

## **BEEMA-PAKISTAN COMPANY LIMITED**

### **DIRECTORS' REPORT TO THE SHAREHOLDERS**

This report has been prepared in November 2004 after the resolution of disagreement between the Company and SECP and after receipt of letter No 23(6) INS: SECP / 2004 of 13 September 2004 from Securities and Exchange Commission of Pakistan.

The Directors are pleased to present the forty third Annual Report of the Company together with the Audited Accounts and their Report thereon for the year ended 31 December 2003.

#### **Business Review**

During the year under review too, the Company remained almost commercially non-operational in continuation since 2001. It is evident from the statement of premium that a very small gross premium of Rs.3,249 was underwritten during the year, against Rs.233,904 in the previous year 2002. This premium was received as residual revenue from underwriting activity of previous years.

Now it is expected that your Company will resume its usual business activities from the start of coming year 2005 after obtaining clearance from the Securities and Exchange Commission of Pakistan against certain issues and permission to underwrite proposed products for which the Company is fully prepared.

Profit and Loss statement reflects, an overall loss amounting to Rs.3,679,457 during the year under review which mainly consists of administrative and management expenses as against Rs.7,010,706 during the previous year 2002. (Reduced by 48%).

Necessary steps have already been taken by the Management of the Company to re-organise the affairs to boost up business activities during the year 2005. Experienced, qualified staff and Marketing team are ready to meet the challenges of existing competition.

#### **Compliance with the Code of Corporate Governance**

The Board of Directors remained engaged in performing their duties as required under the Code of Corporate Governance. In addition, the Code of Corporate Governance for Insurance Companies has also been adopted and complied with, and such compliance is attached with this Report.

#### **Change in the Board of Directors**

There was no change in the Board of Directors of the Company during the year 2003.

#### **Board of Audit Committee**

There was no change in the Board Audit Committee during the year 2003.

#### **Appointment of Auditors**

The Board of Directors and the Audit Committee of the Company have recommended appointment of Messrs. Rao & Company, Chartered Accountants, as Auditors of the Company for the year 2004, at a remuneration to be mutually agreed by the Management and the Auditors. This appointment was ratified by the SECP.

## **BEEMA-PAKISTAN COMPANY LIMITED**

### **Pattern of Shareholding**

A Statement showing the Pattern of Shareholding is attached with this Report

### **Corporate Financial Reporting**

1. The financial statements together with the notes forming an integral part of these statements are drawn up in conformity with the Companies Ordinance 1984, and the Insurance Ordinance 2000. Prepared by the management of your Company, these present fairly the state of affairs, the result of the operations, cash flows and changes in equity.
2. Proper Books of Accounts of the Company have been maintained.
3. Appropriate accounting policies have consistently been applied in preparation of these financial statements and accounting estimates are based on reasonable and prudent judgment.
4. The International Accounting Standards, as applicable in Pakistan have been followed in preparation of financial statements and any departure there-from has been adequately disclosed.
5. The system of internal control is satisfactory in design and has been continuously monitored by the internal audits. This is in course of process and any weaknesses will be removed soon after Company comes into operation.
6. There is no doubt upon the Company's ability to continue as a going concern.
7. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
8. Key operating and financial data for the last ten years is attached with this Report.
9. Outstanding amounts, taxes and duties are given in the financial statements.

### **Financial Statements**

The Financial Statements of the Company have been audited by M/s. Rao & Company, Chartered Accountants who have approved the Accounts.

There were no material changes and commitments affecting the financial position of the Company from the end of the financial year and up to the date of signing the Directors Report.

### **Insurance Ordinance 2000**

As required under the Insurance Ordinance and rules framed thereunder the Directors confirm that:

- 1) In their opinion and to the best of their belief the annual statutory accounts of the Company set out in the forms attached with this statement have been drawn up in accordance with the Insurance Ordinance and the rules made thereunder
- 2) The Company has, all times in the year, where practicable complied with the provision of the Ordinance and the rules made thereunder.
- 3) As at the date of the statement, the Company continues to be in compliance with the provisions of the Ordinance and rules framed thereunder as mentioned above.

