



Quarterly Report March 31,

2018

تکافل

TAKAFUL

Window Operation

## Table of Contents

### Company Overview

Company Information	02
---------------------	----

### Corporate Governance

Chairman's Review (English)	04
Chairman's Review (Urdu)	07
Directors' Review (English)	08
Directors' Review (Urdu)	09
Pattern of Shareholding	10

### Condensed Interim Financial Information

Balance Sheet	12
Profit and Loss Account	13
Statement of Comprehensive Income	14
Statement of Changes in Equity	15
Cash Flow Statement	16
Notes to the Condensed Interim Financial Information	17

### Condensed Interim Financial Information - Window Takaful Operations

Balance Sheet	28
Profit and Loss Account	29
Statement of Comprehensive Income	30
Statement of Changes in Equity	31
Cash Flow Statement	32
Notes to the Condensed Interim Financial Information	33

### Other Information

Company Offices	42
-----------------	----

## Company Information

### Board of Directors

Yusuf H. Shirazi  
Chairman

Ali H. Shirazi  
Director

Arshad P. Rana  
Director

Frahim Ali Khan  
Director

Hasan Reza ur Rahim  
Director

Roohi R. Khan  
Director

Babar Mahmood Mirza  
Chief Executive Officer

Muhammad Afzal  
Company Secretary

### Audit Committee

Hasan Reza ur Rahim  
Chairman

Ali H. Shirazi  
Member

Frahim Ali Khan  
Member

Muhammad Afzal  
Secretary

Saleem Mahmood Akhtar  
Chief Internal Auditor

### Ethics, Human Resource & Remuneration Committee

Roohi R. Khan  
Chairman

Ali H. Shirazi  
Member

Babar Mahmood Mirza  
Member

Qudsia Naheed  
Secretary

### Investment Committee

Ali H. Shirazi  
Chairman

Frahim Ali Khan  
Member

Babar Mahmood Mirza  
Member

Rashid Amin  
Member

Muhammad Afzal  
Secretary

### Underwriting, Reinsurance & Co-Insurance Committee

Ali H. Shirazi  
Chairman

Babar Mahmood Mirza  
Member

Rashid Amin  
Member

Muhammad Saeed  
Member

Syed Irtiza Kazmi  
Secretary

### Claims Settlement Committee

Frahim Ali Khan  
Chairman

Babar Mahmood Mirza  
Member

Syed Irtiza Kazmi  
Member

Muhammad Saeed  
Secretary

### Risk Management & Compliance Committee

Babar Mahmood Mirza  
Chairman

Rashid Amin  
Member

Muhammad Saeed  
Member

Muhammad Aasim Gul  
Secretary

## Company Information

### Information Technology (IT) Committee

Babar Mahmood Mirza  
Chairman

Rashid Amin  
Member

Muhammad Saeed  
Member

Wasim Ahmed  
Secretary

### Management Committee

Babar Mahmood Mirza  
Chief Executive

Rashid Amin  
Chief Financial Officer

Abbas Sajjad  
General Manager Sales & Marketing

Muhammad Saeed  
Head of Claims

Qudsia Naheed  
Head of HR & Admin

Abdul Razzaq Ghauri  
Head of Window Takaful

Syed Irtiza Kazmi  
Vice President Underwriting

Syed Nasir Hussain  
Vice President Reinsurance

### 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  
FINCA Microfinance Bank Limited  
Mobilink Microfinance Bank Limited

### 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.pkt

## Chairman's Review

It gives me great pleasure to present the un-audited accounts of your Company for the First quarter ended March 31, 2018.

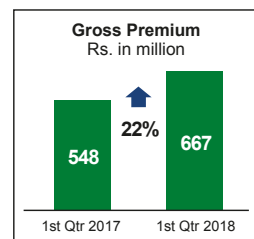
### The Economy

Pakistan's economic growth outlook remains positive as exhibited by a strong growth in both private and public sector spending. The GDP growth of 5.3% in FY17 is expected to accelerate to 5.6% for FY18, supported by robust public sector investment activity under CPEC, capacity expansions and higher utilization by the private sector and better performance of the agriculture sector. However, the consequent rise in demand for imported machinery, industrial raw material, food items and fuel products has resurfaced a critical issue of Balance of Payment (BoP) amid meager growth in exports, muted remittances growth, and paucity of Foreign Direct Investment (FDI). To address the risks to the BoP position, the government had taken some policy measures such as increasing levies and duties on non-essential imports and improving incentive package for exports. To augment the above policy measures and to discourage non-essential imports and boost exports, the Central Bank has responded with controlled devaluation in December 2017 and again in March 2018. The monetary policy is also being tightened with 25 bps increase in policy rate in January 2018. To fill the remaining gap, the government is anticipated to return to IMF in FY19. Recently the government has also announced an amnesty scheme that if successful could alleviate fiscal and external pressures on the economy. The repatriation of foreign liquid assets would reduce Pakistan's external vulnerability risk, although the positive effect is going to be short lived at best. The fundamental requirement is for the new government to undertake structural economic and tax reforms for long term sustainability. Despite the challenges being faced by the government relating to external account, if timely steps are taken by the economic managers, the risks to the external account can be mitigated without jeopardizing the economic growth trajectory. This is because business sentiments have improved considerably in the last couple of years and corporate earnings are set to continue their growth momentum in the medium-term.

The KSE-100 index was on a bull run during the January-March 2018 quarter registering 12% growth. Country's exports during July 2017 to February 2018 increased by 12% from USD 14.23 billion to USD 15.97 billion, while imports also increased by 17% to USD 35.66 billion from USD 30.40 billion as compared to the same period last year. Overseas Pakistani workers remitted USD 14.61 billion in the first nine months of FY18, up 3.5% compared to USD 14.11 billion received during the same period last year. Continuous reform efforts are required over the medium to long term to boost productivity and potential growth including the formulation of a well-coordinated industrial policy to support faster growth and revive exports.

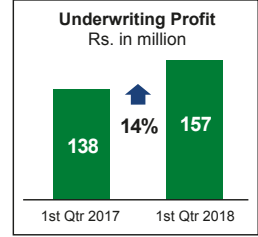
### The Company

The Company performed well during the period under review. The gross premium underwritten grew to Rs. 667.42 million against Rs. 548.25 million for the same period last year, up 22%. The net premium increased by 19% to Rs. 356.3 million against Rs. 298.52 million of the same period last year. Continued sound underwriting policies followed by the Company resulted in increased underwriting profit of Rs. 156.86 million compared to Rs. 137.96 million in the same period last year, up 14%. During the period under review the Company earned investment income of Rs. 56.35 million as against Rs. 104.85 million of last year. The decline in investment income was mainly due to changes prescribed in the insurance accounting regulations under the new Insurance rules 2017, whereby available for sale investment are now stated at fair (market) value. The Company earned profit before tax of Rs. 204.68 million against Rs. 231.65 million in the same period last year.



After providing for tax, the profit after tax stood at Rs. 137.14 million compared to Rs. 159.85 million in the same period last year.

The three years term of the previous Board was completed on April 10, 2018 and a new Board comprising, Mr. Yusuf H. Shirazi, Mr. Ali H. Shirazi, Mr. Arshad P. Rana, Mr. Babar Mahmood Mirza, Mr. Frahim Ali Khan, Mr. Hasan Reza ur Rahim and Ms. Roohi Raees Khan was elected on the said date for a term of next three years. I welcome the new Board members and hope that the Company will benefit from their rich and varied experience. I would also like to thank and appreciate the valuable contributions made by the outgoing directors, Mr. Feroz Rizvi, Mr. Isphanyar M. Bhandara, Mr. Jawaid Iqbal Ahmed and Mr. Khaleeq-ur-Rahman Khan.



Mr. Arshad P. Rana has been assigned other responsibilities and Mr. Babar Mahmood Mirza has been appointed CEO of the Company in his place with effect from April 16, 2018. I would like to place on record my profound appreciation for the valuable contributions made by Mr. Arshad P. Rana in the growth and development of the Company during his fourteen years tenure as CEO of the Company. I also welcome the incoming CEO, Mr. Babar Mahmood Mirza, and expect that the Company will continue its growth momentum under his leadership.

## Future Outlook

Pakistan's near-term outlook for economic growth is broadly favorable. Prospects for GDP growth remain strong and the economy is well poised to achieve the growth target of 6 percent unless external pressure mutes the growth prospects. Buoyant household spending related to the recovery of the agricultural sector, as well as robust CPEC-linked investment, will support upbeat economic growth. Inflation during the year would remain below its annual target of 6 percent but there were two major risks to this forecast. Firstly, recent exchange rate depreciation could prove to be inflationary. Secondly, uncertain global oil prices pose an upside risk due to agreement between OPEC and Non-OPEC countries to cut oil production. The devaluation of Rupee by the State Bank of Pakistan will make Pakistan's exports more competitive in the long run and the economy expects to see some positive effect in coming months. Political uncertainty is also weighing on the outlook ahead of July's vote. However, maintaining this growth momentum going forward and to address these challenges for continued and steady economic progress, the finance experts needs to take all possible and timely measures. Your company is well positioned to take advantage of developments taking place in the economy:

خُدا رحمت کند ایس عا شتقان پاک طینت را

(God bless the blissful)

## Acknowledgement

I would like to thank the Board of Directors, 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

پچھلے بورڈ کی 10 اپریل 2018 کو اپنی تین سال کی مدت مکمل کی ہے اور اسی تاریخ پر اگلے تین سالوں کے لیے نئے بورڈ کا انتخاب ہو گیا ہے جو مشتمل ہے جناب یوسف ایچ۔ شیرازی، جناب علی ایچ۔ شیرازی، جناب ارشد بی۔ رانا، جناب بابر محمود مرزا، جناب فہیم علی خان، جناب حسن رضا الرحمان اور مسما روجی رئیس خان۔ میں نئے بورڈ کے ارکان کو خوش آمدید کہتا ہوں اور امید رکھتا ہوں کہ کمپنی ان کے وسیع اور متنوع تجربے سے فائدہ اٹھائے گی۔ میں رخصت ہونے والے ناظمین (directors)، جناب فیروز رضوی، جناب اسد انیسار، جناب جاوید اقبال احمد اور خلیق الرحمان خان کا بھی شکریہ ادا کرنا چاہتا ہوں اور کمپنی کی ترقی میں ان کے قابل قدر حصہ کو سراہتا ہوں۔

