



Quarterly Report March 2017  
(Un-Audited)

TOWARDS  
NEW  
HEIGHTS



**Crescent Star Insurance Limited**  
ESTD: 1957

*Nation wide Branch Network*

MOTOR

HEALTH

FIRE

MARINE

ENGG

TRAVEL

LIVESTOCK

CROP



# CONTENTS

Vision / Mission Statements	4
Company Information	5
Directors' Report to the Members on Unconsolidated Financial Statements	8
Directors' Report to the Members on Unconsolidated Financial Statements (Urdu)	11
Unconsolidated Financial Statements	12
Directors' Report to the Members on Consolidated Financial Statements	30
Directors' Report to the Members on Consolidated Financial Statements (Urdu)	31
Consolidated Financial Statements	32
Branch Network	48

# 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)  
Syed Adnan Ali Zaidi  
Syed Abid Raza  
Mr. Hanif Daud  
Dr. Fahim Lashkarwala  
Mr. Shahid Suleman Jan  
Mr. Bilal Anwar

### Managing Director & Chief Executive

Mr. Naim Anwar

### Management

Mr. Naim Anwar (Managing Director & CEO)  
Mr. Bilal Anwar (Executive Director)  
Mr. Tanveer Ahmed (Resident Director)  
Mr. Suhail Elahi (Resident Director)  
Mr. M. Omar Zubair (General Manager Operations)  
Mr. Malik Mehdi Muhammad (CFO & Company Secretary)  
Syed Danish Hasan Rizvi (Head of Internal Audit)

### Board Audit Committee

Dr. Fahim Lashkarwala (Chairman)  
Mr. Shahid Suleman Jan  
Mr. Bilal Anwar

### Board H.R & Remuneration Committee

Mr. Bilal Anwar (Chairman)  
Mr. Shahid Suleman Jan  
Mr. Naim Anwar

### Board Investment Committee

Mr. Naim Anwar (Chairman)  
Mr. Shahid Suleman Jan  
Dr. Fahim Lashkarwala

### C F O & Company Secretary

Mr. Malik Mehdi Muhammad

### Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq  
Chartered Accountants

### Legal Advisor

Jameel Khan

### Bankers

United Bank Limited  
Faysal Bank Limited  
Habib Bank Limited

### Share Registrar

F. D. Registrar (SMC-Pvt.) Limited  
Office No. 1705, 17th Floor, Saima Trade Tower – A  
I. I. Chundrighar, Road, Karachi  
Tel #: 35478192-93 / 32271906 Fax # : 32621233

### Registered & Head Office

2<sup>nd</sup> Floor, Nadir House  
I. I. Chundrigar Road  
P.O. BOX No. 4616, Karachi

# **UNCONSOLIDATED**

Financial Statements  
for the Period Ended  
March 31, 2017

## Directors' Report to the Members on Unconsolidated Condensed Interim Financial Information

On behalf of the Board of Directors, I am pleased to present to you the unaudited unconsolidated financial statements for the three months ended 31 March 2017.

### General Review

The gross premium written for the first quarter of the year has been Rs. 14.014 million as compared to Rs. 50.927 million for the corresponding figures last year. The net premium for the first quarter has been recorded as Rs. 32.658 million against Rs. 59.676 million of the corresponding period. Profit after tax recorded at Rs. 67.581 million. Earnings per share stood at Rs.0.82.

### Performance Highlights

The comparative financial highlights for the first quarter ended 31 March 2017 and 2016 are presented below:-

Rupees in millions (except for EPS)	31 March	31 March	Increase / (Decrease)	
	2017	2016	Amount	%
Gross written premium	14.014	50.927	(36.913)	(72)
Net premium	32.658	59.676	(27.018)	(45)
Profit / loss before tax	73.555	5.009	68.546	1,368
Profit / loss after tax	67.581	4.413	63.168	1,431
Total assets	1,072.984	930.359	142.625	15
Paid-up capital	826.833	826.833	-	-
Earnings per share (EPS) Rs.	0.82	0.05	0.770	1,540

### Future Outlook

I am pleased to confirm that the Company is now fully restructured with better standing in the market, adequate capital rating, branch network, effective professional team, and with improved financial strength the Company feels confident to aggressively market the core Insurance Business and to look for better innovative market strategy especially in the retail insurance business.

The management strategy is to move towards individual accounts in sectors of untapped market for retail Health backed by technology through the Company's subsidiary Crescent Star Technologies (Pvt) Ltd providing Call Centre services to help support this progressive business.

The Company's subsidiary Crescent Star Foods (Pvt) Ltd is on track with its plan to open two more outlets of Golden Chick in Rawalpindi and Karachi.

The Company's subsidiary Crescent Star Luxury Private Limited (CSL) has entered into the retail market for cosmetics and perfumes under the brand name of DEFINE (luxury, fashion and beauty). DEFINE will launch its first grand store at LUCKY ONE MALL in May 2017. CSL will follow the strategy to open more stores across Pakistan in major cities and Malls other than some STAND ALONE stores.

**Acknowledgments**

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

**Naim Anwar**  
Managing Director & CEO

Karachi: April 25, 2017

متوسط مالیاتی معلومات کے حوالے سے ممبران کیلئے ڈائریکٹرز کی رپورٹ:

بورڈ آف ڈائریکٹران کے جانب سے 31 مارچ 2017 کو ختم ہونے والے سہ ماہی کی غیر آڈٹ شدہ انکنسولیڈیٹڈ مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

عام نظریہ:

سال کے پہلے سہ ماہی میں کل تحریر کردہ پریمیم Rs. 14.014 ملین ہے جبکہ پچھلے سال Rs. 50.927 ملین تھا۔ سال کے پہلے سہ ماہی میں صافی پریمیم کی رقم Rs. 32.658 ملین ریکورڈ کی گئی جبکہ پچھلے سال Rs. 59.676 ملین تھی۔ ٹیکس کے بعد منافع Rs. 67.581 ملین ریکورڈ کیا گیا۔ فی شیئر آمدنی Rs. 0.82 ہے۔

کارگردگی کی تفصیلات:

31 مارچ 2017 اور 2016 کو ختم ہونے والے، پہلے سہ ماہی کی مالیاتی تفصیل درج ذیل ہیں۔

-----اضافہ/(کمی)-----					
روپے ملین میں (ماسوائے برائے EPS)	31 مارچ 2017	31 مارچ 2016	رقم	%	
کل تحریر کردہ پریمیم	14.014	50.927	(36.913)	(72)	
صافی پریمیم	32.658	59.676	(27.018)	(45)	
ٹیکس سے قبل منافع/(نقصان)	73.555	5.009	68.546	1,368	
ٹیکس کے بعد منافع/(نقصان)	67.581	4.413	63.168	1,431	
کل اثاثے	1,072.984	930.359	142.625	15	
ادا کردہ سرمایہ	826.833	826.833	-	-	
آمدنی فی شیئر	0.82	0.05	0.770	1,540	

مستقبل پر نظر:

میں یہ تصدیق کرتے ہوئے خوشی محسوس کرتا ہوں کہ کمپنی پوری طرح تبدیل ہوگئی ہے اور مارکیٹ میں اچھی مانی جاتی ہے۔ تصلی بخش کیپیٹل، برانچ نیٹ ورک، اور موثر تجربہ کارٹیم اور بہتر مالی طاقت کی وجہ سے کمپنی کو لگتا ہے کہ اب ہم تیزی سے انشورنس مارکیٹ میں آگے بڑھ سکتے ہیں اور خاص طور پر ریٹیل کی مارکیٹ میں جدید حکمت عملی اختیار کر سکتے ہیں۔ مینجمنٹ کی حکمت عملی اب یہ ہے کہ ہیلتھ کے انفرادی مارکیٹ کی طرف بڑھا جائے اور اسے ٹیکنالوجی کمپنی Crescent Star Technologies (Pvt.) Ltd جو کہ کال سینٹر فراہم کر رہی ہے اس کا روبرو سہولت فراہم کرے گی۔

کمپنی کا ذیلی ادارہ Crescent Star Foods (Pvt.) Limited، منصوبے کے تحت Golden Chick کے ۲ اور آؤٹلیٹ کراچی اور راولپنڈی میں کھولنے والی ہے۔

DEFINE CSL Crescent Star Luxury (Private) Limited (Luxury, Fashion & Beauty) کے نام سے داخل ہو چکی ہے۔ DEFINE کا پہلا اسٹور LUCKY ONE MALL میں مئی 2017 میں کھلے گا۔ CSL کی حکمت عملی یہ ہے کہ وہ پاکستان کے بڑے شہروں اور مالز میں DEFINE کے اسٹورز کھولے گی۔



