

EFU LIFE ASSURANCE LIFE
SIXTH ANNUAL REPORT 1997

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COMPANY INFORMATION

Chairman

ROSHEN ALI BHIMJEE

Managing Director & Chief Executive

TAHER G. SACHAK

Directors

ASHRAF W. TABANI
JAHANGIR SIDDIQUI
RAFIQUE R. BHIMJEE
SAIFUDDIN N. ZOOMKAWALA
HASANALI ABDULLAH

Corporate Secretary

SYED MEHDI IMAM

Chief Consulting Actuary & Advisor

MICHAEL J de H. BELL, F.I.A.

Consulting Actuary

OMERMORSHED, F.I.A., A.C.A.

Medical Director

DR. TAJUDDIN A. MANJI, F.R.C.P., M.R.C.P.

Legal Advisor

MUHAMMAD ALI SAYEED, M.A.B.L.

Auditor

HYDER BHIMJI & CO.
Chartered Accountants
Karachi.

Registered Office

70-W, Al-Malik Centre
Blue Area - F-7/G-7
Islamabad

Main Offices

37K, Block-6, P.E.C.H. Society
Karachi.

6th Floor, EFU House, 6-D, Jail Road
Lahore

MANAGEMENT

Managing Director & Chief Executive

TAHER G. SACHAK

Executive Director

S.M.H. RIZVI

National Sales Director

NASEEM A. CHAUDHARI

General Managers

S.A.R. ZAIDI

S.M. BAQAR NAQVI

Senior Manager

HASAN RIAZ

T.H. SAYYED

Managers

ADEEL H. JAFRI

MOHAMMAD ZUBAIR

SYED SHAHID ABBAS

ZAHEER ASLAM

Deputy Managers

FAZAL MEHMOOD

MOHAMMAD MUNAWAR KHALIL

EVELYN D. ABROGENA

Advisors

S.A. NAQVI

ZAHURUL HAQ BUTT

NOTICE OF MEETING

Notice is hereby given that the 6th Annual General Meeting of the Shareholders of E F U Life Assurance Ltd. will be held at the Registered Office of the Company on 4th Floor, 70-W Al-Malik Centre, Blue Area, F-7/G-7 Islamabad on Wednesday June 24, 1998 at 11:00 a.m. to transact the following business:

1. To confirm the minutes of the 5th Annual General Meeting held on June 28, 1997.
2. To receive and consider the Audited Accounts for the year ended December 31, 1997.
3. To appoint Auditors for the year 1998 and fix their remuneration.
4. To transact any other business with the permission of the Chair.

NOTES

1. A member entitled to attend and vote at the General Meeting is entitled to appoint another member as a proxy and vote in respect of him. Forms of proxy must be deposited at the Company's Registered Office not later than 48 hours before the time appointed for the

meeting.

2. The Share Transfer Books of the Company will be closed from June 20, 1998 to June 30, 1998 (both days inclusive).

3. Members are requested to communicate to the Company of any change in their address.

REPORT OF THE DIRECTORS TO MEMBERS

The Directors of your Company are pleased to present to you the Sixth Annual Report of the Company for the year ended December 31, 1997.

The economic situation in the country continued to be unsatisfactory during 1997 and this together with inflationary pressures made the sale of life insurance difficult. In spite of these adverse conditions your Company continued to consolidate its position in the life insurance market.

The Group Life business of the Company registered a growth of 9.5 % in terms of written premium over the same period in the previous year. Premiums written amounted to Rs. 115 million of which Rs. 110.9 million were booked, representing 634 policies and over 232,000 insured lives. Group Life claims incurred during 1997 amounted to Rs. 66.9 million and your Company continued to adhere to its high service levels including settling of claims within three days of intimation.

Individual life business registered a significant increase during the year, with new annual premiums written during 1997 amounting to Rs. 53.6 million as against Rs. 423 million in 1996, an increase of 26.7 %. The field force continues to grow, consisting of 571 persons in 22 branches at the end of the year. Renewal premiums continued to build up with second and third year renewal persistency being stable. Your Company has sound investment strategies for Policyholders' Fund and /herefore the Unit Price of the Fund continued to appreciate throughout the year.

