

QUARTERLY REPORT

Serving
Reliably



Reliance Insurance Company Limited
Quarter Ended March 31, 2016 (Un-Audited)

www.jamapunji.pk















 **Jama
Punji**
سرمایہ کاری سمجھداری کے ساتھ



**Be aware, Be alert,
Be safe**

Learn about investing at
www.jamapunji.pk

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered
-  Online Quizzes
-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event notifications, corporate and regulatory actions)
-  Jamapunji application for mobile device



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices



Contents

02	Company Information
03	Director's Report
04	Condensed Interim Balance Sheet
06	Condensed Interim Profit & Loss Account
07	Condensed Interim Statement of Comprehensive Income
08	Condensed Interim Statement of Changes in Equity
09	Condensed Interim Statement of Cash Flow
11	Condensed Interim Statement of Premiums
12	Condensed Interim Statement of Claims
13	Condensed Interim Statement of Expenses
14	Condensed Interim Statement of Investment Income
15	Notes to the Condensed Interim Financial Statements
18	Offices

Company Information

BOARD OF DIRECTORS

CHAIRMAN
ISMAIL H. ZAKARIA

DIRECTORS

A. AZIZ AYOOB
IRFAN ZAKARIA BAWANY
MUHAMMAD OMER BAWANY
ZOHAIK ZAKARIA
AHMED ALI BAWANY
NOOR M. ZAKARIA
YASIN SIDDIK
ABDUL JABBAR
HAMZA OMER BAWANY

CHIEF EXECUTIVE & MANAGING DIRECTOR

A. RAZAK AHMED

CHIEF ACCOUNTANT AND COMPANY SECRETARY

HAROON A. SHAKOOR

AUDIT COMMITTEE

ABDUL JABBAR	CHAIRMAN
IRFAN ZAKARIA BAWANY	MEMBER
ZOHAIK ZAKARIA	MEMBER

INVESTMENT COMMITTEE

IRFAN ZAKARIA BAWANY	CHAIRMAN
ZOHAIK ZAKARIA	MEMBER
AHMED ALI BAWANY	MEMBER
A. RAZAK AHMED	MEMBER

HUMAN RESOURCE & REMUNERATION COMMITTEE

ZOHAIK ZAKARIA	CHAIRMAN
IRFAN ZAKARIA BAWANY	MEMBER
A. RAZAK AHMED	MEMBER

CREDIT RATING

A (SINGLE A) BY JCR-VIS
OUTLOOK "POSITIVE"

AUDITORS

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

LEGAL ADVISOR

ABDUL SATTAR PINGAR

BANKERS

HABIB BANK LIMITED
MCB BANK LIMITED
ALLIED BANK LIMITED
STANDARD CHARTERED BANK (PAKISTAN) LIMITED
BANK ALFALAH LIMITED
NATIONAL BANK OF PAKISTAN
UNITED BANK LIMITED
THE BANK OF PUNJAB
FAYSAL BANK LIMITED
HABIB METROPOLITAN BANK LIMITED
NIB BANK LIMITED
JS BANK LIMITED

REGISTERED OFFICE

96-A, Sindhi Muslim Co-operative
Housing Society, Karachi.

HEAD OFFICE

Reliance Insurance House,
181-A, Sindhi Muslim Co-operative Housing
Society,
P. O . Box No. 13356,
Karachi-74400.
Phone : 34539415-17
Fax : 92-21-34539412
E-mail : reli-ins@cyber.net.pk
ric-re@cyber.net.pk.
Website: www.relianceins.com

SHARES REGISTRAR

M/s. C&K Management Associates (Pvt.) Ltd.
404-Trade Tower, Abdullah Haroon Road,
Near Hotel Metropole, Karachi-75530.
Tel: (021) 35687839 & 35685930

DIRECTOR'S REPORT

The Shareholders,
Reliance Insurance Company Limited,

Your Directors are pleased to present before you the un-audited Accounts for the First quarter ended March 31, 2016. During the period under review by the grace of ALLAH, your Company has been able to underwrite a Gross Premium of Rs.271.605 million as compared to last year's First Quarter Premium of Rs.253.516 million – showing an increase of 7.14%, while Net Premium Income increased from Rs.80.065 million to Rs.83.304 million – showing an increase of 4.05% over the previous year. Net claims incurred have decreased from Rs.20.112 million to Rs.18.470 million showing a decrease of 8.16% over the corresponding period of last year.

Investment income has shrunk from Rs.32.660 million to Rs.(8.032) million, compared with the previous year due to lesser unrealized / capital gain recorded and also reduction in dividend income owing to changes in withholding tax laws.

Profit before tax stood at Rs.1.924 million compared to Rs.39.670 million of last year. Earnings per share stood at Rs.(0.07) against Rs.0.75 of the previous year.

We are confident that investment income loss would hopefully recover and turn into positive in the future as share prices have started showing improvement.