جناب ارشد بی۔ رانا کو دیگر ذمہ داریاں تفویض کی جا چکی ہیں اور 16 اپریل 2018 پر، ان کی جگہ جناب بابر محمود مرزا کا بطور کمپنی کا CEO منتخب کیا جا چکا ہے۔ میں اس بات کو رکارڈ پر لاتے ہوئے، جناب ارشد بی۔ رانا کے بطور CEO کے چودہ سالوں پر محیط مدت کے دوران ان کے کمپنی کی ترقی اور تشکیل میں ان کے قابل قدر حصے کو دل کی گہرائی سے سراہتا ہوں۔ میں نئے آنے والے CEO جناب بابر محمود مرزا کو بھی خوش آمدید کہتا ہوں تو قیامت ہوں کہ ان کی قیادت میں کمپنی اپنی تیز رفتار ترقی کا سفر جاری رکھے گی۔

### مستقبل کا منظر نامہ

پاکستان کی معاشی نمو کا قریبی منظر نامہ زیادہ تر سازگار ہے مجموعی قومی پیداوار کی ترقی کے امکانات مستحکم ہیں اور معیشت اچھی طرح سے تیار ہے کہ 6 فیصد نمو کا ہدف حاصل کر لے تا وقتیکہ بیرونی دباؤ ترقی کے امکانات پر اثر انداز ہو۔

زرعی شعبے کے بحالی سے متعلق خوشگوار گھریلو خرچ کرنے کا رجحان کے ساتھ ساتھ CPEC سے منسلک مضبوط سرمایہ کاری خوش کن معاشی ترقی کی معاونت کرے گی۔ سال کے دوران افراط زر اپنے 6 فیصد کے سالانہ ہدف سے کم رہے گا لیکن اس اندازے کے ساتھ دو خطرات ہیں۔ پہلا یہ کہ، حالیہ مبادلہ نرخ کی قدر میں کمی سے مہنگائی میں اضافہ ہوگا۔ دوسرا یہ کہ OPEC اور نائن اوپیک ملکوں کے درمیان تیل کی پیداوار کی کمی کے معاہدے کی وجہ سے عالمی تیل کی غیر یقینی قیمتوں سے قیمتوں میں اضافہ کی صورتحال ظاہر کرتا ہے۔ بینک دولت پاکستان کی جانب سے روپے کی قدر میں کمی سے آنے والے طویل عرصے میں برآمدات زیادہ مسابقتی ہوں گی اور توقع ہے کہ آنے والے مہینوں میں معیشت مثبت اثرات دیکھے گی۔ جولائی کے الیکشن سے پہلے سیاسی غیر یقینی بھی اپنے اثرات مستقبل کے منظر نامے پر ڈالے گی تاہم، اس ترقی کی رفتار میں اضافے کو برقرار رکھے ہوئے آگے بڑھ رہے ہیں اور معتدل اور جاری معاشی ترقی کے تسلسل برقرار رکھنے کو درپیش مشکلات کو دور کرنے کیلئے ضروری کہ مالیاتی ماہرین کی جانب سے تمام تہہ اور بروقت اقدامات اٹھانے کی ضرورت ہے۔ آپ کی کمپنی بہتر صورتحال میں ہے کہ وہ معیشت میں ہونے والی ارتقاء کا فائدہ اٹھا سکے۔

محمد ارجمت کنڈرا ایس عاشقانِ پاکِ طینتِ را

ستائش

میں بورڈ کے ناظمین، چیف ایگزیکٹو آفیسر اور اس کی ٹیم کا ان کی کوششوں اور مقصد سے لگن کا شکریہ ادا کرنا چاہتا ہوں۔ میں اپنے تمام بیہمہ کا بیہمہ کرنے والوں (reinsurers)، ہمارے قابل قدر گاہکوں، بینکس اور SECP کا کمپنی کی حسانت اور رہنمائی کا دل کی گہرائیوں سے شکریہ ادا کرنا چاہتا ہوں۔



یوسف ایچ شیرازی

## چیرمین کا جائزہ

مجھے آپ کی کمپنی کے 31 مارچ 2018 کو ختم ہونے والی پہلی سہ ماہی کی غیر محاسب شدہ کھاتوں کو پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

### معیشت

پاکستان کے معیشت کی نمو کا منظر نامہ مثبت رہا جیسا کہ نجی اور پبلک، دونوں سیکٹرز کے اخراجات میں مستحکم اضافہ ہوا ہے۔ توقع ہے کہ سال 2017 کی مجموعی قومی پیداوار (GDP) کی 5.3 فیصد نمو کی رفتار میں اضافے سے بڑھ کر یہ سال 2018 میں 5.6 فیصد ہو جائے گی، جس کی معاونت CPEC کے تحت پبلک سیکٹر کی صحت مند سرمایہ کاری کی سرگرمیاں، نجی شعبے کا پیداواری استعداد میں اضافہ اور اس کا بلند تر استعمال اور زرعی شعبے کی بہتر کارکردگی کر رہے ہیں۔ تاہم اس کے نتیجے میں درآمدی مشینوں، صنعتی خام مال، غذائی اشیاء اور ایندھن کی مصنوعات کی طلب میں اضافہ کے ساتھ برآمدات میں معمولی اضافہ اور ترسیل زر میں غیر محسوس (Muted) اضافہ اور تھوڑی سی براہ راست غیر ملکی سرمایہ کاری (FDI) سے ادائیگیوں کے توازن (BOP) کے اہم مسئلہ نے پھر سر اٹھایا ہے۔ ادائیگیوں کے توازن کی صورتحال کو درپیش خطرات سے نپٹنے کے لیے گورنمنٹ نے کچھ اقدام لیے جیسے کہ غیر اہم درآمدات پر لیویز اور ڈیوٹیز میں اضافہ اور برآمدات کے ترقیبی پیکیج میں بہتری وغیرہ۔ مذکورہ بالا پالیسی کے اقدامات کو مستحکم کرنے کے لیے مرکزی بینک نے رد عمل دیتے ہوئے دسمبر 2017 اور پھر مارچ 2018 میں روپے کی قدر میں محدود کمی کی ہے۔ مالیاتی پالیسی کو سخت کرتے ہوئے جنوری 2018 میں مالیاتی پالیسی میں BPS25 پالیسی نرخ میں اضافہ کیا گیا۔ ادائیگیوں کے توازن کے فرق کو پورا کرنے کے لیے گورنمنٹ مالی سال 2019 میں IMF سے رجوع کرنے کی توقع کر رہی ہے۔ حال ہی میں گورنمنٹ نے انسٹیٹیوٹ آف سیکم کا بھی اعلان کیا ہے اور اگر یہ کامیاب ہوئی تو یہ معیشت پر اقتصادی اور بیرونی باؤ میں کمی لائے گی۔ غیر ملکی سیال اثاثہ جات کی واپسی پاکستان کے بیرونی خطرات کی زود پذیری کو کم کرے گی اگرچہ اس کے مثبت اثرات دور رس نہیں ہوں گے۔ نئی حکومت کے لیے بنیادی ضرورت ہے کہ وہ دور رس نتائج کے لیے معاشی اور محصولات میں ڈھانچائی اصلاحات کرے۔ گورنمنٹ کے بیرونی کھاتے سے متعلق مشکلات کا سامنا کرنے کے باوجود، اگر معاشی مینجمنٹ کی جانب سے لیے جانے والے بروقت اقدامات سے معاشی نمو کی اٹھان کو خطرے میں ڈالے بغیر بیرونی کھاتے کو لاحق خطرات کو کم کیا جاسکتا ہے۔ اس کی وجہ گذشتہ چند سالوں میں کاروبار کے احساسات میں خاصی حد تک بہتری ہے اور ادارتی آمدنی وسطی مدت میں آمدنی کی نمو کی رفتار میں تیزی کو برقرار رکھیں گی۔

جنوری - مارچ 2018 کی سہ ماہی کے دوران KSE-100 انڈیکس تیزی پر تھا جس میں 12 فیصد اضافے کا اندراج ہوا۔ جولائی تا فروری 2018 کے دوران ملک کی برآمدات میں 12 فیصد اضافے سے 14.23 ارب امریکی ڈالر سے بڑھ کر 15.97 ارب امریکی ڈالر ہو گئیں جبکہ گذشتہ سال اسی مدت کے مقابلے میں درآمدات میں 17 فیصد اضافے سے 30.40 ارب امریکی ڈالر سے بڑھ کر 35.66 ارب امریکی ڈالر ہو گئیں۔ مالی سال 2018 کے پہلے نو ماہ میں سمندر پار پاکستانیوں نے 14.61 ارب امریکی ڈالر کی ترسیل زر کی جس میں گذشتہ سال اسی مدت کی مالیت 14.11 ارب امریکی ڈالر میں 3.5 فیصد اضافہ ہوا۔ صنعتی پیداوار کوثر اور (productivity) اور کمزور نمو کے امکانات کی افزائش (boost) کے لیے اور تیز تر ترقی اور برآمدات کی بحالی کی معاونت کے لیے وسطی اور طویل المدت اصلاحات کی مسلسل کوششوں کی ضرورت ہے بشمول اچھی طرح سے مربوط صنعتی پالیسی تشکیل دینے کی ضرورت ہے۔

### کمپنی

زیر جائزہ مدت کے دوران اچھی کارکردگی دکھائی گئی۔ گذشتہ سال کی اسی مدت کے 548.25 ملین روپے کے مجموعی مالی ضمانتی (underwritten) پر بیمہ میں 22 فیصد اضافے سے اس کی مالیت 667.42 ملین روپے ہو گئی۔ گذشتہ سال کے 298.52 ملین روپے کے خالص پر بیمہ میں 19 فیصد اضافے سے اس کی مالیت 356.3 ملین روپے ہو گئی۔ کمپنی کی مستحکم مالی ضمانتی (underwritten) پالیسیوں پر عملدرآمد کا نتیجہ 156.86 ملین روپے کا مالی ضمانتی منافع ہوا جبکہ گذشتہ سال اسی مدت میں اس کی مالیت 137.96 ملین روپے تھی، اضافہ 14 فیصد۔ زیر جائزہ مدت میں کمپنی نے سرمایہ کاری سے 56.35 ملین روپے کی آمدنی حاصل کی جبکہ گذشتہ سال اس کی مالیت 104.85 ملین روپے تھی۔ سرمایہ کاری سے آمدنی میں کی بنیادی طور پر انشورنس قوانین 2017 کے تحت انشورنس کے حساب کتاب (accounting) ضوابط میں تجویز کردہ ہتدیلیوں کی وجہ سے تھی، جس کے تحت فروخت کے لیے دستیاب سرمایہ مناسب (منڈی) کی قدر بیان کیا جاتا ہے۔ کمپنی نے 204.68 ملین روپے کا قبل از محصول منافع کمایا جبکہ اس کے تقابلی عرصے میں اس کی مالیت 231.65 ملین روپے تھی۔ محصول فراہم کرنے کے بعد، بعد از محصول منافع 137.14 ملین روپے رہا جبکہ گذشتہ سال اسی مدت میں اس کی مالیت 159.85 ملین روپے تھی۔



## Directors' Review

The directors have pleasure in submitting the quarterly report of the company together with the un-audited financial statements for the period ended March 31, 2018.

