



PAKISTAN INSURANCE CORPORATION

16th Annual Report
AND STATEMENTS OF ACCOUNT
FOR THE YEAR ENDED
31ST DECEMBER 1968

BOARD OF DIRECTORS

M. A. MAJID, C. S. P. (Retd.)

Chairman

MASUD ZAMAN, C. S. P.

MAJID ALI, C. S. P.

AHMAD DAWOOD, H. K.

MIAN MOHAMMED BASHIR, S. Q. A.

MIRZA MEHDY ISPAHANI

Directors

A. G. RIZA, C. S. P.

Managing Director

HEAD OFFICE

Pakistan Insurance Building,

Bunder Road,

P. O. Box No. 4777, City

Karachi-2 (Pakistan)

LAHORE OFFICE

Pakistan Insurance Corporation,

Wapda House, 4th Floor,

Quaid-e-Azam Road,

P. O. Box No. 578,

Lahore.

DACCA OFFICE

Pakistan Insurance Corporation,

121 Motijheel,

Commercial Area,

P. O. Box No. 337,

Dacca.

AUDITORS

HASHMI & CO.

MINOO N. BAMJEE & CO.

PAKISTAN INSURANCE CORPORATION KARACHI

Report by the Board of Directors for the year ended 31st December, 1968.

To the Shareholders,

Your Directors are pleased to present the Revenue Accounts, the Profit & Loss and the Profit & Loss Appropriation Accounts for the year ended 31st December, 1968 and the Balance Sheet as at 31st December, 1968.

The following summary of the accounts will be of assistance in appreciating the results achieved during the year :—

Revenue Accounts :

		(In thousands of rupees)									
		Fire		Marine		Miscellaneous		Life		Total	
		1967	1968	1967	1968	1967	1968	1967	1968	1967	1968
Gross Premium	...	36,500	39,833	41,036	52,426	30,806	39,464	89	219	108,431	131,942
Retrocession Premium	...	19,903	23,035	21,917	28,820	19,798	25,818	05	101	61,623	77,774
Nett Premium	...	16,597	16,798	19,119	23,606	11,008	13,646	84	118	46,808	54,168
Nett Commission	...	6,864	8,022	4,856	6,808	3,446	3,517	32	26	15,198	18,373
Nett Claims	...	7,084	5,904	11,620	13,105	6,470	7,965	42	55	25,216	27,029
Expenses of Management	...	468	538	526	709	395	533	1	3	1,390	1,783
Premium Reserve adjustment and Balance of Life Fund	...	1,336	80	1,463	1,795	603	1,055	9	34	3,411	2,964
Underwriting Profit	...	845	2,254	654	1,189	94	576	.....	.....	1,593	4,019

You will observe from the accounts that the Gross Premium of the Corporation for the year has increased by Rs. 23,511 thousands *i.e.*, 21.68% over 1967 and the nett retained premium has gone up by Rs. 7,360 thousands *i.e.*, 15.72%. The substantial rise in the nett premium has been brought about by increasing nett retentions commensurate with the requirements of protection and by proper checks over retrocession arrangements. The over all claims ratio has improved from 53.87% last year to 49.90% during the year under report mainly because of careful underwriting and watch over the claims settlement procedure in the market and weeding out of unprofitable treaty business particularly from abroad. As in the last year, the Premium Reserve during 1968 has been increased by 40% of the amount by which the nett premium income of 1968 increased over the nett premium income of 1967. The Premium Reserve has thus been augmented by Rs. 2,930 thousands.

Underwriting Profit :

The year ended with an overall underwriting profit of Rs. 4,019 thousands inspite of financing charge of Rs. 2,930 thousands for the conventional Premium Reserve as compared to Rs. 1,593 thousands last year.

Profit And Loss Account :

The Profit and Loss Account after accounting for income from investments and other sources and allowing for outgo on various heads not allocable to Revenue Accounts discloses a profit of Rs. 7,397,454 as shown below :—

Underwriting Profit	...	...	...	...	...	Rs. 4,018,632
Income from Investments and other sources	...	...	...	...	...	3,674,681
						<hr/> 7,693,313
Miscellaneous Outgo	...	...	...	...	...	295,859
						<hr/> 7,397,454
Profit and Loss balance brought forward from 1967	...	...	...	...	...	558,272
						<hr/> 7,955,726
Less Dividend for 1967 paid during the year	...	...	...	...	...	500,000
						<hr/>
Amount available for disposal which has been appropriated as under :—						7,455,726
Exceptional Loss Reserve	...	...	...	...	5,500,000	
General Reserve	...	...	...	...	500,000	
Taxation Reserve	...	...	...	...	900,000	6,900,000
						<hr/>
Balance available for Dividend for the year under report and to be carried forward.						555,726
						<hr/>