Your Management looks forward to the future with confidence and is optimistic that the economic scenario would improve in view of the government's firm resolve of tackling the energy crisis and improving the law and order situation in the country.

By order of the Board



A. RAZAK AHMED
Chief Executive & Managing Director

Karachi: 30th April, 2016.

Condensed Interim Balance Sheet (Un Audited)

As At March 31, 2016

	Notes	(Un Audited) Mar 31, 2016 (Rupees)	(Audited) Dec 31, 2015
SHARE CAPITAL AND RESERVES			
Authorised share capital (75,000,000 Ordinary Shares of Rs.10/-- each)		750,000,000	750,000,000
Paid-up share capital	9	463,977,560	463,977,560
Retained earnings		118,680,725	122,057,137
Reserves		200,000,000	200,000,000
		782,658,285	786,034,697
UNDERWRITING PROVISIONS			
Provision for outstanding claims (including IBNR)		302,425,108	339,587,215
Provision for unearned premium		494,678,503	497,328,528
Commission income unearned		31,608,447	31,285,884
TOTAL UNDERWRITING PROVISIONS		828,712,058	868,201,627
CREDITORS AND ACCRUALS			
Amounts due to other insurers/reinsurers		60,275,573	39,017,810
Accrued expenses		2,025,870	3,512,989
Taxation - provision less payments		6,519,433	2,376,372
Other Creditors and Accruals		42,614,237	66,167,601
		111,435,113	111,074,772
OTHER LIABILITIES			
Unclaimed dividend		1,250,053	1,250,296
TOTAL EQUITY AND LIABILITIES		1,724,055,509	1,766,561,392
CONTINGENCIES AND COMMITMENTS			
	10		

The annexed notes from 1 to 15 form an integral part of these financial statements.

Condensed Interim Balance Sheet (Un Audited)


As At March 31, 2016

FORM GA

	(Un Audited) Mar 31, 2016	(Audited) Dec 31, 2015
Notes	(Rupees)	
CASH AND BANK DEPOSITS		
Cash and other equivalent	1,508,909	366,753
Current and other accounts	112,016,382	106,504,735
Deposit maturing within 12 months	26,462,358	27,055,673
	139,987,649	133,927,161
LOANS (secured)		
To employees	1,327,880	1,418,155
INVESTMENTS		
	11 636,654,727	653,669,592
CURRENT ASSETS-OTHERS		
Premiums due but unpaid	187,395,389	190,636,360
Amounts due from other insurers/reinsurers	7,901,299	10,057,564
Accrued investment income	6,738,765	1,772,710
Reinsurance recoveries against outstanding claims	255,645,700	287,126,238
Deferred commission expense	57,102,093	57,701,546
Prepaid reinsurance premium ceded	348,387,796	347,277,795
Trade deposits and prepayments	1,370,279	1,804,259
Sundry receivables	913,839	427,173
	865,455,160	896,803,645
FIXED ASSETS		
Tangible		
Land and buildings	8,985,205	9,215,595
Furniture, fixtures and office equipment	5,988,504	5,736,929
Motor vehicles	65,656,384	65,790,315
	80,630,093	80,742,839
TOTAL ASSETS	1,724,055,509	1,766,561,392



Ismail H. Zakaria
Chairman



A. Aziz Ayoob
Director



Mohammad Omer Bawany
Director



A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Condensed Interim Profit & Loss Account (Un Audited)

Financial Period Ended March 31, 2016

FORM GB

	Fire & Property	Marine Aviation & Transport	Motor	Misc.	2016 Aggregate	2015 Aggregate
(Rupees)						
Revenue Account						
Net Premium Revenue	26,973,567	16,262,093	37,276,215	2,792,527	83,304,402	80,065,483
Net Claims	(3,323,595)	(2,187,656)	(12,910,089)	(49,154)	(18,470,494)	(20,111,939)
Expenses	(9,167,254)	(5,526,846)	(12,668,719)	(949,070)	(28,311,889)	(27,754,652)
Net Commission	(7,948,965)	(3,351,730)	(3,717,901)	45,855	(14,972,741)	(14,602,867)
Underwriting result	6,533,753	5,195,861	7,979,506	1,840,158	21,549,278	17,596,025
Investment Income					(8,032,167)	32,659,948
Other Income (Profit on Sale of Fixed Assets)					175,490	556,176
General and administration expenses					(11,769,013)	(11,141,384)
Profit before tax					1,923,588	39,670,765
Provision for Taxation :Current					(5,300,000)	(5,000,000)
(Loss) / Profit after tax					(3,376,412)	34,670,765
Profit and Loss Appropriation Account						
Balance at Commencement of the year					122,057,137	141,760,248
(Loss) / Profit after tax for the period					(3,376,412)	34,670,765
Balance Unappropriated profit at the end of period					118,680,725	176,431,013
Earnings per Share - Basic and Diluted (Note No. 13)					(0.07)	0.75

The annexed notes from 1 to 15 form an integral part of these financial statements.



