



QUARTERLY REPORT

March 31, 2014



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Company Information

Board of Directors

Yusuf H. Shirazi
Chairman

Feroz Rizvi
Director

Isphanyar M. Bhandara
Director

Ali H. Shirazi
Director

Frahim Ali Khan
Director

Jawaid Iqbal Ahmed
Director

Arshad P. Rana
Chief Executive

Muhammad Afzal
Company Secretary

Audit Committee

Feroz Rizvi
Chairman

Ali H. Shirazi
Member

Frahim Ali Khan
Member

Muhammad Afzal
Secretary

Saleem Mahmood Akhtar
Chief Internal Auditor

Human Resource & Remuneration Committee

Isphanyar M. Bhandara
Chairman

Ali H. Shirazi
Member

Arshad P. Rana
Member

Qudsia Naheed
Secretary

Investment Committee

Ali H. Shirazi
Chairman

Frahim Ali Khan
Member

Arshad P. Rana
Member

Rashid Amin
Member

Muhammad Afzal
Secretary

Information Technology (IT) Committee

Ali H. Shirazi
Chairman

Frahim Ali Khan
Member

Arshad P. Rana
Member

Abdul Razzaq Ghauri
Secretary

Underwriting Committee

Frahim Ali Khan
Chairman

Arshad P. Rana
Member

Muhammad Saeed
Member

Athar Maqsood Paracha
Secretary

Company Information

Claims Settlement Committee

Frahim Ali Khan
Chairman

Arshad P. Rana
Member

Athar Maqsood Paracha
Member

Muhammad Saeed
Secretary

Reinsurance & Co-Insurance Committee

Frahim Ali Khan
Chairman

Arshad P. Rana
Member

Muhammad Saeed
Member

Syed Nasir Hussain
Secretary

Management Committee

Arshad P. Rana
Chief Executive

Nisar Zaman Khan
Head of Marketing & Sales

Rashid Amin
Chief Financial Officer

Qudsia Naheed
Vice President (Admin & HR)

Muhammad Saeed
Vice President (Claims)

Abdul Razzaq Ghauri
Vice President (IT)

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.
Agha Faisal Barrister at Law

Tax Advisor

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Share Registrar

Hameed Majeed Associates (Pvt) Limited
H. M. House, 7-Bank Square,
Shahrah-e-Quaid-e-Azam, Lahore
Tel: (92-42) 37235081-82
Fax: (92-42) 37358817

Bankers

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
The Bank of Punjab
United Bank Limited

Registered & Head Office

3-Bank Square,
Shahrah-e-Quaid-e-Azam, Lahore
Tel: (92-42) 37320542-43,
37322271, 73, 37310658
Fax: (92-42) 37234742
E mail: info@atlasinsurance.com.pk
Website: www.atlasinsurance.com.pk

Chairman's Review

It gives me great pleasure to present the un-audited accounts of your Company for the quarter ended March 31, 2014.

The Economy

Pakistan's GDP is expected to grow by 3.4% in FY 13-14. Although, the growth is lower than its target of 4.4% for the current fiscal year, the outlook improved from earlier estimate of 3%. The third quarter of the fiscal year 2013-14 has been quite exceptional for the economy especially in terms of foreign inflows and Rupee appreciation against the US Dollar. The economic indicators showed a sustainable growth and economic stability in the country. The foreign exchange reserves improved to USD 9.8 billion at the end of March 2014 from a low of USD 7.9 billion in January 2014. The IMF completed its 2nd review of Extended Fund facility program and agreed to release USD 540 million. The Rupee appreciated by 7.3% from PKR 105.5 / USD at the start of the year 2014 to PKR 98.3 / USD on March 31, 2014. The government has also taken a number of other steps such as entering international bond market after a lapse of seven years where it raised approximately USD 2 billion with the help of international financial institutions, capitalizing on the appetite of international investors for higher yielding assets. These measures indicate a renewed interest of the foreign investors in Pakistan economy. These steps will increase the business confidence in the country and is expected to reduce the cost of doing business.

The KSE index showed an unprecedented performance gaining 8% in rupee terms and 15% in dollar terms making it one of the best performing stock exchanges in the world for the first quarter of calendar year 2014. The weight of Pakistan in MSCI frontier index is also expected to double during year 2014 as Pakistan out performed frontier market index in recent years. The trade deficit of the country reduced by 4.9% during first eight months of the fiscal year 2013-14. Exports increased to USD 16.8 billion from USD 15.8 billion in the same period last year, up 6.1% and imports grew to USD 29.4 billion from USD 29.0 billion in the same period last year, up 1.2%. The foreign workers remittances grew by 10.9% during the first nine months of the fiscal year 2013-2014 to USD 11.58 billion from USD 10.35 billion in the same period last year. The inflation level remained subdued at 8.5% year on year in March 2014. The country has been successful in payment of 28th installment of USD 149 million to IMF in February 2014.

