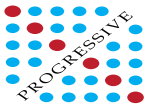


PROGRESSIVE INSURANCE COMPANY LTD.

Half Yearly Report

30th June, 2014



COMPANY INFORMATION

BOARD OF DIRECTORS

Nasir Munir Ahmed	Chairman
Syed Sabur Rehman	Director/CEO
Barrister Rashid Munir Ahmed	Director
Kifayat Hussain Kaifi	Director
Abdul Haleem	Director
Syed Ali Sarwar	Director
Aamir Pervaiz	Director

CHIEF EXECUTIVE

Syed Sabur Rehman

COMPANY SECRETARY

Rehan Ali

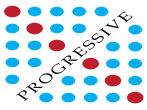
REGISTERED OFFICE

Office No.502-, 5th Floor

Park Avenue Building Block-6 PECHS

Shahrah-e-Faisal, Karachi.

Tel: 021-34551045.



DIRECTORS' REPORT

We are pleased to present the audited financial statements for the quarter ended 30th June 2014.

During the period under review non business was procured as the management is still in the process of revival of the company and will made soon.

We would like to thank for the courtesy and co-operation extended by all concerned.

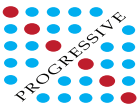
**For and on behalf of the
Board of Directors**

A handwritten signature in black ink, appearing to read "Syed Sabur Rehman", is written over a faint, circular stamp or watermark.

**Syed Sabur Rehman
Chief Executive Officer**

Place: Karachi.

Date:



REVIEW REPORT TO THE MEMBERS

We have reviewed the accompanying

- i. Condensed interim balance sheet;
- ii. Condensed interim profit and loss account;
- iii. Condensed interim statement of comprehensive income;
- iv. Condensed interim statement of changes in equity;
- v. Condensed interim cash flows statement;
- vi. Condensed interim statement of premiums;
- vii. Condensed interim statement of claims;
- viii. Condensed interim statement of expenses; and
- ix. Condensed interim statement of investment income

of Progressive Insurance Company Limited (“the company”) together with notes to the accounts for the six-month period then ended 30th June 2014 (here-in-after referred to as the “condensed interim financial information”). Management is responsible for the preparation and presentation of the condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim Financial Reporting. Our responsibility is to express a conclusion on the condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International standard on auditing applicable to review engagements. The standard requires that we plan and perform the review to obtain moderate assurance as to whether financial statements are free of material misstatements. A review is limited primarily to inquire of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.

Other Matters

The figures for the three months period ended 30th June 2014 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.

Date
Karachi

Muqtadir & Co
Chartered Accountants



PROGRESSIVE INSURANCE COMPANY LTD.

Condensed Interim Statement Of Financial Position

As at June 30, 2014 (Un-Audited)

		Un-Audited	Audited
		30-Jun	31st Dec.
		2014	2013
		(Amounts in Rupees)	
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised share capital		200,000,000	200,000,000
20,000,000 ordinary shares of Rs. 10 each			
Issued, subscribed and paid - up capital	6	161,500,000	161,500,000
Accumulated losses		(36,249,369)	(36,179,858)
		125,250,631	125,320,142
Underwriting Provisions			
Provision for outstanding claims (including IBNR)		4,128,773	4,128,773
Creditors and Accruals			
Amounts due to other insurers/reinsurers		12,986,660	12,986,660
Accrued expenses		140,758	96,559
Other creditors and accruals		378,373	378,373
Provision for taxation		744,660	744,660
		14,250,451	14,206,252
Other Liabilities			
Loan from Director		3,172,695	3,172,695
Unclaimed dividend		300,755	300,755
		3,473,450	3,473,450
Total Liabilities		21,852,674	21,808,475
		147,103,305	147,128,617
Contingencies and Commitments			
	4	-	-
ASSETS			
Cash and Bank Deposits			
Cash and other equivalent		44,991	43,991
Current and other accounts		73,997	99,620
Deposits (maturing within 12 months)		2,250,000	2,250,000
		2,368,988	2,393,611
Investments in Shares		956,513	920,765
Investment Property		111,865,000	111,865,000
Other Assests			
Amount due from other insurers/reinsurers		268,103	268,103
Accrued investment income		309,500	309,500
Advacne income tax		1,182,853	1,176,003
Sundry receivables		29,449,617	29,449,617
		31,210,073	31,203,223
Tangible Assets			
Property, plant and equipments		702,731	746,018
		702,731	746,018
Total Assets		147,103,305	147,128,617

