

# Quarterly Report

Serving Reliably



**Reliance Insurance Company Limited**  
Quarter Ended March 31, 2014  
(Un-Audited)



## CONTENTS

Page No.

Company Information .....	02
Director's Report .....	03
Condensed Interim Balance Sheet .....	04
Condensed Interim Profit & Loss Account .....	06
Condensed Interim Statement of Comprehensive Income .....	07
Condensed Interim Statement of Changes In Equity.....	08
Condensed Interim Statement of Cash Flow .....	09
Condensed Interim Statement of Premiums .....	10
Condensed Interim Statement of Claims .....	11
Condensed Interim Statement of Expenses .....	12
Condensed Interim Statement of Investment Income.....	13
Notes To Condensed Interim Financial Statement .....	14

---

**COMPANY INFORMATION**

<b>BOARD OF DIRECTORS</b>	ISMAIL H. ZAKARIA	Chairman
<b>DIRECTORS</b>	MOHAMMAD AMIN AHMED BAWANY A. AZIZ AYOOB IRFAN ZAKARIA BAWANY MOHAMMAD OMER BAWANY ZOHAIK ZAKARIA AHMED ALI BAWANY NOOR M. ZAKARIA YASIN SIDDIK ABDUL JABBAR	
<b>CHIEF EXECUTIVE &amp; MANAGING DIRECTOR</b>	A. RAZAK AHMED	
<b>CHIEF ACCOUNTANT AND COMPANY SECRETARY</b>	HAROON A. SHAKOOR	
<b>MANAGEMENT</b>	SYED RIZWAN AKHTAR	(EVP/Operations)
<b>AUDIT COMMITTEE</b>	ABDUL JABBAR IRFAN ZAKARIA BAWANY ZOHAIK ZAKARIA	Chairman Member Member
<b>INVESTMENT COMMITTEE</b>	IRFAN ZAKARIA BAWANY ZOHAIK ZAKARIA AHMED ALI BAWANY A. RAZAK AHMED	Chairman Member Member Member
<b>AUDITORS</b>	BDO Ebrahim & Co. Chartered Accountants	
<b>CREDIT RATING</b>	'A' (Single A) BY JCR-VIS Outlook 'Stable'	
<b>BANKERS</b>	HABIB BANK LIMITED NATIONAL BANK OF PAKISTAN MCB BANK LIMITED ALLIED BANK LIMITED UNITED BANK LIMITED NIB BANK LIMITED BANK ALFLAH LIMITED FAYSAL BANK LIMITED HABIB METROPOLITAN BANK LIMITED THE BANK OF PUNJAB JS BANK LIMITED	
<b>REGISTERED OFFICE</b>	96-A, Sindhi Muslim Co-operative Housing Society, Karachi.	
<b>HEAD OFFICE</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>SHARES REGISTRAR</b>	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,

Your Directors are pleased to present before you the un-audited Accounts for the First quarter ended March 31, 2014. During the period under review by the grace of ALLAH, your Company has been able to underwrite a Gross Premium of Rs.234.602 million as compared to last year's First quarter Premium of Rs.159.949 million – showing an increase of 46.67%, while Net Premium Income stood at Rs.69.378 million against Rs.65.094 million – showing an increase of 6.58% over the previous year. Net claims incurred, however, stood at Rs.24.052 million against Rs.23.153 million of previous year showing an increase of 3.88% over the corresponding period of last year.

Investment income stood at Rs.28.232 million against Rs.13.620 million of last year - an increase of 107.27%.

Profit before tax stood at Rs.26.808 million compared to Rs.10.443 million of last year - an increase of 156.71%. Earnings per share stood at Rs.0.68 against Rs.0.23 of previous year.

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 crises and improving the law and order situation in the country.

