter ended | Half Year    |
|--|---------------|--------------|
|  | 30 June 2015  | 30 June 2015 |
|  | 30 June 2014  | 30 June 2014 |
|  | -----         | -----        |
|  | (Rupees)      | (Rupees)     |

|  |           |             |            |              |
|--|-----------|-------------|------------|--------------|
| Profit / (loss) after tax for the period                                   | 1,287,961 | (5,707,581) | 11,162,194 | (19,811,505) |
| Other comprehensive income:  |           |             |            |              |
| Items that may not be subsequently reclassified to Profit and Loss Account |           |             |            |              |
| Items that may be subsequently reclassified to Profit and Loss Account     |           |             |            |              |
| Other comprehensive income for the period                                  |           |             |            |              |
| Total comprehensive income / (loss) for the period                         | 1,287,961 | (5,707,581) | 11,162,194 | (19,811,505) |

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



Naim Anwar  
Chief Executive/Principal Officer



Mudassar Zubair Mirza  
Director



Syed Abid Raza  
Director



Syed Adnan Ali Zaidi  
Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2015

|  | Share Capital                                | Discount on<br>issue of right<br>issue | Capital Reserve                      | Revenue Reserve    | Accumulated<br>loss | Total         |
|--|--|--|--------------------------------------|--------------------|---------------------|---------------|
|  | Issued,<br>subscribed and<br>paid-up Capital |  | Reserve for<br>exceptional<br>losses | General<br>reserve |                     |               |
|  | (Rupees)                                     |  |                                      |                    |                     |               |
| <b>Balance as at January 01, 2014</b>                | 121,000,000                                  | -                                      | 1,767,568                            | 24,497,265         | (58,516,447)        | 88,748,386    |
| Issue of right shares                                | 499,125,000                                  | -                                      | -                                    | -                  | -                   | 499,125,000   |
| Issue of right share at discount @ Rs. 4/- per Share | -  | (199,650,000)                          | -                                    | -                  | -                   | (199,650,000) |
| Total comprehensive loss for the period              | -  | -                                      | -                                    | -                  | (19,811,505)        | (19,811,505)  |
| <b>Balance as at June 30, 2014</b>                   | 620,125,000                                  | (199,650,000)                          | 1,767,568                            | 24,497,265         | (78,327,952)        | 368,411,881   |
| Total comprehensive loss for the period              | -  | -                                      | -                                    | -                  | (16,018,663)        | (16,018,663)  |
| <b>Balance as at December 31, 2014</b>               | 620,125,000                                  | (199,650,000)                          | 1,767,568                            | 24,497,265         | (94,346,615)        | 352,393,218   |
| Total comprehensive (loss)/income for the period     | -  | -                                      | -                                    | -                  | 11,162,194          | 11,162,194    |
| <b>Balance as at June 30, 2015</b>                   | 620,125,000                                  | (199,650,000)                          | 1,767,568                            | 24,497,265         | (83,184,421)        | 363,555,412   |

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



**Naim Anwar**  
Chief Executive/Principal Officer



**Mudassar Zubair Mirza**  
Director



**Syed Abid Raza**  
Director



**Syed Adnan Ali Zaidi**  
Director

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2015

## Operating Cash Flows

### a) Underwriting activities

|  |
|--|
| Premium received                             |
| Reinsurance premium paid                     |
| Claims paid                                  |
| Reinsurance and other recoveries received    |
| Commission paid                              |
| Commission received                          |
| Net cash inflow from underwriting activities |

30 June 2015 30 June 2014

----- (Rupees) -----

|              |              |
|--------------|--------------|
| 150,069,456  | 28,190,077   |
| (39,877,208) | (11,945,735) |
| (33,241,708) | (4,908,253)  |
| 22,702,455   | 563,093      |
| (8,344,690)  | (10,157,711) |
| -            | 91,987       |
| 91,308,305   | 1,833,458    |

### b) Other operating activities

|  |
|--|
| Income tax paid                                |
| General management expenses paid               |
| Other operating (payments) / receipts          |
| Net cash flows from other operating activities |

|               |              |
|---------------|--------------|
| (611,081)     | (150,795)    |
| (55,362,977)  | (31,677,058) |
| (52,455,879)  | 3,891,980    |
| (108,429,937) | (27,935,873) |
| (17,121,632)  | (26,102,415) |

Total cash inflow / (outflow) from all operating activities

### Investing activities

|  |
|--|
| Profit/return received                 |
| Dividend received                      |
| Payments for investments               |
| Proceeds from disposal of investments  |
| Fixed capital expenditure              |
| Proceeds from disposal of fixed assets |

|             |               |
|-------------|---------------|
| 6,770,146   | 153,492       |
| 400         | 3,500         |
| (2,525,157) | (280,820,000) |
| 24,374,153  | 3,537,947     |
| (7,488,276) | (1,581,760)   |
| 3,618,000   | 714,000       |
| 24,749,266  | (277,992,821) |

Total cash (outflow) from investing activities

### Financing activities

|  |
|--|
| Borrowing under Musharaka arrangements |
| Proceeds from Right Share              |

|           |             |
|-----------|-------------|
| (957,462) | -           |
| -         | 299,475,000 |
| (957,462) | 299,475,000 |

Total cash (outflow) / inflow from financing activities

Total cash (outflow) from all activities

6,670,172 (4,620,237)

