

Precaution Over Caution

Quarterly Report
March 31, 2015



IGI
Insurance

SERVING YOU SINCE 1953

Condensed Interim
Financial Statements
for the First Quarter Ended

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Company Information

Board of Directors

Syed Babar Ali (Chairman)
Shamim Ahmad Khan
Syed Kamal Ali
Syed Yawar Ali
Syed Shahid Ali
Syed Hyder Ali
Tahir Masaud

Chief Executive Officer

Tahir Masaud

Chief Financial Officer

Usman Saifi

Company Secretary

Haider Raza

Audit Committee

Shamim Ahmad Khan (Chairman)
Syed Yawar Ali
Syed Hyder Ali
Haider Raza (Secretary)

Investment Committee

Syed Hyder Ali (Chairman)
Shamim Ahmad Khan
Syed Kamal Ali
Syed Yawar Ali
Tahir Masaud
Usman Saifi (Secretary)

Claims Committee

Shamim Ahmad Khan (Chairman)
Tahir Masaud
Moeez Karim
Usman Saifi
Mir Mehmood Ali (Secretary)

Underwriting Committee

Syed Hyder Ali (Chairman)
Tahir Masaud
Moeez Karim
Faisal Khan
Haider Ali
Syed Matin Ahmed (Secretary)

Re-Insurance & Co-Insurance Committee

Syed Hyder Ali (Chairman)
Tahir Masaud
Faisal Khan (Secretary)

Human Resources & Compensation Committee

Syed Yawar Ali (Chairman)
Syed Shahid Ali
Syed Hyder Ali
Tahir Masaud
Kaifee Siddiqui (Secretary)

Strategy Committee

Syed Babar Ali (Chairman)
Shamim Ahmad Khan
Syed Yawar Ali
Syed Hyder Ali
Tahir Masaud (Secretary)

Enterprises Risk Management Committee

Tahir Masaud (Chairman)
Faisal Khan
Usman Saifi (Secretary)

Bankers

Allied Bank Limited
Habib Bank Limited
JS Bank Limited
KASB Bank Limited
MCB Bank Limited

Standard Chartered Bank
(Pakistan) Limited
Faysal Bank Limited
National Bank of Pakistan
Habib Metropolitan Bank
NIB Bank Limited

Auditors

A.F. Ferguson & Co.
Chartered Accountants

Internal Auditors

Ernst & Young Ford Rhodes
Sidat Hyder
Chartered Accountants

Legal Advisors

Ramday Law Associates
Hassan & Hassan
Lari & Company

Share Registrar

FAMCO Associates (Private)
Limited
8-F, Next to Hotel Faran,
Nursery, Block-6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi

Registered & Head Office

7th Floor, The Forum,
Suite Nos. 701-713, G-20,
Block-9,
Khayaban-e-Jami, Clifton,
Karachi-75600, Pakistan
www.igiinsurance.com.pk

Contact

UAN: 111-308-308
Toll Free No: 0800-2-34-34
FAX: 92-21-35301772

Directors' Report to the Shareholders on Unconsolidated Condensed Interim Financial Information

The Directors of IGI Insurance take pleasure in presenting their review together with the unconsolidated condensed interim financial information (un-audited) for the quarter ended March 31, 2015.

During the current period, your Company achieved growth in gross written premium of 12%, Rs 834 million as compared to Rs 746 million in the corresponding period of 2014. There was a reduction in net claims by 12% in the current period. Underwriting profitability was Rs 86 million in the current period as compared to the Rs 83 million in the corresponding period of 2014. Due to provision for impairment on account of temporary decline in the share prices of some of the quoted investments, the Company posted a loss before taxation amounting to Rs 54 million during the current period. However, core fundamentals of the business remain robust and the management is confident of continuing to deliver strong underwriting results in the coming quarters.

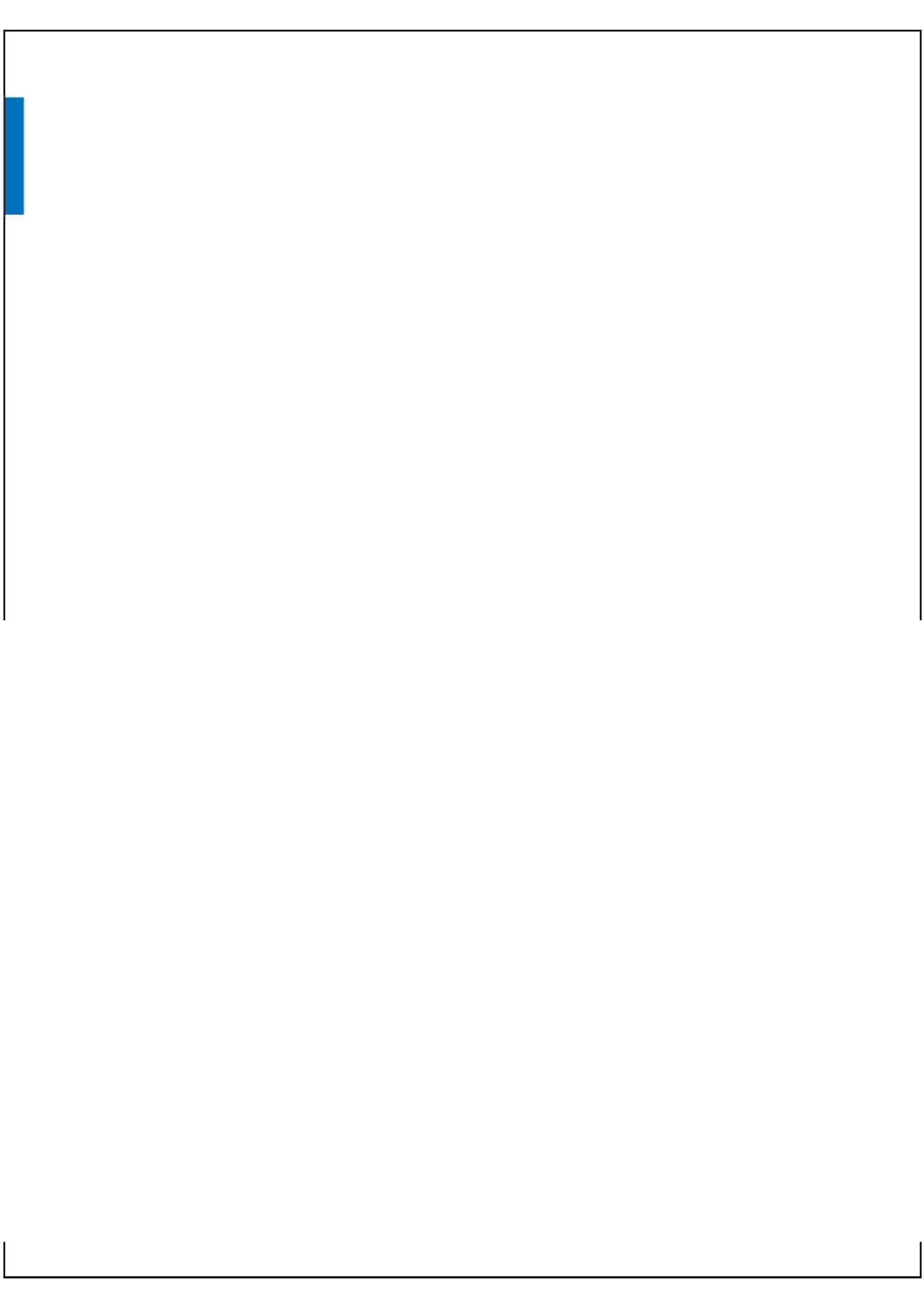
We cherish the support and patronage extended by our business partners and all stakeholders and appreciate the dedicated and sincere efforts of our employees.