By order of the Board

**(A.RAZAK AHMED)**

Chief Executive & Managing Director

Karachi: 29th April, 2014

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

AS AT MARCH 31, 2014

	Notes	(Un Audited) As At March. 31, 2014 Rs	(Audited) As At Dec.31, 2013 Rs
<b>Share Capital and Reserves</b>			
Authorised share capital (50,000,000 Ordinary Shares of Rs.10/— each)		<u>500,000,000</u>	<u>500,000,000</u>
Paid-up share capital	9	366,780,680	366,780,680
Retained earnings		151,595,779	126,637,528
Reserves		160,000,000	160,000,000
		<b>678,376,459</b>	653,418,208
<b>Underwriting provisions</b>			
Provision for outstanding claims (including IBNR)		216,150,209	230,065,262
Provision for unearned premium		422,335,157	417,925,283
Commission income unearned		32,272,761	31,635,038
<b>Total Underwriting Provisions</b>		<b>670,758,127</b>	679,625,583
<b>Creditors and accruals</b>			
Amounts due to other insurers/reinsurers		57,721,505	60,269,449
Accrued expenses		1,744,113	1,994,434
Other creditors and Accruals		45,683,776	60,723,104
		<b>105,149,394</b>	122,986,987
<b>Other liabilities</b>			
Unclaimed dividend		549,121	549,395
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>1,454,833,101</u></b>	<u>1,456,580,173</u>

**CONTINGENCIES AND COMMITMENTS**

10

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

Ismail H. Zakaria  
ChairmanMohammad Omer Bawany  
Director

Karachi: 29th April, 2014

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

AS AT MARCH 31, 2014

	Notes	(Un Audited) As At March. 31, 2014	FORM GA (Audited) As At Dec.31, 2013
		Rs	Rs
<b>Cash and bank deposits</b>			
Cash and other equivalent		924,321	303,146
Current and other accounts		65,045,976	77,034,390
Deposit maturing within 12 months		25,751,837	25,741,393
		91,722,134	103,078,929
<b>Loans ( secured )</b>			
To employees		1,439,660	1,516,839
<b>Investments</b>	11	518,458,865	500,322,322
<b>Current assets-others</b>			
Premiums due but unpaid		187,402,080	188,969,504
Amounts due from other insurers/reinsurers		43,410,344	37,972,300
Accrued investment income		5,720,401	6,964,797
Reinsurance recoveries against outstanding claims		179,759,104	198,190,087
Deferred commission expense		54,091,756	53,499,436
Prepaid reinsurance premium ceded		297,530,619	293,290,287
Taxation-provision less payments		46,969	226,193
Trade deposits and prepayments		733,069	848,069
Sundry receivables		1,408,241	420,281
		770,102,583	780,380,954
<b>Fixed assets</b>			
Tangible			
Land and buildings		11,092,845	11,377,277
Furniture, fixtures and office equipment		6,805,369	7,122,632
Motor vehicles		55,211,645	52,781,220
		73,109,859	71,281,129
<b>TOTAL ASSETS</b>		<b>1,454,833,101</b>	<b>1,456,580,173</b>

  
A. Aziz Ayoob  
Director

  
A. Razak Ahmed  
Chief Executive & Managing Director



Reliance Insurance Company Limited

**CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN AUDITED)**  
**FINANCIAL PERIOD ENDED MARCH 31, 2014****FORM GB**  
**(Amount in Rs.)**

	Fire & Property	Marine Aviation & Transport	Motor	Misc.	2014 Aggregate	2013 Aggregate
<b>Revenue Account</b>						
Net Premium Revenue	26,477,712	14,574,643	25,611,676	2,714,193	69,378,224	65,094,205
Net Claims	(4,366,976)	(4,699,211)	(14,868,371)	(117,305)	(24,051,863)	(23,152,794)
Expenses	(10,194,604)	(5,611,615)	(9,861,158)	(1,045,035)	(26,712,412)	(26,053,771)
Net Commission	(4,914,163)	(2,823,204)	(2,682,683)	(102,100)	(10,522,150)	(10,345,164)
<b>Underwriting result</b>	<u>7,001,969</u>	<u>1,440,613</u>	<u>(1,800,536)</u>	<u>1,449,753</u>	<u>8,091,799</u>	<u>5,542,476</u>
Investment Income					28,231,546	13,620,585
Other Income (Profit on Sale of Fixed Assets)					673,139	629,693
General and administration expenses					(10,188,233)	(9,349,667)
<b>Profit before tax during the quarter</b>					<u>26,808,251</u>	<u>10,443,087</u>
<b>Provision for Taxation :</b>					<u>(1,850,000)</u>	<u>(1,950,000)</u>
Profit after tax during the quarter					<u>24,958,251</u>	<u>8,493,087</u>
<b>Profit and Loss Appropriation Account</b>						
Balance at Commencement of the year					126,637,528	169,773,078
Profit after tax during the quarter					24,958,251	8,493,087
<b>Balance Unappropriated profit at the end of the period</b>					<u>151,595,779</u>	<u>178,266,165</u>
<b>Earnings per Share - Basic and Diluted (note no13)</b>					<u>0.68</u>	<u>0.23</u>

