



Quarterly Report March 31,

2019

تکافل

TAKAFUL

Window Operation



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Company Information

Board of Directors

Yusuf H. Shirazi
Chairman

Ali H. Shirazi
Director

Frahim Ali Khan
Director

M. Habib-ur-Rahman
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
Chairperson

Ali H. Shirazi
Member

Babar Mahmood Mirza
Member

Qudsia Naheed
Secretary

Investment Committee

Ali H. Shirazi
Chairman

Frahim Ali Khan
Member

M. Habib-ur-Rahman
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

Information Technology (IT) Committee

Babar Mahmood Mirza
Chairman

Rashid Amin
Member

Muhammad Saeed
Member

Wasim Ahmed
Secretary

Management Committee

Babar Mahmood Mirza
Chief Executive Officer

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 IT

Syed Irtiza Kazmi
Head of 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
Bank Islami Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
NRSP Microfinance Bank
Sindh Bank Limited
Soneri 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.pk



Chairman's Review

It gives me great pleasure to present the un-audited accounts of your Company for the first quarter ended March 31, 2019.

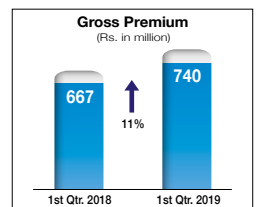
The Economy

Pakistan's economy is passing through a challenging phase. Tighter monetary and fiscal policies are expected to curb domestic demand and GDP growth is projected to be around 3.5% in FY19 as against previous expectation of 4.0-4.5% and target of 6.2%. Amidst the efforts to curtail inflationary pressures and reduce the otherwise widening macroeconomic imbalances, domestic economic activity is experiencing the brunt of stabilization measures implemented by the government so far. Leading indicators for real sector activity suggest a contraction in demand. Large-scale Manufacturing, which accounts for 65% of overall industrial output, declined by 2.3% during July-Jan FY19 against 7.2% growth recorded in the same period last year. Latest estimates of major crops also depict a lackluster performance by the agriculture sector mainly due to water shortages and a decline in production area. Slowdown in commodity producing sector has snowballing effects on growth of services sector. Similarly, a deceleration in capital investments, reflected through about one third cut in development spending, is culminating into a weakening consumer demand further putting pressure on GDP growth. The exchange rate has continued to depreciate, with a cumulative depreciation of 12% during the first eight months of FY19. As a result of exchange rate depreciation, demand side pressure and higher fuel prices, inflationary pressures have increased and average headline inflation reached 6.5% in the period between July 2018 and February 2019 as compared to 3.9% of the corresponding period last year. The central bank continued its monetary tightening, increasing policy rate by another 50 bps to 10.75% in its latest bi-monthly monetary policy review in March as it put more emphasis on vulnerabilities in the rising core inflation, fiscal concerns, external account, and subpar foreign exchange reserves level.

On the external front the current account deficit has shown a considerable improvement owing to stabilization measures, narrowing to USD 8.8 billion in July-Feb FY19 compared to a deficit of USD 11.4 billion during the same period last year - a fall of 22.8%. This includes a notable pace of retrenchment of current account deficit by 59.9% during first two months of 2019. Country's exports during July 2018 to March 2019 improved marginally by 1% from USD 17.03 billion to USD 17.21 billion, while imports declined by 8.25% to USD 40.66 billion from USD 44.32 billion compared to the same period last year. The decline in imports was mainly due to imposition of regulatory duties on luxury items and automobiles. Overseas Pakistani workers remitted USD 16.35 billion in the first nine months of FY19, up 8.7% compared to USD 14.80 billion received during the same period last year. The foreign exchange reserves, which had fallen to USD 14.9 billion in January 2019, increased to USD 17.4 billion by March due to financing from Saudi Arabia and UAE.

The Company

The Company performed well during the period under review. The gross premium increased to Rs. 740.46 million against Rs. 667.42 million of the same period last year, up 11%. The net premium increased by 4% to Rs. 371.21 million against Rs. 356.30 million of the same period last year. Continued sound underwriting policies followed by the Company resulted in underwriting profit of Rs. 164.61 million compared to Rs. 146.24 million of the same period last year, up 13%. During the



period under review the Company earned investment income of Rs. 32.68 million against Rs. 56.35 million of the corresponding period last year. The drop in investment income was mainly due to lesser capital gains realized during the period under review. The Company earned profit before tax of Rs. 214.49 million against Rs. 204.68 million of the same period last year. After providing for tax, the profit after tax stood at Rs. 143.71 million compared to Rs. 137.14 million of the same period last year, up 5%.

Future Outlook

As macroeconomic conditions improve, and a package of structural reforms in fiscal management and competitiveness is implemented by the government, growth is expected to recover beyond FY19. Reforms to put the country on stable growth path include increased exchange rate flexibility, improved competitiveness and lower cost of doing business. On the revenue front, reforms to improve tax administration, widen the tax base and facilitate tax compliance are critical. Entry into the IMF program would improve the credibility of Pakistan in the eyes of global financial community, paving the way for fetching flows from multilateral agencies and also facilitate access to international capital markets. With insurance penetration less than one percent in Pakistan, the opportunity to explore untapped horizons remains a challenge for the insurance industry for future growth. Your Company continues to focus on improving operational efficiency and productivity, technology and talent transformations and product & service innovations to meet the evolving paradigm of customer expectations. The demand for insurance products has widely increased in most lines of the business, particularly in Motor and Health and is expected to increase further in the upcoming years. With enhanced capacity at its disposal, your Company is focused on positive growth of its product portfolio:

ع تجھکو اگر کچھ کہنا نہیں ہے تو مجھکو ہی کہنے دو

Acknowledgement

I would like to thank the Board of Directors, Mr. Babar Mahmood Mirza, 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
Chairman

