

# Quarterly Report



*Serving  
Reliably*



Reliance Insurance Company Limited  
Quarter Ended March 31, 2011  
(Un-Audited)



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## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	<b>ISMAIL H. ZAKARIA</b>	<b>Chairman</b>
<b>DIRECTORS</b>	<b>MOHAMMAD AMIN AHMED BAWANY A. AZIZ AYOOB IRFAN ZAKARIA BAWANY MOHAMMAD OMER BAWANY ZOHAIK ZAKARIA AHMED ALI BAWANY NOOR M. ZAKARIA ASHFAQ PATEL YASIN SIDDIK</b>	
<b>CHIEF EXECUTIVE &amp; MANAGING DIRECTOR</b>	<b>A. RAZAK AHMED</b>	
<b>MANAGEMENT</b>	<b>BASHARAT M. BARLAS SYED RIZWAN AKHTAR</b>	<b>SEVP EVP (Operation)</b>
<b>CHIEF ACCOUNTANT AND COMPANY SECRETARY</b>	<b>HAROON A. SHAKOOR</b>	
<b>AUDIT COMMITTEE</b>	<b>A. AZIZ AYOOB IRFAN ZAKARIA BAWANY ZOHAIK ZAKARIA</b>	<b>Chairman Member Member</b>
<b>INVESTMENT COMMITTEE</b>	<b>IRFAN ZAKARIA ZOHAIK ZAKARIA AHMED ALI BAWANY A. RAZAK AHMED</b>	<b>Chairman Member Member Member</b>
<b>AUDITORS</b>	<b>HYDER BHIMJI &amp; CO. Chartered Accountants</b>	
<b>LEGAL ADVISOR</b>	<b>ABDUL SATTAR PINGAR</b>	
<b>BANKERS</b>	<b>HABIB BANK LIMITED NATIONAL BANK OF PAKISTAN MCB BANK LIMITED ALLIED BANK OF PAKISTAN LIMITED UNITED BANK LIMITED THE ROYAL BANK OF SCOTLAND NIB BANK LIMITED BANK ALFLAH LIMITED FAYSAL BANK LIMITED HABIB METROPOLITAN BANK LIMITED THE BANK OF PUNJAB JS BANK LIMITED</b>	
<b>REGISTERED OFFICE</b>	<b>96-A, Sindhi Muslim Co-operative Housing Society, Karachi.</b>	
<b>HEAD OFFICE</b>	<b>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: relianceins.com</b>	
<b>SHARES REGISTRAR</b>	<b>M/s. C &amp; K Management Associates (Pvt.) Ltd. 404-Trade Tower, Abdullah Haroon Road, Near Hotel Metropole, Karachi-75530 Tel : (021) 35687839 &amp; 35685930</b>	

## DIRECTOR'S REPORT

The Shareholders,

Your Directors are pleased to present before you the un-audited Accounts for the First quarter ended March 31, 2011.

During the period under review, your Company underwrote a Gross Premium of Rs.119.311 million as compared to last year's First quarter Premium of Rs.103.756 million – showing increase of 15.00%. The Net Premium Income stood at 58.500 million against Rs.57.459 million – showing increase of 1.81 % over the previous year.

Net claims incurred, however, stood at Rs.20.972 million – showing increase of 10.29% over the corresponding period of last year.

The investment income of your company including capital gain has increased from Rs.8.166 million of previous year to Rs.11.689 million showing an increase by 43.14%.

Profit before tax stood at Rs.11.631 million compared to Rs.6.727 million – showing increase of 72.90% over the corresponding period of last year. Earnings per share has improved from Rs.0.23 to Rs.0.41.

Your Management looks forward to the future with confidence and envisages that the democratic government would succeed to enforce polices to meet the challenges ahead, sustained growth and improved Law and Order situation in the country.

By order of the Board



**A. RAZAK AHMED**

Chief Executive & Managing Director

Karachi: 28th April, 2011.