اقرارنامہ:

آپ کی کمپنی کے ڈائریکٹرز اس موقع پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج، انشورنس ایسوسی ایشن آف پاکستان، اسٹیٹ بینک آف پاکستان، بینک اور مالیاتی اداروں اور تمام اسٹیک ہولڈرز کی مستقل حمایت اور تعاون پر بے حد مشکور ہیں۔

نعیم انور

مینیجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر

کراچی: 25 اپریل 2017ء

**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2017 (UN-AUDITED)**

		Un-Audited 31 March 2017	Audited 31 December 2016			Un-Audited 31 March 2017	Audited 31 December 2016
Note		------(Rupees)-----		Note		------(Rupees)-----	
<b>Share Capital and Reserves</b>				<b>Cash and Bank Deposits</b>			
<b>Authorised Capital</b>				Cash and other equivalents			
100,000,000 (2015: 100,000,000) ordinary shares				13		51,900,789	51,863,477
of Rs. 10/- each				14		21,095,363	6,504,995
		1,000,000,000	1,000,000,000			72,996,152	58,368,472
Issued, subscribed and paid-up share capital	7	826,833,330	826,833,330	<b>Investments</b>			
Discount on Issue of right shares	8	(199,650,000)	(199,650,000)	15		149,963,076	188,473,884
Reserves	9	26,264,833	26,264,833	<b>Deferred Taxation</b>			
Accumulated profit / (loss)		78,473,822	10,892,945			13,543,178	13,543,178
		731,921,985	664,341,108	<b>Current Assets - Others</b>			
<b>Underwriting Provisions</b>				16		176,097,869	179,887,393
Provision for outstanding claims (including IBNR)		71,623,009	71,011,170			63,939,396	66,527,481
Provision for unearned premium		50,384,140	71,592,272			18,271	354,866
Premium deficiency reserve		593,501	593,501			8,552,929	8,552,929
<b>Total underwriting provisions</b>		122,600,650	143,196,943			5,741,905	8,479,678
<b>Creditors and Accruals</b>						7,463,269	3,277,316
Premiums received in advance		2,848,433	633,446	17		557,665,381	463,920,536
Amounts due to others insurers / reinsurers	10	26,726,138	24,489,759			819,479,020	731,000,199
Accrued expenses		8,861,735	9,783,823	<b>Fixed Assets -</b>			
Other creditors and accruals	11	169,008,642	160,893,794	<b>Tangible Owned</b>			
Taxation - Provisions less payments		8,176,911	2,357,809			7,740,179	7,987,306
<b>Borrowings</b>						9,262,206	9,749,690
Borrowing under musharaka arrangements		2,421,107	3,007,838			17,002,385	17,736,996
		218,042,967	201,166,469	<b>Motor vehicles</b>			
<b>Other Liabilities</b>							
Unpresented dividend warrants		418,209	418,209	<b>TOTAL ASSETS</b>			
<b>TOTAL LIABILITIES</b>		341,061,826	344,781,621			1,072,983,811	1,009,122,729
<b>TOTAL EQUITY AND LIABILITIES</b>		1,072,983,811	1,009,122,729				

**Contingencies and Commitments** 12

The annexed notes from 1 to 24 form an integral part of these financial statements.

**Naim Anwar**  
Chief Executive/Principal Officer

**Dr. Fahim Lashkarwala**  
Director

**Bilal Anwar**  
Director

**Shahid Suleman Jan**  
Director

**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Credit and suretyship	Miscellaneous	31 March 2017 Aggregate	31 March 2016 Aggregate
<i>Note</i>	------(Rupees)-----							
<b>Revenue Account</b>								
Net premium revenue	4,145,236	2,647,408	17,400,211	74,786	5,111,036	3,279,641	<b>32,658,318</b>	59,675,659
Net claims	478,000	(2,903,290)	(11,139,270)	(5,549,983)	-	4,999,770	<b>(14,114,773)</b>	(14,126,017)
Management expenses	(692,893)	(1,932,376)	(10,125,129)	(126,084)	(2,249,095)	(2,518,985)	<b>(17,644,562)</b>	(18,319,965)
Net commission	(823,317)	(462,774)	(1,510,829)	2,366	(832,961)	(531,195)	<b>(4,158,710)</b>	(9,808,422)
<b>Underwriting result</b>	<b>3,107,026</b>	<b>(2,651,032)</b>	<b>(5,375,017)</b>	<b>(5,598,915)</b>	<b>2,028,980</b>	<b>5,229,231</b>	<b>(3,259,727)</b>	17,421,255
Investment income							<b>81,756,438</b>	1,407,362
Other income							<b>8,502,681</b>	327,252
General and administrative expense							<b>(13,444,116)</b>	(14,146,393)
<b>Profit / (loss) before tax</b>							<b>73,555,276</b>	5,009,476
Provision for taxation							<b>(5,974,399)</b>	(596,757)
<b>Profit / (loss) after tax</b>							<b>67,580,877</b>	4,412,719
<b>Profit and loss appropriation account</b>								
Balance at commencement of the year							<b>10,892,945</b>	(12,664,264)
Profit / (loss) after tax for the period							<b>67,580,877</b>	4,412,719
<b>Balance accumulated profit / (loss) at end of the period</b>							<b>78,473,822</b>	(8,251,545)
<b>Earnings/(Loss) per share - basic and diluted</b>	<b>19</b>						<b>0.82</b>	<b>(Restated)</b> 0.05

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	31 March 2017	31 March 2016
	----- <i>(Rupees)</i> -----	
Profit / (loss) after tax for the period	67,580,877	4,412,719
<b>Other comprehensive income:</b>		
Items that may not be subsequently reclassified to Profit and Loss Account	-	-
Items that may be subsequently reclassified to Profit and Loss Account	-	-
<b>Other comprehensive income for the period</b>	-	-
<b>Total comprehensive income / (loss) for the Period</b>	<u><u>67,580,877</u></u>	<u><u>4,412,719</u></u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	<u>Share Capital</u> Issued, subscribed and paid-up Capital	Discount on issue of right issue	<u>Capital Reserve</u> Reserve for exceptional losses	<u>Revenue Reserve</u>  General reserve	Accumulated (loss) / profit	Total
	------(Rupees)-----					
<b>Balance as at January 01, 2015</b>	<b>620,125,000</b>	<b>(199,650,000)</b>	<b>1,767,568</b>	<b>24,497,265</b>	<b>(94,346,615)</b>	<b>352,393,218</b>
Total comprehensive income for the year	-	-	-	-	81,682,351	<b>81,682,351</b>
<b>Balance as at December 31, 2015</b>	<b>620,125,000</b>	<b>(199,650,000)</b>	<b>1,767,568</b>	<b>24,497,265</b>	<b>(12,664,264)</b>	<b>434,075,569</b>
Issue of right share at par	206,708,330	-	-	-	-	<b>206,708,330</b>
Total comprehensive income for the year	-	-	-	-	23,557,209	<b>23,557,209</b>
<b>Balance as at December 31, 2016</b>	<b>826,833,330</b>	<b>(199,650,000)</b>	<b>1,767,568</b>	<b>24,497,265</b>	<b>10,892,945</b>	<b>664,341,108</b>
Total comprehensive income for the period	-	-	-	-	67,580,877	<b>67,580,877</b>
<b>Balance as at March 31, 2017</b>	<b>826,833,330</b>	<b>(199,650,000)</b>	<b>1,767,568</b>	<b>24,497,265</b>	<b>78,473,822</b>	<b>731,921,985</b>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**