## BEEMA-PAKISTAN COMPANY LIMITED

### Internal Control

Since the Company remained erroneously non-operational and was almost dormant during the year under review, these controls shall be fully implemented and monitored on resuming of business operation of the Company.

### Paid-up-Capital of the Company

During the year under review, the Paid-up-Capital of the Company was Rs.475.90 million. In 2002, it was increased from Rs.50 million to Rs.475.90 million and since then there has been no change. Details of issued, subscribed and preference Shares are as under.

Likewise, Authorised Capital of the Company was also increased during the year 2002, from Rs.50 million to Rs.500 million, and since then there was no change.

### Shares Issued, Subscribed and Paid-up Share Capital Ordinary and Preference Shares of Rs.10/- each

No. of Shares Issued	Particulars of Shares Issued	Face Value Rupees	Nature of Issue
550,000	Fully paid Ordinary shares of Rs.10/- each, issued for cash	Rs.5,500,000	Ordinary Shares
825,000	Fully paid Right shares of Rs.10/- each, issued for cash	Rs.8,250,000	“
1,172,739	Fully paid Right shares of Rs.10/- each, issued for cash	Rs.11,727,390	“
1,577,261	Fully paid Right shares of Rs.10/- each, issued for cash	Rs.15,772,610	“
875,000	Fully paid Right shares of Rs.10/- each, issued for cash	Rs.8,750,000	“
3,627,739	Fully paid Right shares of Rs.10/- each, issued for cash	Rs.36,277,390	“
33,056,000	Fully paid Right shares of Rs.10/- each, issued for cash	Rs.330,560,000	“
41,683,739		Rs.416,837,390	
5,906,000	Preference shares of Rs.10/- each with the right to hold Management of the Company, issued to Mr. M. Shahnawaz Agha, Chairman & Chief Executive of the Company.	Rs.59,060,000	Preference Shares
47,589,739		475,897,390	

## BEEMA-PAKISTAN COMPANY LIMITED

### SUMMARY

	<u>No. of Shares</u>	<u>Face Value of Shares Issued</u>
Ordinary Shares of Rs.10/- each, Issued for cash	2,547,739	Rs.25,477,390
Ordinary Shares of Rs.10/- each, Issued against Immovable Property and Land	39,136,000	Rs.391,360,000
<b>Total Ordinary Shares</b>	<b>41,683,739</b>	<b>Rs.416,837,390</b>
Preference Shares of Rs.10/- each, To Mr. M. Shahnawaz Agha, Chairman And Chief Executive of the Company	5,906,000	Rs.59,060,000
<b>Total Paid-up Capital</b>	<b>47,589,739</b>	<b>Rs.59,060,000</b>

### Corporate Governance

Since the Company was almost dormant during the year under review and there was almost no business operation, therefore with these limitations in mind, the Company had tried its efforts to comply with the Code of Corporate Governance. However, the Company will fully implement the requirements of these codes in its organization when it runs into operation on full year basis.

### Future Outlook

The Directors and Management of the Company are quite confident and very much hopeful for a quick and better growth of the Company. The Management has taken very strong measures and made certain policies to upgrade the Company. It has been studied and projected that the total business of the group of Management owners would be diverted to this Company.

The future outlook for the short and medium term is dependent on improved political situation in the region, besides the continuation of economic and fiscal policies by the Government. All economic indicators are however, positive and should lead to higher growth in future years.

As indicated earlier that the paid-up-capital was enhanced to Rs.475 million, in view thereof, the management is hopeful of a bright future and considerable business will be generated in the coming year.

### General

We take the opportunity to express our appreciation to our valued clients, Securities and Exchange Commission of Pakistan, Pakistan Reinsurance Company Limited, other Re-insurers, Banks, DFIs and statutory bodies our Auditors, Messrs. Rao & Company (Chartered Accountants) for their extensive co-operation and support to the Company.

The Directors are also pleased to record their appreciation of the valuable services rendered by the staff of the Company.