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

Ismail H. Zakaria  
ChairmanMohammad Omer Bawany  
DirectorA. Aziz Ayoob  
DirectorA. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014



Reliance Insurance Company Limited

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN AUDITED)**  
**FINANCIAL PERIOD ENDED MARCH 31, 2014**

	<b>31st March 2014 Rs.</b>	<b>31st March 2013 Rs.</b>
Profit after tax	<b>24,958,251</b>	8,493,087
Other comprehensive income	-	-
Total comprehensive income for the quarter	<u><b>24,958,251</b></u>	<u>8,493,087</u>

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

Ismail H. Zakaria  
Chairman

Mohammad Omer Bawany  
Director

A. Aziz Ayoob  
Director

A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN AUDITED)**  
**FINANCIAL PERIOD ENDED MARCH 31, 2014**

	Share Capital	General Reserve	Unappro- priated Profit	Total
<b>Balance as at January 01, 2013</b>	318,939,720	90,000,000	169,773,078	578,712,798
Total comprehensive income for the period			8,493,087	8,493,087
<b>Balance as at March 31, 2013</b>	<b><u>318,939,720</u></b>	<b><u>90,000,000</u></b>	<b><u>178,266,165</u></b>	<b><u>587,205,885</u></b>
<b>Balance as at January 01, 2014</b>	366,780,680	160,000,000	126,637,528	653,418,208
Total comprehensive income for the period	-	-	24,958,251	24,958,251
<b>Balance as at March 31, 2014</b>	<b><u>366,780,680</u></b>	<b><u>160,000,000</u></b>	<b><u>151,595,779</u></b>	<b><u>678,376,459</u></b>

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

Ismail H. Zakaria  
Chairman

Mohammad Omer Bawany  
Director

A. Aziz Ayoob  
Director

A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN AUDITED)**

FORM GC

FINANCIAL PERIOD ENDED MARCH 31, 2014

	2014	January to March 2013 (Amount in Rs.)
<b>Operating Cash Flow</b>		
<b>a) Underwriting activities</b>		
Premium received	231,368,751	157,078,889
Reinsurance premium paid	(173,040,427)	(108,648,890)
Claims paid	(60,287,429)	(140,163,552)
Reinsurance and other recoveries received	40,751,496	117,223,050
Commission paid	(21,185,515)	(24,330,296)
Commission received	15,509,646	14,217,947
Net cash flow from underwriting activities	<u>33,116,522</u>	<u>15,377,148</u>
<b>b) Other operating activities</b>		
Income tax paid	(1,670,776)	(1,420,276)
General management expenses paid	(26,712,412)	(26,053,771)
Other operating payments	(7,574,644)	(6,799,012)
Loans advanced / repayment received	77,179	(241,800)
Other payments on operating assets	(15,289,649)	(10,761,201)
Other receipts in respect of operating assets	(872,960)	(1,126,315)
Net cash flow from other operating activities	<u>(52,043,262)</u>	<u>(46,402,375)</u>
<b>Total cash flow from all operating activities</b>	<u>(18,926,740)</u>	<u>(31,025,227)</u>
<b>Investment activities</b>		
Interest / Dividend received	14,648,737	10,921,336
Payments for Investments	(13,268,350)	(1,550,987)
Proceeds from disposal of investments	9,959,012	2,379,717
Fixed Capital Expenditures	(5,201,680)	(1,319,152)
Proceeds from disposal of fixed assets	1,432,500	1,355,000
<b>Total cash flow from Investing activities</b>	<u>7,570,219</u>	<u>11,785,914</u>
<b>Financing activities</b>		
Unclaimed dividend paid	(274)	-
<b>Total cash flow from financing activities</b>	<u>(274)</u>	<u>-</u>
Net cash Inflow/outflow from all activities	(11,356,795)	(19,239,313)
<b>Cash &amp; cash equivalent at the beginning of the year</b>	103,078,929	68,760,439
<b>Cash &amp; cash equivalent at the end of the period</b>	<u>91,722,134</u>	<u>49,521,126</u>
<b>Reconciliation to profit and loss Account</b>		
<b>Operating cash flow</b>	(18,926,740)	(31,025,227)
Depreciation expenses	(2,613,589)	(2,260,836)
Amortization Expenses	-	(289,819)
Financial Charges	673,139	-
Profit/(loss) on disposal of fixed assets	(9,111,154)	629,693
Increase/(decrease) in assets other than cash	26,705,049	(65,086,143)
(Increase)/decrease in liabilities other than running finance	28,231,546	92,904,834
Investment Income	24,958,251	13,620,585
<b>Profit after tax as per profit &amp; loss account.</b>	<u>8,493,087</u>	<u>8,493,087</u>
<b>Definition of Cash</b>		
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	924,321	813,969
Current and other accounts	65,045,976	23,350,126
Deposits Maturing Within 12 Months	25,751,837	25,357,031
	<u>91,722,134</u>	<u>49,521,126</u>