**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS ( UN-AUDITED )**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	31 March 2017	31 March 2016
	------(Rupees)-----	
<b>Operating Cash Flows</b>		
<b>a) Underwriting activities</b>		
Premium received	20,018,932	53,394,374
Reinsurance premium paid	(1,925,724)	(9,436,249)
Claims paid	(13,533,060)	(24,386,096)
Reinsurance and other recoveries received	30,126	-
Commission paid	(1,420,937)	(8,328,017)
Commission received	-	99,546
Net cash inflow from underwriting activities	3,169,337	11,343,558
<b>b) Other operating activities</b>		
Income tax paid	(155,297)	(226,099)
General management expenses paid	(23,141,306)	(48,496,131)
Other operating payments	(85,242,164)	(2,413,447)
Net cash flows from other operating activities	(108,538,767)	(51,135,677)
Total cash inflow / (outflow) from all operating activities	(105,369,430)	(39,792,119)
<b>Investing activities</b>		
Profit / return received	736,265	2,840,581
Proceeds from / (Payments for) investments	249,679	(10,719,048)
Proceeds from / (Payments for) disposal of investments	119,617,897	-
Fixed capital expenditure	(20,000)	(113,000)
Total cash inflow / (outflow) from investing activities	120,583,841	(7,991,467)
<b>Financing activities</b>		
Borrowing under Musharaka arrangements	(586,731)	(586,731)
Share Deposit money	-	130,708,330
Total cash inflow / (outflow) from financing activities	(586,731)	130,121,599
<b>Total cash inflow / (outflow) from all activities</b>	14,627,680	82,338,013
<b>Add: Cash at beginning of the year</b>	58,368,472	11,752,638
<b>Cash at the end of the period</b>	72,996,152	94,090,651
<b>Reconciliation to the Profit and Loss Account</b>		
Operating cash flows	(105,369,430)	(39,792,119)
Depreciation expense	(754,612)	(919,682)
Investment income	81,756,438	1,407,362
Provision for taxation	(5,819,102)	(370,658)
(Decrease) / increase in assets other than cash	88,815,416	1,320,980
Decrease / (increase) in liabilities other than running finance	8,952,166	42,766,746
	67,580,877	4,412,629

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

Class of Business	Premiums written	Unearned		Premiums earned	Reinsurance ceded	Prepaid reinsurance		Reinsurance expense	31 March	31 March
		premium reserve				premium ceded			2017	2016
		Opening	Closing			Opening	Closing		Net premium revenue	Net premium revenue
Direct and facultative		----- (Rupees) -----								
Fire and property damage	660,398	6,918,779	2,995,519	4,583,658	1,631,306	1,577,205	2,770,089	438,422	4,145,236	(1,058,048)
Marine, aviation and transport	1,863,108	1,301,636	1,019,587	2,145,157	1,631,306	(1,426,288)	707,269	(502,251)	2,647,408	3,218,977
Motor	6,759,381	44,524,636	32,567,390	18,716,627	1,312,500	1,997,521	1,993,605	1,316,416	17,400,211	24,637,208
Accident and health	122,121	767,153	814,488	74,786	-	-	-	-	74,786	10,151,232
Credit and suretyship	2,185,427	10,735,328	6,854,122	6,066,633	1,087,538	1,740,003	1,871,944	955,597	5,111,036	1,282,504
Miscellaneous	2,423,986	7,344,740	6,133,034	3,635,692	1,087,538	(611,125)	120,362	356,051	3,279,641	21,443,786
Total	14,014,421	71,592,272	50,384,140	35,222,553	6,750,188	3,277,316	7,463,269	2,564,235	32,658,318	59,675,659

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

Class of Business	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 revenue	31 March 2017	31 March 2016
		Opening	Closing			Opening	Closing		Net Claims expense	Net Claims expense
<b>Direct and facultative</b>										
Fire and property damage	72,000	17,599,731	17,049,731	(478,000)	-	2,634,755	2,634,755	-	(478,000)	492,983
Marine, aviation and transport	2,162,680	7,352,797	8,093,407	2,903,290	-	1,430,360	1,430,360	-	2,903,290	2,782,461
Motor	9,237,247	25,545,247	27,477,396	11,169,396	30,126	2,300,000	2,300,000	30,126	11,139,270	6,936,179
Accident and health	2,283,070	13,797,978	17,064,891	5,549,983	-	-	-	-	5,549,983	4,093,973
Credit and suretyship	-	-	-	-	-	-	-	-	-	-
Miscellaneous	(221,937)	6,715,417	1,937,584	(4,999,770)	-	2,187,814	2,187,814	-	(4,999,770)	(179,489)
<b>Total</b>	<b>13,533,060</b>	<b>71,011,170</b>	<b>71,623,009</b>	<b>14,144,899</b>	<b>30,126</b>	<b>8,552,929</b>	<b>8,552,929</b>	<b>30,126</b>	<b>14,114,773</b>	<b>14,126,107</b>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

Class of Business	Commission paid or payable	Deferred commission		Net commission expense	Management expenses	Underwriting expense	Commissions from re-insurers	31 March 2017	31 March 2016
		Opening	Closing					Net Underwriting expense	Net Underwriting expense
Direct and facultative									
Fire and property damage	38,665	1,383,756	599,104	823,317	692,893	1,516,210	-	1,516,210	1,308,127
Marine, aviation and transport	406,364	260,327	203,917	462,774	1,932,376	2,395,150	-	2,395,150	2,696,995
Motor	315,104	4,452,464	3,256,739	1,510,829	10,125,129	11,635,958	-	11,635,958	15,062,350
Accident and health	-	38,358	40,724	(2,366)	126,084	123,718	-	123,718	668,296
Credit and suretyship	250,780	1,610,299	1,028,118	832,961	2,249,095	3,082,056	-	3,082,056	1,345,604
Miscellaneous	410,024	734,474	613,303	531,195	2,518,985	3,050,180	-	3,050,180	7,047,015
Total	1,420,937	8,479,678	5,741,905	4,158,710	17,644,562	21,803,272	-	21,803,272	28,128,387

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

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	31 March 2017	31 March 2016
	----- <i>(Rupees)</i> -----	
<b>Income from Non-Trading Investments</b>		
<b>Held-to-maturity</b>		
Return on government securities	332,476	1,413,274
Return on fixed income securities and deposits	67,194	12,088
	<b>399,670</b>	1,425,362
<b>Available-for-sale</b>		
Dividend income	-	-
Gain / (loss) on sale of available for sale investments	81,844,655	-
	<b>81,844,655</b>	-
Reversal / (provision) for impairment in Value of investments	(16,273)	-
Investment related expenses	(471,614)	(18,000)
<b>Net investment income</b>	<b>81,756,438</b>	1,407,362

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**



**CRESCENT STAR INSURANCE LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL**  
**INFORMATION (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

**1. THE COMPANY AND ITS OPERATIONS**

Crescent Star Insurance Limited (the Company) was incorporated in Pakistan 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 Pakistan Stock Exchange (PSX) 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 mainly in spheres of Fire and property damage; Marine, aviation and transport; Motor; Accident & Health; and Miscellaneous.

**2. STATEMENT OF COMPLIANCE**

This unconsolidated condensed interim financial information of the Company for the three months ended March 31, 2017 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 unconsolidated 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, 2016.

**3. BASIS OF PRESENTATION**

This unconsolidated condensed interim financial information has been prepared under the historical cost convention except that investments (Available for Sale) are stated at lower of cost and market value. Accrual basis of accounting has been used except for cash flow information.

These are separate unconsolidated condensed interim financial statements of the Company in which investment in subsidiary is accounted for on the basis of cost of investment rather than on the basis of reported results. Consolidated interim financial information has been prepared and presented separately.

**4. ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of this unconsolidated 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 unconsolidated 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 were applied to the financial statements as at / for the year ended December 31, 2016.

**5. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT**

The accounting policies and the methods of computation adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2016.

**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, 2016.

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

2017	2016		Un-Audited 31 March 2017	Audited 31 December 2016
----	----	Note	----- (Rupees) -----	
		Ordinary shares of Rs.10 each fully paid in cash		
<b>79,716,786</b>	59,045,953	Opening Balance	<b>797,167,860</b>	590,459,530
-	20,670,833	Issued during the period	-	206,708,330
<b>79,716,786</b>	79,716,786	Closing Balance	<b>797,167,860</b>	797,167,860
<b>2,966,547</b>	2,966,547	Ordinary shares of Rs.10 each issued as fully paid bonus shares	<b>29,665,470</b>	29,665,470
<b>82,683,333</b>	82,683,333		<b>826,833,330</b>	826,833,330

## 8. DISCOUNT ON ISSUE OF RIGHT SHARES

**199,650,000**      199,650,000

The Company had issued right shares in the year 2014 with the approval of Board of Directors, SECP and KSE (now PSX) 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	<b>1,767,568</b>	1,767,568
General reserve	9.2	<b>24,497,265</b>	24,497,265
		<b>26,264,833</b>	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

**9.2** These represent distributable profits transferred and utilizable at the discretion of the board of directors.

## 10. AMOUNT DUE TO OTHER INSURERS/REINSURERS

Foreign Reinsurers	<b>8,879,179</b>	9,985,380
Local Reinsurers	<b>13,042,401</b>	10,679,835
Co-insurers	<b>4,804,558</b>	3,824,544
	<b>26,726,138</b>	24,489,759

## 11. OTHER CREDITORS AND ACCRUALS

Federal insurance fee	<b>1,457,130</b>	1,561,056
Federal excise duty	<b>27,836,624</b>	29,422,428
Withholding tax	<b>34,936,972</b>	31,907,966
Payable to staff provident fund	<b>405,220</b>	431,860
Unpresented cheques	<b>3,973,504</b>	7,877,268
Margin against performance bonds	<b>5,259,531</b>	4,409,531
Other	<b>95,139,661</b>	85,283,685
	<b>169,008,642</b>	160,893,794

**11.1** This include balance payable to associated undertaking of Rs. 75,088,457 (2016 : Rs. 83,263,321).

## 12. CONTINGENCIES AND COMMITMENTS

### 12.1 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, 2016.

### 12.2 COMMITMENTS

There were no commitments as at March 31, 2017 (2016 : Rs. Nil).