Your Company continues to carry out an annual actuarial valuation and set up full actuarial reserves at the end of the each year. As the business matures reserves are increasing steadily, being Rs. 122.1 million as at December 31, 1997 as compared to Rs. 78.2 million at the end of 1996. Consistent with the pattern of profitability anticipated by the management and indicated in previous years' Directors Reports, your Company generated a small surplus for the year for the first time in its brief existence. The surplus amounted to Rs. 1.4 million as compared to a loss of RS. 4.3 million for 1996. The Board of Directors congratulates the management of the Company for this turn around in only the fifth year of operations (and only three years and nine months of individual life operations), which is a remarkable achievements

The administrative infrastructure of the Company continued to be strengthened with the expansion of the computer system and enhancement of the life insurance administration software. The Company also significantly expanded its Main Office in Karachi to cater to its rapidly increasing portfolio of clients and to further facilitate the provision of the high level of service which our clients have come to expect of us.

Your Company currently offers the most comprehensive individual life product range and continues to constantly keep it under review to ensure that it stays at the leading edge of the market.

The Company continues to receive valuable guidance from Mr. Michael J. de H Bell, an actuary of international fame who acts as an advisor to the Board, reviewing and monitoring the Company's operations on a continuing basis. He also advises the Company on future strategy and provides information on innovations in developed markets. We wish to record our grateful appreciation for the expert guidance provided by him to your Company. We further wish to recognize and place on record our appreciation of the contribution made by our Consulting Actuary Mr. Omer Morshed for his invaluable advice on actuarial,

administrative and marketing policies of the Company.

We would also like to record our appreciation and gratitude to Munchener Ruckversicherungsgesellschaft (Munich Re) of Germany who are your Company's sole reinsurers who, apart from providing reinsurance cover, continue to provide useful technical support to the Company with regard to improvements in the design of existing products and development of new products. Munich Re is the largest reinsurance company in the World with assets exceeding Rs. 1,600 billion.

Our thanks are also due to EFU General Insurance Ltd. for their continuous support and guidance which has enabled the Company to establish a strong presence in the market within a short span of time.

The term of the present Board of Directors will expire on June 22, 1999.

Messrs. Hyder Bhimji & Co., Chartered Accountants, retire and being willing to continue are recommended for reappointment as Auditors of the Company for the year 1998.

The Directors wish to record their appreciation for the tremendous contribution made by the able and eminent officers, staff and field force of the Company towards its development and growth. Their continuous commitment to high ethical standards, client service and hard work has helped your Company emerge as a clear market leader amongst private sector life insurers.

Finally we would like to thank our clients for the confidence expressed in us and also to the Department of Insurance, Government of Pakistan for the co-operation extended to us throughout the year.

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of E F U LIFE ASSURANCE LIMITED as at December 31, 1997, Revenue Account and Appropriation Account and the Statement of Changes in Financial Position together with the Notes forming part thereof for the year then ended and we state that we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and after due verification thereof, we report that;

(a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

(b) in our opinion:

(i) the balance sheet and the Revenue Account together with notes have been drawn up in conformity with the provisions of the Insurance Act, 1938 and are in agreement with the books of account and are further in accordance with the accounting policies consistently applied;

(ii) the expenditure incurred during the year was for the purpose of the Company's business;

(iii) the business conducted, investments made and expenditure incurred during the year were in accordance with the objects of the Company;

(c) in our opinion and to the best of our information and according to the explanations given to us and as shown by the books of the Company, the Balance Sheet, the Revenue Account and Appropriation Account together with the notes thereto give the information required by the Insurance Act 1938, in the manner so required and the Balance Sheet, the Revenue Account give, respectively, a true and fair view of the state of the Company's affairs as at December 31, 1997 and of the Loss for the year then ended.