Add: Cash at beginning of the Period

4,140,093 6,954,075

Cash at the end of the period

10,810,265 2,333,838

### Reconciliation to the Profit and Loss Account

|   |
|---|
| Operating cash flows  |
| Depreciation expense  |
| Gain on disposal of fixed assets                                |
| Investment Income   |
| (Decrease) / increase in assets other than cash                 |
| Decrease / (increase) in liabilities other than running finance |

|              |               |
|--------------|---------------|
| (17,121,632) | (26,102,415)  |
| (1,854,656)  | (982,870)     |
| 150,242      | 235,532       |
| 5,973,185    | 2,213,946     |
| 84,081,117   | 167,597,496   |
| (60,066,062) | (162,773,194) |
| 11,162,194   | (19,811,505)  |

Profit / (loss) after taxation

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



Naim Anwar  
Chief Executive/Principal Officer



Mudassar Zubair Mirza  
Director



Syed Abid Raza  
Director



Syed Adnan Ali Zaidi  
Director

# CONDENSED INTERIM STATEMENT OF PREMIUMS (UN-AUDITED) FOR THE SIX MONTHS ENDED JUNE 30, 2015

Business underwritten inside Pakistan

| Class of Business             | Three months period ended June 2015 |                          |                    |                    |                   |                                   |                   |                     |                     |                   |
|-------------------------------|-------------------------------------|--------------------------|--------------------|--------------------|-------------------|-----------------------------------|-------------------|---------------------|---------------------|-------------------|
|                               | Premiums written                    | Unearned premium reserve |                    | Premiums earned    | Reinsurance ceded | Prepaid reinsurance premium ceded |                   | Reinsurance expense | 30 June 2015        |                   |
|                               |                                     | Opening                  | Closing            |                    |                   | Opening                           | Closing           |                     | Net premium revenue | 30 June 2014      |
| <b>Direct and facultative</b> |                                     |                          |                    |                    |                   |                                   |                   |                     |                     |                   |
| Fire and property damage      | 8,320,275                           | 3,798,404                | 9,067,961          | 3,050,718          | 5,200,000         | 4,911,282                         | 8,155,178         | 1,956,104           | 1,094,614           | 432,278           |
| Marine aviation and transport | 4,341,324                           | 898,839                  | 2,658,944          | 2,581,419          | 2,295,000         | 1,093,674                         | 1,456,192         | 1,932,482           | 648,937             | 3,194,182         |
| Motor                         | 32,563,986                          | 58,448,118               | 63,303,996         | 27,708,108         | 1,218,750         | 5,020,260                         | 4,283,869         | 1,955,141           | 25,752,947          | 10,127,880        |
| Accident and health           | 65,842,678                          | 2,258,331                | 58,855,204         | 9,245,805          | -                 | -                                 | -                 | -                   | 9,245,805           | 771,939           |
| Miscellaneous                 | 6,086,877                           | 5,246,887                | 7,962,568          | 3,371,196          | 1,190,000         | 1,796,949                         | 2,167,566         | 819,383             | 2,551,813           | 4,586,706         |
| <b>Total</b>                  | <b>117,155,340</b>                  | <b>70,650,579</b>        | <b>141,848,673</b> | <b>45,957,246</b>  | <b>9,903,750</b>  | <b>12,832,165</b>                 | <b>16,062,805</b> | <b>6,663,110</b>    | <b>39,294,136</b>   | <b>19,112,965</b> |
|                               |                                     |                          |                    |                    |                   |                                   |                   |                     |                     |                   |
| Class of Business             | Six months period ended June 2015   |                          |                    |                    |                   |                                   |                   |                     |                     |                   |
|                               | Premiums written                    | Unearned premium reserve |                    | Premiums earned    | Reinsurance ceded | Prepaid reinsurance premium ceded |                   | Reinsurance expense | 30 June 2015        |                   |
|                               |                                     | Opening                  | Closing            |                    |                   | Opening                           | Closing           |                     | Net premium revenue | 30 June 2014      |
| <b>Direct and facultative</b> |                                     |                          |                    |                    |                   |                                   |                   |                     |                     |                   |
| Fire and property damage      | 10,316,332                          | 4,911,586                | 9,067,961          | 6,159,957          | 10,710,230        | 1,221,590                         | 8,155,178         | 3,776,642           | 2,383,315           | 1,168,526         |
| Marine aviation and transport | 6,481,239                           | 1,817,701                | 2,658,944          | 5,639,996          | 4,793,365         | 15,715                            | 1,456,192         | 3,352,888           | 2,287,108           | 5,157,218         |
| Motor                         | 55,366,493                          | 92,393,039               | 63,303,996         | 84,455,536         | 4,265,625         | 3,343,773                         | 4,283,869         | 3,325,529           | 81,130,007          | 18,193,681        |
| Accident and health           | 82,120,585                          | 12,343,188               | 58,855,204         | 35,608,569         | -                 | -                                 | -                 | -                   | 35,608,569          | 4,992,413         |
| Miscellaneous                 | 9,352,491                           | 4,412,347                | 7,962,568          | 5,802,270          | 2,410,349         | 1,285,191                         | 2,167,566         | 1,527,974           | 4,274,296           | 5,190,731         |
| <b>Total</b>                  | <b>163,637,140</b>                  | <b>115,877,861</b>       | <b>141,848,673</b> | <b>137,666,328</b> | <b>22,179,549</b> | <b>5,866,269</b>                  | <b>16,062,805</b> | <b>11,983,033</b>   | <b>125,683,295</b>  | <b>34,702,569</b> |