		Un-Audited 31 March 2017	Audited 31 December 2016
	Note	----- (Rupees) -----	
<b>13. CASH AND OTHER EQUIVALENTS</b>			
Cash with State Bank Of Pakistan	13.1	51,238,047	51,238,047
Cash in hand		54,113	25,102
Policy stamps		608,629	600,328
		<u>51,900,789</u>	<u>51,863,477</u>
<b>13.1</b>	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>14. CURRENT AND OTHER ACCOUNTS WITH BANKS</b>			
Current accounts		12,030,453	3,348,619
PLS savings accounts		9,064,911	3,156,376
		<u>21,095,363</u>	<u>6,504,995</u>
<b>15. INVESTMENTS</b>			
<b>Held to maturity</b>			
Government Securities	15.1	21,512,130	21,761,809
<b>Available for sale</b>			
Ordinary equity securities & Mutual funds	15.2	40,264,291	78,519,113
Less: Provision for impairment		(501,275)	(484,998)
		39,763,016	78,034,115
<b>In Related Parties-at cost</b>			
<b>Subsidiary companies:</b>	<b>Holdings</b>		
Crescent Star Foods (Private) Limited	50%	88,667,990	88,667,990
Crescent Star Technologies (Private) Limited	99%	9,970	9,970
Crescent Star Luxury (Private) Limited	99%	9,970	-
		<u>149,963,076</u>	<u>188,473,884</u>
<b>15.1</b>	This represents amortised cost of three years Pakistan Investment Bond (PIB) having face value of Rs. 21 million (2016: Rs. 21 million) issued by the State Bank of Pakistan through its authorized dealer Pak Oman Investment Company Limited. PIB carry mark up at the effective rate of 6.20% per annum with maturity date up till 26 March 2018.		
	Government securities having amortised cost of Rs. 21.512 million (2016 : Rs. 21.762 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>15.2</b>	Securities having book value of Rs. 11.731 million (2016 : 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.		
	It includes investment in associated undertaking (Dost Steels Limited) of 6,207,020 shares (2016: 14,707,020 shares) having book value of Rs. 27.935 million (2016 : Rs. 66.190 million) & market value of Rs. 89.319 million (2016: Rs. 178.249) with 1.97% of total equity of Dost Steels Limited.		
<b>16. PREMIUM DUE BUT UNPAID</b>			
Considered Good	16.1	176,097,869	179,887,393
Considered doubtful		54,663,496	54,663,496
		230,761,365	234,550,889
Provision for doubtful balances		(54,663,496)	(54,663,496)
		<u>176,097,869</u>	<u>179,887,393</u>
<b>16.1</b>	It includes an amount of Rs. 4,252,837 (2016: Rs. 4,252,837) due from related parties.		

		Un-Audited 31 March 2017	Audited 31 December 2016
		----- (Rupees) -----	
	Note		
<b>17. Sundry Receivables- Unsecured</b>			
Considered good			
To employees		215,153	22,538
Advance against issuance of shares	17.1	100,160,687	49,494,792
Deposits		6,424,462	5,544,962
Others	17.2	450,865,079	408,858,244
		<u>557,665,381</u>	<u>463,920,536</u>
<b>17.1</b>	These comprise of advance to Crescent Star Foods (Private) Limited (Subsidiary) amounting to Rs. 100,160,687 (2016 : Rs. 49,494,792).		
<b>17.2 (a)</b>	This includes balance due from associated companies :		
<b>Name</b>	<b>Status</b>		
Crescent Star Technology (Private) Limited	Subsidiary	6,097,527	6,041,527
Crescent Star Luxury (Private) Limited	Subsidiary	13,889,412	-
Dost Steels Limited	Associate	394,881,575	386,378,894
<b>17.2 (b)</b>	Includes an advance of Rs. 394.882 million which carries markup @ 1 year KIBOR plus 3% p.a.		
<b>18. FIXED ASSETS - Tangible and Intangible</b>			
Opening written down value		17,736,996	21,047,825
Additions during the period - at cost	18.1	20,000	432,370
Disposals during the period - at WDV	18.1	-	(58,185)
Depreciation charged		(754,611)	(3,685,014)
		<u>17,002,385</u>	<u>17,736,996</u>
<b>18.1 Additions &amp; disposals</b>			
	<b>Additions (at cost) ----- Rupees -----</b>	<b>Disposal (at WDV) ----- Rupees -----</b>	
	<b>31 March 2017</b>	<b>31 December 2016</b>	<b>31 March 2017</b>
			<b>31 December 2016</b>
<b>Owned</b>			
Office equipment	-	222,400	-
Computer & related equipment	20,000	209,970	-
	<u>20,000</u>	<u>432,370</u>	<u>-</u>
			<u>58,185</u>
			Un-Audited 31 March 2017
			Un-Audited 31 March 2016
			----- (Rupees) -----
<b>19. EARNINGS/(LOSS) PER SHARE - BASIC AND DILUTED</b>			
			Restated
Profit / (loss) for the period attributable to Ordinary shareholders		67,580,877	4,412,629
Capital		82,683,333	82,683,333
Earnings / (Loss) Per Share		0.82	0.05
<b>19.1</b>	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 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. The company continues to have a policy whereby all transactions with related parties and associated undertakings are priced at comparable uncontrolled market price.

Balances are disclosed in relevant notes to these financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	<b>Un-Audited 31 March 2017 ----- (Rupees) -----</b>	<b>Audited 31 December 2016</b>
Advance against issuance of shares	<b>50,665,895</b>	49,494,792
Subscription of shares	<b>9,970</b>	139,867,990
Expenses paid on behalf of the subsidiary	<b>13,945,412</b>	442,696
Other Advance	-	354,369,066
Markup on advance given	<b>8,502,681</b>	32,427,080
Premium written	-	4,252,837
Advance received - net	<b>4,284,000</b>	76,008,940
Share Deposit Money (Utilized)/Received	-	(76,000,000)
Remuneration to directors, chief executive and executives of the Company	<b>8,732,298</b>	35,908,179
Provident fund contribution	<b>584,214</b>	2,714,574
Markup on outstanding balance of provident fund	-	350,286



## 21. SEGMENT REPORTING

	Fire & Property Damage		Marine Aviation & Transport		Motor		Accident & Health		Credit and suretyship		Miscellaneous		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	Un-Audited 31 March 2017	Audited 31 December 2016
	(Rupees)													
Segment Assets	36,281,117	23,818,762	16,979,603	22,677,044	148,148,079	132,340,536	591,955	43,515,875	48,019,337	43,264,229	28,777,664	18,845,347	278,797,755	284,461,793
Unallocated corporate assets													794,186,056	724,660,936
Consolidated total assets													1,072,983,811	1,009,122,729
Segment Liabilities	23,929,082	17,004,419	11,198,837	16,189,336	97,710,542	94,479,045	390,422	31,066,357	31,670,984	30,886,704	18,980,207	13,453,856	183,880,074	203,079,717
Unallocated corporate liabilities													157,181,752	141,701,904
Consolidated total liabilities													341,061,826	344,781,621

## 22. Financial Instruments - fair values

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows :

	Note	Carrying Amount			Fair Value		
		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
		Rupees					
<u>On-balance sheet financial instruments</u>							
31 March 2017 (Un-audited)							
<u>Financial assets measured at fair value</u>							
Investments - Available for sale		39,763,016	-	39,763,016	39,763,016	-	-
Financial assets not measured at fair value	22.1	39,763,016	-	39,763,016	39,763,016	-	-
Cash and other equivalents		51,900,789	-	51,900,789	-	-	-
Current and other accounts		21,095,363	-	21,095,363	-	-	-
Investments - other than available for sale		110,200,060	-	110,200,060	-	-	-
Premiums due but unpaid		176,097,869	-	176,097,869	-	-	-
Amounts due from other insurers / reinsurers		63,939,396	-	63,939,396	-	-	-
Accrued investment income		18,271	-	18,271	-	-	-
Reinsurance recoveries against outstanding claims		8,552,929	-	8,552,929	-	-	-
Sundry receivables		557,665,381	-	557,665,381	-	-	-
Financial liabilities measured at fair value		989,470,058	-	989,470,058	-	-	-
Financial liabilities not measured at fair value	22.1	-	-	-	-	-	-
Provision for outstanding claims (including IBNR)		-	71,623,009	71,623,009	-	-	-
Amounts due to others insurers / reinsurers		-	26,726,138	26,726,138	-	-	-
Accrued expenses		-	8,861,735	8,861,735	-	-	-
Other creditors and accruals		-	169,008,642	169,008,642	-	-	-
Borrowing under musharaka arrangements		-	2,421,107	2,421,107	-	-	-
Unrepresented dividend warrants		-	418,209	418,209	-	-	-
		-	279,058,840	279,058,840	-	-	-

22.1 The management considers the carrying amount of all financial assets and liabilities not measured at fair value at the end of the reporting period to approximate their fair value as at the reporting date.