(d) we have verified the cash and bank balances and investments by actual inspection or by the production of certificates;

(e) as per Section 40B (2) of the Insurance Act, 1938 as amended, we certify that all expenses of management wherever incurred whether directly or indirectly and all charges incurred in respect of Life Insurance business transacted by the Company in Pakistan have been

fully debited to the Revenue Account as expenses;

(f) as per Regulation 11 Part 1 in Third Schedule of the Insurance Act 1938 as amended we certify that the Company has not paid to any person any commission in any form outside Pakistan in respect of Life Insurance business transacted by the Company in Pakistan and that the Company has not received outside Pakistan from any person any commission in any form in respect of any business abroad; and

(g) no part of the Assets of the Life Assurance Fund has been directly or in directly applied in contravention of the Insurance Act, 1938, relating to application and investment of Life Assurance Fund; and

(h) in our opinion Zakat deductible at source, under the Zakat and Ushr Ordinance 1980, was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

HYDER BHIMJI & CO

Karachi: May 18, 1998

CHARTERED ACCOUNTANTS

**REVENUE ACCOUNT FOR THE
YEAR ENDED 31 DECEMBER 1997**

	1997	1996
	Rupees	Rupees
Claims less reinsurances	37,121,657	35,301,274
Commission to Insurance Agents	24,507,189	15,941,364
Expenses of Management		
Salaries & Benefits	38,743,929	29,678,978
Travelling Expenses	1,671,070	1,159,200
Audit Fee	20,000	20,000
Medical fee	1,226,411	753,129
Advertisement & Publicity	1,462,337	1,887,812
Printing & Stationery	4,264,756	2,398,057
Insurance Expenses	856,684	772,225
Zakat	-	7,904
Other Expenses of Management	-----	-----
Policy Stamps	593,351	457,028
Telephone & Fax Expenses	4,058,922	3,113,693
Postage and telegram	840,913	554,540
Electricity & gas	2,300,205	1,915,729
Rent rates & taxes	4,762,692	2,610,112
Repair & maintenance	1,168,516	579,203
Computer maintenance	280,049	190,765
Training expenses	1,301,464	646,451
Entertainment	682,375	454,638
Bank Charges	405,866	256,976
Directors' Fee	6,000	5,500
Professional Charges	1,456,623	1,039,511
Lease Rent Expenses	-	557,670
Miscellaneous Expenses	1,686,102	1,266,049
	-----	-----
	19,543,078	13,647,865
Depreciation	4,066,307	3,175,886
Preliminary & Deferred Expenses written off	1,145,010	1,145,010
Balance of Life Fund at the end of the year as shown in the Balance Sheet	122,162,000	78,180,000
Surplus/(Loss) for the year carried to Appropriation Account	1,420,835	(4,273,820)

 258,211,263 179,794,884
 =====

APPROPRIATION ACCOUNT FOR THE

Loss brought forward from previous year (33,369,968) (29,096,148)
 Surplus/(Loss) for the year transferred from Revenue Account 1,420,835 (4,273,820)

 (31,949,133) (33,369,968)
 =====

NOTE: The annexed notes form an integral part of these accounts

Balance of Life Fund at the beginning of the year 78,180,000 42,524,150
 Premium less reinsurances
 (i) First year premium where the maximum premium
 paying period is:
 Two years -- 1,343,488
 Five years 256,855 95,130
 Eight years 26,594 --
 Ten years 851,675 648,272
 Eleven years 124,345 134,339
 Twelve years or over (including through out life) 45,285,745 32,441,328

 46,545,214 34,662,557
 (ii) Renewal premium - second year premium 23,327,923 20,137,380
 Third year premium and over 19,578,606 5,397,723
 (iii) Single premium 2,160,234 1,785,136
 (iv) Group premium 67,465,703 61,083,955

 159,077,680 123,066,751

 Interest, Returns and Dividend 14,979,848 10,228,879
 Less: Income Tax deducted at source 250,250 54,577

 14,729,598 10,174,302
 Profit on sale of Investments 5,565,942 3,306,160
 Profit on sale of Assets 623,589 723,521
 Difference in Exchange 34,454