Director

Director

**M. SHAHNAWAZ AGHA**  
Chairman & Chief Executive

Karachi: 22<sup>nd</sup> November, 2004

**BEEMA-PAKISTAN COMPANY LIMITED**  
**STATEMENT OF EXPENSES**  
**FOR THE ENDED 31ST DECEMBER, 2003**

Rupees in '000

Class	Commissions	Opening	Closing	Net	Other	Underwriting	Commission	2003	2002
	paid or payable a	deferred commission b	deferred commission c	Commission expense d=a+b+c	management expenses e (Refer note)		from reinsurance g (Refer note)	Net Underwriting expense h=f-g	Net Underwriting expense
<b>Rupees</b>									
Direct and facultative									
1 Fire and property damage	1	-	-	1	-	1	-	1	453
2 Marine, aviation and transport	-	-	-	-	-	-	-	-	118
3 Motor	-	-	-	-	-	-	-	-	-
4 Miscellaneous	-	-	-	-	-	-	-	-	961
Total	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1,532</u>

Note: Commission from reinsurers is arrived at by taking impact of opening and closing unearned commission

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004

**BEEMA-PAKISTAN COMPANY LIMITED  
STATEMENT OF INVESTMENT INCOME  
FOR THE ENDED 31ST DECEMBER, 2003**

----- Rupees in '000 -----

	<b>2003 Rupees</b>	<b>2002 Rupees</b>
<b>Income from non-trading investments</b>		
<b>Available for sale</b>		
Dividend income		
Others	15	9
<b>Held to maturity</b>	15	9
Return on government securities	106	88
Return on other fixed income securities and deposit Certificates of deposit/investment	121	97
Term finance certificate	-	-
Provision for impairment of investment	121	97
	121	97
<b>Gain on sale of non-trading investments</b>	-	-
<b>Provision for impairment in value of investments</b>		
Write back of provision on portfolio available for sale	-	-
<b>Less: Investment related expenses</b>		
Zakat deducted	-	-
<b>Net Investment income</b>	<u>121</u>	<u>97</u>

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004

# **BEEMA-PAKISTAN COMPANY LIMITED**

## **AUDITOR REPORT TO THE MEMBERS**

We have audited the annexed financial statements comprising of:

- i. Balance sheet;
- ii. Profit and loss account;
- iii. Statement of changes in equity;
- iv. Cash flow statement;
- v. Statement of premium;
- vi. Statement of claims;
- vii. Statement of expenses; and
- viii. Statement of investment;

of Beema-Pakistan Company Limited as at 31 December 2003 together with the notes forming part thereof for the year ended. The auditor of these statements and related documents were finalized by us post receive by authorization from S.E.C.P.

It is the responsibility of the Company's Management to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved Accounting standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 (XXXIX of 2000) and the Companies Ordinance 1984 (XLVII of 1984). Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audited in accordance with the auditing standard as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as, evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

The design, implementation and monitoring of the system of internal control suffers from concentration of management in the hands of the Chief Executive. This is presumably because of extra ordinary status of the Company with its regulators.

We are not expressing any opinion regarding matters relating to Insurance Ordinance, 2000 as per the letter number 23(6): INS; S.E.C.P/2004 dated September 23, 2004 of S.E.C.P.

The Company's license to carry on the insurance business was also not valid during the year 2003. Due to this reason the company could not continue on its business in the year 2003. However, the Company has received underwriting income for some insurance business during the year.

The Company legal advisor mentions six legal cases between the company and the various parties without mentioning any monetary effect. Therefore we cannot express any opinion about these cases and also unable to quantify its financial impacts on these financial statements.

## BEEMA-PAKISTAN COMPANY LIMITED

We have not observed the physical stock taking of the Company as at December 2003.

The shares were issued against land amounting to Rs.38,962,000 in 2002, the mutation of the title of land remains to be made in the name of company. All properties are under registered Power of Attorney and Sale Agreement favoring the Company.

We have not received bank confirmation from various banks consisting of balances aggregation Rs. 27,584/- as at balance sheet date.