Ismail H. Zakaria
Chairman



A. Aziz Ayoob
Director



Mohammad Omer Bawany
Director



A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Condensed Interim Statement of Comprehensive Income (Un Audited)

Financial Period Ended March 31, 2016

	2016 ————— (Rupees)	2015 —————
(loss) / Profit after tax	(3,376,412)	34,670,765
Other comprehensive income	-	-
Total comprehensive (loss) / income for the quarter	<u>(3,376,412)</u>	<u>34,670,765</u>

The annexed notes from 1 to 15 form an integral part of these financial statements.



Ismail H. Zakaria
Chairman



A. Aziz Ayoob
Director



Mohammad Omer Bawany
Director



A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Condensed Statement of Changes in Equity (Un Audited)

Financial Period Year Ended March 31, 2016

	Share capital	General reserves	Unappropriated profit	Total
	(Rupees)			
Balance as at January 01, 2015	403,458,750	180,000,000	141,760,248	725,218,998
Total comprehensive income for the period			34,670,765	34,670,765
	-	-	-	-
Balance as at March 31, 2015	<u>403,458,750</u>	<u>180,000,000</u>	<u>176,431,013</u>	<u>759,889,763</u>
Balance as at January 01, 2016	463,977,560	200,000,000	122,057,137	786,034,697
Total comprehensive loss for the period	-	-	(3,376,412)	(3,376,412)
Balance as at March 31, 2016	<u>463,977,560</u>	<u>200,000,000</u>	<u>118,680,725</u>	<u>782,658,285</u>


Ismail H. Zakaria
Chairman


A. Aziz Ayoob
Director


Mohammad Omer Bawany
Director


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Condensed Interim Statement of Cash Flows (Un Audited)

Financial Period Year Ended March 31, 2016

	January to March	
	2016	2015
	(Rupees)	
Operating Cash Flow		
a) Underwriting activities		
Premium received	274,238,620	227,316,473
Reinsurance premium paid	(168,646,745)	(159,874,960)
Claims paid	(63,883,140)	(47,843,982)
Reinsurance and other recoveries received	39,731,077	27,090,257
Commission paid	(30,112,349)	(26,235,636)
Commission received	16,669,124	13,434,177
Net cash inflow from underwriting activities	67,996,587	33,886,329
b) Other operating activities		
Income tax paid	(1,156,939)	(1,144,008)
General and management expenses paid	(28,311,889)	(27,754,652)
Other operating payments	(8,793,133)	(8,195,491)
Loans advanced / repayment received	90,275	115,700
Other payments on operating assets	(25,040,483)	(12,049,989)
Other receipts in respect of operating assets	(52,686)	(652,422)
Net cash (outflow) / inflow from other operating activities	(63,264,855)	(49,680,862)
Total cash from all operating activities	4,731,732	(15,794,533)
Investment activities		
Interest / Dividend received	8,363,775	10,462,629
Payments for Investments	(131,045,331)	(1,170,635)
Proceeds from disposal of investments	126,698,199	853,286
Fixed Capital Expenditures	(3,041,644)	(148,500)
Proceeds from disposal of fixed assets	354,000	1,250,000
Total cash inflow / (outflow) from Investing activities	1,328,999	11,246,780

Condensed Interim Statement of Cash Flows (Un Audited)

Financial Period Year Ended March 31, 2016

	January to March	
	2016	2015
	(Rupees)	
Financing activities		
Unclaimed Dividend paid	(243)	(10,950)
Total cash outflow from financing activities	<u>(243)</u>	<u>(10,950)</u>
Net cash Inflow/outflow from all activities	6,060,488	(4,558,703)
Cash & cash equivalent at the beginning of the year	133,927,161	104,499,172
Cash & cash equivalent at the end of the period	<u>139,987,649</u>	<u>99,940,469</u>
Reconciliation to profit and loss Account		
Operating cash flow	4,731,732	(15,794,533)
Depreciation expense	(2,975,880)	(2,945,893)
Profit/(loss) on disposal of fixed assets	175,490	556,176
Increase/(decrease) in assets other than cash	(36,404,815)	35,853,838
(Increase)/decrease in liabilities other than running finance	39,129,228	(15,658,771)
Investment Income	(8,032,167)	32,659,948
(Loss) / Profit after tax as per profit & loss account	<u>(3,376,412)</u>	<u>34,670,765</u>
Definition of Cash		
Cash in hand and at Bank, Stamps in hand and short term placements with banks cash for the purposes of the Statement of Cash Flows Consists of:		
Cash and Equivalents	1,508,909	1,305,647
Current and other account	112,016,382	72,650,658
Deposits Maturing Within 12 Month	26,462,358	25,984,164
	<u>139,987,649</u>	<u>99,940,469</u>
	<u>139,987,649</u>	<u>99,940,469</u>

The annexed notes from 1 to 15 form an integral part of these financial statements.