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



**Naim Anwar**  
Chief Executive/Principal Officer



**Mudassar Zubair Mirza**  
Director



**Syed Abid Raza**  
Director



**Syed Adnan Ali Zaidi**  
Director

# CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2015

Business underwritten inside Pakistan

| Class of Business             | Three months period ended June 2015 |                    |                        |  |  |  |  |  |  |  |
|-------------------------------|-------------------------------------|--------------------|------------------------|--|--|--|--|--|--|--|
|                               | Direct and facultative              |                    |                        |  |  | Re-insurance and other recoveries in respect of outstanding claims |  |  |  |  |
|                               | Claims paid                         | Outstanding claims | Claim expense/(income) | Re-insurance and other recoveries received | Re-insurance and other recoveries in respect of outstanding claims | Re-insurance and other recoveries received                         | Re-insurance and other recoveries in respect of outstanding claims | Re-insurance and other recoveries received | Re-insurance and other recoveries in respect of outstanding claims | Re-insurance and other recoveries received |
|                               | Opening                             | Closing            | (income)               |  | Opening  |  | Opening  |  | Opening  |  |
| Fire and property damage      | 148,738                             | 7,884,232          | 15,139,468             | 7,403,974                                  | 5,671,830  | 2,634,755  | 6,120,177  | 2,186,408                                  | 5,217,566  | 2,575,179                                  |
| Marine aviation and transport | 100,000                             | 3,581,461          | 6,903,196              | 3,421,535                                  | 1,612,968  | 1,430,360  | 1,470,360  | 1,572,968                                  | 1,848,567  | (247)                                      |
| Motor                         | 10,101,056                          | 19,649,920         | 22,533,813             | 12,984,949                                 | 15,322,381   | 2,300,000  | 9,303,806  | 8,318,575                                  | 4,466,374  | 1,411,224                                  |
| Accident and health           | 5,043,426                           | 12,344,867         | 8,956,732              | 1,655,291                                  | -  | -  | -  | -  | 1,655,291  | 469,138                                    |
| Miscellaneous                 | 4,292,711                           | 3,701,797          | 3,294,277              | 3,885,191                                  | 95,276   | 2,187,814  | 2,187,814  | 95,275                                     | 3,789,916  | 621,334                                    |
| <b>Total</b>                  | <b>19,685,931</b>                   | <b>47,162,477</b>  | <b>56,827,486</b>      | <b>29,350,940</b>                          | <b>22,702,455</b>  | <b>8,552,929</b>   | <b>19,082,158</b>  | <b>12,173,226</b>                          | <b>17,177,714</b>  | <b>5,076,628</b>                           |

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Six months period ended June 2015

| Class of Business             | Six months period ended June 2015 |                    |                        |  |  |  |  |  |  |  |
|-------------------------------|-----------------------------------|--------------------|------------------------|--|--|--|--|--|--|--|
|                               | Direct and facultative            |                    |                        |  |  | Re-insurance and other recoveries in respect of outstanding claims |  |  |  |  |
|                               | Claims paid                       | Outstanding claims | Claim expense/(income) | Re-insurance and other recoveries received | Re-insurance and other recoveries in respect of outstanding claims | Re-insurance and other recoveries received                         | Re-insurance and other recoveries in respect of outstanding claims | Re-insurance and other recoveries received | Re-insurance and other recoveries in respect of outstanding claims | Re-insurance and other recoveries received |
|                               | Opening                           | Closing            | (income)               |  | Opening  |  | Opening  |  | Opening  |  |
| Fire and property damage      | 1,513,276                         | 12,340,943         | 15,139,468             | 4,311,801                                  | 5,671,830  | 2,634,755  | 9,860,998  | (1,554,413)                                | 5,866,214  | 3,049,558                                  |
| Marine aviation and transport | 247,658                           | 3,471,611          | 6,903,196              | 3,679,243                                  | 1,612,968  | 1,430,360  | 1,460,332  | 1,582,996                                  | 2,076,247  | 89,753                                     |
| Motor                         | 15,971,112                        | 18,280,992         | 22,533,813             | 20,223,933                                 | 15,322,381   | 2,300,000  | 9,567,636  | 8,054,745                                  | 12,169,188   | 3,904,654                                  |
| Accident and health           | 11,039,068                        | 5,897,659          | 8,956,732              | 14,098,141                                 | -  | -  | -  | -  | 14,098,141   | 621,888                                    |
| Miscellaneous                 | 4,470,594                         | 3,646,888          | 3,294,277              | 4,117,963                                  | 95,276   | 2,187,814  | 2,121,801  | 161,289                                    | 3,956,694  | 615,334                                    |
| <b>Total</b>                  | <b>33,241,708</b>                 | <b>43,638,093</b>  | <b>56,827,486</b>      | <b>46,431,101</b>                          | <b>22,702,455</b>  | <b>8,552,929</b>   | <b>23,010,767</b>  | <b>8,244,817</b>                           | <b>38,186,484</b>  | <b>8,281,217</b>                           |