 258,211,263 179,794,884
 =====

YEAR ENDED 31 DECEMBER 1997

Accumulated Loss carried to Balance Sheet (31,949,133) (33,369,968)

 (31,949,133) (33,369,968)
 =====

	1997	1996
Note	Rupees	Rupees
BALANCE SHEET AS AT 31 DECEMBER 1997		
CAPITAL & LIABILITIES		
Share Capital		
Authorised		
20,000,000 Ordinary Shares of Rs. 10/each	200,000,000	200,000,000
	=====	=====

Issued subscribed and paid-up 10,000,000 Ordinary Shares of Rs. 10 each fully paid in cash		100,000,000	100,000,000
Reserve for Depreciation on Investments		50,695	50,695
Accumulated Loss		(31,949,133)	(33,369,968)
Balance of Life Fund	2 (b)	122,162,000	78,180,000
Other Liabilities			
Estimated Liability in respect of outstanding claims whether intimated or not		6,286,529	4,879,500
Amounts due to other persons or bodies carrying on Insurance business		21,545,530	13,653,851
Sundry Creditors (including outstanding and accrued expenses)		33,498,942	21,965,736
		61,331,001	40,499,087
		251,594,563	185,359,814
		=====	=====

DIRECTORS' CERTIFICATE

We certify that:

- Investments have been shown in the Balance Sheet at cost or book value. The market value of quoted investments in Pakistan are as ascertained from the last published market reports and quotation of 31 December 1997.
- The value of all the assets in Pakistan included in the Balance Sheet have been reviewed as on the date of Balance Sheet and in our belief taking into account the provisions and reserves, on the "Liabilities" side of the Balance Sheet, the Assets in Pakistan are shown in the aggregate at amounts not exceeding their realisable or market value under the several headings.
- No part of the assets of Life Assurance Fund has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investment of Life Assurance Fund.
- All expenses of management in respect of Life insurance business transacted by the company have been fully debited to Revenue Account.

	Note	1997 Rupees	1996 Rupees
ASSETS			
Investments - at cost			
Deposited with State Bank of Pakistan			
Federal Investment Bonds		6,100,000	6,100,000
Federal Investment Bonds		43,333,950	43,333,950
Wapda Bonds		2,000,000	2,000,000
Defence saving Certificates		37,250,000	--
Short Term Federal Bonds		2,500,000	--
Term Finance Certificates		8,954,720	9,221,256
Shares at cost (Market value 1997 Rs. 46,553,145) (Market value 1996 Rs. 28,457,274)	3	58,553,936	42,516,278
		-----	-----
		158,692,606	103,171,484
Preliminary and Deferred Expenses	2 (c)	2,290,024	3,435,034
Current Assets		-----	-----
Agents' balances and outstanding premium		20,345,961	14,616,185
Interest and return accrued but not due		4,967,957	2,733,770
Advances deposits prepayments and other receivables		11,826,949	4,368,698
Advance Income Tax		134,964	51,100
Cash		-----	-----

on deposit account with Banks	12,530,000	24,750,000
on current account with Banks	15,945,754	11,802,922
	-----	-----
	28,475,754	36,552,922
	-----	-----
	65,751,585	58,322,675
Administrative fixed assets		
Furniture, fixtures, office equipments and vehicles		
At cost less accumulated depreciation	24,860,348	20,430,621
	-----	-----
	251,594,563	185,359,814
	=====	=====