**CONDENSED INTERIM BALANCE SHEET (UN AUDITED)**

AS AT MARCH 31, 2011

	Notes	(Un Audited) As At March.31, 2011 Rs	(Audited) As At Dec.31, 2010 Rs
<b>Share Capital and Reserves</b>			
Authorised share capital ( 50,000,000 Ordinary Shares of Rs.10/— each)		500,000,000	500,000,000
Paid-up share capital	8	252,001,750	252,001,750
Retained earnings		45,296,657	35,014,918
Reserves		87,500,000	87,500,000
		384,798,407	374,516,668
<b>Underwriting provisions</b>			
Provision for outstanding claims (including IBNR)		156,745,119	148,990,324
Provision for unearned premium		258,752,489	258,879,604
Commission income unearned		28,554,579	29,292,558
<b>Total Underwriting Provisions</b>		<b>444,052,187</b>	<b>437,162,486</b>
<b>Creditors and accruals</b>			
Amounts due to other insurers/reinsurers		54,132,598	49,552,405
Accrued expenses		1,616,846	2,137,978
Other Creditors and Accruals		39,013,980	39,974,347
		94,763,424	91,664,730
<b>Other liabilities</b>			
Unclaimed dividend		115,331	115,331
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>923,729,349</b>	<b>903,459,215</b>

**CONTINGENCIES AND COMMITMENTS**

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The annexed notes from 1 to 14 form an integral part of these financial statements.

  
Ismail H. Zakaria  
Chairman

  
Mohammad Amin Ahmed Bawany  
Director

Karachi: 28th April 2011

**CONDENSED INTERIM BALANCE SHEET (UN AUDITED)****AS AT MARCH 31, 2011****FORM GA**

	Notes	(Un Audited) As At March 31, 2011 Rs	(Audited) As At Dec. 31, 2010 Rs
<b>Cash and bank deposits</b>			
Cash and other equivalent		389,228	147,888
Current and other accounts		45,852,288	32,318,846
Deposit maturing within 12 months		25,075,000	25,075,000
		71,316,516	57,541,734
<b>Loans ( secured )</b>			
To employees		997,014	755,614
<b>Investments</b>	7	289,298,998	284,604,777
<b>Current assets-others</b>			
Premiums due but unpaid		175,487,251	176,919,203
Amounts due from other insurers/reinsurers		5,105,568	4,659,779
Accrued investment income		6,172,903	3,790,906
Reinsurance recoveries against outstanding claims		103,843,582	98,242,108
Deferred commission expense		45,384,349	45,943,667
Prepaid reinsurance premium ceded		159,706,281	159,777,804
Taxation - provision less payments		942,062	5,283,460
Trade deposits and prepayments		534,069	534,069
Sundry receivables		911,624	746,971
		498,087,689	495,897,967
<b>Fixed assets</b>			
Tangible			
Land and buildings		15,216,523	15,606,690
Furniture, fixtures and office equipment		9,505,578	9,694,181
Motor vehicles		36,606,675	36,412,409
		61,328,776	61,713,280
Intangible			
Computer software		2,700,356	2,945,843
<b>TOTAL ASSETS</b>		<b>923,729,349</b>	<b>903,459,215</b>

  
A. Aziz Ayoob  
Director

  
A. Razak Ahmed  
Chief Executive & Managing Director

**CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN AUDITED)****FINANCIAL PERIOD ENDED MARCH 31, 2011**FORM GB  
(Amount in Rs.)

	Fire & Property	Marine Aviation & Transport	Motor	Misc.	31 March 2011 Aggregate	31 March 2010 Aggregate
<b>Revenue Account</b>						
Net Premium Revenue	18,901,647	14,998,651	23,721,255	878,866	58,500,419	57,459,822
Net Claims	(2,440,708)	(4,459,895)	(13,895,524)	(176,074)	(20,972,201)	(19,016,419)
Expenses	(6,980,110)	(5,538,789)	(8,759,923)	(324,553)	(21,603,375)	(28,899,426)
Net Commission	(4,077,650)	(2,359,838)	(3,416,755)	668,122	(9,186,121)	(6,031,134)
<b>Underwriting result</b>	<b>5,403,179</b>	<b>2,640,129</b>	<b>(2,350,947)</b>	<b>1,046,361</b>	<b>6,738,722</b>	<b>3,512,843</b>
Investment Income					11,689,237	8,166,418
Other Income (Loss on Sale of Fixed Assets)					(3,112)	120,396
Financial Charges					(113,983)	(105,237)
General and administration expenses					(6,679,125)	(4,966,504)
<b>Profit before tax during the quarter</b>					<b>11,631,739</b>	<b>6,727,916</b>
<b>Provision for Taxation :</b>					<b>(1,350,000)</b>	<b>(900,000)</b>
<b>Profit after tax during the quarter</b>					<b>10,281,739</b>	<b>5,827,916</b>
<b>Profit and Loss Appropriation Account</b>						
<b>Balance at Commencement of year</b>					<b>35,014,918</b>	<b>(22,024,570)</b>
Profit after tax during the quarter					10,281,739	5,827,916
<b>Balance Unappropriated profit at the end of period</b>					<b>45,296,657</b>	<b>(16,196,654)</b>
<b>Earning per Share - Basic and Diluted Note 10</b>					<b>0.41</b>	<b>0.23</b>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
**Ismail H. Zakaria**  
 Chairman