The annexed notes form an integral part of these financial statements.

Chairman

Director

Director

Chief Executive

Condensed Interim Statement of Profit & Loss Account (Un-Audited)

For six months period ended 30 June 2014

INCOME	Quarter Ended				
	30-Jun 2014	30-Jun 2013	(Amounts in Rupees)		
	30-Jun 2014	30-Jun 2013	Marine	Fire and Aviation	Miscellaneous
			Note	Property and Transport	
Quarter Ended June 30, 2014					
Revenue Account	-	-	-	-	-
Net Premium Revenue	-	-	-	-	-
Administrative Surcharge	-	-	-	-	-
Net Claims	-	-	-	-	-
Expenses	-	-	-	-	-
Net Commission	-	-	-	-	-
Underwriting result	-	-	-	-	-
Profit on deposit	-	-	-	-	-
Dividend Income	594	-	-	-	-
General and administration Expenses	(40,569)	(59,309)	-	-	-
Capital gain/ (loss)	35,271	-	-	-	-
Bank charges	(11,555)	-	-	-	-
Profit/(Loss) before tax	(16,259)	(59,309)			
Six Months Ended June 30, 2014					
Revenue Account	-	-	-	-	-
Net Premium Revenue	-	-	-	-	-
Administrative Surcharge	-	-	-	-	-
Net Claims	-	-	-	-	-
Expenses	-	-	-	-	-
Net Commission	-	-	-	-	-
Underwriting result	-	-	-	-	-
Profit on deposit	44,914	39,949	-	-	-
Dividend Income	23,594	-	-	-	-
General and administration Expenses	(134,820)	(159,254)	-	-	-
Capital gain/ (loss)	8,356	(193,119)	-	-	-
Bank charges	(11,555)	(35)	-	-	-
Profit/(Loss) before tax	(69,511)	(312,458)			
Provision for taxation	-	-	-	-	-
Profit/(Loss) after tax	(69,511)	(312,458)			
Profit and loss Appropriation Account	-	-	-	-	-
Balance as at commencement of year	(36,179,858)	(34,985,026)	-	-	-
(Loss) before tax for the year	(69,511)	(312,458)			
Balance Unappropriated Profit/(Loss) at end of the year	(36,249,369)	(35,297,484)	-	-	-
(Loss) per share	(0.000)	(0.00)			

The annexed notes form an integral part of these financial statements.

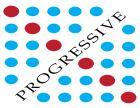


Chairman

Director

Director

Chief Executive



PROGRESSIVE INSURANCE COMPANY LTD.

Condensed Interim Cash Flow Statement (Un-Audited) For six months period ended 30 June 2014

