



**PGI**

**The Pakistan General  
Insurance Company Limited**

**Quarterly Report  
For the Period Ended  
March 31, 2023**



## Company Information

### Board of Directors

Mrs. Nasira Raees  
Mr. Muhammad Haroon  
Mr. Sajid Rabbani  
Mr. Muhamamd Iqbal

### Chief Accountant

Abdul Rashid

### Company Secretary

Ch. Mohsin Ali

### Legal Advisors

Mr. Ahmad Ali Ranjah (Advocate High Court)

### Auditors

Sarwars  
Chartered Accountants

### Tax Consultants

Kamran & Co.  
Chartered Accountants

### Share Registrar

Corplink (Private) Limited

### Registered and Head Office

PGI House, 5-A Bank Square  
The Mall Lahore

### Contacts

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

## Directors' Review Report to the Shareholders

The Board of Directors of "The Pakistan General Insurance Company Limited" ("the Company") is pleased to present the unaudited condensed interim financial statements for the quarter ended March 31, 2023.

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

	Mar 31 / 2023 Rupees	Mar 31 / 2022 Rupees	Increase / (Decrease) Rupees	% age
<b>Underwriting</b>				
Net premiums revenue	-	-	-	0.00%
Underwriting results	(2,445,078)	(3,418,538)	973,460	-28.48%
<b>Investments</b>				
In properties	259,700,000	262,000,000	(2,300,000)	-0.88%
Investment income	112,125	562,211	(450,086)	-80.06%
<b>Profitability / Equity</b>				
Share capital	464,014,500	464,014,500	-	0.00%
Underwriting losses	(2,445,078)	(3,418,538)	973,460	-28.48%
(Loss) before tax	(2,569,231)	(3,876,009)	1,306,778	-33.71%

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

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

**For and on behalf of the Board**

**-Sd-  
Chairperson**

Lahore.  
April 29, 2023

دی پاکستان جنرل انشورنس کمپنی لمیٹڈ کے ڈائریکٹرز کمپنی کے 3 ماہ کے غیر اڈٹ شدہ مالیاتی حساب 31 مارچ 2023 پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

3 ماہ کے نتائج کا تقابلی جائزہ درج ذیل ہے۔

	Mar 31 / 2023 Rupees	Mar 31 / 2022 Rupees	Increase / (Decrease) Rupees	% age
<b>Underwriting</b>				
Net premiums revenue	-	-	-	0.00%
Underwriting results	(2,445,078)	(3,418,538)	973,460	-28.48%
<b>Investments</b>				
In properties	259,700,000	262,000,000	(2,300,000)	-0.88%
Investment income	112,125	562,211	(450,086)	-80.06%
<b>Profitability / Equity</b>				
Share capital	464,014,500	464,014,500	-	0.00%
Underwriting losses	(2,445,078)	(3,418,538)	973,460	-28.48%
(Loss) before tax	(2,569,231)	(3,876,009)	1,306,778	-33.71%

انشورنس آرڈیننس 2000 کے تحت آئی سی سی پی نے نے ایک آرڈر ایشو کیا ہے جس کے خلاف کمپنی نے نظرثانی کی درخواست وائر کر رکھی ہے معاملہ ابھی زیر التوا ہے تاہم قانونی ٹیم کی رائے حاصل کرنے کے بعد بادی النظر میں مینیجمنٹ سمجھتی ہے کہ معاملے کا حتمی فیصلہ کمپنی کے حق میں جاری ہوگا کمپنی ان چیلنجز سے بخوبی آگاہ ہے جو کہ معیشت کو درپیش ہیں افراط زر اور توانائی کے بڑھتے ہوئے بحران کی صورت میں ملکی معیشت کو پہلے ہی متاثر کر چکے ہیں ہم امید رکھتے ہیں کہ مائیکرو اور معاشی چیلنجز پر مستقبل قریب میں قابو پا لیا جائے گا جس سے انڈسٹری کی پیداوار کے لیے حوصلہ افزاء صورتحال پیدا ہو جائے گی۔