Balance Sheet :

The Corporation's financial and underwriting reserves which have been accumulating from year to year stood as under on 31-12-1968 :—

					Rs.	Rs.
(a) Paid up Capital						5,000,000
(b) Financial and other Reserves						
Exceptional Loss Reserve	...	...	...	...	13,500,000	
General Reserve	...	...	...	...	2,700,000	
Reserve for Taxation	...	...	...	...	2,094,427	
Reserve for Bad and Doubtful Debts			...	...	150,000	
Exchange Fluctuation Reserve	...	...	...	...	329,801	
Gratuity Fund	...	...	...	...	125,000	18,899,228
					<hr/>	
(c) Technical Reserves						
Premium Reserves and Life Fund	...	...	...	...	24,753,210	
Reserve for Outstanding Claims	...	...	...	...	19,744,066	44,497,276
					<hr/>	
Total Capital and Reserves						68,396,504
						<hr/>

The investments of the Corporation at the end of 1968 amounted to Rs. 42,256 thousands. The break-up of these investments is as follows :—

								Rs.
Government Loans, Bonds and Certificates	...	...	...	...	...	...	...	8,267 thousands
Debentures	...	...	...	...	...	...	...	3,011 thousands
Shares of Semi-Government Institutions	...	...	...	...	...	...	...	9,031 thousands
Shares of Joint Stock Companies	...	...	...	...	...	...	...	15,475 thousands
Shares of Insurance Companies	...	...	...	...	...	...	...	3,312 thousands
								<hr/>
								39,096 thousands
Land and Buildings	...	...	...	...	...	...	...	3,160 thousands
								<hr/>
						Total	...	42,256 thousands
								<hr/>

You will have seen from the foregoing that the operating results of your Corporation during the year under report have been highly encouraging inasmuch as it earned a record profit Rs. 7,397 thousands against Rs. 3,621 thousands last year. The nett profit is approximately 148% of the paid up capital of Rs. 5,000 thousands.

A note of caution may, however, be sounded at this stage that the results for the current year *i.e.* 1969 may not prove as encouraging. As is well-known, devastating fires have recently taken place in the Thole Produce Yard, wherein the Corporation's share of loss under statutory, treaty and facultative cessions is estimated to be of the order of Rs. 13,000 thousands. The Corporation estimates that a sum of Rs. 10,000 thousands approximately would be recovered from its reinsurers, leaving a burden of Rs. 3,000 thousands approximately to its own account. Similarly, some jute losses took place in East Pakistan in 1968. As these losses happened in mysterious circumstances, all the claims have not been admitted by the Corporation so far and are subject of investigation at appropriate level. The Corporation's nett interest in these losses is Rs. 900 thousands approximately.

The National Co-insurance Scheme to which the Corporation acts as Managers continued to underwrite increasing volume of business during the year under report. The gross premium income for the year 1968 is estimated to be around Rs. 62,000 thousands as against 1967 figure of Rs. 37,533 thousands. This phenomenal growth is attributable to vigorous efforts made by the Corporation especially under the present management, to bring all the Government and statutory Corporations' business under the purview of the Scheme. With the expansion of the business of the Scheme the Management had to take effective measures to re-organize and expand the entire administrative set up of the Scheme. Wherever possible assistance was obtained from the members of the Insurance industry and the Insurance Association of Pakistan. Efforts were also made to give East Pakistani Insurance Companies their due share in the business of the Scheme and in order to remove the disparity in the distribution of shares a phased programme has been evolved to bring parity in distribution of business by 1-1-1971. To give the member companies of the Scheme a greater sense of participation in its activities, a Rating Committee and Claims Committees have been formed in which the representatives of member companies are members.