NOTE: The annexed notes form an integral part of these accounts

**STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 1997**

	1997	1996
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
NET SURPLUS/(LOSS) FOR THE YEAR	1,420,835	(4,273,820)
Adjustment for:		
Depreciation	4,066,307	3,175,886
Increase in Life Fund	43,982,000	35,655,850
Profit On Sale of Investments	(5,565,942)	(3,306,160)
Profit On Sale of Administrative fixed assets	(623,589)	(723,521)
Amortization of preliminary and deferred expenses	1,145,010	1,145,010
	-----	-----
	44,424,621	31,673,245
(Increase) / Decrease in Operating assets		
Agents Balances and outstanding premium	(5,729,776)	525,983
Interest and returns accrued but not due	(2,234,187)	(1,252,147)
Advances, deposits, prepayments and other receivable	(7,542,115)	(213,690)
	-----	-----
	(15,506,078)	(939,854)
Increase / (Decrease) in Operating liabilities		
	-----	-----
Estimated liability in respect of outstanding claims	1,407,029	865,718
Amounts due to persons carrying on Insurance Business	7,891,679	1,807,573
Sundry creditors	11,533,206	3,551,140
	-----	-----
	20,831,914	6,224,431
	-----	-----
Net cash flow from Operating activities	49,750,457	36,957,822
CASH FLOW FROM INVESTING ACTIVITIES		
	-----	-----
Sale proceeds from Investments	67,471,533	163,934,089
Investments purchased	(117,426,713)	(176,841,950)
Additions to administrative fixed assets	(10,898,253)	(6,898,025)
Sale Proceeds & Insurance claims - administrative fixed assets	3,025,808	1,682,500
	-----	-----
Net Cash flow from Investing activities	(57,827,625)	(18,123,386)
	-----	-----

Net Increase/(Decrease) in Cash & Bank Balances

(8,077,168) 18,834,436

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NOTES TO THE ACCOUNT**FOR THE YEAR ENDED 31 DECEMBER 1997****1. STATUS AND NATURE OF BUSINESS**

The Company is engaged in Life Insurance Business and was incorporated as a public limited company on August 9, 1992. The shares of the company are quoted on Karachi Stock Exchange.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting:

These accounts have been prepared on the basis of historical cost convention.

Co) Life Fund:

The Life Assurance Fund is based on the Actuarial Valuation Report.

(c) Preliminary and Deferred Expenses:

These are stated at cost. These are amortised over a period of five years.

(d) Employees Retirement benefits:

The Company has a Recognised Provident Fund Scheme for all its permanent employees.

Contributions to it are made monthly in accordance with the rules.

(e) Administrative Fixed Assets:

Fixed assets are valued at cost less depreciation. Full year's depreciation is charged on fixed assets capitalised during the year but no depreciation is charged in the year of disposal. Depreciation has been calculated on reducing balance method at the following rates:

Office Equipment	10%
Furniture & Fixture	10%
Vehicles	20%

Normal repairs and maintenance are charged to income currently.

(f) Investments are stated at cost and provisions are made for diminution in value of short term investments on an aggregate basis, if any, at the balance sheet date. Profit or loss on sale of investments is taken to Revenue Account in the year of sale.

Dividend income is recognised on receipt basis.

(g) Zakat deductible compulsorily under the Zakat and Ushr Ordinance 1980 is accounted for in the year of deduction.

(h) Rate of Exchange:

Revenue transactions in foreign currencies are converted into rupees at the rates ruling on the date of transaction as quoted by State Bank of Pakistan. The Assets & Liabilities in foreign Currencies are translated into rupees at the rates of exchange prevailing on the Balance Sheet date.

