

ISSN-0257-8603

Quarterly

Insurance Journal

Inside:

- Earthquakes: Risk & Insurance
- Fire Insurance Policy Clauses
- Crop Insurance and Claims
- Health Corner
- Student's Corner
- Legal Section

April, May, June 2015

Important Statistics 2014

Insurance Companies of Pakistan

	General Insurance		Life Insurance	
(Rs. In Million)	2014	2013	2014	2013
Paid up Capital	17,465.731	15,638.190	2,815.480	2,721.412
Gross Premium	55,371.500	50,129.690	42,803.491	35,784.652
Net Premium	28,094.153	25,155.855	41,260.375	34,227.626
Profit Before Tax	10,141.915	8,394.671	3,535.837	2,904.365
Profit After Tax	8,626.995	7,181.316	2,396.832	1,949.421
Investment Income	7,278.799	6,956.044	17,936.238	10,072.725
Investments	68,125.700	62,156.288	108,036.432	79,343.701
Total Assets	133,158.798	123,694.885	129,283.899	96,045.363
Claim Expense	27,498.303	25,492.795	14,428.653	10,590.460

	Takaful (General)		Takaful (Family)	
(Rs. In Million)	2014	2013	2014	2013
Paid up Capital	932.748	707.676	1,460.629	1,460.629
Gross Premium	1,276.752	1,249.501	5,913.523	5,127.110
Net Premium	675.650	587.155	1,653.856	1,495.263
Profit Before Tax	15.943	11.788	16.880	(8.880)
Profit After Tax	2.301	4.509	5.192	2.558
Investment Income	18.481	17.444	688.276	472.328
Investments	299.700	358.353	5,052.188	4,151.377
Total Assets	1,635.166	1,574.648	10,333.575	7,507.401
Claim Expense	784.664	686.214	1,539.434	993.408

Insurance Industry
Analysis 2014

Seminar on
Engineering
Insurance



Insurance Day 2015





INSURANCE

Window Takaful Operations Offering

A complete Islamic cover based on
Takaful Concept
"Mutual Assistance & Voluntary Contribution"



SPI SALAMA

WINDOW TAKAFUL OPERATOR

Name of Security and Satisfaction

A wide range of General Takaful Products
suiting your needs

SPI INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

HEAD OFFICE:

UIG House, 6-D, Upper Mall Lahore, Pakistan
Tel.: (+92-42) 35776561, 62,67,68, 35756563 Fax: (+92-42) 35776560
Email: info@spiwindowtakaful.com.pk
Website: www.spiwindowtakaful.com.pk

REGISTERED OFFICE:

Suite: 204-A, Second Floor,
Madina City Mall, Abdullah Haroon Road, Karachi
Tel.: (+92-21) 37010190, 35221805-6
Fax: (+92-21) 37010191

Jubilee
GENERAL INSURANCE

B++
A.M. Best

AA+
JCR-VIS

AA+
PACRA



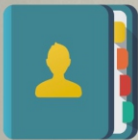
THE HIGHEST IFS* RATED GENERAL INSURANCE
COMPANY OF PAKISTAN BY LOCAL AND
INTERNATIONAL RATING AGENCIES

*Insurer Financial Strength

www.jubileegeneral.com.pk | UAN: 111-654-111 | Toll Free: 0800-03786



My Policy



Fast and easy way of effectively managing your policy.

Tax Saving



Find out the tax credit available against the total premium paid by you.

Need Analysis Tool



Get financial advice to plan a secure future for you and your loved ones.

Fund Prices



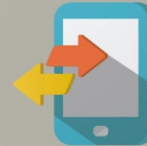
Stay updated on the performance of our funds on a daily basis.

Products



Comprehensive financial planning solutions to meet your needs.

Contact Us



Access multiple options of getting in touch with us.



EFU Life PlanIT - Mobile App

The 1st of its kind mobile app in the Life insurance industry

EFU Life PlanIT offers a complete solution for all life insurance needs, from monitoring one's policy to many other interactive features that help you plan your life better. With it, Life insurance just got easier.



LIFE

Zaroori Hai



(021) 111-338-111



efulife.com



/EFULifeAssurance



@EFU_Life



EFULIFE 9898

ISSN-0257-8603

Quarterly

Insurance Journal

Karachi - Islamabad
April, May, June 2015

Karachi No. 123 Vol. 31
Islamabad No. 27 Vol. 7

Editor:

M. Jamaluddin

Legal Consultants:

Hashim Hameed Zaheer & Co.

Published by:

M. Jamaluddin

12/14, Trader Housing Society,
Karachi.

Email: insurancejournalpakistan@yahoo.com

Designed by:

Artixone-ads

G-6/2, Islamabad.

Email: artixoneads@gmail.com

Printed at:

Panjwani Printing Press

1, Abdul Manzil, Muhammad Bin
Qasim Road, Karachi.

Tel: +92-21-32630331

+92-21-32630734

(Views expressed by the writers are in their individual capacity and Insurance Journal need not share them)

Karachi Office:

No.63, Noor Chamber, Robson Road,
Karachi - Pakistan.

Tel: +92-21-32217184

Islamabad Office:

Office No.5, First Floor, Insaf Plaza,
F-10 Markaz, Islamabad - Pakistan.

Tel: +92-51-2222951

Price: Rs.150/- Annual Rs.600/-
Outside Pakistan: US\$ 100 (Air Postage)

CONTENTS



Insurance Sector on KSE

05



Important Statistics (1st Quarter 2015)

07



Important Statistics 2014

08



Fire Insurance Policy Clauses (Part-1)

17



Crop Insurance and Claims

19



Insurance Day 2015

27



Seminar on Engineering Insurances

29



Earthquakes: Risk & Insurance

31



Insurance Industry Analysis 2014

34



Student's Corner - Health Insurance as Micro-insurance

43



Health Corner - Acute Myocardial Infarction (Heart Attack)

47



Legal Section

49



The UNITED INSURANCE
COMPANY OF PAKISTAN LIMITED
(A Member Company of United International Group)
Rated 'A+' by PACRA

Reliable Name in
Insurance

SOLUTION FOR UNEXPECTED
CHALLENGES

Assurance of quality service



HEAD OFFICE:
UIG House, 6-D, Upper Mall Lahore, Pakistan.
U.A.N: (042) 111-000-014
Fax: (+92-42) 35776486 & 35776487
Website: www.theunitedinsurance.com

REGISTERED OFFICE:
204, 2nd Floor, Madina City Mall,
Abdullah Haroon Road, Karachi.
Tel: (+92-21) 35621460 - 62 Fax: (+92-21) 35621459
Website: www.uicwindotakaful.com

INSURANCE SECTOR ON KARACHI STOCK EXCHANGE

(Quarter: January, February, March 2015)

Compiled By: Khurram Shahzad

Company	تعارف Capital (Rs. in Million)	Face Value Rs.	Highest Rate Rs.	Lowest Rate Rs.	Turnover of Shares	Announcement During the Quarter
Adamjee Ins. Co. Ltd	3,500	10.00	57.10	37.93	150,137,000	Dividend = 15%
Asia Ins. Co. Ltd	300	10.00	-	-	-	
Askari General Ins. Co. Ltd	388	10.00	35.20	27.30	3,067,500	
Atlas Ins. Co. Ltd	702	10.00	81.98	62.89	731,500	Dividend = 60%
Beema Pakistan Co. Ltd	417	10.00	-	-	-	
Business & Industrial Ins Co. Ltd	86	10.00	-	-	-	
Century Ins. Co. Ltd.	457	10.00	29.97	20.33	1,418,000	Dividend = 15%
Crescent Star Ins. Co. Ltd	620	10.00	5.99	3.47	1,116,000	
Cyan Ltd	586	10.00	150.50	65.17	11,802,500	Dividend = 425%
EFU General Ins. Co. Ltd	1,600	10.00	171.24	134.98	5,540,400	Dividend = 50%
East West Ins. Co. Ltd	402	10.00	-	-	-	
East West Life Assurance Co. Ltd	594	10.00	18.68	10.50	2,548,000	
EFU Life Assurance Ltd	1,000	10.00	197.00	152.25	564,700	Dividend = 60%
Habib Ins. Co. Ltd	619	5.00	23.70	15.90	2,107,000	Dividend = 40%
Hallmark Ins. Co. Ltd	5	10.00	-	-	-	
IGI Ins. Ltd	1,227	10.00	282.90	191.59	8,707,700	Dividend = 30%
IGI Life Ins. Ltd	500	10.00	170.78	125.84	64,900	
Jubilee Life Ins. Co. Ltd	721	10.00	460.00	399.00	186,500	Dividend = 70%
Jubilee General Ins. Co. Ltd	1,569	10.00	111.00	79.80	247,000	Dividend = 40%
Pakistan General Ins. Co. Ltd	400	10.00	13.00	9.01	911,500	Bonus Issue = 6.67%
Pakistan Guarantee Ins. Co. Ltd	25	10.00	-	-	-	
Pakistan ReIns. Co. Ltd	3,000	10.00	35.25	26.69	40,539,000	
PICIC Ins. Co. Ltd	350	10.00	13.60	9.54	260,500	
Platinum Ins. Co. Ltd		10.00	-	-	-	
Premier Ins. Co. Ltd	348	10.00	26.00	21.51	155,000	Bonus Issue = 15%, Dividend = 10%
Progressive Ins. Co. Ltd	85	10.00	-	-	-	
Reliance Ins. Co. Ltd	464	10.00	14.50	11.70	1,730,000	Bonus Issue = 15%, Dividend = 5%
Shaheen Ins. Co. Ltd	450	10.00	9.11	4.93	4,176,500	
Silver Star Ins. Co. Ltd	306	10.00	11.50	9.30	264,500	
Standard Ins. Co. Ltd	8	10.00	-	-	-	
TPL Direct Ins. Co. Ltd	755	10.00	24.50	18.00	317,500	
United Ins. Co. Ltd	1,288	10.00	42.55	26.60	3,187,500	Bonus Issue = 40%
Universal Ins. Co. Ltd	370	10.00	7.98	3.40	831,000	

Cargo Controllers | Loss Adjusters
Surveyors | Valuation Consultants

ISO Certified
9001:2008

PBA Approved Valuers
Panel I, II & III



PAKISTAN INSPECTION CO.
(PVT.) LTD. *The Emblem of Integrity & Professionalism*



Head Office: Suite # 316, 3rd Floor, Clifton Centre,
Khayaban-e-Roomi, Block-V, Clifton, Karachi.
Ph: 92-21-35300281-3, Fax: 92-21-35873410,
info@pakistaninspection.com.pk, www.pakistaninspection.com.pk

Zonal Office: Suite # 1, 1st Floor, Eaton Centre, Commercial Area,
Pak PWD, Islamabad. Ph: 92-51-5155819, 92-51-5803077,
Fax: 92-51-5155819, islamabad@pakistaninspection.com.pk

Lahore Branch: 1st Floor, Plot # 17, Jail Road, Lahore.
Ph: 92-42-37594234, 92-42-37577218,
lahore@pakistaninspection.com.pk

Important Statistics

From 01-Jan-2015 to 31-Mar-2015

Companies	Gross Premium	Net Premium	Underwriting Result	Profit before Tax	Earning Per Share
Rupees in Million					Rupees
General Insurance					
Adamjee Insurance Co. Ltd	3,347.443	1,820.672	257.208	788.591	2.11
Asia Insurance Co. Ltd	125.608	66.779	21.441	111.300	0.36
Askari General Insurance Co. Ltd	519.966	260.166	59.501	67.473	1.46
Atlas Insurance Co. Ltd	545.490	237.399	115.847	165.049	1.78
Century Insurance Co. Ltd	205.165	108.982	28.235	13.279	0.24
Crescent Star Insurance Co. Ltd	46.482	86.389	28.760	11.131	0.02
East West Insurance Co. Ltd	376.979	204.677	48.968	60.408	1.13
EFU General Insurance Co. Ltd	3,753.151	1,693.345	222.590	486.183	2.50
Habib Insurance Co. Ltd	265.545	128.557	17.523	110.181	0.81
IGI Insurance Co. Ltd	833.714	276.312	85.669	(53.783)	(0.61)
Jubilee General Insurance Co. Ltd	3,426.363	994.648	108.034	302.951	1.59
PICIC Insurance Co. Ltd	214.132	94.589	29.186	(5.402)	(0.16)
Premier Insurance Co. Ltd	214.197	157.471	(2.118)	32.217	0.91
Saudi Pak Insurance Co. Ltd	174.879	145.186	40.186	31.314	0.61
Shaheen Insurance Co. Ltd	60.750	53.091	(20.323)	1.664	0.03
TPL Direct Insurance Co. Ltd	405.642	318.316	7.221	(14.158)	(0.29)
United Insurance Co. Ltd	672.824	556.906	208.459	182.491	1.79
Life Insurance					
East West Life Assurance Co. Ltd	10.842	7.558	(5.835)	0.757	0.01
EFU Life Assurance Co. Ltd	7,857.119	7,670.826	520.796	447.029	3.01
IGI Life Insurance Ltd	673.883	647.730	(35.202)	15.871	0.21
Jubilee Life Insurance Co. Ltd	6,371.833	6,024.799	498.614	436.989	4.23

Important Statistics 2014

Insurance Companies of Pakistan

General Insurance:

Total	(Rs. In Million)	
	2014	2013
Paid up Capital	17,465.731	15,638.190
Gross Premium	55,371.500	50,129.690
Net Premium	28,094.153	25,155.855
Profit Before Tax	10,141.915	8,394.671
Profit After Tax	8,626.995	7,181.316
Investment Income	7,278.799	6,956.044
Investments	68,125.700	62,156.288
Total Assets	133,158.798	123,694.885
Claim Expense	27,498.303	25,492.795

ADAMJEE INSURANCE CO. LTD.

Registered in 1960

CEO: Mr. Muhammad Ali Zeb CFO: Mr. Muhammad Asim Nagi

	2014 (Restated)	2013
Paid up Capital	3,500.000	3,500.000
Gross Premium	12,145.147	10,076.581
Net Premium	6,302.550	5,506.556
Profit Before Tax	2,030.472	2,210.395
Profit After Tax	1,879.098	1,966.159
Investment Income	2,060.861	2,357.262
Investments	13,482.064	11,359.717
Total Assets	28,832.011	27,201.986
Claim Expense	6,120.624	7,604.981
Earning / (Loss) per Share - (Rupees)	5.37	5.62

ALFALAH INSURANCE CO. LTD.

Registered in 2006

CEO: Mr. Nasar us Samad Qureshi CFO: Mr. Adnan Waheed

	2014 (Restated)	2013
Paid up Capital	300.000	300.000
Gross Premium	1,330.854	1,230.932
Net Premium	705.323	563.744
Profit Before Tax	150.594	123.040
Profit After Tax	123.037	102.577
Investment Income	101.341	78.329
Investments	860.171	785.754
Total Assets	2,179.853	1,837.908
Claim Expense	622.815	452.217
Earning / (Loss) per Share - (Rupees)	4.10	3.42

ALPHA INSURANCE CO. LTD.

Registered in 1950

CEO: Mr. Jamil Anwar CFO: Mr. Saleem Abdul Sattar

	2014 (Restated)	2013
Paid up Capital	403.600	403.600
Gross Premium	219.652	265.239
Net Premium	90.907	115.149
Profit Before Tax	23.056	103.200
Profit After Tax	19.509	97.677
Investment Income	87.972	158.328
Investments	614.688	587.325
Total Assets	1,029.712	1,028.302
Claim Expense	117.407	61.927
Earning / (Loss) per Share - (Rupees)	0.48	2.42

Important Statistics 2014

Insurance Companies of Pakistan

ASKARI GENERAL INSURANCE CO. LTD.

Registered in 1995

CEO: Mr. Abdul Waheed CFO: Mr. Suleman Khalid

2014 (Restated) 2013

Paid up Capital	388.344	388.344
Gross Premium	1,719.458	1,605.033
Net Premium	971.450	841.925
Profit Before Tax	202.217	149.636
Profit After Tax	163.415	119.065
Investment Income	125.959	65.022
Investments	1,014.304	864.102
Total Assets	2,497.948	2,237.995
Claim Expense	931.063	749.096
Earning / (Loss) per Share - (Rupees)	4.21	3.07

ASIA INSURANCE CO. LTD.

Registered in 1980

CEO: Engr. Ihtsham ul Haq Qureshi CFO: Mr. Muhammad Ali Raza

2014 (Restated) 2013

Paid up Capital	300.000	300.000
Gross Premium	304.784	154.004
Net Premium	190.975	70.332
Profit Before Tax	59.581	20.830
Profit After Tax	47.513	19.541
Investment Income	33.354	37.794
Investments	228.173	217.249
Total Assets	812.950	666.687
Claim Expense	48.919	59.841
Earning / (Loss) per Share - (Rupees)	1.58	0.65

ATLAS INSURANCE CO. LTD.

Registered in 1934

CEO: Mr. Arshad P. Rana CFO: Mr. Rashid Amin

2014 (Restated) 2013

Paid up Capital	701.614	637.831
Gross Premium	1,651.321	1,400.230
Net Premium	878.381	755.684
Profit Before Tax	690.815	587.572
Profit After Tax	544.968	455.973
Investment Income	294.682	246.399
Investments	1,868.597	1,550.372
Total Assets	3,344.019	3,014.736
Claim Expense	301.752	412.846
Earning / (Loss) per Share - (Rupees)	7.77	6.50

CENTURY INSURANCE CO. LTD.

Registered in 1988

CEO: Mr. Mohammad Hussain Hirji CFO: Mr. Sabza Ali Pirani

2014 (Restated) 2013

Paid up Capital	457.244	457.244
Gross Premium	755.311	667.073
Net Premium	388.502	321.673
Profit Before Tax	158.454	150.750
Profit After Tax	142.371	147.335
Investment Income	135.888	133.173
Investments	1,095.864	1,112.661
Total Assets	1,876.722	1,738.929
Claim Expense	291.784	207.704
Earning / (Loss) per Share - (Rupees)	3.11	3.22

Important Statistics 2014

Insurance Companies of Pakistan

CRESCENT STAR INSURANCE CO. LTD.

Registered in 1957

CEO: Mr. Naim Anwar CFO: Mr. Malik Mehdi Muhammad

2014 (Restated) 2013

Paid up Capital	620.125	121.000
Gross Premium	237.051	84.926
Net Premium	136.248	55.767
Profit Before Tax	(34.467)	2.068
Profit After Tax	(35.830)	1.467
Investment Income	4.644	8.154
Investments	86.064	14.680
Total Assets	574.843	164.823
Claim Expense	39.391	28.569
Earning / (Loss) per Share - (Rupees)	(0.70)	0.10

EAST WEST INSURANCE CO. LTD.

Registered in 1983

CEO: Mr. Naved Yunus CFO: Mr. Shabbir Ali Kanchwala

2014 (Restated) 2013

Paid up Capital	401.502	365.002
Gross Premium	1,419.871	1,124.297
Net Premium	760.242	622.572
Profit Before Tax	171.768	148.579
Profit After Tax	142.127	126.367
Investment Income	97.173	100.907
Investments	679.402	503.063
Total Assets	1,398.953	1,075.987
Claim Expense	504.241	456.445
Earning / (Loss) per Share - (Rupees)	3.54	3.46

EFU GENERAL INSURANCE CO. LTD.

Registered in 1932

CEO: Mr. Hasanali Abdullah CFO: Mr. Altaf Qamruddin Gokal

2014 (Restated) 2013

Paid up Capital	1,600.000	1,250.000
Gross Premium	14,514.105	13,882.077
Net Premium	6,532.352	6,341.517
Profit Before Tax	2,262.240	1,622.876
Profit After Tax	1,829.051	1,392.232
Investment Income	914.981	771.958
Investments	15,647.043	14,771.234
Total Assets	29,227.245	28,938.537
Claim Expense	5,834.749	3,558.821
Earning / (Loss) per Share - (Rupees)	11.43	8.70

HABIB INSURANCE CO. LTD.