## 23. GENERAL

23.1 Figures in these condensed interim financial statements have been rounded off to the nearest rupees.

23.2 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 April 25, 2017.

Naim Anwar  
Chief Executive/Principal Officer

Dr. Fahim Lashkarwala  
Director

Bilal Anwar  
Director

Shahid Suleman Jan  
Director

# **CONSOLIDATED**

Financial Statements  
for the Period Ended  
March 31, 2017

**Directors' Report to the Members on Consolidated  
Condensed Interim Financial Information:**

On behalf of the Board of Directors, I am pleased to present the consolidated condensed Interim financial statements of Crescent Star Insurance Limited and its subsidiaries, Crescent Star Foods (Private) Limited, Crescent Star Technologies (Private) Limited and Crescent Star Luxury (Private) Limited for the three months ended March 31, 2017.

The consolidated condensed interim financial information reflects Rs. 0.59 (March 31, 2016: Rs. 0.05) earnings per share for the period under review.

The Directors of your Company would like to take this opportunity to thank all the stakeholders for their continued support and cooperation.

**Naim Anwar**  
Managing Director & CEO

Karachi: April 25, 2017

متوسط مالیاتی معلومات کے حوالے سے ممبران کیلئے ڈائریکٹرز کی رپورٹ: (مجموعی معلوماتی گوشوارے)  
بورڈ آف ڈائریکٹران کی جانب سے کریینٹ اسٹار انشورنس لمیٹڈ اور الحاق شدہ ادارے کریینٹ اسٹار فوڈز (پرائیوٹ) لمیٹڈ، کریینٹ اسٹار ٹیکو لوجیز (پرائیوٹ) لمیٹڈ اور کریینٹ اسٹار لکٹری (پرائیوٹ) لمیٹڈ کے 31 مارچ 2017ء کو ختم ہونے والے سہ ماہی کیلئے معلوماتی حسابات پیش کرتا ہوں۔

یہ متوسط معلومات زیر جائزہ مدت کے لئے 0.59 روپے کی (31 مارچ 2016ء: 0.05 روپے) آمدنی فی شیئر ظاہر کی گئی ہے۔

اس موقع پر آپ کی کمپنی کے ڈائریکٹرز تمام اسٹیک ہولڈرز کا ان کی جانب سے مکمل سپورٹ اور تعاون کے لئے شکر گزار ہے۔

نعیم انور  
مہجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر  
کراچی: 25 اپریل 2017ء

**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2017 (UN-AUDITED)**

		Un-Audited 31 March 2017	Audited 31 December 2016			Un-Audited 31 March 2017	Audited 31 December 2016
	Note	------(Rupees)-----			Note	------(Rupees)-----	
<b>Share Capital and Reserves</b>				<b>Cash and Bank Deposits</b>			
<b>Authorised Capital</b>				Cash and other equivalents			
100,000,000 (2015: 100,000,000) ordinary shares				Current and other accounts			
of Rs. 10/- each							
		<b>1,000,000,000</b>	<b>1,000,000,000</b>				
Issued, subscribed and paid-up share capital	7	<b>826,833,330</b>	826,833,330				
Discount on Issue of right shares	8	<b>(199,650,000)</b>	(199,650,000)	<b>Investments</b>	15	<b>61,275,146</b>	99,795,924
Reserves	9	<b>26,264,833</b>	26,264,833				
Accumulated profit / (loss)		<b>21,516,244</b>	(27,317,568)	<b>Deferred Taxation</b>		<b>13,543,178</b>	13,543,178
Attributable to owners of the holding entity		<b>674,964,407</b>	626,130,595				
Non-Controlling Interest		<b>8,932,195</b>	27,668,713				
<b>Total Equity</b>		<b>683,896,602</b>	653,799,308				
<b>Underwriting Provisions</b>				<b>Current Assets - Others</b>			
Provision for outstanding claims (including IBNR)		<b>71,623,009</b>	71,011,170	Premiums due but unpaid - net - unsecured	16	<b>176,097,869</b>	179,887,393
Provision for unearned premium		<b>50,384,140</b>	71,592,272	Amounts due from other insurers / reinsurers		<b>63,939,396</b>	66,527,481
Premium deficiency reserve		<b>593,501</b>	593,501	Accrued investment income		<b>18,271</b>	354,866
<b>Total underwriting provisions</b>		<b>122,600,650</b>	143,196,943	Reinsurance recoveries against outstanding claims		<b>8,552,929</b>	8,552,929
				Deferred commission expense		<b>5,741,905</b>	8,479,678
				Prepaid reinsurance premium ceded		<b>7,463,269</b>	3,277,316
				Stock in Trade - Raw Materials		<b>11,333,943</b>	19,599,248
				Sundry receivables - unsecured	17	<b>525,814,630</b>	496,579,976
						<b>798,962,212</b>	783,258,887
				<b>Fixed Assets -</b>	18		
				<b>Tangible Owned</b>			
				Furniture and fixtures & office equipments		<b>85,503,454</b>	56,423,554
				Motor vehicles		<b>11,876,316</b>	12,594,078
				Leasehold Improvements		<b>10,172,792</b>	8,421,443
						<b>107,552,562</b>	77,439,075
				<b>Intangible Owned</b>		<b>81,265,064</b>	74,523,679

**Contingencies and Commitments**

12

The annexed notes from 1 to 24 form an integral part of these financial statements.

Naim Anwar  
Chief Executive/Principal Officer

Dr. Fahim Lashkarwala  
Director

Bilal Anwar  
Director

Shahid Suleman Jan  
Director

**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Credit and suretyship	Miscellaneous	31 March 2017 Aggregate	31 March 2016 Aggregate
<i>Note</i>	----- <i>(Rupees)</i> -----							
<b>Revenue Account</b>								
Net premium revenue	4,145,236	2,647,408	17,400,211	74,786	5,111,036	3,279,641	<b>32,658,318</b>	59,675,659
Net claims	478,000	(2,903,290)	(11,139,270)	(5,549,983)	-	4,999,770	<b>(14,114,773)</b>	(14,126,017)
Management expenses	(692,893)	(1,932,376)	(10,125,129)	(126,084)	(2,249,095)	(2,518,985)	<b>(17,644,562)</b>	(18,319,965)
Net commission	(823,317)	(462,774)	(1,510,829)	2,366	(832,961)	(531,195)	<b>(4,158,710)</b>	(9,808,422)
<b>Underwriting result</b>	<b>3,107,026</b>	<b>(2,651,032)</b>	<b>(5,375,017)</b>	<b>(5,598,915)</b>	<b>2,028,980</b>	<b>5,229,231</b>	<b>(3,259,727)</b>	17,421,255
Sales							<b>21,177,860</b>	-
Cost of Sales							<b>(17,834,171)</b>	-
Investment income							<b>81,756,438</b>	1,407,362
Other income							<b>8,522,681</b>	327,252
General and administrative expense							<b>(54,078,816)</b>	(14,146,393)
<b>Profit / (loss) before tax</b>							<b>36,284,265</b>	5,009,476
Provision for taxation							<b>(6,187,001)</b>	(596,757)
<b>Profit / (loss) after tax</b>							<b>30,097,264</b>	4,412,719
<b>Attributable to:</b>								
Owners of the holding company							<b>48,833,812</b>	4,412,719
Non-controlling interest							<b>(18,736,548)</b>	-
							<b>30,097,264</b>	4,412,719
<b>Profit and loss appropriation account</b>								
Balance at commencement of the year							<b>(27,317,568)</b>	(12,664,264)
Profit / (loss) after tax for the period							<b>48,833,812</b>	4,412,719
<b>Balance accumulated profit / (loss) at end of the period</b>							<b>21,516,244</b>	(8,251,545)
<b>Earnings/(Loss) per share - basic and diluted</b>	<b>19</b>						<b>0.59</b>	0.05