	<u>March 31,</u> <u>2018</u>	<u>March 31,</u> <u>2017</u>
	(Rupees in thousand)	
<b>The overall business figures are:</b>		
Net premium	356,300	298,522
Net claims	117,262	89,975
Investment and other income	60,852	108,213
Net commission	34,573	30,336
Expenses of management	116,753	100,921
<b>Financial results are as follows:</b>		
Profit before tax	204,685	231,648
Provision for taxation	(67,548)	(71,800)
Profit after tax	137,137	159,848
Un-appropriated profit brought forward	659,785	618,860
* Appropriation:		
Final dividend @ 65% (2016: Rs. 6.5 per share)	(456,049)	(456,049)
Transfer to general reserve	(208,000)	(162,000)
Un-appropriated profit carried forward	132,873	160,659

\*The Board of Directors had recommended and the members in the Annual General Meeting of the Company, held on April 10, 2018, had approved the cash dividend of Rs. 6.5 per share i.e. 65% for the year ended December 31, 2017. These condensed interim financial statements do not reflect these appropriations in compliance with the provisions of the Companies Act, 2017.

Contribution of Rs. 42.22 million (2017: Rs. 24.67 million) was written in Participants' Fund account during the period ended March 31, 2018.

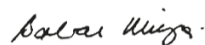
### Chairman's Review

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 the Board of Directors



**Babar Mahmood Mirza**  
Chief Executive

Lahore: April 25, 2018

## ڈائریکٹرز کا جائزہ

ڈائریکٹرز نہایت مسرت کے ساتھ 31 مارچ 2018 کو ختم ہونے والی مدت کے لیے کمپنی کی سماہی رپورٹ، غیر پڑتال شدہ مالیاتی حسابات کے ہمراہ پیش کر رہے ہیں۔

31 مارچ 2017	31 مارچ 2018	مجموعی کاروباری اعداد و شمار یہ ہیں:
(’000 روپے میں)		
298,522	356,300	خالص پربیم
89,975	117,262	خالص کلیئر
108,213	60,852	سرمایہ کاری اور دیگر ذرائع سے حاصل آمدنی
30,336	34,573	خالص کمیشن
100,921	116,753	انتظامی امور کے اخراجات

## مالیاتی نتائج درج ذیل ہیں:

231,648	204,685	قبل از ٹیکس منافع
( 71,800)	(67,548)	ٹیکس تصرفات
159,848	137,137	بعد از ٹیکس منافع
618,860	659,785	غیر تصرف شدہ منافع آگے لایا گیا
(456,049)	(456,049)	*تصرفات:
(162,000)	(208,000)	فائل ڈیوڈنڈ 65% @ (2016: 6.5 روپے فی حصص)
160,659	132,873	عام ذخائر میں منتقلی
		آگے روانہ کیا گیا غیر تصرف شدہ منافع

بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر 2017 کو ختم ہونے والے سال کے لیے 6.5 روپے فی حصص (65 فیصد) کیش ڈیوڈنڈ دینے کی تجویز کی گئی تھی، جس کی منظوری اراکین نے 10 اپریل 2018 کو منعقدہ کمپنی کے سالانہ اجلاس عام میں دی ہے۔ عبوری مالیاتی حسابات کمپنیز ایکٹ 2017 کی تعمیل میں ان تصرفات کی عکاسی نہیں کرتے ہیں۔

31 مارچ 2018 کو مکمل ہونے والی مدت کے دوران، 42.22 ملین روپے (2017: 24.67 ملین روپے) کی کٹری بیوشن پارٹسٹنس تکافل فنڈ اکاؤنٹ میں تحریر ہوئی۔

## چیئرمین کا جائزہ

چیئرمین کا جائزہ اس مدت کے دوران کمپنی کی کارکردگی اور مستقبل کے خدو خال کو ظاہر 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 تہ دل 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

*Salari Hussain*

باہر محمود مرزا

چیئرمین ایگزیکٹو

لاہور: اپریل 25، 2018

## Pattern of Shareholding

As at March 31, 2018

Number of shareholders Shareholders	Shareholding		Shares held
	From	To	
256	1	100	5,657
185	101	500	54,117
115	501	1000	94,327
239	1001	5000	636,543
99	5001	10000	719,123
56	10001	15000	702,738
30	15001	20000	533,354
9	20001	25000	200,987
20	25001	30000	552,827
13	30001	35000	415,153
6	35001	40000	229,899
8	40001	45000	340,467
5	45001	50000	238,437
2	50001	55000	101,670
7	55001	60000	395,723
2	60001	65000	124,679
3	65001	70000	204,550
3	70001	75000	211,121
7	75001	80000	551,326
2	80001	85000	166,195
1	90001	95000	92,666
4	95001	100000	396,564
1	100001	105000	102,500
2	105001	110000	220,000
2	115001	120000	235,254
1	125001	130000	130,000
2	130001	135000	265,041
2	140001	145000	280,512
2	145001	150000	299,672
2	155001	160000	315,778
1	160001	165000	165,000
1	165001	170000	170,000
1	175001	180000	176,803
1	200001	205000	203,926
1	255001	260000	257,000
1	260001	265000	261,990
1	280001	285000	280,579
1	345001	350000	346,000
1	360001	365000	362,000
1	390001	395000	394,000
1	605001	610000	608,500
1	1355001	1360000	1,358,353
1	1925001	1930000	1,929,336
1	1975001	1980000	1,978,915
1	52850001	52855000	52,852,099
1,101			70,161,381

## Shareholders' Information

As at March 31, 2018

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	1,259,500	1.80%
Insurance Companies	2,138,915	3.05%
Modaraba and Mutual Funds	-	0.00%
Shareholders holding 5% and above	52,852,099	75.33%
<b>General Public:</b>		
a. Local	10,406,585	14.83%
b. Foreign	-	0.00%
<b>Others:</b>		
Joint Stock Companies	55,119	0.08%
Others	1,423,786	2.03%

## Condensed Interim Balance Sheet (Unaudited)

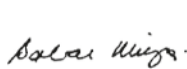
As at March 31, 2018

	Note	March 31, 2018 (Unaudited)	December 31, 2017 (Audited) Restated
(Rupees in thousand)			
<b>Assets</b>			
Property and equipment	7	86,115	89,078
Investments in subsidiary and associates	8	2,707,497	2,820,382
Investments			
Equity securities	8	2,273,802	2,028,217
Debt securities	9	74,072	74,711
Loans and other receivable		52,691	24,130
Insurance / reinsurance receivables		355,711	308,500
Reinsurance recoveries against outstanding claims		211,370	150,668
Salvage recoveries accrued		3,592	3,942
Deferred commission expense		66,271	61,735
Prepayments		501,748	413,156
Cash and bank	10	629,818	702,252
		6,962,687	6,676,771
Total assets from window takaful operations - Operator's Fund		80,332	74,861
<b>TOTAL ASSETS</b>		7,043,019	6,751,632
<b>Equity and liabilities</b>			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		701,614	701,614
Reserves		2,660,481	2,678,304
Unappropriated profit		796,922	659,785
<b>Total equity</b>		4,159,017	4,039,703
<b>Liabilities</b>			
<b>Underwriting provisions</b>			
Outstanding claims including IBNR		418,268	324,385
Unearned premium reserves		915,854	875,050
Unearned reinsurance Commission		115,302	96,212
Deferred taxation		746,326	757,185
Premium received in advance		23,473	65,966
Insurance / reinsurance payable		300,759	255,654
Other creditors and accruals		286,712	290,479
Taxation - provision less payments		48,428	20,677
<b>TOTAL LIABILITIES</b>		2,855,122	2,685,608
Total liabilities from window takaful operations - Operator's Fund		28,880	26,321
<b>TOTAL EQUITY AND LIABILITIES</b>		7,043,019	6,751,632
<b>Contingencies and Commitments</b>	6		

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.




**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Fahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

## Condensed Interim Profit and Loss Account (Unaudited)

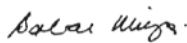
For the financial period ended March 31, 2018

	Note	Quarter ended	
		March 31, 2018 (Rupees in thousand)	March 31, 2017
Net insurance premium	11	356,300	298,522
Net insurance claims	12	(117,262)	(89,975)
Net commission	13	34,573	30,336
Insurance claims and acquisition expenses		(82,689)	(59,639)
Management expenses		(116,753)	(100,921)
Underwriting results		156,858	137,962
Investment income	14	56,346	104,850
Rental income		450	1,066
Other income		4,056	2,297
Other expenses		(14,186)	(14,634)
Results of operating activities		46,666	93,579
Financial costs		(102)	(25)
Profit before tax from window takaful operations - OPF	16	1,263	132
Profit before tax		204,685	231,648
Income tax expense		(67,548)	(71,800)
Profit after tax		137,137	159,848
Earnings (after tax) per share - Rupees		1.95	2.28

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.



**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Fahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

## Condensed Interim Statement of Comprehensive Income (Unaudited)

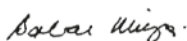
For the financial period ended March 31, 2018

	Quarter ended	
	March 31, 2018	March 31, 2017 Restated
Profit after tax	137,137	159,848
<b>Other comprehensive income:</b>		
Un-realized gains / (losses) on available-for-sale		
investments - net of deferred tax	(19,472)	(79,759)
Other comprehensive income from Window Takaful Operations	1,649	766
<b>Other comprehensive income for the period</b>	(17,823)	(78,993)
<b>Total comprehensive income for the period</b>	<u>119,314</u>	<u>80,855</u>

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.