بورڈ آف ڈائریکٹرز کی جانب سے

-Sd-

چیئرمین

لاہور 29 اپریل 2023

The Pakistan General Insurance Company Limited  
Condensed Interim Statement of Financial Position [Un-Audited]  
As at March 31, 2023

		Mar 31, 2023 Un - audited	Dec. 31, 2022 Audited
	Note	Rupees	Rupees
<b>ASSETS</b>			
Property and equipment	6	103,404,782	104,988,503
Investment property	7	259,700,000	259,700,000
Investments			
- Equity securities	8	496,207	676,929
- Debt securities	9	45,483,241	45,483,241
- Term deposits	10	-	-
Loans and other receivables	11	6,718,958	6,792,958
Insurance / reinsurance receivables	12	58,518,191	58,518,191
Taxation - provision less payments	17	1,751,250	1,733,503
Cash and bank balances	13	473,124	523,207
<b>TOTAL ASSETS</b>		<b>476,545,753</b>	<b>478,416,532</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital			
50,000,000 (Dec. 31, 2022: 50,000,000) ordinary shares of Rs. 10/- each		500,000,000	500,000,000
Issued, subscribed and paid-up share capital	14	464,014,500	464,014,500
General reserves		50,985,500	50,985,500
Accumulated loss		(98,239,221)	(95,962,817)
Un-realized gains / (losses) on revaluation of investments		224,888	405,610
<b>Total equity</b>		<b>416,985,667</b>	<b>419,442,793</b>
<b>Surplus on revaluation of fixed assets</b>	15	<b>23,133,375</b>	<b>23,426,202</b>
<b>Liabilities</b>			
Underwriting provisions			
- Provision for outstanding claims (including IBNR)		-	-
Deferred taxation		-	-
Insurers / reinsurers payables		29,246,553	29,246,553
Other creditors and accruals	16	7,180,158	6,300,984
<b>Total liabilities</b>		<b>36,426,711</b>	<b>35,547,537</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>476,545,753</b>	<b>478,416,532</b>
<b>Contingencies and commitments</b>	18		

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

-Sd-  
Chairman

-Sd-  
Director

-Sd-  
Director

-Sd-  
Chief Executive

-Sd-  
Chief Accountant

The Pakistan General Insurance Company Limited  
Condensed Interim Statement of Comprehensive Income [Un-Audited]  
For the Quarter Ended March 31, 2023

	Note	Quarter Ended	
		March 31, 2023	Mar 31, 2022
-----Rupees-----			
<b>Revenue account</b>			
Net premium revenue	19	-	-
Net claims	20	-	-
Net commission and other acquisition cost	21	-	-
Management expenses		(2,445,078)	(3,418,538)
<b>Underwriting result</b>		<b>(2,445,078)</b>	<b>(3,418,538)</b>
Investment income	22	112,125	562,211
Rental income		780,000	537,050
Other income	23	114,109	255,990
Other expenses		(1,127,191)	(1,808,507)
		(120,957)	(453,256)
<b>Results of operating activities</b>		<b>(2,566,035)</b>	<b>(3,871,794)</b>
Finance cost	24	(3,196)	(4,215)
(Loss) before tax		(2,569,231)	(3,876,009)
Provision for taxation		-	-
- current		-	-
- deferred		-	-
<b>(Loss) after tax</b>		<b>(2,569,231)</b>	<b>(3,876,009)</b>
<b>Other comprehensive income for the period</b>			
Incremental depreciation on revalued assets		292,827	278,345
<b>Total other comprehensive income for the period</b>		<b>292,827</b>	<b>278,345</b>
<b>Total comprehensive income for the period</b>		<b>(2,276,404)</b>	<b>(3,597,664)</b>
<b>(Loss) / per share - basic and dilutive</b>	25	<b>(0.06)</b>	<b>(0.08)</b>

