



 **Atlas Insurance**
Quarterly Report
September 30, 2017

تکافل
TAKAFUL
Window Operation

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Company Information

Board of Directors

Yusuf H. Shirazi
Chairman

Feroz Rizvi
Director

Isphanyar M. Bhandara
Director

Ali H. Shirazi
Director

Jawaid Iqbal Ahmed
Director

Khaleeq-Ur-Rahman Khan
Director

Arshad P. Rana
Chief Executive Officer

Muhammad Afzal
Company Secretary

Audit Committee

Feroz Rizvi
Chairman

Ali H. Shirazi
Member

Jawaid Iqbal Ahmed
Member

Muhammad Afzal
Secretary

Saleem Mahmood Akhtar
Chief Internal Auditor

Ethics, Human Resource & Remuneration Committee

Isphanyar M. Bhandara
Chairman

Ali H. Shirazi
Member

Arshad P. Rana
Member

Qudsia Naheed
Secretary

Investment Committee

Ali H. Shirazi
Chairman

Khaleeq-Ur-Rahman Khan
Member

Arshad P. Rana
Member

Rashid Amin
Member

Muhammad Afzal
Secretary

Underwriting, Reinsurance & Co-insurance Committee

Arshad P. Rana
Chairman

Muhammad Saeed
Member

Syed Nasir Hussain
Member

Syed Irtiza Kazmi
Secretary

Claims Settlement Committee

Ali H. Shirazi
Chairman

Arshad P. Rana
Member

Syed Irtiza Kazmi
Member

Muhammad Saeed
Secretary

Risk Management & Compliance Committee

Arshad P. Rana
Chairman

Rashid Amin
Member

Syed Irtiza Kazmi
Member

Syed Nasir Hussain
Secretary

Company Information

Information Technology (IT) Committee

Arshad P. Rana
Chairman

Rashid Amin
Member

Muhammad Saeed
Member

Wasim Ahmed
Secretary

Management Committee

Arshad P. Rana
Chief Executive

Nisar Zaman Khan
Head of Marketing & Sales

Rashid Amin
Chief Financial Officer

Muhammad Saeed
Head of Claims

Qudsia Naheed
Head of HR & Admin

Abdul Razzaq Ghauri
Head of Window Takaful

Syed Irtiza Kazmi
Vice President Underwriting

Shariah Advisor

Mufti Zeeshan Abdul Aziz

Compliance Officer

Muhammad Aasim Gul

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.
Agha Faisal Barrister at Law
RIAA Barker Gillette

Tax Advisor

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Share Registrar

Hameed Majeed Associates (Pvt) Limited
H. M. House, 7- Bank Square,
Shahrah-e-Quaid-e-Azam, Lahore
Tel: (92-42) 37235081-82
Fax: (92-42) 37358817

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
NRSP Microfinance Bank
Sindh Bank Limited
Summit Bank Limited
The Bank of Punjab

Registered & Head Office

63/A, Block-XX, Phase III (Commercial),
Khyaban-e-Iqbal, DHA, Lahore.
Tel: (92-42) 37132611-18,
Fax: (92-42) 37132622
E mail: info@ail.atlas.pk
Website: www.ail.atlas.pk

Chairman's Review

It gives me great pleasure to present the un-audited accounts of your Company for the nine months period ended September 30, 2017.

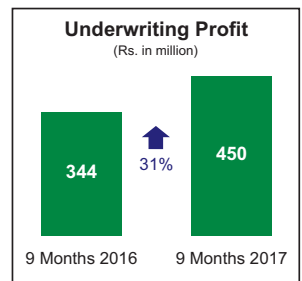
The Economy

Pakistan recorded GDP growth of 5.3% during the financial year 2016-17. The targeted GDP growth of 6% for the year 2017-18 will remain challenging but any progress in achieving this target will lay the foundation for higher growth in years to come. Growth will be underpinned by recovery in the agriculture sector, strong manufacturing growth and a healthy credit environment. Favorable initial estimates of major crops, healthy growth in credit to private sector and growing productive imports all indicate solid gains. However, external account has become vulnerable due to slow growth in exports and rise in imports. The headline inflation continues to remain benign at 3.86% for September against 3.4% last month mainly on the back of adequate food supplies and stable oil prices. The State Bank of Pakistan, in its latest monetary policy review meeting, decided to keep policy rate unchanged at 5.75% stating that it expects headline inflation to remain well below FY18 target of 6%. On the financial account front, foreign direct investments recorded a net inflow of USD 456 million in Jul-Aug FY18, which is more than double the level of inflows in the corresponding period last year. The external account position finally saw some signs of relief as current account deficit for August came at USD 550 million, a sharp decline relative to USD 2 billion in the previous month. Though 2MFY18 current account deficit clocked in at USD 2.6 billion against USD 1.3 billion last year, going forward the monthly gap is expected to normalize at a lower level, aided by a pick-up in exports and regulatory duties on non-essential imports. Notwithstanding the above, in order to sustain the current high GDP growth rate along with macroeconomic stability, the government will have to undertake tough structural reforms to address the perennial twin deficits on a permanent basis. The local equity market continued to remain under pressure and the benchmark KSE-100 index decreased by 9% during July-September.

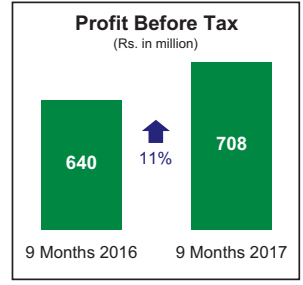
Overseas Pakistani workers remitted USD 3.496 billion in the first two months of FY18, up 13% compared with USD 3.089 billion received during the same period in the preceding year. Foreign exchange reserves declined to USD 19.763 billion in September, 2017 compared to USD 23.612 billion of September, 2016. The balance of trade deficit was USD 5.050 billion during first two months of the current fiscal year as compared with USD 3.685 billion during July-Aug 2016. The exports during the first two months were USD 3.932 billion during July-August, 2017 compared to USD 3.335 billion in the corresponding months of last year, up 18%. Imports, however, increased sharply to USD 8.982 billion compared to USD 7.020 billion of the corresponding period last year, up 28%.

The Company

The Company's gross premium for the nine months period ended September 30, 2017 stood at Rs. 1.849 billion against Rs. 1.857 billion for the same period last year. The net premium substantially increased to Rs. 977.76 million against Rs. 757.62 million in the corresponding period last year, up 29%. Sound underwriting policies resulted in increase



in underwriting profit to Rs. 450.34 million compared to Rs. 344.43 million in the same period last year, up 31%. Investment at cost stood at Rs. 2.394 billion (market value Rs. 5.106 billion) and Company earned investment income of Rs. 299.34 million compared to Rs. 322.90 million of the corresponding period last year. The Company earned profit before tax of Rs. 707.56 million against Rs. 639.63 million in the same period last year, up 11%. After providing for tax, the profit after tax stood at Rs. 474.06 million compared to Rs. 431.93 million in the same period last year.



Future Outlook

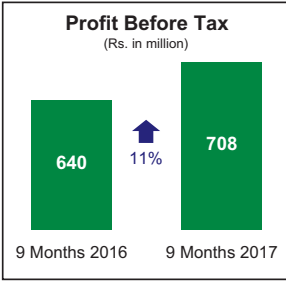
The economy is projected to further expand at the back of improving industrial activity, especially construction and power generation, and rising demand for allied services. Export numbers are expected to improve on account of favorable global economic conditions, improvement in domestic energy supplies and incentives given to exporting industry. Amid declining number of workers proceeding abroad there are prospects of sluggish growth in workers' remittances. Hence, an improvement in the country's external account and its foreign exchange reserves relies upon timely realization of financial inflows along with thoughtful adoption of structural reforms to improve trade competitiveness. The government must continue to address several long-standing issues, including expanding investment in education and healthcare, improving the country's business environment, reducing dependence on foreign donors, and widening the country's tax base. Given demographic challenges, the government must continue to focus on promoting further development of the energy sector and attract foreign investment to support sufficient economic growth necessary to employ its growing and rapidly urbanizing population. The management believes that commitment, devotion, and continuous efforts will yield better results for the Company:

سے خودی کو کر بلند اتنا کہ ہر تقدیر سے پہلے
خدا بندے سے خود پوچھے بتا تیری رضا کیا ہے

Acknowledgement

I would like to thank the Board of Directors, Mr. Arshad P. Rana, Chief Executive Officer and his team for their efforts, dedication and sincerity of purpose. I would also express my gratitude to all the reinsurers, our valued clients, Banks and SECP for their support and guidance to the Company.