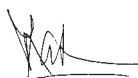
**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Fahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

## Condensed Interim Statement of Changes in Equity (Unaudited)

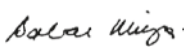
Financial period ended March 31, 2018

	Attributable to equity holders of the Company							
	Issued subscribed and paid-up capital	Capital reserve	Reserve for exceptional losses	Revenue Reserve			Unappropriated profit	Total
				General reserve	Investment fair value reserve	Investment fluctuation reserve		
	(Rupees in thousand)							
<b>Balance as at December 31, 2016 (audited)</b>	701,614	2,251	2,164	718,649	-	3,000	618,860	2,046,538
Profit after tax	-	-	-	-	-	-	663,987	663,987
Un-realized gains / (losses) on available-for-sale investments - net of deferred tax	-	-	-	-	1,790,240	-	-	1,790,240
Other	-	-	-	-	-	-	(5,013)	(5,013)
Total comprehensive income for the period	-	-	-	-	1,790,240	-	(5,013)	1,785,227
Transferred to general reserve	-	-	-	162,000	-	-	(162,000)	-
Final dividend for the year ended December 31, 2016 @ 65% (Rs 6 per share) -	-	-	-	-	-	-	(456,049)	(456,049)
<b>Balance as at December 31, 2017 - Restated</b>	701,614	2,251	2,164	880,649	1,790,240	3,000	659,785	4,039,703
Profit after tax	-	-	-	-	-	-	137,137	137,137
Un-realized gains / (losses) on available-for-sale investments - net of deferred tax	-	-	-	-	(17,823)	-	-	(17,823)
Other	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(17,823)	-	-	(17,823)
<b>Balance as at March 31, 2018</b>	701,614	2,251	2,164	880,649	1,772,417	3,000	796,922	4,159,017

The annexed notes from 1 to 23 form an integral part of this condensed interim financial information.




**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Fahrim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

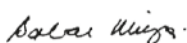


**Condensed Interim Cash Flow Statement (Unaudited)**

For the financial period ended March 31, 2018

	<u>Note</u>	<u>March 31,</u> <u>2018</u>	<u>March 31,</u> <u>2017</u>
(Rupees in thousand)			
<b>Operating cash flows</b>			
<b>a) Underwriting activities</b>			
Insurance premium received		581,085	325,078
Reinsurance premiums paid		(314,594)	(226,126)
Claims paid		(142,841)	(125,422)
Reinsurance and other recoveries received		48,466	26,054
Commissions paid		(31,014)	(32,698)
Commissions received		88,960	93,802
Other underwriting payments		(113)	(907)
Other underwriting receipts		7,232	4,364
<b>Net cash generated from underwriting activities</b>		<b>237,181</b>	<b>64,145</b>
<b>b) Other operating activities</b>			
Income tax paid		(54,388)	(95,604)
Other operating receipts		(159,613)	(149,114)
Loan repayment received		7	12
Other deposits		7,781	4,696
<b>Net cash used in other operating activities</b>		<b>(206,213)</b>	<b>(240,010)</b>
<b>Total cash generated from / (used in) all operating activities</b>		<b>30,968</b>	<b>(175,865)</b>
<b>Investment activities</b>			
Profit / return received		6,282	2,298
Dividends received		11,665	21,299
Rentals received		-	535
Payments for investments		(397,686)	(396,913)
Proceeds from investments		278,000	473,596
Fixed capital expenditure		(3,178)	(5,212)
Proceeds from sale of property, plant and equipment		1,896	966
<b>Total cash (used in) / generated from investing activities</b>		<b>(103,021)</b>	<b>96,569</b>
<b>Financing activities</b>			
Dividends paid		(279)	(124)
Financial charges paid		(102)	(25)
<b>Total cash used in financing activities</b>		<b>(381)</b>	<b>(149)</b>
<b>Net cash used in all activities</b>		<b>(72,434)</b>	<b>(79,445)</b>
Cash at the beginning of the period		702,252	250,436
Cash at the end of the period	10	629,818	170,991

The annexed notes 1 to 23 form an integral part of this condensed interim financial information.


Rashid Amin  
Chief Financial Officer

Babar Mahmood Mirza  
Chief Executive

Ali H. Shirazi  
Director

Fahim Ali Khan  
Director

Yusuf H. Shirazi  
Chairman

## Notes to the Condensed Interim Financial Information (Unaudited) For the financial period ended March 31, 2018

### 1. Legal status and nature of business

Atlas Insurance Limited (the Company) was incorporated as a public limited company on September 06, 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), Khyaban-e-Iqbal, Defence Housing Authority, Lahore. The Company is a subsidiary of Shirazi Investments (Private) Limited.

The Company was granted license to work as Window Takaful Operator (WTO) dated March 02, 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

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.
- Provisions and directives issued under the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017 have been followed.

The Securities and Exchange Commission of Pakistan (SECP) vide S.R.O. 89(I)/2017 dated February 9, 2017 has 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. Accordingly, the Company has changed its accounting policy and the presentation of the condensed interim financial information has been realigned with the format prescribed under the Rules while corresponding figures have been reclassified or additionally incorporated in the condensed interim financial information of the Company for the period ended March 31, 2018 on the basis of the classification prescribed therein.

Further the relaxation allowed by SECP to defer the application of International Accounting Standard (IAS) - 39 'Financial Instruments: Recognition and Measurement' in respect of 'available-for-sale' investments has not been carried in these Rules. Consequently, the Company has changed its accounting policies in respect of presentation of financial statements and 'available-for-sale' investments as explained in note 4.1 of these condensed interim financial information.

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, 2017.

As per the requirements of Takaful Rules 2012, read with SECP Circular 25 of 2015 dated July 09, 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 measurement

These interim financial information has been prepared under historical cost convention.

## 2.2 Functional and presentation currency

These 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, 2018 but are considered not to be relevant or to have any significant effect 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, 2017 except for change in accounting policies as disclosed in note 4.1 of these condensed interim financial information. Further, a change in presentation has been made in accordance with the revised approved accounting standards as detailed in note 2 to these condensed interim financial information.

### 4.1 Change in accounting policies

#### 4.1.1 Presentation and disclosure of financial statements

As per Insurance Rules, 2017, the presentation and disclosure requirements of the financial statements have changed according to the prescribed format in annexure II of the Insurance Rules, 2017. Consequently, the format prescribed in Annexure II of the Insurance Rules, 2017 has been adopted. Accordingly, change in presentation and disclosures of these condensed interim financial information has been applied retrospectively.

#### 4.1.2 Basis for measurement of available for sale investments

Previously, the Company recorded its 'available-for-sale' investments at cost and remeasured them at lower of cost or market value in accordance with the requirements of the SEC (Insurance) Rules, 2002. As per the Insurance Rules, 2017, investments classified as available for sale are now initially measured at cost, being the fair value of consideration given. At subsequent reporting dates, these investments are remeasured at fair value. Changes in fair value of 'available for sale' investments are recognised in other comprehensive income until derecognized or impaired, when the accumulated fair value adjustments, recognised in other comprehensive income are transferred to the profit and loss account. The said change in accounting policy has been made in accordance with the requirements of IAS 8 'Accounting Policies, change in accounting estimates and errors'.

Consequently to this change, investments as at December 31, 2016 have been increased by Rs. 3,819 million with a corresponding increase in fair value reserve in equity and deferred tax liability amounting to Rs. 2,635 million and Rs. 1,184 million respectively. Furthermore, other comprehensive income for the three months ended March 31, 2017 has decreased by Rs. 109 million, deferred tax liability by Rs. 34 million and investments by Rs. 75 million. As on December 31, 2017 investments have decreased by Rs. 1,152 million along with an decrease in fair value reserves by Rs. 806 million and deferred tax liability by Rs. 346 million. Consequently, there is no impact of this change on the earning per share of the Company in preceding years.

## 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 estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the financial statements of the Company as at and for the year ended December 31, 2017.

## 6. Contingencies and commitments

### 6.1 Contingencies

- 6.1.1** The tax authorities had raised demand amounting to Rs. 117,817 (thousand) against the Company for the tax years 2009 to 2014, that primarily pertained to the rate of tax on dividend, rental income and 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 has filed a reference application against the decision of ATIR before the Honorable Lahore High Court which is currently pending adjudication. No provision has been recognized in the financial statements since the Company believes that there are meritorious grounds that the case will be decided in favor of the Company.
- 6.1.2** 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 favor of the Company. Department filed appeal against CIR(A) before ATIR which is pending adjudication. No provision has been recognized in the financial statements since the Company believes that there are meritorious grounds that the case will be decided in favor of the Company.
- 6.1.3** 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 favor 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. No provision has been recognized in the financial statements since the Company believes that there are meritorious grounds that the case will be decided in favor of the Company.

### 6.2 Other contingencies

Claims against the Company not acknowledged as debt

March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
(Rupees in thousand)	

74,687	74,687
--------	--------

74,687	74,687
--------	--------

### 6.3 Commitments

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

March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
(Rupees in thousand)	

28,177	45,837
--------	--------

21,677	28,800
--------	--------

-	-
---	---

49,854	74,637
--------	--------

-	-
---	---

49,854	74,637
--------	--------

49,854	74,637
--------	--------

49,854	74,637
--------	--------

49,854	74,637
--------	--------

**7. Fixed assets**

	March 31, 2018 (Unaudited) (Rupees in thousand)	December 31, 2017 (Audited)
Opening net book value	89,078	59,210
<b>Add:</b> Additions during the period / year	3,178	56,052
	92,256	115,262
<b>Less:</b>		
Disposals during the period / year (at book value)	1,899	10,266
Depreciation charged during the period / year	4,242	15,918
	6,141	26,184
	86,115	89,078

**8. Investments in equity securities**

	March 31, 2018 (Unaudited)			December 31, 2017 (Audited) - Restated		
	Cost	Impairment / provision	Carrying	Cost	Impairment / provision	Carrying
	(Rupees in thousand)					
<b>Related parties</b>						
<b>Available for sale</b>						
Listed shares	236,467	1,830,584	2,067,051	236,467	2,005,759	2,242,226
Mutual funds	587,344	53,102	640,446	565,260	12,896	578,156
	823,811	1,883,686	2,707,497	801,727	2,018,655	2,820,382
<b>Others</b>						
<b>Available for sale</b>						
Listed shares	1,510,951	631,605	2,142,556	1,391,867	518,383	1,910,250
Mutual funds	117,942	13,304	131,246	111,335	6,632	117,967
	1,628,893	644,909	2,273,802	1,503,202	525,015	2,028,217

- 8.1** Listed securities include an amount of Rs. 613,897 thousand (2017: Rs. 450,397 thousand) being the cost under an arrangement permissible under Shariah.
- 8.2** Mutual funds include an amount of Rs. 5,410 thousand (2017: Rs. 5,184 thousand) being the cost under an arrangement permissible under Shariah.
- 8.3** Mutual funds in associated undertakings include an amount of Rs. 405,344 thousand (2017: Rs. 394,678 thousand) being the cost under an arrangement permissible under Shariah.