The Export Credits Guarantee Scheme (ECGS) continued to be administered by the Pakistan Insurance Corporation on behalf of the Government for the 7th consecutive year. During the year under review the Scheme continued to grant cover to exporters against the risks of non-payment of their sales overseas made on credit terms and continued to offer protection to banks under their pre-shipment guarantee against the loans granted to exporters by way of export pre-shipment finance. To accelerate the growth of the Scheme and to make its operations more effective for securing greater impact from it on the expansion of our export trade the working of the Scheme was carefully reviewed and certain proposals were formulated by the management. On approval of the proposals by the Advisory Committee of the Scheme these were forwarded to the Government for formal approval. The Scheme settled claims under its policies issued in National Interest on exports made to Indonesia under Protocol I of Pak-Indonesia Trade Agreement, 1965 up to its liability of 85% of the export proceeds amounting to Rs. 38,600 thousands. In pursuance to a further decision of the Government to make "on account payment" on behalf of the Government, of the remaining 15% of the Export proceeds amounting to Rs. 6,814 thousands to the exporters the Scheme has already paid Rs. 6,482 thousands to the exporters. The balance of Rs. 332 thousands will be paid immediately on completion of the necessary documentations by the exporters.

The Corporation continued to play a leading role in connection with the development of multinational regional cooperation in the field of insurance. Considerable further progress was made during the year in implementation of the programme of insurance collaboration under the aegis of the R.C.D. The first R.C.D. Insurance Seminar which was jointly sponsored by the Pakistan Insurance Corporation and the Insurance Association of Pakistan was held on April 15—20, 1968, at Karachi under the guidance of the Managing Director who acted as President of the Seminar. The Seminar proved a great success and a number of recommendations of lasting importance were adopted. In fact, the Seminar was acclaimed to have been a resounding success from all accounts. A Summary Record of the Seminar has also been published for the benefit of the insurance markets of the region, which should serve as a useful reference book.

The R.C.D. reinsurance Pools, namely, (i) Fire ; (ii) Marine ; (iii) Accident and (iv) Aviation, which aim at reducing the foreign exchange outgo of the region on account of reinsurance services, witnessed a great deal of expansion during the last one year. As opposed to 25 companies being members of the different Pools in 1967, the number of member companies now stands at 36. The premium income of the Pools has also increased considerably and is now estimated at \$ 1,700 thousands as against \$ 1,340 thousands in 1967. The management of the R.C.D. Marine and Aviation Reinsurance Pools is entrusted to Pakistan (Pakistan Insurance Corporation) while Fire and Accident Pools are being managed by Turkey and Iran respectively. The R.C.D. Engineering Pool is also expected to start functioning in Iran during the course of the current year.

The R.C.D. Insurance Centre which is housed in the Pakistan Insurance Corporation Building continued to pursue its plan of work actively. Under the R.C.D. Technical Cooperation Programme for 1968, 3 trainees from Iran received training in insurance in Pakistan and one trainee from Pakistan received training in Iran while another is expected to proceed to Turkey in the near future. A four-week R.C.D. Insurance Training Course for insurance executives of the region is scheduled to commence in Iran from May 22, 1969.

The cooperation between Indonesia and Pakistan in the field of insurance under the Indonesia-Pakistan Economic & Cultural Cooperation (I.P.E.C.C.) is also being developed. In March this year, at a meeting between the Managing Director, P.I.C. and the Director, P.N. Reassuransi Umum, Indonesia, the possibilities of expansion of reinsurance business between the Reinsurance Corporations of Indonesia and Pakistan were discussed and, as a result, an agreement was reached between the two Corporations to increase the exchange of business on a bilateral basis by about 100% over 1968. It is a matter of gratification that for the first time cent per cent direct business relationship has been established between the two Corporations. As a further step, a Technical Group comprising representatives of the two Corporations has been formed to carry out a feasibility study on the setting up of Regional Reinsurance Pools under the I.P.E.C.C.

Your Managing Director took over the affairs of the Federation of Afro-Asian Insurers and Reinsurers (F.A.I.R.) as its President, after the former President resigned from the office in April, 1968. The Second General Meeting of the F.A.I.R. was held in Tunis on October 28—31, 1968 under the chairmanship of your Managing Director. The basic task in the General Meeting of the F.A.I.R. was to put up the organization back on its rails so that it could function as an organization of professional people in a business-like manner in order to achieve some tangible results. Due to the very able steering of the meeting by your Managing Director, which was appreciated by all the delegates, a large number of important decisions were taken to put the F.A.I.R. on the right track, including one to replace the present Secretary General by the end of September, 1969.

Our participation in these projects of regional cooperation has enhanced the prestige of the Pakistan insurance industry in the international market.