  
**Mohammad Amin Ahmed Baway**  
 Director

  
**A. Aziz Ayoob**  
 Director

  
**A. Razak Ahmed**  
 Chief Executive & Managing Director

Karachi: 28th April, 2011

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**

FORM GC

FINANCIAL PERIOD ENDED MARCH 31, 2011

January to March  
2010  
(Amount in Rs.)**Operating Cash Flow****a) Underwriting activities**

Premium received	114,247,944	84,637,738
Reinsurance premium paid	(56,731,782)	(39,695,730)
Claims paid	(33,642,326)	(60,481,150)
Reinsurance and other recoveries received	14,823,446	41,062,626
Commission paid	(17,263,622)	(20,680,116)
Commission received	14,393,861	14,401,895
Cash losses received from reinsurers	-	30,264,659
Net cash flow from underwriting activities	<u>35,827,521</u>	<u>49,509,922</u>

**b) Other operating activities**

Income tax paid	2,991,398	(1,006,793)
General management expenses paid	(21,603,375)	(28,899,426)
Other operating payments	(4,234,295)	(2,641,776)
Loans advanced / repayment received	(241,400)	42,542
Other payments on operating assets	(1,481,499)	4,834,521
Other receipts in respect of operating assets	(164,653)	(227,387)
Net cash flow from other operating activities	<u>(24,733,824)</u>	<u>(27,898,319)</u>

**Total cash flow all operating activities**11,093,697 21,611,603**Investment activities**

Interest / Dividend received	7,083,918	14,339,293
Payments for Investments	(18,813,262)	(622,573)
Proceeds from disposal of investments	16,342,362	2,255,193
Fixed Capital Expenditures	(1,842,950)	(4,369,217)
Proceeds from disposal of fixed assets	25,000	625,000
Total cash flow from Investing activities	<u>2,795,068</u>	<u>12,227,696</u>

**Financing activities**

Unclaimed Dividend paid	-	-
Financial Charges	(113,983)	(105,237)
Total cash flow from financing activities	<u>(113,983)</u>	<u>(105,237)</u>

**Net cash Inflow/outflow from all activities**

13,774,782 33,734,062

**Cash & cash equivalent at the beginning of the year**

57,541,734 63,045,832

**Cash & cash equivalent at the end of the period**71,316,516 96,779,894**Reconciliation to profit and loss Account**

<b>Operating cash flow</b>	<b>11,093,697</b>	<b>21,611,603</b>
Depreciation / amortization expense	(2,444,830)	(2,324,728)
Financial Charges	(113,983)	(105,237)
(Loss) / Profit on disposal of fixed assets	(3,112)	120,396
Increase/(decrease) in assets other than cash	(9,988,395)	(23,614,188)
(Increase)/decrease in liabilities other than running finance	49,125	1,973,652
Investment Income	11,689,237	8,166,418
Profit after tax as per profit & loss account.	<u>10,281,739</u>	<u>5,827,916</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	389,228	385,205
Current and other account	45,852,288	68,369,689
Deposits Maturing Within 12 Month	25,075,000	28,025,000
	<u>71,316,516</u>	<u>96,779,894</u>
	<u>71,316,516</u>	<u>96,779,894</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
 Ismail H. Zakaria  
 Chairman  
 Karachi : 28th April, 2011

  
 Mohammad Amin Ahmed Bawany  
 Director

  
 A. Aziz Ayooob  
 Director

  
 A. Razak Ahmed  
 Chief Executive & Managing Director



**CONDENSED INTERIM STATEMENT OF PREMIUMS (UN AUDITED)**  
**FINANCIAL PERIOD ENDED MARCH 31, 2011**

Business underwritten inside Pakistan.