Yusuf H. Shirazi



آمدنی 299.34 ملین روپے رہی جو کہ گزشتہ سال اسی مدت کے دوران 322.90 ملین روپے تھی۔ کمپنی نے 707.56 ملین روپے قبل از ٹیکس منافع کمایا جو کہ گزشتہ سال اسی مدت کے دوران کمائے گئے 639.63 ملین روپے قبل از ٹیکس منافع کے مقابلے میں 11 فیصد زیادہ ہے۔ ٹیکس ادائیگیوں کے بعد، خالص منافع 474.06 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 431.93 ملین روپے تھا۔

مستقبل کے خدو خال

صنعتی سرگرمیوں، خاص طور پر تعمیرات اور توانائی کی پیداوار میں اضافہ اور خدمات کی بڑھتی ہوئی طلب کے سبب معیشت میں بہتری کا واضح امکان نظر آتا ہے۔ عالمی معیشت کے موافق حالات، توانائی کی سپلائی میں بہتری اور برآمدی صنعتوں کو دیئے جانے والے فوائد کے سبب توقع کی جاتی ہے کہ برآمدات میں مزید بہتری آئے گی تاہم، بیرون ملک کام کے لیے جانے والے افرادی آمدنی میں کمی واقع ہونے کے سبب بیرون ملک سے بھیجی جانے والی ترسیلات زر میں کمی کا امکان ہے لہذا بیرونی اکاؤنٹ اور زر مبادلہ کے ذخائر میں بہتری کے لیے فنانشیل ان فلور کی بروقت رینیاٹریشن اور تجارت میں اضافے کے لیے اسٹریٹجکل اصلاحات کے نفاذ پر اٹھنا ضروری ہے۔ حکومت کو چاہئے کہ طویل عرصے سے موجود مسائل جیسے کہ تعلیم اور صحت عامہ میں سرمایہ کاری بڑھانے، ملکی کاروباری ماحول میں بہتری کے اقدامات، غیر ملکی امداد پر اٹھنا اور ٹیکس کے دائرہ کار کو بڑھانے پر زیادہ سے زیادہ توجہ مرکوز کرے۔ حکومت کو چاہئے کہ توانائی کے شعبے پر توجہ مرکوز کرے، غیر ملکی سرمایہ کاری کو معاونت فراہم کرے تاکہ تیزی سے بڑھتی شہری آبادی کی ضروریات پوری ہوں اور انہیں زیادہ بہتر روزگار میسر آئے۔ کمپنی کی انتظامیہ محنت، لگن اور مسلسل کوشش جاری رکھنے پر یقین رکھتی ہے تاکہ کمپنی کے لیے مستقبل میں بہترین نتائج کو یقینی بنایا جاسکے۔

خودی کو کر بلند اتنا کہ ہر تقدیر سے پہلے
خدا بندے سے خود پوچھے بتا تیری رضا کیا ہے

اظہار تشکر:

میں اس موقع پر بورڈ آف ڈائریکٹرز، جناب ارشد پل رانا، چیف ایگزیکٹو آفیسر اور ان کی ٹیم کی کاوشوں، لگن اور خلوص کا تہ دل سے مشکور ہوں۔ میں، اس کے ساتھ اپنے تمام ریسٹوررز معزز کلائنٹس، بینکوں اور سٹیورٹس اینڈ ایگریگیشن کمیٹیشن آف پاکستان کا تعاون اور اہتمامی فراہم کرنے پر شکریہ ادا کرتا ہوں۔

Yusuf Ali

یوسف ایلی شیروازی

چیرمین کا جائزہ

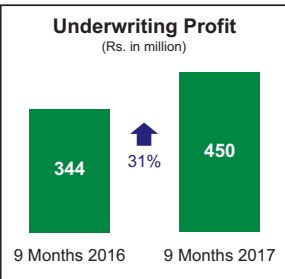
میں نہایت مسرت کے ساتھ 30 ستمبر 2017 کو مکمل ہونے والے نو ماہ کے لیے آپ کی کمپنی کے غیر پڑتال شدہ حسابات پیش کر رہا ہوں۔

معیشت

مالی سال 2016-17 کے دوران پاکستان کی شرح نمو 5.3 فیصد ریکارڈ کی گئی۔ اگرچہ مالی سال 2017-18 کے دوران 6 فیصد شرح نمو کا ہدف ایک بڑا چیلنج رہے گا لیکن اس سلسلے میں کی جانے والی کوششیں آئندہ آنے والے سالوں میں زیادہ سے زیادہ شرح نمو کے حصول کی کوششوں میں سنگ میل ثابت ہوں گی۔ شرح نمو میں اضافے کے لیے زرعی شعبے میں بحالی، مینوفیکچرنگ میں مزید ترقی اور صحت مند کریڈٹ ماحول کا سہارا درکار ہوگا۔ اہم فصلوں کا اچھا ابتدائی تخمینہ، نئی شعبے کو کریڈٹ کی فراہمی میں اضافہ اور بڑھتی ہوئی پیداواری درآمدات ٹھوس فوائد کی نشاندہی کرتے ہیں۔ تاہم بیرونی اکاؤنٹ کو درآمدات میں سست روی سے اضافے اور درآمدات بڑھنے کے سبب خدشات کا سامنا رہے گا۔ ایشیائے خورد و نوش کی بہتر سپلائی اور تیل کی مستحکم قیمتوں کے سبب افراط زر کی شرح ستمبر میں 3.86 فیصد رہی جو کہ گزشتہ ماہ 3.4 فیصد تھی۔ اسٹیٹ بینک آف پاکستان نے اپنی مانیٹری پالیسی کے حالیہ جائزے میں پالیسی ریٹ کو 5.75 فیصد کی سطح پر برقرار رکھا ہے، جس سے یہ لگتا ہے کہ مالی سال 2018 میں افراط زر کی شرح 6 فیصد ہدف سے نیچے رہنے کی توقع ہے۔ مالی سال 2017 کے جولائی تا اگست کے درمیان براہ راست غیر ملکی سرمایہ کاری میں نیٹ ان فلو 456 ملین امریکی ڈالر ریکارڈ کیا گیا، جو کہ گزشتہ سال اسی مدت کے دوران ہونے والے ان فلو کے مقابلے میں دو گنا ہے۔ گزشتہ ماہ کے 2 بلین ڈالر کرنٹ اکاؤنٹ خسارے کے مقابلے میں خاطر خواہ کی واقع ہوئی اور اگست میں کرنٹ اکاؤنٹ خسارہ 550 ملین ڈالر تک رہا، جس سے بیرونی اکاؤنٹ کی پوزیشن کچھ تسلی بخش ہوئی۔ اگرچہ FY18 کے ابتدائی دو ماہ میں کرنٹ اکاؤنٹ خسارہ گزشتہ سال کے 1.3 بلین ڈالر کے مقابلے میں 2.6 بلین ڈالر رہا، تاہم آئندہ مہینوں میں برآمدات میں اضافے، غیر ضروری اشیاء کی درآمد پر ریگولیشنری ڈیویڈنڈ کے سبب درآمدات میں کمی متوقع ہے۔ اوپر بیان کردہ صورت حال کو مد نظر رکھتے ہوئے، موجودہ شرح نمو کے استحکام کے لیے حکومت کو چاہئے کہ جامع اصلاحات تیار کرے اور ان کے نفاذ کو یقینی بنائے تاکہ دوہرے خسارے کو مستقبل بنیاد پر حل کیا جاسکے۔ مقامی ایکویٹی مارکیٹ دباؤ کا شکار رہی اور جولائی تا ستمبر ماہی میں KSE-100 انڈیکس میں 9 فیصد کمی واقع ہوئی۔

مالی سال 2018 کے ابتدائی دو ماہ کے دوران بیرون ملک کام کرنے والے پاکستانیوں کی جانب سے بھیجی جانے والی ترسیلات زر 3,496 بلین ڈالر رہیں جو کہ گزشتہ سال اسی مدت کے دوران بھیجی گئی ترسیلات زر 3,089 بلین ڈالر کے مقابلے میں 13 فیصد زیادہ ہیں۔ زرمبادلہ کے ذخائر ستمبر 2016 میں 23,612 بلین ڈالر کے مقابلے میں کم ہو کر ستمبر 2017 میں 19,763 بلین ڈالر رہے۔ تجارتی خسارہ موجودہ مالی سال کے ابتدائی دو ماہ میں 5,050 بلین ڈالر رہا جو کہ جولائی تا اگست 2016 کے دوران 3,685 بلین ڈالر تھا۔ سال 2017 جولائی تا اگست کے دوران برآمدات 3,932 بلین ڈالر رہیں جو کہ گزشتہ سال اسی مدت کے دوران ہونے والی 3,335 بلین ڈالر کی برآمدات کے مقابلے میں 18 فیصد زیادہ ہیں۔ تاہم، اسی مدت کے درمیان درآمدات خاطر خواہ اضافے کے ساتھ 8,982 بلین ڈالر رہیں جو کہ گزشتہ سال اسی مدت کے دوران ہونے والی 7,020 بلین ڈالر کی درآمدات کے مقابلے میں 28 فیصد زیادہ ہیں۔

کمپنی



30 ستمبر 2017 کو مکمل ہونے والے نو ماہ کے دوران کمپنی کا مجموعی پربہیم گزشتہ سال 1,857 بلین روپے کے مقابلے میں 1,894 بلین روپے رہا۔ خالص پربہیم گزشتہ سال اسی مدت کے دوران 757.62 بلین روپے کے مقابلے میں 977.76 بلین روپے رہا جو کہ 29 فیصد اضافہ ظاہر کرتا ہے۔ بہترین ذمہ داری پالیسیوں کے سبب ذمہ داری منافع 450.34 بلین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران کمائے گئے 344.43 بلین روپے کے مقابلے میں 31 فیصد زیادہ ہے۔ سرمایہ کاری کی کتابتی قدر 2,394 بلین روپے (مارکیٹ ویلیو 5,106 بلین روپے) رہی اور کمپنی کی سرمایہ کاری پر

Directors' Review

The directors have pleasure in submitting the quarterly report of the Company together with the unaudited financial statements for the period ended September 30, 2017.

	<u>September 30,</u> 2017	<u>September 30,</u> 2016
	(Rupees in thousand)	
The overall business figures are:		
Net premium	977,757	757,623
Net claims	320,117	177,486
Investment and other income	311,607	339,891
Net commission	109,992	47,962
Expenses of management	317,295	283,671
Financial results are as follows:		
Profit before tax	<u>707,555</u>	<u>639,632</u>
Provision for taxation	<u>(233,493)</u>	<u>(207,706)</u>
Profit after tax	<u><u>474,062</u></u>	<u><u>431,926</u></u>

Chairman's Review

The accompanying Chairman's Review deals with the performance of the Company during the period and future outlook. The directors of the Company endorse the contents of the review.

