



QUARTERLY REPORT
MARCH 31, 2002



Muslim Insurance Company Limited

CONTENTS

Company Information	2
Chairman's Review	3
Balance Sheet	4
Consolidated Revenue Account	5
Profit & Loss Account	5
Cash Flow Statement	6
Statement of changes in Equity	7
Notes to the Accounts	7
Segment Reporting	8
Company Offices	9

COMPANY INFORMATION

BOARD OF DIRECTORS

Chairman	Yusuf H. Shirazi
Chief Executive	S. C. Subjally
Directors	Frahim Ali Khan
	Iftikhar H. Shirazi
	Jawaid Iqbal Ahmed
	Muhammad Faruque
	Saqib H. Shirazi

GROUP EXECUTIVE COMMITTEE

President	Aamir H. Shirazi
Members	Frahim Ali Khan
	Iftikhar H. Shirazi
	Jawaid Iqbal Ahmed
	Saqib H. Shirazi
	Saleem Ahmed
Secretary	Theresa Dias

GROUP PERSONNEL COMMITTEE

Chairman	Yusuf H. Shirazi
----------	------------------

GROUP AUDIT COMMITTEE

Chairman	Sanaullah Qureshi
----------	-------------------

COMPANY MANAGEMENT

Chief Executive	S. C. Subjally
Chief Operating Officer	Arshad P. Rana
Senior Manager Accounts	Nasim Ahmed Khan
Senior Manager Finance	Fariq M. K. Rohilla
Senior Manager Technical	Muhammad Munir
Senior Manager Administration	Pervaiz I. Malik
Senior Manager Marketing	Muhammad Munir Qazi
Auditors	Ford, Rhodes Robson, Morrow Chartered Accountants
Legal Advisors	Mohsin Tayebaly & Co. Ch. Maqsood Advocate
Tax Advisor	Mahmood Law Associates

CHAIRMAN'S REVIEW

I am pleased to present to you the unaudited accounts for the 1st quarter ending March 31, 2002

INSURANCE INDUSTRY

Insurance industry worldwide had to undergo a tough time after September 11, 2001 incident. The international re-insurers attitude hardened and particularly towards Pakistan being closer to Afghanistan. The re-insurers all over the world became too cautious resulting in reduction of capacity and much tighter terms and conditions.

Pakistani insurance companies had thus to face a hard time. Re-insurance arrangements became difficult and expensive. Re-insurers reduced coverage, lines and commission rates. As a result, not all the companies could get satisfactory re-insurance arrangements. Your company continues to have re-insurance arrangements with A-Class re-insurers.

COMPANY RESULTS

The first quarter of your company has ended well. Gross premium at Rs. 30.31m was higher than Rs. 20.64m of the corresponding quarter. Underwriting profit at Rs. 3.23m and investment income of Rs. 3.08m were better than Rs. 0.687m and Rs. 0.682m respectively of the corresponding quarter. The net profit before tax for the quarter improved to Rs. 7.11m compared to Rs. 0.278m of the previous quarter.

Your company continues to follow prudent underwriting policies and hope to achieve improved results quarter by quarter.

FUTURE OUTLOOK

Though the economy continues to be under pressure, the steps taken hopefully will put it back on the track. Water shortage and shortfall in exports have to be met squarely. On the other hand, stable rupee, rising foreign reserves, low interest rates, low inflation and debt re-scheduling are positive indicators.

عہ اپنی دنیا آپ پیدا کر اگر زندوں میں ہے
(In self reliance lies the salvation)

THANKS

I would like to thank all our shareholders, clients, re-insurers, our brokers and SECP for their continued support and understanding and our staff for their dedication and hard work