3. INVESTMENT IN ORDINARY SHARES OF COMPANIES IN PAKISTAN - AT BOOK VALUE

No. of Shares/
Certificates

1997 1996 Face Value Name of Investment

1997

1996

Rupees

Rupees

Quoted

13,915	13,915	10	AI Zamin Leasing Modaraba	108,161	108,161
5,000	5,000	10	First Professional Modaraba	56,900	56,900
12,000	12,000	10	First Grindlays Modaraba	419,100	419,100
11,000	11,000	10	H B L Modaraba	125,675	125,675
14,900	14,900	5	First Habib Modaraba	128,364	128,364
10,000	10,000	5	LTV Capital Modaraba	72,275	72,275
5,000	5,000	10	First Mehran Modaraba	76,425	76,425
19,000	19,000	10	Modaraba Al-Mali	322,100	322,100
6,480	6,480	10	Modaraba Al-Tijarah	117,742	117,742
6,600	6,600	10	U D L Modaraba	121,770	121,770
5,000	5,000	10	Unicap Modaraba	54,475	54,475
3,000	3,000	10	First Leasing Corporation Ltd.	103,065	103,065
1,680	1,680	10	Trust Leasing Co. Ltd.	83,650	83,650
13,500	10,000	10	Askari Bank Ltd.	414,200	352,300
30,000	30,000	10	Faysal Bank Ltd.	833,900	833,900
2,300	2,300	10	Fidelity Investment Bank Ltd.	100,630	100,630
8,640	8,640	10	First International Investment Bank Ltd.	320,580	320,580
534	534	10	Khadim Ali Shah Bukhari & Co. Ltd.	12,984	12,984
5,000	5,000	10	Azam Textile Mills Limited	51,250	51,250
66,000	-	10	Dewan Khalid Textiles Ltd.	4,027,980	-
2,000	2,000	10	Ellcot Spinning Mills Ltd.	54,300	54,300
6,050	6,050	10	Friends Spinning Mills Ltd.	83,750	83,750
10,000	10,000	10	Ideal Spinning Mills Ltd.	132,800	132,800
29,500	29,500	10	Idrees Textile Mills Ltd.	393,235	393,235
2,740	2,740	10	Nagina Cotton Mills Ltd.	86,015	86,015
10,000	10,000	10	Ellahi Spinning & Weaving Mills Ltd.	131,400	131,400
18,900	18,900	10	Kohinoor Weaving Mills Ltd.	276,696	276,696
8,750	8,750	10	Pakistan Synthetics Limited	418,985	418,985
1,500	1,500	10	Al-Abbas Sugar Mills Ltd.	15,945	15,945
1,900	1,900	10	Premier Sugar Mills Limited	89,424	89,424
5,000	5,000	10	Cherat Cement Ltd.	209,900	209,900
21,000	21,000	10	Genertech Ltd.	415,210	415,210
233,000	10,000	10	Hub Power Company Ltd.	12,313,090	152,900
-	25,000	10	Pakistan State Oil Ltd.	--	10,004,500
6,900	6,900	10	Shell Pakistan Limited	1,171,620	1,171,620
30,141	26,210	10	Sui Southern Gas Co. Ltd.	903,100	903,100
5,000	5,000	10	Honda Atlas	112,250	112,250
8,000	8,000	10	Indus Motor Company Ltd.	304,200	304,200
14,900	14,900	10	Pak Suzuki Motors Limited	882,900	882,900
15,000	15,000	10	Tristar Shipping Corp. Ltd.	196,200	196,200
5,000	5,000	10	Fauji Fertilizer Ltd.	373,400	373,400
700,000	-	10	I C ! Pakistan	14,896,000	--
11,260	11,260	10	Reckitt & Colman (Pak) Ltd.	1,288,879	1,288,879
22,425	19,500	10	Searle Pak Ltd.	806,520	903,045
6,325	6,325	10	Sitara Chemicals Ltd.	496,100	496,100
-	40,000	10	Brooke Bond Ltd.	--	5,446,000
			Schroder International Selection Fund		
975	-		Global Equity Shares	438,613	--
Associated Undertaking					
221,299	221,299	10	EFU General Insurance Ltd.	14,512,178	14,512,178
				-----	-----
				58,553,936	42,516,278
				=====	=====

(a) Investment in EFU General Insurance Ltd. represents 2.22 % of the issued capital of that company

(b) No provision has been made for the diminution in value amounting to Rs. 12,000,790 as it is considered temporary in the context of the company's intention to hold these investments on long-term basis.