**9. Investments in debt securities**

	March 31, 2018 (Unaudited)			December 31, 2017 (Audited) - Restated		
	Cost	Impairment / provision	Carrying	Cost	Impairment / provision	Carrying
	(Rupees in thousand)					
<b>Others</b>						
<b>Available for sale</b>						
Market Treasury Bills	72,999	1,073	74,072	72,999	1,712	74,711

- 9.1** This represents carrying amount of government securities placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of Section 29(2)(a) of the Insurance Ordinance, 2000.

	March 31, 2018 (Unaudited) (Rupees in thousand)	December 31, 2017 (Audited) (Rupees in thousand)
<b>10. Cash and bank</b>		
Cash in hand	431	-
Cash at bank		
- Current and other accounts	629,387	702,252
	<u>629,818</u>	<u>702,252</u>

10.1 There is no Shariah compliance arrangement in cash and cash equivalents.

	Quarter ended	
	March 31, 2018 (Unaudited) (Rupees in thousand)	March 31, 2017 (Unaudited) (Rupees in thousand)
<b>11. Net insurance premiums</b>		
Written gross premium	667,417	548,254
Add: Unearned premium reserve - opening	875,050	963,485
Less: Unearned premium reserve - closing	915,854	927,179
Premium earned	626,613	584,560
Less: Reinsurance premium ceded	359,746	257,455
Add: Prepaid reinsurance premium - opening	408,367	514,144
Less: Prepaid reinsurance premium - closing	497,800	485,561
Reinsurance expense	270,313	286,038
	<u>356,300</u>	<u>298,522</u>
<b>12. Net insurance claims expense</b>		
Claims paid	144,937	126,297
Add: Outstanding claims including IBNR - closing	408,926	422,177
Less: Outstanding claims including IBNR - opening	324,385	414,528
Claims expense	(229,478)	(133,946)
Less: Reinsurance and other recoveries received	51,513	28,937
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	211,371	315,503
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	150,668	300,469
Reinsurance and other recoveries revenue	112,216	43,971
	<u>(117,262)</u>	<u>(89,975)</u>
<b>13. Net commission expense / acquisition cost</b>		
Commission paid or payable	37,521	30,182
Add: Deferred commission expense - opening	61,735	74,971
Less: Deferred commission expense - closing	66,270	65,079
Net commission	(32,986)	(40,074)
Less: Commission received or receivable	88,960	93,802
Add: Unearned Reinsurance commission	96,213	93,623
Less: Unearned Reinsurance commission	117,614	117,015
Commission from reinsurers	67,559	70,410
	<u>34,573</u>	<u>30,336</u>



## 18. Related party transactions

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. Transactions with related parties are carried out at arm's length except for compensations to key management, which are on employment terms. The balances and transactions with related parties, other than remuneration under the terms of employment, are as follows:

		March 31, 2018 (Unaudited) (Rupees in thousand)	December 31, 2017 (Audited) (Rupees in thousand)
<b>Associated companies</b>	<b>Period end balances</b>		
	Provision for outstanding claims (including IBNR)	50,836	40,311
	Premium received in advance	8,555	49,398
	Premium due but unpaid	114,594	136,757
		<b>Quarter ended</b>	
		March 31, 2018 (Unaudited) (Rupees in thousand)	March 31, 2017 (Unaudited) (Rupees in thousand)
	<b>Transactions during the period</b>		
	Premium underwritten	293,994	227,911
	Premium collected	361,941	213,163
	Claims paid	23,761	31,910
	Assets purchased	13,205	159
	Rent received	-	531
	Rent paid	877	798
	Expenses paid	102	88
	Donations	-	9,168
	Investments purchased	272,000	219,587
	Investments sold	278,000	309,586
<b>Post employment benefit plans</b>	<b>Transactions during the period</b>		
	Contribution in respect of retirement benefit plans	2,271	3,625



## 19. Segment reporting

The Company has four (2017: 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 the gross premium written by thesegments.

Quarter ended March 31, 2018 (Unaudited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
<b>(Rupees in thousand)</b>					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative surcharge)	26,662	97,687	41,121	66,835	232,305
Less: Federal Excise Duty	(3,432)	(11,260)	(5,663)	(8,961)	(29,316)
Federal Insurance Fee	(230)	(863)	(361)	(571)	(2,025)
	<u>23,000</u>	<u>85,564</u>	<u>35,097</u>	<u>57,303</u>	<u>200,964</u>
Gross written premium (inclusive of Administrative Surcharge)	134,978	225,608	159,231	147,600	667,417
Gross direct premium	132,956	221,304	128,058	146,353	628,671
Facultative inward premium	1,188	85	30,087	156	31,516
Administrative surcharge	834	4,219	1,086	1,091	7,230
Insurance premium earned	161,068	215,573	115,480	134,492	626,613
Insurance premium ceded to reinsurers	(119,410)	(70,005)	(28,914)	(51,984)	(270,313)
<b>Net insurance premium</b>	<u>41,658</u>	<u>145,568</u>	<u>86,566</u>	<u>82,508</u>	<u>356,300</u>
Commission income	29,210	21,507	4,468	12,374	67,559
<b>Net underwriting income</b>	<u>70,868</u>	<u>167,075</u>	<u>91,034</u>	<u>94,882</u>	<u>423,859</u>
Insurance claims	(86,158)	(10,156)	(69,696)	(63,468)	(229,478)
Insurance claims recovered from reinsurers	81,006	7,314	13,261	10,635	112,216
<b>Net claims</b>	<u>(5,152)</u>	<u>(2,842)</u>	<u>(56,435)</u>	<u>(52,833)</u>	<u>(117,262)</u>
Commission expense	(10,760)	(4,516)	(9,774)	(7,936)	(32,986)
Management expenses	(21,346)	(35,580)	(36,697)	(23,130)	(116,753)
<b>Net insurance claims and expenses</b>	<u>(37,258)</u>	<u>(42,938)</u>	<u>(102,906)</u>	<u>(83,899)</u>	<u>(267,001)</u>
<b>Underwriting result</b>	<u>33,610</u>	<u>124,137</u>	<u>(11,872)</u>	<u>10,983</u>	<u>156,858</u>
Net investment income					56,346
Rental Income					450
Other income					4,056
Other expenses					(14,186)
Finance Costs					(102)
Profit before taxation from window takaful operations - OPF					1,263
<b>Profit before tax</b>					<u>204,685</u>
Segment assets	220,823	368,929	260,433	241,441	1,091,626
Segment assets - Takaful OPF	3,637	2,338	21,043	2,006	29,024
Unallocated assets					5,871,061
Unallocated assets - Takaful OPF					51,308
					<u>7,043,019</u>
Segment liabilities	352,054	588,191	415,214	384,933	1,740,392
Segment liabilities - Takaful OPF	3,530	2,269	21,134	1,947	28,880
Unallocated liabilities					1,114,730
					<u>2,884,002</u>

Quarter ended March 31, 2017 (Unaudited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
<b>(Rupees in thousand)</b>					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative ssurcharge)	79,048	92,243	48,925	56,229	276,445
Less: Federal Excise Duty	(10,744)	(10,007)	(6,630)	(5,564)	(32,945)
Federal Insurance Fee	(676)	(777)	(424)	(500)	(2,377)
	<u>67,628</u>	<u>81,459</u>	<u>41,871</u>	<u>50,165</u>	<u>241,123</u>
Gross written premium (inclusive of Administrative Surcharge)	108,842	172,294	110,152	156,966	548,254
Gross direct premium	106,482	169,655	107,008	150,630	533,775
Facultative inward premium	1,835	233	2,214	5,833	10,115
Administrative surcharge	525	2,406	930	503	4,364
Insurance premium earned	150,275	154,067	127,544	152,674	584,560
Insurance premium ceded to reinsurers	(109,786)	(57,660)	(40,182)	(78,410)	(286,038)
<b>Net insurance premium</b>	<u>40,489</u>	<u>96,407</u>	<u>87,362</u>	<u>74,264</u>	<u>298,522</u>
Commission income	35,068	18,802	4,866	11,674	70,410
<b>Net underwriting income</b>	<u>75,557</u>	<u>115,209</u>	<u>92,228</u>	<u>85,938</u>	<u>368,932</u>
Insurance claims	(38,058)	(2,759)	(38,012)	(55,117)	(133,946)
Insurance claims recovered from reinsurers	32,704	(1,856)	(242)	13,365	43,971
<b>Net claims</b>	<u>(5,354)</u>	<u>(4,615)</u>	<u>(38,254)</u>	<u>(41,752)</u>	<u>(89,975)</u>
Commission expense	(11,718)	(4,631)	(12,245)	(11,480)	(40,074)
Management expenses	(17,565)	(27,726)	(30,425)	(25,205)	(100,921)
<b>Net insurance claims and expenses</b>	<u>(34,637)</u>	<u>(36,972)</u>	<u>(80,924)</u>	<u>(78,437)</u>	<u>(230,970)</u>
<b>Underwriting result</b>	<u>40,920</u>	<u>78,237</u>	<u>11,304</u>	<u>7,501</u>	<u>137,962</u>
Net investment income					104,850
Rental Income					1,066
Other income					2,297
Other expenses					(14,634)
Finance Costs					(25)
Profit before taxation from window takaful operations - OPF					132
<b>Profit before tax</b>					<u>231,648</u>
<b>(Rupees in thousand)</b>					
Year ended December 31, 2017 (Audited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
Segment assets	273,322	337,212	192,203	130,474	933,211
Segment assets - Takaful OPF	4,106	1,838	25,242	643	31,829
Unallocated assets					5,743,560
Unallocated assets - Takaful OPF					43,032
					<u>6,751,632</u>
Segment liabilities	480,682	593,044	338,021	229,462	1,641,209
Segment liabilities - Takaful OPF	3,395	1,520	20,875	531	26,321
Unallocated liabilities					1,044,399
					<u>2,711,929</u>

## 20. Financial and insurance risk management

The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2017.