Yusuf H. Shirazi



Muslim Insurance Company Limited

BALANCE SHEET

AS AT MARCH 31, 2002

	March 31, 2002 (Unaudited)	December 31, 2001 (Audited)
	(Rupees in 000's)	
Property and Assets		
Fixed Assets at Cost less Depreciation		
Office Equipment, Furniture & Fixture	8,943	8,370
Land & Building	5,713	5,770
	14,656	14,140
Investments at Cost		
Statutory deposit with SBP.	350	350
Shares of joint stock companies	110,417	105,954
	110,767	106,304
Current Assets		
Agents Balances	6,634	13,297
Amount due from Ins. Companies	52,646	56,898
Other Current Assets	3,502	4,708
Advances, Deposits & Prepayments	4,727	6,608
Cash & Bank Balances	26,514	16,268
	94,023	97,779
	219,446	218,223
Capital and Liabilities		
Shareholders Equity:		
Share Capital	80,493	80,493
Capital Reserve		
General Reserve	2,251	2,251
Investment Fluctuation Reserve	15,950	15,950
Reserve for Bonus Shares	3,000	3,000
Reserve for exceptional losses	8,049	8,049
Unappropriated Profits	2,164	2,164
	5,670	21
	37,084	31,435
	117,577	111,928
Reserve for unexpired Risks	34,672	38,837
Liabilities & Provisions		
Other Payables	19,297	19,736
Amount due to Other Ins. Companies	32,876	31,943
Provision for outstanding claims	7,188	7,439
Provision for taxation	7,836	8,340
	67,197	67,458
	219,446	218,223

Dated: April 18, 2002

S.C. Subjally
Chief Executive

Iftikhar H. Shirazi
Director

Yusuf H. Shirazi
Chairman

CONSOLIDATED REVENUE ACCOUNT

FOR THE 1ST QUARTER ENDED MARCH 31, 2002 (UNAUDITED)

	March 31, 2002	March 31, 2001
	(Rupees in 000's)	
Reserve for unexpired risks as on 1st January	38,837	32,886
Premium less re-insurance	13,860	10,665
	52,697	43,551
Commission and discount	(1,192)	(676)
Claims Incurred	3,491	2,553
Expenses of Management	12,496	12,058
Reserve for unexpired risks as on 31st March	34,672	28,929
	49,467	42,864
Underwriting Profit: Carried down	3,230	687

PROFIT AND LOSS ACCOUNT

FOR THE 1ST QUARTER ENDED 31 MARCH, 2002

	March 31, 2002	March 31, 2001
	(Rupees in 000's)	
Underwriting Profit: Carried down	3,230	687
Investment Income	3,082	682
Prov. for diminution on Investments	1,693	-
Profit on sale of Fixed Assets, Rental Income etc.	488	145
	5,263	827
	8,493	1,514
Expenses of Management (not applicable to revenue accounts):	1,028	1,021
Depreciation on Assets	355	215
	1,383	1,236
Net Profit for the quarter before taxation	7,110	278
Provision for taxation	1,461	97
	5,649	181
Unappropriated Profit	21	15,088
Unappropriated Profit : carried to Balance Sheet	5,670	15,269
Earning per Share After Tax	0.70	0.02

S.C. Subjally
Chief Executive

Iftikhar H. Shirazi
Director

Yusuf H. Shirazi
Chairman



Muslim Insurance Company Limited

CASH FLOW STATEMENT

FOR THE 1ST QUARTER ENDED MARCH 31, 2002

	March 31, 2002	March 31, 2001
	(Rupees in 000's)	
Cash flows from operating activities		
Net profit before taxation	7,110	278
Adjustment for:		
Depreciation	355	215
Investment Income	(3,082)	(682)
Provision for gratuity	37	37
(Profit)/Loss on disposal of fixed assets	(346)	(45)
(Decrease)/Increase in reserve for unexpired risks	(4,164)	(3,957)
Adjustment of diminution against Investment	(1,693)	-
	(8,893)	(4,432)
Operating profit before working capital changes	(1,783)	(4,154)
(Increase)/Decrease in operating assets:		
Agents' Balances and outstanding premium	6,663	(21,037)
Amounts due from other persons or bodies carrying on insurance business	4,252	26,614
Advances, Deposits and Prepayments	1,881	2,880
	12,796	8,457
Increase/(Decrease) in operating liabilities:		
Outstanding Claims	(251)	(362)
Amounts due to other persons or bodies carrying on insurance business	933	262
Sundry creditors	(451)	(646)
Premium received in advance and deposits	101	7
	332	(739)
Cash generated from operations	11,345	3,564
Gratuity Paid	-	(169)
Income tax paid	(1,966)	(1,612)
Net cash from operating activities	9,379	1,783
Cash flow from investing activities		
Purchase of fixed assets	(516)	(166)
Sale proceeds of fixed assets	380	117
Purchase of investments	(2,774)	(5,727)
Interest received	1,783	77
Dividend received	1,994	3,618
Net cash used in investing activities	867	(2,081)
Net increase/(decrease) in cash & cash equivalents	10,246	(298)
Cash & cash equivalents at the beginning of the year	16,268	13,037
Cash and cash equivalents at the end of the quarter	<u>26,514</u>	<u>12,739</u>