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



Naim Anwar  
Chief Executive/Principal Officer



Mudassar Zubair Mirza  
Director



Syed Abid Raza  
Director



Syed Adnan Ali Zaidi  
Director

# CONDENSED INTERIM STATEMENT OF EXPENSES (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2015

Business underwritten inside Pakistan

Three months period ended June 2015

| Class of Business             | Commission paid or payable | Deferred commission |           | Net commission expense | Other management expenses (Rupees) | Underwriting expenses | Commissions from re-insurers | 30 June 2015             |                          | 30 June 2014 |  |
|-------------------------------|----------------------------|---------------------|-----------|------------------------|------------------------------------|-----------------------|------------------------------|--------------------------|--------------------------|--------------|--|
|                               |                            | Opening             | Closing   |                        |                                    |                       |                              | Net Underwriting expense | Net Underwriting expense |              |  |
| Direct and facultative        |                            |                     |           |                        |                                    |                       |                              |                          |                          |              |  |
| Fire and property damage      | 1,036,197                  | 759,681             | 1,813,592 | (17,714)               | 1,927,770                          | 1,910,056             | (97)                         | 1,910,153                |                          | (614,413)    |  |
| Marine aviation and transport | (81,416)                   | 179,768             | 531,789   | (433,437)              | 832,243                            | 398,806               | -                            | 398,806                  |                          | (250,668)    |  |
| Motor                         | (8,917,995)                | (429,572)           | 56,016    | (9,403,583)            | 10,578,084                         | 1,174,501             | 3,562                        | 1,170,939                |                          | 4,125,323    |  |
| Accident and health           | 1,644,004                  | 112,917             | 2,942,760 | (1,185,839)            | 15,344,317                         | 14,158,478            | -                            | 14,158,478               |                          | 9,214,372    |  |
| Miscellaneous                 | 949,641                    | 524,469             | 796,257   | 678,073                | 1,153,454                          | 1,831,527             | 5,331                        | 1,826,196                |                          | 1,761,630    |  |
| Total                         | (5,369,569)                | 1,147,483           | 6,140,414 | (10,362,500)           | 29,835,868                         | 19,473,368            | 8,796                        | 19,464,572               |                          | 14,236,244   |  |

Note: Commission from reinsurers is arrived at after taking impact of opening and closing unearned commission.

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Six months period ended June 2015

| Class of Business             | Commission paid or payable | Deferred commission |           | Net commission expense | Management expenses (Rupees) | Underwriting expense | Commissions from re-insurers | 30 June 2015             |                          | 30 June 2014 |  |
|-------------------------------|----------------------------|---------------------|-----------|------------------------|------------------------------|----------------------|------------------------------|--------------------------|--------------------------|--------------|--|
|                               |                            | Opening             | Closing   |                        |                              |                      |                              | Net Underwriting expense | Net Underwriting expense |              |  |
| Direct and facultative        |                            |                     |           |                        |                              |                      |                              |                          |                          |              |  |
| Fire and property damage      | 1,512,079                  | 982,317             | 1,813,592 | 680,804                | 2,727,828                    | 3,408,432            | 5,448                        | 3,403,184                |                          | 2,569,381    |  |
| Marine aviation and transport | 552,178                    | 363,540             | 531,789   | 383,929                | 1,675,953                    | 2,059,882            | -                            | 2,059,882                |                          | 3,330,628    |  |
| Motor                         | 283,300                    | 2,964,921           | 56,016    | 3,192,205              | 19,678,183                   | 22,870,388           | 8,217                        | 22,862,171               |                          | 9,332,913    |  |
| Accident and health           | 3,916,731                  | 617,159             | 2,942,760 | 1,591,130              | 22,033,018                   | 23,624,148           | -                            | 23,624,148               |                          | 11,609,044   |  |
| Miscellaneous                 | 2,080,402                  | 441,235             | 796,257   | 1,725,380              | 2,429,333                    | 4,154,713            | 19,131                       | 4,135,582                |                          | 3,499,542    |  |
| Total                         | 8,344,690                  | 5,369,172           | 6,140,414 | 7,573,448              | 48,544,315                   | 56,117,763           | 32,796                       | 56,084,967               |                          | 30,341,508   |  |

Note: Commission from reinsurers is arrived at after taking impact of opening and closing unearned commission.

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



**Naim Anwar**  
Chief Executive/Principal Officer



**Mudassar Zubair Mirza**  
Director



**Syed Abid Raza**  
Director



**Syed Adnan Ali Zaidi**  
Director



# CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED) FOR THE SIX MONTHS ENDED JUNE 30, 2015

|   | Three Months Ended   |                  | Six Months Ended     |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | 30 June 2015         | 30 June 2014     | 30 June 2015         | 30 June 2014     |
|   | ----- (Rupees) ----- |                  | ----- (Rupees) ----- |                  |
| <b>Income from Non-Trading Investments</b>                    |                      |                  |                      |                  |
| <b>Held-to-maturity</b>                                       |                      |                  |                      |                  |
| Return on government securities                               | 3,775,561            | 1,440,534        | 5,943,742            | 1,937,168        |
| Return on fixed income securities and deposits                | 16,205               | -                | 23,493               | -                |
|   | <b>3,791,766</b>     | <b>1,440,534</b> | <b>5,967,235</b>     | <b>1,937,168</b> |
| <b>Available-for-sale</b>                                     |                      |                  |                      |                  |
| Dividend income   | 400                  | 1,355            | 400                  | 3,500            |
| Gain / (loss) on sale of available for sale investments       | -                    | 53,545           | -                    | 46,849           |
|   | <b>400</b>           | <b>54,900</b>    | <b>400</b>           | <b>50,349</b>    |
| Reversal / (provision) for impairment in Value of investments | <b>9,003</b>         | <b>205,455</b>   | <b>5,795</b>         | <b>259,560</b>   |
| Investment related expenses                                   | <b>(245)</b>         | <b>(20,277)</b>  | <b>(245)</b>         | <b>(33,132)</b>  |
| <b>Net investment income</b>                                  | <b>3,800,924</b>     | <b>1,680,613</b> | <b>5,973,185</b>     | <b>2,213,946</b> |