	Un-Audited	
	30-Jun 2014	30-Jun 2013
	(Amounts in Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
a) Underwriting activities		
Premium received	-	-
Reinsurance premiums paid	-	-
Claims paid	-	-
Surrender Paid	-	-
Reinsurance and other recovered received	-	-
Commission paid	-	-
Commission received	-	-
Other underwriting payments.	-	-
Other underwriting receipts.	-	-
Net Cash Flow From Underwriting Activities	-	-
b) Other operating activities		
Income tax paid	(6,851)	(3,995)
General management expenses paid	(86,281)	(125,031)
Other operating payment	-	-
Other operating receipts	-	-
Loans advanced	-	-
Loans repayments received	-	-
Other payments on operating assets	-	-
Other receipts in respect of operating assets	-	-
Total Net Cash Flows From All Operating Activities	(93,132)	(129,026)
CASH FLOW FROM INVESTING ACTIVITIES		
Investment income	44,914	39,949
Dividend received	23,594	-
Rental received	-	-
Proceed from sale fixed assets	-	-
Proceed from sale shares	-	-
Purchased of shares	-	-
Total Cash Flow From Investing Activities	68,508	39,949
CASH FLOW FROM FINANCING ACTIVITIES		
Loans received	-	-
Loans repaid	-	(30,000)
Total cash flow from financing activities	-	(30,000)
Net cash inflow/(outflow) from all activities	(24,624)	(119,077)
Cash at the beginning of the year	2,393,611	2,430,405
Cash at the end of the year	2,368,988	2,311,329
RECONCILIATION TO THE PROFIT AND LOSS ACCOUNT		
Operating cash flows	(93,132)	(129,026)
Depreciation Expense	(43,286)	(49,758)
(Loss)/ Gain on disposal of Shares/Fixed Assets	8,356	(193,119)
Increase/ (decrease) in assets other than cash	6,851	3,995
(Increase)/ decrease in liabilities other than running finan	(16,809)	15,500
	-	-
	(138,020)	(352,408)
Other Adjustments		
Markup on deposits	44,914	39,949
Dividend income	23,594	-
	68,508	39,949
	(69,511)	(312,458)
Profit or loss other taxation		
Definition of Cash		
Cash in hand and at banks and with stamps in hand		
Cash and other Equivalent		
Cash in hand	44,991	19,101
Current and other accounts		
Current account	73,997	42,228
Deposits maturing within 12 months		
Fixed and term deposits	2,250,000	2,250,000
	2,368,988	2,311,329

The annexed notes form an integral part of these financial statements.

Chairman

Director

Director

Chief Executive



Condensed Interim Statement of Change in Equity (Un-Audited) For six months period ended 30 June 2014

(Amounts in Rupees)

Particulars	Share Capital	Revenue Reserves	Total
Balance as at December 31, 2012	161,500,000	(34,985,026)	126,514,974
Profit / (Loss) for the Six Month Period ended June 30,		(312,458)	
Balance as at June 30, 2013	161,500,000	(35,297,484)	126,202,516
Total Comprehensive Income/(Loss) for the nine months ended from July 01,2013 to December 31, 2013			
Profit/(loss) during the period		(882,375)	
Balance as at January 01, 2014	161,500,000	(36,179,858)	125,320,142
Profit/(loss) during the period		(69,511)	
Balance as at June 30, 2014	161,500,000	(36,249,369)	125,250,631

The annexed notes form an integral part of these financial statements.

Chairman

Director

Director

Chief Executive



**Condensed Interim Statement of Comprehensive Income (Un-Audited)
For six months period ended 30 June 2014**

COMPREHENSIVE INCOME	2014	2013
	(Amounts in Rupees)	
Net (loss) for the year	(69,511)	(312,458)
Other comprehensive income	-	-
Total Comprehensive (Loss) For The Year	(69,511)	(312,458)

The annexed notes form an integral part of these financial statements.

Chairman

Director



Director



Chief Executive



Condensed Interim Statement of Investment Income (Un-Audited) For six months period ended 30 June 2014

	30-Jun 2014	30-Jun 2013
INCOME FROM TRADING INVESTMENTS		
	(Amounts in Rupees)	
Gain /(Loss) on trading	-	-
Dividend Income	23,594	-
Dividend Income (earned while holding the securities)	23,594	-
Held to maturity		
Markup Income	44,914	39,949
Gain on sale of non-trading investments	-	-
Surplus of revaluation of investment	-	-
	44,914	39,949
Less Investment Related Expenses	-	-
	<u>68,508</u>	<u>39,949</u>

The annexed notes form an integral part of these financial statements.