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	31 March 2017	31 March 2016
	----- <i>(Rupees)</i> -----	
Profit / (loss) after tax for the period	<b>30,097,264</b>	4,412,719
<b>Other comprehensive income:</b>		
Items that may not be subsequently reclassified to Profit and Loss Account	-	-
Items that may be subsequently reclassified to Profit and Loss Account	-	-
<b>Other comprehensive income for the period</b>	-	-
<b>Total comprehensive income / (loss) for the Period</b>	<u><u>30,097,264</u></u>	<u><u>4,412,719</u></u>
<b>Attributable to:</b>		
Owners of the holding company	48,833,812	4,412,719
Non-controlling interest	<u>(18,736,548)</u>	-
	<u><u>30,097,264</u></u>	<u><u>4,412,719</u></u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	<u>Share Capital</u> <u>Issued,</u> <u>subscribed and</u> <u>paid-up Capital</u>	<u>Discount on</u> <u>issue of right</u> <u>issue</u>	<u>Capital Reserve</u> <u>Reserve for</u> <u>exceptional</u> <u>losses</u>	<u>Revenue Reserve</u>  <u>General</u> <u>reserve</u>	<u>Accumulated</u> <u>(loss) / profit</u>	<u>Attributable to</u> <u>owners of the</u> <u>holding company</u>	<u>Non-controlling</u> <u>Interest</u>	<u>Total</u>
	----- <i>(Rupees)</i> -----							
<b>Balance as at January 01, 2015</b>	<b>620,125,000</b>	<b>(199,650,000)</b>	<b>1,767,568</b>	<b>24,497,265</b>	<b>(94,346,615)</b>	<b>352,393,218</b>	<b>-</b>	<b>352,393,218</b>
Total comprehensive income for the year	-	-	-	-	81,682,351	<b>81,682,351</b>	-	<b>81,682,351</b>
<b>Balance as at December 31, 2015</b>	<b>620,125,000</b>	<b>(199,650,000)</b>	<b>1,767,568</b>	<b>24,497,265</b>	<b>(12,664,264)</b>	<b>434,075,569</b>	<b>-</b>	<b>434,075,569</b>
On Acquisition	-	-	-	-	-	-	<b>(1,742,819)</b>	<b>(1,742,819)</b>
On Further issue of capital	-	-	-	-	-	-	<b>61,668,010</b>	<b>61,668,010</b>
Issue of right share at par	206,708,330	-	-	-	-	<b>206,708,330</b>	-	<b>206,708,330</b>
Total comprehensive income for the year	-	-	-	-	(14,653,304)	<b>(14,653,304)</b>	<b>(32,256,478)</b>	<b>(46,909,782)</b>
<b>Balance as at December 31, 2016</b>	<b>826,833,330</b>	<b>(199,650,000)</b>	<b>1,767,568</b>	<b>24,497,265</b>	<b>(27,317,568)</b>	<b>626,130,595</b>	<b>27,668,713</b>	<b>653,799,308</b>
On Acquisition	-	-	-	-	-	-	<b>30</b>	<b>30</b>
Total comprehensive income for the period	-	-	-	-	48,833,812	<b>48,833,812</b>	<b>(18,736,548)</b>	<b>30,097,264</b>
<b>Balance as at March 31, 2017</b>	<b>826,833,330</b>	<b>(199,650,000)</b>	<b>1,767,568</b>	<b>24,497,265</b>	<b>21,516,244</b>	<b>674,964,407</b>	<b>8,932,195</b>	<b>683,896,602</b>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**



**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS ( UN-AUDITED )**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	31 March 2017	31 March 2016
	----- <i>(Rupees)</i> -----	
<b>Operating Cash Flows</b>		
<b>a) Underwriting activities</b>		
Premium received	20,018,932	53,394,374
Reinsurance premium paid	2,461,897	(9,436,249)
Claims paid	(13,533,060)	(24,386,096)
Reinsurance and other recoveries received	30,126	-
Commission paid	(1,420,937)	(8,328,017)
Commission received	-	99,546
Net cash inflow from underwriting activities	7,556,958	11,343,558
<b>b) Other operating activities</b>		
Proceeds from customers	21,177,860	-
Payments to suppliers	(9,568,866)	-
Income tax paid	(794,917)	(226,099)
General management expenses paid	(60,710,343)	(48,496,131)
Other operating payments	(20,711,973)	(2,413,447)
Net cash flows from other operating activities	(70,608,239)	(51,135,677)
Total cash inflow / (outflow) from all operating activities	(63,051,281)	(39,792,119)
<b>Investing activities</b>		
Profit / return received	736,265	2,840,581
Proceeds from / (Payments for) investments	249,709	(10,719,048)
Proceeds from / (Payments for) disposal of investments	119,627,868	-
Fixed capital expenditure	(41,192,324)	(113,000)
Total cash inflow / (outflow) from investing activities	79,421,518	(7,991,467)
<b>Financing activities</b>		
Borrowing under Musharaka arrangements	(586,731)	(586,731)
Share Deposit money	-	130,708,330
Total cash inflow / (outflow) from financing activities	(586,731)	130,121,599
<b>Total cash inflow / (outflow) from all activities</b>	<b>15,783,506</b>	<b>82,338,013</b>
<b>Add: Cash at beginning of the year</b>	<b>61,981,887</b>	<b>11,752,638</b>
<b>Cash at the end of the period</b>	<b>77,765,393</b>	<b>94,090,651</b>
<b>Reconciliation to the Profit and Loss Account</b>		
Operating cash flows	(63,051,281)	(39,792,119)
Depreciation expense	(3,126,379)	(919,682)
Amortization expense	(1,211,073)	-
Investment income	81,756,438	1,407,362
Provision for taxation	(5,392,084)	(370,658)
(Decrease) / increase in assets other than cash	16,039,920	1,320,980
Decrease / (increase) in liabilities other than running finance	5,081,723	42,766,746
	<b>30,097,264</b>	<b>4,412,629</b>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

Class of Business	Premiums written	Unearned		Premiums earned	Reinsurance ceded	Prepaid reinsurance		Reinsurance expense	31 March	31 March
		premium reserve				premium ceded			2017	2016
		Opening	Closing			Opening	Closing		Net premium revenue	Net premium revenue
Direct and facultative		(Rupees)								
Fire and property damage	660,398	6,918,779	2,995,519	4,583,658	1,631,306	1,577,205	2,770,089	438,422	4,145,236	(1,058,048)
Marine, aviation and transport	1,863,108	1,301,636	1,019,587	2,145,157	1,631,306	(1,426,288)	707,269	(502,251)	2,647,408	3,218,977
Motor	6,759,381	44,524,636	32,567,390	18,716,627	1,312,500	1,997,521	1,993,605	1,316,416	17,400,211	24,637,208
Accident and health	122,121	767,153	814,488	74,786	-	-	-	-	74,786	10,151,232
Credit and suretyship	2,185,427	10,735,328	6,854,122	6,066,633	1,087,538	1,740,003	1,871,944	955,597	5,111,036	1,282,504
Miscellaneous	2,423,986	7,344,740	6,133,034	3,635,692	1,087,538	(611,125)	120,362	356,051	3,279,641	21,443,786
Total	14,014,421	71,592,272	50,384,140	35,222,553	6,750,188	3,277,316	7,463,269	2,564,235	32,658,318	59,675,659

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

Class of Business	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 revenue	31 March 2017	31 March 2016
		Opening	Closing			Opening	Closing		Net Claims expense	Net Claims expense
<b>Direct and facultative</b>										
Fire and property damage	72,000	17,599,731	17,049,731	(478,000)	-	2,634,755	2,634,755	-	(478,000)	492,983
Marine, aviation and transport	2,162,680	7,352,797	8,093,407	2,903,290	-	1,430,360	1,430,360	-	2,903,290	2,782,461
Motor	9,237,247	25,545,247	27,477,396	11,169,396	30,126	2,300,000	2,300,000	30,126	11,139,270	6,936,179
Accident and health	2,283,070	13,797,978	17,064,891	5,549,983	-	-	-	-	5,549,983	4,093,973
Credit and suretyship	-	-	-	-	-	-	-	-	-	-
Miscellaneous	(221,937)	6,715,417	1,937,584	(4,999,770)	-	2,187,814	2,187,814	-	(4,999,770)	(179,489)
<b>Total</b>	<b>13,533,060</b>	<b>71,011,170</b>	<b>71,623,009</b>	<b>14,144,899</b>	<b>30,126</b>	<b>8,552,929</b>	<b>8,552,929</b>	<b>30,126</b>	<b>14,114,773</b>	<b>14,126,107</b>