4. SALE OF ADMINISTRATIVE FIXED ASSETS

	Original Cost	Accumulated Depreciation	Book Value	Sale Proceed	(Rupees '000) Mode of Disposal	Sold to
Vehicles	1,669	463	1,206	1,596	Insurance - Claim	
Vehicles	352	172	180	160	Negotiation	Ali Bhai Motors Karachi
Vehicles	104	21	83	350	Negotiation	Qamar Khalil Karachi
Vehicles	646	0	846	583	Negotiation	Abdul Raheem Qazi Karachi
Computers	88	8	80	80	Negotiation	National Computers Karachi
Computers	20	4	16	6	Negotiation	Treeman Tech. Karachi
Furniture And Fixture	255	64	191	251	Insurance - Claim	
TOTAL	3,134	732	2,602	3,026		

5. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the accounts for remuneration, including benefits to the Chief Executive, Directors and Executives of the Company are as follows:

		(Rupees '000)			
		Chief Executive	Directors	Executives	Total
Managerial Remuneration		1,974	--	10,270	12,244
Utilities		307	--	284	591
Medical Expenses		62	--	306	368
Leave Passage		--	--	135	135
Total	1997	2,343	--	10,995	13,338
Total	1996	1,895	40	8,717	10,652
Number of persons	1997	1	--	37	38
Number of persons	1996	1	1	25	27

In addition, the Chief Executive and certain Executives are provided with free use of Company cars and certain The Chief Executive is provided with maintained furnished accommodation.

6. AUDITORS' REMUNERATION	1997	1996
	Rupees	Rupees
Audit Fee	20,000	20,000

7. TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS

The total premium received from and paid during the year was Rs. 2.30 Million (1996 Rs. 1.23 Million) and Rs. 0.8 Million (1995 Rs. 0.7 Million) respectively.

Total Brokerage paid on Sale and Purchase of Shares was Rs. 0.07 Million (1995 Rs. 0.48 Million)

8. GENERAL

(a) Previous year's figures have been re-arranged, wherever necessary, for the purpose of comparison.

FORM AA**CLASSIFIED SUMMARY OF ASSETS IN PAKISTAN AS AT 31 DECEMBER 1997**

	Book Value Rupees	Market Value Rupees	Remarks
Federal Investment Bonds	49,433,950	49,495,810	Realisable Value
WAPDA Bonds	2,000,000	2,000,000	"
Defense Saving Certificates	37,250,000	37,250,000	"
Short Term Federal Bonds	2,500,000	2,500,000	"
Term Finance Certificates	8,954,720	9,186,737	"
Shares	58,553,936	46,553,145	"
Cash on Deposit Accounts with Banks	12,530,000	12,530,000	"
Cash on Current Accounts with Banks	15,945,754	15,945,754	"
Agents' Balances and Outstanding Premium	20,354,961	20,354,961	"
Interest and Return accrued but not due	4,967,957	4,967,957	"
Advances, deposits, prepayments and other receivables	11,826,949	11,826,949	"
Administrative fixed assets	24,860,348	24,860,348	"

PATTERN OF SHAREHOLDING AS AT 31 DECEMBER 1997

Number of Shareholders	Shareholdings		Shares held
	From	To	
78	1	1007,800	
8,295	101	500	4,100,000
66	501	1,000	64,600
95	1,001	5,000	277,800
36	5,001	10,000	303,300
5	10,001	15,000	65,900
10	15,001	20,000	179,400
6	20,001	25,000	137,100
3	25,001	30,000	86,800
2	30,001	35,000	67,400
2	40,001	45,000	81,600
2	45,001	50,000	100,000
2	60,001	65,000	123,000
2	80,001	85,000	166,800
1	95,001	100,000	100,000
1	100,001	105,000	100,500
1	115,001	120,000	116,700
1	120,001	125,000	125,000
1	170,001	175,000	172,800
1	195,001	200,000	200,000
1	495,001	500,000	500,000
1	2,920,001	2,925,000	2,923,500
-----			-----
8,612			10,000,000
=====			=====

Categories of Shareholders	Number	Shares Held	Percentage
Individuals	8 603	6 759 800	67.60
Financial Institutions	2	76 800	0.77

Insurance Companies	2	2 924 000	29.24
Investment Companies	4	156 000	1.56
Joint Stock Company	1	83 400	0.83
	-----	-----	-----
	8 612	10 000 000	100.00
	=====	=====	=====