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

Ismail H. Zakaria  
ChairmanMohammad Omer Bawany  
DirectorA. Aziz Ayoob  
DirectorA. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014



FORM GD

CONDENSED INTERIM STATEMENT OF PREMIUMS (UN AUDITED)

FINANCIAL PERIOD ENDED MARCH 31, 2014

Business underwritten inside Pakistan


(Amount in Rs.)

C l a s s	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid Reins Premium		Reinsurance expense	2014 Net Premium revenue	2013 Net Premium revenue
		Opening	Closing			Opening	Closing			
Direct and facultative										
Fire and Property Damage	63,913,040	147,086,415	148,438,444	62,561,011	36,876,136	91,088,462	91,881,299	36,083,299	26,477,712	19,086,022
Marine, Aviation and Transport	139,653,783	200,186,040	204,057,606	135,782,217	124,699,150	194,107,568	197,599,134	121,207,574	14,574,643	13,908,445
Motor	26,268,280	53,362,865	52,962,617	26,668,528	1,040,208	1,656,147	1,639,503	1,056,852	25,611,676	27,041,949
Miscellaneous	4,767,102	17,289,963	16,876,490	5,180,575	2,438,945	6,438,120	6,410,683	2,466,382	2,714,193	5,057,789
<b>Grand Total</b>	<b>234,602,205</b>	<b>417,925,283</b>	<b>422,335,157</b>	<b>230,192,331</b>	<b>165,054,439</b>	<b>293,290,287</b>	<b>297,530,619</b>	<b>160,814,107</b>	<b>69,378,224</b>	<b>65,094,205</b>

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

  
Ismail H. Zakaria  
Chairman

  
Mohammad Omer Bawany  
Director

  
A. Aziz Ayooob  
Director

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014



FORM GE

CONDENSED INTERIM STATEMENT OF CLAIMS (UN AUDITED)

FINANCIAL PERIOD ENDED MARCH 31 2014

Business underwritten inside Pakistan

(Amount in Rs.)

C l a s s	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	2013 Net claims expenses	2014 Net claims expenses
		Opening	Closing			Opening	Closing			
Direct and facultative										
Fire and Property Damage	13,137,697	95,883,322	100,224,077	17,478,452	10,228,261	83,452,040	86,335,255	13,111,476	4,366,976	2,870,222
Marine, Aviation and Transport	31,694,093	122,752,103	102,993,295	11,935,285	28,777,405	111,466,771	89,925,440	7,236,074	4,699,211	5,196,762
Motor	13,880,549	8,068,114	10,279,684	16,092,119	328,248	557,826	1,453,326	1,223,748	14,868,371	13,862,008
Miscellaneous	1,575,090	3,361,723	2,653,153	866,520	1,417,582	2,713,450	2,045,083	749,215	117,305	1,223,802
<b>Grand Total</b>	<b>60,287,429</b>	<b>230,065,262</b>	<b>216,150,209</b>	<b>46,372,376</b>	<b>40,751,496</b>	<b>198,190,087</b>	<b>179,759,104</b>	<b>22,320,513</b>	<b>24,051,863</b>	<b>23,152,794</b>

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

  
Ismail H. Zakaria  
Chairman

  
Mohammad Omer Bawany  
Director

  
A. Aziz Ayoob  
Director

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014



FORM GF

CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)

FINANCIAL PERIOD ENDED MARCH 31, 2014

Business underwritten inside Pakistan

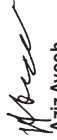
(Amount in Rs.)