Registered in 1942

CEO: Mr. Ali Raza D. Habib CFO: Mr. Shabbir Gulamali

2014 (Restated) 2013

Paid up Capital	619.374	495.499
Gross Premium	1,009.255	963.147
Net Premium	458.726	438.332
Profit Before Tax	292.809	270.357
Profit After Tax	260.008	243.981
Investment Income	256.869	240.301
Investments	1,043.878	1,117.367
Total Assets	2,850.999	2,237.670
Claim Expense	1,272.548	537.772
Earning / (Loss) per Share - (Rupees)	2.10	1.97

Important Statistics 2014

Insurance Companies of Pakistan

IGI INSURANCE CO. LTD.		Registered in 1953	
CEO: Mr. Tahir Masaud CFO: Mr. Usman Saifi		2014	(Restated) 2013
Paid up Capital		1,226.895	1,115.359
Gross Premium		2,139.673	2,035.289
Net Premium		1,044.933	1,066.554
Profit Before Tax		942.101	555.232
Profit After Tax		822.801	481.067
Investment Income		940.878	691.351
Investments		12,196.544	11,252.448
Total Assets		14,490.090	13,227.423
Claim Expense		1,051.471	1,140.827
Earning / (Loss) per Share - (Rupees)		6.71	3.92

NEW HAMPSHIRE INSURANCE CO. LTD. (PAKISTAN BRANCH)		Registered in 1953	
Country Manager: Mr. Mujib Khan CFO: Mr. Adnan Khandwala		2014	(Restated) 2013
Paid up Capital		---	---
Gross Premium		1,796.561	1,643.164
Net Premium		606.613	509.870
Profit Before Tax		301.694	252.269
Profit After Tax		212.022	169.526
Investment Income		262.150	166.626
Investments		1,085.121	721.292
Total Assets		3,604.785	3,690.859
Claim Expense		1,006.271	1,057.699
Earning / (Loss) per Share - (Rupees)		---	---

JUBILEE GENERAL INSURANCE CO. LTD.		Registered in 1953	
CEO: Mr. Tahir Ahmed CFO: Mr. Nawaid Jamal		2014	(Restated) 2013
Paid up Capital		1,569.100	1,364.435
Gross Premium		6,961.247	6,569.306
Net Premium		3,644.630	3,525.777
Profit Before Tax		1,269.822	1,220.202
Profit After Tax		1,079.119	1,045.315
Investment Income		803.088	803.459
Investments		7,777.591	7,302.557
Total Assets		13,538.781	12,811.952
Claim Expense		3,750.451	4,094.949
Earning / (Loss) per Share - (Rupees)		6.88	6.66

THE PAKISTAN GENERAL INSURANCE CO. LTD.		Registered in 1948	
CEO: Ch. Zahoor Ahmed CFO: Mr. Azhar Hafeez Ch.		2014	(Restated) 2013
Paid up Capital		375.000	375.000
Gross Premium		412.925	330.443
Net Premium		224.004	176.568
Profit Before Tax		49.739	19.030
Profit After Tax		44.842	27.288
Investment Income		22.159	33.056
Investments		49.106	82.553
Total Assets		893.520	807.509
Claim Expense		226.746	221.261
Earning / (Loss) per Share - (Rupees)		1.20	0.73

Important Statistics 2014

Insurance Companies of Pakistan

PICIC INSURANCE CO. LTD.		Registered in 2004	
CEO: Mr. Afroz Quraishi CFO: Syed Zaigham Raza		2014	(Restated) 2013
Paid up Capital		350.000	350.000
Gross Premium		508.247	657.294
Net Premium		292.698	322.505
Profit Before Tax		(130.803)	9.908
Profit After Tax		(130.962)	9.424
Investment Income		7.423	12.014
Investments		75.572	73.623
Total Assets		952.704	925.748
Claim Expense		266.073	254.687
Earning / (Loss) per Share - (Rupees)		(3.74)	0.27

PREMIER INSURANCE CO. LTD.		Registered in 1952	
CEO: Mr. Zahid Bashir CFO: Mr. Iftikhar Gadar		2014	(Restated) 2013
Paid up Capital		302.821	302.821
Gross Premium		1,355.682	1,239.301
Net Premium		694.506	652.924
Profit Before Tax		40.513	(151.981)
Profit After Tax		34.647	(166.799)
Investment Income		145.734	173.463
Investments		1,121.133	1,169.535
Total Assets		3,429.982	3,554.297
Claim Expense		544.055	1,087.583
Earning / (Loss) per Share - (Rupees)		1.14	(5.51)

SAUDI PAK INSURANCE CO. LTD.		Registered in 2005	
CEO: Mian M. A. Shahid CFO: Mr. Naeem Tariq		2014	(Restated) 2013
Paid up Capital		325.000	325.000
Gross Premium		509.778	390.735
Net Premium		404.126	286.824
Profit Before Tax		72.334	40.286
Profit After Tax		40.337	32.638
Investment Income		12.374	11.107
Investments		67.130	80.502
Total Assets		658.096	587.627
Claim Expense		166.700	158.939
Earning / (Loss) per Share - (Rupees)		1.24	1.00

SECURITY GENERAL INSURANCE CO. LTD.		Registered in 1996	
CEO: Ms. Nabiha Shahnawaz CFO: Mr. Farrukh Aleem		2014	(Restated) 2013
Paid up Capital		680.625	680.625
Gross Premium		1,815.744	1,872.361
Net Premium		524.073	367.888
Profit Before Tax		971.395	826.446
Profit After Tax		897.035	760.404
Investment Income		798.818	739.388
Investments		7,535.302	7,261.136
Total Assets		11,033.102	10,314.176
Claim Expense		723.250	404.109
Earning / (Loss) per Share - (Rupees)		13.18	11.17

Important Statistics 2014

Insurance Companies of Pakistan

SHAHEEN INSURANCE CO. LTD.

Registered in 1996

CEO: Mr. Sohel N. Kidwai CFO: Nisar Ahmed Almani

2014 (Restated) 2013

Paid up Capital	450.000	300.000
Gross Premium	284.183	343.566
Net Premium	229.621	331.125
Profit Before Tax	11.817	(102.787)
Profit After Tax	12.962	(106.253)
Investment Income	15.897	9.310
Investments	238.654	229.971
Total Assets	786.757	864.393
Claim Expense	147.454	377.563
Earning / (Loss) per Share - (Rupees)	0.31	(3.54)

TPL DIRECT INSURANCE CO. LTD.

Registered in 2005

CEO: Mr. Saad Nissar CFO: Mr. Kazim Hasan

2014 (Restated) 2013

Paid up Capital	452.313	452.313
Gross Premium	1,220.805	869.879
Net Premium	1,056.407	733.461
Profit Before Tax	37.072	78.363
Profit After Tax	24.051	51.523
Investment Income	13.773	6.995
Investments	49.941	153.238
Total Assets	1,299.067	1,075.545
Claim Expense	707.390	459.719
Earning / (Loss) per Share - (Rupees)	0.52	1.12

UBL INSURERS LIMITED

Registered in 2007

CEO: Mr. Babar Mahmood Mirza CFO: Mr. Nadeem Raza

2014 (Restated) 2013

Paid up Capital	1,152.174	1,152.174
Gross Premium	517.125	885.966
Net Premium	385.189	341.610
Profit Before Tax	101.779	55.249
Profit After Tax	59.826	36.526
Investment Income	74.611	70.947
Investments	509.285	395.119
Total Assets	2,082.780	1,748.473
Claim Expense	1,114.520	672.091
Earning / (Loss) per Share - (Rupees)	0.52	0.32

UNITED INSURANCE CO. LTD.

Registered in 1959

CEO: Mr. Mohammed Rahat Sadiq CFO: Mr. Maqbool Ahmad

2014 (Restated) 2013

Paid up Capital	920.000	701.943
Gross Premium	2,474.744	1,723.743
Net Premium	1,536.703	1,108.541
Profit Before Tax	507.936	290.554
Profit After Tax	460.887	257.380
Investment Income	63.404	34.689
Investments	642.626	412.493
Total Assets	4,917.120	3,008.203
Claim Expense	1,733.953	1,303.796
Earning / (Loss) per Share - (Rupees)	5.01	2.80

Important Statistics 2014

Insurance Companies of Pakistan

UNIVERSAL INSURANCE CO. LTD.		Registered in 1958	
CEO: Begum Zeb Gohar Ayub Khan CFO: Mr. Ashfaq Ahmed		2014 (Restated)	2013
Paid up Capital	370.000		300.000
Gross Premium	67.977		115.104
Net Premium	34.994		98.957
Profit Before Tax	(41.023)		(87.403)
Profit After Tax	(45.839)		(89.097)
Investment Income	4.766		6.012
Investments	157.447		138.297
Total Assets	846.759		935.120
Claim Expense	(25.324)		129.353
Earning / (Loss) per Share - (Rupees)	(1.34)		(2.97)

Life Insurance:

Total	(Rs. In Million)	
	2014	2013
Paid up Capital	2,815.480	2,721.412
Gross Premium	42,803.491	35,784.652
Net Premium	41,260.375	34,227.626
Profit Before Tax	3,535.837	2,904.365
Profit After Tax	2,396.832	1,949.421
Investment Income	17,936.238	10,072.725
Investments	108,036.432	79,343.701
Total Assets	129,283.899	96,045.363
Claim Expense	14,428.653	10,590.460

EAST WEST LIFE ASSURANCE CO. LTD.		Registered in 1992	
CEO: Mr. Maheen Yunus CFO: Mr. Sohail Nazeer		2014 (Restated)	2013
Paid up Capital	594.292		594.292
Gross Premium	225.031		260.599
Net Premium	142.582		219.576
Profit Before Tax	28.386		4.213
Profit After Tax	29.047		4.984
Investment Income	20.920		13.498
Investments	284.900		277.686
Total Assets	579.328		553.002
Claim Expense	203.166		184.300
Earning / (Loss) per Share - (Rupees)	0.49		0.10

EFU LIFE ASSURANCE CO. LTD.		Registered in 1932	
CEO: Mr. Taher G. Sachak CFO: Syed Shahid Abbas		2014 (Restated)	2013
Paid up Capital	1,000.000		1,000.000
Gross Premium	18,219.910		14,058.930
Net Premium	17,595.939		13,365.479
Profit Before Tax	1,423.373		1,398.314
Profit After Tax	950.901		929.114
Investment Income	10,415.484		5,503.035
Investments	55,534.580		39,585.719
Total Assets	67,228.482		49,104.259
Claim Expense	5,184.170		3,992.240
Earning / (Loss) per Share - (Rupees)	9.51		9.29

Important Statistics 2014

Insurance Companies of Pakistan

IGI LIFE INSURANCE LTD (Formerly: MetLife ALICO)

Registered in 1952

CEO: Syed Hyder Ali CFO: Syed Fahad Subhan

2014 (Restated) 2013

Paid up Capital	500.000	500.000
Gross Premium	2,535.167	4,388.535
Net Premium	2,435.929	4,292.671
Profit Before Tax	82.615	111.897
Profit After Tax	55.352	73.852
Investment Income	1,446.460	1,006.280
Investments	10,308.203	11,152.340
Total Assets	11,862.586	12,097.502
Claim Expense	3,429.808	2,217.650
Earning / (Loss) per Share - (Rupees)	1.11	1.48

JUBILEE LIFE INSURANCE CO. LTD.

Registered in 1995

CEO: Mr. Javed Ahmed CFO: Mr. Manzoor Ahmed

2014 (Restated) 2013

Paid up Capital	721.188	627.120
Gross Premium	21,823.383	17,076.588
Net Premium	21,085.925	16,349.900
Profit Before Tax	2,001.463	1,389.941
Profit After Tax	1,361.532	941.471
Investment Income	6,053.374	3,549.912
Investments	41,908.749	28,327.956
Total Assets	49,613.503	34,290.600
Claim Expense	5,611.509	4,196.270
Earning / (Loss) per Share - (Rupees)	18.88	13.05

Takaful (General):

Total	(Rs. In Million)	2014	2013
Paid up Capital		932.748	707.676
Gross Premium		1,276.752	1,249.501
Net Premium		675.650	587.155
Profit Before Tax		15.943	11.788
Profit After Tax		2.301	4.509
Investment Income		18.481	17.444
Investments		299.700	358.353
Total Assets		1,635.166	1,574.648
Claim Expense		784.664	686.214

PAK-QATAR GENERAL TAKAFUL LTD.

Registered in 2006

CEO: Mr. Said Gul CFO: Muhammad Kamran Saleem

2014 (Restated) 2013

Paid up Capital	432.748	407.676
Gross Premium	1,002.402	1,028.986
Net Premium	506.242	426.432
Profit Before Tax	32.169	40.546
Profit After Tax	18.527	33.267
Investment Income	6.932	7.435
Investments	264.175	319.366
Total Assets	1,057.990	1,055.495
Claim Expense	633.247	540.697
Earning / (Loss) per Share - (Rupees)	0.45	0.99

Important Statistics 2014

Insurance Companies of Pakistan

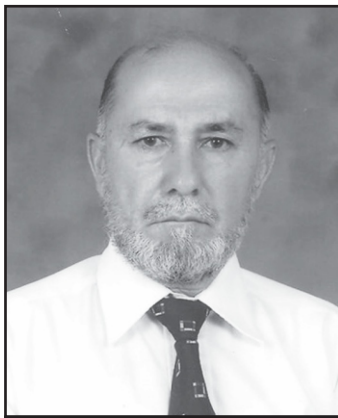
TAKAFUL PAKISTAN LIMITED		Registered in 2006	
CEO: Dr. Syed Arif Hussain	CFO: Mr. Jamil Ahmed	2014	(Restated) 2013
Paid up Capital		500.000	300.000
Gross Premium		274.350	220.515
Net Premium		169.408	160.723
Profit Before Tax		(16.226)	(28.758)
Profit After Tax		(16.226)	(28.758)
Investment Income		11.549	10.009
Investments		35.525	38.987
Total Assets		577.176	519.153
Claim Expense		151.417	145.517
Earning / (Loss) per Share - (Rupees)		0.29	0.52

Takaful (Family):

Total	(Rs. In Million)	
	2014	2013
Paid up Capital	1,460.629	1,460.629
Gross Premium	5,913.523	5,127.110
Net Premium	1,653.856	1,495.263
Profit Before Tax	16.880	(8.880)
Profit After Tax	5.192	2.558
Investment Income	688.276	472.328
Investments	5,052.188	4,151.377
Total Assets	10,333.575	7,507.401
Claim Expense	1,539.434	993.408

DAWOOD FAMILY TAKAFUL LIMITED		Registered in 2007	
CEO: Mr. Nasir Mahmood	CFO: Mr. Ghazanfar ul Islam	2014	(Restated) 2013
Paid up Capital		750.000	750.000
Gross Premium		836.806	666.044
Net Premium		150.555	88.121
Profit Before Tax		(39.266)	(69.019)
Profit After Tax		(24.306)	(47.782)
Investment Income		77.179	46.849
Investments		468.367	385.909
Total Assets		1,740.826	1,318.481
Claim Expense		61.744	33.969
Earning / (Loss) per Share - (Rupees)		---	(0.64)

PAK-QATAR FAMILY TAKAFUL LIMITED		Registered in 2006	
CEO: Mr. Muhammad Nasir Ali Syed	CFO: Mr. Muhammad Kamran Saleem	2014	(Restated) 2013
Paid up Capital		710.629	710.629
Gross Premium		5,076.717	4,461.066
Net Premium		1,503.301	1,407.142
Profit Before Tax		56.146	60.139
Profit After Tax		29.498	50.340
Investment Income		611.097	425.479
Investments		4,583.821	3,765.468
Total Assets		8,592.749	6,188.920
Claim Expense		1,477.690	959.439
Earning / (Loss) per Share - (Rupees)		0.42	0.71



Majid Khan Jadoon
A.C.I.I. (U.K), MD/CEO
M/s. Pakistan Inspection Co. (Pvt.) Ltd.

Fire Insurance Policy Clauses (Part-1)

In the Issue of Insurance Journal for the Quarter of January, February and March, 2015, I had endeavoured to express my opinion, vis-a-vis Ownership of Mortgaged property as well as application of Pro-rata Average Clause, besides sharing of Salvage Proceeds in case of the scenarios of Under-Insurance and Deductible Excess.

In this write-up, I shall endeavour to pen-down my understanding and interpretation of certain Clauses of the Fire Insurance Policy and their implications on Fire Insurance Claims.

However, being a student of the Insurance Profession, the possibility of mistakes by me cannot be ruled-out, wherefor, with utmost gratitude, I am open to correction by my friends and well-wishers.

This is because ever since the start of my Insurance Surveyors Career in the late sixties, I may have learnt certain basic concepts of the Profession. But the Insurance profession is so vast that it would encompass any imaginable Legal Business, Industries, Properties, Stocks, Edibles, Fuels, Chemicals, Installations, all Disciplines of Engineering Constructions, Scientific Products, all sorts of Machineries, all Communicative Devices, Vessels, Aircrafts, Professions, and itself even Life et al which are in the ever-changing process of inventions and innovations.

As such, Insurance Professionals,

especially Insurance Surveyors, may be called-in to conduct Surveys of any of these Interests, who cannot be the master of all these assorted things, under-going continuous change, inventions and innovations which warrant that a True Professional ought to continuously seek knowledge of the subject and, proverbially, one learns from cradle to grave.

The basic Perils of a Fire Insurance Policy pertain to Loss or Damage by Fire & Lightning which, however, are usually extended to cover certain other Perils as well.

The Additional Perils available for Coverage, in conjunction with the basic Perils of the Fire Insurance Policy, are numerous and all of them cannot be covered in a Single write-up. Therefore, I intend to express my opinion, vis-a-vis the same, in various Articles of this Magazine.

In Alphabetic Order of the Nomenclature of the assorted Additional Perils attachable with the basic Perils of Fire and Lightning, I shall strive to explain my views, regarding each one of the same in peace-meal.

Atmospheric Disturbance Clause:

Subject to the Special Conditions of this Clause, the relative Fire Insurance Policy would cover the Insureds' Risk of Loss or Damage to the Property described in the Schedule of the same

Policy when directly caused by Hail, Wind, Hurricane, Cyclone, Tornado, Snow and/or Rain.

However, Loss or Damage due to these Perils must be consequent upon Damage to the Building containing the Subject-matter of Insurance, thereby admitting the entry of Rain-water and/or Wind-force therein and consequently affecting the Insured-interests.

In case, there would have been defects, e.g. Cracks, Openings/Holes/Breakage of Windows/Ventilators/Doors of the Building, prior to the Occurrence of the A.D. Perils and entry of Rain-water/Wind-force through the same defects would have resulted in the damages to the Insured-interests, the Insureds' Claim of Loss or Damage to the Subject-matter of Insurance, thus caused, would be in-admissible within the Scope of the A.D. Clause of the Policy.

Loss or Damage by Flood to the Subject-matter of Insurance shall also be covered within the definition of A.D. Clause, in case of over-flowing or deviation of the Rain-water from its Normal Channels of Natural or Artificial Water-courses.

In my opinion, this will imply that in case of over-flowing of Rain-water from the Natural or Artificial Water-courses, due to abundance and excessive pressure of the same and consequently entering into the Insureds'

premises, resulting in the Loss or Damage to the Subject-matter of Insurance, the same too would fall within the purview of the A.D. Clause of the Fire Insurance Policy.

However, Losses/Damages sustained by the Subject-matter of Insurance, due to Leakage, Seepage of Water and/or caused by Moisture and Sweating would fall out of the Scope of the A.D. Clause of the Fire Insurance Policy.

The accumulation of Water in the ground, as a consequence of the Perils mentioned in (A), (B) or (C) of the A.D. Clause, resulting in the Losses/Damages to the Subject-matter of Insurance, would also fall within the ambit of the A.D. Clause of the Fire Insurance Policy. In case, however, if alike accumulation of Water in the ground would have been caused by water emitted from any Water-supply Main, Tap, Pipe, Valve or any other alike Installations, the same would not be considered for an Insurance Indemnification within ambit of the A.D. Clause of the Fire Insurance Policy.

Further, if the Subject-matter of Insurance would have been stored in the Open Compound and/or in Open-sided Sheds/Buildings, Loss or Damage to the same would fall out of the Scope of the A.D. Clause, as well.

More-over, Solvents, Fuels, Oils, Chemicals or any other Liquids, if stored in an under-ground Tank which would have been built in the Open-compound, would also not be considered for an Insurance Indemnification under the provisions of A.D. Clause of the Fire Insurance Policy.

Loss or Damage to the Subject-matter of Insurance by physical Fire or Lightning are the basic Coverage of a Fire Insurance Policy. However, even if there would not have been any Loss or Damage directly attributable to Fire and Lightning but the same would have been directly caused by the Perils mentioned within the A.D. Clause, the Insureds' Claim in respect of the same, subject to Provision thereof, would be

Indemnifiable within the purview of the Fire Insurance Policy.

At times, it is possible that there would have been a Fire Loss or Damage and the Perils of the A.D. Clause would also have simultaneously taken place to accrue to the same Loss or Damage to the Subject-matter of Insurance, in such a scenario, both natures of the Loss or Damage would be Indemnifiable.

It has been observed that, apart from the Deductible of Rs.25,000/= of the A.D. Clause, the Fire Insurance Policy would have expressly declared certain amount of Policy Deductible, e.g. Rs.20,000/= each and every Loss or a percentage of the Gross Assessed Loss.

In my opinion, if the Loss would have been solely caused by the Perils of the A.D. Clause, then only the A.D. Clause Deductible will be taken into account and the Policy Deductible shall have to be ignored.

In case, however, if the Fire, as well as A.D. Clause Perils both would have simultaneously resulted in the Loss or Damage to the Subject-matter of Insurance, then Deductibles of both the natures of the Loss/Damage would have to be taken into account in the Assessment/Adjustment of the Claim, but both would have to be separately accounted for within the computation of each nature of Loss or Damage.

Besides, the onus of proof of Loss or Damage having been caused by the Perils of A.D. Clause would fall on the Insureds and in case of admissibility under the same Clause, each and every Loss would be subject to the Deductibles, as elaborated afore.

Consequential Loss/Damage, and/or Loss or Damage caused by Confiscation, Willful Destruction by Government or Municipal or Local Authorities would fall out of the Scope of the A.D. Clause of the Fire Insurance Policy.

Aircraft Damage Clause:

Subject to the Special Conditions contained within the relevant Fire

Insurance Policy, Loss or Damage to the Insured Property which would have been directly caused by the dropping/crashing of the Aircraft on the Subject-matter of Insurance or by other Aerial Devices and/or Articles dropped therefrom, would be Indemnifiable within the relative Fire Insurance Policy, as if having been caused by Fire/Lightning.