The Company

The Company's gross premium for the period under review reached Rs. 395.7 million, up 20% from Rs. 330 million in the same period last year. The net premium rose to Rs. 190.0 million against Rs. 157.1 million of same period last year. The underwriting profit grew by 26% to Rs. 80.8 million compared to Rs. 64.4 million in the same period last year. These results reflect the prudent approach of the Company to underwrite good risks. The Company preferred to invest in stocks with strong fundamentals and earned income of Rs. 68.8 million from investments compared to Rs. 54.9 million in the same period last year. The Company consequently earned a profit after tax of Rs. 109.7 million compared to Rs. 89.2 million in the same period last year, up 23%.

Future Outlook

Given the positive developments recently the economy of Pakistan is expected to perform well in future. IMF too expects the Pakistan economy to improve as it estimates GDP growth at 3.1% in 2014 and 3.7% in 2015. However, the structural weaknesses in the economy need focus of the government. As the time for preparing next fiscal year's budget draws closer, the input by the stake holders especially the business community is key to successful policy making by the government. The infrastructural flaws in the economy emanating from low tax to GDP ratio, rising energy cost, expenditure to improve the law and order and current and trade deficits needs to be addressed through long term policy development. The privatization plan revived by the government will also help in curtailing its budget deficit. The Company is poised to crystalize all the opportunities existing in the market to maintain its growth momentum and give consistent return to the shareholders.

کرسس کا جہاں اور ہے شائیں کا جہاں اور
(You get what you deserve)

Acknowledgement

I would like to thank the Board of Directors, the Chief Executive Officer and his team for their efforts, dedication and sincerity of purpose. I would also express my gratitude to all the reinsurers, our valued clients, banks and SECP for their support and guidance to the Company.



Yusuf H. Shirazi

Directors' Report

The directors have pleasure in submitting the quarterly report of the Company together with the un-audited financial statements for the period ended March 31, 2014.

	<u>March 31,</u> <u>2014</u>	<u>March 31,</u> <u>2013</u>
	(Rupees in thousand)	
The overall business figures are:		
Net premium	189,999	157,135
Net claims	(48,792)	(41,099)
Investment and other income	74,517	61,293
Net commission	(12,087)	(12,360)
Expenses of management	(72,936)	(64,035)
Financial results are as follows:		
Profit before tax	142,987	116,659
Less: Provision for taxation	33,257	27,484
Profit after tax	109,730	89,175
Un-appropriated profit brought forward	455,941	361,883
* Appropriation:		
Final dividend Rs. 5 (2012: Rs. 4) per share	(318,916)	(212,610)
Transfer to general reserve	(77,000)	(43,000)
Transfer to reserve for issue of bonus shares	(63,783)	(106,305)
Un-appropriated profit carried forward	105,972	89,143

* The Board of Directors recommended and members in the Annual General Meeting of the Company held on April 10, 2014 approved 10% bonus shares i.e. one ordinary shares for every ten shares held and cash dividend of Rs. 5 per share i.e. 50% for the year ended December 31, 2013. This financial information does not reflect these appropriations in compliance with the Fourth Schedule of the Companies Ordinance, 1984.

Chairman's Review

The accompanying Chairman's Review deals with the performance of the company during the period and future outlook. The directors of the company endorse the contents of the review.

We express our deep appreciation and thanks to our valued clients, bankers, reinsurers and SECP for the cooperation extended to us.

We also commend the dedicated services rendered by the company's officers, staff and field force.

For and on behalf of the
Board of Directors



Arshad P. Rana
Chief Executive

Lahore: April 23, 2014

Pattern of Shareholding

As at March 31, 2014

No. of shareholders	Shareholding		Share held
	From	To	
236	1	100	7,233
246	101	500	77,705
144	501	1,000	122,032
371	1,001	5,000	980,845
128	5,001	10,000	924,873
58	10,001	15,000	727,637
27	15,001	20,000	463,920
19	20,001	25,000	435,545
26	25,001	30,000	719,157
10	30,001	35,000	330,084
6	35,001	40,000	226,820
6	40,001	45,000	251,704
5	45,001	50,000	238,828
6	50,001	55,000	308,937
5	55,001	60,000	285,498
5	60,001	65,000	316,227
3	65,001	70,000	207,370
3	70,001	75,000	218,411
1	75,001	80,000	76,791
1	80,001	85,000	84,242
1	85,001	90,000	85,554
1	90,001	95,000	91,440
3	95,001	100,000	300,000
1	105,001	110,000	106,254
1	115,001	120,000	118,674
2	125,001	130,000	255,012
1	130,001	135,000	132,001
1	135,001	140,000	136,066
1	140,001	145,000	144,000
1	145,001	150,000	150,000
1	155,001	160,000	158,500
1	160,001	165,000	160,730
2	175,001	180,000	359,344
1	185,001	190,000	185,388
1	235,001	240,000	238,173
1	255,001	260,000	255,072
1	305,001	310,000	309,954
1	410,001	415,000	411,048
1	415,001	420,000	415,481
1	1,165,001	1,170,000	1,166,204
1	1,750,001	1,755,000	1,753,942
1	1,795,001	1,800,000	1,799,014
1	6,290,001	6,295,000	6,293,768
1	20,060,001	20,065,000	20,061,830
1	21,690,001	21,695,000	21,691,766
<u>1,335</u>			<u>63,783,074</u>