S.C. Subjally
Chief Executive

Iftikhar H. Shirazi
Director

Yusuf H. Shirazi
Chairman

NOTES TO THE ACCOUNTS**STATEMENT OF CHANGES IN EQUITY**

FOR THE 1ST QUARTER ENDED MARCH 31, 2002

	March 31, 2002	March 31, 2001
	(Rupees in 000's)	
Share Capital	80,493	67,077
Capital Reserve	2,251	2,251
General Reserve	15,950	12,350
Reserve for Bonus Shares	8,049	-
Exceptional Losses Reserve	2,164	2,164
Investment Fluctuation Reserve	3,000	3,000
	31,414	19,765
Unappropriated (Loss)/ Profit	21	15,088
Net Profit / (Loss) for the period	5,649	181
Balance as on 31.03.2002	<u>117,577</u>	<u>102,111</u>

NOTES:

These accounts are subject to audit and are presented as required under Section 245 of the Companies Ordinance 1984.

Figures have been rearranged where necessary.

Accounting policies adopted for the preparation of these accounts are the same as those applied in the preparation of the preceding annual published accounts except for calculation of Reserve for un-expired risks which is calculated as the aggregate of:

- a. 40% of Net Premium of Three months, and
- b. 75% of the reserves as on 1st January

SEGMENT REPORTING

The Company has three primary business segments for reporting purposes namely fire, marine, motor and miscellaneous

Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of gross premium earned by the segments.

	FIRE		MARINE		MOTOR & MISC.		TOTAL	
	2002	2001	2002	2001	2002	2001	2002	2001

OTHER INFORMATION

Segment assets	14,210	8,322	39,527	51,856	7,832	11,445	61,569	71,623
Unallocated corporate assets							160,166	103,604
Consolidated total assets							<u>221,735</u>	<u>175,227</u>
Segment Liabilities	8,700	3,041	22,603	14,568	10,152	6,313	41,455	23,922
Unallocated corporate Liabilities							19,982	20,265
Consolidated total Liabilities							<u>61,437</u>	<u>44,187</u>
Capital expenditure-according to above ratios	<u>193</u>	<u>(6)</u>	<u>538</u>	<u>(38)</u>	<u>107</u>	<u>(9)</u>	<u>838</u>	<u>(53)</u>
Depreciation-according to above ratios	<u>82</u>	<u>25</u>	<u>228</u>	<u>156</u>	<u>45</u>	<u>34</u>	<u>355</u>	<u>215</u>

COMPANY OFFICES

HEAD OFFICE

3 Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX: 7320542-7320543-7322271 & 73 Direct: 7310658-7234757 7234812-7314241 Fax: 7234742
S.C.SUBJALLY Chief Executive	Direct: 7310658 Extension: 313
ARSHAD P. RANA Chief Operating Officer	Direct: 7234812 Extension: 301
NASIM AHMED KHAN Sr. Manager Accounts	Direct: 7234757 Extension: 307
MUHAMMAD MUNIR Sr. Manager Technical	Direct: 7314241 Extension: 309
PERVAIZ I. MALIK Sr. Manager Admin.	Direct: 7314241 Extension: 308
MUHAMMAD MUNIR QAZI Sr. Manager Marketing	Direct: 7234757 Extension: 312
ASAD MEHMOOD AWAN Manager Marketing	Extension: 318