It is, however, essential that all the conditions of the relevant Fire Insurance Policy would have been observed by the Insureds, as if the same have been incorporated in the Aircraft Damage Clause as well.

But, it is important to keep in mind that the Aircraft Damage Clause would not be called-in to indemnify any Loss or Damage caused by the dropping/crashing of the Air-craft to which "Permission to land" would have been extended by the Insureds.

In my opinion, the "Permission to land Provision" of this Clause would apply to Loss or Damage to Buildings, Installations or Properties placed at the Air-ports or in the Premises of the Entity which would have extended Permission to the Air-craft to land therein.

For example, if any Air-craft, in distress, would have sought Permission for Emergency-landing from the Authorities of an Air-port other than its Destination or Schedule Air-port of Call and in doing so, certain Buildings or Installations or Properties within the same Air-port premise are damaged or lost, alike Loss or Damage, in my opinion, would fall out of the ambit of the Aircraft Damage Clause of the Fire Insurance Policy.

Similarly, in case an Air-craft would have taken Permission from the Authorities of certain Premises for Emergency-landing and, in the process, Loss or Damage would have been caused to the Building or Installation or Properties within the same premises, Insurance Claim in respect thereof, in my opinion, would fall out of the scope of Aircraft Damage Clause of the Fire Insurance Policy.

To Be Continued.....



Qayyum Pervez Malik
Insurance Surveyor & Loss Adjuster /
Claims Investigator
Qayyum Pervez Malik & Co. (Pvt) Ltd

Crop Insurance and Claims

Say about 70% population of Pakistan is directly or indirectly related to Agriculture. Pakistan is also rated as Agriculture country having world's biggest natural irrigation system, all type of land fit for multi-variety of agriculture crops and favorable weather conditions.

The risk factor related to Agriculture is also serious affecting the related people adversely depriving them off of their only livelihood. Government of Pakistan started large number of initiatives to support the farmers and people indirectly involved in Agriculture by launching large number of supporting schemes in form of loans, agriculture research institutes, introducing latest technology in agriculture, technical aid and support, tractors scheme, subsidy, markets system, building of infrastructure to and from the farms and Insurance scheme.

Role of State bank of Pakistan, ADBP and other commercial banks, Insurance Association of Pakistan, Agriculture departments and Ministry remained pivotal.

Since Agriculture is quite vulnerable to natural uncertainty, unpredictability and calamity

so need of agriculture insurance felt so seriously and various insurance schemes were introduced.

Initially as serious move in 1986 ADBP initiated a Pilot project on account of agriculture insurance with the connivance of private Insurance sector. From 1990 IAP took initiative of crop insurance scheme.

The initiatives of catastrophe crop insurance scheme and then crop insurance scheme for flood and excessive rain were taken by IAP. NICL also entered in to this business in 1996.

In my opinion The Agriculture development Bank was the first to introduce Agriculture insurance

through M/S East West Insurance Co, Ltd and M/S Qayyum Pervez Malik & Co were the first to handle survey business on behalf them. Many other Insurers then took part in this business in the coming years and now a large number of Insurers are underwriting Agriculture business in Pakistan paying claims worth billions.

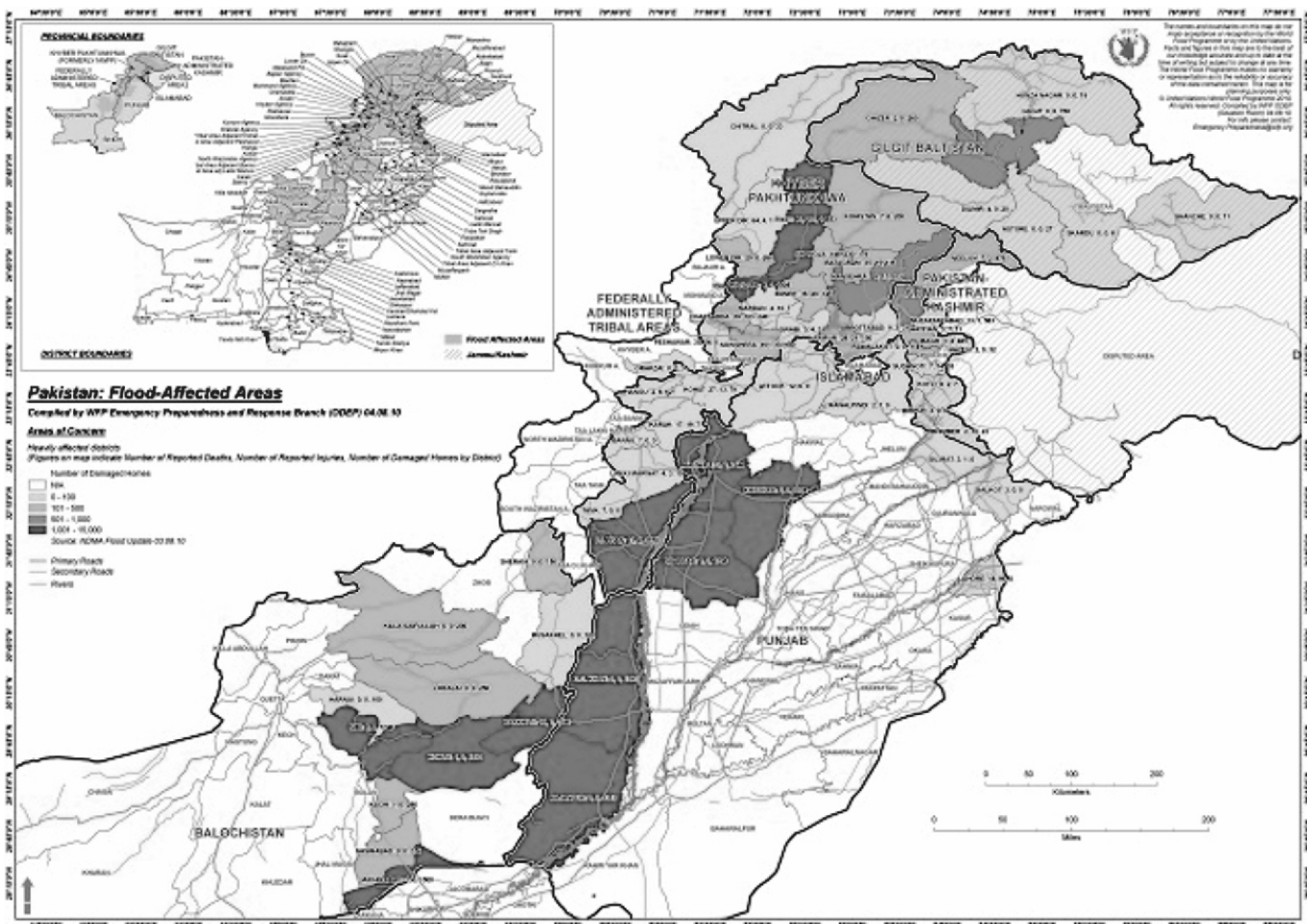
A chart of Rabi, Kharif and other crops is given below for reference. Kharif crops are sown during the monsoon season and harvested in between September & November. Crops which are grown during the winter season are termed as Kharif crops in October-March and harvested in April-May.



{ 'nb □	Vernacular Name	Botanical Name	Family	Agronomic Use	Sowing Season
A. CEREAL CROPS					
1	Ghandum / Kanak / Wheat	<i>Triticum aestivum</i>	Poaceae	Cereals	Rabi
2	Juo / Barley	<i>Hordeum vulgare</i>	Poaceae	Cereals/ Fodder	Rabi
3	Dhaan / Rice / Paddy	<i>Oryza sativa</i>	Poaceae	Cereals	Kharif
4	Makkai / Corn / Maize	<i>Zea mays</i>	Poaceae	Cereals / Fodder / Oilseeds	Kharif
5	Jowar / Chari / Great Millet / Sorghum	<i>Sorghum bicolor</i>	Poaceae	Cereals / Fodder	Kharif (Grain purpose) Rabi (Fodder purpose)
6	Bajra / Pearl Millet	<i>Pennisetum typhoides</i>	Poaceae	Cereals / Fodder	Kharif
B. FOOD LEGUMES					
1	Kalay Channay / Chickpea / Gram	<i>Cicer arietinum</i>	Fabaceae	Pulses	Rabi
2	Kabuli Channay / Chickpea / White Gram	<i>Cicer arietinum</i>	Fabaceae	Pulses	Rabi
3	Field pea	<i>Pisum sativum</i>	Fabaceae	Pulses	Rabi
4	Masur / Lentil	<i>Lens culmaris</i>	Fabaceae	Pulses	Rabi
5	Mung bean / Oregon Pea / Green Gram	<i>Vigna radiata</i>	Fabaceae	Pulses	Kharif
6	Mash / Urd Bean / Black Gram	<i>Vigna mungo</i>	Fabaceae	Pulses	Kharif
7	Pigeon pea / Red Gram / Arhar	<i>Cajanus cajan</i>	Fabaceae	Pulses	Kharif
8	Lobia / Cowpea / Black-eyed Pea	<i>Vigna unguiculata</i>	Fabaceae	Pulses	Kharif
9	Rawan / Cowpea	<i>Vigna unguiculata</i>	Fabaceae	Pulses	Kharif
C. OILSEED CROPS					
1	Toria / Brown or Yellow Sarsoon / Rapeseed	<i>Brassica campestris</i>	Cruiferae	Oilseeds	Rabi
2	Gohbi Sarsoon / Rapeseed	<i>Brassica napus</i>	Cruiferae	Oilseeds	Rabi
3	Raya / Indian Mustard	<i>Brassica juncea</i>	Cruiferae	Oilseeds	Rabi
4	Taramera / Mustard	<i>Eruca sativa</i>	Cruiferae	Oilseeds	Rabi
5	Canola / Rapeseed	<i>Brassica napus</i>	Cruiferae	Oilseeds	Rabi
6	Moongphali / Ground nut / Peanuts	<i>Arachis hypogea</i>	Fabaceae	Oilseeds	Kharif
7	Suraj Mukkhi / Sunflower	<i>Helianthus annus</i>	Compositae	Oilseeds	Rabi
8	Makkai / Corn / Maize	<i>Zea mays</i>	Poaceae	Cereals / Fodder / Oilseeds	Kharif
9	Zeatoon / Olive	<i>Olera europeae</i>	Oleaceae	Oilseeds	
10	Kala Til / Niger	<i>Guizotia abyssinica</i>	Compositae	Oilseeds	Kharif
11	Sufaid Til / Sesame	<i>Sesamum indicum</i>	Pedaliacea	Oilseeds	Kharif
12	Alsi / Linseed	<i>Linum usitatissimum</i>	Linaceae	Oilseeds	Rabi
13	Guar / Cluster bean	<i>Cyamopsis tetragonolba</i>	Fabaceae	Fodder / Oilseeds	Kharif
14	Kappas / Cotton	<i>Gossypium arboreum</i> & <i>G. hirsutum</i>	Malvaceae	Oilseeds / Fiber	Kharif
D. FIBER CROPS					
1	Kappas / Cotton	<i>Gossypium arboreum</i> & <i>G. hirsutum</i>	Malvaceae	Oilseeds / Fiber	Kharif
2	Patsun / Jute	<i>Corchorus capsularis</i> / <i>C. olitorius</i>	Tiliaceae	Fibre	Kharif
E. SUGAR CROPS					
1	Kammad / Ganna / Sugarcane	<i>Saccharum officinarum</i>	Poaceae	Sugar	Perennial
2	Chuqandar / Sugarbeet	<i>Beta vulgaris</i>	Chenopodiaceae	Sugar	Rabi

{ 'nb □					
	Vernacular Name	Botanical Name	Family	Agronomic Use	Sowing Season
F. FORAGE CROPS					
1	Berseem / Egyptian Clover	<i>Trifolium alexanderinum</i>	Fabaceae	Fodder / Green Manure	Rabi
2	Shaftal / Persian Clover	<i>Trifolium resupinatum</i>	Fabaceae	Fodder	Rabi
3	Lucern / Alfalfa	<i>Medicago sativa</i>	Fabaceae	Fodder	Rabi
4	Guar / Cluster bean	<i>Cyamopsis tetragonolba</i>	Fabaceae	Fodder / Oilseeds	Kharif
5	Jowar / Chari / Great Millet / Sorghum	<i>Sorghum bicolor</i>	Poaceae	Cereals / Fodder	Kharif (Grain purpose) Rabi (Fodder purpose)
6	Jai / Oat	<i>Avena sativa</i>	Poaceae	Fodder / Cereals	Rabi
7	Makkai / Corn / Maize	<i>Zea mays</i>	Poaceae	Cereals / Fodder / Oilseeds	Kharif
8	Juo / Barley	<i>Hordeum vulgare</i>	Poaceae	Cereals/ Fodder	Rabi
9	Kangani			Fodder	
10	Haloon			Fodder	
11	Cheena			Fodder	
12	Jantar			Fodder	
13	Mott. Grass			Fodder	

Flood area of Pakistan is marked in this map for reference. With slight changes during each flood it remains the same.



Flood affected areas in 2014 are as follows:-

- Districts of Punjab (Affected by Rain and Flood): Attock, Rawalpindi, Jhelum, Khushab, Sargodha, Gujrat, M.B. Din, Gujranwala, Hafizabad, Sialkot, Narowal, Nankana Sahib, Lahore, Okara, Sheikhpura, Kasur, Faisalabad, T.T. Sing, Sahiwal, Jhang, Chiniot, Multan, Khanewal, Bhawalpur, Bahawalnagar, Muzaffargarh, Rajanpur & D.G. Khan
- Districts of AJ&K: Neelum, HattianBala, Muzaffarabad, Bagh, Haveli, Rawalakot, Sudhnoti, Kotli, Bhimber, Mirpur.
- Districts of GB: Gilgit, Skardu, Ghanche, Astore, Hunza – Nagar, Diamer, Ghizer.

Crop Insurance is not widely spread Insurance arrangement like fire, marine and motor business but it is growing high day by day. The coverage is being provided to the financial institutions like Banks against their loan facilities extended to the farmers against loss of loan as a result of accidental losses to the standing crops consequent upon calamity. Loss of loan amount as a result of crop damage due to the under mentioned risks stands covered with variation from Insurers to Insurers. The loss/damage must be caused by direct result of any of the under mentioned or agreed to cover risks/perils.

Coverage Mostly Granted Under Crop Insurance Policies

1. Flood
2. Hailing
3. Drought.
4. Pest attack.
5. Wind storm.
6. Frost.
7. Excessive rain.
8. Locust.
9. Fire due to lightning.
10. Viral or bacterial diseases to crop.

Duration Of Cover

The cover starts from the sowing of crop and continues till the time it is ready for harvesting.

Sum Insured / Indemnity / Average / Subject Matter

In case of insurance against bank loan credit facilities with reference to Agriculture insurance scheme set out by State Bank of Pakistan in collaboration with the financial institutions the sum Insured is fixed on total input loan extended by the Bank up to certain limit as agreed between the Bank and the Insurers.

Otherwise the sum insured may be fixed at value of average yield of whole crop proposed to be insured. Loss would be determined on the basis of short fall as a result of peril insured. The payable amount would be worked out after assessing the amount of short fall of yield, total average yield of whole crop proposed to be insured and the sum insured fixed for insurance between the insurers and the insured.

Concept of average clause would also be operative as under.

Shortfall of yield x Sum Insured / average threshold yield of whole crop.

If the sum insured stands short against the value of total yield of crop the Insured will be considered as their own insurers and bear the rate able proportion of loss. (shortfall)

In case of bank credit the sum insured is fixed on the amount of credit facilities obtained by the borrower. That however be fixed by certain amount on the basis of number of acres. For example say Rs. 22,500/- per acre for crop of cotton. Maximum limit of loan and sum insured may also be discussed and fixed in shape of an agreement between the borrower, borrowing bank and the insurers.

In this case there is little confusion about subject matter of insurance as to what would constitute the subject matter of insurance. Bank loan or the crop. What would be the value at risk. In such case the value at risk is bank loan not the value of crop but the loss is determined by assessing the loss in crop physically by the peril insured against.

For instance we do not assess the total value of yield of total crop owned by the borrower for declaring it as sum insured. Similarly the insurers do not pay the amount equal to loss in yield on account of indemnity. As mentioned earlier if the loss falls in between 25 to 50% the measure of indemnity would be the 50% of loan amount or balance loan amount. Similarly if the loss to yield as compared to average yield for last 3 years to be chosen from best 3 years out of last 5 years reaches to 75% then 100% loan amount of balance loan amount is payable as indemnification.

Under these circumstances the average clause would not apply.

I have gone through the agriculture insurance scheme, policy forms, and contracts and could not find the procedure of application of average clause in such circumstances.

Indemnity

The measure of indemnity is based on the following lines on account of bank credit based crop insurance.

1. Amount of loan disbursed/utilized till the time of loss/damage.
2. Outstanding loan at the time of loss/damage.

Mostly it is agreed that in case the loss/damage reached up to 75% of the expected yield the Insurers are liable to indemnify the borrower against 100% outstanding loan. Whereas in case of loss ranges from 25% to 50% the borrower shall be entitled to recover 50% compensation against

outstanding loan. Losses lesser than 25% are usually not entertained. This factor however differs from company to company.

Indemnity against crop Insurance without bank credit facilities can be measured differently and most common practice on actual damage basis assessing the shortfall in yield on the basis of average cutting experiments of last years say last 3 years as under:

Short fall in yield x Sum insured / Threshold yield

The shortfall can be determined by subtracting the present yield from average yield of last 3 years provided the loss does not occur in those years.

Crop Insurance without bank credit is not yet in practice here.

Crop Claims

Previously crop insurance was not registered or recognized as class of insurance but recently it has been included under "Miscellaneous "head by SECP and Surveyors who are qualified in Machinery break down/Miscellaneous survey license are authorized to conduct surveys of crop claims.

There are very few surveyors who owe experience in crop claims. Understanding the contract and policy terms, assessing the percentage of damage to the crop in term of short fall in yield, investigating the cause of damage, identifying the safety measures taken by the borrower, identification of land of particular borrower at site, familiarity with relevant record i.e. agriculture pass book, aks-e-shajra, naqsha (map), Girdawari, Fasal kharaba report, Fard-e-malkiyyat, calamity declaration notification and so on must be there to complete survey proceedings.

The under mentioned record /

evidence / information are required by the surveyors/insurers to substantiate a crop claim.

1. Bank intimation about loss.
2. Report of bank agriculture credit officer.
3. Borrower account detail.
4. Payment of premium evidence.
5. Insurance policy.
6. Agriculture pass book.
7. Current balance loan certificate by the Bank.
8. Calamity affected declaration notification by the competent authority.
9. Patwari fasal kharaba report.
10. Map of land.
11. Gardawari.
12. Aks-e-Shajra.
13. Khatooni, khewat, register number of borrower land.
14. Evidence of calamity.
15. Evidence of damage crop.
16. Evidence of peril.
17. Evidence of safety measures taken by the borrower to secure/minimize the loss.
18. Evidence of short fall in yield.
19. Evidence of average threshold of yield for last 3 good years.
20. Evidence of reasonable care of farm.
21. Evidence of proper pesticides spray, fertilizer and irrigation.
22. Borrower statement regarding circumstances of loss etc.

Physical Evidence To Be Collected

1. Identification of borrower land.
2. Size of land.
3. Detail of crops.
4. Age of crops.
5. Overall care and health of crop.
6. Extent, nature and cause of damage.
7. Last 3 years yield.
8. Damage to surrounding crops.
9. Evidence of peril.
10. Eyewitnesses statements.
11. Borrowers statement.
12. Identification and collection of record from Patwari.
13. Date/time of damage
14. Measure taken to minimize the loss.

15. Witness of ACO.
16. Photographs/video clip.
17. Calamity declaration by the authority.

Practical Difficulties In Surveying

1. Access to the site of loss due to flood is hell of a task when the land is covered with flood water. Roads, passages and prairies are closed and even the farmers are prevented to enter in to their water submerged farms. In such circumstances the surveyor has to wait until the area is cleaned to travel. Prima facie evidence of loss is some time difficult task under such circumstances.

2. Non-cooperation of Area Patwari is another difficulty in obtaining relevant documentary evidence, identification of land and other information.

3. Late or non issuance of calamity declaration notification by the authorities which is essential evidence to be obtained by the Insurers for payment of claims.

4. Illiteracy of farmers/claimants in fulfilling the claims requirements.

5. Non-availability of required data from the authorities, statistical department or data bank.

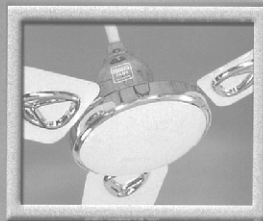
6. Late intimation of loss.

7. Insufficient survey fee and expenses schedule approved by the insurers to meet with the expenditure by the surveyors.

8. Loss of evidence.

9. Assigning survey job to surveyors sitting far away from the affected areas who have no time to pursue the farmers in order to complete the survey formalities.

10. Mistakes during underwriting crop insurance business.



Beeta

Romance with the Air

BEETA INDUSTRIES

G.T.Road, Gujranwal-Pakistan

Tel: +92-431-276106-5511325

E-mail: beeta@brain.net.pk

www.beetafan.com

11. Variation/contradiction between insurance policies issued by the underwriters and contracts agreed between the borrowing banks and the insurers.