Ismail H. Zakaria
Chairman



A. Aziz Ayoob
Director



Mohammad Omer Bawany
Director



A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Condensed Interim Statement of Premiums (Un Audited)

Financial Period Ended March 31, 2016

Business underwritten inside Pakistan.

Class	Premium written		Unearned Premium reserve		Premium earned	Reinsurance ceded		Prepaid Reins Premium ceded		Reinsurance expenses	2016 Net Premium revenue	2015 Net Premium revenue
	Opening	Closing	Opening	Closing		Opening	Closing	Opening	Closing			
	Rupees											
Direct and facultative												
Fire and Property Damage	70,588,196	157,048,423	157,021,245	70,615,374	45,614,610	102,426,426	104,399,229	43,641,807	27,214,201			
Marine, Aviation and Transport	155,605,284	244,618,344	242,755,739	157,467,889	140,299,907	235,739,017	234,833,128	141,205,796	14,561,073			
Motor	37,033,223	83,763,620	82,898,124	37,898,719	649,688	1,675,452	1,702,636	622,504	36,244,887			
Miscellaneous	8,378,446	11,898,141	12,003,395	8,273,192	5,496,568	7,436,900	7,452,803	5,480,665	2,045,322			
Grand total	271,605,149	497,328,528	494,678,503	274,255,174	192,060,773	347,277,795	348,387,796	190,950,772	83,304,402	80,065,483		

The annexed notes from 1 to 15 form an integral part of these financial statements.


Ismail H. Zakaria
Chairman


A. Aziz Ayoob
Director


Mohammad Omer Bawany
Director


A. Razak Ahmed
Chief Executive & Managing Director

Condensed Interim Statement of Claims (Un Audited)

Financial Period Ended March 31, 2016

Business underwritten inside Pakistan.

FORM GE

Class	Claims paid		Outstanding claims		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2016 Net Claims expenses	2015 Net Claims expenses
	Opening	Closing	Opening	Closing			Opening	Closing			
	Rupees										
Direct and facultative											
Fire and Property Damage	41,615,475	157,715,174	125,127,117	9,027,418	32,205,573	134,707,651	108,205,901	5,703,823	3,323,595	2,583,085	
Marine, Aviation and Transport	8,900,149	163,584,229	159,252,067	4,567,987	7,076,021	149,692,039	144,996,349	2,380,331	2,187,656	2,831,499	
Motor	12,815,800	15,042,091	15,136,380	12,910,089	-	401,388	401,388	-	12,910,089	14,425,233	
Miscellaneous	551,716	3,245,721	2,909,544	215,539	449,483	2,325,160	2,042,062	166,385	49,154	272,122	
Grand Total	63,883,140	339,587,215	302,425,108	26,721,033	39,731,077	287,126,238	255,645,700	8,250,539	18,470,494	20,111,939	

The annexed notes from 1 to 15 form an integral part of these financial statements.



Ismail H. Zakaria
Chairman



A. Aziz Ayooob
Director



Mohammad Omer Bawany
Director



A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Condensed Interim Statement of Expenses (Un Audited)

Financial Period Ended March 31, 2016

Business underwritten inside Pakistan

Class	FORM GF								
	Commissions paid or payable a	Opening Deferred commission b	Closing Deferred commission c	Net commission Expense d=a+b-c	Other Management Expenses c	Underwriting Expenses f=d+e	Commission from reinsurers g	2016 Net underwriting expense h=f-g	2015 Net underwriting expense
Rupees									
Direct and facultative									
Fire and Property Damage	18,189,150	40,958,881	40,983,079	18,164,952	9,167,254	27,332,206	10,215,987	17,116,219	17,400,580
Marine, Aviation and Transport	7,359,161	4,167,225	3,630,365	7,896,021	5,526,846	13,422,867	4,544,291	8,878,576	7,963,293
Motor	3,609,714	10,470,452	10,362,265	3,717,901	12,668,719	16,386,620	-	16,386,620	16,083,601
Miscellaneous	1,561,824	2,104,988	2,126,384	1,540,428	949,070	2,489,498	1,586,283	903,215	910,045
Grand Total	30,719,849	57,701,546	57,102,093	31,319,302	28,311,889	59,631,191	16,346,561	43,284,630	42,357,519

The annexed notes from 1 to 15 form an integral part of these financial statements.