For and on behalf of the Board



Syed Babar Ali
Chairman

Karachi: April 22, 2015





UNCONSOLIDATED
Condensed Interim
Financial Information
for the Quarter Ended
March 31, 2015

Unconsolidated Condensed Interim Balance Sheet

Note	Un-audited 31 March 2015	Audited 31 December 2014
	(Rupees in thousand)	
Share capital and reserves		
Authorised share capital [200,000,000 (2014: 200,000,000) Ordinary shares of Rs.10/- each]	<u>2,000,000</u>	<u>2,000,000</u>
Issued, subscribed and paid up share capital	1,226,895	1,226,895
Unappropriated profit	2,174,685	1,881,471
Reserves	8,102,711	8,470,780
	<u>11,504,291</u>	<u>11,579,146</u>
Underwriting provisions		
Provision for outstanding claims [including IBNR]	571,767	640,512
Provision for unearned premium	929,551	648,171
Commission income unearned	108,617	72,750
	<u>1,609,935</u>	<u>1,361,433</u>
Deferred liabilities		
Deferred taxation	2,696	1,230
Creditors and accruals		
Premium received in advance	330	330
Amounts due to other insurers / reinsurers	513,288	350,027
Accrued expenses	99,896	117,584
Sundry creditors	331,029	316,834
	<u>944,543</u>	<u>784,775</u>
Borrowings		
Short term finance - secured	-	79,830
Long term finance - secured	550,000	675,000
	<u>550,000</u>	<u>754,830</u>
Other Liabilities		
Unclaimed dividend	8,675	8,676
TOTAL LIABILITIES	<u>3,115,849</u>	<u>2,910,944</u>
TOTAL EQUITY AND LIABILITIES	<u>14,620,140</u>	<u>14,490,090</u>
CONTINGENCIES	7	

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.



Chairman



Director



Director



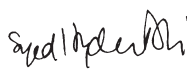
Principal Officer
and Chief Executive

as at March 31, 2015 (Un-audited)

	Note	Un-audited 31 March 2015	Audited 31 December 2014
(Rupees in thousand)			
Cash and bank deposits			
Cash and other equivalents		215	43
Current and other accounts		46,539	156
Deposits maturing within 12 months		377,000	315,000
		423,754	315,199
Investments	8	12,089,230	12,196,544
Investment property		124,379	127,363
Current assets - others			
Premiums due but unpaid - unsecured		406,598	275,139
Amounts due from other insurers / reinsurers - unsecured		387,085	474,766
Accrued income on investments and deposits		3,736	27,784
Reinsurance recoveries against outstanding claims		292,118	336,040
Prepayments:			
- prepaid reinsurance premium ceded		468,536	309,858
- others		19,902	19,519
Taxation - payments less provision		80,565	95,450
Sundry receivables		89,390	72,250
		1,747,930	1,610,806
Fixed assets			
Tangible			
	10		
Furniture, fixtures and office equipments		24,122	25,468
Buildings		155,199	157,055
Motor vehicles		51,900	53,333
		231,221	235,856
Intangibles			
Computer softwares		3,626	4,322
TOTAL ASSETS		14,620,140	14,490,090



Chairman



Director



Director



Principal Officer
and Chief Executive

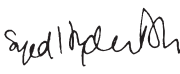
Unconsolidated Condensed Interim Profit and Loss Account for the First Quarter Ended March 31, 2015 (Un-audited)

	Note	Fire and Property Damage	Marine, aviation and Transport	Motor	Health	Miscella- neous	Quarter Ended	
							2015 Aggregate	2014 Aggregate
Rupees in thousand								
Revenue account								
Net premium revenue		25,731	54,952	144,940	24,835	25,854	276,312	278,491
Net claims		(3,219)	(16,999)	(71,588)	(21,970)	(17,835)	(131,611)	(149,386)
Management Expenses		(34,037)	(11,178)	(27,429)	(5,310)	(6,780)	(84,734)	(83,060)
Net commission		30,077	10,728	(16,264)	(825)	1,986	25,702	37,114
Underwriting result		<u>18,552</u>	<u>37,503</u>	<u>29,659</u>	<u>(3,270)</u>	<u>3,225</u>	<u>85,669</u>	<u>83,159</u>
Net investment income	9						(102,107)	3,020
Rental income							947	1,126
Return on bank balances							5,543	7,267
Other income							193	4,824
Financial charges							(15,399)	(7,319)
General and administrative expenses							(28,629)	(41,663)
							<u>(139,452)</u>	<u>(32,745)</u>
(Loss) / Profit before taxation							(53,783)	50,414
Taxation							(21,072)	(31,162)
Loss after taxation							(74,855)	19,252
Other comprehensive income							-	-
Total comprehensive (Loss) / income							<u>(74,855)</u>	<u>19,252</u>
Profit and loss appropriation account								
Balance of unappropriated profit at commencement of the period							1,881,471	1,063,254
(Loss) / profit after taxation							(74,855)	19,252
Other comprehensive income							-	-
Transferred from general reserve							368,069	167,304
							293,214	186,556
Balance of unappropriated profit at end of the period							<u>2,174,685</u>	<u>1,249,810</u>
-----Rupees-----								
(Loss) / Earnings per share - basic and diluted	13						<u>(0.61)</u>	<u>0.16</u>

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.



Chairman



Director



Director



Principal Officer
and Chief Executive

Unconsolidated Condensed Interim Statement of Changes in Equity for the First Quarter Ended March 31, 2015 (Un-audited)

	Reserves						Total
	Issued, subscribed and paid- up share capital	Capital Reserves			Revenue Reserves	Unappro- priated Profits	
		Premium on Issue of Shares	Reserve for Bonus Shares	Other Capital Reserves	General Reserve		
(Rupees in thousand)							
Balance as at January 1, 2014	1,115,359	35,762	-	33,267	8,680,591	1,063,254	10,928,233
Profit after taxation for the period	-	-	-	-	-	19,252	19,252
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended March 31, 2014	-	-	-	-	-	19,252	19,252
Transfer from general reserve to unappropriated profit	-	-	-	-	(167,304)	167,304	-
Transfer from general reserve to reserve for bonus shares	-	-	111,536	-	(111,536)	-	-
Balance as at March 31, 2014	1,115,359	35,762	111,536	33,267	8,401,751	1,249,810	10,947,485
Profit after taxation for the nine months ended December 31, 2014	-	-	-	-	-	803,549	803,549
Other comprehensive income for the period							
- Re-measurement of post employment benefit obligations - net of tax	-	-	-	-	-	(4,584)	(4,584)
Total comprehensive income for the nine month ended December 31, 2014	-	-	-	-	-	798,965	798,965
Transactions with owners, recorded directly in equity							
Final dividend for the year ended December 31, 2013 - Rs. 1.5 per share	-	-	-	-	-	(167,304)	(167,304)
Bonus shares issued for the year ended December 31, 2013	111,536	-	(111,536)	-	-	-	-
	111,536	-	(111,536)	-	-	(167,304)	(167,304)
Balance as at December 31, 2014	1,226,895	35,762	-	33,267	8,401,751	1,881,471	11,579,146
Loss after taxation for the period	-	-	-	-	-	(74,855)	(74,855)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive loss for the quarter ended March 31, 2015	-	-	-	-	-	(74,855)	(74,855)
Transfer from general reserve to unappropriated profit	-	-	-	-	(368,069)	368,069	-
Balance as at March 31, 2015	1,226,895	35,762	-	33,267	8,033,682	2,174,685	11,504,291

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.


Chairman


Director


Director



Principal Officer
and Chief Executive

Unconsolidated Condensed Interim Statement of Cash Flows

	Quarter Ended	
	2015	Restated 2014
(Rupees in thousand)		
Operating activities		
a) Underwriting activities		
Premiums received	702,255	589,241
Reinsurance premiums paid	(183,758)	(72,359)
Claims paid	(284,653)	(175,939)
Reinsurance and other recoveries received	128,219	50,848
Commissions paid	(32,301)	(29,831)
Commissions received	94,004	85,900
Net cash generated from underwriting activities	423,766	447,860
b) Other operating activities		
Income tax paid	(4,721)	(6,886)
General management expenses paid	(103,887)	(125,266)
Operating payments - net	(13,809)	(41,783)
Net cash used in other operating activities	(122,417)	(173,935)
Total cash generated from all operating activities	301,349	273,925
Investment activities		
Profit / return received	33,430	19,971
Dividends received	2,998	3,915
Payments for investments	-	(2,341)
Fixed capital expenditure	(5,822)	(27,943)
Proceeds from disposal of fixed assets	2,335	8,046
Total cash generated from investing activities	32,941	1,648
Financing activities		
Dividends paid	-	(1,046)
Loan repaid	(125,000)	-
Financial charges paid	(20,905)	(14,456)
Total cash used in financing activities	(145,905)	(15,502)
Net cash generated from all activities	188,385	260,071
Cash at beginning of the period	235,369	(75,509)
Cash at the end of the period	423,754	184,562

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.