FORM GD

( Amount in Rs. )

Class	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid Reins Premium ceded		Reinsurance expense	31 March 2011	31 March 2010
		Opening	Closing			Opening	Closing		Net Premium revenue	Net Premium revenue
<b>Direct and facultative</b>										
Fire and Property Damage	50,864,890	124,719,281	125,047,148	50,537,023	31,845,556	80,677,098	80,887,278	31,635,376	18,901,647	19,645,951
Marine, Aviation and Transport	38,091,998	79,757,578	79,125,539	38,724,037	23,328,797	70,780,408	70,383,819	23,725,386	14,998,651	13,468,223
Motor	24,217,225	44,963,907	45,009,967	24,171,165	450,000	669,549	669,639	449,910	23,721,255	23,566,210
Miscellaneous	6,136,900	9,438,838	9,569,835	6,005,903	5,241,833	7,650,749	7,765,545	5,127,037	878,866	779,438
<b>Grand Total</b>	<b>119,311,013</b>	<b>258,879,604</b>	<b>258,752,489</b>	<b>119,438,128</b>	<b>60,866,186</b>	<b>159,777,804</b>	<b>159,706,281</b>	<b>60,937,709</b>	<b>58,500,419</b>	<b>57,459,822</b>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
 Ismail H. Zakaria  
 Chairman

  
 Mohammed Amin Ahmed Bawany  
 Director

  
 A. Aziz Ayooob  
 Director

  
 A. Razak Ahmed  
 Chief Executive & Managing Director

Karachi: 28th April, 2011

# CONDENSED INTERIM STATEMENT OF CLAIMS (UN AUDITED)

## FINANCIAL PERIOD ENDED MARCH 31, 2011

Business underwritten inside Pakistan.

FORM GE

(Amount in Rs. )

Class	Claims Paid	Outstanding Claims		Claims Expenses	Reinsurance and other recoveries received	Reinsurance recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	31 March 2011 Net claims expenses	31 March 2010 Net claims expenses
		Opening	Closing			Opening	Closing			
<b>Direct and facultative</b>										
Fire and Property Damage	10,694,777	78,138,053	84,839,989	17,396,713	9,288,777	65,781,380	71,448,608	14,956,005	2,440,708	1,733,108
Marine, Aviation and Transport	6,862,888	36,922,170	38,403,420	8,344,138	3,530,075	27,647,059	28,001,227	3,884,243	4,459,895	2,810,611
Motor	14,340,415	30,159,104	29,714,213	13,895,524	434,772	1,419,772	985,000	-	13,895,524	14,251,640
Miscellaneous	1,744,246	3,770,997	3,787,497	1,760,746	1,569,822	3,393,897	3,408,747	1,584,672	176,074	221,060
<b>Grand Total</b>	<b>33,642,326</b>	<b>148,990,324</b>	<b>156,745,119</b>	<b>41,397,121</b>	<b>14,823,446</b>	<b>98,242,108</b>	<b>103,843,582</b>	<b>20,424,920</b>	<b>20,972,201</b>	<b>19,016,419</b>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
Ismail H. Zakaria  
Chairman

  
Mohammed Amin Ahmed Bawany  
Director

  
A. Aziz Ayooob  
Director

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 28th April, 2011

# CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)

## FINANCIAL PERIOD ENDED MARCH 31, 2011

Business underwritten inside Pakistan

FORM GF

( Amount in Rs. )

Class	Commissions Paid or payable a	Opening Deferred commission b	Closing Deferred commission c	Net Commission expenses d=a+b-c	Other management expense e	underwriting expense f=d+e	Commission from reinsurers g	31 March 2011 Net underwriting expense h=f-g	31 March 2010 Net Underwriting expenses
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### Direct and facultative

Fire and Property Damage	13,448,943	33,544,810	33,773,671	13,220,082	6,980,110	20,200,192	9,142,432	11,057,760	11,185,004
Marine, Aviation and Transport	5,906,284	3,955,280	3,136,613	6,724,951	5,538,789	12,263,740	4,365,113	7,898,627	9,495,218
Motor	3,423,664	6,744,586	6,751,495	3,416,755	8,759,923	12,176,678	-	12,176,678	15,302,005
Miscellaneous	979,752	1,698,991	1,722,570	956,173	324,553	1,280,726	1,624,295	(343,569)	(1,051,667)
<b>Grand Total</b>	<u>23,758,643</u>	<u>45,943,667</u>	<u>45,384,349</u>	<u>24,317,961</u>	<u>21,603,375</u>	<u>45,921,336</u>	<u>15,131,840</u>	<u>30,789,496</u>	<u>34,930,560</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
**Ismail H. Zakaria**  
 Chairman

  
**Mohammed Amin Ahmed Bawany**  
 Director

  
**A. Aziz Ayooob**  
 Director

  
**A. Razak Ahmed**  
 Chief Executive & Managing Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FINANCIAL PERIOD ENDED MARCH 31, 2011**