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

-Sd-  
Chairman

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Director

-Sd-  
Director

-Sd-  
Chief Executive

-Sd-  
Chief Accountant

The Pakistan General Insurance Company Limited  
Condensed Interim Statement of Changes in Equity [Un-Audited]  
For the Quarter Ended March 31, 2023

	Revenue reserves				Total Equity
	Share Capital	General reserves	Unrealized gains / (losses) on revaluation of available for sale investments - net	Accumulated loss	
	----- Rupees -----				
<b>Balance as at January 01, 2022</b>	464,014,500	50,985,500	539,058	(68,284,583)	447,254,475
<b>Total comprehensive income for the period</b>					
Loss after tax for the year	-	-	-	(28,791,613)	(28,791,613)
Other comprehensive loss for the year			(133,448)	-	(133,448)
Transfer from surplus on revaluation of fixed assets on account of:					
-Incremental depreciation on fixed assets - net of tax	-	-	-	1,113,379	1,113,379
<b>Balance as at December 31, 2022</b>	464,014,500	50,985,500	405,610	(95,962,817)	419,442,793
<b>Total comprehensive income for the period</b>					
Net (loss) for the period	-	-	-	(2,569,231)	(2,569,231)
Other comprehensive income for the period					
Incremental depreciation on fixed assets	-	-	-	292,827	292,827
Unrealized (loss) on revaluation of available for sale investments		-	(180,722)	-	(180,722)
<b>Balance as at March 31, 2023</b>	<u>464,014,500</u>	<u>50,985,500</u>	<u>224,888</u>	<u>(98,239,221)</u>	<u>416,985,667</u>

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

-Sd-  
Chairman

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Director

-Sd-  
Director

-Sd-  
Chief Executive

-Sd-  
Chief Accountant

The Pakistan General Insurance Company Limited  
Condensed Interim Statement of Cash Flows [Un-Audited]  
For the Quarter Ended March 31, 2023

	March 31, 2023	Mar 31, 2022
Note	-----Rupees-----	
<b>Operating cash flows</b>		
a) Underwriting activities	-	500,000
b) Other operating activities		
Income taxes paid	(17,747)	(87,257)
General and management expenses paid	(1,134,112)	(3,363,195)
Other operating (payments) / receipts	(33,154)	28,136
Net cash generated (used in) other operating activities	(1,185,013)	(3,422,316)
Total cash flow from all operating activities (a+b)	(1,185,013)	(2,922,316)
<b>Investing activities</b>		
Profit / return received	112,126	562,212
Rentals received	780,000	537,050
Proceeds from disposal of assets and investment properties	175,000	1,800,000
Total cash (out) flow from investing activities	1,067,126	2,899,262
<b>Financing activities</b>		
Loan repayments received - net	71,000	24,000
Financial charges paid	(3,196)	(4,215)
Total cash in / (out) flow from financing activities	67,804	19,785
<b>Net cash inflow from all activities</b>	(50,083)	(3,269)
<b>Cash and cash equivalents at the beginning of the period</b>	523,207	7,777,520
<b>Cash and cash equivalents at the end of the period</b>	473,124	7,774,251
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	(1,185,013)	(2,922,316)
Depreciation expense	(1,522,829)	(1,938,850)
Finance cost	(3,196)	(4,215)
Investment income	112,125	562,212
Rental income	780,000	537,050
Other income	114,109	255,990
Decrease / (Increase) in assets other than cash	(3,000)	(500,000)
(Decrease) / Increase in liabilities other than running finance	(861,427)	134,120
<b>(Loss) after taxation</b>	(2,569,231)	(3,876,009)

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

-Sd-  
Chairman

-Sd-  
Director

-Sd-  
Director

-Sd-  
Chief Executive

-Sd-  
Chief Accountant

## 1 Status and nature of operations

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

## 2 Basis of preparation and statement of compliance

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

The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the Securities and Exchange Commission of Pakistan vide SRO 89(I)/2017 and International Accounting Standard (IAS) 34, "Interim Financial Reporting" and do not include all the information required in the annual financial statements. Accordingly, this condensed interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2022.