As mentioned in note 14. The amount due to/ from other Insurance/ Reinsurance companies is remain unconfirmed.

The provision for doubtful debts is in inadequate by Rs. 12,726,753/- as we did not receive any confirmation from these parties, hence in our opinion, theses are no more recoverable, if the Company writes off this amount the loss of the company will be increased by the same amount.

We are not issuing the Review Report on statement of Compliance with best practices of Code of Corporate Governance.

The Company is not supposed to be a going concern entity in the absence of License to carry on the insurance business.

Except for the financial effects of the matters referred to in the preceding paragraphs, in our opinion:

- a) Proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;
- b)
  - i. the financial statement together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and accurately reflect the books and records of the Company and are further in accordance with accounting policies consistently applied.
  - ii. the expenditure incurred during the year was for the purpose of the Company's business and
  - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company.
  - iv. in our opinion and to the best our information and explanation given to us, the financial statements together with the notes thereof present fairly, except as stated in foregoing paragraphs, in all material respects, the state of company's affair at the 31<sup>st</sup> December 2003 and of the loss, its cash flows and changes in equity for the year then ended in accordance with approved accounting standards as applicable in Pakistan, and given the information required to be disclosed by the Insurance Ordinance, 2000 and the Company Ordinance, 1984; and
- c) No Zakat was deductible at source, under Zakat & Ushar Ordinance 1980.



## **BEEMA-PAKISTAN COMPANY LIMITED**

- d) Without qualifying our opinion, we would like to point out the followings.
- i. The Company has filed Writ petition in the honorable High Court of Sindh for the ratification of capitalization process and allotment of shares to Mr.Shahnawaz Agha for Rs. 8,750,000 in the year 2001 and Rs.36,277,390 in the year 2002.
  - ii. The company has not made any provision regarding the contingencies in respect of claims, as per the opinion of the Management of the Company that no liability will accrue or arise in this respect.

**Rao & Company**  
Chartered Accountant

Place: Karachi  
Date: 22<sup>nd</sup> November, 2004

**BEEMA-PAKISTAN COMPANY LIMITED**  
**BALANCE SHEET**  
**AS AT DECEMBER 31, 2003**

----- Rupees in '000 -----

	<b>2003</b> Rupees	<b>2002</b> Rupees
<b>Share capital and reserves</b>		
<b>Share Capital</b>	<u>500,000</u>	<u>500,000</u>
Authorized		
Paid-up-Ordinary shares	416,837	416,837
Preference shares	59,060	59,060
<b>Reserves</b>		
Capital Reserves	662	662
Unappropriated loss	(26,606)	(22,927)
	(25,943)	(22,265)
<b>TOTAL EQUITY</b>	449,954	453,632
<b>Underwriting provisions</b>		
Provision for unearned premium	-	94
<b>Creditors and accruals</b>		
Amounts due to other insurers/reinsurers	5,752	5,750
Accrued expenses	4,171	4,682
Loan from director	5,908	631
Over Draft	300	300
Taxation-provision less payment	1	1
Others creditors and accruals	3,725	3,568
	19,857	14,932
Unclaimed dividends	21	21
<b>CONTINGENCIES</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>469,832</u></u>	<u><u>468,679</u></u>

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004

**BEEMA-PAKISTAN COMPANY LIMITED**  
**BALANCE SHEET**  
**AS AT DECEMBER 31, 2003**

	<b>2003</b> Rupees	<b>2002</b> Rupees
<b>Cash and bank deposits</b>		
Cash and other equivalent	-	-
Current and other account	<b>825</b>	30
Deposit maturing within 12 Month	-	-
<b>Investments</b>	<b>2,265</b>	2,159
<b>Less: Provision for fluctuation of investment</b>	<b>1,383</b>	1,383
	<u><b>882</b></u>	<u>776</u>
<b>Deferred taxation</b>		
<b>Other Assets</b>		
Premiums due but unpaid	<b>2</b>	2
Amounts due from other insurers/reinsurers	<b>1,529</b>	1,529
Advances Deposit and Prepayments	<b>1,868</b>	1,868
Advance for subscription of term finance certificates	<b>12,727</b>	12,727
Sundry receivable	<b>16,126</b>	16,126
<b>Fixed assets</b>		
<b>Tangible</b>		
Land	<b>450,420</b>	450,420
Properties	<b>291</b>	307
Offices	<b>386</b>	406
Lease Hold improvements	<b>104</b>	116
Furniture and Fixture	<b>238</b>	264
Office equipment	<b>282</b>	212
Motor vehicles	<b>278</b>	22
<b>Intangible</b>	<b>451,999</b>	451,747
<b>Total Assets</b>	<u><u><b>469,832</b></u></u>	<u><u>468,679</u></u>