Chairman


Director


Director


Principal Officer
and Chief Executive

as at March 31, 2015 (Un-audited)

	Quarter Ended	
	2015	2014
	(Rupees in thousand)	
Reconciliation to profit and loss account		
Operating cash flows	301,349	273,925
Depreciation expense	(11,986)	(10,201)
Financial charges	(15,399)	(7,319)
Gain on disposal of fixed assets	193	4,823
Increase in other assets	161,172	116,802
Increase in liabilities other than term finances	(415,250)	(371,627)
Provision for impairment in the value of available for sale investments	(107,421)	(1,920)
Dividend and other investment income	12,487	14,769
(Loss) / Profit after taxation	<u>(74,855)</u>	<u>19,252</u>

Definition of cash

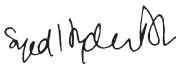
Cash comprises of cash in hand, policy stamps, bank balances and short term finance.

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

Cash and other equivalents - cash in hand	215	214
Current and other accounts		
- Current accounts	81	404
- Saving accounts	46,458	84
	46,539	488
Deposits maturing within 12 months	377,000	255,000
Short term running finance	-	(71,140)
	<u>423,754</u>	<u>184,562</u>

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.


Chairman


Director


Director


Principal Officer
and Chief Executive

Unconsolidated Condensed Interim Statement of Premiums for the First Quarter Ended March 31, 2015 (Un-audited)

Business underwritten inside Pakistan

Class	Premiums Written	Unearned Premiums Reserve		Premiums Earned	Reinsurance Ceded	Prepaid Reinsurance Premium Ceded		Reinsurance Expense	Net Premium Revenue	
		Opening	Closing			Opening	Closing		31 March 2015	31 March 2014
(Rupees in thousand)										
Direct and facultative										
Fire and Property Damage	370,897	276,469	432,652	214,714	336,382	245,743	393,142	188,983	25,731	22,879
Marine, Aviation and Transport	121,810	18,177	31,553	108,434	59,492	9,767	15,777	53,482	54,952	55,535
Motor	231,054	231,206	316,197	146,063	4,306	226	3,409	1,123	144,940	128,394
Health	36,067	40,391	51,623	24,835	-	-	-	-	24,835	50,504
Miscellaneous	73,886	81,928	97,526	58,288	34,521	54,121	56,208	32,434	25,854	21,180
Total	833,714	648,171	929,551	552,334	434,701	309,857	468,536	276,022	276,312	278,491

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.



Chairman



Director



Director



Principal Officer
and Chief Executive

Unconsolidated Condensed Interim Statement of Claims for the First Quarter Ended March 31, 2015 (Un-audited)


Business underwritten inside Pakistan

Class	Claims paid	Outstanding Claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net Claims Expense	
		Opening	Closing			Opening	Closing		31 March 2015	31 March 2014
(Rupees in thousand)										
Direct and facultative										
Fire and Property Damage	78,828	214,057	169,519	34,290	70,238	181,486	142,319	31,071	3,219	14,806
Marine, Aviation and Transport	55,791	158,427	138,380	35,744	23,833	61,513	56,425	18,745	16,999	5,328
Motor	76,057	127,291	122,822	71,588	-	14,687	14,687	-	71,588	80,456
Health	20,963	37,273	38,280	21,970	-	-	-	-	21,970	42,354
Miscellaneous	53,014	103,464	102,766	52,316	34,148	78,354	78,687	34,481	17,835	6,443
Total	284,653	640,512	571,767	215,908	128,219	336,040	292,118	84,297	131,611	149,386

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.



Chairman



Director



Director



Principal Officer
and Chief Executive

Unconsolidated Condensed Interim Statement of Expenses for the First Quarter Ended March 31, 2015 (Un-audited)


Business underwritten inside Pakistan

Class	Commissions Paid or Payable	Deferred Commission		Net Commission Expenses	Other Management Expenses	Underwriting Expense	*Commissions from Reinsurers	Net underwriting expense	
		Opening	Closing					31 March 2015	31 March 2014
(Rupees in thousand)									
Direct and facultative									
Fire and Property Damage	2,133	-	-	2,133	34,037	36,170	32,210	3,960	(115)
Marine, Aviation and Transport	7,277	-	-	7,277	11,178	18,455	18,005	450	1,446
Motor	16,264	-	-	16,264	27,429	43,693	-	43,693	37,789
Health	825	-	-	825	5,310	6,135	-	6,135	5,199
Miscellaneous	5,936	-	-	5,936	6,780	12,716	7,922	4,794	1,627
Total	32,435	-	-	32,435	84,734	117,169	58,137	59,032	45,946

* Commissions from reinsurers is arrived after taking impact of opening and closing unearned commission.

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.


Chairman


Director


Director



Principal Officer
and Chief Executive

Unconsolidated Condensed Interim Statement of Investment Income for the First Quarter Ended March 31, 2015 (Un-audited)

	Quarter Ended	
	2015	2014
	(Rupees in thousand)	
Income from non-trading investments		
Return on Government Securities	3,946	3,587
Dividend income on available for sale investments	2,998	3,915
Provision for impairment in value of investments - net	(107,421)	(1,920)
Less: Investment related expenses	(1,630)	(2,562)
Net investment income	<u>(102,107)</u>	<u>3,020</u>

The annexed notes 1 to 14 form an integral part of these condensed Interim unconsolidated financial statements.


Chairman


Director


Director


Principal Officer
and Chief Executive

Notes to the Condensed Interim Financial Information

1. STATUS AND NATURE OF BUSINESS

IGI Insurance Limited ("the Company"), a Packages Group Company, was incorporated as a public limited company in 1953 under Companies Ordinance, 1984. The Company is listed on the Karachi, Lahore and Islamabad Stock Exchanges and is engaged in providing general insurance services in spheres of Fire, Marine, Motor, Health and Miscellaneous. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi.

During the preceding year, the Company acquired control of ALICO Pakistan by acquiring 34,838,687 ordinary shares (representing 69.677% of the issued and paid up capital) of ALICO Pakistan on April 10, 2014. ALICO Pakistan became a subsidiary of the Company as at the aforementioned date and its name has been changed to IGI Life Insurance Limited (IGI Life). The remaining 6,148,003 shares (representing 12.293 % of the issued and paid up capital) of IGI Life will be acquired on the third anniversary of the acquisition date or earlier as per the terms and conditions of Share Purchase Agreement (SPA).

2. BASIS OF PRESENTATION

These condensed interim unconsolidated financial statements are un-audited and are being submitted to the shareholders in accordance with the listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984. These condensed interim unconsolidated financial statements of the Company have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting and in the format prescribed by the Securities and Exchange Commission of Pakistan in its circular No. 7 of 2003.

These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2014.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim unconsolidation financials statements are the same as those applied in the preparation of the annual financial statements for the year ended 31 December 2014.

4. SIGNIFICANT ESTIMATES AND JUDGEMENT

The preparation of the condensed interim unconsolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim unconsolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual financial statements for the year ended 31 December 2014.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

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 31 December 2014.

6. PREMIUM DEFICIENCY RESERVE

No provision has been made in respect of premium deficiency reserve as the unearned premium reserve for each class of business as at period end is adequate to meet the expected future liability, after reinsurance, from claims and other expenses, expected to be incurred after the balance sheet date in respect of policies in force at the balance sheet date.

7. CONTINGENCIES - TAXATION

There is no change in the status of contingencies as disclosed in the annual financial statements of the Company for the year ended 31 December 2014.

8. INVESTMENTS31 March
201531 December
2014

The investments comprise of the following:

(Rupees in thousand)

Investments in subsidiary	8.1	729,846	729,846
Investments in associates	8.1	3,641,515	3,710,955
Held to maturity investments		124,215	124,109
Available for sale			
- Quoted	8.1	7,477,890	7,476,837
- Unquoted		115,764	154,797
		7,593,654	7,631,634
		<u>12,089,230</u>	<u>12,196,544</u>

8.1 Market value of investments as at 31 March 2015 is Rs. 62,254 million (31 December 2014 : Rs. 62,770 million).

9. INVESTMENT INCOME

During the current period, the Board of Directors of certain companies, in which the Company holds investment, have recommended final dividend which is subject to approval of shareholders of such companies in their respective Annual General Meetings scheduled to be held in the subsequent period. Once approved by the shareholders of these companies, the Company will receive dividend income of Rs. 596 million in the subsequent period.