Ismail H. Zakaria
Chairman


A. Aziz Ayoob
Director


Mohammad Omer Bawany
Director


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Condensed Interim Statement of Investment Income (Un Audited)

Financial Period Ended March 31, 2016


FORM GG

	2016	2015
	(Rupees)	
Income from Non-Trading Investments		
Held to maturity		
Return on Government Securities	1,677,531	4,087,764
Return on other fixed income, securities and deposits	444,385	308,024
	2,121,916	4,395,788
Available for sale		
Dividend Income	364,900	18,329
Gain on sale of Available for sale investment	4,381,532	-
(Impairment)/Impairment reversal	(1,324,734)	(509,075)
	3,421,698	(490,746)
Income from Trading Investments		
Held for Trading		
Dividend Income	10,844,706	11,177,592
Gain on sale of Investments	-	49,620
Unrealized (loss) / gain on held for trading Investments	(24,418,795)	17,533,522
	(13,574,089)	28,760,734
less: Investment related expenses	(1,692)	(5,828)
Net Investment Income transferred to P&L A/c.	(8,032,167)	32,659,948

The annexed notes from 1 to 15 form an integral part of these financial statements.


Ismail H. Zakaria
Chairman


A. Aziz Ayoob
Director


Mohammad Omer Bawany
Director


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Financial Period Ended March 31, 2016

1. STATUS AND NATURE OF BUSINESS

Reliance Insurance Company Limited (the Company) was incorporated in Pakistan as a public limited company on November 4, 1981 and is engaged in general insurance business. The shares of the Company are quoted on Stock Exchanges of Karachi and Lahore. The registered office of the Company is situated at 96-A, Sindhi Muslim Co-operative Housing Society, Karachi.

2. BASIS OF PRESENTATION

2.1 This condensed interim financial information is presented in condensed form in accordance with the requirements of International Accounting Standard 34 "Interim Financial Reporting".

The disclosures made in this condensed interim financial information have been limited based on the formats prescribed by the Insurance Rules, 2002 and approved accounting standards as applicable in Pakistan for interim financial reporting.

This condensed interim financial information do not include all of the information required for full financial statements and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2015.

2.2 This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3. BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or amortized cost as applicable.

This condensed interim financial information has been prepared under the accrual basis of accounting except for cash flow information.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of this condensed interim financial information are in line with the audited annual accounts for the year ended December 31, 2015.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2015.

6. TAXATION

The provision for taxation for the period ended March 31, 2016 has been made using the estimated effective tax rate applicable to expected total annual earnings.

7. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common directors, major shareholders and key management personnel. The transactions with related parties are carried out at commercial terms & conditions. The period end balances and transactions with related parties are as follows:

	March 31, 2016	March 31, 2015
	(Rupees)	
Premium underwritten	5,395,553	7,807,943
Premium collected	20,541,961	7,998,050
Claims paid	13,226,902	1,093,409
Dividend received	-	18,329
Premium due but unpaid	40,945,325	44,591,380
Provision for outstanding claims	11,360,419	29,289,855
Key management personnel	5,927,061	5,156,986
Staff retirement benefits	623,138	578,649

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Financial Period Ended March 31, 2016

8. OPERATING FIXED ASSETS AND DEPRECIATION

These are stated at cost less accumulated depreciation. Depreciation is charged to profit and loss account using the reducing balance method.

Depreciation on assets is charged from the month of addition while no depreciation is charged for the year in which assets are disposed off.

Maintenance and repairs are charged to profit and loss account as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

9. SHARE CAPITAL

Issued, subscribed and paid up capital

March 31, 2016	December 31, 2015		March 31, 2016	December 31, 2015
(Number of shares)				
1,156,680	1,156,680	Ordinary shares of Rs.10 each issued as fully paid in cash	11,566,800	11,566,800
45,241,076	45,241,076	Ordinary shares of Rs.10 each issued as fully paid bonus shares	452,410,760	452,410,760
<u>46,397,756</u>	<u>46,397,756</u>		<u>463,977,560</u>	<u>463,977,560</u>

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

- The Additional Commissioner of Inland Revenue (FBR) have issued show cause notices and orders under section 122(5A) of the Income Tax Ordinance, 2001 (The Ordinance) related to preceding tax year, by initiating the concept of single/one basket income to insurance industry, i.e., clubbing all other sources of income (e.g. dividend and rental income) into business income for charging the business rate of tax under Fourth Schedule of the Ordinance. Currently, the case is before Commissioner Appeal (FBR) for hearing. The Company has not made provision in this regard with consultation of tax advisor as it is confident that the case will be decided in the Company's favor.
- An aviation claim has been reported on November 3, 2015. Investigations are underway and loss adjustors have not yet established liability. Should this loss be considered payable at any later stage, a maximum gross reserve of Rs. 550.000 million would arise. The impact on the Company's net account would be Rs. 2.500 million and the rest would be recoverable under fronting arrangements as per agreed terms.

10.2 Commitments

There are no commitments as at the balance sheet date.

Note	March 31, 2016	December 31, 2015
	(Rupees)	

11. INVESTMENTS

The investments comprise of the following:

Held to maturity	11.1	85,687,959	86,104,626
Available for sale		187,092,061	178,364,029
Less: Provision for impairment		(4,728,297)	(3,403,562)
Held for trading	11.2	182,363,764	174,960,467
		368,603,004	392,604,499
		<u>636,654,727</u>	<u>653,669,592</u>

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Financial Period Ended March 31, 2016

11.1 Pakistan Investment Bonds with market value to Rs. 16.908 million (2015: Rs. 16.908 million) and GOP Ijara Sukuk Bonds with market value to Rs. 34.764 million (2015: Rs. 34.764 million) are placed with State Bank of Pakistan under section 29 of Insurance Ordinance, 2000.