We express our deep appreciation and thanks to our valued clients, bankers, reinsurers and SECP for the cooperation extended to us.

We also commend the dedicated services rendered by the Company's officers, staff and field force.

For and on behalf of the
Board of Directors



Arshad P. Rana
Chief Executive

Lahore: October 25, 2017

ڈائریکٹرز کا جائزہ

ڈائریکٹرز نہایت مسرت کے ساتھ 30 ستمبر 2017 کو ختم ہونے والی مدت کے لیے کمپنی کی سماہی رپورٹ، غیر پڑتال شدہ مالیاتی حسابات کے ہمراہ پیش کر رہے ہیں۔

30 ستمبر، 2016	روپے '000' میں	30 ستمبر، 2017	مجموعی کاروباری اعداد و شمار یہ ہیں:
757,623		977,757	خالص پربہیم
177,486		320,117	خالص کلیمز
339,891		311,607	سرمایہ کاری اور دیگر ذرائع سے حاصل آمدنی
47,962		109,992	خالص کمیشن
283,671		317,295	انتظامی امور کے اخراجات
			مالیاتی نتائج درج ذیل ہیں:
639,632		707,555	قبل از ٹیکس منافع
(207,706)		(233,493)	ٹیکس تفرقات
431,926		474,062	بعد از ٹیکس منافع

چیئرمین کا جائزہ

چیئرمین کا جائزہ اس مدت کے دوران کمپنی کی کارکردگی اور مستقبل کے خدو خال کو غماہ کرتا ہے۔ کمپنی کے ڈائریکٹرز اس رپورٹ کی مندرجات کی توثیق کرتے ہیں۔

ہم اپنے معزز کسٹمرز، بینکرز، ری انشوررز اور سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے تعاون پر تہدول سے شکر گزار ہیں۔

ہم کمپنی کے آفیسرز، اسٹاف اور فیلڈ فورس کی وقف کردہ خدمات کو بھی سراہتے ہیں۔

بورڈ آف ڈائریکٹرز کے لیے اور جانب سے



ارشاد پی رانا
چیئف ایگزیکٹو

لاہور: 25 اکتوبر 2017

Pattern of Shareholding

As at September 30, 2017

Number of shareholders	Shareholding		Shares held
	From	To	
246	1	100	5,927
190	101	500	56,054
110	501	1000	88,643
242	1001	5000	652,981
101	5001	10000	737,825
62	10001	15000	776,438
29	15001	20000	514,882
8	20001	25000	176,987
20	25001	30000	551,324
15	30001	35000	475,765
7	35001	40000	269,899
9	40001	45000	382,467
5	45001	50000	238,437
1	50001	55000	51,500
7	55001	60000	395,723
4	60001	65000	247,849
2	65001	70000	134,550
3	70001	75000	211,121
6	75001	80000	470,826
2	80001	85000	166,195
1	85001	90000	90,000
1	90001	95000	92,666
3	95001	100000	296,564
1	100001	105000	102,500
2	105001	110000	216,500
2	115001	120000	232,879
1	120001	125000	124,875
2	125001	130000	259,500
2	130001	135000	262,541
2	140001	145000	280,512
2	145001	150000	299,672
2	155001	160000	315,778
1	165001	170000	170,000
1	175001	180000	176,803
1	200001	205000	203,926
1	235001	240000	237,000
1	260001	265000	261,990
1	280001	285000	280,579
1	295001	300000	300,000
1	355001	360000	360,000
1	390001	395000	394,000
1	475001	480000	479,000
1	1355001	1360000	1,358,353
1	1925001	1930000	1,929,336
1	1975001	1980000	1,978,915
1	52850001	52855000	52,852,099
1,104			70,161,381

Shareholders' Information

As at September 30, 2017

Categories of shareholders	Shares held	Percentage
Director, Chief Executive and their spouse and minor children	95,510	0.14%
Associated Companies, undertakings and related parties	54,781,436	78.08%
NIT and ICP	530	0.00%
Banks, Development Finance Institutions Non-Banking Financial Institutions	1,111,396	1.58%
Insurance Companies	2,145,415	3.06%
Modaraba and Mutual Funds	-	-
Shareholders holding 10% and above	52,852,099	75.33%
General Public:		
a. Local	10,534,853	15.02%
b. Foreign	-	-
Others:		
Joint Stock Companies	68,455	0.10%
Others	1,423,786	2.03%

Condensed Interim

As at

Note	September 30, 2017 (Unaudited) (Rupees in thousand)	December 31, 2016 (Audited)
------	--------------------------------------------------------------	-----------------------------------

Share capital and reserves

Authorised share capital 80,000,000 (December 31, 2016: 80,000,000) ordinary shares of Rs. 10 each	800,000	800,000
Issued, subscribed and paid up share capital 70,161,381 (December 31, 2016: 70,161,381) ordinary shares of Rs. 10 each	701,614	701,614
Reserves	888,064	726,064
Retained earnings	474,873	618,860
	2,064,551	2,046,538

Underwriting provisions

Provision for outstanding claims (including IBNR)	435,670	414,528
Provision for unearned premium	958,145	963,485
Commission income unearned	108,059	93,645
Total underwriting provisions	1,501,874	1,471,658

Creditors and accruals

Premium received in advance	10,905	53,009
Amounts due to other insurers / reinsurers	254,851	279,308
Accrued expenses	145,173	133,679
Taxation - provision less payments	8,373	61,269
Other creditors and accruals	127,856	127,284

Other liabilities

Deposits against performance bonds	25,273	19,421
Unclaimed dividends	76,090	64,367
	101,363	83,788

TOTAL LIABILITIES

2,150,395 2,209,995

**TOTAL LIABILITIES FROM WINDOW TAKAFUL
OPERATIONS-OPERATOR'S FUND**

21,077 21,070

TOTAL EQUITY AND LIABILITIES

4,236,023 4,277,603

CONTINGENCIES AND COMMITMENTS

7

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

Balance Sheet (Unaudited)

September 30, 2017

	Note	September 30, 2017 (Unaudited) (Rupees in thousand)	December 31, 2016 (Audited)
Cash and bank deposits			
Cash and other equivalents		354	199
Current and other accounts	8	284,010	250,237
		284,364	250,436
Loans to employees - secured considered good			
		61	97
Investments	9	2,393,819	2,608,556
Deferred taxation		24,654	32,477
Current assets - others			
Premiums due but unpaid		399,601	208,898
Amounts due from other insurers / reinsurers		171,663	112,884
Salvage recoveries accrued		4,310	3,235
Accrued investment income		19,354	5,720
Reinsurance recoveries against outstanding claims		258,862	300,469
Deferred commission expense		64,833	74,971
Prepayments		427,794	525,404
Sundry receivables		24,441	26,483
		1,370,858	1,258,064
Fixed assets			
Tangible			
	10		
Freehold land		1,168	1,168
Building on freehold land		28,346	10,125
Furniture and fixtures		8,525	2,334
Office equipments		18,329	8,427
Computer equipments		11,782	8,643
Motor vehicles		24,203	28,513
		92,353	59,210
TOTAL ASSETS FROM WINDOW TAKAFUL OPERATIONS-OPERATOR'S FUND		69,914	68,763
TOTAL ASSETS		4,236,023	4,277,603



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

For the nine months period ended September 30, 2017

Three months period ended September 30, 2017

	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	2017	2016
(Rupees in thousand)							
Revenue account							
Net premium revenue	42,533	131,150	93,665	91,380	-	358,728	272,991
Net claims	(7,444)	(10,478)	(52,536)	(47,346)	-	(117,804)	(69,895)
Expenses	(18,646)	(29,726)	(32,999)	(25,419)	-	(106,790)	(97,850)
Net commission	17,785	15,627	(5,857)	(810)	-	26,745	15,848
Underwriting result	<u>34,228</u>	<u>106,573</u>	<u>2,273</u>	<u>17,805</u>	-	<u>160,879</u>	<u>121,094</u>
Investment income						70,420	81,480
Rental income						535	2,094
Other income						4,683	1,862
Financial charges						(119)	(78)
General and administration expenses						(20,008)	(12,751)
						55,511	72,607
						216,390	193,701
Profit from window takaful operations						1,646	1,419
Profit before taxation for the period						218,036	195,120
Provision for taxation						(75,137)	(76,343)
Profit after taxation						<u>142,899</u>	<u>118,777</u>
Basic and diluted earnings per share - Rupees						<u>2.04</u>	<u>1.69</u>

Nine months period ended September 30, 2017

Note	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	2017	2016
(Rupees in thousand)							
Revenue account							
Net premium revenue	123,139	337,812	269,810	246,996	-	977,757	757,623
Net claims	(28,484)	(20,471)	(145,446)	(125,716)	-	(320,117)	(177,486)
Expenses	(65,089)	(87,173)	(93,106)	(71,927)	-	(317,295)	(283,671)
Net commission	69,057	62,605	(20,064)	(1,606)	-	109,992	47,962
Underwriting result	<u>98,623</u>	<u>292,773</u>	<u>11,194</u>	<u>47,747</u>	-	<u>450,337</u>	<u>344,428</u>
Investment income						299,337	322,899
Rental income						2,136	6,200
Other income						10,134	10,792
Financial charges						(358)	(541)
General and administration expenses						(55,175)	(45,607)
						256,074	293,743
Profit from window takaful operations	12					706,411	638,171
Profit before taxation for the period						1,144	1,461
Provision for taxation						(233,493)	(207,706)
Profit after taxation						<u>474,062</u>	<u>431,926</u>
Profit and loss appropriation account							
Balance at commencement of the period						618,860	599,221
Profit after taxation for the nine months ended September 30						474,062	431,926
Transfer to general reserve						(162,000)	(181,000)
Final dividend for 2016 @ Rs. 6.5 per share (2015: Rs. 6 per share)						(456,049)	(420,968)
Balance unappropriated profit at the end of the period						<u>474,873</u>	<u>429,179</u>
Basic and diluted earnings per share - Rupees						<u>6.76</u>	<u>6.16</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the nine months period ended September 30, 2017