Notes to the Condensed Interim Financial Information

	31 March 2015	31 December 2014
	(Rupees in thousand)	
10. FIXED ASSETS - Tangible		
Opening book value	235,856	216,936
Additions during the period / year	5,821	62,983
Net book value of disposal during the period / year	(2,151)	(9,861)
Depreciation for the period / year	(8,305)	(34,202)
Closing book value	<u>231,221</u>	<u>235,856</u>

11. TRANSACTIONS WITH RELATED PARTIES

Related parties comprises associated undertakings, other related companies, directors of the Company and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. All transactions with related parties have been carried out on commercial terms and conditions.

	Un-audited	
	31 March 2015	31 March 2014
	(Rupees in thousand)	
Transactions		
Premium underwritten	<u>275,273</u>	<u>232,440</u>
Premium collected	<u>266,271</u>	<u>224,385</u>
Claims expense	<u>21,836</u>	<u>31,582</u>
Commission paid	<u>2,117</u>	<u>2,915</u>
Commission expense	<u>506</u>	<u>395</u>
Rental income	<u>947</u>	<u>1,126</u>
Rent expense	<u>4,940</u>	<u>4,160</u>
Donation	<u>100</u>	<u>-</u>
Purchase of fixed asset	<u>-</u>	<u>15,598</u>
Disposal of fixed asset	<u>112</u>	<u>2,044</u>
Investment in shares - net of provision for impairment	<u>(69,440)</u>	<u>(2,257)</u>
Charge for administrative services	<u>2,000</u>	<u>-</u>
Charge in respect of gratuity fund	<u>2,008</u>	<u>1,647</u>
Charge in respect of provident fund	<u>2,354</u>	<u>2,129</u>
Key management personnel compensation	<u>20,782</u>	<u>16,718</u>
Profit on certificate of deposit	<u>-</u>	<u>7,273</u>
	Un-audited 31 March 2015	Audited 31 December 2014
	(Rupees in thousand)	
Period-end balances:		
Premium receivable	<u>96,686</u>	<u>46,776</u>
Commission payable	<u>10,838</u>	<u>7,710</u>
Profit receivable on certificate of deposit	<u>-</u>	<u>19,890</u>
Investment in shares	<u>11,485,805</u>	<u>11,555,245</u>
Payable for administrative services	<u>2,000</u>	<u>-</u>
Payable to retirement benefit fund	<u>2,051</u>	<u>1,832</u>
(Payable) to / receivable from provident fund	<u>(1,243)</u>	<u>1,452</u>
Prepaid rent	<u>5,653</u>	<u>10,593</u>
Security Deposit	<u>6,289</u>	<u>6,289</u>
Other receivables	<u>36,241</u>	<u>31,618</u>

12. SEGMENT REPORTING

There is no change in the basis of segmentation or the measurement basis of segment profit or loss since December 31, 2014. Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and profit and loss account, respectively, prepared in accordance with the requirement of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002.

Segment wise assets and liabilities as of March 31, 2015 are as follow:

March 31, 2015 (Un-audited)						
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Total
(Rupees in thousand)						
Segment assets	928,317	201,223	262,829	38,202	213,156	1,643,727
Unallocated assets	-	-	-	-	-	12,976,413
Consolidated assets	-	-	-	-	-	14,620,140
Segment liabilities	1,065,262	301,178	673,103	126,443	288,595	2,454,581
Unallocated liabilities	-	-	-	-	-	661,268
Consolidated total liabilities	-	-	-	-	-	<u>3,115,849</u>

December 31, 2014 (Audited)						
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Total
(Rupees in thousand)						
Segment assets	727,301	218,746	225,706	45,818	218,864	1,436,435
Unallocated assets	-	-	-	-	-	13,053,655
Consolidated assets	-	-	-	-	-	14,490,090
Segment liabilities	742,075	276,814	495,941	107,539	360,125	1,982,494
Unallocated liabilities	-	-	-	-	-	928,450
Consolidated total liabilities	-	-	-	-	-	<u>2,910,944</u>

Notes to the Condensed Interim Financial Information

13. EARNINGS PER SHARE

	Quarter ended March	
	2015	2014
	(Rupees in thousand)	
Basic earnings per share		
(Loss) / profit for the period	<u>(74,855)</u>	<u>19,252</u>
Weighted average number of ordinary shares	<u>122,689,532</u>	<u>122,689,532</u>
	(Rupees)	
(Loss) / earnings per share	<u>(0.61)</u>	<u>0.16</u>

14. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements have been authorized for issue on 22 April, 2015 by the Board of Directors of the Company.



Chairman



Director



Director



Principal Officer
and Chief Executive



Directors' Report to the Shareholders on Consolidated Condensed Interim Financial Information

The Directors of IGI Insurance take pleasure in presenting their review together with the consolidated condensed interim financial information (un-audited) of IGI Insurance Limited and its subsidiary, IGI Life Insurance Limited for the quarter and three months ended March 31, 2015.

The consolidated condensed interim financial information reflects Rs 1.44 (March 31, 2014: Rs 2.03) earnings per share for the period under review.


We cherish the support and patronage of our business partners and all stakeholders and appreciate the dedicated and sincere efforts of our employees.

For and on behalf of the Board



Syed Babar Ali
Chairman

Karachi: April 22, 2015



CONSOLIDATED
Condensed Interim
Financial Information
for the Quarter Ended
March 31, 2015

Consolidated Condensed Interim Balance Sheet

	(Unaudited) March 31, 2015	(Audited) December 31, 2014
Note	(Rupees in thousand)	
Share capital and reserves		
Authorized share capital [200,000,000 (December 31, 2014: 200,000,000) Ordinary shares of Rs.10/- each]	2,000,000	2,000,000
Issued, subscribed and paid up share capital	1,226,895	1,226,895
Unappropriated profit	2,415,559	1,874,930
Reserves	8,214,247	8,582,316
Equity attributable to the equity holders of the parent	11,856,701	11,684,141
Non-controlling interest	253,538	250,314
Total Equity	12,110,240	11,934,455
Balance of Statutory Funds	10,435,734	10,455,268
Underwriting provisions		
Provision for outstanding claims [including IBNR]	772,024	850,726
Provision for unearned premium	929,551	648,171
Commission income unearned	108,617	72,750
	1,810,192	1,571,647
Creditors and accruals		
Premium received in advance	55,329	41,375
Amounts due to other insurers / reinsurers	527,898	374,196
Experience refund payable	50,607	41,749
Accrued expenses	164,638	197,938
Sundry creditors	463,295	492,068
	1,261,766	1,147,326
Deferred liabilities		
Deferred taxation	60,738	39,167
Borrowings		
Short term finance - secured	-	79,830
Long term finance - secured	550,000	675,000
	550,000	754,830
Other Liabilities		
Unclaimed dividend	8,702	8,703
TOTAL LIABILITIES	14,127,132	13,976,941
TOTAL EQUITY AND LIABILITIES	26,237,372	25,911,396

CONTINGENCIES AND COMMITMENTS

7

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chairman



Director



Director




Principal Officer
and Chief Executive

as at March 31, 2015 (Un-audited)

	Note	(Unaudited) March 31, 2015	(Audited) 31 December 2014
		Rupees in thousand	
Cash and bank deposits			
Cash and other equivalents		1,376	506
Current and other accounts		408,906	596,291
Deposits maturing within 12 months		377,000	315,000
		787,283	911,797
Loans secured against life insurance policies		136,103	134,350
Loans secured against other assets			
- To employees		23	92
- To agents		269	269
		292	361
Investments	8	22,424,377	21,954,935
Investment property		124,380	127,363
Current assets - others			
Premiums due but unpaid - unsecured		505,287	395,945
Amounts due from other insurers / reinsurers - unsecured		453,075	525,344
Accrued income on investments and deposits		190,305	417,496
Reinsurance recoveries against outstanding claims		292,118	336,040
Prepayments:			
- prepaid reinsurance premium ceded		468,536	309,858
- others		55,989	50,704
Taxation - payments less provision		257,903	234,081
Experience refund receivable		21,451	23,316
Sundry receivables		118,936	89,217
		2,363,599	2,382,001
Fixed assets			
Tangible			
Furniture, fixtures and office equipment	10	41,613	42,337
Building		164,689	166,545
Motor vehicles		69,704	66,782
Capital work in progress		3,292	2,003
		279,298	277,667
Intangibles			
Computer softwares		5,069	5,951
Goodwill		116,971	116,971
TOTAL ASSETS		26,237,372	25,911,396