12. Practical difficulty in assessing the actual short fall in yield in premature crop.

13. Unawareness of borrower / farmers about terms / conditions of crop insurance.

General Exclusions

According to the task force report initiated by State Bank of Pakistan the under mentioned exclusions were proposed.

- War, Civil war, strike riots and Terrorism.
- Non Utilization or wrong utilization of loans.
- Earth quake and volcanic eruption.

- Loss before risk declaration or after harvesting.

- Price fluctuation or loss of market.

- Obviously losses occurred by the perils other than the perils as mentioned in the policy are not covered.

Recommendation

Under the supervision of concerned Ministry and State Bank of Pakistan a pool should be instituted consisting of all members of IAP allocating all crop insurance business in proportion of the financial worth of each member in order to prevent unhealthy competition based on race of commission and to ensure the standard in professional services and funds to meet with the claims and other expenses.

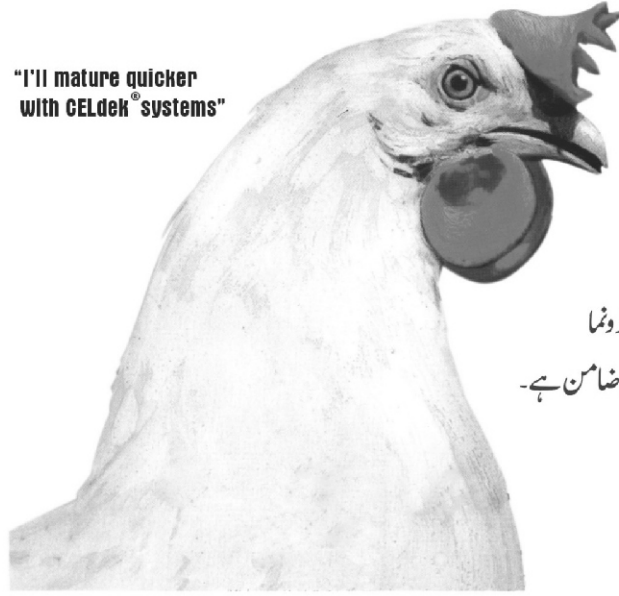
To deal in the claims similar procedure must be adopted giving

priority to locally available surveyors in order to ensure the prompt and efficient claims payment service.

Data bank on account of statistical data of all crops, flood and other natural catastrophes data, assessment of loss, agriculture loan data, recovery of loan data, premium and losses ratio data, calamity data, flood and other natural disasters history, meteorological department data, cost of each crop, cultivation, yield data etc should be formed maintaining all the necessary data for risk assessment, management and underwriting purposes.



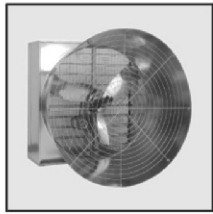
"I'll mature quicker
with CELdek® systems"



میری بہتر نشوونما
آپ کے زیادہ منافع کی ضامن ہے۔

When rearing poultry, maintaining a controlled climate is more important to optimal growth than even feed or stocking density. Conventional ventilation systems in poultry houses simply do not compensate adequately for temperature and humidity fluctuations caused by body heat and the sun's radiation. CELdek® system, on the other hand, maintain an optimal temperature and humidity, safely, efficiently throughout the production cycle.

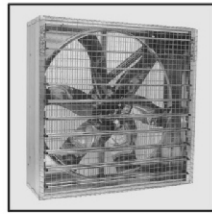
A healthy, unstressed bird is a productive bird. CELdek® systems address the bird's total rearing environment to help eliminate stress and improve weight gain and feed conversion. And the more you do for the well-being of your poultry, the more they'll do for you.



Cone fan



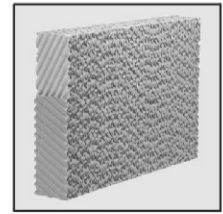
Euroemme fans (EM 36)



Euroemme fans (EM 50n)



Air heaters



CELdek® evaporative cooling pads



ISO 9001-2000
Certified

Sole Distributors:

Munters
Climate. Controlled.

بہترین نشوونما کے لئے پیپکو پاکستان آپ کو جدید ترین ٹیکنالوجی کے حامل ایمپورٹڈ ایکویپمنٹ اور معلومات مہیا کرنے کے لئے چوبیس گھنٹے حاضر ہے۔



PEPCO (Pvt) Ltd.

Head
Office

Sialkot By-Pass Road, Near Beacon House School,
Gujranwala, Pakistan.
Ph: 055-3204401-4, Fax: +92-55-3204401,
E-mail: pepco@gjr.paknet.com.pk

www.pepcopakistan.com

Insurance Day

The Insurance Association of Pakistan (IAP) celebrated Insurance Day throughout Pakistan on 6th May, 2015. The Regional Office North planned different programs to enhance the insurance awareness amongst general public and to uplift the image of the industry as a whole. The major activities included Streamers/Banners installed at prominent places of city, radio programs on different stations and a Panel Discussion on “Career Opportunities & Future Challenges in Insurance Sector” at Hailey College of Banking & Finance, Lahore.

The Panel Discussion started at 10:00 a.m. on Insurance Day in the hall of Hailey College of Banking & Finance. About 150 students of Insurance and Risk Management participated in this event.



Mr. M. Ishaque Khan, was the Chairman of this session. It was moderated by Mr. Satwat Mahmood Butt of EFU General.

Prof. Fida Hussain Bukhari of Hailey College of Banking and Finance, Mr. Muhammad Hisham, Convener of Sports and Entertainment Committee gave their informative presentations.

Then questions/answers session, open house discussion followed. Students asked many questions and the panelists answered in detail.



Insurance Day



Then Syed Imran Rabbani, Vice-Chairman, Lahore Insurance Institute and Joint Executive Vice-President & Zonal Head, Jubilee General, Lahore concluded this session by presenting vote of thanks to all the speakers, HCFB Management and participants.

Following Radio programs were broadcast:

1) FM 106.6 DADA POTASHOW

Guest: Mr. Nasar-us-Samad Qureshi (from 9:15 am to 9:45 am)

2.FM101:- 5:30 pm

Panelists:-

- Mr. Abdul Haye
- Syed Imran Rabbani
- Mr. Satwat Mahmood Butt
- Mr. Muhammad Hisham
- Mr. Rahat Sadiq

Alfalalah Insurance
Jubilee General Insurance
EFU General Insurance
IGI Insurance
United Insurance

3.FM 93:- 2:30 pm

4.Radio Pakistan:-

Medium Wave

Lahore:- 3:30 pm

Islamabad:- 5:05 pm



Seminar on Engineering Insurances

In the background of developing scenario of economic infra structure uplift along with advent of mega power projects, Lahore Insurance Institute realized the significance of these developments and organized an elegant seminar at Faletti's Hotel on May 14, 2015 to create much needed awareness of Engineering Insurances.



This seminar was also designed to provide necessary skills development techniques and expertise to under writers while sharpening the skills of the claim handlers at the same time.



Keynote speakers on this occasion were two outstanding professionals on Engineering insurance from Hamid Mukhtar & Co. Mr. Mansoor Ali Khan and Mr. Mahmood Ahmed CEO of Hamid Mukhtar & Co.

After two absorbing presentations an interesting Panel discussion was held joined in by Mr. Nasar Us Samad CEO of Alfalah, Mr. Qamber Hamid Sr. Deputy Managing Director of EFU General and Mr. Amir Nayab Head of Engineering at Adamjee Insurance. They took a number of questions from the moderator and the audience.

Seminar on Engineering Insurances

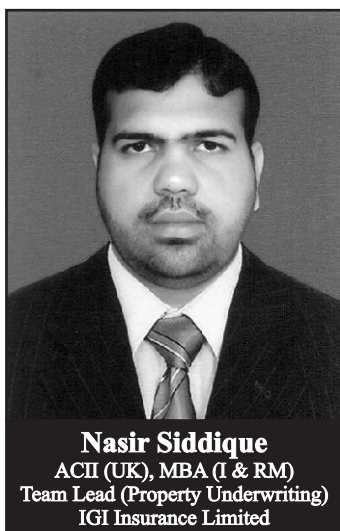


Earlier, Syed Imran Rabbani, Vice Chairman LII presented the welcome address followed opening remarks by Mr. Aslam Sabir Convener Education Committee. Mr. Muhammad Hisham presented the vote of thanks.



Mementos were presented to the learned speakers alongwith flowers during the presentation ceremony.





Earthquakes: Risk and Insurance

What Are Earthquakes and Where Do They Occur?

An earthquake is a sudden, rapid shaking of the earth caused by the breaking and shifting of rock beneath the earth's surface. For hundreds of millions of years, the forces of plate tectonics have shaped the earth as the huge plates that form the Earth's surface move slowly over, under, and past each other.

Sometimes the movement is gradual. At other times, the plates are locked together, unable to move. When the pressure building up grows strong enough, the plates break free causing the ground to shake and rupture along fault lines, or zones of weakness.

One of the most famous faults is the San Andreas Fault, which extends about 600 miles from the Gulf of California northwest along the California coast. The 1906 San Francisco earthquake was caused by movement of the San Andreas Fault.

Quakes can produce different kinds of shaking. Some, like the 6.8

magnitude. Northridge quake, are thrust fault quakes, which cause violent up-and-down, rather than the more common side-to-side movement. Ground shaking from earthquakes can collapse buildings and bridges as well as trigger landslides, avalanches, floods, fires, and tsunamis. Buildings with foundations resting on unconsolidated



landfill and other unstable soil, and trailers and homes not tied to their foundations are at risk because they can be shaken off their mountings during an earthquake.

According to the U.S. Geological Survey, there are more than three million earthquakes worldwide each year. While the vast majority of those

are a magnitude 3.9 or lower, more than 900 earthquakes measure 5.0 or higher each year. About 81 percent of the world's largest earthquakes occur in the Circum-Pacific seismic belt. The area extends from Chile, northward along the western South American coast through Central America, Mexico, the west coast of the United States and the southern part

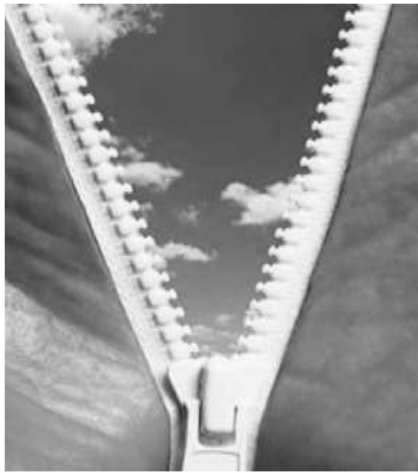
of Alaska, through the Aleutian Islands to Japan, the Philippine Islands, New Guinea, the island groups of the Southwest Pacific and to New Zealand.

The most powerful earthquake on record occurred in Chile on May 22, 1960. The magnitude 9.5 quake caused \$550 million in damage, killed more than 2,000 people and injured more than 3,000. It also caused a tsunami,

which caused additional destruction in Hawaii, Japan, the Philippines and the West coast of the United States.

Earthquake Measurement:

The size and magnitude of an earthquake is measured in several different ways. The Richter Scale measures the size of earthquake



Meet CSI, The NEW TALK OF THE TOWN!

An old company setting new trends.....

Paul Graham once said that "if you get growth, everything else tends to fall into place." Of course, that sounds much easier said than done. If you've been part of a company that has experienced a great deal of challenges when acquired.....shows rapid growth, then you'll understand both sides of the table: Let's have a look at the analysis done by the veterans of the Insurance/Business sector.

- **Insurance firm forays into food and steel business.** An article by Dilawer Hussain –Daily Dawn- Jul 22, 2015
- Bloomberg International News writes about CSI: **The Second Best Performer of the Month on Stock Exchange.** Khurram Anis – Bloomberg International – July 15, 2015.
- **Crescent Star Insurance Limited (CSIL) ~ Bullish Future Outlook through High-Growth Business Diversification and Technology.** By Faisal Memon - July 9, 2015- Arif Habib Limited.
- **My 10th Cherry...CSIL.** By Mir Alikhan MAK – Jul 7, 2015
- **Golden Chick is all set to enter Pakistan.** An article by Dilawer Hussain –Daily Dawn- Jun 25, 2015

waves. It was developed by Charles Richter in the 1930s and is a logarithmic measurement of the amount of energy released by an earthquake, see below. The Mercalli Intensity Scale evaluates the intensity of a quake according to observed severity at specific locations. It rates the intensity on a Roman numeral scale that ranges from I to XII. Today, seismologists are using the Moment Magnitude Scale, which measures the size of the earthquake's fault, and how much of the earth slips at the time of the quake. A number of readings are taken, averaged and then adjusted to generate numbers similar to the Richter Scale. This allows the magnitude of earthquakes measured on these new scales to be compared with earthquakes recorded earlier. According to the Moment Magnitude Scale, the severity of an earthquake is categorized as the following:

5.0 Small

5.0 – 6.0 Moderate

6.0 – 7.0 Large

7.0 – 7.8 Major

7.8 Great

An increase of one unit of magnitude, for example, from a 4.0 to a 5.0 quake, is a 10-fold increase in wave amplitude on a seismogram, or about a 30-fold increase in energy released. Thus, the difference between a 4.0 and a 6.0 magnitude quake would be a release of energy 900 times (30 times 30) as great as a 4.0 magnitude quake since the magnitude is a logarithmic value.

Insurance Coverage for Earthquakes:

Earthquake insurance provides protection from the shaking and cracking that can destroy buildings and personal possessions. Coverage is available in the form of an endorsement in fire insurance. Coverage for other kinds of damage that may result from earthquakes, such as fire and water damage due to burst gas and water pipes, is provided

by standard home and business insurance policies in most states. Cars and other vehicles are covered for earthquake damage by comprehensive insurance which also provides protection against flood and hurricane damage as well as theft.

Deductibles and Costs: Earthquake insurance carries a deductible, in the form of a rupees amount of Rs.15,000/- companies also use loss limit on earthquake peril to limit their liability by applying Limits for any one occurrence and in annual aggregate.

Earthquake Safety/Loss Mitigation: Although earthquakes cannot be prevented, science and engineering provide tools that can be used to reduce their damage. Science can now identify, with considerable accuracy, where earthquakes are likely to occur and what forces they will generate. Engineering can help provide design and construction techniques so that buildings and other structures can survive the tremendous forces of earthquakes.

To produce estimates of earthquake loss by geographic area, some states use an earthquake loss estimation methodology. The loss estimation methodology is a software program that uses mathematical formulas and information about building stock, local geology and the location and size of potential earthquakes, economic data, and other information to estimate losses from a potential earthquake.

Recent Developments:

- 2015 Global Earthquake Losses: On Saturday April 25, 2015 a 7.8 magnitude earthquake struck Nepal. Thousands of people were killed and many more injured. Aftershocks from the earthquake could persist for years according to geologists. Only a small fraction of the economic losses are covered by insurance. Operating in one of the world's poorest nations,

Nepal's insurers collected \$102 million in premiums for non-life coverages in 2013, according to Axco Insurance Information Services.

- 2014 Global Earthquake Losses: Natural catastrophes and man-made disasters caused economic losses of about \$110 billion in 2014, according to Swiss Re's sigma. Insured losses were estimated at \$35 billion. Insured losses from earthquakes were about \$313 million, far below 2011's record \$54 billion. There were a total of 15 catastrophic earthquakes in 2014, killing 897 people. A 6.1-magnitude earthquake in Yunnan, China, in August was the deadliest catastrophe of 2014, with 731 people killed or missing. Economic losses totaled \$5 billion. An August 6.0-magnitude quake in South Napa, California, was the strongest temblor to strike the area since the Loma Prieta quake in 1989. No earthquakes figured among the top 20 insured loss events for 2014.

- 2013 Earthquakes Losses: Natural catastrophes and man-made disasters caused economic losses of about \$138 billion in 2013, according to Swiss Re's sigma. Insured losses were estimated at \$45 billion. Insured losses from earthquakes were \$45 million, far below 2011's record \$54 billion. The largest insured earthquake loss, \$25 million, resulted from a magnitude 7.0 earthquake that hit Lushan, China, in April. There were a total of 12 catastrophic earthquakes in 2013, killing 1,095 people, none of them in the United States.

Conclusion:

Earth quake is great challenge for all insurance companies in the world so they should place adequate reserves for earthquake risk and reinsurance placement for earthquake risk.

Prepared By:

TASSAWAR ABBAS JAFFERY

MBA - Insurance & Risk Management (PU)

INSURANCE INDUSTRY ANALYSIS (PRIVATE SECTOR) FOR THE YEAR 2014
Alphabetic Order

Sr.	Name of Insurer	Credit Rating	Agency	Paid-up Capital		Equity		ROE	Total Assets	ROA	Market Share (MS)		Inc/Dec in MS	Premium Written		Growth Rate	Net Premium Revenue (NPR)		Inc/Dec in NPR	NPR Ratio to GP*	Net Claims **		Inc/Dec in Claims	Claim Ratio
				Rs.	%	Rs.	%				2014	2013		Rs.	%		2014	2013			Rs.	%		
1	Adamjee Insurance Co.	AA	PACRA	3,500.00	14,104.24	13	28,832.01	7	18.12	16.20	12	9,928.31	7,905.32	26	4,796.63	3,710.78	29	48	3063.50	2104.14	46	64		
2	Alfalsh Insurance Co.	A+	PACRA	300.00	710.31	17	2,179.85	6	2.43	2.52	(4)	1,330.85	1,230.93	8	705.32	563.74	25	53	410.82	317.38	29	58		
3	Alpha Insurance Co.	A	JCR-VIS	403.60	603.30	3	1,029.71	2	0.40	0.54	(26)	219.65	265.24	(17)	90.91	115.15	(21)	41	52.01	54.72	(5)	57		
4	Asia Insurance Co.	A-	PACRA	300.00	419.82	11	812.95	6	0.56	0.32	76	304.78	154.00	98	190.98	70.33	172	63	41.95	24.62	70	22		
5	Askari General Insurance	A+	PACRA	388.34	779.54	21	2,497.95	7	3.14	3.29	(5)	1,719.46	1,605.03	7	971.45	841.92	15	56	561.42	464.84	21	58		
6	Atlas Insurance Co.	AA-	PACRA	701.61	1,667.50	33	3,344.02	16	3.01	2.87	5	1,651.32	1,400.23	18	878.38	755.68	16	53	210.53	163.42	29	24		
7	Century Insurance Co.	A+	JCR-VIS	457.24	1,185.31	12	1,876.72	8	1.38	1.37	1	755.31	667.07	13	388.50	321.67	21	51	201.95	159.31	27	52		
8	Crescent Star Insurance Co.	A-	PACRA	620.13	352.39	(10)	574.84	(6)	0.43	0.17	149	237.05	84.93	179	136.25	55.77	144	57	25.17	14.09	79	18		
9	East West Insurance Co.	A	PACRA	401.50	664.91	21	1,398.95	10	2.59	2.30	12	1,419.87	1,124.30	26	760.24	622.57	22	54	305.39	253.99	20	40		
10	EFU General Insurance	AA+	JCR-VIS	1,600.00	13,111.10	14	29,227.25	6	26.50	28.45	(7)	14,514.11	13,882.08	5	6,532.35	6,341.52	3	45	2973.03	3406.42	(13)	46		
11	Habib Insurance Co.	A+	PACRA	619.37	1,160.05	22	2,851.00	9	1.84	1.97	(7)	1,009.26	963.15	5	458.73	438.33	5	45	220.28	216.54	2	48		
12	IGI Insurance Limited	AA	PACRA	1,226.90	11,579.15	7	14,490.09	6	3.91	4.17	(6)	2,139.67	2,035.29	5	1,044.93	1,066.55	(2)	49	594.50	766.58	(22)	57		
13	Jubilee General Insurance	AA+	PACRA	1,569.10	5,422.88	20	13,538.78	8	12.71	13.46	(6)	6,961.25	6,569.31	6	3,644.63	3,525.78	3	52	2082.70	2154.73	(3)	57		
14	New Hampshire Insurance	A	AM BEST	-	-	-	3,604.79	6	3.28	3.37	(3)	1,796.56	1,643.16	9	606.61	509.87	19	34	418.82	272.28	54	69		
15	Pakistan General Insurance	A-	PACRA	375.00	571.86	8	893.52	5	0.75	0.68	11	412.93	330.44	25	224.00	176.57	27	54	112.41	75.07	50	50		
16	PIIC Insurance Co.	BBB+	JCR-VIS	350.00	99.56	(132)	952.70	(14)	0.93	1.35	(31)	508.25	657.29	(23)	292.70	322.51	(9)	58	220.90	175.42	26	75		
17	Premier Insurance Co.	A	JCR-VIS	302.82	1,528.25	2	3,429.98	1	2.47	2.54	(3)	1,355.68	1,239.30	9	694.51	652.92	6	51	347.12	573.24	(39)	50		
18	Reliance Insurance Co.	A	JCR-VIS	403.46	725.22	12	1,595.94	6	1.88	1.72	9	1,028.14	837.23	23	295.76	260.76	13	29	94.30	87.89	7	32		
19	Security General Insurance	AA-	JCR-VIS	680.63	8,494.69	11	11,033.10	8	3.31	3.84	(14)	1,815.74	1,872.36	(3)	524.07	367.89	42	29	231.65	96.69	140	44		
20	Shaheen Insurance Co.	A-	PACRA	450.00	340.08	4	786.76	2	0.52	0.70	(26)	284.18	343.57	(17)	229.62	331.12	(31)	81	73.40	235.49	(69)	32		
21	SPI Insurance Co.	A-	PACRA	325.00	328.53	12	658.10	6	0.93	0.80	16	509.78	390.74	30	404.13	286.82	41	79	119.21	101.76	17	29		
22	TPL Direct Insurance	A	PACRA	452.31	462.88	5	1,299.07	2	2.23	1.78	25	1,220.80	869.88	40	1,056.41	733.46	44	87	537.02	314.17	71	51		
23	UBL Insurers	A+	JCR-VIS	1,152.17	753.05	8	2,082.78	3	2.03	1.82	12	1,114.52	885.97	26	385.19	341.61	13	35	176.74	207.70	(15)	46		
24	United Insurance Co.	A+	PACRA	920.00	1,645.02	28	4,917.12	9	4.52	3.53	28	2,474.74	1,723.74	44	1,536.70	1,108.54	39	62	419.43	323.08	30	27		
25	Universal Insurance Co.	BBB-	PACRA	370.00	117.64	(39)	846.76	(5)	0.12	0.24	(47)	67.98	115.10	(41)	34.99	98.96	(65)	51	2.41	52.13	(95)	7		
TOTALS				17,869.19	66,827.28	13	134,754.74	6	100.00	100.00	-	54,780.19	48,795.65	12	26,883.99	23,620.84	14	49	13,496.65	12,615.68	7	50		

Source: Annual reports

* NPR Ratio to GP: Higher the ratio, higher retention or lesser transfer to reinsurers.