The Life Reassurance Department has made further progress during the year and we now have connections with about 50 % of the total life companies operating in Pakistan. In the absence of initial support in the shape of obligatory cessions, this shows very satisfactory results. The Department now has in force 19 Life Reassurance Treaties, both in East and West Pakistan, and 8 Group Term Reassurance Contracts. Its premium income during 1968 was Rs. 219 thousands. Increasing number of companies are now utilising our rating service in respect of sub-standard lives and Group policies. During the year the Corporation also submitted alternate proposals to the Government regarding the "Central Government Group Term Assurance Scheme". A Research Cell has been created in the Life Department and it is expected that technical papers on life business for assistance of ceding companies will be an additional function of the Life Department from 1969.

The Directorate of Insurance Training, which was established on 1st January, 1967, conducted two Employers of Agents (Life Business) Courses during the year. With a view to expanding its activities, a reorganization study is being conducted in consultation with the Insurance Association of Pakistan and the Pakistan Insurance Institute. It is hoped that in due course the Directorate will emerge as one of the main Insurance Training Institutions in the country.

The Building Project Department that came into being in August, 1968, has done satisfactory progress in the execution of a few P.I.C. Projects in Dacca, Karachi and Islamabad. The construction work of a 10-storeyed centrally air-conditioned building for P.I.C. which is fast nearing its completion, is expected to be one of the sophisticated Buildings in Dacca. Ground work to invite international architectural designs for the construction of Head Office Building at Karachi is also underway. The work on Islamabad Project shall also be taken in hand shortly.

Since our last report a number of changes have taken place in the Board of Directors of the Corporation. The election of shareholders' directors was held during the year under report. Mian Mohammed Bashir, S.Q.A., and Mirza Mehdy Ispahani were elected to represent the shareholders registered in Karachi and Dacca Registers respectively. Mr. S. S. Iqbal Hosain, S. Q. A., P.M.A.S., has been replaced by Mr. Masud Zaman, C.S.P., as nominee of the Ministry of Commerce. The Directors would like to express their deep appreciation of the services rendered by the outgoing Directors.

The Directors wish to express their thanks to the management and the staff for their tireless efforts in building up the Corporation into a strong and sound organisation. They also wish to record their appreciation of the assistance received by the Corporation during the year from the Government of Pakistan, the Insurance Association of Pakistan, all Insurers operating in Pakistan and our numerous overseas associates, particularly the R.C.D. partners.

The Directors have been pleased to declare a dividend of 10% (ten per cent) which is at present the maximum permissible under the P.I.C. Act and a bonus of two months' pay to the employees.

M. A. MAJID, C.S.P. (Retd).	, ,	, ,	, ,	Chairman.
MASUD ZAMAN, C.S.P.	, ,	, ,	}	Directors.
MAJID ALI, C.S.P.	, ,	, ,		
AHMAD DAWOOD, H. K.	, ,	, ,		
MIAN MOHAMED BASHIR, S.Q.A.				
MIRZA MEHDY ISPAHANI	, ,	, ,		
A. G. RIZA, C.S.P.	, ,	, ,	, ,	Managing Director.

PAKISTAN INSURANCE

REVENUE ACCOUNT FOR THE YEAR ENDED CONSOLIDATED FOR

1967		PARTICULARS	Pakistan Rupees		Equivalent U. S. \$	
Pak. Rs.	Equivalent U. S. \$		Amount	Total	Amount	Total
15,198,157	3,191,616	Commission Paid (Less Retrocessions)		18,372,831		3,853,297
20,808,304	4,369,748	Claims (Less Retrocessions) Paid during the year.	22,640,016		4,754,408	
15,355,185	3,224,592	Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	19,744,066		4,146,258	
36,163,489	7,594,340	Total :	42,384,082		8,900,666	
(10,948,447)	(2,299,176)	Less: Outstanding at the end of the previous year.	15,355,185		3,224,591	
25,215,042	5,295,164			27,028,897		5,676,075
1,390,432	291,991	Expenses of Managenemt.		1,783,324		374,499
21,761,000	4,569,814	Premium Reserve for the year.		24,691,219		5,185,161
27,823	5,844	Balance of Life Fund at the end of the year.		61,991		13,018
1,593,588	334,655	Profit transferred to Profit and Loss Account		4,018,532		843,914
65,186,047	13,689,084	Total :		75,956,894		15,950,964