	Share Capital	General Reserve	Permanent Diminution In Value Of Investment	Unappropriated Profit	Total
<b>Balance as at 31-12-2009</b>	252,001,750	87,500,000	5,105,000	(22,024,570)	322,582,180
<b>Total comprehensive income for the period</b>					
Net Profit after tax for the period	-	-	-	51,934,488	51,934,488
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	51,934,488	51,934,488
<b>Transactions with owners recorded directly in equity</b>					
Issuance of bonus shares and transferred to general reserve					
Transfer during the year			(5,105,000)	5,105,000	
<b>Balance as at 31-12-2010</b>	<u>252,001,750</u>	<u>87,500,000</u>	<u>-</u>	<u>35,014,918</u>	<u>374,516,668</u>
<b>Total comprehensive income for the period</b>					
Net Profit after tax for the quarter	-	-	-	10,281,739	10,281,739
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the quarter</b>	-	-	-	10,281,739	10,281,739
<b>Transactions with owners recorded directly in equity</b>					
Issuance of bonus shares and transferred to general reserve					
<b>Balance as at 31-03-2011</b>	<u>252,001,750</u>	<u>87,500,000</u>	<u>-</u>	<u>45,296,657</u>	<u>384,798,407</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
**Ismail H. Zakaria**  
 Chairman

  
**Mohammad Amin Ahmed Bawary**  
 Director

  
**A. Aziz Ayoob**  
 Director

  
**A. Razak Ahmed**  
 Chief Executive & Managing Director

Karachi: 28th April, 2011

**CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED)**  
**FINANCIAL PERIOD ENDED MARCH 31, 2011**

	<b>31 March 2011 Rs.</b>	<b>FORM GG 31 March 2010 Rs.</b>
<b>Income from Non-Trading Investments</b>		
<b>Held to maturity</b>		
Return on Government Securities	1,307,128	1,208,332
Return on other fixed income, securities and deposits	311,292	915,016
	1,618,420	2,123,348
<b>Investment Held for Trading</b>		
Dividend Income	7,841,824	5,808,575
<b>Available for sale</b>		
Dividend Income	30,572	33,795
<b>Gain on sale of investment</b>	2,223,320	206,600
less: Investment related expenses	(24,899)	(5,900)
<b>Net Investment Income transferred to P&amp;L A/c.</b>	<u>11,689,237</u>	<u>8,166,418</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
Ismail H. Zakaria  
Chairman

  
Mohammad Amin Ahmed Bawany  
Director

  
A. Aziz Ayoob  
Director

  
A. Razak Ahmed  
Chief Executive & Managing Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FINANCIAL PERIOD ENDED MARCH 31, 2011**

	<b>31 March 2011 Rs.</b>	<b>31 March 2010 Rs.</b>
Profit after tax	<b>10,281,739</b>	5,827,916
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u><b>10,281,739</b></u>	<u>5,827,916</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

  
**Ismail H. Zakaria**  
Chairman

  
**Mohammad Amin Ahmed Bawany**  
Director

  
**A. Aziz Ayoob**  
Director

  
**A. Razak Ahmed**  
Chief Executive & Managing Director

Karachi: 28th April, 2011



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

### FINANCIAL PERIOD ENDED MARCH 31, 2011

#### 1. STATUS AND NATURE OF BUSINESS

The Reliance Insurance Company Limited, was incorporated in Pakistan as a public Limited Company on 4th November 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

These condensed financial statement are un-audited have been prepared in accordance with the requirement of the Insurance Ordinance, 2000 and International Accounting Standard –34 (IAS-34) "Interim Financial Reporting" and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and with the Listing regulations of the Karachi and Lahore Stock Exchanges where Company is listed. This Condensed interim financial statement are being presented in accordance with the format prescribed by the Securities and Exchange Commission of Pakistan for Non-Life Insurance Companies through circular # 7 of 2003 dated 27 August 2003.

The condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statement for the year ended December 31, 2010.

#### 3. Accounting policies.

The accounting policies adopted in preparation of these condensed interim financial statements are the same as applied in preparation of financial statement for the preceding year ended December 31, 2010.

This condensed interim financial statements have been presented in Pakistan rupee, which is also the company's functional currency.

#### 4. 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 31 December 2010.

#### 5. Taxation

The amount set aside for Income Tax is provisional, final liability will be determined on the basis of annual results.

#### 6. Transactions with Related Parties

Details of transactions with related parties for the period ended March 31st 2011 are as follows.