** Premium deficiency reserves/expenses are adjusted in net claims.

INSURANCE INDUSTRY ANALYSIS (PRIVATE SECTOR) FOR THE YEAR 2014

Alphabetic Order

Sr.	Name of Insurer	Net Commission Expense/(Income)		Operating Expenses (OE)		OE Ratio to TE	Total Expenses (TE)		Inc/Dec in Expenses Ratio	Underwriting Profit		Combined Operating Ratio (COR)	Investment Incl. Property		Investment, Rental & Other Incomes		Profit/(Loss) After Tax		U/w Profit to PAT*	Solvency Ratio**	Liquidity Ratio***
		2014	2013	Rs.	%		2014	2013		Rs.	%		2014	2013	Rs.	%	2014	2013			
1	Adanijee Insurance Co.	183.80	178.22	1,215.45	1,267.04	75	1,623.71	1,590.13	2	16	333.88	161.38	93	13,482.06	2,558.29	2,646.88	1,890.85	2,024.42	18	6.01	1.76
2	Alfaiah Insurance Co.	(95.93)	(94.67)	239.92	214.40	70	344.94	303.60	14	26	150.52	126.64	79	860.17	105.10	85.61	123.04	100.25	122	3.09	2.04
3	Alpha Insurance Co.	10.62	14.79	71.27	76.17	72	99.53	104.90	(5)	45	(42.98)	(30.53)	147	614.69	94.30	162.46	19.51	97.68	(220)	11.33	1.52
4	Asia Insurance Co.	36.78	10.87	51.98	25.76	60	86.76	52.13	66	28	60.26	9.08	68	228.17	34.09	38.12	47.51	19.54	127	4.26	2.88
5	Askari General Insurance	(60.07)	(50.62)	260.30	220.94	62	418.42	368.04	14	24	209.80	206.76	78	1,061.35	150.53	89.97	163.42	119.07	128	2.57	2.09
6	Atlas Insurance Co.	(49.90)	(55.17)	311.04	304.55	90	345.81	337.61	2	21	406.71	342.89	54	1,868.60	318.87	277.74	544.97	455.97	75	3.81	1.45
7	Century Insurance Co.	(18.27)	(8.84)	97.00	88.21	50	193.28	175.11	10	26	107.83	83.00	72	1,095.86	141.77	138.43	142.37	147.33	76	4.83	1.40
8	Crescent Star Insurance Co.	22.89	4.39	69.12	31.18	52	132.62	63.10	110	56	19.07	6.12	86	270.00	9.96	27.85	(35.83)	1.47	(53)	4.22	2.10
9	East West Insurance Co.	167.09	135.72	148.29	115.96	67	221.29	186.68	19	16	139.47	116.90	82	729.55	108.77	105.39	142.13	126.37	98	1.84	1.72
10	EFU General Insurance	760.51	788.54	1,482.42	1,374.72	71	2,074.20	1,898.96	9	14	1,316.40	771.85	80	15,860.36	1,583.79	1,407.73	1,829.05	1,392.23	72	4.47	1.68
11	Habib Insurance Co.	(23.59)	(2.17)	175.20	150.79	75	234.35	204.96	14	23	86.84	73.17	81	1,043.88	265.13	251.36	260.01	243.98	33	6.22	2.55
12	IGI Insurance Limited	(93.64)	(91.70)	335.88	287.06	64	524.16	525.19	(0)	24	208.20	104.62	80	12,323.91	922.19	688.74	822.80	481.07	25	13.87	1.15
13	Jubilee General Insurance	329.66	310.78	957.12	837.00	95	1,008.21	881.52	14	14	275.15	223.28	92	8,455.63	1,045.76	1,041.45	1,079.12	1,045.32	25	3.71	1.43
14	New Hampshire Insurance	(99.14)	(83.76)	101.69	121.76	42	243.39	249.20	(2)	14	185.25	199.58	69	1,085.12	258.15	180.12	212.02	169.53	87	5.94	1.78
15	Pakistan General Insurance	18.64	12.94	34.30	71.91	47	73.24	109.74	(33)	18	58.65	16.65	74	154.20	30.50	40.64	44.84	27.29	131	3.99	1.85
16	PICIC Insurance Co.	13.70	(7.85)	110.68	117.74	55	202.34	173.37	17	40	(52.58)	37.19	118	75.57	13.90	29.21	(130.96)	9.42	40	3.25	8.14
17	Premier Insurance Co.	143.77	102.32	212.68	202.33	68	314.06	306.81	2	23	(9.07)	(224.96)	101	1,174.96	150.96	177.46	34.65	(166.80)	(26)	4.94	2.59
18	Reliance Insurance Co.	39.25	36.57	122.76	116.70	75	164.65	155.34	6	16	39.45	19.60	87	584.87	98.98	100.25	90.14	74.71	44	5.40	2.32
19	Security General Insurance	29.19	16.41	89.07	77.84	48	186.06	157.99	18	10	174.16	176.94	67	7,535.30	894.23	746.18	897.03	760.40	19	21.05	1.32
20	Shahen Insurance Co.	39.78	56.52	48.82	83.82	30	160.21	158.87	1	56	67.63	(44.70)	71	297.61	56.08	16.96	12.96	(106.25)	522	3.43	1.49
21	SPI Insurance Co.	56.52	33.25	118.14	76.52	69	170.90	122.85	39	34	110.25	75.30	73	67.13	15.55	11.32	40.34	32.64	273	1.63	3.63
22	TPL Direct Insurance	146.18	78.26	273.38	227.45	64	428.43	336.23	27	35	99.83	113.58	91	49.94	92.30	73.57	24.05	51.52	415	1.23	9.29
23	UBL Insurers	(24.40)	(31.45)	128.14	100.20	61	209.32	182.17	15	19	104.71	65.17	73	509.28	78.36	70.18	59.83	36.53	175	5.41	3.01
24	United Insurance Co.	110.60	61.71	377.60	286.87	61	615.48	486.54	27	25	629.07	436.88	59	645.63	95.97	56.13	460.89	257.38	136	3.20	3.78
25	Universal Insurance Co.	(1.93)	11.12	34.19	53.48	32	107.57	146.56	(27)	158	0.33	(17.77)	99	157.45	32.03	23.45	(45.84)	(89.10)	(1)	24.20	3.03
TOTALS		1,642.11	1,426.16	7,066.42	6,530.40	76	10,182.92	9,277.60	10	19	4,678.81	3,048.60	80	70,231.29	9,155.56	8,487.19	8,728.89	7,311.95	54	5.01	1.66

Source : Annual reports

* U/w Profit to PAT : lesser the ratio, high dependency on investment income in profitability.

** Solvency Ratio : higher the ratio, stronger the company's solvency position.

*** Liquidity Ratio : lower the ratio, greater the company's liquidity.

INSURANCE INDUSTRY ANALYSIS (PRIVATE SECTOR) FOR THE YEAR 2014
Sorted by Market Share & Premium Written

Sr.	Name of Insurer	Credit Rating	Agency	Paid-up Capital	Equity	ROE	Total Assets	ROA	Market Share (MS)		Inc/Dec in MS		Premium Written		Growth Rate		Net Premium Revenue (NPR)		Inc/Dec in NPR		NPR Ratio to GP*		Net Claims **		Inc/Dec in Claims		Claim Ratio	
									2014	2013	%	%	2014	2013	%	%	2014	2013	%	%	2014	2013	2014	2013	%	%	2014	2013
1	EFU General Insurance	AA+	JCR-VIS	Rs. 1,600.00	13,111.10	14	29,227.25	6	26.50	28.45	(7)		14,514.11	13,882.08	5		6,532.35	6,341.52	3	45			Rs. 3,406.42	3,406.42	(13)		46	
2	Adamjee Insurance Co.	AA	PACRA	3,500.00	14,104.24	13	28,832.01	7	18.12	16.20	12		9,928.31	7,905.32	26		4,796.63	3,710.78	29	48			3,063.50	2,104.14	46		64	
3	Jubilee General Insurance	AA+	PACRA	1,569.10	5,422.88	20	13,538.78	8	12.71	13.46	(6)		6,961.25	6,569.31	6		3,644.63	3,525.78	3	52			2,082.70	2,154.73	(3)		57	
4	United Insurance Co.	A+	PACRA	920.00	1,645.02	28	4,917.12	9	4.52	3.53	28		2,474.74	1,723.74	44		1,536.70	1,108.54	39	62			419.43	323.08	30		27	
5	IGI Insurance Limited	AA	PACRA	1,226.90	11,579.15	7	14,490.09	6	3.91	4.17	(6)		2,139.67	2,035.29	5		1,044.93	1,066.55	(2)	49			594.50	766.58	(22)		57	
6	Security General Insurance	AA-	JCR-VIS	680.63	8,494.69	11	11,033.10	8	3.31	3.84	(14)		1,815.74	1,872.36	(3)		524.07	367.89	42	29			231.65	96.69	140		44	
7	New Hampshire Insurance	A	AM BEST	-	-	-	3,604.79	6	3.28	3.37	(3)		1,796.56	1,643.16	9		606.61	509.87	19	34			418.82	272.28	54		69	
8	Askari General Insurance	A+	PACRA	388.34	779.54	21	2,497.95	7	3.14	3.29	(5)		1,719.46	1,605.03	7		971.45	841.92	15	56			561.42	464.84	21		58	
9	Atlas Insurance Co.	AA-	PACRA	701.61	1,667.50	33	3,344.02	16	3.01	2.87	5		1,651.32	1,400.23	18		878.38	755.68	16	53			210.53	163.42	29		24	
10	East West Insurance Co.	A	PACRA	401.50	664.91	21	1,398.95	10	2.59	2.30	12		1,419.87	1,124.30	26		760.24	622.57	22	54			305.39	253.99	20		40	
11	Premier Insurance Co.	A	JCR-VIS	302.82	1,528.25	2	3,429.98	1	2.47	2.54	(3)		1,355.68	1,239.30	9		694.51	652.92	6	51			347.12	573.24	(39)		50	
12	Alfalsh Insurance Co.	A+	PACRA	300.00	710.31	17	2,179.85	6	2.43	2.52	(4)		1,330.85	1,230.93	8		705.32	563.74	25	53			410.82	317.38	29		58	
13	TPL Direct Insurance	A	PACRA	452.31	462.88	5	1,299.07	2	2.23	1.78	25		1,220.80	869.88	40		1,056.41	733.46	44	87			537.02	314.17	71		51	
14	UBL Insurers	A+	JCR-VIS	1,152.17	753.05	8	2,082.78	3	2.03	1.82	12		1,114.52	885.97	26		385.19	341.61	13	35			176.74	207.70	(15)		46	
15	Reliance Insurance Co.	A	JCR-VIS	403.46	725.22	12	1,595.94	6	1.88	1.72	9		1,028.14	837.23	23		295.76	260.76	13	29			94.30	87.89	7		32	
16	Habib Insurance Co.	A+	PACRA	619.37	1,160.05	22	2,851.00	9	1.84	1.97	(7)		1,009.26	963.15	5		458.73	438.33	5	45			220.28	216.54	2		48	
17	Century Insurance Co.	A+	JCR-VIS	457.24	1,185.31	12	1,876.72	8	1.38	1.37	1		755.31	667.07	13		388.50	321.67	21	51			201.95	159.31	27		52	
18	SPI Insurance Co.	A-	PACRA	325.00	328.53	12	658.10	6	0.93	0.80	16		509.78	390.74	30		404.13	286.82	41	79			119.21	101.76	17		29	
19	PICIC Insurance Co.	BBB+	JCR-VIS	350.00	99.56	(132)	952.70	(14)	0.93	1.35	(31)		508.25	657.29	(23)		292.70	322.51	(9)	58			220.90	175.42	26		75	
20	Pakistan General Insurance	A-	PACRA	375.00	571.86	8	893.52	5	0.75	0.68	11		412.93	330.44	25		224.00	176.57	27	54			112.41	75.07	50		50	
21	Asia Insurance Co.	A-	PACRA	300.00	419.82	11	812.95	6	0.56	0.32	76		304.78	154.00	98		190.98	70.33	172	63			41.95	24.62	70		22	
22	Shahreen Insurance Co.	A-	PACRA	450.00	340.08	4	786.76	2	0.52	0.70	(26)		284.18	343.57	(17)		229.62	331.12	(31)	81			73.40	235.49	(69)		32	
23	Crescent Star Insurance Co.	A-	PACRA	620.13	352.39	(10)	574.84	(6)	0.43	0.17	149		237.05	84.93	179		136.25	55.77	144	57			25.17	14.09	79		18	
24	Alpha Insurance Co.	A	JCR-VIS	403.60	603.30	3	1,029.71	2	0.40	0.54	(26)		219.65	265.24	(17)		90.91	115.15	(21)	41			52.01	54.72	(5)		57	
25	Universal Insurance Co.	BBB-	PACRA	370.00	117.64	(39)	846.76	(5)	0.12	0.24	(47)		67.98	115.10	(41)		34.99	98.96	(65)	51			2.41	52.13	(95)		7	
TOTALS				17,869.19	66,827.28	13	134,754.74	6	100.00	100.00	-		54,780.19	48,795.65	12		26,883.99	23,620.84	14	49			13,496.65	12,615.68	7		50	

Source : Annual reports

* NPR Ratio to GP : Higher the ratio, higher retention or lesser transfer to reinsurers.
 ** Premium deficiency reserves/expenses are adjusted in net claims.

INSURANCE INDUSTRY ANALYSIS (PRIVATE SECTOR) FOR THE YEAR 2014
Sorted by Market Share & Premium Written

Sr.	Name of Insurer	Net Commission Expense/(Income)		Operating Expenses (OE)		OE Ratio to TE	Total Expenses (TE)		Inc/Dec in Expenses		Underwriting Profit		Combined Operating Ratio (COR)		Investment Incl. Property		Investment, Rental & Other Incomes		Profit/(Loss) After Tax		U/w Profit to PAT*	Solvency Ratio**	Liquidity Ratio***
		2014	2013	Rs.	Rs.		Rs.	%	2014	2013	Rs.	%	2014	2013	Rs.	%	2014	2013	Rs.	Rs.			
1	EFU General Insurance	760.51	788.54	1,482.42	1,374.72	71	2,074.20	1,898.96	9	14	1,316.40	771.85	80	15,860.36	1,583.79	1,407.73	1,829.05	1,392.23	72	4.47	1.68		
2	Adamjee Insurance Co.	183.80	178.22	1,215.45	1,267.04	75	1,623.71	1,590.13	2	16	333.88	161.38	93	13,482.06	2,558.29	2,646.88	1,890.85	2,024.42	18	6.01	1.76		
3	Jubilee General Insurance	329.66	310.78	957.12	837.00	95	1,008.21	881.52	14	14	275.15	223.28	92	8,455.63	1,045.76	1,041.45	1,079.12	1,045.32	25	3.71	1.43		
4	United Insurance Co.	110.60	61.71	377.60	286.87	61	615.48	486.54	27	25	629.07	436.88	59	645.63	95.97	56.13	460.89	257.38	136	3.20	3.78		
5	IGI Insurance Limited	(93.64)	(91.70)	335.88	287.06	64	524.16	525.19	(0)	24	208.20	104.62	80	12,323.91	922.19	688.74	822.80	481.07	25	13.87	1.15		
6	Security General Insurance	29.19	16.41	89.07	77.84	48	186.06	157.99	18	10	174.16	176.94	67	7,535.30	894.23	746.18	897.03	760.40	19	21.05	1.32		
7	New Hampshire Insurance	(99.14)	(83.76)	101.69	121.76	42	243.39	249.20	(2)	14	185.25	199.58	69	1,085.12	258.15	180.12	212.02	169.53	87	5.94	1.78		
8	Askari General Insurance	(60.07)	(50.62)	260.30	220.94	62	418.42	368.04	14	24	209.80	206.76	78	1,061.35	150.53	89.97	163.42	119.07	128	2.57	2.09		
9	Atlas Insurance Co.	(49.90)	(55.17)	311.04	304.55	90	345.81	337.61	2	21	406.71	342.89	54	1,868.60	318.87	277.74	544.97	455.97	75	3.81	1.45		
10	East West Insurance Co.	167.09	135.72	148.29	115.96	67	221.29	186.68	19	16	139.47	116.90	82	729.55	108.77	105.39	142.13	126.37	98	1.84	1.72		
11	Premier Insurance Co.	143.77	102.32	212.68	202.33	68	314.06	306.81	2	23	(9.07)	(224.96)	101	1,174.96	150.96	177.46	34.65	(166.80)	(26)	4.94	2.59		
12	Alfalsh Insurance Co.	(95.93)	(94.67)	239.92	214.40	70	344.94	303.60	14	26	150.52	126.64	79	860.17	105.10	85.61	123.04	100.25	122	3.09	2.04		
13	TPL Direct Insurance	146.18	78.26	273.38	227.45	64	428.43	336.23	27	35	99.83	113.58	91	49.94	92.30	73.57	24.05	51.52	415	1.23	9.29		
14	UBL Insurers	(24.40)	(31.45)	128.14	100.20	61	209.32	182.17	15	19	104.71	65.17	73	509.28	78.36	70.18	59.83	36.53	175	5.41	3.01		
15	Reliance Insurance Co.	39.25	36.57	122.76	116.70	75	164.65	155.34	6	16	39.45	19.60	87	584.87	98.98	100.25	90.14	74.71	44	5.40	2.32		
16	Habib Insurance Co.	(23.59)	(2.17)	175.20	150.79	75	234.35	204.96	14	23	86.84	73.17	81	1,043.88	265.13	251.36	260.01	243.98	33	6.22	2.55		
17	Century Insurance Co.	(18.27)	(8.84)	97.00	88.21	50	193.28	175.11	10	26	107.83	83.00	72	1,095.86	141.77	138.43	142.37	147.33	76	4.83	1.40		
18	SPI Insurance Co.	56.52	33.25	118.14	76.52	69	170.90	122.85	39	34	110.25	75.30	73	67.13	15.55	11.32	40.34	32.64	273	1.63	3.63		
19	PICIC Insurance Co.	13.70	(7.85)	110.68	117.74	55	202.34	173.37	17	40	(52.58)	37.19	118	75.57	13.90	29.21	(130.96)	9.42	40	3.25	8.14		
20	Pakistan General Insurance	18.64	12.94	34.30	71.91	47	73.24	109.74	(33)	18	58.65	16.65	74	154.20	30.50	40.64	44.84	27.29	131	3.99	1.85		
21	Asia Insurance Co.	36.78	10.87	51.98	25.76	60	86.76	52.13	66	28	60.26	9.08	68	228.17	34.09	38.12	47.51	19.54	127	4.26	2.88		
22	Shaheen Insurance Co.	39.78	56.52	48.82	83.82	30	160.21	158.87	1	56	67.63	(44.70)	71	297.61	56.08	16.96	12.96	(106.25)	522	3.43	1.49		
23	Crescent Star Insurance Co.	22.89	4.39	69.12	31.18	52	132.62	63.10	110	56	19.07	6.12	86	270.00	9.96	27.85	(35.83)	1.47	(53)	4.22	2.10		
24	Alpha Insurance Co.	10.62	14.79	71.27	76.17	72	99.53	104.90	(5)	45	(42.98)	(30.53)	147	614.69	94.30	162.46	19.51	97.68	(220)	11.33	1.52		
25	Universal Insurance Co.	(1.93)	11.12	34.19	53.48	32	107.57	146.56	(27)	158	0.33	(17.77)	99	157.45	32.03	23.45	(45.84)	(89.10)	(1)	24.20	3.03		
TOTALS		1,642.11	1,426.16	7,066.42	6,530.40	76	10,182.92	9,277.60	10	19	4,678.81	3,048.60	80	70,231.29	9,155.56	8,487.19	8,728.89	7,311.95	54	5.01	1.66		

Source : Annual reports

* U/w Profit to PAT : lesser the ratio, high dependency on investment income in profitability.