CORPORATION

31ST DECEMBER, 1968

ALL CLASSES OF BUSINESS

1967		PARTICULARS	Pakistan Rupees		Equivalent U.S. \$	
Pak. Rs.	Equivalent U.S. \$		Amount	Total	Amount	Total
18,358,896	3,855,373	Premium Reserve brought forward from last year.		21,761,000		4,569,815
19,330	4,059	Balance of Life Fund at the beginning of the year.		27,828		5,844
108,431,149	22,770,564	Premiums	131,942,109		27,707,870	
(61,623,328)	(12,940,912)	Less : Retrocessions.	77,774,043		16,332,565	
46,807,821	9,829,652			54,168,056		11,375,305

65,186,047 13,689,084

Total :

75,956,894

15,950,964

PAKISTAN INSURANCE

REVENUE ACCOUNT FOR THE YEAR ENDED FIRE

1967		PARTICULARS	Pakistan Rupees		Equivalent U. S. \$	
Pak. Rs.	Equivalent U. S. \$		Amount	Total	Amount	Total
6,863,933	1,441,427	Commission Paid (Less Retrocessions)		8,021,888		1,684,598
5,425,363	1,139,327	Claims (less Retrocessions) Paid during the year.	5,305,268		1,114,107	
3,576,104	750,983	Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	4,174,419		876,629	
9,001,467	1,890,310	Total ...	9,479,687		1,990,736	
(1,917,529)	(402,682)	Less : Outstanding at the end of the previous year.	3,576,104		750,982	
7,083,938	1,487,628			5,903,583		1,239,754
468,047	98,290	Expenses of Management		538,381		113,060
7,815,000	1,641,152	Premium Reserve for the year		7,895,203		1,657,994
845,337	177,521	Profit transferred to Profit & Loss Account		2,253,453		473,226
23,076,255	4,846,018	Total ...		24,612,508		5,168,632

REVENUE ACCOUNT FOR THE YEAR ENDED MARINE

1967		PARTICULARS	Pakistan Rupees		Equivalent U. S. \$	
Pak. Rs.	Equivalent U. S. \$		Amount	Total	Amount	Total
4,855,776	1,019,714	Commission Paid (less Retrocessions)		6,808,707		1,429,830
8,925,367	1,874,329	Claims (less Retrocessions) Paid during the year.	9,399,441		1,973,885	
9,080,401	1,906,886	Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	12,785,873		2,685,036	
18,005,768	3,781,215	Total ...	22,185,314		4,658,921	
(6,386,092)	(1,341,081)	Less : Outstanding at the end of the previous year.	9,080,401		1,906,886	
11,619,676	2,440,134			13,104,913		2,752,035
526,213	110,505	Expenses of Management:		708,588		148,803
8,912,000	1,871,522	Premium Reserve for the year.		10,706,598		2,248,388
654,132	137,368	Profit transferred to Profit and Loss Account.		1,188,926		249,675
26,567,797	5,579,243	Total ...		32,517,732		6,828,731

CORPORATION

31ST DECEMBER, 1968
BUSINESS

1967		PARTICULARS	Pakistan Rupees		Equivalent U. S. \$	
Pak. Rs.	Equivalent U. S. \$		Amount	Total	Amount	Total
6,479,255	1,360,645	Premium Reserve brought forward from last year.		7,815,000		1,641,152
36,500,269	7,665,064	Premiums	39,832,944		8,364,926	
(19,903,269)	(4,179,691)	Less : Retrocessions	23,035,436		4,837,446	
16,597,000	3,485,373			16,797,508		3,527,480
23,076,255	4,846,018	Total ...		24,612,508		5,168,632

31ST DECEMBER, 1968.
BUSINESS

1967		PARTICULARS	Pakistan Rupees		Equivalent U. S. \$	
Pak. Rs.	Equivalent U. S. \$		Amount	Total	Amount	Total
7,448,562	1,564,200	Premium Reserve brought forward from last year.		8,912,000		1,871,522
41,035,871	8,617,541	Premiums	52,426,083		11,009,488	
(21,916,636)	(4,602,498)	Less : Retrocessions	28,820,351		6,052,279	
19,119,235	4,015,043			23,605,732		4,957,209
26,567,797	5,579,243	Total ...		32,517,732		6,828,731