Chairman



Director



Director



Principal Officer
and Chief Executive

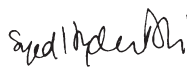
Consolidated Condensed Interim Profit and Loss Account for the First Quarter Ended March 31, 2015 (Un-audited)

	NON-LIFE INSURANCE						LIFE INSURANCE						Quarter ended	
	Fire and Property Damage	Marine, aviation and Transport	Motor	Health	Miscellaneous	Life Participating	Life Non-Participating		Investment Linked Business	Accident and Health Business		Pension Business Fund	March 31, 2015	March 31, 2014
							Individual	Group		Individual	Group		Aggregate	Aggregate
	Rupees in thousand													
Revenue account														
Net premium revenue	25,731	54,952	144,939	24,835	25,854	14,772	207,533	76,271	159,896	3,213	181,476	4,569	924,041	278,491
Net claims	(3,218)	(16,999)	(71,588)	(21,970)	(17,835)	(19,848)	(78,546)	(23,243)	(560,580)	(1,104)	(93,065)	(14,226)	(922,222)	(149,386)
Expenses	(35,474)	(11,851)	(28,324)	(3,450)	(7,067)	(4,753)	(40,378)	(11,732)	(17,647)	(743)	(19,642)	(331)	(181,192)	(83,060)
Net commission	30,076	10,728	(16,264)	(825)	1,986	(4,012)	(55,306)	(3,506)	(24,633)	(2,948)	(4,714)	-	(69,418)	37,114
Net investment income - Statutory Fund	-	-	-	-	-	31,084	85,233	5,528	170,575	1,104	2,911	1,911	298,346	-
Other income-net	-	-	-	-	-	681	3,529	885	913	73	8,550	131	14,762	-
Add: Policyholders' liabilities at the beginning of the period	-	-	-	-	-	1,098,827	3,936,955	65,374	4,253,665	22,770	146,692	70,259	9,594,542	-
Less: Policyholders' liabilities at the end of the period	-	-	-	-	-	(1,114,028)	(4,083,503)	(101,558)	(4,012,704)	(21,085)	(214,334)	(62,514)	(9,609,726)	-
(Surplus) / deficit taken to statutory fund	-	-	-	-	-	(2,723)	24,483	(8,019)	30,515	(1,280)	(7,874)	201	35,303	-
Underwriting result	<u>17,115</u>	<u>37,030</u>	<u>28,763</u>	<u>(1,410)</u>	<u>2,938</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,436</u>	<u>83,159</u>
Investment income (Note 9)													(14,793)	3,020
Rental income													947	1,126
Return on bank balances													6,811	7,267
Other income													193	4,824
Financial charges													(15,399)	(7,319)
General and administrative expenses													(31,900)	(41,663)
													(54,142)	(32,745)
Share of profit of associate													192,742	221,867
Profit before taxation													223,036	272,281
Taxation													(46,414)	(22,924)
Profit after taxation													176,622	249,357
Other comprehensive loss - not reclassifiable to profit and loss													(837)	-
- Share of other comprehensive loss of associate														
Total comprehensive income													<u>175,785</u>	<u>249,357</u>
Total comprehensive income attributable to:														
Equity holders of the parent													172,560	249,357
Non-controlling interest													3,225	-
													<u>175,785</u>	<u>249,357</u>
Earnings per share - basic and diluted (Note 13)													<u>1.44</u>	<u>2.03</u>

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chairman



Director



Director



Principal Officer
and Chief Executive

Consolidated Condensed Interim Statement of Changes in Equity for the First Quarter Ended March 31, 2015 (Un-audited)

	Issued, Subscribed and Paid-up Share Capital	Reserves			Revenue Reserves General Reserve	Capital contributed to statutory funds	Unappropri- ated Profits	Equity Attributable to equity holders of the parent	Non- controlling Interest	Total
		Capital Reserves								
		Premium on Issue of Shares	Reserve for Bonus Shares	Other Capital Reserves						
(Rupees in thousand)										
Balance as at January 1, 2014 (audited)	1,115,359	35,762	-	33,267	8,792,127	-	716,522	10,693,037	-	10,693,037
Profit after taxation for the period ended March 31, 2014	-	-	-	-	-	-	249,357	249,357	-	249,357
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the Quarter ended March 31, 2014	-	-	-	-	-	-	249,357	249,357	-	249,357
Transfer from general reserve to unappropriated profit	-	-	-	-	(167,304)	-	167,304	-	-	-
Transfer from general reserve to reserve for bonus shares	-	-	111,536	-	(111,536)	-	-	-	-	-
Balance as at March 31, 2014	1,115,359	35,762	111,536	33,267	8,513,287	-	1,133,183	10,942,394	-	10,942,394
Transactions with owners, recorded directly in equity										
Non-controlling interest acquired on acquisition of IGI Life Insurance Limited	-	-	-	-	-	-	-	-	266,715	266,715
Profit after taxation for the nine months ended December 31, 2014	-	-	-	-	-	-	973,676	973,676	12,375	986,051
Other comprehensive income for the period										
- Share of other comprehensive income of associate - net of tax	-	-	-	-	-	-	6,083	6,083	-	6,083
- Re-measurement of post employment benefit obligations - net of tax	-	-	-	-	-	-	(4,584)	(4,584)	-	(4,584)
Total comprehensive income for the nine months ended December 31, 2014	-	-	-	-	-	-	1,499	1,499	-	1,499
	-	-	-	-	-	-	975,175	975,175	12,375	987,550
Transactions with owners, recorded directly in equity										
Capital contribution to statutory funds during the year	-	-	-	-	-	(66,124)	-	(66,124)	(28,776)	(94,900)
Bonus shares issued for the year ended December 31, 2013 - Re. 1 per share	111,536	-	(111,536)	-	-	-	-	-	-	-
Final dividend for the year ended December 31, 2013 - Rs. 1.5 per share	-	-	-	-	-	-	(167,304)	(167,304)	-	(167,304)
Balance as at December 31, 2014	1,226,895	35,762	-	33,267	8,513,287	(66,124)	1,941,054	11,684,141	250,314	11,934,455
Profit after taxation for the period ended March 31, 2015	-	-	-	-	-	-	173,397	173,397	3,225	176,622
Other comprehensive loss for the period	-	-	-	-	-	-	(837)	(837)	-	(837)
Total comprehensive income for the Quarter ended March 31, 2015	-	-	-	-	-	-	172,560	172,560	3,225	175,785
Transfer from general reserve to unappropriated profit	-	-	-	-	(368,069)	-	368,069	-	-	-
Balance as at March 31, 2015	1,226,895	35,762	-	33,267	8,145,218	(66,124)	2,481,683	11,856,701	253,538	12,110,240

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chairman



Director



Director



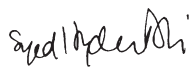
Principal Officer
and Chief Executive

Consolidated Condensed Interim Statement of Cash Flows

	Quarter ended	
	March 31, 2015	March 31, 2014
	(Rupees in thousands)	
Operating activities		
a) Underwriting activities		
Premiums received	1,412,210	589,241
Reinsurance premiums paid	(238,486)	(72,359)
Claims paid	(448,009)	(175,939)
Surrenders paid	(653,535)	-
Reinsurance and other recoveries received	139,852	50,848
Commissions paid	(119,439)	(29,831)
Commissions received	115,895	85,900
Net cash generated from underwriting activities	208,488	447,860
b) Other operating activities		
Income tax paid	(48,665)	(6,886)
General management expenses and operating payments - net	(292,329)	(167,049)
Loans advanced	(1,638)	-
Loan repayments received	69	-
Net cash used in other operating activities	(342,563)	(173,935)
Total cash (used in) / generated from operating activities	(134,075)	273,925
Investment activities		
Profit / return received	485,733	19,971
Dividends received	2,998	3,915
Payments for investments	(643,763)	(2,341)
Proceeds from redemption of investments	405,139	-
Fixed capital expenditure	(15,857)	(27,943)
Capital work in progress	(1,289)	-
Proceeds from disposal of fixed assets	2,335	8,046
Total cash generated from investing activities	235,296	1,648
Financing activities		
Dividends paid	-	(1,046)
Financial charges paid	(20,905)	(14,456)
Loan paid	(125,000)	-
Total cash used in financing activities	(145,905)	(15,502)
Net cash generated from all activities	(44,684)	260,071
Cash at the beginning of the period	831,967	(75,509)
Cash at the end of the period	787,283	184,562