	Nine months period ended September 30,		Three months period ended September 30,	
	2017	2016	2017	2016
	(Rupees in thousand)		(Rupees in thousand)	
Profit for the period	474,062	431,926	142,899	118,777
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>474,062</u>	<u>431,926</u>	<u>142,899</u>	<u>118,777</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Changes In Equity (Unaudited)

For the nine months period ended September 30, 2017

	Issued, subscribed and paid-up capital	Capital Reserve		Revenue Reserve			Total	
		Capital reserve	Reserve for exceptional losses	Reserve for issue of bonus shares	General reserve	Investment fluctuation reserves		Retained earnings
(Rupees in thousand)								
Balance as at January 01, 2016 (audited)	701,614	2,251	2,164	-	537,649	3,000	599,221	1,845,899
Final dividend for the year ended December 31, 2015 @ 60% (Rs. 6 per share)	-	-	-	-	-	-	(420,968)	(420,968)
Transfer to general reserve	-	-	-	-	181,000	-	(181,000)	-
Total comprehensive income for the period	-	-	-	-	-	-	431,926	431,926
Balance as at September 30, 2016 (unaudited)	<u>701,614</u>	<u>2,251</u>	<u>2,164</u>	<u>-</u>	<u>718,649</u>	<u>3,000</u>	<u>429,179</u>	<u>1,856,857</u>
Balance as at January 1, 2017 (audited)	701,614	2,251	2,164	-	718,649	3,000	618,860	2,046,538
Final dividend for the year ended December 31, 2016 @ 65% (Rs. 6.5 per share)	-	-	-	-	-	-	(456,049)	(456,049)
Transfer to general reserve	-	-	-	-	162,000	-	(162,000)	-
Total comprehensive income for the period	-	-	-	-	-	-	474,062	474,062
Balance as at Sep. 30, 2017 (unaudited)	<u>701,614</u>	<u>2,251</u>	<u>2,164</u>	<u>-</u>	<u>880,649</u>	<u>3,000</u>	<u>474,873</u>	<u>2,064,551</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the nine months period ended September 30, 2017

	Note	<u>September 30,</u> <u>2017</u>	<u>September 30,</u> <u>2016</u>
(Rupees in thousand)			
Operating cash flows			
Underwriting activities			
Premium received		1,499,967	1,536,018
Reinsurance premium paid		(790,782)	(843,691)
Claims paid		(475,645)	(403,336)
Reinsurance and other recoveries received		240,694	223,343
Commissions paid		(96,615)	(125,991)
Commissions received		236,701	113,413
Other underwriting payments		(1,859)	(1,102)
Other underwriting receipts		16,395	14,061
Net cash generated from underwriting activities		628,856	512,715
Other operating activities			
Income tax paid		(278,566)	(172,401)
General and management expenses paid		(343,458)	(296,280)
Loans - repayment received		36	41
Other deposits		5,852	881
Net cash used in other operating activities		(616,136)	(467,759)
Total cash generated from all operating activities		12,720	44,956
Investment activities			
Profit / return received		14,246	19,468
Dividends received		142,401	99,141
Rentals received		1,605	8,434
Payments for purchase of investments		(1,244,217)	(1,029,295)
Proceeds from disposal of investments		1,596,156	1,189,310
Payments against purchase of fixed assets		(54,219)	(17,658)
Proceeds from disposal of fixed assets		9,920	4,128
Total cash generated from investing activities		465,892	273,528
Financing activities			
Dividends paid		(444,326)	(409,564)
Financial charges paid		(358)	(874)
Total cash used in financing activities		(444,684)	(410,438)
Net cash generated from / (used in) all activities		33,928	(91,954)
Cash and cash equivalents at the beginning of the period		250,436	428,284
Cash and cash equivalents at the end of the period	8	284,364	336,330

Reconciliation of operating cash flows to profit and loss account is given as note 11 to this condensed interim financial information.

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Premiums (Unaudited)

For the nine months period ended September 30, 2017

T h r e e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0										
Business underwritten inside Pakistan										
Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		2017	2016
(R u p e e s i n t h o u s a n d)										
Direct and facultative										
Fire and property damage	123,699	341,600	312,449	152,850	88,154	227,727	205,564	110,317	42,533	44,207
Marine, aviation and transport	205,147	65,346	66,563	203,930	90,903	26,200	44,323	72,780	131,150	89,112
Motor	152,324	222,051	253,099	121,276	57,933	25,474	55,796	27,611	93,665	75,622
Miscellaneous	171,122	319,399	326,034	164,487	50,887	137,510	115,290	73,107	91,380	64,050
Total	652,292	948,396	958,145	642,543	287,877	416,911	420,973	283,815	358,728	272,991
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	652,292	948,396	958,145	642,543	287,877	416,911	420,973	283,815	358,728	272,991

N i n e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0										
Business underwritten inside Pakistan										
Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		2017	2016
(R u p e e s i n t h o u s a n d)										
Direct and facultative										
Fire and property damage	426,941	337,936	312,449	452,428	296,470	238,383	205,564	329,289	123,139	126,620
Marine, aviation and transport	574,564	47,580	66,563	555,581	244,383	17,709	44,323	217,769	337,812	241,135
Motor	374,936	247,700	253,099	369,537	84,159	71,364	55,796	99,727	269,810	233,878
Miscellaneous	472,499	330,269	326,034	476,734	158,340	186,688	115,290	229,738	246,996	155,990
Total	1,848,940	963,485	958,145	1,854,280	783,352	514,144	420,973	876,523	977,757	757,623
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	1,848,940	963,485	958,145	1,854,280	783,352	514,144	420,973	876,523	977,757	757,623

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Claims (Unaudited)

For the nine months period ended September 30, 2017

Three months period ended September 30											
Business underwritten inside Pakistan	Class	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
			Opening	Closing			Opening	Closing		2017	2016
(Rupees in thousand)											
Direct and facultative											
	Fire and property damage	11,724	151,738	196,443	56,429	11,667	130,168	167,486	48,985	7,444	136
	Marine, aviation and transport	11,927	38,839	60,947	34,035	6,567	30,349	47,339	23,557	10,478	2,259
	Motor	43,874	91,265	106,143	58,752	11,066	11,812	6,962	6,216	52,536	31,678
	Miscellaneous	152,789	170,521	68,357	50,625	111,917	145,713	37,075	3,279	47,346	35,822
	Total	220,314	452,363	431,890	199,841	141,217	318,042	258,862	82,037	117,804	69,895
	Treaty	-	3,780	3,780	-	-	-	-	-	-	-
	Grand total	220,314	456,143	435,670	199,841	141,217	318,042	258,862	82,037	117,804	69,895

Nine months period ended September 30											
Business underwritten inside Pakistan	Class	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
			Opening	Closing			Opening	Closing		2017	2016
(Rupees in thousand)											
Direct and facultative											
	Fire and property damage	44,122	87,662	196,443	152,903	33,757	76,824	167,486	124,419	28,484	9,867
	Marine, aviation and transport	34,667	46,814	60,947	48,800	15,312	34,322	47,339	28,329	20,471	15,353
	Motor	126,528	77,647	106,143	155,024	18,623	16,007	6,962	9,578	145,446	72,969
	Miscellaneous	268,783	198,625	68,357	138,515	149,040	173,316	37,075	12,799	125,716	79,297
	Total	474,100	410,748	431,890	495,242	216,732	300,469	258,862	175,125	320,117	177,486
	Treaty	-	3,780	3,780	-	-	-	-	-	-	-
	Grand total	474,100	414,528	435,670	495,242	216,732	300,469	258,862	175,125	320,117	177,486

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Expenses (Unaudited)

For the nine months period ended September 30, 2017

Three months period ended September 30									
Business underwritten inside Pakistan									
Class	Commission paid or payable	Deffered commission		Net commission expense	Other management expense	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					2017	2016
(Rupees in thousand)									
Direct and facultative									
Fire and property damage	16,994	17,452	24,862	9,584	18,646	28,230	27,369	861	5,661
Marine, aviation and transport	4,155	1,640	1,008	4,787	29,726	34,513	20,414	14,099	10,638
Motor	13,671	12,845	17,864	8,652	32,999	41,651	2,795	38,856	42,008
Miscellaneous	12,018	20,827	21,099	11,746	25,419	37,165	10,936	26,229	23,695
Total	46,838	52,764	64,833	34,769	106,790	141,559	61,514	80,045	82,002
Treaty	-	-	-	-	-	-	-	-	-
Grand total	46,838	52,764	64,833	34,769	106,790	141,559	61,514	80,045	82,002