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004

**BEEMA-PAKISTAN COMPANY LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE ENDED 31ST DECEMBER, 2003**

Rupees in '000

	Fire and Property	Marine Aviation and Transport	Motor	Others	Aggregate	
					2003	2002
	Rupees					
<b>Revenue account</b>						
Net Premiums	29	6	-	61	<b>96</b>	912
Administrative Surcharge	-	-	-	-	-	4
Net Claims	-	-	-	(4)	<b>(4)</b>	(25)
Expenses	-	-	-	-	-	(1,466)
Net commission	-	-	-	-	-	(67)
<b>Underwriting result</b>	<b>29</b>	<b>6</b>		<b>57</b>	<b>92</b>	<b>(642)</b>
Investment income					<b>121</b>	97
Other income					-	35
General and administration expenses					<b>121</b>	132
Fixed assets written off					<b>(4,125)</b>	(1,576)
Financial Charges					-	(1,114)
Amortization of deffered expenses					-	(29)
Assets/Liabilities writtenoff/back					-	-
					<b>234</b>	(3,781)
<b>Profit before tax</b>					(3,678)	(7,010)
Provision for taxation					-	(1)
<b>Profit after tax</b>					<b>(3,678)</b>	<b>(7,011)</b>
<b>Profit and loss appropriation account</b>						
Balance at the commencement of year					<b>(22,927)</b>	(15,916)
<b>Balance unappropriated profit at end of year</b>					<b>(26,605)</b>	<b>(22,927)</b>
<b>Earnings per share-basic</b>					<b>(0.09)</b>	(0.30)

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004

**BEEMA-PAKISTAN COMPANY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE ENDED 31ST DECEMBER, 2003**

Rupees in '000

	Issued, subscribed and paid up capital	Advance for issue of right shares	Reserve for		unappropriated loss	Total
			Exceptional losses			
Balance as at January 01, 2001	50,000	36,327	662	-	(15,916)	71,073
Issuance of right shares against advance share money	36,277	36,277	-	-	-	-
Issuance of right shares against properties acquired	389,620	-	-	-	-	389,620
Adjustments of share money	-	50	-	-	-	(50)
Loss for the year	-	-	-	-	(7,011)	(7,011)
<b>Balance as at Dec. 31, 2002</b>	<b>475,897</b>	<b>-</b>	<b>662</b>	<b>-</b>	<b>(22,927)</b>	<b>453,632</b>
Transfer to unappropriated Loss	-	-	-	-	-	-
					(3,678)	(3,678)
<b>Balance as at Dec. 31, 2003</b>	<b>475,897</b>	<b>-</b>	<b>662</b>	<b>-</b>	<b>(26,605)</b>	<b>449,954</b>