Chairman



Director



Director



Principal Officer
and Chief Executive

as at March 31, 2015 (Un-audited)

	Quarter ended	
	March 31, 2015	March 31, 2014
	(Rupees in thousands)	
Reconciliation to profit and loss account		
Operating cash flows	(134,075)	273,925
Depreciation / amortisation	(17,230)	(10,201)
Financial charges	(15,399)	(7,319)
Gain on disposal of fixed assets	193	4,823
Increase in assets other than cash	203,925	124,937
Increase in liabilities	(389,412)	(371,524)
Provision for impairment in the value of available for sale investments - net	(37,980)	(1,920)
Others		
Surplus of Statutory funds	35,303	-
Dividend and other investment income	323,163	7,502
Share of profit of associate	192,742	221,867
Return on bank balances	15,392	7,267
Profit after taxation	<u>176,622</u>	<u>249,357</u>


Definition of cash

Cash comprises of cash in hand and at banks, stamps in hand, short term placements with banks and short term running finance

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

Cash and other equivalents	1,376	214
Current and other accounts	408,906	488
Deposits maturing within 12 months	377,000	255,000
Short term running finance	-	(71,140)
	<u>787,283</u>	<u>184,562</u>

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chairman



Director



Director



Principal Officer
and Chief Executive

Consolidated Condensed Interim Statement of Premiums for the First Quarter Ended March 31, 2015 (Un-audited)

Business underwritten inside Pakistan

For the quarter ended March 31, 2015

	Premiums Written	Unearned Premiums Reserve		Premiums Earned	Reinsurance Ceded	Prepaid Reinsurance Premium Ceded		Reinsurance Expense	Net Premium Revenue Quarter ended	
		Opening	Closing			Opening	Closing		March 31, 2015	March 31, 2014
(Rupees in thousand)										
Non-Life Insurance:										
Direct and facultative										
Fire and Property Damage	370,897	276,469	432,652	214,714	336,382	245,743	393,142	188,983	25,731	22,879
Marine, Aviation and Transport	121,810	18,177	31,553	108,434	59,492	9,767	15,777	53,482	54,952	55,535
Motor	231,054	231,206	316,197	146,063	4,306	227	3,409	1,124	144,939	128,394
Health	36,067	40,391	51,623	24,835	-	-	-	-	24,835	50,504
Miscellaneous	73,886	81,928	97,526	58,288	34,521	54,121	56,208	32,434	25,854	21,180
Total	833,714	648,171	929,551	552,334	434,701	309,858	468,536	276,023	276,311	278,491

For the quarter ended March 31, 2015

	Premiums Written	Unearned Premiums Reserve		Premiums Earned	Reinsurance Ceded	Prepaid Reinsurance Premium Ceded		Reinsurance Expense	Net Premium Revenue Quarter ended	
		Opening	Closing			Opening	Closing		March 31, 2015	March 31, 2014
(Rupees in thousand)										
Life Insurance:										
Life Participating	17,017	-	-	17,017	2,245	-	-	2,245	14,772	-
Life Non-Participating (Individual)	213,621	-	-	213,621	6,088	-	-	6,088	207,533	-
Life Non-Participating (Group)	87,927	-	-	87,927	11,656	-	-	11,656	76,271	-
Investment Linked Business	163,573	-	-	163,573	3,677	-	-	3,677	159,896	-
Accident and health (Individual)	4,707	-	-	4,707	1,494	-	-	1,494	3,213	-
Accident and health (Group)	182,469	-	-	182,469	993	-	-	993	181,476	-
Pension business fund	4,569	-	-	4,569	-	-	-	-	4,569	-
Total	673,883	-	-	673,883	26,153	-	-	26,153	647,730	-
Grand Total	1,507,597	648,171	929,551	1,226,217	460,854	309,858	468,536	302,176	924,041	278,491

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chairman



Director



Director



Principal Officer
and Chief Executive

Consolidated Condensed Interim Statement of Claims for the First Quarter Ended March 31, 2015 (Un-audited)

Business underwritten inside Pakistan

For the quarter ended March 31, 2015

Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense		
	Opening	Closing			Opening	Closing		Quarter ended		
								March 31, 2015	March 31, 2014	
(Rupees in thousand)										
Non-Life Insurance:										
Direct and facultative										
Fire and Property Damage	78,827	214,057	169,519	34,290	70,238	181,486	142,319	31,071	3,218	14,806
Marine, Aviation and Transport	55,791	158,427	138,380	35,744	23,833	61,513	56,425	18,745	16,999	5,328
Motor	76,057	127,291	122,822	71,588	-	14,687	14,687	-	71,588	80,456
Health	20,963	37,273	38,280	21,970	-	-	-	-	21,970	42,354
Miscellaneous	53,014	103,464	102,766	52,316	34,148	78,354	78,687	34,481	17,835	6,443
Total	284,652	640,512	571,767	215,907	128,219	336,040	292,118	84,297	131,610	149,386

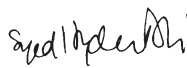
For the quarter ended March 31, 2015

Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense		
	Opening	Closing			Opening	Closing		Quarter ended		
								March 31, 2015	March 31, 2014	
(Rupees in thousand)										
Life Insurance:										
Life Participating	22,144	-	-	22,144	2,296	-	-	2,296	19,848	-
Life Non-Participating (Individual)	78,546	-	-	78,546	-	-	-	-	78,546	-
Life Non-Participating (Group)	25,593	-	-	25,593	2,350	-	-	2,350	23,243	-
Investment Linked Business	561,638	-	-	561,638	1,058	-	-	1,058	560,580	-
Accident and health (Individual)	4,104	-	-	4,104	3,000	-	-	3,000	1,104	-
Accident and health (Group)	93,065	-	-	93,065	-	-	-	-	93,065	-
Pension business fund	14,226	-	-	14,226	-	-	-	-	14,226	-
Total	799,316	-	-	799,316	8,704	-	-	8,704	790,612	-
Grand Total	1,083,968	640,512	571,767	1,015,223	136,923	336,040	292,118	93,001	922,222	149,386

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chairman



Director



Director



Principal Officer
and Chief Executive

Consolidated Condensed Interim Statement of Expenses for the First Quarter Ended March 31, 2015 (Un-audited)

Business underwritten inside Pakistan

For the quarter ended March 31, 2015

	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	*Commissions from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended	
								March 31, 2015	March 31, 2014
(Rupees in thousand)									
Non-Life Insurance:									
Direct and facultative									
Fire and Property Damage	2,133	-	-	2,133	35,474	37,607	32,210	5,397	(115)
Marine, Aviation and Transport	7,277	-	-	7,277	11,651	18,928	18,005	923	1,446
Motor	16,264	-	-	16,264	28,325	44,589	-	44,589	37,789
Health	825	-	-	825	3,450	4,275	-	4,275	5,199
Miscellaneous	5,936	-	-	5,936	7,067	13,003	7,922	5,081	1,627
Total	32,435	-	-	32,435	85,967	118,402	58,137	60,265	45,946

For the quarter ended March 31, 2015

	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	*Commissions from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended	
								March 31, 2015	March 31, 2014
(Rupees in thousand)									
Life Insurance:									
Life Participating	4,034	-	-	4,034	4,753	8,787	22	8,765	-
Life Non-Participating (Individual)	55,577	-	-	55,577	40,378	95,955	271	95,684	-
Life Non-Participating (Group)	5,848	-	-	5,848	11,732	17,580	2,342	15,238	-
Investment Linked Business	24,860	-	-	24,860	17,647	42,507	227	42,280	-
Accident and health (Individual)	2,948	-	-	2,948	743	3,691	-	3,691	-
Accident and health (Group)	4,728	-	-	4,728	19,642	24,370	14	24,356	-
Pension business fund	-	-	-	-	331	331	-	331	-
Total	97,995	-	-	97,995	95,226	193,221	2,876	190,345	-
Grand Total	130,430	-	-	130,430	181,193	311,623	61,013	250,610	45,946

* Commissions from reinsurers is arrived after taking impact of opening and closing unearned commission.