Shareholders' Information

As at March 31, 2014

Categories of shareholders	No. of shareholders	Shares held	Holding %
Director, Chief Executive and their spouse and minor children	7	85,465	0.13%
Associated Companies, undertakings and related parties	5	49,801,307	78.08%
Banks, Development Finance Institutions Non-Banking Financial Institutions	2	685	0.00%
Insurance Companies	2	1,979,014	3.10%
Modaraba and Mutual Funds	1	3,000	0.00%
Shareholders holding 10%	2	41,753,596	65.46%
General Public	1,293	10,084,657	15.81%
Others:			
Joint Stock Companies	21	228,558	0.36%
Trusts	1	17,040	0.03%
Others	3	1,583,978	2.48%

Condensed Interim

As at

Note	March 31, 2014 (Unaudited)	December 31, 2013 (Audited)
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(Rupees in thousand)

Share capital and reserves

Authorized share capital 80,000,000 (2013: 80,000,000) ordinary shares of Rs.10 each	800,000	800,000
Issued, subscribed and paid up capital 63,783,074 (2013: 63,783,074) ordinary shares of Rs.10 each	637,831	637,831
Reserves	344,064	344,064
Retained earnings	565,671	456,136
	1,547,566	1,438,031

Underwriting provisions

Provision for outstanding claims (including IBNR)	332,333	309,529
Provision for unearned premium	747,375	732,848
Commission income unearned	71,928	62,925
Total underwriting provisions	1,151,636	1,105,302

Creditors and accruals

Premiums received in advance	46,014	8,052
Amounts due to other insurers / reinsurers	290,091	236,671
Accrued expenses	55,862	77,023
Taxation - provision less payments	39,239	30,488
Other creditors and accruals	90,969	77,869
	522,175	430,103

Other liabilities

Deposits against performance bonds	9,185	9,453
Unclaimed dividend	31,637	31,847
	40,822	41,300

TOTAL LIABILITIES

	1,714,633	1,576,705
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TOTAL EQUITY AND LIABILITIES

	3,262,199	3,014,736
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CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

Balance Sheet

March 31, 2014

	Note	March 31, 2014 (Unaudited) (Rupees in thousand)	December 31, 2013 (Audited)
Cash and bank deposits			
Cash and other equivalents		310	112
Current and other accounts		163,191	162,051
		163,501	162,163
Loans to employees - secured considered good		198	162
Investments	6	1,802,004	1,550,372
Deferred taxation		20,257	20,257
Current assets - other			
Premiums due but unpaid		258,367	260,165
Amounts due from other insurers / reinsurers		176,784	110,557
Salvage recoveries accrued		7,035	6,810
Accrued investment income		8,363	348
Reinsurance recoveries against outstanding claims		253,571	236,457
Deferred commission expense		61,291	63,673
Prepayments		445,464	533,695
Sundry receivables		8,373	13,937
		1,219,348	1,225,642
Fixed assets			
Tangible			
Freehold land		1,168	1,168
Buildings on freehold land		11,662	11,809
Furniture and fixtures		2,864	2,937
Office equipments		10,301	10,561
Computers - owned		7,961	7,620
Motor vehicles - owned		18,570	19,761
		52,526	53,856
Intangible			
Computer software		4,365	2,284
TOTAL ASSETS		3,262,199	3,014,736



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

For the financial period ended March 31, 2014

Note	Quarter ended March 31				March 31, 2014	Quarter ended March 31, 2013
	Fire and property	Marine, aviation and transport	Motor	Misc.	Aggregate	Aggregate
(Rupees in thousand)						
Revenue account						
Net premium revenue	25,065	71,370	71,783	21,781	189,999	157,135
Net claims	(1,465)	(1,085)	(37,358)	(8,884)	(48,792)	(41,099)
Expenses	(20,682)	(18,047)	(24,023)	(10,184)	(72,936)	(64,035)
Net commission	8,611	6,329	(6,583)	3,730	12,087	12,360
Underwriting result	<u>11,529</u>	<u>58,567</u>	<u>3,819</u>	<u>6,443</u>	80,358	64,361
Investment income					68,791	54,872
Rental income					1,676	1,554
Other income					4,050	4,867
Financial charges					(71)	(76)
General and administration expenses					(11,817)	(8,919)
Profit before tax					142,987	116,659
Provision for taxation	10				(33,257)	(27,484)
Profit after tax					<u>109,730</u>	<u>89,175</u>
Profit and loss appropriation account						
Balance at commencement of the year					455,941	361,883
Profit after tax for the period					109,730	89,175
Balance unappropriated profit at the end of period					<u>565,671</u>	<u>451,058</u>
Basic earnings per share - Rupees					1.72	1.40