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



Naim Anwar  
Chief Executive/Principal Officer



Mudassar Zubair Mirza  
Director



Syed Abid Raza  
Director



Syed Adnan Ali Zaidi  
Director

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE SIX MONTHS ENDED JUNE 30, 2015

## 1. THE COMPANY AND ITS OPERATIONS

Crescent Star Insurance Limited (the Company) was incorporated as a Public Limited Company in the year 1957 under the Companies Act, 1913 (now the Companies Ordinance, 1984). The Company is listed on the Karachi and Lahore Stock Exchanges and its registered office is situated at 2nd Floor, Nadir House, I.I. Chundrigar road, Karachi, Pakistan.

The Company is engaged in providing general insurance services in spheres of Fire and property damage, Marine, aviation and transport, Motor, Accident & Health and Miscellaneous.

## 2. STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the six months period ended June 30, 2015 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules 2002. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 have been followed.

This condensed interim 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, 2014.

## 3. BASIS OF PRESENTATION

This condensed interim financial information has been prepared under historical cost convention using the accrual basis of accounting.

## 4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information is in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed interim financial information. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2014.

## 5. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information is the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2014. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2014 except for the addition of policy for investment in subsidiaries as detailed below:

### 5.1 Investments in subsidiaries

Subsidiaries are those enterprises in which the Company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors.

Investments in subsidiaries are initially recognized at cost. The carrying amount of investments is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exist the investments recoverable amount is estimated which is higher of its value in use and its fair value less cost to sell. An impairment loss is recognized if the carrying amount exceeds its recoverable amount. Impairment losses are recognized in profit or loss. An impairment loss is reversed if there is a change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognized in the profit and loss account.

## 6. INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company's insurance and financial risk management objectives and policies are consistent with those disclosed in annual financial statements of the Company for the year ended December 31, 2014.

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

| 2015                         | 2014       |   | Un-Audited<br>30 June 2015 | Audited<br>31 December<br>2014 |
|------------------------------|------------|---|----------------------------|--------------------------------|
| ---- (Number of shares) ---- |            |   | Note                       | ----- (Rupees) -----           |
|                              |            | Ordinary shares of Rs.10 each fully paid in cash                |                            |                                |
| 59,045,953                   | 9,133,453  | Opening Balance   | 590,459,530                | 91,334,530                     |
| -                            | 49,912,500 | Issued during the period  | -                          | 499,125,000                    |
| 59,045,953                   | 59,045,953 | Closing Balance   | 590,459,530                | 590,459,530                    |
| 2,966,547                    | 2,966,547  | Ordinary shares of Rs.10 each issued as fully paid bonus shares | 29,665,470                 | 29,665,470                     |
| 62,012,500                   | 62,012,500 |   | 620,125,000                | 620,125,000                    |

## 8. DISCOUNT ON ISSUE OF RIGHT SHARES

|             |             |
|-------------|-------------|
| 199,650,000 | 199,650,000 |
|-------------|-------------|

The Company has issued right shares with the approval of Board of Directors, SECP and KSE amounting to Rs. 499.125 Million comprising of 49,912,500 ordinary shares of Rs. 10/- each at a discount of Rs. 4/- per share.

## 9. RESERVES

|                                |     |            |            |
|--------------------------------|-----|------------|------------|
| Reserve for exceptional losses | 9.1 | 1,767,568  | 1,767,568  |
| General reserve                |     | 24,497,265 | 24,497,265 |
|                                |     | 26,264,833 | 26,264,833 |

- 9.1 The reserve for exceptional losses represents the amount set aside in prior years upto December 31, 1978, in order to avail the deduction while computing the taxable income under the old Income Tax Act of 1922. Subsequent to the introduction of repealed Income Tax Ordinance, 1979, which did not permit the said deduction, the company discontinued the setting aside of amounts as reserved for exceptional losses.

## 10. OTHER CREDITORS AND ACCRUALS

|                                  |            |            |
|----------------------------------|------------|------------|
| Federal insurance fee            | 1,542,765  | 1,001,538  |
| Federal excise duty              | 18,887,262 | 18,226,848 |
| Withholding tax                  | 12,601,779 | 6,156,826  |
| Payable to staff provident fund  | 2,467,012  | 434,238    |
| Bank balance overdrawn           | 9,470,966  | 736,563    |
| Margin against performance bonds | 1,031,731  | 3,293,274  |
| Sundry creditors                 | 127,298    | -          |
|                                  | 46,128,813 | 29,849,287 |

## 11. CONTINGENCIES AND COMMITMENTS

### 11.1 CONTINGENCIES

There have been no changes in the contingencies as disclosed in the annual financial statements of the Company for the year ended December 31, 2014.