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

Class of Business	Commission paid or payable			Net commission expense	Management expenses	Underwriting expense	Commissions from re-insurers	31 March 2017	31 March 2016
								Net Underwriting expense	Net Underwriting expense
		Opening	Closing						
Direct and facultative	----- (Rupees) -----								
Fire and property damage	38,665	1,383,756	599,104	823,317	692,893	1,516,210	-	1,516,210	1,308,127
Marine, aviation and transport	406,364	260,327	203,917	462,774	1,932,376	2,395,150	-	2,395,150	2,696,995
Motor	315,104	4,452,464	3,256,739	1,510,829	10,125,129	11,635,958	-	11,635,958	15,062,350
Accident and health	-	38,358	40,724	(2,366)	126,084	123,718	-	123,718	668,296
Credit and suretyship	250,780	1,610,299	1,028,118	832,961	2,249,095	3,082,056	-	3,082,056	1,345,604
Miscellaneous	410,024	734,474	613,303	531,195	2,518,985	3,050,180	-	3,050,180	7,047,015
Total	1,420,937	8,479,678	5,741,905	4,158,710	17,644,562	21,803,272	-	21,803,272	28,128,387

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

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

	31 March 2017	31 March 2016
	----- <i>(Rupees)</i> -----	
<b>Income from Non-Trading Investments</b>		
<b>Held-to-maturity</b>		
Return on government securities	332,476	1,413,274
Return on fixed income securities and deposits	67,194	12,088
	<b>399,670</b>	1,425,362
<b>Available-for-sale</b>		
Dividend income	-	-
Gain / (loss) on sale of available for sale investments	81,844,655	-
	<b>81,844,655</b>	-
Reversal / (provision) for impairment in Value of investments	(16,273)	-
Investment related expenses	(471,614)	(18,000)
<b>Net investment income</b>	<b>81,756,438</b>	1,407,362

The annexed notes from 1 to 24 form an integral part of these financial statements.

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

**Dr. Fahim Lashkarwala**  
**Director**

**Bilal Anwar**  
**Director**

**Shahid Suleman Jan**  
**Director**

**CRESCENT STAR INSURANCE LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL**  
**INFORMATION (UN-AUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2017**

**1. THE COMPANY AND ITS OPERATIONS**

Crescent Star Insurance Limited (the Company) was incorporated in Pakistan 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 Pakistan Stock Exchange (PSX) 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 mainly in spheres of Fire and property damage; Marine, aviation and transport; Motor; Accident & Health; and Miscellaneous.

The Group Consists of:

	Acquisition Date
- Crescent Star Insurance Limited - the holding company;	
- Crescent Star Foods (Private) Limited (Subsidiary Company) - holding of 50%;	30 June 2016
- Crescent Star Technologies (Private) Limited - (Subsidiary Company) - holding of 99%;	23 February 2016
- Crescent Star Luxury (Private) Limited - (Subsidiary Company) - holding of 99%;	15 December 2016

**Crescent Star Foods (Private) Limited**

Crescent Star Foods (Private) Limited is a private limited company incorporated on February 20, 2015 in Pakistan under the Companies Ordinance, 1984. The registered office of the company is located at 2nd floor, Nadir House, I.I. Chandigarh Road, Karachi, Pakistan. The company has the business objective of running the Fast Food Restaurants throughout Pakistan and other ancillary activities.

**Crescent Star Technologies (Private) Limited**

The 'Crescent Star Technologies (Private) Limited' was incorporated in Pakistan as a Private Limited Company on February 23, 2016 under the Companies Ordinance, 1984. The object of the company is to carry on business of vehicle tracking, fleet management services including supply and installation/trading of devices based on various technologies such as GPS and GSM. Its registered office is located at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

**Crescent Star Luxury (Private) Limited**

The 'Crescent Star Luxury (Private) Limited' was incorporated in Pakistan as a Private Limited Company on December 15, 2016 under the Companies Ordinance, 2016. The object of the company is to carry on business of beauty, skincare products and fashion accessories as permissible under the law and such other allied business. Its registered office is located at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

**2. STATEMENT OF COMPLIANCE**

This consolidated condensed interim financial information of the Company for the three months ended March 31, 2017 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 consolidated 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, 2016.

**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 consolidated 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 group accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this consolidated condensed interim financial information. The significant judgments made by management in applying the Group accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements at the year ended December 31, 2016.

**5. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT**

The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial information is the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2016. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Holding Company for the year ended December 31, 2016.

**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, 2016.

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

2017	2016		Un-Audited 31 March 2017	Audited 31 December 2016
----	----	Note	----- (Rupees) -----	
		Ordinary shares of Rs.10 each fully paid in cash		
<b>79,716,786</b>	59,045,953	Opening Balance	<b>797,167,860</b>	590,459,530
-	20,670,833	Issued during the period	-	206,708,330
<b>79,716,786</b>	79,716,786	Closing Balance	<b>797,167,860</b>	797,167,860
<b>2,966,547</b>	2,966,547	Ordinary shares of Rs.10 each issued as fully paid bonus shares	<b>29,665,470</b>	29,665,470
<b>82,683,333</b>	82,683,333		<b>826,833,330</b>	826,833,330

## 8. DISCOUNT ON ISSUE OF RIGHT SHARES

**199,650,000**      199,650,000

The Holding Company had issued right shares in the year 2014 with the approval of Board of Directors, SECP and KSE (now PSX) 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	<b>1,767,568</b>	1,767,568
General reserve	9.2	<b>24,497,265</b>	24,497,265
		<b>26,264,833</b>	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 Holding Company discontinued the setting aside of amounts as reserved for exceptional losses

**9.2** These represent distributable profits transferred and utilizable at the discretion of the board of directors.

## 10. AMOUNT DUE TO OTHER INSURERS/REINSURERS

Foreign Reinsurers	<b>13,266,800</b>	9,985,380
Local Reinsurers	<b>13,042,401</b>	10,679,835
Co-insurers	<b>4,804,558</b>	3,824,544
	<b>31,113,759</b>	24,489,759

## 11. OTHER CREDITORS AND ACCRUALS

Federal insurance fee	<b>1,457,130</b>	1,561,056
Federal excise duty	<b>27,836,624</b>	29,422,428
Withholding tax	<b>34,936,972</b>	31,907,966
Payable to staff provident fund	<b>405,220</b>	431,860
Advance against issue of shares	<b>63,000,060</b>	53,000,060
Unpresented cheques	<b>3,973,504</b>	7,877,268
Margin against performance bonds	<b>5,259,531</b>	4,409,531
Trade & related payables	<b>51,307,424</b>	59,331,638
Other	<b>95,139,661</b>	85,283,685
	<b>283,316,126</b>	273,225,492

**11.1** This represents amount advance from associated company - Din Corporation (Private) Limited - to facilitate payment of expenses and purchase of fixed assets with the understanding that these would be utilized/adjusted against future issue of shares at the convenience of subsidiary company - Crescent Star Foods (Private) Limited.

**11.2** This include balance payable to associated undertaking of Rs. 75,088,457 (2016 : Rs. 83,263,321).

## 12. CONTINGENCIES AND COMMITMENTS

### 12.1 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, 2016.

### 12.2 COMMITMENTS

There were no commitments as at March 31, 2017 (2016 : Rs. Nil).