This condensed financial information does not include all the information and disclosures required in the complete set of financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2022.

### 2.1 Basis of measurement

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

### 2.2 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to nearest Pak Rupee, unless otherwise stated.

## 3 Going concern assessment

Securities and Exchange Commission of Pakistan (SECP) vide its order dated June 7, 2017 under section 11(1)(f) and section 12(1) and 12(4) read with section 63(1) and section 156 of the Insurance Ordinance, 2000 restricted the Company from entering into new contracts of insurance after July 7, 2017. Moreover, in the aforementioned order, it is stated that the cessation order will be revoked subject to the fulfilment of conditions mentioned therein. The management of the Company is taking steps towards fulfilment of these conditions and as at the reporting date only two conditions are yet to be complied with and had prepared a road map, which will lead the Company in revocation of the said order. The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business as the management in connection with legal opinion from its legal advisors is of the view that there is every likelihood that the above cited order will be revoked in the foreseeable future.

## 4 Summary of significant accounting policies

The accounting policies and the methods of computation adopted in preparation of this condensed interim financial information are the same as those applied in preparation of financial statements for the year ended December 31, 2022.

### 4.1 Change in accounting policy

As disclosed in financial statements for the year ended December 31, 2022, the Company had changed its accounting policy of measuring its investment properties. Previously investment properties are measured at cost i.e. cost less any accumulated depreciation and any identified impairment loss. Investment properties represent constructed buildings which include the cost of land, and the value of land cannot be easily separable and were disclosed together since acquisition. Thus the depreciation is charged on the value of land as well, therefore, to avoid this anomaly, the management changed measurement policy of its investment properties from cost model to fair value model as per the relevant provisions of IAS 40.

4.2 The Company's financial and insurance risk management objectives and policies are consistent with those that were disclosed in the annual financial statements of the Company as at and for the year ended December 31, 2022.

The Pakistan General Insurance Company Limited  
Notes to the Condensed Interim Financial Information [Un-Audited]  
For the Quarter Ended March 31, 2023

5 **Critical accounting estimates and judgments**

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statement, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended December 31, 2022.

6 **Property and equipment**

Book value at beginning of the period / year  
Additions during the period / year  
Disposal during the period / year  
Adjustment on disposal  
Depreciation charge for the period / year  
Carrying amount at end of the period / year

- note 6.1

6.1 **Additions during the period / year**

Land and building - revaluation  
Office equipment

7 **Investment property**

Book value at beginning of the period / year  
Addition / revaluation during the year  
Carrying amount at end of the period / year

7.1 The Company had measured its investment properties at fair value since 2021 in accordance with IAS-40. Previously, investment properties were measured at cost model.

8 **Investments - Equity securities**

Available for sale - Investment in quoted equities (carrying value)

9 **Investments - Debt securities**

Held to maturity  
- Pakistan Investment Bonds (PIBs)

These PIBs are deposited with State Bank of Pakistan as statutory deposit pursuant to the requirements of section 29(2)(a) of the Insurance Ordinance, 2000.

10 **Investments - Term deposits**

Deposits maturing within 12 months

11 **Loans and other receivables**

Loan to employees and agents  
Security deposits  
Accrued interest  
Sundry receivables

12 **Insurance / reinsurance receivables**

Unsecured - considered good  
Due from insurance contract holders

	Un - audited Mar 31, 2023	Audited Dec. 31, 2022
	-----Rupees-----	
	104,988,503	119,080,583
	-	3,425,000
	(600,000)	(18,180,760)
	539,109	7,234,554
	(1,522,830)	(6,570,874)
	<u>103,404,782</u>	<u>104,988,503</u>
	-	3,200,000
	-	225,000
	-	<u>3,425,000</u>
	259,700,000	262,000,000
	-	(2,300,000)
	<u>259,700,000</u>	<u>259,700,000</u>
	<u>496,207</u>	<u>676,929</u>
	<u>45,483,241</u>	<u>45,483,241</u>
	-	-
	53,900	124,900
	5,477,649	5,477,649
	1,186,500	1,186,500
	909	3,909
	<u>6,718,958</u>	<u>6,792,958</u>
	58,518,191	58,518,191
	<u>58,518,191</u>	<u>58,518,191</u>