** Solvency Ratio : higher the ratio, stronger the company's solvency position.

*** Liquidity Ratio : lower the ratio, greater the company's liquidity.

INSURANCE INDUSTRY ANALYSIS (PRIVATE SECTOR) FOR THE YEAR 2014

Sorted by Underwriting / Operating Profit

Sr.	Name of Insurer	Credit Rating	Agency	Paid-up Capital	Equity	ROE	Total Assets	ROA	Market Share (MS)		Inc/Dec in MS	Premium Written		Growth Rate	Net Premium Revenue (NPR)		NPR Ratio to GP*	Net Claims **		Inc/Dec in Claims	Claim Ratio
									2014	2013		2014	2013		2014	2013		2014	2013		
				Rs.	Rs.	%	Rs.	%	%	%	%	Rs.	Rs.	%	Rs.	Rs.	%	Rs.	Rs.	%	%
1	EFU General Insurance	AA+	JCR-VIS	1,600.00	13,111.10	14	29,227.25	6	26.50	28.45	(7)	14,514.11	13,882.08	5	6,532.35	6,341.52	3	2973.03	3406.42	(13)	46
2	United Insurance Co.	A+	PACRA	920.00	1,645.02	28	4,917.12	9	4.52	3.53	28	2,474.74	1,723.74	44	1,536.70	1,108.54	39	419.43	323.08	30	27
3	Atlas Insurance Co.	AA-	PACRA	701.61	1,667.50	33	3,344.02	16	3.01	2.87	5	1,651.32	1,400.23	18	878.38	755.68	16	210.53	163.42	29	24
4	Adanijee Insurance Co.	AA	PACRA	3,500.00	14,104.24	13	28,832.01	7	18.12	16.20	12	9,928.31	7,905.32	26	4,796.63	3,710.78	29	3063.50	2104.14	46	64
5	Jubilee General Insurance	AA+	PACRA	1,569.10	5,422.88	20	13,538.78	8	12.71	13.46	(6)	6,961.25	6,569.31	6	3,644.63	3,525.78	3	2082.70	2154.73	(3)	57
6	Askari General Insurance	A+	PACRA	388.34	779.54	21	2,497.95	7	3.14	3.29	(5)	1,719.46	1,605.03	7	971.45	841.92	15	561.42	464.84	21	58
7	IGI Insurance Limited	AA	PACRA	1,226.90	11,579.15	7	14,490.09	6	3.91	4.17	(6)	2,139.67	2,035.29	5	1,044.93	1,066.55	(2)	594.50	766.58	(22)	57
8	New Hampshire Insurance	A	AM BEST	-	-	-	3,604.79	6	3.28	3.37	(3)	1,796.56	1,643.16	9	606.61	509.87	19	418.82	272.28	54	69
9	Security General Insurance	AA-	JCR-VIS	680.63	8,494.69	11	11,033.10	8	3.31	3.84	(14)	1,815.74	1,872.36	(3)	524.07	367.89	42	231.65	96.69	140	44
10	Alfalsh Insurance Co.	A+	PACRA	300.00	710.31	17	2,179.85	6	2.43	2.52	(4)	1,330.85	1,230.93	8	705.32	563.74	25	410.82	317.38	29	58
11	East West Insurance Co.	A	PACRA	401.50	664.91	21	1,398.95	10	2.59	2.30	12	1,419.87	1,124.30	26	760.24	622.57	22	305.39	253.99	20	40
12	SPi Insurance Co.	A-	PACRA	325.00	328.53	12	658.10	6	0.93	0.80	16	509.78	390.74	30	404.13	286.82	41	119.21	101.76	17	29
13	Century Insurance Co.	A+	JCR-VIS	457.24	1,185.31	12	1,876.72	8	1.38	1.37	1	755.31	667.07	13	388.50	321.67	21	201.95	159.31	27	52
14	UBL Insurers	A+	JCR-VIS	1,152.17	753.05	8	2,082.78	3	2.03	1.82	12	1,114.52	885.97	26	385.19	341.61	13	176.74	207.70	(15)	46
15	TPL Direct Insurance	A	PACRA	452.31	462.88	5	1,299.07	2	2.23	1.78	25	1,220.80	869.88	40	1,056.41	733.46	44	537.02	314.17	71	51
16	Habib Insurance Co.	A+	PACRA	619.37	1,160.05	22	2,851.00	9	1.84	1.97	(7)	1,009.26	963.15	5	458.73	438.33	5	220.28	216.54	2	48
17	Shaheen Insurance Co.	A-	PACRA	450.00	340.08	4	786.76	2	0.52	0.70	(26)	284.18	343.57	(17)	229.62	331.12	(31)	73.40	235.49	(69)	32
18	Asia Insurance Co.	A-	PACRA	300.00	419.82	11	812.95	6	0.56	0.32	76	304.78	154.00	98	190.98	70.33	172	41.95	24.62	70	22
19	Pakistan General Insurance	A-	PACRA	375.00	571.86	8	893.52	5	0.75	0.68	11	412.93	330.44	25	224.00	176.57	27	112.41	75.07	50	50
20	Reliance Insurance Co.	A	JCR-VIS	403.46	725.22	12	1,595.94	6	1.88	1.72	9	1,028.14	837.23	23	295.76	260.76	13	94.30	87.89	7	32
21	Crescent Star Insurance Co.	A-	PACRA	620.13	352.39	(10)	574.84	(6)	0.43	0.17	149	237.05	84.93	179	136.25	55.77	144	25.17	14.09	79	18
22	Universal Insurance Co.	BBB-	PACRA	370.00	117.64	(39)	846.76	(5)	0.12	0.24	(47)	67.98	115.10	(41)	34.99	98.96	(65)	2.41	52.13	(95)	7
23	Premier Insurance Co.	A	JCR-VIS	302.82	1,528.25	2	3,429.98	1	2.47	2.54	(3)	1,355.68	1,239.30	9	694.51	652.92	6	347.12	573.24	(39)	50
24	Alpha Insurance Co.	A	JCR-VIS	403.60	603.30	3	1,029.71	2	0.40	0.54	(26)	219.65	265.24	(17)	90.91	115.15	(21)	52.01	54.72	(5)	57
25	PICIC Insurance Co.	BBB+	JCR-VIS	350.00	99.56	(132)	952.70	(14)	0.93	1.35	(31)	508.25	657.29	(23)	292.70	322.51	(9)	220.90	175.42	26	75
TOTALS				17,869.19	66,827.28	13	134,754.74	6	100.00	100.00	-	54,780.19	48,795.65	12	26,883.99	23,620.84	14	13,496.65	12,615.68	7	50

Source : Annual reports

* NPR Ratio to GP : Higher the ratio, higher retention or lesser transfer to reinsurers.

** Premium deficiency reserves/expenses are adjusted in net claims.

INSURANCE INDUSTRY ANALYSIS (PRIVATE SECTOR) FOR THE YEAR 2014

Sorted by Underwriting / Operating Profit

Sr.	Name of Insurer	Net Commission Expense/(Income)		Operating Expenses (OE)		OE Ratio to TE	Total Expenses (TE)		Inc/Dec in Expenses Ratio		Underwriting Profit		Combined Operating Ratio (COR)		Investment Inc. Property		Investment, Rental & Other Incomes		Profit/(Loss) After Tax		U/w Profit to PAT*	Solvency Ratio**	Liquidity Ratio***
		2014	2013	2014	2013		Rs.	%	2014	2013	Rs.	%	2014	2013	Rs.	%	2014	2013	Rs.	%			
1	EFU General Insurance	760.51	788.54	1,482.42	1,374.72	71	2,074.20	1,898.96	9	14	1,316.40	771.85	80	15,860.36	1,583.79	1,407.73	1,829.05	1,392.23	72	4.47	1.68		
2	United Insurance Co.	110.60	61.71	377.60	286.87	61	615.48	486.54	27	25	629.07	436.88	59	645.63	95.97	56.13	460.89	257.38	136	3.20	3.78		
3	Atlas Insurance Co.	(49.90)	(55.17)	311.04	304.55	90	345.81	337.61	2	21	406.71	342.89	54	1,868.60	318.87	277.74	544.97	455.97	75	3.81	1.45		
4	Adamjee Insurance Co.	183.80	178.22	1,215.45	1,267.04	75	1,623.71	1,590.13	2	16	333.88	161.38	93	13,482.06	2,558.29	2,646.88	1,890.85	2,024.42	18	6.01	1.76		
5	Jubilee General Insurance	329.66	310.78	957.12	837.00	95	1,008.21	881.52	14	14	275.15	223.28	92	8,455.63	1,045.76	1,041.45	1,079.12	1,045.32	25	3.71	1.43		
6	Askari General Insurance	(60.07)	(50.62)	260.30	220.94	62	418.42	368.04	14	24	209.80	206.76	78	1,061.35	150.53	89.97	163.42	119.07	128	2.57	2.09		
7	IGI Insurance Limited	(93.64)	(91.70)	335.88	287.06	64	524.16	525.19	(0)	24	208.20	104.62	80	12,323.91	922.19	688.74	822.80	481.07	25	13.87	1.15		
8	New Hampshire Insurance	(99.14)	(83.76)	101.69	121.76	42	243.39	249.20	(2)	14	185.25	199.58	69	1,085.12	258.15	180.12	212.02	169.53	87	5.94	1.78		
9	Security General Insurance	29.19	16.41	89.07	77.84	48	186.06	157.99	18	10	174.16	176.94	67	7,535.30	894.23	746.18	897.03	760.40	19	21.05	1.32		
10	Alfalsh Insurance Co.	(95.93)	(94.67)	239.92	214.40	70	344.94	303.60	14	26	150.52	126.64	79	860.17	105.10	85.61	123.04	100.25	122	3.09	2.04		
11	East West Insurance Co.	167.09	135.72	148.29	115.96	67	221.29	186.68	19	16	139.47	116.90	82	729.55	108.77	105.39	142.13	126.37	98	1.84	1.72		
12	SPI Insurance Co.	56.52	33.25	118.14	76.52	69	170.90	122.85	39	34	110.25	75.30	73	67.13	15.55	11.32	40.34	32.64	273	1.63	3.63		
13	Century Insurance Co.	(18.27)	(8.84)	97.00	88.21	50	193.28	175.11	10	26	107.83	83.00	72	1,095.86	141.77	138.43	142.37	147.33	76	4.83	1.40		
14	UBL Insurers	(24.40)	(31.45)	128.14	100.20	61	209.32	182.17	15	19	104.71	65.17	73	509.28	78.36	70.18	59.83	36.53	175	5.41	3.01		
15	TPL Direct Insurance	146.18	78.26	273.38	227.45	64	428.43	336.23	27	35	99.83	113.58	91	49.94	92.30	73.57	24.05	51.52	415	1.23	9.29		
16	Habib Insurance Co.	(23.59)	(2.17)	175.20	150.79	75	234.35	204.96	14	23	86.84	73.17	81	1,043.88	265.13	251.36	260.01	243.98	33	6.22	2.55		
17	Shahen Insurance Co.	39.78	56.52	48.82	83.82	30	160.21	158.87	1	56	67.63	(44.70)	71	297.61	56.08	16.96	12.96	(106.25)	522	3.43	1.49		
18	Asia Insurance Co.	36.78	10.87	51.98	25.76	60	86.76	52.13	66	28	60.26	9.08	68	228.17	34.09	38.12	47.51	19.54	127	4.26	2.88		
19	Pakistan General Insurance	18.64	12.94	34.30	71.91	47	73.24	109.74	(33)	18	58.65	16.65	74	154.20	30.50	40.64	44.84	27.29	131	3.99	1.85		
20	Reliance Insurance Co.	39.25	36.57	122.76	116.70	75	164.65	155.34	6	16	39.45	19.60	87	584.87	98.98	100.25	90.14	74.71	44	5.40	2.32		
21	Crescent Star Insurance Co.	22.89	4.39	69.12	31.18	52	132.62	63.10	110	56	19.07	6.12	86	270.00	9.96	27.85	(35.83)	1.47	(53)	4.22	2.10		
22	Universal Insurance Co.	(1.93)	11.12	34.19	53.48	32	107.57	146.56	(27)	158	0.33	(17.77)	99	157.45	32.03	23.45	(45.84)	(89.10)	(1)	24.20	3.03		
23	Premier Insurance Co.	143.77	102.32	212.68	202.33	68	314.06	306.81	2	23	(9.07)	(224.96)	101	1,174.96	150.96	177.46	34.65	(166.80)	(26)	4.94	2.59		
24	Alpha Insurance Co.	10.62	14.79	71.27	76.17	72	99.53	104.90	(5)	45	(42.98)	(30.53)	147	614.69	94.30	162.46	19.51	97.68	(220)	11.33	1.52		
25	PICIC Insurance Co.	13.70	(7.85)	110.68	117.74	55	202.34	173.37	17	40	(52.58)	37.19	118	75.57	13.90	29.21	(130.96)	9.42	40	3.25	8.14		
TOTALS		1,642.11	1,426.16	7,066.42	6,530.40	76	10,182.92	9,277.60	10	19	4,678.81	3,048.60	80	70,231.29	9,155.56	8,487.19	8,728.89	7,311.95	54	5.01	1.66		

Source : Annual reports

* U/w Profit to PAT : lesser the ratio, high dependency on investment income in profitability.

** Solvency Ratio : higher the ratio, stronger the company's solvency position.

*** Liquidity Ratio : lower the ratio, greater the company's liquidity.

INSURANCE INDUSTRY ANALYSIS (PRIVATE SECTOR) FOR THE YEAR 2014
Sorted by Profit After Tax

Sr.	Name of Insurer	Credit Rating	Agency	Paid-up Capital		Equity		ROE	Total Assets	ROA		Market Share (M\$)		Inc/Dec in M\$		Premium Written		Growth Rate	Net Premium Revenue (NPR)		Inc/Dec in NPR		NPR Ratio to GP*		Net Claims **		Inc/Dec in Claims		Claim Ratio
				Rs.	%	Rs.	%			Rs.	%	Rs.	%	Rs.	%	Rs.	%		Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%	
1	Adamjee Insurance Co.	AA	PACRA	3,500.00	14,104.24	13	28,832.01	7	18.12	16.20	12	9,928.31	7,905.32	26	4,796.63	3,710.78	29	48	3063.50	2104.14	46	64							
2	EFU General Insurance	AA+	JCR-VIS	1,600.00	13,111.10	14	29,227.25	6	26.50	28.45	(7)	14,514.11	13,882.08	5	6,532.35	6,341.52	3	45	2973.03	3406.42	(13)	46							
3	Jubilee General Insurance	AA+	PACRA	1,569.10	5,422.88	20	13,538.78	8	12.71	13.46	(6)	6,961.25	6,569.31	6	3,644.63	3,525.78	3	52	2082.70	2154.73	(3)	57							
4	Security General Insurance	AA-	JCR-VIS	680.63	8,494.69	11	11,033.10	8	3.31	3.84	(14)	1,815.74	1,872.36	(3)	524.07	367.89	42	29	231.65	96.69	140	44							
5	IGI Insurance Limited	AA	PACRA	1,226.90	11,579.15	7	14,490.09	6	3.91	4.17	(6)	2,139.67	2,035.29	5	1,044.93	1,066.55	(2)	49	594.50	766.58	(22)	57							
6	Atlas Insurance Co.	AA-	PACRA	701.61	1,667.50	33	3,344.02	16	3.01	2.87	5	1,651.32	1,400.23	18	878.38	755.68	16	53	210.53	163.42	29	24							
7	United Insurance Co.	A+	PACRA	920.00	1,645.02	28	4,917.12	9	4.52	3.53	28	2,474.74	1,723.74	44	1,536.70	1,108.54	39	62	419.43	323.08	30	27							
8	Habib Insurance Co.	A+	PACRA	619.37	1,160.05	22	2,851.00	9	1.84	1.97	(7)	1,009.26	963.15	5	458.73	438.33	5	45	220.28	216.54	2	48							
9	New Hampshire Insurance	A	AM BEST	-	-	-	3,604.79	6	3.28	3.37	(3)	1,796.56	1,643.16	9	606.61	509.87	19	34	418.82	272.28	54	69							
10	Askari General Insurance	A+	PACRA	388.34	779.54	21	2,497.95	7	3.14	3.29	(5)	1,719.46	1,605.03	7	971.45	841.92	15	56	561.42	464.84	21	58							
11	Century Insurance Co.	A+	JCR-VIS	457.24	1,185.31	12	1,876.72	8	1.38	1.37	1	755.31	667.07	13	388.50	321.67	21	51	201.95	159.31	27	52							
12	East West Insurance Co.	A	PACRA	401.50	664.91	21	1,398.95	10	2.59	2.30	12	1,419.87	1,124.30	26	760.24	622.57	22	54	305.39	253.99	20	40							
13	Alfalsh Insurance Co.	A+	PACRA	300.00	710.31	17	2,179.85	6	2.43	2.52	(4)	1,330.85	1,230.93	8	705.32	563.74	25	53	410.82	317.38	29	58							
14	Reliance Insurance Co.	A	JCR-VIS	403.46	725.22	12	1,595.94	6	1.88	1.72	9	1,028.14	837.23	23	295.76	260.76	13	29	94.30	87.89	7	32							
15	UBL Insurers	A+	JCR-VIS	1,152.17	753.05	8	2,082.78	3	2.03	1.82	12	1,114.52	885.97	26	385.19	341.61	13	35	176.74	207.70	(15)	46							
16	Asia Insurance Co.	A-	PACRA	300.00	419.82	11	812.95	6	0.56	0.32	76	304.78	154.00	98	190.98	70.33	172	63	41.95	24.62	70	22							
17	Pakistan General Insurance	A-	PACRA	375.00	571.86	8	893.52	5	0.75	0.68	11	412.93	330.44	25	224.00	176.57	27	54	112.41	75.07	50	50							
18	SPI Insurance Co.	A-	PACRA	325.00	328.53	12	658.10	6	0.93	0.80	16	509.78	390.74	30	404.13	286.82	41	79	119.21	101.76	17	29							
19	Premier Insurance Co.	A	JCR-VIS	302.82	1,528.25	2	3,429.98	1	2.47	2.54	(3)	1,355.68	1,239.30	9	694.51	652.92	6	51	347.12	573.24	(39)	50							
20	TPL Direct Insurance	A	PACRA	452.31	462.88	5	1,299.07	2	2.23	1.78	25	1,220.80	869.88	40	1,056.41	733.46	44	87	537.02	314.17	71	51							
21	Alpha Insurance Co.	A	JCR-VIS	403.60	603.30	3	1,029.71	2	0.40	0.54	(26)	219.65	265.24	(17)	90.91	115.15	(21)	41	52.01	54.72	(5)	57							
22	Shaheen Insurance Co.	A-	PACRA	450.00	340.08	4	786.76	2	0.52	0.70	(26)	284.18	343.57	(17)	229.62	331.12	(31)	81	73.40	235.49	(69)	32							
23	Crescent Star Insurance Co.	A-	PACRA	620.13	352.39	(10)	574.84	(6)	0.43	0.17	149	237.05	84.93	179	136.25	55.77	144	57	25.17	14.09	79	18							
24	Universal Insurance Co.	BBB-	PACRA	370.00	117.64	(39)	846.76	(5)	0.12	0.24	(47)	67.98	115.10	(41)	34.99	98.96	(65)	51	2.41	52.13	(95)	7							
25	PICIC Insurance Co.	BBB+	JCR-VIS	350.00	99.56	(132)	952.70	(14)	0.93	1.35	(31)	508.25	657.29	(23)	292.70	322.51	(9)	58	220.90	175.42	26	75							
TOTALS				17,869.19	66,827.28	13	134,754.74	6	100.00	100.00	-	54,780.19	48,795.65	12	26,883.99	23,620.84	14	49	13,496.65	12,615.68	7	50							

Source : Annual reports

* NPR Ratio to GP : Higher the ratio, higher retention or lesser transfer to reinsurers.