11.2 Market value of investments in shares and securities (AFS) as at March 31, 2016 was Rs. 187.459 million (December 31, 2015: Rs.182.406 million).

12. SEGMENT REPORTING

Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirements of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following table presents information regarding segment assets, liabilities as at March 31, 2016 and March 31, 2015, unallocated capital expenditure and non-cash expenses during the years:

	Fire & property		Marine		Motor		Misc		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
In Rupees										
SEGMENT ASSETS										
Segment assets	<u>165,241,960</u>	<u>178,119,120</u>	<u>99,622,720</u>	<u>95,303,386</u>	<u>228,356,703</u>	<u>237,225,681</u>	<u>17,107,216</u>	<u>13,386,796</u>	<u>510,328,599</u>	<u>524,034,983</u>
Unallocated corporate assets									<u>1,213,726,910</u>	<u>1,122,227,585</u>
Consolidated corporate assets									<u>1,724,055,509</u>	<u>1,646,262,568</u>
SEGMENT LIABILITIES										
Segment liabilities	<u>304,415,158</u>	<u>300,971,904</u>	<u>183,528,846</u>	<u>161,036,286</u>	<u>420,687,590</u>	<u>400,845,598</u>	<u>31,515,577</u>	<u>22,619,972</u>	<u>940,147,171</u>	<u>885,473,760</u>
Unallocated corporate liabilities									<u>1,250,053</u>	<u>899,045</u>
Consolidated corporate liabilities									<u>941,397,224</u>	<u>886,372,805</u>
CAPITAL EXPENDITURE										
Unallocated capital expenditure									<u>3,041,644</u>	<u>148,500</u>
Consolidated capital expenditure									<u>3,041,644</u>	<u>148,500</u>
Unallocated depreciation									<u>2,975,880</u>	<u>2,945,893</u>

	March 31, 2016	March 31, 2015
	(Rupees)	

13. EARNINGS PER SHARE - BASIC AND DILUTED

(Loss) / Profit after tax	<u>(3,376,412)</u>	<u>34,670,765</u>
Weighted average number of shares during the period	<u>46,397,756</u>	<u>46,397,756</u>
Earnings per share - Rupees	<u>(0.07)</u>	<u>0.75</u>

13.1 No figures for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

13.2 Earnings per share for the comparative period has been restated on account of issuance of bonus share as per IAS 33 "Earnings per share".

14. DATE OF AUTHORIZATION FOR ISSUE

This condensed financial information has been authorized for issue on 30th April 2016 by the Board of Directors of the Company.

15. GENERAL

Figures have been rounded off to the nearest rupee.


Ismail H. Zakaria
Chairman


A. Aziz Ayoob
Director


Mohammad Omer Bawany
Director


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 30th April, 2016

Offices

Head Office

“Reliance Insurance House”
181-A, Sindhi Muslim Co-operative
Housing Society,
Karachi.

PABX : 34539415-17
Fax : 34539412
E-mail : reli-ins@cyber.net.pk.
ric-re@cyber.net.pk.
www.relianceins.com

Mr. A. Razak Ahmed
Chief Executive & Managing Director

Direct : 34539413, 34539414
Extension : 204

Mr. Haroon A. Shakoor
Chief Accountant &
Company Secretary

Direct : 34539409
Extension : 203

Mr. Syed Rizwan Akhtar
Executive Vice President (Operations)

Direct : 34304067
Extension : 210

Mr. M. Amin Bawany
Vice President (Marine & Accident)

Direct : 34557079
Extension : 201

Mr. Muhammad Ishaque Azim
Vice President (Fire)

Direct : 34304068
Extension : 212

Mr. Sadruddin Hussain
Vice President (Claims)

Direct : 34550403
Extension : 208

Mr. Ghulam Mujaddid
Chief Manager (Accounts)

Extension : 205

Mr. Abdul Rahim Patni
Deputy Chief Manager (Reinsurance)

Direct : 34539411
Extension : 215

Mr. Muhammad Saleem Memon
Deputy Chief Manager (Investment/shares)

Extension : 214

Mr. Muhammad Masood Ali
Deputy Chief Manager (I.T. Deptt.)

Extension : 202

Mr. Muhammad Masood Alam
Manager (Administration)

Direct : 34539411
Extension : 206

Mr. Mahmood Shuja Baig
Manager (Internal Audit)

Extension : 209

South Zone Offices & Branches

Business Plaza Branch
407, 4th floor, Business Plaza,
Off. I.I.Chundrigar Road, Karachi.