## 21. Corresponding figures

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation.

## 22. Date of authorization for issue

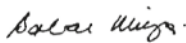
The condensed interim financial information was authorised for issue on April 25, 2018 by the Board of Directors of the Company.

## 23. General

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



**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Frahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

تكاافل

TAKAFUL

 **Atlas Insurance**  
Window Takaful Operations  
Quarterly Report  
March 31, 2018

## Window Takaful Operations Condensed Interim Balance Sheet (Unaudited)

As at March 31, 2018

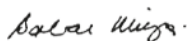
	Note	OPF March 31, 2018 (Unaudited)	PTF March 31, 2018 (Unaudited)	Aggregate March 31, 2018 (Unaudited)	Aggregate December 31, 2017 (Audited) Restated
<b>(Rupees in thousand)</b>					
<b>Assets</b>					
Property and equipment	7	2,356	-	2,356	2,480
Intangible assets		470	-	470	545
Investments in subsidiary and associates	8	40,732	-	40,732	38,377
Loans and other receivable		-	-	-	-
Contribution / retakaful receivables		-	10,909	10,909	5,957
Retakaful recoveries against outstanding claims		-	688	688	1,232
Salvage recoveries accrued		-	-	-	-
Deferred commission expense		6,653	-	6,653	6,129
Wakala fee receivable		18,917	-	18,917	21,309
Deferred wakala fee		-	21,757	21,757	19,970
Prepayments		3,739	14,613	18,352	17,622
Cash and bank	9	7,465	78,543	86,008	80,331
<b>TOTAL ASSETS</b>		<b>80,332</b>	<b>126,510</b>	<b>206,842</b>	<b>193,952</b>
<b>Fund and liabilities</b>					
<b>Funds</b>					
Statutory fund / Cede money		50,000	500	50,500	50,500
Revaluation reserve		1,649	-	1,649	-
Accumulated surplus / deficit		(197)	7	(190)	190
		51,452	507	51,959	50,690
<b>Liabilities</b>					
<b>Underwriting provisions</b>					
Outstanding claims including IBNR		-	12,478	12,478	9,049
Unearned contribution reserves		-	70,023	70,023	62,743
Contribution deficiency reserve		-	-	-	1,291
Unearned retakaful commission		-	2,392	2,392	2,018
Deferred taxation		706	-	706	-
Contribution received in advance		-	2,003	2,003	4,088
Contribution / retakaful payables		-	16,124	16,124	13,261
Unearned wakala fee		21,758	-	21,758	19,970
Wakala fee payable		-	18,917	18,917	21,309
Other creditors and accruals		6,416	4,066	10,482	9,533
<b>TOTAL LIABILITIES</b>		<b>28,880</b>	<b>126,003</b>	<b>154,883</b>	<b>143,262</b>
<b>TOTAL FUND AND LIABILITIES</b>		<b>80,332</b>	<b>126,510</b>	<b>206,842</b>	<b>193,952</b>
<b>Contingencies and Commitments</b>					

6

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



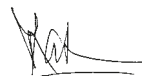
**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Fahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

## Window Takaful Operations Condensed Interim Profit and Loss Account (Unaudited)

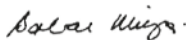
For the financial period ended March 31, 2018

	Note	Quarter ended	
		March 31, 2018 (Rupees in thousand)	March 31, 2017
<b>PTF revenue account</b>			
Net contribution revenue	10	25,081	16,089
Net claims expense	11	(15,619)	(5,837)
Wakala expense	12	(10,820)	(6,021)
Reversal of contribution deficiency reserve		1,291	-
Retakaful rebate		1,442	711
Takaful claims and acquisition expenses		(23,706)	(11,147)
Management expenses		(3,565)	(2,840)
Underwriting results		(2,190)	2,102
Investment income	14	632	301
Results of operating activities		(1,558)	2,403
Financial costs		(85)	(15)
Surplus / (deficit) for the period		(1,643)	2,388
<b>OPF revenue account</b>			
Wakala fee	12	10,820	6,021
Management expenses		(6,007)	(3,886)
Commission expense	13	(3,442)	(1,796)
Takaful claims and acquisition expenses		1,371	339
Other income		288	145
Other expenses		(396)	(352)
Surplus for the period		1,263	132

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Frahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

## Window Takaful Operations

## Condensed Interim Statement of Comprehensive Income (Unaudited)

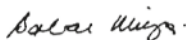
For the financial period ended March 31, 2018

	Quarter ended	
	March 31, 2018 (Rupees in thousand)	March 31, 2017 (Rupees in thousand)
<b>Operator's Fund</b>		
(Loss) / profit for the period	1,263	132
<b>Other comprehensive income:</b>		
Un-realized gains / (losses) on available-for-sale investments - net of deferred tax	1,649	766
Other	-	-
<b>Other comprehensive income for the period</b>	-	-
<b>Total comprehensive income for the period</b>	<b>2,912</b>	<b>898</b>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.




**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Fahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

## Window Takaful Operations

### Condensed Interim Statement of Changes in Equity (Unaudited)

Financial period ended March 31, 2018

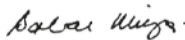
	Operators' Fund (OPF)		
	Statutory fund	Accumulated	Total
	(Rupees in thousand)		
<b>Balance as at December 31, 2016</b>	50,000	(2,307)	47,693
Total comprehensive income/ (loss) for the period	-	-	-
Profit for the year	-	847	847
<b>Balance as at December 31, 2017</b>	50,000	(1,460)	48,540
Total comprehensive income/ (loss) for the period	-	1,649	1,649
Profit for the period	-	1,263	1,263
<b>Balance as at March 31, 2018 (unaudited)</b>	<u>50,000</u>	<u>1,452</u>	<u>51,452</u>

	Participant's Takaful Fund (PTF)		
	Cede Money	Accumulated	Total
	(Rupees in thousand)		
<b>Balance as at December 31, 2016</b>	500	(5,625)	(5,125)
Total comprehensive income/ (loss) for the period	-	-	-
Surplus for the year	-	7,275	7,275
<b>Balance as at December 31, 2017</b>	500	1,650	2,150
Total comprehensive income/ (loss) for the period	-	-	-
Deficit for the period	-	(1,643)	(1,643)
<b>Balance as at March 31, 2018 (unaudited)</b>	<u>500</u>	<u>7</u>	<u>507</u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Fahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

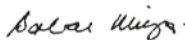


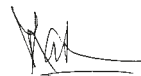
## Window Takaful Operations

## Condensed Interim Cash Flow Statement (Unaudited)

For the financial period ended March 31, 2018

	Note	OPF March 31, 2018 (Unaudited)	PTF March 31, 2018 (Unaudited)	Aggregate March 31, 2018 (Unaudited)	Aggregate March 31, 2017 (Unaudited)
(Rupees in thousand)					
<b>Operating cash flows</b>					
<b>a) Underwriting activities</b>					
Contribution received		-	42,308	42,308	27,092
Retakaful contribution paid		-	(4,626)	(4,626)	(5,003)
Claims paid		-	(12,133)	(12,133)	(4,660)
Retakaful and other recoveries received		-	2	2	619
Commissions paid		(3,856)	-	(3,856)	(1,954)
Retakaful rebate received		-	-	-	-
Wakala fee received		15,000	-	15,000	8,400
Wakala fee paid		-	(15,000)	(15,000)	(8,400)
Management expenses		(6,424)	(3,563)	(9,987)	(11,369)
<b>Net cash generated from underwriting activities</b>		<b>4,720</b>	<b>6,988</b>	<b>11,708</b>	<b>4,725</b>
<b>b) Other operating activities</b>					
Income tax paid		(6)	(77)	(83)	(53)
General and administration expenses		(772)	(5,372)	(6,144)	(5,278)
Other operating payments		-	(274)	(274)	(68)
Other operating receipts		-	44	44	539
<b>Net cash used in other operating activities</b>		<b>(778)</b>	<b>(5,679)</b>	<b>(6,457)</b>	<b>(4,860)</b>
<b>Total cash generated from / (used in) all operating activities</b>		<b>3,942</b>	<b>1,309</b>	<b>5,251</b>	<b>(135)</b>
<b>Investment activities</b>					
Profit / return received		62	364	426	532
Fixed capital expenditure		-	-	-	(300)
<b>Total cash generated from investing activities</b>		<b>62</b>	<b>364</b>	<b>426</b>	<b>232</b>
<b>Financing activities</b>					
Contribution to the operator's fund		-	-	-	-
Cede money		-	-	-	-
<b>Total cash used in financing activities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash generated from / (used in) all activities</b>		<b>4,004</b>	<b>1,673</b>	<b>5,677</b>	<b>97</b>
Cash at the beginning of the period		3,461	76,870	80,331	43,585
Cash at the end of the period	15	7,465	78,543	86,008	43,682


Rashid Amin  
Chief Financial Officer

Babar Mahmood Mirza  
Chief Executive

Ali H. Shirazi  
Director

Fahim Ali Khan  
Director

Yusuf H. Shirazi  
Chairman

## Window Takaful Operations

### Notes to the Condensed Interim Financial Information (Unaudited)

For the financial period ended March 31, 2018

#### 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 02, 2016 by the Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012.

For the purpose of carrying on the 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. These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.
- Provisions and directives issued under the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017 have been followed.

The Securities and Exchange Commission of Pakistan (SECP) vide S.R.O. 89(I)/2017 dated February 9, 2017 has 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. Accordingly, the Company has changed its accounting policy and the presentation of the condensed interim financial information has been realigned with the format prescribed under the Rules while corresponding figures have been reclassified or additionally incorporated in the condensed interim financial information of the Company for the period ended March 31, 2018 on the basis of the classification prescribed therein.