PAKISTAN INSURANCE

REVENUE ACCOUNT FOR THE YEAR ENDED MISCELLANEOUS

1967		PARTICULARS	Pakistan Rupees		Equivalent U. S. \$	
Pak. Rs.	Equivalent U. S. \$		Amount	Total	Amount	Total
3,446,305	723,725	Commission Paid (less Retrocessions)		3,516,599		738,487
6,442,574	1,352,942	Claims (less Retrocessions) Paid during the year.	7,897,419		1,658,459	
2,672,180	561,158	Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	2,739,944		575,389	
9,114,754	1,914,100	Total ...	10,637,363		2,233,848	
(2,644,826)	(555,414)	Less : Outstanding at the end of the previous year.	2,672,180		561,158	
6,469,928	1,358,686			7,965,183		1,672,690
395,031	82,957	Expenses of Management		533,397		112,013
5,034,000	1,057,141	Premium Reserve for the year		6,089,418		1,278,779
94,119	19,765	Profit transferred to Profit & Loss Account.		576,253		121,013
15,439,383	3,242,274	Total ...		18,680,850		3,922,982

REVENUE ACCOUNT FOR THE YEAR ENDED LIFE

1967		PARTICULARS	Pakistan Rupees		Equivalent U.S. \$	
Pak. Rs.	Equivalent U.S. \$		Amount	Total	Amount	Total
32,143	6,750	Commission Paid (Less Retrocessions).		25,637		5,384
15,000	3,150	Claims (Less Retrocessions) Paid during the year.				
—	—	By Death	37,888		7,957	
—	—	By Maturity	—		—	
—	—	By Surrenders	—		—	
—	—	By Personal Accidents	—		—	
—	—	By Annuities	—		—	
15,000	3,150		37,888		7,957	
26,500	5,565	Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	43,830		9,204	
41,500	8,715	Total ...	81,718		17,161	
—	—	Less : Outstanding at the end of the previous year	26,500		5,565	
41,500	8,715			55,218		11,596
1,141	240	Expenses of Management		2,958		621
27,828	5,844	Balance of Fund at the end of the year		61,991		13,018
102,612	21,549	Total ...		145,804		30,619

CORPORATION

31ST DECEMBER, 1968
BUSINESS

1967		PARTICULARS	Pakistan Rupees		Equivalent U. S. \$	
Pak. Rs.	Equivalent U. S. \$		Amount	Total	Amount	Total
4,431,079	930,528	Premium Reserve brought forward from last year.		5,034,000		1,057,141
30,806,384	6,469,347	Premiums	39,464,227		8,287,496	
(19,798,080)	(4,157,601)	Less : Retrocessions.	25,817,377		5,421,655	
11,008,304	2,311,746			13,646,850		2,865,841
15,439,383	3,242,274	Total ...		18,680,850		3,922,982

31ST DECEMBER 1968
BUSINESS

1967		PARTICULARS	Pakistan Rupees		Equivalent U.S. \$	
Pak. Rs.	Equivalent U.S. \$		Amount	Total	Amount	Total
19,330	4,059	Balance of Fund at the beginning of the year		27,828		5,844
		Premiums :				
53,445	11,224	First year premium	131,565		27,629	
35,180	7,383	Renewal Premium	87,290		18,331	
88,625	18,612		218,855		45,960	
(5,343)	(1,122)	Less : Retrocessions	100,879		21,185	
83,282	17,490			117,976		24,775
102,612	21,549	Total ...		145,804		30,619

PAKISTAN INSURANCE

PROFIT & LOSS ACCOUNT FOR THE YEAR

1967		PARTICULARS	Pakistan Rupees		Equivalent U.S. \$	
Pak. Rs.	Equivalent U.S. \$		Amount	Total	Amount	Total
Expenses of Management : (Not applicable to any particular Revenue Account) :						
11,789	2,476	Directors' Fee & T.A.	8,016		1,683	
5,500	1,155	Auditors' Fee	9,500		1,995	
11,119	2,335	Advertisement & Publicity	12,947		2,719	
38,626	8,112	R.C.D. Expenses	52,031		10,926	
111,549	23,425	D.I.T. Expenses	127,880		26,855	
17,234	3,619	F.A.I.R. Expenses	2,289		481	
195,817	41,122			212,663		44,659
Other Expenses :						
76,800	16,128	Interest paid on deposits retained from other Companies.		83,196		17,471
3,620,745	760,357	Net Profit for the year carried down		7,397,454		1,553,467

3,893,362	817,607	Total ...	7,693,313	1,615,597
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PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE

500,000	105,000	Dividend paid for the year 1967	500,000	105,000
Amount transferred to :							
1,500,000	315,001	Exceptional Loss Reserve	...	...	...	5,500,000	1,155,001
1,000,000	210,000	Taxation Reserve	...	...	...	900,000	189,000
600,000	126,000	General Reserve	...	...	...	500,000	105,000
558,272	117,237	Balance carried forward to Balance Sheet	...	...	...	555,726	116,703
4,158,272	873,238	Total ...	...	...	...	7,955,726	1,670,704

CORPORATION

ENDED 31ST DECEMBER, 1968.