		Un-Audited 31 March 2017	Audited 31 December 2016
	Note	----- (Rupees) -----	
<b>13. CASH AND OTHER EQUIVALENTS</b>			
Cash with State Bank Of Pakistan	13.1	51,238,047	51,238,047
Cash in hand		4,363,364	2,893,353
Policy stamps		608,629	600,328
		<u>56,210,040</u>	<u>54,731,728</u>
<b>13.1</b>	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>14. CURRENT AND OTHER ACCOUNTS WITH BANKS</b>			
Current accounts		12,490,443	4,093,783
PLS savings accounts		9,064,911	3,156,376
		<u>21,555,353</u>	<u>7,250,159</u>
<b>15. INVESTMENTS</b>			
<b>Held to maturity</b>			
Government Securities	15.1	21,512,130	21,761,809
<b>Available for sale</b>			
Ordinary equity securities & Mutual funds	15.2	40,264,291	78,519,113
Less: Provision for impairment		(501,275)	(484,998)
		<u>39,763,016</u>	<u>78,034,115</u>
		<u>61,275,146</u>	<u>99,795,924</u>
<b>15.1</b>	This represents amortised cost of three years Pakistan Investment Bond (PIB) having face value of Rs. 21 million (2016: Rs. 21 million) issued by the State Bank of Pakistan through its authorized dealer Pak Oman Investment Company Limited. PIB carry mark up at the effective rate of 6.20% per annum with maturity date up till 26 March 2018.		
	Government securities having amortised cost of Rs. 21.512 million (2016 : Rs. 21.762 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>15.2</b>	Securities having book value of Rs. 11.731 million (2016 : 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.		
	These also includes investment in associated undertaking (Dost Steels Limited) of 6,207,020 shares (2016: 14,707,020 shares) having book value of Rs. 27.935 million (2016 : Rs. 66.190 million) & market value of Rs. 89.319 million (2016: Rs. 178.249) with 1.97% of total equity of Dost Steels Limited.		
<b>16. PREMIUM DUE BUT UNPAID</b>			
Considered Good	16.1	176,097,869	179,887,393
Considered doubtful		54,663,496	54,663,496
		<u>230,761,365</u>	<u>234,550,889</u>
Provision for doubtful balances		(54,663,496)	(54,663,496)
		<u>176,097,869</u>	<u>179,887,393</u>
<b>16.1</b>	It includes an amount of Rs. 4,252,837 (2016: Rs. 4,252,837) due from related parties.		



		Un-Audited 31 March 2017	Audited 31 December 2016
		----- (Rupees) -----	
	Note		
<b>17. SUNDRY RECEIVABLES- UNSECURED</b>			
Considered good			
To employees		215,153	22,538
To suppliers		42,066,147	48,979,780
Deposits		28,310,554	32,388,254
Others	17.2	455,222,776	415,189,404
		<u>525,814,630</u>	<u>496,579,976</u>
<b>17.2 (a)</b>	This includes balance due from associated companies :		
<b>Name</b>	<b>Status</b>		
Dost Steels Limited	Associate	394,881,575	386,378,894
<b>17.2 (b)</b>	Includes an advance of Rs. 394.882 million which carries markup @ 1 year KIBOR plus 3% p.a.		
<b>18. FIXED ASSETS - Tangible and Intangible</b>			
Opening written down value		151,962,754	21,047,823
Additions during the period - at cost	18.1	41,192,324	140,390,904
Disposals during the period - at WDV	18.1	-	(58,185)
Depreciation charged		(3,126,379)	(6,993,280)
Amortization		(1,211,073)	(2,424,508)
		<u>188,817,626</u>	<u>151,962,754</u>
<b>18.1 Additions &amp; disposals</b>			
	<b>Additions (at cost)</b>	<b>Disposal (at WDV)</b>	
	----- Rupees -----	----- Rupees -----	
	<b>31 March 2017</b>	<b>31 December 2016</b>	<b>31 March 2017</b>
			<b>31 December 2016</b>
<b>Tangible Owned</b>			
Furniture and fixtures	24,652,238	43,347,400	-
Office equipment	3,218,728	4,471,550	-
Computer & related equipment	3,539,300	3,985,192	-
Motor Vehicles	-	3,000,000	-
Leasehold improvements	1,829,600	8,638,575	-
<b>Intangible Owned</b>	7,952,458	76,948,187	-
	<u>41,192,324</u>	<u>140,390,904</u>	<u>-</u>
			<u>58,185</u>
		Un-Audited 31 March 2017	Un-Audited 31 March 2016
		----- (Rupees) -----	
<b>19. EARNINGS/(LOSS) PER SHARE - BASIC AND DILUTED</b>			
<b>- ATTRIBUTABLE TO OWNERS OF THE HOLDING COMPANY</b>			Restated
Profit / (loss) for the period attributable to Ordinary shareholders		48,833,812	4,412,719
Number of shares		82,683,333	82,683,333
Earnings / (loss) Per Share		0.59	0.05
<b>19.1</b>	No figure for diluted earnings/(loss) per share has been presented as the Holding 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 Group comprise the Directors, major shareholders and the companies owned by such shareholders, entities owned by the Directors of the Group where they also hold directorships, staff retirement funds and key management personnel. The Group continues to have a policy whereby all transactions with related parties and associated undertakings are priced at comparable uncontrolled market price.

Balances are disclosed in relevant notes to these financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	<b>Un-Audited 31 March 2017 ----- (Rupees) -----</b>	<b>Audited 31 December 2016</b>
Subscription of shares	-	67,500,000
Other Advance	-	353,951,814
Markup on advance given	<b>8,502,681</b>	32,427,080
Premium written	-	4,252,837
Advance received - net	<b>4,284,000</b>	129,009,000
Share Deposit Money (Utilized)/Received	-	(76,000,000)
Remuneration to directors, chief executive and executives of the Company	<b>8,732,298</b>	35,908,179
Provident fund contribution	<b>584,214</b>	2,714,574
Markup on outstanding balance of provident fund	-	350,286

21. SEGMENT REPORTING

	Fire and property damage		Marine, aviation and transport		Motor		Accident & Health		Credit and suretyship		Miscellaneous		Total		Food		Technologies		Luxury		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	Un-Audited 31 March 2017	Audited 31 December 2016
	(Rupees)																					
Segment Assets	48,064,790	23,818,762	22,494,375	22,677,044	196,264,804	132,340,536	784,215	43,515,875	63,615,443	43,264,229	38,124,305	18,845,347	369,347,932	284,461,793	231,495,582	216,754,779	182,798	136,550	15,794,069	-	616,820,381	501,353,122
Unallocated corporate assets																					523,543,174	609,189,508
Consolidated total assets																					1,140,363,555	1,110,542,630
Segment Liabilities	24,500,062	17,004,419	11,466,056	16,189,336	100,042,045	94,479,045	399,738	31,066,357	32,426,695	30,886,704	19,433,100	13,453,856	188,267,696	203,079,717	113,434,647	111,886,703	75,000	75,000	1,894,657	-	303,672,000	315,041,420
Unallocated corporate liabilities																					152,794,953	141,701,903
Consolidated total liabilities																					456,466,953	456,743,323

22. Financial Instruments - fair values

The additional disclosures due to the adoption of IFRS 13 *Fair value measurement* are as follows :

On-balance sheet financial instruments	Note	Carrying Amount				Fair Value		
		Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	
		Rupees						
31 March 2017 (Un-audited)								
<u>Financial assets measured at fair value</u>								
Investments - Available for sale		39,763,016	-	39,763,016	39,763,016	-	-	
		<u>39,763,016</u>	<u>-</u>	<u>39,763,016</u>	<u>39,763,016</u>	<u>-</u>	<u>-</u>	
<u>Financial assets not measured at fair value</u>	22.1							
Cash and other equivalents		56,210,040	-	56,210,040	-	-	-	
Current and other accounts		21,555,353	-	21,555,353	-	-	-	
Investments - other than available for sale		21,512,130	-	21,512,130	-	-	-	
Premiums due but unpaid		176,097,869	-	176,097,869	-	-	-	
Amounts due from other insurers / reinsurers		63,939,396	-	63,939,396	-	-	-	
Accrued investment income		18,271	-	18,271	-	-	-	
Reinsurance recoveries against outstanding claims		8,552,929	-	8,552,929	-	-	-	
Sundry receivables		525,814,630	-	525,814,630	-	-	-	
		<u>873,700,618</u>	<u>-</u>	<u>873,700,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>Financial liabilities measured at fair value</u>								
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>Financial liabilities not measured at fair value</u>	22.1							
Provision for outstanding claims (including IBNR)		-	71,623,009	71,623,009	-	-	-	
Amounts due to others insurers / reinsurers		-	31,113,759	31,113,759	-	-	-	
Accrued expenses		-	6,443,771	6,443,771	-	-	-	
Other creditors and accruals		-	283,316,126	283,316,126	-	-	-	
Borrowing under musharaka arrangements		-	2,421,107	2,421,107	-	-	-	
Unpresented dividend warrants		-	418,209	418,209	-	-	-	
		<u>-</u>	<u>395,335,981</u>	<u>395,335,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	

22.1 The management considers the carrying amount of all financial assets and liabilities not measured at fair value at the end of the reporting period to approximate their fair value as at the reporting date.

23. GENERAL

23.1 Figures in these condensed interim financial statements have been rounded off to the nearest rupees.

23.2 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 consolidated condensed interim financial information was authorized for issue by the Board of Directors of the Company in its meeting held on April 25, 2017.

Naim Anwar  
Chief Executive/Principal Officer

Dr. Fahim Lashkarwala  
Director

Bilal Anwar  
Director

Shahid Suleman Jan  
Director

**HEAD OFFICE**

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