Further the relaxation allowed by SECP to defer the application of International Accounting Standard (IAS) - 39 'Financial Instruments: Recognition and Measurement' in respect of 'available-for-sale' investments has not been carried in these Rules. Consequently, the Company has changed its accounting policies in respect of presentation of financial statements and 'available-for-sale' investments as explained in note 4.1 of these condensed interim financial information.

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, 2017.

## 2.1 Basis of measurement

These interim financial information has been prepared under historical cost convention.

## 2.2 Functional and Presentation currency

These 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, 2018 but are considered not to be relevant or to have any significant effect 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, 2017 except for change in accounting policies as disclosed in note 4.1 of these condensed interim financial information. Further, a change in presentation has been made in accordance with the revised approved accounting standards as detailed in note 2 to these condensed interim financial information.

### 4.1 Change in accounting policies

#### 4.1.1 Presentation and disclosure of financial statements

As per Insurance Rules, 2017, the presentation and disclosure requirements of the financial statements have changed according to the prescribed format in annexure II of the Insurance Rules, 2017. Consequently, the format prescribed in Annexure II of the Insurance Rules, 2017 has been adopted. Accordingly, change in presentation and disclosures of these condensed interim financial information has been applied retrospectively.

#### 4.1.2 Basis for measurement of available for sale investments

Previously, the Company recorded its 'available-for-sale' investments at cost and premeasured them at lower of cost or market value in accordance with the requirements of the SEC (Insurance) Rules, 2002. As per the Insurance Rules, 2017, investments classified as available for sale are now initially measured at cost, being the fair value of consideration given. At subsequent reporting dates, these investments are remeasured at fair value. Changes in fair value of 'available for sale' investments are recognised in other comprehensive income until derecognized or impaired, when the accumulated fair value adjustments, recognised in other comprehensive income are transferred to the profit and loss account. The said change in accounting policy has been made in accordance with the requirements of IAS 8 'Accounting Policies, change in accounting estimates and errors'.

## 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 estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the financial statements of the Company as at and for the year ended December 31, 2017.

## 6. Contingencies and commitments

There are no contingencies and commitments as at March 31, 2018 (2017: NIL).

**7. Fixed assets - OPF**

	March 31, 2018 (Unaudited) (Rupees in thousand)	March 31, 2017 (Audited)
Opening net book value	2,480	2,238
<b>Add:</b> Additions during the period / year	-	2,205
	<u>2,480</u>	<u>4,443</u>
<b>Less:</b>		
Disposals during the period / year (at book value)	-	1,457
Depreciation charged during the period / year	124	506
	<u>124</u>	<u>1,963</u>
	<u>2,356</u>	<u>2,480</u>

**8. Investments in equity securities**

	March 31, 2018 (Unaudited)			December 31, 2017 (Audited) - Restated		
	Cost	Impairment / provision	Carrying	Cost	Impairment / provision	Carrying
	(Rupees in thousand)					
<b>Related parties</b>						
<b>Available for sale</b>						
Mutual funds	38,377	2,355	40,732	38,377	-	38,377

**9. Cash and Bank**

	OPF March 31, 2018	PTF March 31, 2018 (Unaudited)	Aggrgate March 31, 2018	Aggrgate December 31, 2017 (Audited)
	(Rupees in thousand)			
Cash and bank	7,465	78,543	86,008	80,331

**10. Net takaful contribution - PTF**

	Quarter ended	
	March 31, 2018 (Unaudited) (Rupees in thousand)	March 31, 2017 (Unaudited)
Written gross contribution	42,150	24,646
Add: Unearned contribution reserve - opening	62,743	35,303
Less: Unearned contribution reserve - closing	70,023	40,310
Contribution earned	34,870	19,639
Less: Retakaful contribution ceded	9,272	4,441
Add: Prepaid retakaful contribution - opening	14,543	5,350
Less: Prepaid retakaful contribution - closing	14,026	6,241
Retakaful expense	9,789	3,550
	<u>25,081</u>	<u>16,089</u>

**11. Net Takaful claims expense**

	Quarter ended	
	March 31, 2018 (Unaudited) (Rupees in thousand)	March 31, 2017 (Unaudited)
Claims paid	12,133	4,660
Add: Outstanding claims including IBNR - closing	12,478	5,571
Less: Outstanding claims including IBNR - opening	9,050	3,132
Claims expense	15,561	7,099
Less: Retakaful and other recoveries received	485	1,089
Add: Retakaful and other recoveries in respect of outstanding claims - closing	688	173
Less: Retakaful and other recoveries in respect of outstanding claims - opening	1,231	-
Retakaful and other recoveries revenue	(58)	1,262
	15,619	5,837

**12. Wakala fee - PTF**

Gross wakala fee	12,608	7,595
Add: Deferred wakala fee - opening	19,970	11,043
Less: Deferred wakala fee - closing	21,758	12,617
	10,820	6,021

**13. Net commission expense - OPF**

Commission paid or payable	3,966	3,432
Add: Deferred commission expense - opening	6,129	3,330
Less: Deferred commission expense - closing	6,653	4,966
Net Commission	3,442	1,796

**14. Investment income****Operator's Fund - OPF**

- Profit on bank deposits for the period	288	145
--	-----	-----

**Participants' Takaful Fund - PTF**

- Profit on bank deposits for the period	842	401
- Modarib's share	(210)	(100)

<b>Total investment income</b>	<b>632</b>	<b>301</b>
--------------------------------	------------	------------

**15. Reconciliation to profit and loss account**

	OPF March 31, 2018	PTF March 31, 2018	Aggregate March 31, 2018	Aggregate March 31, 2017
	(Rupees in thousand)			
Operating cash flows	3,942	1,309	5,251	(134)
Depreciation expense	(199)	-	(199)	(187)
Profit on deposits	288	632	920	445
Increase in assets other than cash	(916)	2,880	1,964	6,757
Increase in liabilities other than borrowings	(1,852)	(6,464)	(8,316)	(4,361)
(Loss) / surplus / (loss) for the period	1,263	(1,643)	(380)	2,520
<b>Attributed to</b>				
Operator's Fund	1,263	-	1,263	132
Participants Takaful Fund	-	(1,643)	(1,643)	2,388
<b>Profit after taxation</b>	<b>1,263</b>	<b>(1,643)</b>	<b>(380)</b>	<b>2,520</b>

**16. Related party transactions**

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. Transactions with related parties are carried out at arm's length except for compensations to key management, which are on employment terms. The balances and transactions with related parties, other than remuneration under the terms of employment, are as follows:

		March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
		(Rupees in thousand)	
<b>Associated companies</b>	<b>Period end balances</b>		
	Contribution received in advance	-	62
		<b>Quarter ended</b>	
		March 31, 2018 (Unaudited)	March 31, 2017 (Unaudited)
		(Rupees in thousand)	
	<b>Transactions during the period</b>		
	Contribution underwritten	233	1
	Contribution collected	235	499
	Claims paid	83	106
<b>Post employment benefit plans</b>	<b>Transactions during the period</b>		
	Contribution in respect of retirement benefit plans	44	45
		March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
		(Rupees in thousand)	
<b>Key management personnel</b>	<b>Period end balances</b>		
	Contribution received in advance	-	3

**17. Segment reporting****17.1 Participants' Takaful Fund**

Quarter ended March 31, 2018 (Unaudited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
<b>(Rupees in thousand)</b>					
Contribution receivable (inclusive of Federal Excise Duty, Federal Takaful Fee and Administrative surcharge)	989	1,232	2,163	5,203	9,587
Less: Federal Excise Duty	(137)	(100)	(144)	(673)	(1,054)
Federal Takaful Fee	(9)	(11)	(20)	(47)	(87)
	<u>843</u>	<u>1,121</u>	<u>1,999</u>	<u>4,483</u>	<u>8,446</u>
Gross written contribution (inclusive of Administrative Surcharge)	5,282	3,396	30,559	2,913	42,150
Gross direct contribution	4,820	3,251	29,970	2,869	40,910
Facultative inward contribution	343	-	56	-	399
Administrative surcharge	119	145	533	44	841
Takaful contribution earned	4,465	3,889	25,604	911	34,869
Takaful contribution ceded to retakaful	(4,211)	(4,734)	(734)	(109)	(9,788)
<b>Net Takaful Contribution</b>	<u>254</u>	<u>(845)</u>	<u>24,870</u>	<u>802</u>	<u>25,081</u>
Retakaful rebate	816	525	77	24	1,442
<b>Net underwriting income</b>	<u>1,070</u>	<u>(320)</u>	<u>24,947</u>	<u>826</u>	<u>26,523</u>
Takaful claims	360	(114)	(15,220)	(587)	(15,561)
Takaful claims recovered from reinsurers	(236)	207	13	(42)	(58)
<b>Net Claims</b>	<u>124</u>	<u>93</u>	<u>(15,207)</u>	<u>(629)</u>	<u>(15,619)</u>
Wakala expense	(1,548)	(1,415)	(7,645)	(212)	(10,820)
Reversal of contribution deficiency reserve	-	1,291	-	-	1,291
Management expenses	-	-	(3,565)	-	(3,565)
<b>Net takaful claims and expenses</b>	<u>(1,424)</u>	<u>(31)</u>	<u>(26,417)</u>	<u>(841)</u>	<u>(28,713)</u>
<b>Underwriting result</b>	<u>(354)</u>	<u>(351)</u>	<u>(1,470)</u>	<u>(15)</u>	<u>(2,190)</u>
Net investment income					632
Finance cost					(85)
<b>Loss for the period</b>					<u>(1,643)</u>
Segment assets	6,445	4,143	37,289	3,555	51,432
Unallocated assets					75,078
					<u>126,510</u>
Segment liabilities	16,224	10,430	93,865	8,952	129,471
Unallocated liabilities					(3,468)
					<u>126,003</u>