Mr. Muhammad Iqbal Dhedhi
Executive Vice President
Ph (021) 32419581, 32419582
Fax (021) 32421314, 32421317

Tariq Road Branch
Room No. A-2 & A-3,
1st Floor, Rahat Jo Daro,
Plot No.172/L, Block-2, PECHS,
Main Tariq Road, Karachi.

Mr. Zafar A. Pasha
Executive Vice President
Ph (021) 34527806, 34532427
34525376, 34322642
Fax (021) 34522829

Namco Centre Branch
1-A, 5th Floor, Campbell Street,
Karachi.

Mr. Iqbal Umer Bawany
Vice President
Ph (021) 32624504, 32624427
Fax (021) 32624783

Offices

Land Mark Plaza Branch

405, 4th Floor, Land Mark Plaza,
Off. I. I. Chundrigar Road,
Karachi.

Mr. Muhammad Reza Rajani
Assistant Vice President

Ph (021) 32628777, 32628778
Fax (021) 32628779

M. A. Jinnah Road Branch

101, Japan Plaza,
M. A. Jinnah Road, Karachi.

Mr. Rizwan Ahmed Khan
Branch Manager

Ph (021) 32727076, 32729961
Fax (021) 32722601

Hyderabad Branch

1st Floor, Al-Falah Chamber,
Tilak Road, Hyderabad.

Mr. Abdullah Ahmed
Regional Manager

Ph (022) 2615774
Fax (022) 2623029

North Zone Offices & Branches

Zonal Office, Lahore (North Zone)

4th Floor, Gardee Trust Building. No.2,
Napier Road, Lahore.

Mr. Hassan Sabih
Chief Manager

PABX (042) 37239063, 37353292
37234255, 37351353
Direct (042) 37354689
Fax (042) 37312526

Regional Office, Lahore

90-A/3, 1st Floor, Canal Park,
Gulberg-II, Lahore.

Mr. Fahd Barlas
Vice President

Ph (042) 35761077, 35761078
35763446, 35763447
Fax (042) 35761235

Gulberg Branch

House No.17-A, Block-E/1,
Gulberg-III, Lahore.

Mr. Tehseen Ahmed Khan
Executive Vice President

Ph (042) 35752245, 35752989
35751971, 35756557
Fax (042) 35756217

Al-Rehman Branch

2nd Floor, Al-Rehman Building,
Regal Cinema Lane, 65, The Mall,
Lahore.

Mr. Nisar Ahmed Chughtai
Senior Vice President

Ph (042) 37323113, 37322473
37354848
Fax (042) 37247925

Garden Town Branch

Suit No.17, 1st Floor, Shan Arcade,
New Garden Town, Lahore.

Mr. Basit Anwar Butt
Executive Vice President

Ph (042) 35889258, 35889259
Fax (042) 35889260

Eden Centre Branch

321, Eden Centre,
43 Ghausul Azam Road, (Jail Road)
Lahore.

Mr. Ch. H.S. Asghar
Vice President

Ph (042) 37423613, 37423614
Fax (042) 37425649

Empress Tower Branch

Room No.18, 1st Floor,
Empress Tower,
46 Empress Road, Lahore.

Mr. S.Azhar Ali Shah
Senior Vice President

Ph (042) 36297253, 36297254
Fax (042) 36297255

Khan Plaza Branch

4th Floor, Khan Plaza,
G. T. Road, Gujranwala.

Mr. Sohailuddin Zafar
Assistant Vice President

Ph (055) 4215422, 4216422
Fax (055) 4448139

Gujrat Branch

Marhaba Tower (Top Floor) Opp.
Ram Piary Mahal Near Fawara Chawk,
Gujrat.

Mr. Abdul Sattar Malik
Branch Manager

Ph (053) 3522127

Faisal Complex Branch

3rd Floor, Faisal Complex,
Bilal Road, Civil Lines, Faisalabad.

Mr. A. Majeed Abid
Senior Vice President

Ph (041) 2611938, 2611939
2626480
Fax (041) 2621033

Offices

Taj Plaza Branch

Room No.16, 2nd Floor, Taj Plaza,
Kotwali Road, Faisalabad.

Mr. Muhammad Akhlaq
Vice President

Ph (041) 2617277, 2622182
2615922
Fax (041) 2412010

United Plaza Branch

3,3rd Floor, United Plaza,
Shamsabad, Murree Rd. Rawalpindi.

Mr. Abdul Karim Siddiqi
Vice President

Ph (051) 4854200
Fax (051) 4580008

Royal Plaza Branch

8, 1st Floor, Royal Plaza,
6th Road, . Rawalpindi.

Mr. Aamir Manzoor
Vice President

Ph (051) 4423944, 4423955
Fax (051) 4421969

Peshawar Branch

T-3 & 4, Bilour Shopping Plaza,
3rd Floor, Saddar Road, .
Peshawar Cantt.

