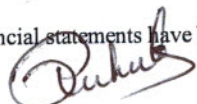


STATEMENTS OF FINANCIAL POSITION - DECEMBER 31, 2015

	Notes	THE GROUP		THE COMPANY	
		2015	2014	2015	2014
		Rs.	Rs.	Rs.	Rs.
ASSETS					
Non-current assets					
Property, plant and equipment	5	37,932,675	37,580,232	37,726,744	37,443,309
Investment property	6	74,250,000	74,250,000	18,250,000	18,250,000
Investment in subsidiary company	8	-	-	25,000,000	25,000,000
Statutory deposits	9	8,000,000	8,000,000	8,000,000	8,000,000
Investment in financial assets	10	32,953,393	43,295,339	32,953,393	43,295,339
Fixed deposits	11	261,050,000	273,000,000	260,250,000	273,000,000
Deferred tax assets	12	1,450,241	2,364,629	-	20,226
Loans to related parties	13	241,386	475,756	241,386	475,756
		<u>415,877,695</u>	<u>438,965,956</u>	<u>382,421,523</u>	<u>405,484,630</u>
Current assets					
Trade and other receivables	14	27,432,576	17,232,741	27,002,899	16,967,752
Receivables from subsidiary company		-	-	24,715	406,714
Investment in financial assets	10	5,000,000	2,000,000	5,000,000	2,000,000
Loans to related parties	13	255,274	267,336	255,274	267,336
Short-term deposits	11	71,615,000	54,615,000	71,615,000	54,615,000
Cash and cash equivalents	30(b)	34,631,968	34,312,529	34,309,760	33,614,554
		<u>138,934,818</u>	<u>108,427,606</u>	<u>138,207,648</u>	<u>107,871,356</u>
Total assets		Rs. <u>554,812,513</u>	<u>547,393,562</u>	<u>520,629,171</u>	<u>513,355,986</u>
EQUITY AND LIABILITIES					
Capital and Reserves (attributable to owners of the parent company)					
Share capital	16	25,000,000	25,000,000	25,000,000	25,000,000
Other reserves	17	1,918,799	4,771,313	1,918,799	4,771,313
Retained earnings		241,063,539	238,254,325	213,618,342	211,652,277
		<u>267,982,338</u>	<u>268,025,638</u>	<u>240,537,141</u>	<u>241,423,590</u>
Technical provisions					
Gross outstanding claims and IBNR	19(a)	163,686,410	153,704,752	163,686,410	153,704,752
Gross unearned premiums	19(b)	90,868,088	82,174,847	90,868,088	82,174,847
		<u>254,554,498</u>	<u>235,879,599</u>	<u>254,554,498</u>	<u>235,879,599</u>
Non-current liabilities					
Borrowings	20	114,071	1,252,411	114,071	1,252,411
Retirement benefit obligations	21	7,674,896	14,148,700	7,674,896	14,148,700
Deferred tax liabilities	12	7,163,852	7,042,666	866,557	-
		<u>14,952,819</u>	<u>22,443,777</u>	<u>8,655,524</u>	<u>15,401,111</u>
Current liabilities					
Trade and other payables	22	14,381,727	13,871,831	13,940,877	13,478,969
Current tax liabilities	23(a)	1,701,675	5,379,445	1,701,675	5,379,445
Borrowings	20	1,239,456	1,793,272	1,239,456	1,793,272
		<u>17,322,858</u>	<u>21,044,548</u>	<u>16,882,008</u>	<u>20,651,686</u>
Total equity and liabilities		Rs. <u>554,812,513</u>	<u>547,393,562</u>	<u>520,629,171</u>	<u>513,355,986</u>

These financial statements have been approved for issue by the Board of Directors on:

25 MAR 2016


Signature

Mohammad Alaoud Rehmutally
Name of Director


Signature

Abdool Rahman (Abdel)
Name of Director
Rehmutally

The notes on pages 12 to 64 form an integral part of these financial statements.
Auditors' report on pages 5 to 5(b).