### 1.2 COMMITMENTS

There were no commitments as at June 30, 2015 (2014: Nil).

|   |                     | Un-Audited<br>30 June 2015 | Audited<br>31 December<br>2014 |
|---|---------------------|----------------------------|--------------------------------|
|   | Note                | ----- (Rupees) -----       |                                |
| <b>12. CASH AND OTHER EQUIVALENTS</b>   |                     |                            |                                |
| Cash with State Bank Of Pakistan  | 12.1                | 1,238,047                  | 1,238,047                      |
| Cash in hand  |                     | 54,705                     | 155,968                        |
| Stamps in hand  |                     | 342,389                    | 167,624                        |
|   |                     | <u>1,635,141</u>           | <u>1,561,639</u>               |
| 12.1 This represents deposit with State Bank of Pakistan pursuant to the requirements of clause (a) of sub - section 2 of section 29 of Insurance Ordinance, 2000.  |                     |                            |                                |
| <b>13. CURRENT AND OTHER ACCOUNTS</b>   |                     |                            |                                |
| Current accounts  |                     | 2,433,526                  | 1,522,328                      |
| PLS savings accounts  |                     | 6,741,598                  | 56,126                         |
|   |                     | <u>9,175,124</u>           | <u>1,578,454</u>               |
| <b>14. INVESTMENTS</b>  |                     |                            |                                |
| <b>Held to maturity</b>   |                     |                            |                                |
| Government Securities   | 14.1                | 49,856,553                 | 74,230,706                     |
| <b>Available for sale</b>   |                     |                            |                                |
| Ordinary equity securities & Mutual funds   | 14.2                | 14,878,152                 | 12,363,210                     |
| Less: Provision for impairment  |                     | (523,737)                  | (529,532)                      |
|   |                     | 14,354,415                 | 11,833,678                     |
| <b>Investment in Subsidiary</b>   |                     |                            |                                |
| Crescent Star Foods (Private) Limited   | 14.3                | 9,970                      | -                              |
|   |                     | <u>64,220,938</u>          | <u>86,064,384</u>              |
| 14.1 This represents amortised cost of three years Pakistan Investment Bonds (PIBs) having aggregate face value of Rs. 50 Million (2014: Rs. 75 Million) issued by the State Bank of Pakistan through its authorized dealer MCB Arif Habib Savings and Investments Limited. PIBs carry mark up at the effective rate of 11.25% per annum with maturity date up till 17 July 2017. |                     |                            |                                |
| Government securities amounting to Rs. 49.326 million (2014 : Rs. 49.326 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.   |                     |                            |                                |
| 14.2 Securities having book value of to Rs. 11.731 million (2014 : Rs. 11.731 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.  |                     |                            |                                |
| <b>14.3 Investment in Subsidiary -at cost</b>   |                     |                            |                                |
| 30 June 2015  | 31 December<br>2014 | 30 June 2015               | 31 December<br>2014            |
| Number of shares  |                     | -----Rupees-----           |                                |
| 997   | -                   | 9,970                      | -                              |
| Crescent Star Foods (Pvt) Ltd   |                     |                            |                                |

This represent the Company's investment in 99.7% equity shares of Crescent Star Food (Pvt) Ltd The Company acquired 997 ordinary shares of Rs. 10/- each for a total consideration of Rs. 9,970/- in this newly incorporated company. The principal objectives of Crescent Star Foods (Pvt) Ltd is to carry on business of hotels and restaurants.

|  |      | Un-Audited<br>30 June 2015 | Audited<br>31 December<br>2014 |
|--|------|----------------------------|--------------------------------|
|  | Note | ----- (Rupees) -----       |                                |
| <b>15. INVESTMENT PROPERTIES- LAND (At Cost)</b> |      |                            |                                |
| Balance at the beginning of the period           |      | 183,932,750                | -                              |
| Additions made during the period                 |      | -                          | 233,932,750                    |
| Disposals made during the period                 |      | -                          | (50,000,000)                   |
| Balance at the end of the period                 |      | <u>183,932,750</u>         | <u>183,932,750</u>             |

Fair value of land as determined by M/S NESPAK as at February 25, 2014 amounts to Rs. 418.5 million on the basis of market comparable approach.

#### 16. PREMIUMS DUE BUT UNPAID

|                                 |                     |                     |
|---------------------------------|---------------------|---------------------|
| Considered Good                 | 193,190,250         | 175,172,599         |
| Considered doubtful             | <u>44,570,924</u>   | <u>34,749,823</u>   |
|                                 | 237,761,174         | 209,922,422         |
| Provision for doubtful balances | <u>(44,570,924)</u> | <u>(34,749,823)</u> |
|                                 | <u>193,190,250</u>  | <u>175,172,599</u>  |

#### 17. SUNDRY RECEIVABLES - Unsecured Advances

|                 |                   |                   |
|-----------------|-------------------|-------------------|
| Considered good |                   |                   |
| Employees       | 680,093           | 225,534           |
| other advances  | 1,124,503         | 2,201,755         |
| Deposits        | 9,177,354         | 5,632,695         |
| Others          | 57,894,353        | 7,072,187         |
|                 | <u>68,876,303</u> | <u>15,132,171</u> |