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.



Chairman



Director



Director



Principal Officer
and Chief Executive

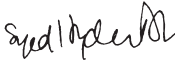
Consolidated Condensed Interim Statement of Investment Income for the First Quarter Ended March 31, 2015 (Un-audited)

	Quarter ended	
	March 31, 2015	March 31, 2014
Non-Life Insurance:		
Income from non-trading investments		
Return on government securities	3,946	3,587
Dividend income on available for sale investments	2,998	3,915
(Provision) for diminution / reversal of impairment in value of investments	(37,980)	(1,920)
Less: Investment related expenses	(1,630)	(2,562)
	<u>(32,666)</u>	<u>3,020</u>
Life Insurance:		
Shareholders' fund		
Return on government securities	17,425	-
Realised gain on sale of investments held as 'available for sale'	448	-
	<u>17,873</u>	<u>-</u>
Statutory Funds		
Life Participating		
Return on government securities	37,568	-
Unrealised gain on revaluation of available-for-sale investments	(7,346)	-
Gain on sale of investments classified as available-for-sale	862	-
	<u>31,084</u>	<u>-</u>
Life Non-Participating (Individual)		
Return on government securities	102,857	-
Unrealised gain on revaluation of available-for-sale investments	(19,967)	-
Gain on sale of investments classified as available-for-sale	2,343	-
	<u>85,233</u>	<u>-</u>
Life Non-Participating (Group)		
Return on government securities	5,386	-
Gain on sale of investments classified as available-for-sale	142	-
	<u>5,528</u>	<u>-</u>
Investment Linked		
Return on government securities	71,689	-
Unrealised gain on revaluation of available-for-sale investments	93,657	-
Gain on sale of investments classified as available-for-sale	5,229	-
	<u>170,575</u>	<u>-</u>
Accident and Health (Individual)		
Return on government securities	1,083	-
Gain on sale of investments classified as available-for-sale	21	-
	<u>1,104</u>	<u>-</u>
Accident and Health (Group)		
Return on government securities	2,850	-
(Loss) on sale of investments classified as available-for-sale	61	-
	<u>2,911</u>	<u>-</u>
Pension Business Fund		
Return on government securities	1,911	-
	<u>1,911</u>	<u>-</u>
Net investment income	<u>283,553</u>	<u>3,020</u>
Net investment income-statutory funds	298,346	-
Net investment income-other	(14,793)	3,020
	<u>283,553</u>	<u>3,020</u>

(Rupees in thousands)

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.


Chairman


Director


Director


Principal Officer
and Chief Executive

Notes to Consolidated Condensed Interim Financial Information

1. STATUS AND NATURE OF BUSINESS

1.1 The "Group" consist of:

- (i) IGI Insurance Limited - Holding Company
- (ii) IGI Life Insurance Limited (formerly American Life Insurance Company (Pakistan) Limited)
- Subsidiary Company

In accordance with share purchase agreement the Holding Company acquired 34,838,687 shares of IGI Life Insurance Limited [formerly American Life Insurance Company (Pakistan) Limited], the Subsidiary Company on April 10, 2014 resulting in the controlling interest of 69.68 % of the paid up capital of the Subsidiary.

In March and April 2013, two suits were filed by some of the employees of the Subsidiary Company seeking protection for their employment from the consequences of the Share Purchase Agreement (SPA). The status quo order passed by the High Court was modified on July 05, 2013 so that the transaction contemplated by the SPA is allowed to be consummated. The final disposal of the legal proceedings is pending. As per the advice of legal advisors of the Subsidiary Company, the chances of adverse financial implication on the Subsidiary Company are remote.

1.2 Holding Company

IGI Insurance Limited ("Holding Company"), a Packages Group Company, was incorporated as a public limited company in 1953 under Companies Ordinance, 1984. The Company is listed on the Karachi, Lahore and Islamabad stock exchanges and is engaged in providing general insurance services in the spheres of Fire, Marine, Motor, Health and Miscellaneous. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi.

1.3 Subsidiary Company

IGI Life Insurance Limited [formerly American Life Insurance Company (Pakistan) Limited] ("Subsidiary Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984. Its shares are quoted on the Karachi and Lahore Stock Exchanges. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at Floor 13, Dolmen City, Block - 4, Scheme - 5, Clifton, Karachi.

The Company is engaged in life insurance, carrying on both participating and non-participating business. In accordance with the requirements of the Insurance Ordinance, 2000, the Company established a Shareholders' Fund and Separate Statutory Funds, in respect of each class of life insurance business. The Statutory Funds established by the Company, in accordance with the advice of the Appointed Actuary are as follows:

- Life (participating)
- Life (non-participating) – Individual
- Life (non-participating) – Group
- Accident & Health – Individual
- Accident & Health – Group
- Pension Business Fund
- Investment Linked

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements are un-audited and are being submitted to the shareholders in accordance with the listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984. These condensed interim consolidated financial statements of the Company have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting and in the format prescribed by the Securities and Exchange Commission of Pakistan in its circular No. 7 of 2003.

These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2014.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim consolidated interim financials statements are the same as those applied in the preparation of the annual financial statements for the year ended 31 December 2014.

4. SIGNIFICANT ESTIMATES AND JUDGEMENT

The preparation of the condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual financial statements for the year ended 31 December 2014.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

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 31 December 2014.

6. PREMIUM DEFICIENCY RESERVE

No provision has been made in respect of premium deficiency reserve as the unearned premium reserve for each class of business as at period end is adequate to meet the expected future liability, after reinsurance, from claims and other expenses, expected to be incurred after the balance sheet date in respect of policies in force at the balance sheet date.

Notes to Consolidated Condensed Interim Financial Information

7. CONTINGENCIES - TAXATION

There is no change in the status of contingencies as disclosed in the annual financial statements of the Company for the year ended 31 December 2014.

8. INVESTMENTS

	Note	(Un-audited) March, 31 2015	(Audited) December, 31 2014
(Rupees in thousand)			
The investments comprise of the following:			
Investments in associates	8.1	4,082,778	3,890,989
Held to maturity investments		124,215	124,109
Available for sale	8.1	17,600,567	17,298,910
At fair value through profit or loss		616,817	640,927
		<u>22,424,377</u>	<u>21,954,935</u>

8.1 Market value of investments as at 31 March 2015 is Rs. 64,855 million (31 December 2014 : Rs. 63,100 million).

9. INVESTMENT INCOME

During the current period, Board of Directors of certain companies, in which the Holding Company holds investment, have recommended final dividend which is subject to approval of shareholders of such companies in their respective Annual General Meetings scheduled to be held in the subsequent period. Once approved by the shareholders of these companies, the Company will receive dividend income of Rs. 596 million in the subsequent period.

10. FIXED ASSETS - Tangible

	(Un-audited) March, 31 2015	(Audited) December, 31 2014
(Rupees in thousand)		
Opening book value	277,667	216,936
Additions during the period / year	17,142	122,890
Net book value of disposal during the period / year	(2,151)	(13,891)
Depreciation for the period / year	(13,360)	(48,268)
Closing book value	<u>279,298</u>	<u>277,667</u>

11. TRANSACTIONS WITH RELATED PARTIES

Related parties comprises associated undertakings, other related companies, directors of the Company and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. All transactions with related parties have been carried out on commercial terms and conditions.