** Premium deficiency reserves/expenses are adjusted in net claims.

INSURANCE INDUSTRY ANALYSIS (PRIVATE SECTOR) FOR THE YEAR 2014

Sorted by Profit After Tax

Sr.	Name of Insurer	Net Commission Expense/(Income)		Operating Expenses (OE)		OE Ratio to TE	Total Expenses (TE)		Inc/Dec in Expenses		Underwriting Profit		Combined Operating Ratio (COR)	Investment Property		Investment, Rental & Other Incomes		Profit/(Loss) After Tax		U/w Profit to PAT*	Solvency Ratio**	Liquidity Ratio***
		2014	2013	2014	2013		2014	2013	%	%	Rs.	%		2014	2013	Rs.	%	2014	2013			
1	Adamjee Insurance Co.	183.80	178.22	1,215.45	1,267.04	75	1,623.71	1,590.13	2	16	333.88	161.38	93	13,482.06	2,558.29	2,646.88		1,890.85	2,024.42	18	6.01	1.76
2	EFU General Insurance	760.51	788.54	1,482.42	1,374.72	71	2,074.20	1,898.96	9	14	1,316.40	771.85	80	15,860.36	1,583.79	1,407.73		1,829.05	1,392.23	72	4.47	1.68
3	Jubilee General Insurance	329.66	310.78	957.12	837.00	95	1,008.21	881.52	14	14	275.15	223.28	92	8,455.63	1,045.76	1,041.45		1,079.12	1,045.32	25	3.71	1.43
4	Security General Insurance	29.19	16.41	89.07	77.84	48	186.06	157.99	18	10	174.16	176.94	67	7,535.30	894.23	746.18		897.03	760.40	19	21.05	1.32
5	IGI Insurance Limited	(93.64)	(91.70)	335.88	287.06	64	524.16	525.19	(0)	24	208.20	104.62	80	12,323.91	922.19	688.74		822.80	481.07	25	13.87	1.15
6	Atlas Insurance Co.	(49.90)	(55.17)	311.04	304.55	90	345.81	337.61	2	21	406.71	342.89	54	1,868.60	318.87	277.74		544.97	455.97	75	3.81	1.45
7	United Insurance Co.	110.60	61.71	377.60	286.87	61	615.48	486.54	27	25	629.07	436.88	59	645.63	95.97	56.13		460.89	257.38	136	3.20	3.78
8	Habib Insurance Co.	(23.59)	(2.17)	175.20	150.79	75	234.35	204.96	14	23	86.84	73.17	81	1,043.88	265.13	251.36		260.01	243.98	33	6.22	2.55
9	New Hampshire Insurance	(99.14)	(83.76)	101.69	121.76	42	243.39	249.20	(2)	14	185.25	199.58	69	1,085.12	258.15	180.12		212.02	169.53	87	5.94	1.78
10	Askari General Insurance	(60.07)	(50.62)	260.30	220.94	62	418.42	368.04	14	24	209.80	206.76	78	1,061.35	150.53	89.97		163.42	119.07	128	2.57	2.09
11	Century Insurance Co.	(18.27)	(8.84)	97.00	88.21	50	193.28	175.11	10	26	107.83	83.00	72	1,095.86	141.77	138.43		142.37	147.33	76	4.83	1.40
12	East West Insurance Co.	167.09	135.72	148.29	115.96	67	221.29	186.68	19	16	139.47	116.90	82	729.55	108.77	105.39		142.13	126.37	98	1.84	1.72
13	Alfalsh Insurance Co.	(95.93)	(94.67)	239.92	214.40	70	344.94	303.60	14	26	150.52	126.64	79	860.17	105.10	85.61		123.04	100.25	122	3.09	2.04
14	Reliance Insurance Co.	39.25	36.57	122.76	116.70	75	164.65	155.34	6	16	39.45	19.60	87	584.87	98.98	100.25		90.14	74.71	44	5.40	2.32
15	UBL Insurers	(24.40)	(31.45)	128.14	100.20	61	209.32	182.17	15	19	104.71	65.17	73	509.28	78.36	70.18		59.83	36.53	175	5.41	3.01
16	Asia Insurance Co.	36.78	10.87	51.98	25.76	60	86.76	52.13	66	28	60.26	9.08	68	228.17	34.09	38.12		47.51	19.54	127	4.26	2.88
17	Pakistan General Insurance	18.64	12.94	34.30	71.91	47	73.24	109.74	(33)	18	58.65	16.65	74	154.20	30.50	40.64		44.84	27.29	131	3.99	1.85
18	SPI Insurance Co.	56.52	33.25	118.14	76.52	69	170.90	122.85	39	34	110.25	75.30	73	67.13	15.55	11.32		40.34	32.64	273	1.63	3.63
19	Premier Insurance Co.	143.77	102.32	212.68	202.33	68	314.06	306.81	2	23	(9.07)	(224.96)	101	1,174.96	150.96	177.46		34.65	(166.80)	(26)	4.94	2.59
20	TPL Direct Insurance	146.18	78.26	273.38	227.45	64	428.43	336.23	27	35	99.83	113.58	91	49.94	92.30	73.57		24.05	51.52	415	1.23	9.29
21	Alpha Insurance Co.	10.62	14.79	71.27	76.17	72	99.53	104.90	(5)	45	(42.98)	(30.53)	147	614.69	94.30	162.46		19.51	97.68	(220)	11.33	1.52
22	Shahen Insurance Co.	39.78	56.52	48.82	83.82	30	160.21	158.87	1	56	67.63	(44.70)	71	297.61	56.08	16.96		12.96	(106.25)	522	3.43	1.49
23	Crescent Star Insurance Co.	22.89	4.39	69.12	31.18	52	132.62	63.10	110	56	19.07	6.12	86	270.00	9.96	27.85		(35.83)	1.47	(53)	4.22	2.10
24	Universal Insurance Co.	(1.93)	11.12	34.19	53.48	32	107.57	146.56	(27)	158	0.33	(17.77)	99	157.45	32.03	23.45		(45.84)	(89.10)	(1)	24.20	3.03
25	PICC Insurance Co.	13.70	(7.85)	110.68	117.74	55	202.34	173.37	17	40	(52.58)	37.19	118	75.57	13.90	29.21		(130.96)	9.42	40	3.25	8.14
TOTALS		1,642.11	1,426.16	7,066.42	6,530.40	76	10,182.92	9,277.60	10	19	4,678.81	3,048.60	80	70,231.29	9,155.56	8,487.19		8,728.89	7,311.95	54	5.01	1.66

Source : Annual reports

* U/w Profit to PAT : lesser the ratio, high dependency on investment income in profitability.

** Solvency Ratio : higher the ratio, stronger the company's solvency position.

*** Liquidity Ratio : lower the ratio, greater the company's liquidity.

Khalid Auto

Car Air-Conditioning & CNG



Khalid Auto
CAR A/C

Danting Panting & Mechanical
Auto Electrification & New Battery

Molvi Tamizuddin Khan Road, Near Sultanabad Intelligence School, Karachi
Shop #. G-23 Block-2, Clifton Opp. Bilawal House Near GarII Hotel Clifton Karachi.
Tel #. 021-35689029, Fax #. 021-35685580, Cell 0300-8259935



Ayesha Aslam

MBA (I & RM), Cert CII (UK)
Assistant Manager (Health Claims)
Alfalah Insurance Company Limited

Health Insurance as Micro-insurance

Low-income families strive to maintain the fragile balance between limited income and on-going financial needs. Given the precariousness of their financial situation, events that require additional expenses can deal a heavy blow to the poor. To better understand their financial implications on low-income households, let's look at these stress-producing events, which can be categorized as either risks or economic stressors.

According to it, following are cited as the top economic stressors, in terms of the amount of economic stress that each puts on a family:

- Construction of a house
- Marriage of a son/daughter
- Education of a child
- Birth of a child

However, the greatest amount of economic pressure is exerted by following:

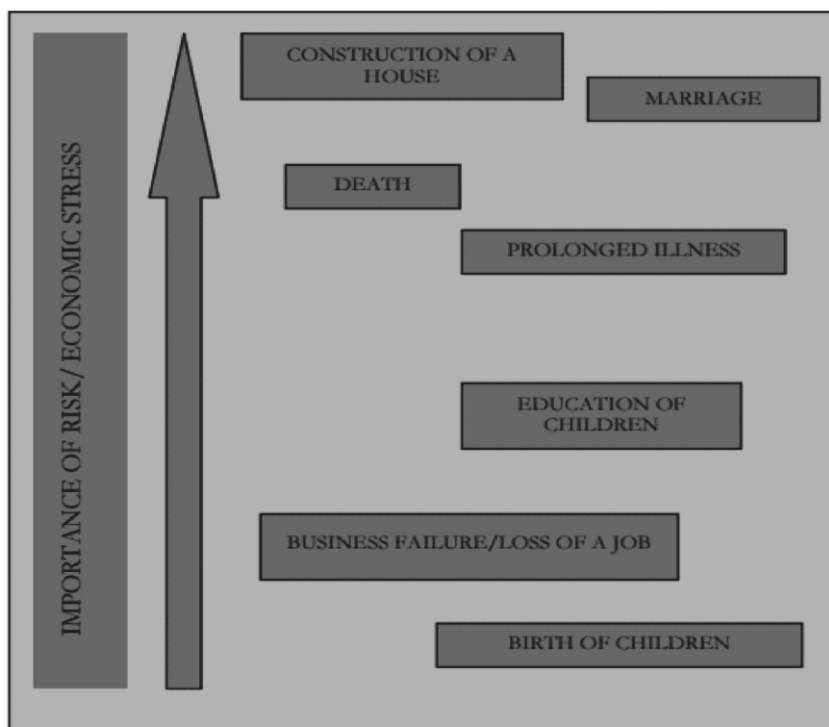
- Prolonged illness
- Death of a family member
- Business loss or Business failure

What is Micro Insurance:

Micro insurance is defined as:

“Insurance provided to low income group of people by payment of regular premium (in proportionate to the cost and likelihood of loss/ risk), against specific perils”

IMPORTANCE OF RISKS/ECONOMIC STRESSORS



Micro insurance, like regular insurance, may be offered for a wide variety of risks. These include both health risks (illness, injury, or death) and property risks (damage or loss).

A wide variety of micro-insurance products exist to address these risks, including:

- Health insurance,
- Term life insurance,
- Death insurance,
- Disability insurance,
- Crop insurance,
- Livestock/cattle insurance,
- Insurance for theft or fire,
- Insurance for natural disasters, etc.

Micro-insurance in Pakistan:

Although life expectancy, health, and living standards have improved in the last few decades, this growth has not been uniform across countries and

even within countries there exist stark disparities in health outcomes.

Micro-insurance suits countries like Pakistan whose majority population consists of low-income households. Yet this service remains in nascence, needing a boost. Micro Insurance is still in its nascent stages in Pakistan. More than half of the current micro-insurance policies in effect in Pakistan are offered through the Benazir Income Support Program (BISP), with the remainder provided in conjunction with microcredit services offered by various microfinance institutions (MFIs), microfinance banks, nongovernment organizations, and rural support programs (RSPs). The policies offered by the micro-credit sector are mainly Credit Life policies, which cover loan balances in the event of the borrower's death. In addition, some lenders, principally the RSPs, offer small health insurance policies covering the hospitalization of the borrower and (sometimes) their spouse. As catastrophic health expenses and deaths in the family are among the most important economic stressors that households face, it makes sense that micro-insurance should first make inroads in these areas.

In the rural areas, people often face higher costs for some events especially health where there is limited services and they need to travel a significant distance to the nearest health care centre. Also, they have been found to have lower and less secure income. Such people now also see the natural disasters as a major risk for them and worth insuring against, to protect their land, house and livestock.

Benazir Income Support Programme:

The BISP was initiated by government of Pakistan in year 2008 to establish a comprehensive social protection system as part of the National Social Protection Strategy. Reportedly, BISP has been testing a pilot to introduce life insurance program for poor households. The life insurance program started in early year 2011 and provides life insurance cover of PKR100,000 to the head of the household. Currently there are over 2 million persons covered in this life insurance program.



National Health Insurance Scheme:

If the available statistics are anything to go by, then only a quarter of Pakistan's population is covered for health care costs with the rest, mostly poor people in cities as well as villagers, paying out of their own pocket for healthcare.

With more than 25 per cent of the population living below the poverty line, many are pushed into the 'medical poverty trap', or worst, do not receive any care.

Considering these circumstances necessitates financial risk protection for healthcare, the Ministry of

National Health Services, Regulations and Coordination intends to initiate the 'National Health Insurance Scheme' to provide the people with comprehensive health cover.

Government is also planning to launch a health micro-insurance program soon, on a larger scale, in conjunction with leading health insurance providers of the country.

For those local insurers already writing micro-insurance business, it represents nearly 5 percent of total premium written. However, those insurers with experience of micro-insurance can see long-term potential, while stating that they are willing to continue in this business and generally believe that it can be sustainable.

Features of Plan:

Under the plan,

- The provincial governments will contribute premium covering common ailments and injuries with financial implications up to Rs.35,000,
- Whereas the federal government

will contribute premium covering serious ailments like cancer, heart diseases, all forms of hepatitis and specialised surgical procedures.

The scheme will be operationalized either through an existing insurance company or register a new company with the Security and Exchange Commission of Pakistan under the Companies Ordinance, 1984.

Restrictions of Plan:

- Premium affordability especially in rural areas, for people with low and insecure income
- Lack of insurance awareness

(which is typically quite low, especially in rural areas)

- In developing the market for micro-insurance, one needs to estimate the need and then create the demand through various enabling mechanisms such as consumer education, financial subsidies, mandatory insurance coverage, etc.

In Pakistan, group health insurance business is allowed to be written by both life and non-life insurers. It is mostly written for corporate accounts, although recently some providers have also started the retail or individual health insurance. This is a highly competitive market and often attracts quite handsome premium from corporate clients with large number of insured lives. However, the product also may attract lower premium than sound rates depending upon various factors. The product is being used by many insurers in Pakistan industry as supportive/ catalyst class of insurance i.e. to attract other businesses of major corporate clients e.g. Fire, Motor, Miscellaneous.

Considering Health insurance as part

of Micro-insurance, economy can be benefited immensely. Catastrophic events such as Floods, Earth Quakes and major fires shook up the lives of millions of underprivileged people. Owing to “insurer as last resort”, Government is called for help of devastated families in such scenarios. In developing country like Pakistan, it is not possible for Government to compensate all the losses out of its own pockets, rather a combine effort in the form of internal and external aid/ donations are used for relief works.

What needs to be done?

As health insurance is in its nascent stages in Pakistan, much work needs to be done in this class. A further issue is lack of strong technical pricing or underwriting capacity within some of the medium to small non-life insurers. Awareness among public and corporate sectors needs to be raised for insuring the lives of their employees together with immediate family. This will not only help the employees work with peace of mind and without the stress of financial impact of any disease, also, it will result in improved output by

employees in their work.

Health insurance cannot be provided effectively without proper infrastructure. The relation between health insurers and health services providers is of vital importance for the successfully transferring the benefit to the lives. In this regard, it is important to communicate to the health services providers i.e. Hospitals, clinics etc. that the health insurance is in fact to benefit the niche that otherwise cannot avail better services out of their own pockets. Health services providers must join hands with insurers to better facilitate these patients.

We hope that the health insurance will be blooming soon with the mutual contributions of Government, Insurance Companies and Health Services providers.

Sources:

<http://121.52.153.179/JOURNAL/LJE%20vol%2018%20se/15%20Thompson%20and%20Nabeel.pdf>
<https://en.wikipedia.org/wiki/Microinsurance>
<http://www.access-to-insurance.org/home.htm>
http://www.secp.gov.pk/corporatelaws/pdf/MI_Report_16102012.pdf
www.tribune.com.pk/

International News: Global Insurance rebounds in 2014

GENEVA: The global insurance industry gained momentum last year, as economies improved and the long suffering life insurance sector returned to growth in Europe and Japan, a study showed on Wednesday.

Insurance premiums rose 3.7 percent to \$4.8 trillion (4.2tr euros), a sharp rise over the 1.4 percent growth recorded in 2013, according to the Sigma study, conducted for the Swiss Re insurance group.

Developed countries saw growth of 2.9pc while insurance premiums shot up 7.4pc in emerging countries.

“There was a return to positive growth in the life sector, with premium up 4.3pc to \$2.7tr after 1.8 percent decline in 2013,” the Swiss insurer said.

“Very strong growth in Oceania and solid results in Western Europe and Japan more than offset yet another year of contraction in North America, with falling sales of term and universal life products in the United States,” it said.

In the non-life sector, premiums rose 2.9pc to \$2.1tr globally.

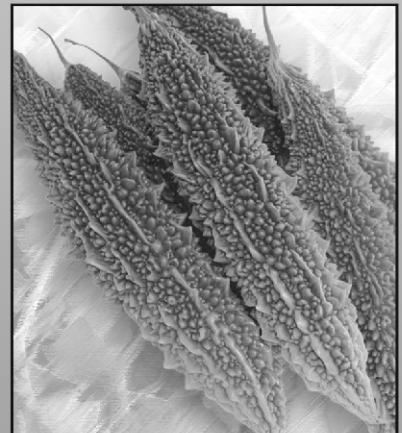
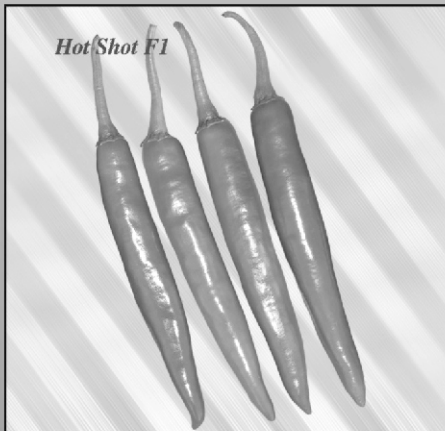
Swiss Re said since the financial crisis of 2008, life premiums in the advanced markets had stagnated while in emerging markets, average annual premium growth was slower than in the pre-crisis years.

The insurer said it expected to see accelerated growth in 2015, with low oil prices likely to boost the global economy and lead to higher consumer spending and investment. *(As reported in Press)*

RACHNA AGRI BUSINESS



Importer, Exporter and Wholesale supplier
of Vegetable seeds, Wheat seeds,
Paddy seeds and Field crops.



RACHNA AGRI BUSINESS

2-Mini Stadium, Sheikhpura Road, Gujranwala, Pakistan.

Ph: +92-55-4218894, 4223408 Fax: +92-55-4218343 E-mail: info@rachnaseed.com
Web: www.rachnaseed.com



Rana Naveed ur Rehman
MBA (HRM), Cert CII (UK)
Chief Manager (Health)
East West Insurance Co. Ltd

Acute Myocardial Infarction (Heart Attack) Prevention & Cure

Though, I am not a doctor but based on my experience in the field of medical health insurance, some literature review, Internet and interaction with some patients, I feel to highlight some useful information for the purpose of public awareness about Acute Myocardial Infarction (Heart Attack).

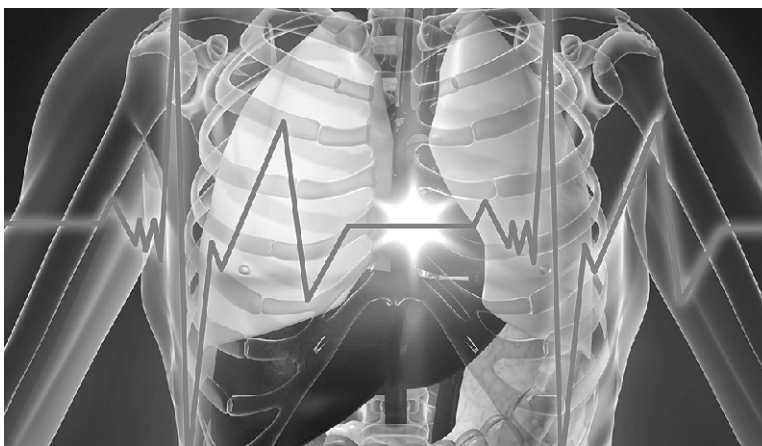
In most of punjabi films, a man struck by a heart attack, holds his chest and falls to the ground. In reality, a heart attack may be as delicate as discomfort in the upper body portion. Acute Myocardial Infarction, the medical name for a heart attack, refers to a heart condition that is caused when the blood circulation is cut off from the heart. The break in circulation lasts long enough to cause tissue damage or death.

Causes of Acute Myocardial Infarction (Heart Attack):

Your heart is the key organ in your cardiovascular system which includes different types of blood vessels. Some of the most important vessels in your body are the coronary arteries. They take blood, rich in oxygen, to every location in your body. When arteries

become blocked or restricted by buildup, they can cause blood flow to stop or decrease significantly. Several factors may cause a heart attack:

Cholesterol: Cholesterol i.e. low-density lipoprotein (LDL) is one of the major problems that cause blockage. Cholesterol is a colorless material found in the food you eat as well as produced naturally in your body. Not all cholesterol is bad, but LDL



cholesterol can stick to the walls of your arteries and produce plaque. Plaque is a hard matter that blocks blood flow in the arteries. Blood platelets which help blood to clot, may stick to the plaque and build up over time.

Saturated Fats: Saturated fats (found mostly in meat) may contribute to the buildup of plaque in the coronary arteries. Saturated fat may lead to

acute myocardial infarction by increasing the amount of bad cholesterol in your blood system and reducing your good HDL (high-density lipoprotein) cholesterol.

Trans Fat: Another type of fat that contributes to clogged arteries is trans-fat. This type of fatty material is found in meat and certain cooking oils. It may decrease your good cholesterol levels and increase the bad.

Risk Factors:

Certain risk factors may make you exposed for heart attack:

High Blood Pressure: Your doctor may be concerned if you have high blood pressure. Normal blood pressure is below 120/80 mm Hg (millimeters of mercury). As the

numbers increase, the risk for heart attack increases.

High Triglyceride and Cholesterol: Having higher cholesterol levels put you at risk for acute myocardial infarction. If you have high cholesterol in your blood, you may want to find ways to lower it. Triglycerides are a type of fat that block your arteries. This fatty material is found in food. After you eat,

triglycerides travel through your blood until it is stored in your body. Generally, it is stored in your fat cells. Some of it may stay in your arteries and cause problems with your heart.