	Jan - Mar 2011	Jan -Mar 2010
Premium Underwritten	9,607,863	6,634,033
Premium Collected	11,318,237	3,686,711
Claims Paid	1,504,267	218,697
Commission Paid	1,822,857	1,144,359

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

#### 7. Investment.

The investments comprise of the following:

	31st Mar. 2011	31st Dec. 2010
Held to maturity	104,707,098	98,747,019
Available for sale	20,461,050	22,585,944
Investment held for trading	170,004,529	169,145,493
Provision for impairment	(5,873,679)	(5,873,679)
	<u>289,298,998</u>	<u>284,604,777</u>

- 7.1 The market value of investments as at 31st March 2011, was Rs.402.94 million (as at 31st December 2010, Rs.348.834 million).
- 7.2 In compliance with the directive of SECP vide its Circular No.15 of 2008, dated 7th July 2008. Pakistan Investment Bonds (PIB) for the face value of Rs.30.00 million have been deposited with State Bank of Pakistan under clause (a) of Section 29(2) of Insurance Ordinance 2000.

## 8. Share Capital

Issued, subscribed and fully paid.

March 2011 (Number of Shares)	December 2010		March 2011	December 2010
1,156,680	1,156,680	Ordinary Shares of Rs.10 each Fully paid in cash	11,566,800	11,566,800
24,043,495	24,043,495	Ordinary Shares of Rs.10 each Issued as fully paid Bonus Shares	240,434,950	240,434,950
<u>25,200,175</u>	<u>25,200,175</u>		<u>252,001,750</u>	<u>252,001,750</u>

## 9. Fixed Assets-Tangible and Intangible.

The details of additions and disposals have been made in the fixed assets during the period ended March 31, 2011.

	Additions	Disposals
Vehicles	1,608,500	25,000
Office Equipments	88,400	—
Computers	146,050	—

## 10. Earnings Per Share –Basic And Diluted

	Jan - Mar 2011	Jan –Mar 2010
Profit after tax for the period	10,281,739	5,827,916
Weighted average number of ordinary shares	25,200,175	25,200,175
<b>Earnings per share-basic and diluted</b>	<u><b>0.41</b></u>	<u><b>0.23</b></u>

- 10.1 No figure 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 .

## 11. Segment Reporting

Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and condensed interim profit and loss account respectively prepared in accordance with the requirements of Insurance Ordinance,2000 and the SEC(insurance) Rules,2002.

## 12. Contingencies and Commitments

- 12.1 There are no material contingencies existing at the Balance Sheet date.

## 13. Date of Authorization for issue

These financial statements have been authorized for issue on 28 th April 2011, by the Board of Directors of the Company.

## 14. General

Figures have been rounded off to the nearest rupee.

  
Ismail H. Zakaria  
Chairman

  
Mohammad Amin Ahmed Bawany  
Director

  
A. Aziz Ayoob  
Director

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 28th April, 2011





## OFFICES

### HEAD OFFICE

**"Reliance Insurance House"**  
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Chief Executive & Managing Director

Direct : 34539413, 34539414  
Extention : 204

**Mr. Haroon A. Shakoor**  
Chief Accountant & Company Secretary

Direct : 34539409  
Extention : 203

**Mr. Syed Rizwan Akhtar**  
Executive Vice President (Operations)

Direct : 34304067  
Extention : 210

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

Direct : 34557079  
Extention : 201

**Mr. Muhammad Ishaque Azim**  
Vice President (Fire)

Direct : 34304068  
Extention : 212

**Mr. Sadruddin Hussain**  
Vice President (Claims)

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Extention : 208

**Mr. Abdul Rahim Patni**  
Deputy Chief Manager (Reinsurance)

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Extention : 215

**Mr. Muhammad Salim Memon**  
Deputy Chief Manager (Investment / Shares)

Extention : 214

**Mr. Ghulam Mujaddid**  
Chief Manager (Accounts)

Extention : 205

**Mr. Muhammad Masood Alam**  
Manager (Administration)

Direct : 34539411  
Extention : 206

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

Extention : 202

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### North Zone Office & Branches

**Zonal Office. Lahore (North Zone)**  
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**Mr. Sh. Khushnood Ashraf**  
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### North Zone Office & Branches (continued)

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**Regional Office Multan**

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Seinor Vice President &  
Regional Head

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Olf Ghalla Mandi, Khanpur,  
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**Gojra Barnch**

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Gojra.

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