STATEMENTS OF PROFIT OR LOSS - YEAR ENDED DECEMBER 31, 2015

	Notes	THE GROUP		THE COMPANY	
		2015	2014	2015	2014
		Rs.	Rs.	Rs.	Rs.
Gross premiums		171,992,019	157,508,333	171,992,019	157,508,333
Premium ceded to reinsurers		(10,469,347)	(8,553,511)	(10,469,347)	(8,553,511)
		161,522,672	148,954,822	161,522,672	148,954,822
Change in unearned premiums	19(b)	(8,693,241)	3,382,418	(8,693,241)	3,382,418
Net earned premiums		152,829,431	152,337,240	152,829,431	152,337,240
Gross claims paid	19(a)	101,456,064	89,298,194	101,456,064	89,298,194
Claims recovered		(24,288,417)	(14,710,739)	(24,288,417)	(14,710,739)
Movement in claims outstanding and IBNR	19(a)	9,981,658	(16,240,641)	9,981,658	(16,240,641)
Net claims incurred		87,149,305	58,346,814	87,149,305	58,346,814
Underwriting results		65,680,126	93,990,426	65,680,126	93,990,426
Commission receivable from reinsurers		3,304,532	1,793,349	3,304,532	1,793,349
Commission payable to agents		(8,289,127)	(7,658,932)	(8,289,127)	(7,658,932)
Net commissions payable		(4,984,595)	(5,865,583)	(4,984,595)	(5,865,583)
Underwriting surplus		60,695,531	88,124,843	60,695,531	88,124,843
Investment and interest income	24	22,162,387	23,923,591	21,077,268	22,961,287
Operating profit		82,857,918	112,048,434	81,772,799	111,086,130
Other income	25	6,019,844	10,983,718	5,981,044	10,970,118
		88,877,762	123,032,152	87,753,843	122,056,248
Administrative and other expenses	26(i)	(46,239,507)	(51,290,978)	(46,158,520)	(51,206,304)
Depreciation	26(ii)	(3,244,800)	(3,237,982)	(3,193,808)	(3,170,256)
Profit from operations		39,393,455	68,503,192	38,401,515	67,679,688
Finance costs	27	(149,232)	(296,902)	(149,232)	(296,902)
		39,244,223	68,206,290	38,252,283	67,382,786
Exceptional items	28	(28,645,122)	-	(28,645,122)	-
Profit before taxation	26	10,599,101	68,206,290	9,607,161	67,382,786
Taxation	23(b)	(4,289,887)	(11,623,947)	(4,141,096)	(11,290,183)
Profit for the year	Rs.	6,309,214	56,582,343	5,466,065	56,092,603

The notes on pages 12 to 64 form an integral part of these financial statements.

Auditors' report on pages 5 to 5(b).

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - YEAR ENDED
DECEMBER 31, 2015**

	Notes	THE GROUP		THE COMPANY	
		2015	2014	2015	2014
		Rs.	Rs.	Rs.	Rs.
Profit for the year		6,309,214	56,582,343	5,466,065	56,092,603
Other comprehensive income:					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
(Decrease)/increase in fair value of available- for-sale financial assets	17	(2,645,236)	685,530	(2,645,236)	685,530
Reclassification adjustments on disposal of financial assets	17	(149,644)	292,415	(149,644)	292,415
Reclassification adjustments on impairment of financial assets	17	(57,634)	-	(57,634)	-
Other comprehensive income, net of income tax		(2,852,514)	977,945	(2,852,514)	977,945
Total comprehensive income for the year	Rs.	3,456,700	57,560,288	2,613,551	57,070,548

The notes on pages 12 to 64 form an integral part of these financial statements.

Auditors' report on pages 5 to 5(b).

STATEMENTS OF CHANGES IN EQUITY - YEAR ENDED DECEMBER 31, 2015

THE GROUP	Note	Share capital Rs.	Revaluation surplus Rs.	Available-for-sale fair value reserve Rs.	Retained earnings Rs.	Total Rs.
Balance at January 1, 2015		25,000,000	4,260,120	511,193	238,254,325	268,025,638
Profit for the year		-	-	-	6,309,214	6,309,214
Other comprehensive income for the year		-	-	(2,852,514)	-	(2,852,514)
Total comprehensive income for the year		-	-	(2,852,514)	6,309,214	3,456,700
Dividends - 2015	29	-	-	-	(3,500,000)	(3,500,000)
Balance at December 31, 2015		25,000,000	4,260,120	(2,341,321)	241,063,539	267,982,338
Balance at January 1, 2014		25,000,000	4,260,120	(466,752)	184,171,982	212,965,350
Profit for the year		-	-	-	56,582,343	56,582,343
Other comprehensive income for the year		-	-	977,945	-	977,945
Total comprehensive income for the year		-	-	977,945	56,582,343	57,560,288
Dividends - 2014	29	-	-	-	(2,500,000)	(2,500,000)
Balance at December 31, 2014		25,000,000	4,260,120	511,193	238,254,325	268,025,638

The notes on pages 12 to 64 form an integral part of these financial statements.
Auditors' report on pages 5 to 5(b).