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the financial period ended March 31, 2013

	Quarter Ended	
	March 31, 2014	March 31, 2013
Profit for the period ended March 31	109,730	89,175
Other comprehensive income for the period	-	-
Total comprehensive income for the period	109,730	89,175

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Changes In Equity (Unaudited)

For the financial period ended March 31, 2014

	Issued, subscribed and paid-up capital	Reserves				Investment fluctuation reserve	Retained earnings	Total
		Capital reserve	Reserve for exceptional losses	Reserve for issue of bonus shares	General reserve			
(Rupees in thousand)								
Balance as on January 1, 2013	531,526	2,251	2,164	-	293,649	3,000	365,835	1,198,425
Profit after tax for the year	-	-	-	-	-	-	455,973	455,973
Other comprehensive income	-	-	-	-	-	-	(3,757)	(3,757)
Total comprehensive income	-	-	-	-	-	-	452,216	452,216
Final dividend for the year ended December 31, 2012 @ 40% (Rs.4 per share)	-	-	-	-	-	-	(212,610)	(212,610)
Transfer from general reserve	-	-	-	-	43,000	-	(43,000)	-
Transfer to reserve for bonus shares	-	-	-	106,305	-	-	(106,305)	-
Issue of bonus shares @ 20%	106,305	-	-	(106,305)	-	-	-	-
Balance as at December 31, 2013	637,831	2,251	2,164	-	336,649	3,000	456,136	1,438,031
Net profit for the period	-	-	-	-	-	-	109,730	109,730
Balance as on March 31, 2014	637,831	2,251	2,164	-	336,649	3,000	565,866	1,547,761

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the financial period ended March 31, 2014

	March 31, 2014	March 31, 2013
	(Rupees in thousand)	
Operating cash flows		
Underwriting activities		
Premiums received	371,199	342,498
Reinsurance premiums paid	(125,237)	(218,716)
Claims paid	(65,085)	(52,451)
Reinsurance and other recoveries received	15,385	17,149
Commissions paid	(20,646)	(17,508)
Commissions received	47,462	45,607
Other underwriting payments	(527)	(1,128)
Other underwriting receipts	4,143	3,680
Net cash flow from underwriting activities	226,694	119,131
Other operating activities		
Income tax paid	(24,559)	(26,782)
General management expenses paid	(83,308)	(136,562)
Loans repayments received	(36)	(88)
Other deposits	(268)	-
Net cash outflow from other operating activities	(108,171)	(163,432)
Total cash generated from / (used in) all operating activities	118,523	(44,301)
Investment activities		
Profit / return received	4,347	6,046
Dividends received	12,593	6,158
Rental income received	850	848
Payments for purchase of investments	(540,905)	(312,190)
Proceeds from disposal of investments	407,159	294,784
Payments against purchase of assets	(3,511)	(2,008)
Proceeds from disposal of fixed assets	2,675	-
Total cash used in investing activities	(116,792)	(6,362)
Financing activities		
Dividends paid	(210)	-
Financial charges paid	(71)	(76)
Total cash flow used in financing activities	(281)	(76)
Net cash inflow / (outflow) from all activities	1,450	(50,739)
Cash at the beginning of the year	162,051	282,013
Cash at the end of the period	163,501	231,274

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Premiums (Unaudited)

For the financial period ended March 31, 2014


Business underwritten inside Pakistan	Quarter ended March 31, 2014								Quarter ended March 31, 2013	
	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	Net premium revenue
Class		Opening	Closing			Opening	Closing			
(Rupees in thousands)										
Direct and facultive										
Fire and property damage	127,783	257,456	274,477	110,762	75,342	211,167	200,812	85,697	25,065	16,635
Marine, aviation and transport	111,896	38,291	41,980	108,207	39,520	12,327	15,010	36,837	71,370	68,128
Motor	93,008	146,943	161,375	78,576	6,649	6,068	5,924	6,793	71,783	54,583
Miscellaneous	62,992	290,158	269,543	83,607	51,374	231,143	220,691	61,826	21,781	17,789
Total	<u>395,679</u>	<u>732,848</u>	<u>747,375</u>	<u>381,152</u>	<u>172,885</u>	<u>460,705</u>	<u>442,437</u>	<u>191,153 -</u>	<u>189,999</u>	<u>157,135</u>
Treaty										
Fire and property damage	-	-	-	-	-	-	-	-	-	-
Marine, aviation and transport	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Grand Total	<u>395,679</u>	<u>732,848</u>	<u>747,375</u>	<u>381,152</u>	<u>172,885</u>	<u>460,705</u>	<u>442,437</u>	<u>191,153</u>	<u>189,999</u>	<u>157,135</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Arshad P. Rana
 Chief Executive