##### 17.1. This includes balances due from;

|                               |                   |          |
|-------------------------------|-------------------|----------|
| Subsidiary:                   |                   |          |
| Crescent Star Foods (Pvt) Ltd | 10,000,000        | -        |
| Associated undertakings:      |                   |          |
| Car 4 U (Private) Ltd         | 1,180,993         | -        |
|                               | <u>11,180,993</u> | <u>-</u> |

#### 18. FIXED ASSETS

|                                       |      |                    |                    |
|---------------------------------------|------|--------------------|--------------------|
| Opening written down value            |      | 17,277,566         | 11,102,946         |
| Additions during the period - at cost | 18.1 | 7,488,276          | 10,697,061         |
| Disposals during the period - at WDV  | 18.1 | (3,467,757)        | (2,205,116)        |
| Depreciation charged                  |      | <u>(1,854,656)</u> | <u>(2,317,325)</u> |
|                                       |      | <u>19,443,429</u>  | <u>17,277,566</u>  |

##### 18.1 Additions & disposals

|                              | Additions<br>(at cost) |                   | Disposal<br>(at WDV) |                  |
|------------------------------|------------------------|-------------------|----------------------|------------------|
|                              | ----- Rupees -----     |                   | ----- Rupees -----   |                  |
|                              | 30 June 2015           | 31-Dec-14         | 30 June 2015         | 31-Dec-14        |
| <b>Owned</b>                 |                        |                   |                      |                  |
| Furniture and Fixture        | 1,054,400              | 1,715,890         | -                    | 257,635          |
| Office equipment             | 849,674                | 523,011           | 366,549              | -                |
| Computer & related equipment | 1,255,152              | 515,760           | 17,198               | -                |
| Motor Vehicles               | 4,329,050              | 7,942,400         | 3,084,010            | 1,947,481        |
|                              | <u>7,488,276</u>       | <u>10,697,061</u> | <u>3,467,757</u>     | <u>2,205,116</u> |

**19. EARNINGS/(LOSS) PER SHARE - BASIC AND DILUTED**

|  | Un-Audited<br>30 June 2015 | Un-Audited<br>30 June 2014 |
|--|----------------------------|----------------------------|
|  | ----- (Rupees) -----       |                            |
| Profit / (loss) for the period attributable to Ordinary shareholders | <u>11,162,194</u>          | <u>(19,811,505)</u>        |
| Weighted average number of shares                                    | <u>62,012,500</u>          | <u>40,129,015</u>          |
| Earnings / (Loss) Per Share  | <u>0.18</u>                | <u>(0.49)</u>              |

No figure for diluted earnings/(loss) per share has been presented as the Company has not issued an instrument which would have an impact on earnings/(loss) per share, when exercised.

**20. TRANSACTIONS WITH RELATED PARTIES**

Related parties of the Company comprise of subsidiaries, associated undertakings, the directors, major shareholders and the companies owned by such shareholders, entities owned by the directors of the Company where they also hold directorships, staff retirement funds and key management personnel.

Balances with related parties are shown in note 10,14 and 17. Other significant transactions with related parties are as follows:

|  | Un-Audited<br>30 June 2015 | Un-Audited<br>30 June 2014 |
|--|----------------------------|----------------------------|
|  | ----- (Rupees) -----       |                            |
| <b>Subsidiary</b>  |                            |                            |
| Payment of Advances against issue of shares<br>Crescent Star Foods (Pvt) Ltd | 10,000,000                 | -                          |
| <b>Associated undertakings</b>   |                            |                            |
| Advance for expenses   | 1,180,993                  | -                          |
| <b>Key Management Personnel</b>  |                            |                            |
| Remuneration to directors, chief executive and<br>executives of the Company  | 25,861,362                 | 13,612,331                 |
| <b>Staff retirement benefits</b>   |                            |                            |
| Provident fund contribution  | 1,882,229                  | 648,045                    |



## 21. SEGMENT REPORTING

|                                       | Fire & Property Damage |                   |                   | Marine Aviation & Transport |                    |                    | Motor             |                   |                   | Accident & Health |                    |                    | Miscellaneous | Un-Audited<br>31 March<br>2015 | Audited<br>31 December<br>2014 | Total |
|---------------------------------------|------------------------|-------------------|-------------------|-----------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|---------------|--------------------------------|--------------------------------|-------|
|                                       | 2015                   | 2014              | 2015              | 2014                        | 2015               | 2014               | 2015              | 2014              | 2015              | 2014              | 2015               | 2014               | 2014          | 2015                           | 2014                           |       |
|                                       | (Rupees)               |                   |                   |                             |                    |                    |                   |                   |                   |                   |                    |                    |               |                                |                                |       |
| <b>Segment Assets</b>                 | <b>13,437,686</b>      | <b>20,015,147</b> | <b>12,325,394</b> | <b>27,024,446</b>           | <b>184,429,985</b> | <b>140,185,981</b> | <b>77,770,232</b> | <b>70,732,622</b> | <b>12,656,076</b> | <b>8,555,076</b>  | <b>300,619,373</b> | <b>266,513,272</b> |               |                                |                                |       |
| Unallocated corporate assets          |                        |                   |                   |                             |                    |                    |                   |                   |                   |                   |                    |                    |               |                                |                                |       |
| <b>Consolidated total assets</b>      |                        |                   |                   |                             |                    |                    |                   |                   |                   |                   |                    |                    |               | <b>345,451,439</b>             | <b>308,329,284</b>             |       |
|                                       |                        |                   |                   |                             |                    |                    |                   |                   |                   |                   |                    |                    |               | <u><b>646,070,812</b></u>      | <u><b>574,842,556</b></u>      |       |
| <b>Segment Liabilities</b>            | <b>10,530,365</b>      | <b>14,854,489</b> | <b>9,458,724</b>  | <b>20,056,527</b>           | <b>144,527,498</b> | <b>104,040,763</b> | <b>60,944,195</b> | <b>52,495,092</b> | <b>9,917,862</b>  | <b>6,349,257</b>  | <b>235,578,644</b> | <b>197,796,128</b> |               |                                |                                |       |
| Unallocated corporate liabilities     |                        |                   |                   |                             |                    |                    |                   |                   |                   |                   |                    |                    |               | <b>46,936,756</b>              | <b>24,653,210</b>              |       |
| <b>Consolidated total liabilities</b> |                        |                   |                   |                             |                    |                    |                   |                   |                   |                   |                    |                    |               | <u><b>282,515,400</b></u>      | <u><b>222,449,338</b></u>      |       |