OFFICES

KARACHI

Central Branch
41-1/Er 1, Block-6, P.E.C.H.S.
Phone: 446505-07, 4527135-36
M.H. Sabir
Senior Branch Main, ger

South Branch

508 Progressive Plaza
Beaumont Road
Phone: 510767, 510864, 510872
Asad Riaz Gill
Senior Branch Manager

ISLAMABAD

Islamabad Branch
3rd Floor, Al-Malik Centre,
70-W Ymnah Avenue, Blue Area
Phone: 271370-71
Younus Butt
Branch Manager

City Branch

3rd Floor, 124-T, Block-2
PECHS, Main Tariq Road
Phone: 4540321-24, 4534573-74
Afzal Shah
Regional Manager

West Branch

3rd Floor, 124-T, Block 2
PECHS, Main Tariq Road
Phone: 4540321-24, 4534573-74
Afzal Shah
Regional Manager

JHELUM

Jhelum Branch
1st & 2rid floor, Fazal Plaza
Civil Lines
Phone: 3470 - 3857
M. Sajjad Raja
Branch Manager

Civic Branch

A-34, 1st Floor, Hafeez Centre
KCHSU, Shahtab-e-Faisal
Phone: 44634043
Ali Ameer Rizvi
Branch Manager

HYDERABAD

Hyderabad Branch
69rDefence Housing Officers
Society Cantt.
Phone: 784628-29, 784746
Prem Mathrani
Senior Branch Manager

AZAD KASHMIR

Mirpur Branch
Nabeel Manzil, 2nd Floor
35-B/2, Opp. Bank Square
Nangi Mirput, Phone: 3949
M. Raja Taj
Branch Manager

Clifton Branch

508, Progressive Plaza
Beaumont Road
Phone: 510767, 510864, 510872
Naveed Fateh
Branch Manager

Mehran Branch

69, Defence Housing Officers
Society Cantt.
Phone: 784628-29, 784746
M. Umer Keerio
Branch Manager

Faisalabad Office

Ahmed Plaza, 1st Floor
Bilal Road, Civil L'mes
Phone: 647899

Corporate Branch

37K, Block 6, PECHS
Phone: 4535071-77
Mohammad Aslam Malik
Senior Branch Manager

LARKANA

Larkaria Branch
3rd Floor, Labour Hall
GPO Road
Phone: 60434-37
Asmatullah Tunio
Branch Manager

Kotli Office

House No. B-97
Housing Scheme
Kotli
Phone: 3449

Faisal Branch

A-34, 1st Floor, Hafeez Centre
KCHSU, Shahrah-e-Faisal,
Phone: 44634043
Shamsuddin Shaikh
Group Manager

LAHORE

Jinnah Branch
9th Floor, EFU House
6-D, Jail Road, Lahore
Phone: 5715616 - 21
S. Mohammad Raza Zaidi
Brach Manager

Multan Office

1st Floor
Rajput Commercial Centre
Tareen Road
Near Gul Tax
Phone: 510317

Metro Branch

A-34, 1st Floor, Hafeez Centre
KCHSU, Shahrah-e-Faisal

Zarghoon Branch

9th Floor, EFU House
6-D, Jail Road, Lahore

Peshawar Office

Suite No. 1, Mezanine Floor
NWR Plaza

Phone: 44634043

Zakir All Qureshi

Branch Manager

Phone: 5715616 - 21

Hasan All Khilji

Senior Branch Manager

Khyber Super Market, Bara Road

Peshawar Cantt.

Phone: 274938 - 274985

North Branch

41-1/E-1, Block 6, PECHS

Phone: 446505-07, 4527135-36

Fanukh Nasim Ansari

Branch Manager

QUETTA

Quetta Branch

1 st Floor, Agha Chamber

Jinnah Road, Chormal

Phone: 841618-841696

l-lasan All Khilii

Sukkur Office

4th Glamour Centre

Mission Road

Opp: Bolan Hotel

Phone: 22304