The Pakistan General Insurance Company Limited  
Notes to the Condensed Interim Financial Information [Un-Audited]  
For the Quarter Ended March 31, 2023

	Un - audited Mar 31, 2023	Audited Dec. 31, 2022
	-----Rupees-----	
<b>13 Cash and bank balances</b>		
Cash in hand	159,252	165,906
Cash with banks		
- Current accounts	215,435	258,864
- Saving accounts	5,517	5,517
- State Bank of Pakistan	92,920	92,920
	313,872	357,301
	<u>473,124</u>	<u>523,207</u>
<b>14 Issued, subscribed and paid-up share capital</b>		
20,000,000 fully paid ordinary shares of Rs. 10 each	200,000,000	200,000,000
26,401,450 fully paid bonus shares of Rs. 10 each	264,014,500	264,014,500
	<u>464,014,500</u>	<u>464,014,500</u>
<b>15 Surplus on revaluation of fixed assets</b>		
Balance at beginning of the period / year	23,426,202	22,267,581
Add: Surplus recognized during the year	-	2,272,000
Less: Incremental depreciation transferred to un-appropriated profit	(292,827)	(1,113,379)
Balance at end of the period / year	<u>23,133,375</u>	<u>23,426,202</u>
<b>16 Other creditors and accruals</b>		
Accrued expenses	3,407,009	2,491,681
Other creditors and accruals	3,773,149	3,809,303
	<u>7,180,158</u>	<u>6,300,984</u>
<b>17 Taxation - provision less payments</b>		
Balance at beginning of the period / year	(1,733,503)	(807,800)
Add: Charge for the period / year	-	-
Less: Paid / deducted during the period / year	(17,747)	(925,703)
Balance at end of the period / year	<u>(1,751,250)</u>	<u>(1,733,503)</u>
<b>18 Contingencies and commitments</b>		

There have been no significant changes in the contingencies and commitments as disclosed in the annual financial statements of the Company for the year ended December 31, 2022.

	For the Quarter ended	
	March 31, 2023	Mar 31, 2022
	-----Rupees-----	
<b>19 Net insurance premium</b>		
Gross premium written	-	-
Add: Opening unearned premium reserve	-	-
Less: Closing unearned premium reserve	-	-
Premium earned	-	-
Less: Reinsurance premium ceded	-	-
Add: Opening prepaid reinsurance premium ceded	-	-
Less: Closing prepaid reinsurance premium ceded	-	-
Reinsurance expense	-	-
	<u>-</u>	<u>-</u>



The Pakistan General Insurance Company Limited  
Notes to the Condensed Interim Financial Information [Un-Audited]  
For the Quarter Ended March 31, 2023

Un-audited March 31, 2023	Un-audited Mar 31, 2022
-----Rupees-----	

26 Underwriting activities

Insurance premiums received  
Net cash from underwriting activities

-	500,000
-	500,000

27 Transactions with related parties

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

Un-audited March 31, 2023	Un - audited Mar 31, 2022
-----Rupees-----	

Remuneration paid to executives, directors and chief executive officer  
Contribution paid to provident fund

536,625	536,625
-	20,697

28 Segment Reporting

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

29 Corresponding figures

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

30 Date of authorization of issue

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on April 29, 2023.

-Sd-  
Chairman

-Sd-  
Director

-Sd-  
Director

-Sd-  
Chief Executive

-Sd-  
Chief Accountant

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- 📊 Risk profiler\*
- 📊 Financial calculator
- 📧 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📱 Jamapunji application for mobile device
- 🧪 Online Quizzes



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