Ali H. Shirazi
 Director


Feroz Rizvi
 Director


Yusuf H. Shirazi
 Chairman

Condensed Interim Statement of Claims (Unaudited)

For the financial period ended March 31, 2014


Business underwritten inside Pakistan	Class	Quarter ended			March 31, 2014			Reinsurance and other recoveries revenue	Net claims expense	Quarter ended March 31, 2013 Net claims expense	
		Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims				
		Opening	Closing			Opening	Closing				
		(Rupees in			thousand)						
Direct and facultative											
	Fire and property damage	7,203	169,503	177,586	15,286	6,025	165,151	172,947	13,821	1,465	825
	Marine, aviation and transport	4,230	41,075	41,105	4,260	3,671	34,336	33,840	3,175	1,085	8,884
	Motor	31,400	56,994	64,533	38,939	1,341	9,713	9,953	1,581	37,358	22,196
	Miscellaneous	15,861	38,177	45,329	23,013	4,555	27,257	36,831	14,129	8,884	9,194
	Total	<u>58,694</u>	<u>305,749</u>	<u>328,553</u>	<u>81,498</u>	<u>15,592</u>	<u>236,457</u>	<u>253,571</u>	<u>32,706 -</u>	<u>48,792</u>	<u>41,099</u>
Treaty											
	Fire and property damage	-	1,755	1,755	-	-	-	-	-	-	-
	Marine, aviation and transport	-	1,939	1,939	-	-	-	-	-	-	-
	Miscellaneous	-	86	86	-	-	-	-	-	-	-
	Total	<u>-</u>	<u>3,780</u>	<u>3,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Grand Total	<u>58,694</u>	<u>309,529</u>	<u>332,333</u>	<u>81,498</u>	<u>15,592</u>	<u>236,457</u>	<u>253,571</u>	<u>32,706</u>	<u>48,792</u>	<u>41,099</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Arshad P. Rana
 Chief Executive


Ali H. Shirazi
 Director


Feroz Rizvi
 Director


Yusuf H. Shirazi
 Chairman

Condensed Interim Statement of Expenses (Unaudited)

For the financial period ended March 31, 2014


Business underwritten inside Pakistan	Quarter ended March 31, 2014								Quarter ended March 31, 2013 net underwriting expense
	Commission paid or payable	Deffered commission		Net commission expense	Other management expense	Underwriting expense	Commission from reinsurers	Net underwriting expense	
Class		Opening	Closing						
		(Rupees in			thousand)				
Direct and facultive									
Fire and property damage	12,342	15,606	19,389	8,559	20,682	29,241	17,170	12,071	4,893
Marine, aviation and transport	4,332	1,804	1,751	4,385	18,047	22,432	10,714	11,718	13,302
Motor	5,692	16,587	15,208	7,071	24,023	31,094	488	30,606	23,403
Miscellaneous	1,628	29,675	24,944	6,359	10,184	16,543	10,089	6,454	10,077
Total	<u>23,994</u>	<u>63,672</u>	<u>61,292</u>	<u>26,374</u>	<u>72,936</u>	<u>99,310</u>	<u>38,461</u>	<u>60,849</u>	<u>51,675</u>
Treaty									
Fire and property damage	-	-	-	-	-	-	-	-	-
Marine, aviation and transport	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Grand Total	<u>23,994</u>	<u>63,672</u>	<u>61,292</u>	<u>26,374</u>	<u>72,936</u>	<u>99,310</u>	<u>38,461</u>	<u>60,849</u>	<u>51,675</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


Arshad P. Rana
 Chief Executive


Ali H. Shirazi
 Director


Feroz Rizvi
 Director


Yusuf H. Shirazi
 Chairman

Condensed Interim Statement of Investment Income (Unaudited)

For the financial period ended March 31, 2014

	Quarter Ended	
	<u>March 31,</u> 2014	<u>March 31,</u> 2013
	(Rupees in thousand)	
Income from non-trading investments		
Held to maturity		
Return on government securities	1,636	1,486
Available for sale		
Dividend income		
- from others	19,269	16,530
Gain on sale of available for sale investments	48,069	37,021
Less: investment related expenses	183	165
Net investment income	<u>68,791</u>	<u>54,872</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Notes to the Condensed Interim Financial Information (Unaudited)

For the financial period ended March 31, 2014

1. Legal status and nature of business

Atlas Insurance Limited (the Company) was incorporated as a public limited company in Lahore on September 6, 1934 and is listed on Lahore and Karachi stock exchanges. The Company is engaged in general insurance business. The registered office of the Company is situated at 3-Bank Square, Lahore.

2. Statement of compliance

This interim financial information of the Company for the quarter ended March 31, 2014 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 have been followed.