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	2014 Net underwriting expense h=f-g	2013 Underwriting expenses
Direct and facultative Fire and Property Damage	16,152,954	39,455,930	40,041,270	15,567,614	10,194,604	25,762,218	10,653,451	15,108,767	12,042,236
Marine, Aviation and Transport	6,432,659	2,926,883	3,213,268	6,146,274	5,611,615	11,757,889	3,323,070	8,434,819	7,177,612
Motor	2,536,486	8,004,430	7,799,450	2,741,466	9,861,158	12,602,624	58,783	12,543,841	14,803,188
Miscellaneous	864,294	3,112,193	3,037,768	938,719	1,045,035	1,983,754	836,619	1,147,135	2,375,899
<b>Grand Total</b>	<b>25,986,393</b>	<b>53,499,436</b>	<b>54,091,756</b>	<b>25,394,073</b>	<b>26,712,412</b>	<b>52,106,485</b>	<b>14,871,923</b>	<b>37,234,562</b>	<b>36,398,935</b>

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

  
Ismail H. Zakaria  
Chairman

  
Mohammad Omer Bawany  
Director

  
A. Aziz Ayoob  
Director

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014

**CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED)**  
**FINANCIAL PERIOD ENDED MARCH 31, 2014**

FORM GG

	<b>31, March 2014</b>	31, March 2013
	<b>Rs.</b>	Rs.
<b>Income from Non-Trading Investments</b>		
<b>Held to maturity</b>		
Return on Government Securities	2,759,757	3,088,681
Return on other fixed income, securities and deposits	408,437	362,739
	<b>3,168,194</b>	3,451,420
<b>Available for sale</b>		
Dividend Income	-	127,666
Gain on sale of Available for sale investment	-	-
Impairment reversal	247,004	295,080
<b>Income from Trading Investments</b>		
<b>Held for Trading</b>		
Dividend Income	10,264,666	15,141,195
Gain on sale of Investments	1,984,130	209,399
Unrealized gain/(loss) on Held for trading Investments	12,596,071	(5,591,823)
Less: Investment related expenses	(28,519)	(12,352)
<b>Net Investment Income transferred to P&amp;L A/c.</b>	<b>28,231,546</b>	13,620,585

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

Ismail H. Zakaria  
ChairmanMohammad Omer Bawany  
DirectorA. Aziz Ayooob  
DirectorA. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014



## **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FINANCIAL PERIOD ENDED MARCH 31, 2014**

### **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**

#### **2.1 These condensed interim financial statements are un-audited and presented in condensed form in accordance with the requirements of international Accounting Standard 34 "Interim Financial Reporting"**

The disclosures made in these condensed interim financial statements have however been limited based on the formats prescribed by the insurance rules, 2002 and approved accounting standards as applicable in Pakistan for Interim Financial Reporting. These condensed financial statements do not include all the informations required for full financial statements and should be read in conjunction with the financial statements of the company for the year ended December 31, 2013.

#### **2.2 These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the company.**

### **3. BASIS OF MEASUREMENT**

These condensed interim financial statements have 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. These condensed interim financial statements have 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 these condensed interim financial statements are in line with the audited annual accounts for the year ended December 31, 2013.

### **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 31 December 2013.

### **6. TAXATION**

The provision for taxation for the period ended 31 March, 2014 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, entites under common control, entites with common directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices determined under "Comparable uncontrolled price method". Transactions with related parties are as follows.