Nine months period ended September 30									
Business underwritten inside Pakistan									
Class	Commission paid or payable	Deffered commission		Net commission expense	Other management expense	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					2017	2016
(Rupees in thousand)									
Direct and facultative									
Fire and property damage	35,122	21,801	24,862	32,061	65,089	97,150	101,118	(3,968)	25,094
Marine, aviation and transport	13,446	1,332	1,008	13,770	87,173	100,943	76,375	24,568	20,637
Motor	25,979	22,605	17,864	30,720	93,106	123,826	10,656	113,170	109,921
Miscellaneous	27,589	29,233	21,099	35,723	71,927	107,650	34,117	73,533	80,057
Total	102,136	74,971	64,833	112,274	317,295	429,569	222,266	207,303	235,709
Treaty	-	-	-	-	-	-	-	-	-
Grand total	102,136	74,971	64,833	112,274	317,295	429,569	222,266	207,303	235,709

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

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Investment Income (Unaudited)

For the nine months period ended September 30, 2017

	Nine months period ended September 30,		Three months period ended September 30,	
	2017	2016	2017	2016
	(Rupees in thousand)		(Rupees in thousand)	
Income from non-trading investments				
Held to maturity				
Return on government securities	3,039	5,446	882	1,128
Available for sale				
Dividend income	157,100	104,943	50,584	22,434
Gain on sale of available for sale investments	194,588	199,126	43,825	55,959
Provision for impairment in available for sale investments				
Less: provision for impairment in available for sale investments	(54,761)	13,851	(24,728)	2,093
Less: investment related expenses	(629)	(467)	(143)	(134)
Net investment income	299,337	322,899	70,420	81,480

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Notes to the Interim Financial Information (Unaudited)

For the nine months period ended September 30, 2017

1. Legal status and nature of business

Atlas Insurance Limited (the Company) was incorporated as a public limited company on September 6, 1934 and is listed on the Pakistan Stock Exchange. The Company is engaged in general insurance business. The registered office of the Company is situated at 63/A, Block - XX, Phase III (Commercial), Khayaban-e-Iqbal, Defence Housing Authority, Lahore. The Company is a subsidiary of Shirazi Investments (Pvt.) Limited.

The Company was granted license to work as Window Takaful Operator (WTO) dated March 2, 2016 by the Securities and Exchange Commission of Pakistan (SECP) under Takaful Rules, 2012 to carry on Window Takaful Operations in Pakistan.

2. Basis of preparation and statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP vide Circular No. CLD/CCD/PR(11) / 2017 dated July 20, 2017 and further clarified through its press release dated July 20, 2017, companies whose financial year, including quarterly and other interim periods, closes on or before June 30, 2017, shall prepare financial statements in accordance with the provisions of Companies Ordinance, 1984. Furthermore, the SECP vide S.R.O. 89(I) / 2017 dated February 9, 2017 had prescribed the Insurance Rules, 2017 (the Rules) for insurance companies which were enforceable with immediate effect. The Rules prescribe the format of annual financial statements for non-life insurers. However, the SECP vide letter No. ID/OSM/Atlas/2017/12196 date October 5, 2017 has granted exemption to the Company to prepare the quarterly and annual accounts for the period ended September 30, 2017 and year ended December 31, 2017 in accordance with the requirements of previous Rules.

Accordingly, the approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and directives issued by the SECP. Wherever the requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 or the requirements of the said directives take precedence.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2016.

As per the requirements of Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated July 9, 2015 the assets, liabilities and profit loss of the Operator Fund (OPF) of the General Takaful operations of the Company have been presented as a single line item in the balance sheet and profit and loss account of the Company respectively.

Further, a separate set of financial statements of the General Takaful operations has been annexed to these financial statements as per the requirements of Takaful Rules, 2012.

2.1. Basis of preparation

This condensed interim financial information has been prepared under historical cost convention.

2.2 Functional and Presentation currency

This condensed interim financial information is presented in Pakistani rupees, which is the Company's functional and presentation currency.

3. Standards, amendments and interpretations to approved accounting standards that are effective in the current period

There are certain new and amended standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2017 but are considered not to be relevant or do not have any significant impact on the Company's operations and are therefore not detailed in this condensed interim financial information.

4. Summary of significant accounting policies

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended December 31, 2016.

5. Critical accounting estimates and judgments

The preparation of condensed interim financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by the management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for the year ended December 31, 2016.

6. Other creditors and accruals

The Company has made provision for Worker's Welfare Fund (WWF) based on profit for the respective years. The Supreme Court of Pakistan vide its order dated November 10, 2016 held that the amendments made in the law introduced by the Federal Government for the levy of WWF were unlawful. The Federal Board of Revenue has filed review petitions against this order which are currently pending.

The management believes that consequent to filing these review petitions the judgement may not currently be treated as conclusive. Accordingly, the Company maintains its provision in respect of WWF.

7. Contingencies and commitments

7.1 Contingencies

7.1.1 The tax authorities have raised demand amounting to Rs. 117,817 (thousand) against the Company for the tax years 2009 to 2014, that primarily pertains to the rate of tax on dividend, rental income and charged WWF. Commissioner Inland Revenue (Appeals) [CIR (A)] upheld the decision in respect of dividend income and reduced the demand to Rs. 59,722 (thousand). The Company filed appeals against the CIR(A) decision before the Appellate Tribunal Inland Revenue (ATIR) wherein the decision of CIR(A) was upheld. The Company had filed a reference application against the decision of ATIR before the Honourable Lahore High Court which is currently pending adjudication. No provision has been incorporated in the financial statements since the Company believes that there are meritorious grounds that the case will be decided in favour of the Company.

7.1.2 For tax year 2005, the tax authorities disputed the Company's treatment on certain issues disallowing expenses, creating a demand of Rs. 70,698 (thousand). The Company filed appeal before CIR(A) which was decided in favour of the Company. Department filed appeal against CIR(A) before ATIR which is pending adjudication.

7.1.3 For tax year 2006, the tax authorities disputed the Company's treatment on certain issues disallowing expenses. The Company filed appeal before CIR(A) which was decided in favour of the Company except for the provision of bonus amounting to Rs. 5,599 (thousand) against which the Company has filed appeal before ATIR, which is pending adjudication.

	September 30, 2017 (Unaudited) (Rupees in thousand)	December 31, 2016 (Audited)
Claims against the Company not acknowledged as debt	67,902	67,902

7.2 Commitments

The amount of future payments under operating leases and the period in which these payments will become due are as follows:

	September 30, 2017 (Unaudited) (Rupees in thousand)	December 31, 2016 (Audited)
Not later than one year	52,768	42,216
Later than one year and not later than five years	46,519	29,961
Later than five years	183	183
	<u>99,470</u>	<u>72,360</u>

8. Cash and cash equivalents at the end of the period

Cash for the purposes of statement of cash flows consists of:

Cash and other equivalents	354	199
Current and other accounts	284,010	250,237
	<u>284,364</u>	<u>250,436</u>

9. Investments

The investments comprise of the following :

Held-to-maturity

Government securities	72,999	74,998
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In associated undertakings:

Available-for-sale

Marketable securities - listed	236,467	236,467
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Others:

Available-for-sale

Marketable securities - listed	1,397,466	1,283,812
Less: provision for impairment in value of investments	(65,876)	(9,831)
	1,331,590	1,273,981

Mutual Funds

Others mutual funds	105,378	95,413
In associated undertakings	647,385	927,697
Investments at cost	<u>2,393,819</u>	<u>2,608,556</u>

Aggregate market value of investments	<u>5,105,604</u>	<u>6,439,096</u>
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	Note	September 30, 2017 (Unaudited) (Rupees in thousand)	December 31, 2016 (Audited)
10. Fixed assets- tangible			
Opening book value		59,210	55,237
Add: Additions during the period	10.1	54,219	20,145
		<u>113,429</u>	<u>75,382</u>
Less: Disposal during the period (at book value)		(9,999)	(5,164)
Adjustment net book value		-	(164)
Depreciation charged for the period		(11,077)	(10,844)
		<u>(21,076)</u>	<u>(16,172)</u>
Closing book value		<u>92,353</u>	<u>59,210</u>

10.1 Additions during the period

Building	19,726	-
Computer equipments	6,077	3,858
Furniture and fixtures	6,946	87
Motor vehicles	9,830	15,695
Office equipments	11,640	505
	<u>54,219</u>	<u>20,145</u>

For the nine months ended
September 30, September 30,
2017 2016
(Unaudited) (Unaudited)
(Rupees in thousand)

11. Reconciliation to profit and loss account

Operating cash flows	12,720	44,956
Depreciation	(11,077)	(7,740)
Amortization of intangible assets	-	(994)
Financial charges	(358)	(541)
Loss on disposal of fixed assets	(80)	(75)
Provision for doubtful debts	(17,665)	(16,233)
Increase in assets other than cash	205,819	360,831
Decrease / (increase) in liabilities other than borrowings	84,335	(114,022)
Others		
- Decrease in provision for unearned premium	(87,831)	(181,371)
- Decrease in commission income unearned	(14,414)	(22,625)
- Income on investments and current and other deposits	299,337	322,899
- Rental and other income	12,270	17,014
- Increase in provision for commission expense deferred	(10,138)	28,366
- Income from Window Takaful Operations - OPF	1,144	1,461
	<u>474,062</u>	<u>431,926</u>

For the nine months ended
September 30, 2017 **September 30, 2016**
 (Unaudited) (Unaudited)
 (Rupees in thousand)

12. Window takaful operations - OPF

Wakala fee	20,181	3,901
Management expense	(12,175)	(3,156)
Commission expense	(6,365)	(988)
Unallocated expense	(976)	(117)
Profit on deposits	479	1,821
Profit for the period	<u>1,144</u>	<u>1,461</u>