	(Un-audited) March, 31 2015	(Un-audited) March, 31 2014
	(Rupees in thousands)	
Transactions-Holding Company		
Premium underwritten	<u>273,709</u>	<u>232,440</u>
Premium collected	<u>265,197</u>	<u>224,385</u>
Claims expense	<u>21,679</u>	<u>31,582</u>
Commission paid	<u>2,117</u>	<u>2,915</u>
Commission expense	<u>506</u>	<u>395</u>
Rental income	<u>947</u>	<u>1,126</u>
Rent expense	<u>4,940</u>	<u>4,160</u>
Donation	<u>100</u>	<u>-</u>
Purchase of fixed asset	<u>-</u>	<u>15,598</u>
Disposal of fixed asset	<u>112</u>	<u>2,044</u>
Investment in shares - net of provision for impairment	<u>-</u>	<u>(2,257)</u>
Charge in respect of gratuity fund	<u>2,008</u>	<u>1,647</u>
Charge in respect of provident fund	<u>2,354</u>	<u>2,129</u>
Key management personnel compensation	<u>20,782</u>	<u>16,718</u>
Profit on certificate of deposit	<u>-</u>	<u>7,273</u>
Transactions - Subsidiary Company		
Premium received	<u>5,728</u>	<u>-</u>
Claims paid	<u>2,702</u>	<u>-</u>
Brokerage charges	<u>20</u>	<u>-</u>
Charge for administrative services provided	<u>163</u>	<u>-</u>
Contribution made to provident fund	<u>2,740</u>	<u>-</u>
Contribution made to gratuity fund	<u>2,544</u>	<u>-</u>
Remuneration paid	<u>22,763</u>	<u>-</u>
Mark-up on loan	<u>1</u>	<u>-</u>
Premium received	<u>171</u>	<u>-</u>

Notes to Consolidated Condensed Interim Financial Information

	(Un-audited) March, 31 2015	(Audited) December, 31 2014
	(Rupees in thousands)	
Period-end balances - Holding Company		
Premium receivable	96,180	46,776
Commission payable	10,838	7,710
Profit receivable on certificate of deposit	-	19,890
Investment in shares	11,197,222	11,005,317
Payable to retirement benefit fund	2,051	1,832
(Payable) to / receivable from provident fund	(1,243)	1,452
Prepaid rent	5,653	10,593
Security Deposit	6,289	6,289
Other receivables	33,009	30,917
Period-end balances - Subsidiary Company		
Payable to provident fund	965	-
Payable to gratuity fund	873	-
Loans receivable	23	-

12. SEGMENT REPORTING

There is no change in the basis of segmentation or the measurement basis of segment profit or loss since December 31, 2014. Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and profit and loss account, respectively, prepared in accordance with the requirement of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002.

for the First Quarter Ended March 31, 2015 (Un-audited)

Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of gross premium written by the segments.

	March 31, 2015 (Un-audited)												Aggregate Total
	GENERAL INSURANCE						LIFE INSURANCE						
	Fire and Property Damage	Marine, aviation and Transport	Motor	Health	Miscellaneous	Life Participating	Life Non-Participating		Investment Linked Business	Accident and Health Business		Pension Business Fund	
						Individual	Group		Individual	Group			
	Rupees in thousand												
Segment assets	731,252	240,157	455,540	71,110	145,673	1,531,656	4,355,685	323,737	4,313,011	51,438	373,645	69,494	12,662,398
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	13,574,974
Consolidated total assets													26,237,372
Segment liabilities	1,091,978	358,627	680,258	106,187	217,531	1,559,967	4,358,694	309,803	4,221,747	51,438	373,645	69,494	13,399,369
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	727,763
Consolidated total liabilities													14,127,132

	December 31, 2014 (Audited)												Aggregate Total
	GENERAL INSURANCE						LIFE INSURANCE						
	Fire and Property Damage	Marine, aviation and Transport	Motor	Health	Miscellaneous	Life Participating	Life Non-Participating		Investment Linked Business	Accident and Health Business		Pension Business Fund	
						Individual	Group		Individual	Group			
	Rupees in thousand												
Segment assets	727,301	218,746	225,706	45,818	218,864	1,549,404	4,262,397	258,032	4,508,235	53,238	224,856	75,122	12,367,719
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	13,543,677
Consolidated total assets													25,911,396
Segment liabilities	679,014	245,823	451,642	97,910	236,325	1,549,404	4,295,497	258,032	4,508,235	54,738	285,156	75,122	12,736,898
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	1,240,043
Consolidated total liabilities													13,976,941

13. EARNINGS PER SHARE

	Quarter ended March	
	2015	2014
	(Rupees in thousands)	
Basic earnings per share		
Profit for the period	176,622	249,357
Weighted average number of ordinary shares	<u>122,689,532</u>	<u>122,689,532</u>
	(Rupees)	
Earnings per share	<u>1.44</u>	<u>2.03</u>

14. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements have been authorized for issue on 22 April, 2015 by the Board of Directors of the Company.

Shareholder's Information for the First Quarter Ended March 31, 2015 (Un-audited)

Shareholders Category	No. of Shareholder	No. of Shares Held	Percentage
Directors, Chief Executive Officer, spouse and minor children	17	38,354,683	31.26
Associated Companies, undertakings and related parties	2	33,876,059	27.61
Banks Development Financial Institutions, Non Banking Financial Institutions.	10	7,557,578	6.16
Insurance Companies	6	2,529,032	2.06
Modarabas and Mutual Funds	12	3,474,387	2.83
Share holders holding 10%	3	60,755,519	49.52
General Public :			
a. Local	1,731	22,924,685	18.69
b. Foreign	-	-	-
Others	85	13,973,111	11.39

Pattern of Shareholding for the First Quarter Ended March 31, 2015 (Un-audited)

Number of Shareholders	From	To	Total Number of Shares Held
350	1	100	13,523
399	101	500	118,570
249	501	1,000	198,108
416	1,001	5,000	1,021,323
184	5,001	10,000	1,370,972
45	10,001	15,000	557,153
26	15,001	20,000	457,485
24	20,001	25,000	544,657
18	25,001	30,000	503,120
17	30,001	35,000	549,835
6	35,001	40,000	222,395
6	40,001	45,000	256,473
5	45,001	50,000	239,334
6	50,001	55,000	319,139
3	55,001	60,000	172,954
1	60,001	65,000	64,900
3	65,001	70,000	203,264
6	70,001	75,000	434,347
5	80,001	85,000	411,017
3	85,001	90,000	261,200
1	90,001	95,000	91,000
4	95,001	100,000	400,000
2	100,001	105,000	205,660
1	105,001	110,000	108,984
1	110,001	115,000	112,074
1	115,001	120,000	118,468
1	120,001	125,000	123,022
3	135,001	140,000	411,086
1	145,001	150,000	148,415
3	150,001	155,000	457,610
1	160,001	165,000	164,852
3	170,001	175,000	512,922
1	180,001	185,000	182,200
1	190,001	195,000	191,261
1	195,001	200,000	200,000
1	210,001	215,000	215,000
2	215,001	220,000	440,000
1	220,001	225,000	224,571
1	225,001	230,000	226,235
1	230,001	235,000	230,008
1	235,001	240,000	239,004
1	240,001	245,000	243,000
2	250,001	255,000	508,934
1	255,001	260,000	255,600
1	285,001	290,000	285,489
3	295,001	300,000	895,179
2	300,001	305,000	605,946
2	320,001	325,000	644,865
1	330,001	335,000	334,547
2	365,001	370,000	735,952
1	370,001	375,000	371,606
1	375,001	380,000	379,966
1	400,001	405,000	401,900
1	415,001	420,000	420,000
2	440,001	445,000	885,485
1	485,001	490,000	488,678
1	495,001	500,000	500,000
1	510,001	515,000	514,230
1	525,001	530,000	528,130
2	550,001	555,000	1,101,498
1	560,001	565,000	563,269
1	575,001	580,000	578,758
2	580,001	585,000	1,161,543
2	585,001	590,000	1,174,457
1	655,001	660,000	660,000
1	665,001	670,000	667,142
1	750,001	755,000	752,065
1	755,001	760,000	759,000
1	770,001	775,000	773,000
1	810,001	815,000	814,000
1	860,001	865,000	861,000
1	940,001	945,000	940,800
1	985,001	990,000	988,240
1	995,001	1,000,000	997,720
1	1,025,001	1,030,000	1,027,140
1	1,055,001	1,060,000	1,058,735
1	1,060,001	1,065,000	1,063,207
1	1,165,001	1,170,000	1,167,916
1	1,210,001	1,215,000	1,214,475
1	1,225,001	1,230,000	1,226,801
1	1,675,001	1,680,000	1,676,677
1	1,715,001	1,720,000	1,719,146
1	1,945,001	1,950,000	1,946,364
1	2,210,001	2,215,000	2,214,880
1	3,075,001	3,080,000	3,076,728
1	4,585,001	4,590,000	4,586,385
1	5,240,001	5,245,000	5,241,419
1	13,020,001	13,025,000	13,022,093
1	20,850,001	20,855,000	20,853,966
1	26,875,001	26,880,000	26,879,460
<u>1,863</u>			<u>122,689,532</u>

IGI's Presence

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IGI
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