	March 31st 2014	March 31st 2013
Premium Underwritten	6,608,568	5,378,884
Premium Collected	3,533,860	29,238,495
Claims Paid	1,535,754	8,515,029
Dividend received	-	15,870
Premium due but unpaid	50,039,474	28,309,288
Provision for outstanding claim	14,531,951	13,807,342
Key management personnel	4,436,761	3,957,048
Staff retirement benefits	521,833	485,883

#### 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 month 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 2014 (Number of Shares)	December 2013	31st March 2014	31st December 2013
1,156,680	1,156,680		
		Ordinary shares of Rs.10 each issued as fully paid in cash	
35,521,388	35,521,388	11,566,800	11,566,800
		Ordinary shares of Rs.10 each issued as fully bonus shares	
<u>36,678,068</u>	<u>36,678,068</u>	<u>355,213,880</u>	<u>355,213,880</u>
		<u>366,780,680</u>	<u>366,780,680</u>

#### 10. CONTINGENCIES AND COMMITMENTS

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

#### 11. INVESTMENTS

The investments comprise of the following:

		31st March 2014	31st December 2013
Held to maturity	11.1	104,433,657	107,350,324
Available for sale		80,307,469	69,307,469
Provision for impairment		(2,469,960)	(2,716,964)
	11.2	77,837,509	66,590,505
Held for trading		336,187,699	326,381,493
		<u>518,458,865</u>	<u>500,322,322</u>





11.1 Pakistan Investment Bonds with market value to Rs.19.362 million (2013:Rs.19.362 million) and GOP Ijara Sukuk Bonds with market value to Rs.17.500 million (2013: Rs.17.500 million) are placed with State Bank of Pakistan under section 29 of Insurance Ordinance, 2000.

11.2 The market value of investment in shares & securities available for sale as on 31 st March. 2014, was Rs.84.416 million (as at 31st December 2013 Rs.70.375 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, 2014, and March, 2013 unallocated capital expenditure and non-cash expenses during the period:

	Fire & property		Marine		Motor		Misc		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
<b>SEGMENT ASSETS</b>										
Segment assets	178,152,695	235,964,010	98,064,060	171,934,654	172,325,657	334,289,573	18,262,182	62,523,826	466,804,594	804,712,063
Unallocated corporate assets									988,028,507	743,900,547
Consolidated corporate assets									1,454,833,101	1,548,612,610
<b>SEGMENT LIABILITIES</b>										
Segment liabilities	296,119,657	281,743,373	162,998,913	205,291,686	286,434,142	399,145,073	30,354,809	74,654,070	775,907,521	960,834,202
Unallocated corporate liabilities									549,121	572,523
Consolidated corporate liabilities									776,456,642	961,406,725
<b>CAPITAL EXPENDITURE</b>										
Unallocated capital expenditure									5,201,680	1,319,152
Consolidated capital expenditure									5,201,680	1,319,152
Unallocated depreciation/Amortization									2,613,589	2,550,655

## 13. EARNINGS PER SHARE –BASIC AND DILUTED

Profit after tax for the period  
Weighted average number of ordinary shares  
**Earning per share-basic and diluted**

**March 31, 2014**

**24,958,251**  
**36,678,068**  
**0.68**

**March 31, 2013**

**8,493,087**  
**36,678,068**  
**0.23**

13.1 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 .

## 14 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 29th April, 2014 by the Board of Directors of the Company.

## 15 GENERAL

Figures have been rounded off to the nearest rupee

Ismail H. Zakaria  
Chairman

Mohammad Omer Bawany  
Director

A. Aziz Ayoob  
Director

A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th April, 2014



## OFFICES

### Head Office

<b>"Reliance Insurance House"</b> 181-A, Sindh Muslim Co-operative Housing Society, Karachi.	PABX : 34539415-17 Fax : 34539412 E-mail : reli-ins@cyber.net.pk. ric-re@cyber.net.pk. Web : www.relianceins.com
<b>Mr. A. Razak Ahmed</b> Chief Executive & Managing Director	Direct : 34539413, 34539414 Extension : 204
<b>Mr. Haroon A. Shakoor</b> Chief Accountant & Company Secretary	Direct : 34539409 Extension : 203
<b>Mr. Rizwan Akhtar</b> Executive Vice President (Operations)	Direct : 34304067 Extension : 210
<b>Mr. M. Amin Bawany</b> Vice President (Marine & Accident)	Direct : 34557079 Extension : 201
<b>Mr. Muhammad Ishaque Azim</b> Vice President (Fire)	Direct : 34304068 Extension : 212
<b>Mr. Sadruddin Hussain</b> Vice President (Claims)	Direct : 34550403 Extension : 208
<b>Mr. Ghulam Mujaddid</b> Chief Manager (Accounts)	Extension : 205
<b>Mr. Abdul Rahim Patni</b> Deputy Chief Manager (Reinsurance)	Direct : 34539411 Extension : 215
<b>Mr. Muhammad Salim Memon</b> Deputy Chief Manager (Investment/shares)	Extension : 214
<b>Mr. Muhammad Masood Ali</b> Deputy Chief Manager (I.T. Deptt.)	Extension : 202
<b>Mr. Muhammad Masood Alam</b> Manager (Administration)	Direct : 34539411 Extension : 206
<b>Mr. Mahmood Shuja Baig</b> Internal Auditor	Extension : 209