Obesity: Obesity is a medical condition in which excess body fat has accumulated to the extent that it may have a negative effect on health, leading to reduced life expectancy and/or increased health problems. Being overweight may increase your chances for a heart attack.

Diabetes or High Blood Sugar: Diabetes raises blood sugar levels, which may damage blood vessels and nerves. The damage may cause coronary heart disease, a serious health condition that can trigger heart attacks in some people.

Smoking: Smoking tobacco products increases your risk for heart attack. It may also lead to other cardiovascular conditions and disease.

Other risk factors include not exercising, eating an unhealthy diet and being under too much stress.

Signs and Symptoms:

The symptoms of heart attack are:

- Anxiety
- Cough
- Dizziness
- Fast heart rate
- Heaviness in or across the chest
- Pain in the chest, back, jaw, and other areas of the upper body
- Shortness of breath
- Sweating
- Vomiting

Diagnosing a Heart Attack:

If your doctor suspects you had a heart attack, he may run several tests to make a correct diagnosis. The doctor may listen to your heart to check for irregularities in the way it sounds and how fast it beats. He may take your blood pressure to see if it is higher than it should be.

Other diagnostic methods include:

Electrocardiogram (ECG) – to measure the heart's electrical activity

Exercise Tolerance Test (ETT) – to check how your heart reacts to certain situations, such as exercise

Angiography – to visualize the inside, or lumen, of blood vessels and organs of the body, with particular interest in the arteries, veins, and the heart chambers

Treating a Heart Attack:

Most treatments begin in the emergency room since heart attacks require immediate treatment.

Angioplasty – A procedure used to unblock the arteries upon arriving in the emergency room. Blood thinners may be given to dissolve or break up the blood clots in the arteries.

Coronary Artery Bypass Graft surgery (CABG) – A procedure used to treat coronary artery disease in certain circumstances. Coronary artery disease (CAD) is the narrowing of the coronary arteries (the blood vessels that supply oxygen and nutrients to the heart muscle), caused by a buildup of fatty material within the walls of the arteries. This buildup causes the inside of the arteries to become narrowed, limiting the supply

of oxygen-rich blood to the heart muscle.

Getting well after a heart attack depends on the extent of damage to your heart's muscle and how quickly you receive immediately emergency care. The sooner you are treated, the more likely you are to recover. You may be required to take medications and undergo a cardiac rehab program to learn healthy lifestyle strategies and slowly regain your strength.

Prevention:

You can help reduce your chances of acute myocardial infarction by eating foods low in LDL cholesterol and reducing your fat intake. Exercise several times a week to improve your cardiovascular health. However, speak with a doctor prior to going on any exercise plan. If you smoke, consider quitting. It can improve your heart and lung health as well.

Conclusion:

In my opinion, the awareness among general public about Acute Myocardial Infarction (Heart Attack) is insufficient and people should be given awareness about prevention, risk factors, importance of medical checkup for early detection and availability of treatment in Pakistan. Some special awareness programs are needed for rural population through electronic and print media (TV, Newspapers, Literatures and Social Media), health / medical insurers and hospitals. Ministry of Health must play its active role in prevention of Acute Myocardial Infarction (Heart Attack). Tests for this disease should be available free of cost nearer in the urban and rural basic health centers.

Walk for Heart

2014 C L D 510

[Securities and Exchange Commission of Pakistan]

Before Tariq Hussain, Director (Insurance)

UNIVERSAL INSURANCE

COMPANY LIMITED: In the matter of

Show Cause Notice dated 2nd August, 2013, decided on 26th December, 2013

Insurance Ordinance (XXXIX of 2000)---

---Ss. 11(1) (c), 36, 63(1) & 156--- Securities and Exchange Commission (Insurance) Rules, 2002, R.13 (1) (b) - -- Admissible assets in excess of liabilities to meet the minimum solvency requirements--- Company, in the present case, was not having admissible assets in excess of liabilities to meet the minimum solvency requirements, as prescribed through R.13(1) (b) of Securities and Exchange Commission (Insurance) Rules, 2002 and contravened the provision of S.36 of Insurance Ordinance, 2000---Company appeared to be insolvent as on December 31-2012, which was non-compliance of S.11 of the Ordinance-- -Default of S.36, read with S.11(1) (c) of Insurance Ordinance, 2000 having been established, penalty as provided under S.63(1) and S.156 of Insurance Ordinance, 2000 could be imposed on the company---Securities and Exchange Commission, instead of imposing the penalty, took a lenient view, condoned the penalty, due to the facts; (a) that company was solvent by the end of year 2011, adherence of minimum solvency requirement at all times before notice; (b) that the Management of the company had adopted and undertook that the minimum solvency requirement as laid down by the laws should be

fulfilled; and should take care to adherence of the applicable laws, rules in that regard in future; (c) that the company also took remedial measurement to come up to meet the shortfall by injecting new-equity; and disposing of its properties and investments in associated (companies) to bring the company's solvency position as required by law.[pp. 513, 514, 517, 518] A, B, C, D & E

Amir Raza, Principal Officer of the Company.

Date of hearing: 28th October, 2013.

ORDER

(Under section 36 read with section 11(1) (c), section 63(1) and section 156 of the Insurance Ordinance, 2000) TARIQ HUSSAIN, DIRECTOR (INSURANCE). ---This order shall dispose of the proceedings initiated against Messrs the Universal Insurance Company Limited ("the Company") for not complying with section 36 read with section 11(1) (c) and section 63(1) and section 156 of the Insurance Ordinance, 2000 ("the Ordinance")

Background Facts

2. The relevant provision of section 11(1)(c) of the Ordinance states that:-
"11. Conditions imposed on

registered insurers.---(1) an insurer registered under this Ordinance shall at all times ensure that:

(c) The provisions of this Ordinance relating to minimum solvency requirements are complied with;

3. The relevant provisions of section 36 of the Ordinance state that:-

"Insurer of non-life insurance business to have assets in excess of minimum solvency requirement.---

(1) An insurer registered under this Ordinance to carry on non-life insurance business shall at all times have admissible assets in Pakistan in excess of its liabilities in Pakistan of an amount greater than or equal to the minimum solvency requirement.

(2) An insurer incorporated in Pakistan and registered under this Ordinance to carry on non-life insurance shall at all times have admissible assets in excess of its liabilities of an amount greater than or equal to the minimum solvency requirement.

(3) For the purposes of this section, the minimum solvency requirement is that greatest of;

(a) such required minimum amount as may be prescribed by the Commission;

(b) such percentage as may be prescribed by the Commission of its earned premium revenue in the preceding twelve months, net of reinsurance expense subject to a maximum deduction for reinsurance of fifty percent of the gross figure; and

(c) such percentage as may be prescribed by file Commission of the sum of its liability for unexpired risk reinsurance subject to a maximum deduction for reinsurance in each case of fifty percent of the gross figure:

Provided that in the case of an insurer incorporated in a jurisdiction outside Pakistan the amounts set out in clauses (b) and (c) of this subsection shall be calculated with reference to the earned premium revenue, un-expired risk liability and outstanding claims liability and related reinsurance balances of that insurer in respect of its insurance business in Pakistan only.”

4. Rule 13 of the Securities and Exchange Commission (Insurance) Rules, 2002 (the “Rules”), stated that:-

“(Solvency of non-life insurer. --- (1) for the purposes of clause (a) of subsection (3) of section 36 of the Ordinance, the following shall be the prescribed amount, namely:-

(a) Until 31 December 2011, fifty million rupees; and

(b) Thereafter as per the following table

On or After	Rupees
31 st December, 2012	One hundred million
31 st December, 2013	On hundred and twenty five million
31 st December, 2014	One hundred and fifty million

(2) For the purposes of Clause (b) of subsection (3) of section 36 of the Ordinance, the following shall be the

prescribed percentage, namely:-

(a) In the case of an insurance company registered after the commencement date, twenty percent; and

(b) In the case of an insurance company registered at all commencement date—

(i) ten percent until the 31st December, 2002;

(ii) fifteen percent until the 31st December, 2004; and

(iii) Thereafter the percentage as set out in. clause (a) of this sub-rule.

(3) For the purposes of clause (c) of subsection (3) of section 36 of the Ordinance, the following shall be the prescribed percentage, namely:-

(a) In the case of an insurance company registered after the commencement date, twenty percent; and

(b) In the case of and insurance company registered at all commencement date:-

(i) Ten percent until the 31st December, 2002;

(ii) Fifteen percent until the 31st December, 2004; and

(iii) Thereafter the percentage as set out in clause (a) of this sub-rule.”

5. While reviewing the Financial Statements and Regulatory Returns of

the Company for the year ended December 31, 2012, it was noted that the Company was not having admissible assets in excess of liabilities to meet the minimum solvency requirements of Rs.100 Million as prescribed through Rule 13(1) (b) of the SEC (Insurance) Rule, 2002.

Detailed calculations for ascertaining solvency position of the Company are as follows;

Solvency Calculations-December 31, 2012	(Amount in Rs.)
Admissible assets as per regulatory return	552,864,000
Liabilities as per balance sheet	522,012,000
Total net admissible assets (Excess of assets over liabilities)	30,852,000
Solvency Requirement	
Higher of method A, B & C	100,000,000
Total net admissible assets (Excess (Shortage) of assets over liabilities)	30,852,000
Excess/ (Shortage) of minimum solvency requirement	(69,148,000)
Solvent (Yes/No)	No

6. In view of the foregoing paras, it appeared that the Company has contravened the provisions of section 36 of the Ordinance, as the Company appeared to be insolvent as on December 31, 2012 by an amount of Rs.69,148,000, which is non-compliance of the section 11 of the Ordinance as well.

Show Cause Notice

7. Accordingly, the Show Cause Notice was issued on August 2, 2013 under section 36 read with section 11(1)(c), section 63(1) and section 156 of the Ordinance to the Chief Executive and Directors of the Company, calling upon them to show cause as to why the penalty, as provided under section 63(1) and section 156 of the Ordinance, should not be imposed upon the Company and/or its Directors for not complying with provisions of section 36 read with section 11(1)(c) of the Ordinance.

Company's Response to the Show Cause Notice

8. The Company vides its letter dated August 23, 2013, submitted reply to the Show Cause Notice, whereby they had stated that:--

"...it is being clarified that, as at 31st December, 2011, the Company had admissible assets in excess of liabilities by an amount of Rupees 136.444 million"

Which when compared to minimum solvency requirement of Rupees 50.00 million at that time resulted in positive solvency of Rupees 86.444 million but due to deterioration in IFS rating of the Company and amendments in minimum solvency requirement through S.R.O.16 (I)/2012 dated January 9, 2012 further squeezing the minimum solvency margin of insurers, resulted in negative solvency of the Company as at 31st December, 2012. During the financial year 2013, remedial measures like change of top management of the Company, closing/reshuffling/merger of non-profitable branches, prudent underwriting, downsizing of inefficient staff, development of new credit policy, competitive premium rates, effective and efficient recovery department, target based incentives and improvement in claim settlements, etc. have been taken to strengthen the financial position and enhance the business of the Company. Further, in addition to above mentioned remedial measures regarding operations of the Company, the management, has following plans to strengthen the minimum solvency margin and liquidity position of the Company.

(1) To inject equity amounting of Rupees 150.00 million over the period of 3 years out of which Rupees 70 million would be injected during the month of September 2013.

(2) To dispose of the properties

amounting to Rupees 54.348 million (Estimated realizable value)

(3) To dispose of the investments amounting to Rupees 26.810 million (Current market rates of KSE)

Hearings of the Case and Subsequent Developments

9. The hearing in the matter was scheduled on October 28, 2013 at 11-00 a.m., accordingly, the said hearing was attended by Mr. Amir Raza, Principal Officer of the Company, on behalf of the Company, the Chief Executive and the Directors of the Company.

10. Brief proceedings of the hearing of October 28, 2013 are as follows:--

(a) The case was briefed by the Deputy Director with the instruction of the Director Insurance, Mr. Raza replied with restated their earlier reply dated August 23, 2013 and also submits the written response during the hearing about the notice that the Company is trying to remove the default and for that a road map as given in earlier and this response would be appreciated by the Commission in this regard.

(b) Mr. Raza also admitted that the Company is non-compliant of the section 36 of the Ordinance and stated that the Company is in the process of improving the solvency through the road map approved by the Board of Director regarding three measures as mentioned in the written reply;

(i) to inject capital amounting to Rs. 70 million by December 16, 2013,

(ii) To dispose of the Company's properties amounting to Rs. 17.290 million,

(iii) To dispose of the investments in related parties available for sale investments and investments at fair value through profit and loss.

(c) On making an inquiry regarding the non-compliance Mr. Raza replied that the default is committed and also requested to allow the Company to meet the requirement of section 36 till December 31, 2014. This was not allowed by the Director Insurance;

(d) After detailed arguments Mr. Raza requested to the Commission that default may please be condoned for the non-compliance and reiterated that by December 31, 2013 the Company would be solvent;

(e) The authority asked to Mr. Raza if he can provide an undertaking that in the year 2013 the Company would not be short of Solvency and no non-compliance will be there and if you undertake that by Board of Directors of the Company, then we shall take the lenient view;

11. As agreed during the hearing of October 28, 2013, the Company vides letters dated November 18, 2013 appraised the Commission about the resolution passed by the Board of Directors and endorsed that the requirements of solvency should be met by December 31, 2013.

Consideration of Company's Submissions

12. I have carefully examined and given due consideration to the written and verbal submissions of the Company through the Company's Legal Counsel and representative), and have also referred to the provisions of the Ordinance. I am of the view that there has been an established default under the relevant provision of the Ordinance. The Company's Legal Counsel has also admitted this as well and showed the commitment of the Company to fulfill the requirement.

13. Before proceeding further, I find it relevant to discuss the duties of the Directors the Directors; in addition to the day to day running of the Company and the management of its

business also have some 'fiduciary' duties i.e. duties held in trust and some wider duties imposed by statute and breach of these statutory duties will usually be a criminal offence, punishable by fine or imprisonment. Hence the Directors are gauged against a higher standard of accountability which requires them to be vigilant and perform their duties with due care. In the instant case, however, the Directors have overlooked and failed to perform their duties with due care and prudence. As the Directors are supposed to be well aware of their legal obligations in connection with the aforesaid statutory requirement of the section 36 read with section 1(1) of the Ordinance i.e. the Directors of the Company were required to maintain adequate solvency so as to comply with the minimum solvency requirement as on December 31, 2012 and even thereafter, which was grossly overlooked by the Directors of the Company, and that the Company was required to act proactively for maintaining the minimum solvency requirement as stipulated in the law, therefore, it could be legitimately inferred that the default was committed.

14. The Company, being an unlisted concern, should have better and practice approach towards compliance of the applicable laws.

Conclusion

15. After carefully examining the arguments and studying the facts and findings of the case as mentioned in the above paras of this Order, the default of section 36 read with section

11(1)(c) of the Ordinance is established, and to a greater extent, the Company has also accepted its default. Therefore, the penalty as provided under section 63(1) and section 156 of the Ordinance can be imposed on the Company.

16. Section 63(1) of the Ordinance states that:--

"Power of Commission to issue direction to cease entering into new contracts of insurance.---(1) The Commission may issue a direction to cease entering into new contracts of insurance if it believes on reasonable grounds that an insurer registered under this Ordinance has failed, or is about to fail, to comply with the conditions of registration set out in section 11."

17. And, section 156 of the Ordinance states that:--

"Penalty for default in complying with, or acting in contravention of this Ordinance.--- Except as otherwise provided in this Ordinance, any insurer who makes default in complying with or acts in contravention of any requirement of this Ordinance, and, where the insurer is a company, any director, or other officer of the company, who is knowingly a party to the default, shall be punishable with fine which may extend to one million rupees and, in the case of continuing default, with an additional fine which may extend to ten thousand rupees for every day during which the default continues."

Order

18. In exercise of the power conferred on me under sections 63(1) and 156 of the Ordinance, I, instead of imposing the penalty, take a lenient view, and thus, condone and stern warned the Company due to fact:--

(a) THAT the Company was solvent by the end of year December 31, 2011 and adherence of the minimum solvency requirement at all times before this notice;

(b) THAT the Company's management has adopted and undertakes via a resolution that the minimum solvency requirement as laid down the laws should be fulfilled and should take care to adherence of the applicable laws rules in this regards in future; and

(c) THAT the Company also took remedial measures to come up to meet the shortfall by injecting new equity and disposing of its properties and investments in associated to bring the Company's Solvency position as required by the laws; and

19. This Order is issued without prejudice to any other action that the Commission may initiate against the Company and/or its management (including the Chief Executive Officer of the Company) in accordance with the law on matters subsequently investigated or otherwise brought to the knowledge of the Commission.

HBT/1/SEC

Order accordingly.





the interest is the
NATION

the objective is
GROWTH

the result is
NATIONAL SAVINGS

the business is
REINSURANCE

and the name is
**PAKISTAN REINSURANCE
COMPANY LIMITED**

Pioneers in the field of Reinsurance in Pakistan

We have been in the business of sharing the liabilities of national companies since 1952, while promoting growth of and training in the Insurance business in Pakistan.

The resultant enormous savings in foreign exchange on reinsurance prima are, in essence, assurances and reassurances for a secure national future.

PAKISTAN REINSURANCE COMPANY LIMITED

Formerly Pakistan Insurance Corporation
Functionaries under Ministry of Commerce, Govt. of Pakistan

PRC Towers, 32-A, Lalazar Drive, M. T. Khan Road, P. O. Box No. 4777, Karachi, Pakistan.

Telephone: 92-21-99202908 to 92-21-99202914

Telefax: 92-21-99202921 to 22

E-mail: prcl@pakre.org.pk Website: www.pakre.org.pk

Automobile Specialists

Auto Scan WORKSHOP

We Promptly & Efficiently attend the
Vehicle of any
INSURANCE COMPANY



Services Available:-

Mechanical, Denting, Painting
(Oven Finishing System)
Radiator, Wash Plant (Automatic),
Electric, Upholstery,
Spare parts, Mobil Oil & Service Station.



CHAUDHRY MUHAMMAD IQBAL
A.E.E. (A.E)

[Chief Executive]

Khiali Bye Pass, Gujranwala.
Tel: 055-4283677 Cell: 0300-9648353



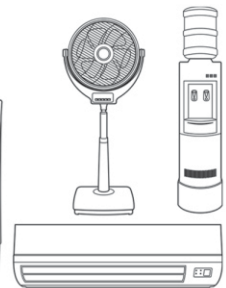
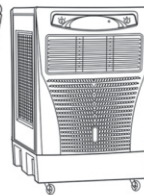
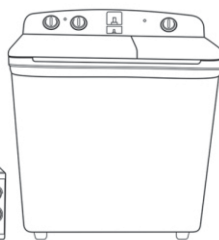
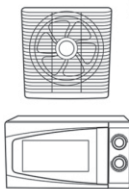
We use
World
Automobile
RECOMMENDED
PAINT
(ICI England)
with
SPRAY
BOOTH





Discerning women choose the best

SUPER asia®
APPLIANCES
 نسل در نسل آپ کے ساتھ
www.superasia.biz





Premier Tracking Solutions (Pvt.) Ltd. – (PTSL) 'A Marine Group Company'

PTSL is dedicated to delivering the most advanced innovation and technology to the tracking industry.

Our vision is to build a bridge between device and vehicle through advanced technology solutions. To implement this vision, PTSL has built a strong and state of the art research and development team that extends solutions throughout every available product in Pakistan tracking industry since start. PTSL recognizes the importance of reducing costs while managing the technology system that keep your daily operations running smoothly.

We provide an extensive array of services in an efficient, single contact approach. Our goal is to provide you with service that is personal and executed with professionalism. PTSL offers a complete array of tracking solutions for both startups and mature businesses.

SALIENT FEATURES

- 1. 24/7 WEB ACCESS**
- 2. MULTIPLE GEO-FENCE**
- 3. BUILT-IN ANTI JAMMING DEVICE**
- 4. MOBILE APPLICATION**
- 5. SMS ALERTS**
- 6. FUEL MANAGEMENT SYSTEM**

Office Address:

**705-706, Business Plaza, 7th Floor,
Mumtaz Hassan Road,
Karachi-74000
Pakistan.**

**Sales: +92-312–333 0005
UAN: 111-11-PTSL-(7875)
Tel: (92-21) 3246 8183
Fax (92-21) 3246 8186
E-Mail : info@ptsl.com.pk
Web: www.ptsl.com.pk**

Paid up Capital Net Premium Clients HR

Upgraded Rating

A-

GROWth

Crescent Star Insurance Limited

(Formerly: The Crescent Star Insurance Company Limited)

ESDT 1957

Nationwide Branch Network

MOTOR

HEALTH

FIRE

MARINE

ENGG

TRAVEL

LIVESTOCK

CROP

Head Office: 2nd Floor, Nadir House, I.I. Chundrigar Road, Karachi, Pakistan.

Tel : +92 21 111 274 000 **Fax :** +92 21 3241 5474 **E-mail :** info@cstarinsurance.com **URL :** www.cstarinsurance.com

**Building relationships
beyond the ordinary**



Our exceptional and enduring
relationships are built on:

- delivering on promises
- service that sets industry standards
- prompt settlement of claims



EFU GENERAL
INSURANCE LTD.
your insurance company

Rated: AA+

www.efuinsurance.com

Protecting Since 1932