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004

**BEEMA-PAKISTAN COMPANY LIMITED  
STATEMENT OF CASH FLOW  
FOR THE ENDED 31ST DECEMBER, 2003**

----- Rupees in '000 -----

	<b>2003 Rupees</b>	2002 Rupees
<b>Operating cash flows</b>		
(a) Underwriting activities		
Premium received	3	95
Claims paid	(5)	(26)
Commission paid	(1)	(66)
Net cash flow from underwriting	(3)	3
(b) Other operating activities		
General management expenses	(3,615)	(548)
Other operating payments	(453)	(329)
Other operating receipts	-	429
Net cash flow from other operating activities	(4,068)	(448)
Total cash flow from all operating activities	(4,071)	(445)
<b>Investing activities</b>		
Dividends received	15	9
Fixed capital expenditure	(426)	(379)
Total cash flow from investing activities	(411)	(370)
<b>Financing activities</b>		
Loans received	5,277	631
Increase/decrease in overdraft	-	54
Financial charges paid	-	(29)
Total cash flow from financing activities	5,277	656
Net cash inflow/(outflow) from all activities	795	(159)
<b>Cash at the beginning of the year</b>	<b>30</b>	<b>189</b>
<b>Cash at the end of the year</b>	<b>825</b>	<b>30</b>

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004

**BEEMA-PAKISTAN COMPANY LIMITED  
RECONCILIATION TO PROFIT AND LOSS ACCOUNT  
FOR THE ENDED 31ST DECEMBER, 2003**

----- Rupees in '000 -----

	<b>2003</b> <b>Rupess</b>	2002 Rupees
Operating cash flows	<b>(4,071)</b>	(445)
Depreciation	<b>(174)</b>	(109)
Dividend income	<b>15</b>	9
Profit on disposal of fixed assets	-	(1,113)
Increase/(Decrease) in assets other than cash	<b>106</b>	150
Prior year Adjustments	<b>234</b>	(3,781)
(Decrease)/increase in liabilities other than medium term finance	<b>118</b>	(2,455)
Provision for diminuation in value of available for sale investments	-	-
Amortization of deferred expenses	-	-
(Increase)/decrease in reserve for unexpired risk	<b>94</b>	763
Provision for taxation	-	(1)
Financial Charges	-	(29)
Profit after Taxation	<b><u>(3,678)</u></b>	<b><u>(7,011)</u></b>

**Definiton of cash**

Cash in hand and at bankl, Stamps in hand and short term placement with bank

cash for the purposes of the Statement of cash flow consists of:

Cash and other equivalentls

Cash in hand

Stamps in hand

-	-
-	-
-	-

Current and other account

Current Account

PLS Account

<b>823</b>	28
<b>2</b>	2
<b>825</b>	30

Deposit maturing within 12 Month

Cash with State Bank of Pakistan

-	-
<b>825</b>	<b>30</b>

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004

**BEEMA-PAKISTAN COMPANY LIMITED**  
**STATEMENT OF PREMIUMS**  
**FOR THE ENDED 31ST DECEMBER, 2003**

Rupees in '000

Class	Premiums written	Unearned premium reserve		Premium earned	Reinsurance ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing		opening balance	closing			2003	2002
Rupees										
Direct and Facultative										
1 Fire and property damage	2	27	-	29	-	-	-	-	29	276
2 Marine, aviation and transport	-	7	-	7	-	-	-	-	7	23
3 Motor	-	-	-	-	-	-	-	-	-	-
4 Miscellaneous	1	59	-	60	-	-	-	-	60	613
<b>Total</b>	<b>3</b>	<b>93</b>	<b>-</b>	<b>96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>912</b>

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004



**BEEMA-PAKISTAN COMPANY LIMITED**  
**STATEMENT OF CLAIMS**  
**FOR THE ENDED 31ST DECEMBER, 2003**

Rupees in '000

Class	Claims Paid	Outstanding claims		Claim expense	Re-insurance and other recoveries received	Re-insurance and other recoveries in respect of Outstanding claims		Re-insurance and other recoveries received	2003 Net Claims expenses	2002 Net Claims expenses
		Opening	*Closing			Opening	Closing			
<b>Rupees</b>										
Direct and facultative										
1 Fire and property damage	1	-	-	1	-	-	-	-	1	2
2 Marine, aviation and transport	-	-	-	-	-	-	-	-	-	9
3 Motor	-	-	-	-	-	-	-	-	-	-
4 Miscellaneous	3	-	-	3	-	-	-	-	3	15
Total	<u>4</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>26</u>

\* Opening claims are written off during the year and taken into profit and loss account

Director

Director

Chairman & Chief Executive

Karachi: 22nd November 2004