1967		PARTICULARS	Pakistan Rupees		Equivalent U.S. \$	
Pak. Rs.	Equivalent U.S. \$		Amount	Total	Amount	Total
		Investment Income :				
1,771,335	371,981	Interest & Dividend	2,617,559		549,688	
129,748	27,247	Income from Building	130,536		27,413	
(56,720)	(11,911)	Less Depreciation & other expenses	43,756	86,780	9,189	18,224
1,844,363	387,317			2,704,339		567,912
		Profit transferred from Revenue Accounts :				
845,337	177,521	Fire	2,253,453		473,226	
654,132	137,368	Marine	1,188,926		249,675	
94,119	19,765	Miscellaneous	576,253		121,013	
1,593,588	334,654			4,018,632		843,914
		Other Receipts :				
114,253	23,993	Interest received on deposits retained by other companies.	146,721		30,811	
—	—	Profit on sale of assets	657		138	
8	2	Share Transfer Fee	7		1	
4,718	991	Profit on sale of Investments	2,650		557	
336,432	70,650	Miscellaneous Income	820,307		172,264	
455,411	95,636			970,342		203,771
3,893,362	817,607	Total ...		7,693,313		1,615,597

YEAR ENDED 31ST DECEMBER 1968.

537,527	112,881	Balance brought forward from last year	...	...	...	558,272	117,237
3,620,745	760,357	Net Profit for the year brought forward	...	...	...	7,397,454	1,553,467
4,158,272	873,238	Total				7,955,726	1,670,704

PAKISTAN INSURANCE

BALANCE SHEET AS AT

1 9 6 7		CAPITAL & LIABILITIES			
Pak. Rs.	Equivalent U.S. \$			Pakistan Rupees	Equivalent U.S.\$
		Capital			
		Authorised :			
10,000,000	2,100,002	100,000 Shares of Rs. 100 each	...	10,000,000	2,100,002
		Issued and Paid up :			
5,000,000	1,050,001	50,000 shares of Rs. 100 each fully paid up	...	5,000,000	1,050,001
10,725	2,252	Share Premium Account	...	10,725	2,252
		Reserves and Provisions :			
8,000,000	1,680,002	Exceptional Loss Reserve	...	13,500,000	2,835,003
2,200,000	462,001	General Reserve	...	2,700,000	567,001
1,194,427	250,830	Reserve for Taxation	...	2,094,427	439,830
150,000	31,500	Reserve for Bad & Doubtful Debts	...	150,000	31,500
368,425	77,369	Exchange Fluctuation Reserve	...	329,801	69,258
60,000	12,600	Gratuity Fund	...	125,000	26,250
558,272	117,237	Profit and Loss Account	...	555,726	116,703
		Reserve for Outstanding Claims :			
3,576,104	750,983	Fire	...	4,174,419	876,629
9,080,401	1,906,886	Marine	...	12,785,873	2,685,036
2,672,180	561,158	Miscellaneous	...	2,739,944	575,389
26,500	5,565	Life	...	43,830	9,204
		Premium Reserves :			
7,815,000	1,641,152	Fire	...	7,895,203	1,657,994
8,912,000	1,871,522	Marine	...	10,706,598	2,248,388
5,034,000	1,057,141	Miscellaneous	...	6,089,418	1,278,779
27,828	5,844	Life Fund	...	61,991	13,018
13,839,719	2,906,344	Amount due to other persons and bodies carrying on Insurance Business	...	20,536,752	4,312,723
11,726,570	2,462,582	Deposits retained and/or received from other Companies	...	12,636,827	2,653,736
601,867	126,392	Sundry Creditors	...	799,462	167,887
80,854,018	16,979,361	TOTAL		102,935,996	21,616,581

31st DECEMBER, 1968

1 9 6 7

TOTAL	102,935,996	21,616,581
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