Chairman

Director

Director

Chief Executive

Condensed Interim Statement of Claim (Un-Audited)

For six months period ended 30 June 2014

		Un-Audited		30-Jun		30-Jun				
Class	Claims paid	Outstanding claims		Claims expense	Re-insurance and other recoveries	Reinsurance and other recoveries in respect of outstanding claims		Re-insurance and other recoveries	2014 Net claims Expense	2013 Net claims Expense
		Opening	Closing			Opening	Closing			
Direct and facultative										
1. Fire and Property Damage
2. Marine, Aviation and Transport
3. Motor
4. Miscellaneous
Total

The annexed notes form an integral part of these financial statements.



Director



Chief Executive

Director

Chairman

Condensed Interim Statement of Premium (Un-Audited)

For the six months period ended 30 June 2014

Un-Audited

30-Jun 30-Jun

Class	Premium written	Unearned premium reserves		Premium earned	Re insurance ceded	Reinsurce Prepaid ceded	Premium ceded	Re-insurance expense	2014 Net Premiums	2013 Net Premiums
		Opening	Closing							
(Amounts in Rupees)										
Direct and facultative										
1. Fire and Property Damage	-	-	-	-	-	-	-	-	-	-
2. Marine, Aviation and Transport	-	-	-	-	-	-	-	-	-	-
3. Motor	-	-	-	-	-	-	-	-	-	-
4. Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

The annexed notes form an integral part of these financial statements.



Chairman

Director

Director

Chief Executive

Condensed Interim Statement of Expenses (Un-Audited)

For six months period ended 30 June 2014

Un-Audited

30-Jun 30-Jun

Class	Commissions paid or payable	Opening deferred commission	Closing Deferred commission	Net commission expenses	Other management expenses	Underwriting expense	Commissions from insurers	2014 Net	2013 Net
								Underwriting expense	Underwriting expense
(Amounts in Rupees)									
Direct and facultative									
1. Fire and Property Damage
2. Marine, Aviation and Transport
3. Motor
4. Miscellaneous
Total

The annexed notes form an integral part of these financial statements.



Chairman



Director

Director

Chief Executive



**NOTES TO THE ACCOUNTS
FOR THE HALF YEAR ENDED 30th JUNE, 2014**

1. STATUS AND NATURE OF BUSINESS

The Company was incorporated as a Public Limited Company in 1987 under the Companies Ordinance, 1984 and is quoted on Pakistan Stock Exchange, Karachi. The company is engaged in providing general insurance services in shape of fire, marine, motor and miscellaneous. The registered office of the company is situated at 504, park avenue 24-A Block-6 P.E.C.H.S sharah-e-faisal Karachi.

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENT

This condensed financial information is unaudited and is being submitted to the members in accordance with the listing regulations of Pakistan Stock Exchange and section 237 of the Companies Act, 2017 and being presented in condensed form in accordance with the requirements of the approved accounting standard “International Accounting Standard - Interim Financial Reporting (IAS-34)” as applicable in Pakistan and in the format prescribed by Insurance Division of Securities and Exchange Commission of Pakistan (SECP) through the Insurance Rules, 2017, and the Insurance Accounting Regulations, 2017.

This interim financial information does not include all the information and disclosures required in the financial statements, and should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2013.

3. ACCOUNTING POLICIES

The accounting policies used are consistent with those used in the audited financial statements as of 31st December, 2013

4. CONTINGENCIES AND COMMITMENT

Status of contingencies and commitments remained unchanged as disclosed in the financial statements as of 31st December, 2013

5. GENERAL

Figures in these financial statements have been rounded off to the nearest rupees.

6. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

30 th June 2014 Rupees	30 th June 2013 Rupees
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5,000,000	Ordinary Shares of Rs. 10/- each paid in cash	50,000,000	50,000,000
11,150,000	Ordinary Shares of Rs. 10/- each paid in other than cash	11,150,000	11,150,000

161,500,000

161,500,000

161,500,000

Chairman

Director

Director

Chief Executive