### South Zone Offices & Branches

<b>Business Plaza Branch</b> 407, 4th floor, Business Plaza, Off. I.I.Chundrigar Road, Karachi.	<b>Mr. Muhammad Iqbal Dhedhi</b> Executive Vice President	Ph : (021) 32419581, 32419582 Fax : (021) 32421314, 32421317
<b>Tariq Road Branch</b> Room No. A-2 & A-3, 1st Floor, Rahat Jo Daro, Plot No.172/L, Block-2, PECHS, Main Tariq Road, Karachi.	<b>Mr. Zafar A. Pasha</b> Executive Vice President	Ph : (021) 34527806, 34532427 34525376, 34322642 Fax : (021) 34522829
<b>Namco Centre Branch</b> 1-A, 5th Floor, Campbell Street, Karachi.	<b>Mr. Iqbal Umer Bawany</b> Vice President	Ph : (021) 32625716, 32624427 Fax : (021) 32624783
<b>Land Mark Plaza Branch</b> 405, 4th Floor, Land Mark Plaza, Off. I. I. Chundrigar Road, Karachi.	<b>Mr. Muhammad Reza Rajani</b> Assistant Vice President	Ph : (021) 32628777, 32628778 Fax : (021) 32628779
<b>M. A. Jinnah Road Branch</b> 101, Japan Plaza, M. A. Jinnah Road, Karachi.	<b>Mr. Rizwan Ahmed Khan</b> Branch Manager	Ph : (021) 32727076, 32729961 Fax : (021) 32722601
<b>Hyderabad Branch</b> 1st Floor, Al-Falah Chamber, Tilak Road, Hyderabad.	<b>Mr. Abdullah Ahmed</b> Regional Manager	Ph : (022) 2615774 Fax : (022) 2623029
<b>Sukkur Branch</b> Minara Road, Sukkur.	<b>Mr. Anees Memon</b> Resident Representative	Ph : (071) 5622619 Cell : 0300-3138090



**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. Fahad 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

**Eden Centre Branch**  
321, Eden Centre,  
43 Ghausal Azam Road, (Jail Road)  
Lahore.

**Mr. Ch. H.S. Asghar**  
Vice President

Ph : (042) 37599277, 37599377  
: 37589669  
Fax : (042) 37576032

**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

**Empress Tower Branch**  
Room -18, 1st Floor, Empress Tower 46  
Empress Road, Lahore.

**Mr. Syed Azhar Ali Shah**  
Senior Vice President

Ph : (042) 36297253  
Fax : (042) 36297254, 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. Muhammad Nawaz**

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

**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

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

**Mr. Abdul Karim Siddiqi**  
Vice President

Ph : (051) 4854200  
Fax : (051) 4580008

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

Ph : (091) 5274617, 5277328  
: 5250830  
Fax : (091) 5284683

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

**Mr. Syed Mohsin Bukhari**  
Assistant Manager

Ph : (061) 4517349  
Fax : (061) 4510049



Reliance Insurance Company Limited

## OFFICES

**Khanpur Branch**  
Old Ghalla Mandi, Khanpur,  
Distt. Rahimyar Khan.

**Mr. Abdul Razzak Choudhry**  
Vice President

Ph : (068) 5572772  
Fax : (068) 5572772

**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 Chaudhry**  
Resident Representative

Ph : (068) 5887770  
Cell : 0300-8717172

---



# **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, KARACHI-74400  
PHONES: 34539415-17