13. Segment reporting

The Company has four (2016: five) primary business segments for reporting purposes namely fire and property damage, marine, aviation and transport, 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 and property damage		Marine, aviation & transport		Motor		Miscellaneous		Total	
	Sep. 30, 2017 (unaudited)	Dec. 31, 2016 (audited)	Sep. 30, 2017 (unaudited)	Dec. 31, 2016 (audited)	Sep. 30, 2017 (unaudited)	Dec. 31, 2016 (audited)	Sep. 30, 2017 (unaudited)	Dec. 31, 2016 (audited)	Sep. 30, 2017 (unaudited)	Dec. 31, 2016 (audited)
(R u p e e s i n t h o u s a n d)										
Other Information										
Corporate segment assets - conventional	303,655	317,771	409,275	284,625	264,049	267,217	343,263	344,988	1,320,242	1,214,601
Corporate segment assets - Takaful OPF	1,631	2,101	726	470	12,808	15,072	355	259	15,520	17,902
Unallocated corporate assets - conventional									2,845,866	2,988,437
Unallocated corporate assets - Takaful OPF									54,395	56,663
Consolidated total assets									<u>4,236,023</u>	<u>4,277,603</u>
Corporate segment liabilities - conventional	412,368	472,162	555,801	422,912	358,581	397,046	466,154	512,602	1,792,904	1,804,722
Corporate segment liabilities - Takaful OPF	2,215	2,292	986	513	17,393	16,439	482	283	21,076	19,527
Unallocated corporate liabilities - conventional									357,492	385,746
Consolidated total liabilities									<u>2,171,472</u>	<u>2,209,995</u>

Capital expenditure and depreciation / amortization have not been allocated as fixed assets to which they relate form part of unallocated assets.

17. Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

There has been no significant re-classifications / restatements in this condensed interim financial information except engineering class of business, which has been reclassified to miscellaneous class and is not presented separately in respective notes and statements to this condensed interim financial information.

18. General

Figures in this condensed interim financial information have been rounded off to the nearest thousand rupees unless otherwise specified.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

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Atlas Insurance

Window Takaful Operations

Quarterly Report
September 30, 2017

Window Takaful Condensed Interim

As at

Note	OPF September 30, 2017	PTF September 30, 2017 (Unaudited)	Total September 30, 2017	Total December 31, 2016 (Audited)
(Rupees in thousand)				
Operator's Fund (OPF)				
Statutory fund	50,000	-	50,000	50,000
Accumulated loss	(1,163)	-	(1,163)	(2,307)
	48,837	-	48,837	47,693
Participants' Takaful Fund (PTF)				
Cede money	-	500	500	500
Accumulated deficit	-	(6,188)	(6,188)	(5,625)
	-	(5,688)	(5,688)	(5,125)
PTF underwriting provisions				
Provision for outstanding claims (including IBNR)	-	10,721	10,721	3,132
Provision for unearned contribution	-	55,890	55,890	35,303
Unearned retakaful rebate	-	1,375	1,375	1,018
Total underwriting provisions	-	67,986	67,986	39,453
Creditors and accruals				
Contribution received in advance	-	862	862	1,379
Amounts due to other takaful / retakaful operator	-	11,519	11,519	6,385
Unearned wakala fee	17,112	-	17,112	11,043
Wakala fee payable	-	9,375	9,375	13,926
Other creditors and accruals	3,965	3,554	7,519	12,116
	21,077	25,310	46,387	44,849
TOTAL LIABILITIES	21,077	93,296	114,372	84,302
TOTAL FUND AND LIABILITIES	69,914	87,608	157,522	126,870
CONTINGENCIES AND COMMITMENTS 6				

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Operations

Balance Sheet

September 30, 2017

Note	OPF September 30, 2017	PTF September 30, 2017 (Unaudited) (Rupees in thousand)	Total September 30, 2017	Total December 31, 2016 (Audited)	
Cash and bank deposits					
Current and other accounts	11,172	44,272	55,444	43,585	
Investments	40,000	-	40,000	40,000	
Current assets - others					
Contribution due but unpaid - net	-	13,278	13,278	5,673	
Amounts due from other takaful / retakaful	-	2,477	2,477	447	
Salvage recoveries accrued	-	1,160	1,160	-	
Accrued investment income	66	87	153	412	
Retakaful recoveries against outstanding claims	-	1,659	1,659	-	
Deferred commission expense	4,483	-	4,483	3,330	
Wakala fee receivable	9,375	-	9,375	13,926	
Deferred wakala fee	-	17,112	17,112	11,043	
Prepayments	1,595	7,563	9,158	5,783	
	15,519	43,336	58,855	40,614	
Fixed assets					
Tangible					
Motor vehicles	7	2,621	-	2,621	2,238
Intangible					
Computer software	8	602	-	602	433
TOTAL FIXED ASSETS	3,223	-	3,223	2,671	
TOTAL ASSETS	69,914	87,608	157,522	126,870	



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Profit and Loss Account (Unaudited)

For the nine months period ended September 30, 2017

Three months period ended September 30							
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	2017	2016
(Rupees in thousand)							
PTF revenue account							
Net contribution revenue	423	402	19,782	416	-	21,023	5,234
Wakala expense	(1,120)	(510)	(5,889)	(174)	-	(7,693)	(2,547)
Net claims	(75)	(77)	(11,079)	(7)	-	(11,238)	(2,459)
Direct expenses	-	-	(5,329)	-	-	(5,329)	(2,823)
Retakaful rebate	574	246	20	23	-	863	190
Underwriting result	(198)	61	(2,495)	258	-	(2,374)	(2,405)
Net investment income						372	128
General and administrative expenses						(17)	-
Deficit for the period						(2,019)	(2,277)
OPF revenue account							
Wakala fee	1,120	510	5,889	174	-	7,693	2,547
Management expenses	(408)	(137)	(2,788)	(192)	-	(3,525)	(962)
Commission expenses	(471)	(207)	(1,688)	(48)	-	(2,414)	(636)
	241	166	1,413	(66)	-	1,754	949
Net investment income						205	587
General and administrative expenses						(313)	(117)
Profit for the period						1,646	1,419

Nine months period ended September 30							
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	2017	2016
(Rupees in thousand)							
PTF revenue account							
Net contribution revenue	1,039	691	50,213	880	-	52,823	8,400
Wakala expense	(2,861)	(1,433)	(15,471)	(416)	-	(20,181)	(3,901)
Net claims	(186)	(188)	(23,291)	(7)	-	(23,672)	(3,678)
Direct expenses	(21)	-	(12,728)	-	-	(12,749)	(6,785)
Retakaful rebate	1,444	772	36	56	-	2,308	199
Underwriting result	(585)	(158)	(1,241)	513	-	(1,471)	(5,765)
Net investment income						980	267
General and administrative expenses						(72)	(13)
Deficit for the period						(563)	(5,511)
OPF revenue account							
Wakala fee	2,861	1,433	15,471	416	-	20,181	3,901
Management expenses	(1,261)	(570)	(10,065)	(279)	-	(12,175)	(3,156)
Commission expenses	(1,149)	(619)	(4,491)	(106)	-	(6,365)	(988)
	451	244	915	31	-	1,641	(243)
Net investment income						479	1,821
General and administrative expenses						(976)	(117)
Profit for the period						1,144	1,461

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the nine months period ended September 30, 2017

	Nine months period ended		Three months period ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
(Rupees in thousand)				
Operator's Fund				
Profit for the period	1,144	1,461	1,646	1,419
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>1,144</u>	<u>1,461</u>	<u>1,646</u>	<u>1,419</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Changes in Fund (Unaudited)

For the nine months period ended September 30, 2017

	Operator's Fund (OPF)		
	Statutory fund	Accumulated loss	Total
	(Rupees in thousand)		
Balance as at March 12, 2016	-	-	-
Contribution made during the period	50,000	-	50,000
Total comprehensive income / (loss) for the period			
Profit for the period	-	1,461	1,461
Balance as at September 30, 2016 (unaudited)	50,000	1,461	51,461
Total comprehensive income / (loss) for the period			
Loss for the period	-	(3,768)	(3,768)
Balance as at December 31, 2016 (audited)	50,000	(2,307)	47,693
Total comprehensive income / (loss) for the period			
Loss for the period	-	1,144	1,144
Balance as at September 30, 2017 (unaudited)	50,000	(1,163)	48,837

	Participant's Takaful Fund (PTF)		
	Cede Money	Accumulated Deficit	Total
	(Rupees in thousand)		
Balance as at March 12, 2016	-	-	-
Cede Money	500	-	500
Total comprehensive income / (loss) for the period			
Deficit for the period	-	(5,511)	(5,511)
Balance as at September 30, 2016 (unaudited)	500	(5,511)	(5,511)
Total comprehensive income / (loss) for the period			
Deficit for the period	-	(114)	(114)
Balance as at December 31, 2016 (audited)	500	(5,625)	(5,125)
Total comprehensive income / (loss) for the period			
Surplus for the period	-	(563)	(563)
Balance as at September 30, 2017 (unaudited)	500	(6,188)	(5,688)

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Cash Flow Statement (Unaudited)