NORTH ZONE OFFICES & BRANCHES

LAHORE

SHEIKH MUHAMMAD ASHRAF Chief Manager	Nairobi Mansion Napier Road, Lahore.	7352560 7358190
A. A. RIZVI Chief Manager	Hafeez Chambers, 85-Shahrah-e-Quaid-e-Azam, Lahore.	6305595
ZAFAR HUSSAIN JAMAL Branch Manager	Hafeez Chambers, 85-Shahrah-e-Quaid-e-Azam, Lahore.	6305595
KHALID MAHMOOD Branch Manager	Alnoor Building, Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	7358805



Muslim Insurance Company Limited

FAISALABAD BRANCH-I

IRSHAD AHMED SHEIKH
Chief Manager

Chartered Bank Chambers
Railway Road, Faisalabad.

647194
Fax : 635080

FAISALABAD BRANCH-II

IRSHAD FARRUKH BHATTI
Branch Manager

Room: 8 to 11,
Ismail Plaza, 3rd Floor,
Satiana Road, Faisalabad.

721256
Fax : 721256

MULTAN

BASHIR AHMED GHOURI
Branch Manager

Atlas Honda Building
Azmat Wasti Road, Multan

544494

M. AKRAM KHAWAJA
Manager

Atlas Honda Building
Azmat Wasti Road, Multan

544494

RAWALPINDI

MAHMOOD AHMED
Chief Manager

101/13, Bank Road,
Grand Hotel Building,
P. O. Box 119, Rawalpindi.

5563413
Fax : 5566518

PESHAWAR

MANZAR ALI NAQVI
Branch Manager

15-Saddar Road,
Peshawar Cantt.

275705
Fax : 275705

SAHIWAL

HABIB-UR-REHMAN CH
Branch Manager

147-Railway Road, Sahiwal

66044
Fax : 66044

SIALKOT

AHMED SAEED RANA
Branch Manager

Allama Iqbal Market,
Shahrah-e-Aiwan-e-Sannat-o-Tijarat,
Sialkot.

594520
592863

BAHAWALPUR

MUHAMMAD MASOOD CH.
Branch Manager

2nd Floor, Gulf Plaza,
Near Erum Hotel,
Circular Road,
Bahawalpur. (63100).

880802

SOUTH ZONE OFFICE

2nd Floor, Ameerjee Chambers,
Campbell Street,
P.O.Box: 5126, Karachi.

PABX: 2620081-5
Direct: 2629531, 2621924
2621925, 2625697
Fax: 2629532

S.C. SUBJALLY
Chief Executive

PABX: 2620081-5 Extension:305
Direct: 2629531

FARIQ M.K. ROHILLA
Senior Manager Finance

Direct: 2621924
Extension: 302

S. MUBARAK AHMED
Manager Admin.

Extension: 316

JAWAID IRSHAD
Manager Claims

Extension : 303

MUHAMMAD IMRAN
Manager

Extension : 309

ALI ASGHAR
Manager Customer Service

Extension : 312

SOUTH ZONE BRANCHES KARACHI

AIJAZ ALI KHAN
Senior Manager

Karachi Branch
2nd Floor Ameerjee Chambers
Campbell Street,
P.O.Box: 5126, Karachi
2620081-5
Ext. 313
Direct: 2621925
Fax: 2621925

ABDUL AZIZ
Branch Manager

Corporate Branch
4th Floor Ameerjee Chambers
Campbell Street,
P.O.Box: 5126, Karachi
2620081-5
Ext. 301 & 308
Direct: 2636576
Fax : 2625651

MOHAMMAD FAROOQ KANDLAWALA
Branch Manager

Tower Branch
State Life Building No. 7,
Room No. 101, 1st Floor
G.Allana Road, Karachi.
2201471
2316503, 2315248
Fax: 2315248

HYDERABAD

ZAFAR AHMAD GHOURI
Chief Manager

Akbar Chamber, Saddar,
P.O.Box: 284, Hyderabad.
782659
Fax: 782660

SUKKUR

ABDUL MAJEED QURESHI
Chief Manager

House No.C-631/13,
Minara Road, Sukkur.
25965
Fax: 25977