Quarter ended March 31, 2017 (Unaudited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
<b>(Rupees in thousand)</b>					
Contribution receivable (inclusive of Federal Excise Duty, Federal Takaful Fee and Administrative surcharge)	273	284	6,782	60	7,399
Less: Federal Excise Duty	(34)	(30)	(921)	(7)	(992)
Federal Takaful Fee	(2)	(2)	(58)	(1)	(63)
	<u>237</u>	<u>252</u>	<u>5,803</u>	<u>52</u>	<u>6,344</u>
Gross written contribution (inclusive of Administrative Surcharge)	2,387	1,499	20,324	436	24,646
Gross direct contribution	2,184	1,448	20,030	421	24,083
Facultative inward contribution	164	-	-	-	164
Administrative surcharge	39	51	294	15	399
Takaful contribution earned	2,205	1,537	15,598	299	19,639
Takaful contribution ceded to retakaful	(1,917)	(1,400)	(159)	(74)	(3,550)
<b>Net Takaful contribution</b>	<u>288</u>	<u>137</u>	<u>15,439</u>	<u>225</u>	<u>16,089</u>
Retakaful rebate	388	307	2	14	711
<b>Net underwriting income</b>	<u>676</u>	<u>444</u>	<u>15,441</u>	<u>239</u>	<u>16,800</u>
Takaful claims	(1,104)	(87)	(5,908)	-	(7,099)
Takaful claims recovered from reinsurers	994	78	190	-	1,262
<b>Net Claims</b>	<u>(110)</u>	<u>(9)</u>	<u>(5,718)</u>	<u>-</u>	<u>(5,837)</u>
Wakala expense	(784)	(528)	(4,595)	(114)	(6,021)
Management expenses	-	-	(2,840)	-	(2,840)
<b>Net takaful claims and expenses</b>	<u>(894)</u>	<u>(537)</u>	<u>(13,153)</u>	<u>(114)</u>	<u>(14,698)</u>
<b>Underwriting result</b>	<u>(218)</u>	<u>(93)</u>	<u>2,288</u>	<u>125</u>	<u>2,102</u>
Net investment income					301
Finance cost					(15)
<b>Profit for the period</b>					<u>2,388</u>
<b>(Rupees in thousand)</b>					
Year ended December 31, 2017 (Audited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
Segment assets	5,445	2,437	33,485	854	42,221
Unallocated assets					76,870
					<u>119,091</u>
Segment liabilities	14,918	6,676	91,721	2,335	115,650
Unallocated liabilities					1,291
					<u>116,941</u>



## 17.2 Operator's Fund

Quarter ended March 31, 2018 (Unaudited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
<b>(Rupees in thousand)</b>					
Wakala fee	1,548	1,415	7,645	212	10,820
Management expenses	(743)	(485)	(4,363)	(416)	(6,007)
Commission expenses	(578)	(578)	(2,221)	(65)	(3,442)
<b>Underwriting result</b>	227	352	1,061	(269)	1,371
Other income					288
Other expenses					(396)
<b>Surplus for the period</b>					1,263
Segment assets	3,637	2,338	21,043	2,006	29,024
Unallocated assets					51,308
					80,332
Segment liabilities	3,530	2,269	21,134	1,947	28,880
Unallocated liabilities					-
					28,880

Quarter ended March 31, 2017 (Unaudited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
<b>(Rupees in thousand)</b>					
Wakala fee	784	528	4,595	114	6,021
Management expenses	(364)	(237)	(3,216)	(69)	(3,886)
Commission expenses	(305)	(250)	(1,213)	(28)	(1,796)
<b>Net takaful claims and expenses</b>	(669)	(487)	(4,429)	(97)	(5,682)
<b>Underwriting result</b>	115	41	166	17	339
Other income					145
Other expenses					(352)
<b>Surplus for the period</b>					132

Year ended December 31, 2017 (Audited)	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
<b>(Rupees in thousand)</b>					
Segment assets	4,106	1,838	25,242	643	31,829
Unallocated assets					43,032
					74,861
Segment liabilities	3,395	1,520	20,875	531	26,321
Unallocated liabilities					-
					26,321

## 18. Financial and insurance risk management

The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2017.

## 19. Corresponding figures

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation.

## 20. Date of authorization for issue

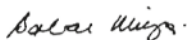
The condensed interim financial information was authorised for issue on April 25, 2018 by the Board of Directors of the Company.

## 21. General

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



**Rashid Amin**  
Chief Financial Officer



**Babar Mahmood Mirza**  
Chief Executive



**Ali H. Shirazi**  
Director



**Frahim Ali Khan**  
Director



**Yusuf H. Shirazi**  
Chairman

## Company Offices

### HEAD OFFICE

63/A, Block - XX, Phase III (Commercial), Khyaban-e-Iqbal, DHA, Lahore.	PABX: Fax:	(042) 37132611-18 (042) 37132622
BABAR MAHMOOD MIRZA Chief Executive Officer	Direct: Fax:	(042) 37132600-01 (042) 37132623
RASHID AMIN Chief Financial Officer	Direct: Extension:	(042) 37132607 758
MUHAMMAD SAEED Head of Claims	Direct: Extension:	(042) 37132608 777
QUDSIA NAHEED Head of HR & Admin.	Direct: Extension:	(042) 37132606 717
ABDUL RAZZAQ GHAURI Head of Window Takaful	Direct: Extension:	(042) 37132605 738
SYED IRTIZA KAZMI Vice President (Underwriting)	Direct: Extension:	(042) 37132604 718
MUHAMMAD AASIM GUL Compliance Officer	Extension:	744
SALEEM MEHMOOD Chief Internal Auditor	Extension:	737

### NORTH ZONE OFFICES & BRANCHES

#### LAHORE

CH. TAYYAB HUSSAIN Circle Chief, Lahore Circle - I	City Branch 64/A, Block - XX, Phase III, (Commercial), Khyaban-e-Iqbal, DHA, Lahore.	(042) 37132624-26 37132628-29 Fax: (042) 37132627
MUHAMMAD MUNIR QAZI Chief Manager	Gulberg Branch Office No. 335, 3rd Floor, Land Mark Plaza, Jail Road, Lahore	(042) 35775733-4 Fax: (042) 35714514
MUHAMMAD IJAZ Chief Manager	Al-Noor Branch Al-Noor Building, 43-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	(042) 37237343 Fax: (042) 37358805
KH. MUHAMMAD NADEEM Deputy Chief Manager	Napier Road Branch Nairobi Mansion Napier Road, Lahore.	(042) 37358190 Fax: (042) 37352560
MUHAMMAD WASIM PURI Branch Manager	Mall Road Branch Hafeez Chambers, 85- Shahrah-e-Quaid-e-Azam, Lahore.	(042) 36305595, 36370838 Fax: (042) 36369576
CH. ZEESHAN AHMED Deputy Chief Manager	Main Boulevard Branch Office No-6, 2nd Floor, Al-Hafeez View, 67-D/1, Sir Syed Road, Gulberg-III, Lahore	(042) 35784309, 37034673 Fax: (042) 35784310

**RAWALPINDI**

MANZAR ALI NAQVI Manager	101/13, Bank Road, Grand Hotel Building, P.O. Box 119, Rawalpindi.	(051) 5563413, 5516546 Fax: (051) 5798083
-----------------------------	--	--

**FAISALABAD**

MUHAMMAD ASIF AKRAM Chief Manager	Faisalabad Branch 123-B, People's Colony No. 1, D - Ground, Faisalabad.	(041) 8721256, 8734176 8546338, 8735080 Fax: (041) 8732499
--------------------------------------	---	--

IRSHAD FARRUKH BHATTI Chief Manager	Business Center Branch Room No. 6, Ground Floor, The Business Center, New Civil Lines Faisalabad.	(041) 2619978, 2629978 Fax: (041) 2409978
--	--	--

**SIALKOT**

REHAN NAZIR GHUMAN Branch Manager	Ugoki Road, Shahabpura, Sialkot.	(052) 3550450, 3550460 Fax: (052) 3550470
--------------------------------------	-------------------------------------	--

**ISLAMABAD**

AASIM MAJEED Chief Manager	Office No. 4, 4th Floor, Sector F-7/G-7 Channab Center, Jinnah Avenue, Blue Area, Islamabad.	(051) 2347047, 48 Fax: (051) 2804115
-------------------------------	--	---

**SAHIWAL**

RANA MUHAMMAD AAMIR NAZ Branch Manager	407- Stadium Road, Sahiwal.	(040) 4222266 Fax: (040) 4222267
---	--------------------------------	-------------------------------------

**MULTAN**

Ghulam Ali Office Incharge	Atlas Honda Building Azmat Wasti Road, Multan.	(061) 4544494 Fax: (061) 4544494
-------------------------------	---	-------------------------------------

**SOUTH ZONE OFFICE**

Ground Floor, Federation House, Shahrah-e-Firdousi, Main Clifton, Karachi.	PABX: Fax:	(021) 35378806-7 35369395-6 (021) 35378515
--	---------------	--

BABAR MAHMOOD MIRZA Chief Executive Officer	Direct:	(021) 35378757
--	---------	----------------

ABBAS SAJJAD General Manager Sales & Marketing	Direct: Extension:	(021) 35269447 215
---	-----------------------	-----------------------

M. WAQARUDDIN RAUF Vice President ZO	Extension:	216
---	------------	-----

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  
15th Floor, Room No. 1501,  
K.S. Trade Tower, Shahrah-e-Liaquat,  
Karachi

(021) 32462131, 32422911  
Fax: (021) 32421387

IMRAN SATTAR  
Chief Manager

Plaza Branch  
3/3 Rimpa Plaza  
M.A. Jindah 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  
Branch Manager

Saddar Branch  
Ground Floor, Federation House,  
Abdullah Shah Ghazi Road,  
Main Clifton, Karachi.

(021) 35378806-7  
35369395-6  
(021) 35378515

AJAZ TUFAIL  
Branch Manager

NCB-II Branch  
Office No. 910, 9th Floor, UNI Tower,  
I. I. Chundrighar Road,  
Karachi.

(021) 32412798-9  
Fax: (021) 32412795

**HYDERABAD**

ZAFAR AHMAD GHOURI  
Circle Chief, Hyderabad Circle

Plot No. 466, Mezzanine Floor,  
Al-Abbas Plaza, Near Kaka Bakery  
Saddar, Hyderabad.

(022) 2782659, 2782660  
Fax: (022) 2786410

**SUKKUR**

ABDUL MAJEED QURESHI  
Chief Manager

Near Public School,  
Military Road, Sukkur.

(071) 5631056  
Fax: (071) 5631057

## Atlas Insurance Limited

63/A, Block-XX, Phase III (Comercial)

Khyaban-e-Iqbal, DHA, Lahore

UAN: 111-245-000

Tel: (92-42) 37132611-18

Fax: (92-42) 37132622

Email: [info@ail.atlas.pk](mailto:info@ail.atlas.pk)

Website: [www.ail.atlas.pk](http://www.ail.atlas.pk)