For the nine months period ended September 30, 2017

	OPF September 30, 2017	PTF September 30, 2017	Total September 30, 2017	Total from March 12, 2016 to September 30, 2016
(Rupees in thousand)				
Operating activities				
Takaful activities				
Contributions received	-	93,892	93,892	38,916
Retakaful contributions paid	-	(10,901)	(10,901)	(1,487)
Retakaful contributions received	-	921	921	271
Claims paid	-	(20,970)	(20,970)	(1,696)
Commissions paid	(6,799)	-	(6,799)	(2,022)
Wakala fee received	30,800	-	30,800	-
Wakala fee paid	-	(30,800)	(30,800)	-
Net cash generated from underwriting activities	24,001	32,142	56,143	33,982
Other operating activities				
Income tax paid	(73)	(135)	(208)	(163)
General, administration and management expenses	(20,105)	(24,811)	(44,916)	(10,433)
Other underwriting receipts	-	1,048	1,048	70
Other operating payments	-	(179)	(6,432)	-
Net cash used in other operating activities	(20,180)	(24,159)	(44,160)	(16,958)
Total cash generated from all operating activities	3,821	7,983	11,983	17,024
Investment activities				
Profit / return received	234	893	1,127	1,836
Fixed capital expenditure	(1,072)	-	(1,072)	-
Total cash (used in) / generated from investing activities	(838)	893	55	1,836
Financing activities				
Contribution to the operator's fund	-	-	-	50,000
Cede money	-	-	-	500
Financial charges paid	(2)	(82)	(84)	-
Total cash (used in) / generated from financing activities	(2)	(82)	(84)	50,500
Net cash generated from all activities	2,983	8,876	11,859	69,360
Cash and cash equivalents at the beginning of the period	8,189	35,396	43,585	-
Cash and cash equivalents at the end of the period	11,172	44,272	55,444	69,360

Reconciliation of operating cash flows to profit and loss account is given in note 9 to the interim financial information.

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Contributions (Unaudited)

For the nine months period ended September 30, 2017

Business underwritten inside Pakistan										
Class	Contribution written	Unearned contribution reserve		Contribution earned	Retakaful ceded	Prepaid retakaful contribution ceded		Retakaful expense	Net contribution revenue	
		Opening	Closing			Opening	Closing		2017	2016
(Rupees in thousand)										
Direct and facultative										
Fire and property damage	4,076	5,625	6,445	3,256	3,648	5,057	5,872	2,833	423	72
Marine, aviation and transport	1,586	138	200	1,524	1,217	95	190	1,122	402	64
Motor	28,120	39,675	47,700	20,095	707	687	1,081	313	19,782	5,062
Miscellaneous	1,481	587	1,545	523	157	161	211	107	416	36
Total	35,263	46,025	55,890	25,398	5,729	6,000	7,354	4,375	21,023	5,234
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	35,263	46,025	55,890	25,398	5,729	6,000	7,354	4,375	21,023	5,234

Business underwritten inside Pakistan										
Class	Contribution written	Unearned contribution reserve		Contribution earned	Retakaful ceded	Prepaid retakaful contribution ceded		Retakaful expense	Net contribution revenue	
		Opening	Closing			Opening	Closing		2017	2016
(Rupees in thousand)										
Direct and facultative										
Fire and property damage	9,114	5,490	6,445	8,159	8,223	4,769	5,872	7,120	1,039	86
Marine, aviation and transport	4,057	350	200	4,207	3,330	376	190	3,516	691	68
Motor	71,557	28,751	47,700	52,608	3,409	67	1,081	2,395	50,213	8,210
Miscellaneous	1,984	712	1,545	1,151	345	137	211	271	880	36
Total	86,712	35,303	55,890	66,125	15,307	5,349	7,354	13,302	52,823	8,400
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	86,712	35,303	55,890	66,125	15,307	5,349	7,354	13,302	52,823	8,400

Note: Contribution written includes administrative charge of Rs. 1,525 thousand.

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Claims (Unaudited)

For the nine months period ended September 30, 2017

Business underwritten inside Pakistan										
T h r e e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0										
Class	Claims paid	Outstanding claims		Claims expense	Retakaful and other recoveries received	Retakaful and other recoveries in respect of outstanding claims		Retakaful and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		2017	2016
(R u p e e s i n t h o u s a n d)										
Direct and facultative										
Fire and property damage	-	-	750	750	-	-	675	675	75	-
Marine, aviation and transport	-	100	1,119	1,019	-	-	942	942	77	-
Motor	10,297	7,631	8,807	11,473	587	197	4	394	11,079	2,459
Miscellaneous	-	-	45	45	-	-	38	38	7	-
Total	10,297	7,731	10,721	13,287	587	197	1,659	2,049	11,238	2,459
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	10,297	7,731	10,721	13,287	587	197	1,659	2,049	11,238	2,459

Business underwritten inside Pakistan										
N i n e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0										
Class	Claims paid	Outstanding claims		Claims expense	Retakaful and other recoveries received	Retakaful and other recoveries in respect of outstanding claims		Retakaful and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		2017	2016
(R u p e e s i n t h o u s a n d)										
Direct and facultative										
Fire and property damage	1,104	-	750	1,854	993	-	675	1,668	186	-
Marine, aviation and transport	112	-	1,119	1,231	101	-	942	1,043	188	-
Motor	18,594	3,132	8,807	24,269	974	-	4	978	23,291	3,678
Miscellaneous	-	-	45	45	-	-	38	38	7	-
Total	19,810	3,132	10,721	27,399	2,068	-	1,659	3,727	23,672	3,678
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	19,810	3,132	10,721	27,399	2,068	-	1,659	3,727	23,672	3,678

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Expenses-PTF (Unaudited)

For the nine months period ended September 30, 2017

T h r e e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0									
Business underwritten inside Pakistan	Class	Gross wakala fee	Deferred wakala fee		Net expense	PTF direct expense	Rebate from Retakaful Operators	Net PTF expenses	
			Opening	Closing				2017	2016
(R u p e e s i n t h o u s a n d)									
Direct and facultative									
	Fire and property damage	1,317	2,013	2,210	1,120	-	574	546	70
	Marine, aviation and transport	537	43	70	510	-	246	264	75
	Motor	8,279	11,958	14,348	5,889	5,329	20	11,198	5,020
	Miscellaneous	448	210	484	174	-	23	151	14
	Total	10,581	14,224	17,112	7,693	5,329	863	12,159	5,179
	Treaty	-	-	-	-	-	-	-	-
	Grand total	10,581	14,224	17,112	7,693	5,329	863	12,159	5,179

N i n e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0									
Business underwritten inside Pakistan	Class	Gross wakala fee	Deferred wakala fee		Net expense	PTF direct expense	Rebate from Retakaful Operators	Net PTF expenses	
			Opening	Closing				2017	2016
(R u p e e s i n t h o u s a n d)									
Direct and facultative									
	Fire and property damage	3,057	2,014	2,210	2,861	21	1,444	1,438	79
	Marine, aviation and transport	1,385	118	70	1,433	-	772	661	75
	Motor	21,203	8,616	14,348	15,471	12,728	36	28,163	10,318
	Miscellaneous	605	295	484	416	-	56	360	14
	Total	26,250	11,043	17,112	20,181	12,749	2,308	30,622	10,486
	Treaty	-	-	-	-	-	-	-	-
	Grand total	26,250	11,043	17,112	20,181	12,749	2,308	30,622	10,486

Note: Rebate from retakaful operations is arrived at after taking impact of opening and closing unearned rebate.

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Expenses-OPF (Unaudited)

For the nine months period ended September 30, 2017

T h r e e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0								
Business underwritten inside Pakistan	Class	Commissions paid or payable	Deferred commission		Net commission expenses	Other management expense	Net OPF expenses	
			Opening	Closing			2017	2016
(R u p e e s i n t h o u s a n d)								
Direct and facultative								
	Fire and property damage	605	819	953	471	408	879	77
	Marine, aviation and transport	218	19	30	207	137	344	67
	Motor	1,192	3,866	3,370	1,688	2,788	4,476	1,439
	Miscellaneous	124	54	130	48	192	240	15
	Total	2,139	4,758	4,483	2,414	3,525	5,939	1,598
Treaty		-	-	-	-	-	-	-
Grand total		2,139	4,758	4,483	2,414	3,525	5,939	1,598

N i n e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0								
Business underwritten inside Pakistan	Class	Commissions paid or payable	Deferred commission		Net commission expenses	Other management expense	Net OPF expenses	
			Opening	Closing			2017	2016
(R u p e e s i n t h o u s a n d)								
Direct and facultative								
	Fire and property damage	1,318	784	953	1,149	1,261	2,410	94
	Marine, aviation and transport	595	54	30	619	570	1,189	70
	Motor	5,433	2,428	3,370	4,491	10,065	14,556	3,965
	Miscellaneous	172	64	130	106	279	385	15
	Total	7,518	3,330	4,483	6,365	12,175	18,540	4,144
Treaty		-	-	-	-	-	-	-
Grand total		7,518	3,330	4,483	6,365	12,175	18,540	4,144

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations**Condensed Interim Statement of Investment Income (Unaudited)**

For the nine months period ended September 30, 2017

	Nine months period ended September 30,		Three months period ended September 30,	
	2017 (Rupees in thousand)	2016 (Rupees in thousand)	2017 (Rupees in thousand)	2016 (Rupees in thousand)
Operator's Fund (OPF)				
Profit on bank deposits for the period	479	1,821	205	587
	<u>479</u>	<u>1,821</u>	<u>205</u>	<u>587</u>
Participant's Fund (PTF)				
Profit on bank deposits for the period	1,307	356	496	171
Modarib's share	(327)	(89)	(124)	(43)
	<u>980</u>	<u>267</u>	<u>372</u>	<u>128</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Window Takaful Operations

Notes to the Condensed Interim Financial Information (Unaudited)

For the nine months period ended September 30, 2017

1. Legal status and nature of business

Atlas Insurance Limited (the Operator) was granted a license to undertake Window Takaful Operations (WTO) in Pakistan on March 2, 2016 by the Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012.