Mr. Shah Mast Khan
Branch Manager

Ph (091) 5274617, 5277328
Fax (091) 5284683

Regional Office Multan

1st Floor, 5-Commercial Plaza,
Opp. Civil Hospital, Abdali Road,
Multan.

Mr. Syed Mohsin Bukhari
Assistant Vice President

Ph (061) 4517349
Fax (061) 4510049

Hasilpur Branch

27-B, 1st Floor, Main Bazar,
Hasilpur.

Mr. Muhammad Shafi Anjum
Senior Vice President

Ph (062) 2442473
Fax (062) 2448073

Sialkot Branch

Room No.4 & 5, 1st Floor,
Mughal Plaza, Kutchery Road,
Sialkot.

Mr. Ghulam Rasool Farrukh Zahidi
Branch Manager

Ph (052) 4296075, 4296076
Fax (052) 4296077

Gojra Branch

P-132, Post Office Road,
Gojra.

Mrs. Shahnaz Akhtar
Branch Manager

Ph (046) 3511917
Fax (046) 3513111

Rahimyar Khan

Gulshan-e-Iqbal

Mr. Shamsul Haq ch.
Resident Representative

Cell 0300-8717172
0334-7717172

Sukkur

Minara Road, Sukkur.

Mr. Anees Memon
Resident Representative

Ph (071) 5622619
Cell 0300-3138090



ریلائسنس انشورنس کمپنی لمیٹڈ

ڈائریکٹرز کا جائزہ

بنام حصص یافتگان

ڈائریکٹرز بمسرت کمپنی کے غیر آڈٹ شدہ حسابات پہلی سہ ماہی برائے مدت تختہ ۳۱ مارچ ۲۰۱۶ پیش کرتے ہیں۔

اللہ کے فضل سے زیر جائزہ مدت کے دوران، آپ کی کمپنی نے مجموعی پربینیم ۲۰۵ء ۲۷۱.605) ملین روپے انڈر رائٹ کیا ہے جو کہ گزشتہ سال کی پہلی سہ ماہی کے مجموعی پربینیم ۲۵۳ء ۲۵۳.۵۱۶) ملین روپے کے مقابلے میں ۱۳ء ۷(7.14) فیصد اضافہ ہوا ہے۔ جبکہ نیٹ پربینیم آمدنی ۲۰۵ء ۸۰.۰۶۵) ملین روپے سے بڑھ کر ۲۰۳ء ۸۳.۳۰۴) ملین روپے ہوئی ہے جو کہ گزشتہ سال کے مقابلے میں ۰۵ء ۴(4.05) فیصد اضافہ ظاہر کرتی ہے۔ نیٹ کلیم ۲۰۱۱۲ (20.112) ملین روپے سے کم ہو کر ۲۰۱۸ء ۱۸.480) ملین روپے ہوئے ہیں جو کہ گزشتہ سال کے مقابلے میں ۱۶ء ۸۰ فیصد کمی ظاہر کرتی ہے۔

سرمایہ کاری کی مد میں ہونے والی پچھلے سال ۲۶۰ء ۲۳(23.660) ملین روپے آمدنی میں ۲۰۳۲ء ۸(8.032) ملین روپے کمی ہوئی ہے جس کا سبب غیر وصول شدہ / حاصلات سرمایہ میں کمی ہے اور ڈیویڈنڈ کی آمدنی میں کمی کی وجہ سے دو ہولڈنگ کے قوانین میں تبدیلی ہے۔

قبل از ٹیکس منافع ۲۳ء ۱(1.924) ملین روپے ہوئی ہے جو کہ گزشتہ سال ۲۰۱۷ء ۳۹(39.670) ملین روپے تھا۔ فی حصص آمدنی ۰۷ء ۵(0.75) روپے کے مقابلے میں ۰۷ء ۷(0.07) روپے منفی ہوئی ہے۔

ہمیں یقین ہے کہ سرمایہ کاری کی آمدنی کا نقصان بہت جلد واپس حاصل ہو جائے گا اور مستقبل میں جیسے ہی حصص کی قیمتوں میں بہتری آئیگی آمدنی مثبت میں تبدیل ہو جائیگی

آپ کی مینجمنٹ مستقبل میں اعتماد کے ساتھ پرامید ہے کہ ملک میں توانائی کے بحران سے نمٹنے اور امن و امان کی صورت حال کو بہتر بنانے کے حکومت کے پختہ عزم کے پیش نظر اقتصادی جائزہ میں میں بہتری آئے گی

بحکم بورڈ

اے رزاق احمد

چیف ایگزیکٹو اور مینجنگ ڈائریکٹر

کراچی: ۳۰ مارچ ۲۰۱۶



BOOK POST

U.P.C./BY COURIER SERVICE

If undelivered please return to:



Reliance Insurance Company Limited

SHARES DEPARTMENT

181-A, Sindhi Muslim Co-operative Housing Society,
P.O. Box: 13356, Karachi-74400.
Ph: 021-34539415-17