## 22. SUBSEQUENT EVENTS

There are no significant activities since 30 June 2015 affecting the condensed interim financial information apart from those disclosed in the condensed interim financial information.

## 23. GENERAL

23.1 Figures in this condensed interim financial information have been rounded off to the nearest rupee.

**232** The corresponding figures are rearranged wherever necessary for the purpose of comparison and are rounded off to nearest rupee. Appropriate disclosure is given in relevant note in case of material rearrangements.

## 24. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors of the Company in its meeting held on August 31, 2015.



**Naim Anwar**  
**Chief Executive/Principal Officer**

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**Mudassar Zubair Mirza**  
Director

fluid loss

**Syed Abid Raza**  
**Director**

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**Syed Adnan Ali Zaidi**  
**Director**

# BRANCH NETWORK

## HEAD OFFICE

2ND FLOOR, NADIR HOUSE, I.I. CHUNDRIGR ROAD, KARACHI P.O. BOX NO. 4616 KARACHI, PAKISTAN  
U.A.N.: 111-274-000 PHONES: 32415471-3 FAX (82-21) 32415474

| BRANCH NAME          | ADDRESS  | CONTACT NO       |
|----------------------|--|------------------|
| NADIR HOUSE          | ROOM # 805, 8TH FLOOR, BUSINESS PLAZA, MUMTAZ HASSAN ROAD, OFF: I.I. CHUNDRIGAR ROAD, KARACHI. | (021) 32401912-3 |
| NEW UNIT             | ROOM # 805, 8TH FLOOR, BUSINESS PLAZA, MUMTAZ HASSAN ROAD, OFF: I.I. CHUNDRIGAR ROAD, KARACHI. | (021) 32401912-3 |
| KARACHI CENTRAL      | ROOM # 805, 8TH FLOOR, BUSINESS PLAZA, MUMTAZ HASSAN ROAD, OFF: I.I. CHUNDRIGAR ROAD, KARACHI. | (021) 32401912-3 |
| KARACHI CITY         | ROOM # 301, 3RD FLOOR, AL-AMIN TOWER, BLOCK 10, KDA SCHEME NO. 24, GULSHAN-E-IQBAL, KARACHI.   | (021) 3483421-3  |
| CENTRAL CORPORATE    | 2ND FLOOR, NADIR HOUSE, I.I. CHUNDRIGR ROAD, KARACHI.  | (021) 32415471-3 |
| KARACHI SOUTH BRANCH | 3RD FLOOR, BUILDING NO. 22-C, BUKHARI COMMERCIAL LANE 3, PHASE VI, DHA, KARACHI.               | (21) 35250396-9  |
| HYDERABAD            | OFFICE NO. F-5, MEZZANINE FLOOR, SHELTER SHOPPING MALL, HYDERABAD CANTT., HYDERABAD.           | (022) 2787688-9  |
| QUETTA               | 1ST FLOOR, ROOM NO. 2, GUL COMPLEX, M.A. JINNAH ROAD, QUETTA.                                  | (081) 2828097    |
| LAHORE CITY TOWER    | 66H GULBERG III, LAHORE.   | (042) 35442310-4 |
| ISLAMABAD            | BABAR CENTRE, OFFICE #19, FIRST FLOOR, F-8 MARKAZ, ISLAMABAD.                                  | (051) 2818073-5  |
| FAISALABAD           | P-14, 1ST FLOOR, CHENAB MARKET, MADINA TOWN, FAISALABAD.                                       | (041) 8559696-7  |
| MULTAN               | OPP: HAJVERI ARCADE, KUTCHERY ROAD, MULTAN.  | (061) 4571338    |
| MULTAN CITY          | OFFICE NO. 4, 2ND FLOOR, S.S. SHOPPING MALL, MUSRAT ROAD MULTAN CANTT, MULTAN.                 | (061) 4544415-6  |
| SIALKOT              | ROOM NOS. 11 & 12, AL-REHMAN CENTRE, SAGA CHOWK, DEFENCE ROAD, SIALKOT.                        | (052) 3240271-3  |



## Crescent Star Insurance Limited

(Formerly: The Crescent Star Insurance Company Limited)

ESTD 1957

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