The disclosures made in this interim financial information have, however, been limited based on the format prescribed by the Securities and Exchange Commission of Pakistan (SECP) in its Circular No. 7 of 2003 and International Accounting Standard 34, Interim Financial Reporting. They do not include all the information required for full annual financial statements, and this interim financial information should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2013.

3. Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of this interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended December 31, 2013 except as follows:

3.1 New and amended standards and interpretations

The Company has adopted the following amended IFRS which became effective during the period:

IAS 1 Presentation of Financial Statements - Presentation of items of other comprehensive income (Amendment)

IAS 19 Employee Benefits - (Revised)

IFRS 7 Financial instruments : Disclosures - (Amendment)
-Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

The adoption of the above amendments did not have any effect on this interim financial information.

4. Basis of measurement

This interim financial information has been prepared under historical cost convention.

5. Accounting estimates and judgments

In preparing this interim financial information, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual financial statements as at and for the year ended December 31, 2013.

6. Financial risk management

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2013.

7. Contingencies and commitments

7.1 Contingencies

The Deputy Commissioner Inland Revenue issued an order Under Section 122(5A) creating a demand of Rs. 29,163 thousand for the tax year 2006. Against the said order the Company has filed rectification application to the Deputy Commissioner and also filed an appeal to the Commissioner Inland Revenue (Appeals) which is pending for adjudication. The management is confident that the said appeal will be decided in favor of the Company.

Pending resolution of the above mentioned appeal filed by the Company, no provision has been made in this condensed financial information of Rs. 29,163 thousand (2013: Rs. 29,163 thousand) as the management is confident that the eventual outcome of the above matter will be in favor of the Company.

	March 31, 2014 (Unaudited)	December 31, 2013 (Audited)
	(Rupees in thousand)	
7.2 Other contingencies		
Claims against the Company not acknowledged as debt	-	68,746

7.3 Commitments

The amount of future payments under operating leases and the period in which these payments will become due are as follows:

	Note	March 31, 2014 (Unaudited)	December 31, 2013 (Audited)
		(Rupees in thousand)	
Not later than one year		11,855	34,979
Later than one year and not later than five years		8,796	30,087
Later than five years		-	-
		<u>20,651</u>	<u>65,066</u>

8. Investments

Held to maturity

Pakistan Investment Bonds (PIBs)	54,867	-
Market Treasury Bills (MTBs)	14,406	69,622
	8.1	69,273

Available for sale

Mutual funds	977,060	781,970
Ordinary shares - quoted	755,671	698,780
Ordinary shares - unquoted	-	-
	8.2	1,732,731
		1,480,750

Cost of shares

	<u>1,802,004</u>	<u>1,550,372</u>
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Aggregated market value of investments 2,965,331 2,541,982

- 8.1** This represents carrying amount of PIBs and MTBs placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of Section 29(2)(a) of the Insurance Ordinance, 2000.
- 8.2** This includes 28,000 (2013: 28,000) units held as statutory deposit with the State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.

	<u>March 31,</u> <u>2014</u> (Unaudited) (Rupees in thousand)	<u>December 31,</u> <u>2013</u> (Audited) (Rupees in thousand)
9. Fixed assets		
Tangible		
Opening net book value	53,859	65,576
Add: additions during the period / year	1,125	10,014
	<u>54,984</u>	<u>75,590</u>
Less:		
Disposals during the period / year (at book value)	392	11,846
Depreciation charged during the period / year	2,066	9,888
	<u>2,458</u>	<u>21,734</u>
	<u>52,526</u>	<u>53,856</u>
Intangible		
Opening net book value	2,284	851
Addition	2,385	2,371
Amortization charged during the period / year	(304)	(938)
	<u>4,365</u>	<u>2,284</u>

10. Provision for taxation

Provision for taxation has been calculated on estimated basis and is subject to adjustments at year end.

	<u>March 31,</u> <u>2014</u> (Unaudited) (Rupees in thousand)	<u>March 31,</u> <u>2013</u> (Unaudited) (Rupees in thousand)
11. Cash and cash equivalents at the end of the period		
For the purpose of cash flow statement cash includes:		
Cash and other equivalents	310	269
Current and other accounts	163,191	231,005
	<u>163,501</u>	<u>231,274</u>
11.1 Reconciliation to profit and loss account		
Operating cash flows	118,523	(44,301)
Depreciation	(2,066)	(2,537)
Financial charges	(71)	(76)
Profit on disposal of fixed assets	58	-
Provision for doubtful debts	(3,861)	(3,226)
Increase / (decrease) in assets other than cash	107,320	(3,349)
Increase / (decrease) in liabilities other than borrowings	(140,482)	94,901
Other adjustments		
- (Increase) in provision for unearned premium	(32,823)	(322)
- Increase in commission income	(9,003)	(11,430)
- (Increase) in provision for deferred commission expenses	(2,382)	(1,778)
- Income on investments and current and other deposits	68,791	54,872
- Rental income	1,676	1,554
- Other income	4,050	4,867
	<u>109,730</u>	<u>89,175</u>