For the purpose of carrying on takaful business, as per requirement of circular 8 of 2014 the Operator transferred Rs. 50,000 thousand in a separate bank account and thereafter, formed a Waqf / Participants' Takaful Fund (PTF) on March 12, 2016 under a Waqf deed with the ceded money of Rs. 500 thousand. The Waqf deed governs the relationship of Operator and participants for management of takaful operations.

2. Basis of preparation and Statement of compliance

These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable.

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP vide Circular No. CLD/CCD/PR(11) / 2017 dated July 20, 2017 and further clarified through its press release dated July 20, 2017, companies whose financial year, including quarterly and other interim period, closes on or before June 30, 2017, shall prepare financial statements in accordance with the provisions of Companies Ordinance, 1984. Furthermore, the SECP vide S.R.O. 89(I) / 2017 dated February 9, 2017 prescribed the Insurance Rules, 2017 (the Rules) for insurance companies which were enforceable with immediate effect. The Rules prescribe the format of annual financial statements for non-life insurers. However, the SECP vide letter No. ID/OSM/Atlas/2017/12196 date October 5, 2017 has granted exemption to the Company to prepare the quarterly and annually accounts for the period ended September 30, 2017 and December 31, 2017 in accordance with the requirements of the previous Rules.

Accordingly, this condensed interim financial information of WTO have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 and SECP Takaful Rules, 2012. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 and SECP Takaful Rules, 2012 have been followed.

This condensed interim financial information do not include all the information and disclosures required in the annual financial statements.

2.1 Basis of measurement

This condensed interim financial information has been prepared under historical cost convention.

2.2 Functional and presentation currency

This condensed interim financial information is presented in Pakistani rupees which is the Operator's functional and presentation currency.

3. Standards, amendments and interpretations to approved accounting standards that are effective in the current period

There are certain new and amended standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2017 but are considered not to be relevant or do not have any significant impact on the Company's operations and are therefore not detailed in this condensed interim financial information.

4. Summary of significant accounting policies

The accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended December 31, 2016.

5. Critical accounting estimates and judgments

In preparing this condensed interim financial information, the estimates / judgements and associated assumptions made by the management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are believed to be reasonable, the result of which form the basis of making the estimates about carrying values of assets and liabilities that are not readily apparent from other sources.

6. Contingencies and commitments

There are no outstanding contingencies and commitments of Atlas Insurance Limited - Window Takaful Operations (WTO) as at September 30, 2017.

7. Tangible fixed assets - OPF

Opening book value
Add: Additions during the period

September 30, 2017
(Unaudited)
December 31, 2016
(Audited)
(Rupees in thousand)

Less: Disposal during the period (at book value)
Depreciation charged for the period

Closing book value

	September 30, 2017 (Unaudited)	December 31, 2016 (Audited)
Opening book value	2,238	-
Add: Additions during the period	2,205	2,334
	4,443	2,334
Less: Disposal during the period (at book value)	(1,457)	-
Depreciation charged for the period	(365)	(96)
	(1,822)	(96)
Closing book value	2,621	2,238

8. Intangible assets - OPF

Opening book value
Add: Additions during the period

Less: Disposal during the period (at book value)
Amortization charged for the period

Closing book value

Opening book value	433	-
Add: Additions during the period	300	600
	733	600
Less: Disposal during the period (at book value)	-	-
Amortization charged for the period	(131)	(167)
	(131)	(167)
Closing book value	602	433

	OPF September 30, 2017	PTF September 30, 2017	Total September 30, 2017	Total September 30, 2016
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(Rupees in thousand)

9. Reconciliation to profit and loss account

Operating cash flows	3,821	7,983	11,804	17,024
Depreciation expense	(497)	-	(497)	-
Profit on deposits	479	980	1,459	2,088
(Decrease) / increase in assets other than cash	(2,652)	20,148	17,496	33,861
Increase in liabilities other than running finance	(7)	(29,674)	(29,681)	(57,022)
Surplus / (deficit) for the period	<u>1,144</u>	<u>(563)</u>	<u>581</u>	<u>(4,049)</u>

10. Transactions with related parties

Related parties comprises of associated entities, entities under common control, entities with common directors, major shareholders, post employment benefit plans and key management personnel, inclusive of directors, and their close family members. The Company in the normal course of business carries out transactions with various related parties. The period end balances and transactions with related parties are as follows:

	September 30, 2017 (Unaudited)	December 31, 2016 (Audited)
	(Rupees in thousand)	
Associated Companies	Period end balances	
	-	575
	September 30, 2017 (Unaudited)	September 30, 2016 (Unaudited)
	(Rupees in thousand)	
Associated Companies	Transactions during the period	
	1,216	246
Contribution underwritten	2,010	3
Contribution collected	171	-
Claims paid	2,205	-
Assets purchased	1,457	-
Assets sold		
Post employment benefit plans	Transactions during the period	
	204	166
Contribution in fund		
Key management personnel	Transactions during the period	
	3,346	2,626
Compensation		

The transactions were carried out at the arm's length in accordance with the policy of the Company.

11. Operating segments

The Company has four (2016: four) primary business segments for reporting purposes namely fire and property damage, marine, aviation and transport, 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 and property damage	Marine, aviation & Transport	Motor	Miscellaneous	Total
As at September 30, 2017 (Rupees in thousand)					
Operator's Fund					
Corporate segment assets	1,631	726	12,808	355	15,520
Unallocated corporate assets					54,395
Consolidated total assets					<u>69,915</u>
Corporate segment liabilities	2,215	986	17,393	482	21,076
Unallocated corporate liabilities					48,839
Consolidated total liabilities					<u>69,915</u>
Participants' Takaful Fund					
Corporate segment assets	4,433	1,974	34,805	965	42,177
Unallocated corporate assets					45,431
Consolidated total assets					<u>87,608</u>
Corporate segment liabilities	9,806	4,366	76,991	2,134	93,297
Unallocated corporate liabilities					(5,689)
Consolidated total liabilities					<u>87,608</u>

	Fire and property damage	Marine, aviation & Transport	Motor	Miscellaneous	Total
As at December 31, 2016 (Rupees in thousand)					
Operator's Fund					
Corporate segment assets	2,102	470	15,072	259	17,903
Unallocated corporate assets					50,860
Consolidated total assets					<u>68,763</u>
Corporate segment liabilities	2,473	554	17,738	305	21,070
Unallocated corporate liabilities					47,693
Consolidated total liabilities					<u>68,763</u>
Participants' Takaful Fund					
Corporate segment assets	2,666	597	19,119	329	22,711
Unallocated corporate assets					35,396
Consolidated total assets					<u>58,107</u>
Corporate segment liabilities	7,423	1,662	53,232	916	63,233
Unallocated corporate liabilities					(5,126)
Consolidated total liabilities					<u>58,107</u>

12. Financial risk management

The Company's activities expose it to the financial risks, including the effect of changes in market rates, credit and liquidity risk associated with various financial assets and liabilities respectively. The Company has made policies for assessment and mitigation of the financial risks.

13. Corresponding figures

There has been no significant re-classifications / restatements in this condensed interim financial information.

14. Date of authorization for issue

This condensed interim financial information was authorised for issue on October 25, 2017 by the Board of Directors of the Company.

15. General

Figures in this condensed interim financial information have been rounded off to the nearest thousand rupees.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

COMPANY OFFICES**HEAD OFFICE**

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NORTH ZONE OFFICES & BRANCHES**LAHORE**

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MANZAR ALI NAQVI
Manager

FAISALABAD

MUHAMMAD ASIF AKRAM
Chief Manager

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RANA MUHAMMAD AAMIR NAZ
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MULTAN

Ghulam Ali
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SOUTH ZONE OFFICE

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ARSHAD P. RANA
Chief Executive Officer

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MUHAMMAD AFZAL
Company Secretary

Extension: 202

SOUTH ZONE BRANCHES**KARACHI**

M. FAROOQ KANDLAWALA Circle Chief, Karachi Circle - I	Tower Branch State Life Building No. 7 Room No. 101, 1st Floor G. Allana Road, Karachi.	(021) 32316503, 32201471 Fax: (021) 32315248
ABDUL AZIZ Chief Manager	Corporate Branch 1/10, Arkey Square, 1st Floor, Shahrah-e-Liaquat, Karachi	(021) 32421030, 32422911 Fax: (021) 32421387
IMRAN SATTAR Chief Manager	Plaza Branch 3/3 Rimpia Plaza M.A. Jinah Road, Karachi.	(021) 32729339, 32720852 Fax: (021) 32749004
INAYAT ULLAH Branch Manager	New Challi Branch Office No. 910, 9th Floor, UNI Tower, I. I. Chundrighar Road, Karachi.	(021) 32412796-7 Fax: (021) 32412795
NOMANUDDIN Deputy Chief Manager	Saddar Branch Ground Floor, Federation House, Abdullah Shah Ghazi Road, Main Clifton, Karachi.	(021) 35378806-7 35369394-6 (021) 35378515
AJAZ TUFAIL Branch Manager	NCB-II Branch Office No. 910, 9th Floor, UNI Tower, I. I. Chundrighar Road, Karachi.	(021) 32412796-7 Fax: (021) 32412795

HYDERABAD

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------------------------------------------------------	------------------------------------------------------------------------------------------	----------------------------------------------

SUKKUR

ABDUL MAJEED QURESHI Chief Manager	Near Public School, Military Road, Sukkur.	(071) 5631056 Fax: (071) 5631057
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Atlas Insurance Limited

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