STATEMENTS OF CHANGES IN EQUITY - YEAR ENDED DECEMBER 31, 2015

THE COMPANY	Note	Share capital Rs.	Revaluation surplus Rs.	Available-for-sale fair value reserve Rs.	Retained earnings Rs.	Total Rs.
Balance at January 1, 2015		25,000,000	4,260,120	511,193	211,652,277	241,423,590
Profit for the year		-	-	-	5,466,065	5,466,065
Other comprehensive income for the year		-	-	(2,852,514)	-	(2,852,514)
Total comprehensive income for the year		-	-	(2,852,514)	5,466,065	2,613,551
Dividends - 2015	29	-	-	-	(3,500,000)	(3,500,000)
Balance at December 31, 2015		25,000,000	4,260,120	(2,341,321)	213,618,342	240,537,141
Balance at January 1, 2014		25,000,000	4,260,120	(466,752)	158,059,674	186,853,042
Profit for the year		-	-	-	56,092,603	56,092,603
Other comprehensive income for the year		-	-	977,945	-	977,945
Total comprehensive income for the year		-	-	977,945	56,092,603	57,070,548
Dividends - 2014	29	-	-	-	(2,500,000)	(2,500,000)
Balance at December 31, 2014		25,000,000	4,260,120	511,193	211,652,277	241,423,590

The notes on pages 12 to 64 form an integral part of these financial statements.

Auditors' report on pages 5 to 5(b).

STATEMENTS OF CASH FLOWS - YEAR ENDED DECEMBER 31, 2015

		THE GROUP		THE COMPANY	
	Notes	2015	2014	2015	2014
		Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities					
Cash generated from operations	30(a)	24,313,663	23,665,541	23,410,811	22,855,572
Interest paid		(149,232)	(296,902)	(149,232)	(296,902)
Tax paid	23(a)	(6,932,083)	(11,424,978)	(6,932,083)	(11,424,978)
Net cash generated from operating activities		17,232,348	11,943,661	16,329,496	11,133,692
Cash flows from investing activities					
Purchase of property, plant and equipment		(3,597,243)	(3,217,320)	(3,477,243)	(3,217,320)
Proceeds from sale of property, plant and equipment		-	256,000	-	256,000
Purchase of investment in financial assets	10	(8,539,166)	(14,848,924)	(8,539,166)	(14,848,924)
Proceeds from disposal of financial assets		3,297,642	9,814,914	3,297,642	9,814,914
Dividends received		770,478	2,039,006	770,478	2,039,006
Proceeds from maturity of deposits		49,000,000	44,000,000	49,000,000	44,000,000
Additions to deposits		(72,800,000)	(68,000,000)	(72,000,000)	(68,000,000)
Interest received		19,901,104	20,854,385	19,877,724	20,844,255
Repayment of loans to subsidiary company		-	-	381,999	344,340
Repayment of loans to related parties	13	246,432	2,766,816	246,432	2,766,816
Net cash used in investing activities		(11,720,753)	(6,335,123)	(10,442,134)	(6,000,913)
Cash flows from financing activities					
Finance lease principal payments		(1,013,088)	(2,122,580)	(1,013,088)	(2,122,580)
Dividends paid	29	(3,500,000)	(2,500,000)	(3,500,000)	(2,500,000)
Net cash used in financing activities		(4,513,088)	(4,622,580)	(4,513,088)	(4,622,580)
Increase in cash and cash equivalents	Rs.	998,507	985,958	1,374,274	510,199
Movement in cash and cash equivalents					
At January 1,		33,532,345	32,546,387	32,834,370	32,324,171
Increase		998,507	985,958	1,374,274	510,199
At December 31,	30(b)	34,530,852	33,532,345	34,208,644	32,834,370

The notes on pages 12 to 64 form an integral part of these financial statements.

Auditors' report on pages 5 to 5(b).