12. Transactions with related parties

Related parties comprise associated entities, entities under common control, entities with common directors, major shareholders, directors and key management personal. The period end balances and transactions with related parties, other than remuneration under the terms of employment are as follows:

Related Parties	Period end balances	<u>March 31,</u> 2014	<u>December 31,</u> 2013
		(Unaudited)	(Audited)
		(Rupees in thousand)	
	Provision for outstanding claims (including IBNR)	151,139	175,871
	Premium received in advance	-	-
	Premium due but unpaid	174,686	178,585
		<u>March 31,</u> 2014	<u>March 31,</u> 2013
		(Rupees in thousand)	
	Transactions during the period		
	Premium underwritten	207,965	164,481
	Premium collected	269,627	263,576
	Claims paid	17,744	18,695
	Assets purchased	2,851	2,008
	Rent received	1,273	1,188
	Rent paid	407	645
	Investments purchased	460,000	237,500
	Investments sold	295,079	238,035
	Expenses paid	303	95
	Donation	1,575	1,200
Post employment benefit plans	Transactions during the period		
	Expenses charged in respect of retirement benefit plans	3,083	2,873

The transactions were carried out at the arm's length in accordance with the policy of the company.

Contribution to and accruals in respect of staff retirement plans are made in accordance with actuarial valuation / terms of the contribution plan.

Remuneration to chief executive and certain executives were paid in accordance with the terms of their employment.

13. Segment reporting

The company has four primary business segments for reporting purpose namely fire and property damage, marine, aviation and transport, motor and miscellaneous.

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

	Fire & property damage		Marine, aviation & transport		Motor		Miscellaneous		Total	
	Mar. 31, 2014	Dec. 31, 2013	Mar. 31, 2014	Dec. 31, 2013	Mar. 31, 2014	Dec. 31, 2013	Mar. 31, 2014	Dec. 31, 2013	Mar. 31, 2014	Dec. 31, 2013
	(R u p e e s i n t h o u s a n d)									
Revenue										
Premiums earned	110,762	391,143	108,207	458,523	78,576	274,238	83,607	318,891	381,152	1,442,795
Segment Results	11,529	50,167	58,567	236,836	3,819	39,533	6,443	16,357	80,358	342,893
Investment income									68,791	246,399
Rental income									1,676	6,518
Other income									4,050	25,261
Financial Charges									(71)	(437)
General and administration expenses									(11,817)	(33,062)
									62,629	244,679
Profit before tax									142,987	587,572
Provision for tax									(33,257)	(131,599)
Net profit									109,730	455,973
Other Information										
Segment assets	348,568	315,998	340,528	370,431	247,279	221,552	263,111	257,627	1,199,486	1,165,608
Unallocated corporate assets									2,062,713	1,849,128
Consolidated total assets									3,262,199	3,014,736
Segment Liabilities	431,913	401,420	421,950	419,609	306,405	250,139	326,023	322,374	1,486,290	1,393,542
Unallocated corporate Liabilities									228,343	183,163
Consolidated total Liabilities									1,714,633	1,576,705

Capital expenditure and depreciation / amortisation have not been allocated as fixed assets to which they relate form part of unallocated assets.

14. Non - adjusting events after the balance sheet date

The Board of Directors recommended and the members approved at the Annual General Meeting held on April 10, 2014 a final dividend for the year ended December 31, 2013 of Rs. 5 (2012: Rs. 4) per share, amounting to Rs. 318,916 thousand (2012: Rs. 212,610 thousand). The Board also recommended and the members approved to transfer Rs. 77,000 thousand (2012: Rs. 43,000 thousand) to general reserves and stock dividend of Rs. 1 (2012: Rs. 2) per share, amounting to Rs. 63,783 thousand (2012: Rs. 106,305 thousand) to reserves for issue of bonus shares from accumulated reserves.

15. Date of authorization for issue

The condensed interim financial information was authorized for issue on April 23, 2014 by the Board of Directors.

16. General

Figures in these interim financial information have been rounded off to the nearest thousand rupees unless otherwise specified.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

COMPANY OFFICES**HEAD OFFICE**

3 Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX:	(042) 37320542, 37320543, 37310658, 37322271 37322273
	Fax:	(042) 37234742
ARSHAD P. RANA Chief Executive Officer	Direct:	(042) 37234812
	Fax:	(042) 37116260
NISAR ZAMAN KHAN Head of Marketing and Sales	Direct:	(042) 37358360
	Extension:	404
RASHID AMIN Chief Financial Officer	Direct:	(042) 37234757
	Extension:	403
QUDSIA NAHEED Vice President (Admin/HR)	Direct:	(042) 37245348
	Extension:	303
MUHAMMAD SAEED Vice President (Claims)	Direct:	(042) 37323270
	Extension:	304
ABDUL RAZZAQ GHAURI Vice President (IT)	Extension:	402
SALEEM MEHMOOD Chief Internal Auditor	Extension:	428

NORTH ZONE OFFICES & BRANCHES**LAHORE**

CH. TAYYAB HUSSAIN Circle Chief, Lahore Circle - I	City Branch 3 - Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	(042) 37212365-6, 37312858, 37312868, 37230558-9 Fax: (042) 37212367
MUHAMMAD MUNIR QAZI Chief Manager	Gulberg Branch Office No. 335, 3rd Floor, Land Mark Plaza, Jail Road, Lahore	(042) 35775733-4 Fax: (042) 35714514
MUHAMMAD IJAZ Chief Manager	Al-Noor Branch Al-Noor Building, 43-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	(042) 37358805 Fax: (042) 37237343
KH. MUHAMMAD NADEEM Branch Manager	Napier Road Branch Nairobi Mansion Napier Road, Lahore.	(042) 37352560 Fax: (042) 37358190

MUHAMMAD WASIM PURI Branch Manager	Mall Road Branch Hafeez Chambers, 85- Shahrah-e-Quaid-e-Azam, Lahore.	(042) 36305595, 36271663 Fax: (042) 36369576
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CH. ZEESHAN AHMED Branch Manager	Main Boulevard Branch Office No-6, 2nd Floor, Al-Hafeez View, 67-D/1, Sir Syed Road, Gulberg-III, Lahore	(042) 35784309, 37034673 Fax: (042) 35784310
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RAWALPINDI

MAHMOOD AHMED Chief Manager	101/13, Bank Road, Grand Hotel Building, P.O. Box 119, Rawalpindi.	(051) 5563413, 5516546 Fax: (051) 5798083
MANZAR ALI NAQVI Manager		

FAISALABAD

MUHAMMAD ASIF AKRAM Branch Manager	123-B, People's Colony No. 1, D - Ground, Faisalabad.	(041) 8721256, 8734176 Fax: (041) 8732499
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SIALKOT

REHAN NAZIR GHUMAN Branch Manager	Kutchery Road, Sialkot.	(052) 4264195, 4594520 Fax: (052) 4290095
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ISLAMABAD

AASIM MAJEED Deputy Chief Manager	Office No. 4, 4th Floor, Sector F-7/G-7 Channab Center, Jinnah Avenue, Blue Area, Islamabad.	(051) 2270629-30 Fax: (051) 2804115
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MULTAN

SAQIB MAQSOOD KHAN Chief Manager	Atlas Honda Building Azmat Wasti Road, Multan.	(061) 4544494 Fax: (061) 4786198
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SOUTH ZONE OFFICE

Ground Floor, Federation House, Abdullah Shah Ghazi Road, Main Clifton, Karachi.	PABX: Fax:	(021) 35378806-7 35369395-6 (021) 35378515
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ARSHAD P. RANA Chief Executive Officer	Direct:	(021) 35378757
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MUHAMMAD IMRAN Asst. Vice President (Non Motor)	Extension:	217
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MUHAMMAD AFZAL Company Secretary	Extension:	202
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SOUTH ZONE BRANCHES**KARACHI**

M. FAROOQ KANDLAWALA Circle Chief, Karachi Circle - I	Tower Branch State Life Building No. 7 Room No. 101, 1st Floor G. Allana Road, Karachi.	(021) 32316503, 32201471 Fax: (021) 32315248
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ABDUL AZIZ Chief Manager	Corporate Branch 1/10, Arkey Square, 1st Floor, Shahrah-e-Liaquat, Karachi	(021) 32421030, 32422911 Fax: (021) 32421387
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IMRAN SATTAR Chief Manager	Plaza Branch 3/3 Rimpa Plaza M.A. Jinah Road, Karachi.	(021) 32729339, 32720852 Fax: (021) 32749004
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INAYAT ULLAH Branch Manager	New Challi Barnch 1st Floor, Room No. 106-107, Rehmani Chamber, Altaf Hussain Road, Karachi.	(021) 32218286, 32218288 Fax: (021) 32218264
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AJAZ TUFAIL Branch Manager	NCB-II Branch Ground Floor, Federation House, Abdullah Shah Ghazi Road, Main Clifton, Karachi.	(021) 35378806-7 35369394-6 Fax: (021) 35378515
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HYDERABAD

ZAFAR AHMAD GHOURI Circle Chief, Hyderabad Circle	Plot No. 466, Mezzanine Floor, Al-Abbas Plaza, Saddar, Hyderabad.	(022) 2782659, 2782660 Fax: (022) 2786410
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SUKKUR

ABDUL MAJEED QURESHI Chief Manager	Near Public School, Military Road, Sukkur.	(071) 5631056 Fax: (071) 5631057
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