میں 32.68 بلین روپے حاصل کیے جو کہ گزشتہ سال اسی مدت کے دوران 56.35 بلین روپے تھے۔ سرمایہ کاری کے ذریعے آمدنی میں کمی کا سبب زیر جائزہ مدت کے دوران کیپٹل گین میں کمی ہے۔ کمپنی کا قمل ازنگیکس منافع 214.49 بلین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 204.68 بلین روپے تھا۔ نگیکس ادا نگیکسوں کے بعد، منافع 5 فیصد اضافے کے ساتھ 143.71 بلین روپے پر موجود ہے جو کہ گزشتہ سال اسی مدت کے دوران 137.14 بلین روپے تھا۔

مستقبل کے خدو خال

مالی انتظام میں بنیادی اصلاحات اور صلاحیت کے ایک پیکیج کو حکومت کی جانب سے لاگو کئے جانے پر توقع کی جارہی ہے مالی سال 2019 کے بعد ترقی کا امکان ہے۔ اصلاحات جن پر توجہ مرکوز رکھنے کی ضرورت ہے ان میں زر مبادلہ کی شرح میں چلک، بہتر مقابلہ کرنے کی صلاحیت اور کم قیمت پر کاروبار کے مواقع فراہم کرنا شامل ہے۔ ریونیو کے محاذ پر، نگیکس انتظامیہ کو بہتر بنانے کے لیے اصلاحات، نگیکس میں کو بڑھانا اور نگیکس کی تعمیل میں سہولت مہیا کرنا اہم ہے۔ IMF پروگرام میں آنا عالمی مالی کمیونٹی کی نظروں میں پاکستان کی ساکھ کو بہتر بنانے کا، کثیر باضابطہ ایجنسیوں کی طرف سے پیکشش مواقع کے لیے راہ ہموار ہوگی اور بین الاقوامی کیپٹل مارکیٹ تک رسائی میں سہولت فراہم ہو سکے گی۔ پاکستان میں انشورنس کی شمولیت ایک فیصد سے بھی کم ہے، جس کے باعث مستقبل کی ترقی کے لیے انشورنس انڈسٹری کے پوشیدہ افق کو عیاں کرنے کے مواقع تا حال ایک چیلنج ہے۔ آپ کی کمپنی آپریشنل کارکردگی اور پیداوار میں بہتری پر توجہ مرکوز کئے ہوئے ہے، ساتھ ہی ساتھ ٹیکنالوجی اور ڈیٹا کی ٹرانسفورمیشن اور پروڈکٹ اور سروس کی تخلیق پر توجہ دیتی ہے تاکہ کسٹمر کی توقعات پر پورا اتر سکیں۔ بعض کاروباری شعبوں میں انشورنس کی مصنوعات کی طلب میں اضافہ ہوا ہے، خاص طور پر موٹر اور ہیلتھ کے شعبوں میں اور آئندہ سالوں میں مزید اضافے کی امید ہے۔ اس ضمن میں بہتر صلاحیت کے ساتھ، آپ کی کمپنی اپنے پروڈکٹ پورٹ فولیو کی مثبت ترقی پر توجہ مرکوز رکھے ہوئے ہے:

ع تجملو اگر کچھ کوہتا نہیں ہے تو جملو ہی کہنے دو

اظہارِ شکر

میں اس موقع پر بورڈ آف ڈائریکٹرز، چیف ایگزیکٹو آفیسر جناب بابر محمود مرزا اور ان کی ٹیم کی کاوشوں، لگن اور خلوص کا تہ دل سے مشکور ہوں۔ اس کے ساتھ میں اپنے تمام ری انشوررز، معزز کلائنٹس، بینیکوں اور ریکوریٹرز اینڈ ایجنسیوں کی تعاون کا مسلسل تعاون اور راہنمائی فراہم کرنے پر بھی شکریہ ادا کرتا ہوں۔



یوسف ایچ شیریازی

چیئر مین

چیمبر میں کا جائزہ

میں نہایت سرت کے ساتھ 31 مارچ 2019 کو مکمل ہونے والے پہلی سرمایہ کے لیے آپ کی کمپنی کے غیر پڑتال شدہ حسابات پیش کر رہا ہوں۔

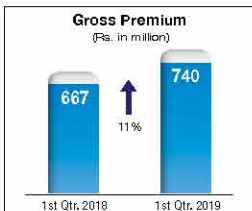
معیشت

پاکستان کی معیشت ایک مشکل مرحلے سے گزر رہی ہے۔ سخت مائٹری اور مالیاتی پالیسیوں کے باعث توقع کی جارہی ہے کہ مقامی طلب میں کمی واقع ہوگی اور مالی سال 2019 میں شرح نمو کا تخمینہ 3.5 فیصد تک رہنے کا امکان ہے، جبکہ اس کے لیے پہلے امید کی جارہی تھی کہ شرح نمو اپنے ہدف 6.2 فیصد کے مقابلے میں 4.5 تا 4.7 فیصد تک رہے گی۔ افراط زر کے دباؤ کو کم کرنے کی کوششوں کے دوران اور دوسری صورت میں بڑھے ہوئے مجموعی معاشی عدم توازن کو کم کرنے کی مدد میں اب تک حکومت کی جانب سے نافذ کردہ استحکام کے اقدامات کے باعث ملکی معاشی سرگرمیوں کو نقصان کا سامنا کرنا پڑ رہا ہے۔ وسیع پیمانے پر میٹروپولیٹن شہروں میں جو کہ مجموعی طور پر صنعتی پیداوار کا 65 فیصد ہے، اس میں مالی سال 2019 کے جولائی تا جنوری کے دوران 2.3 فیصد کمی کی آئی ہے جبکہ گزشتہ سال اسی مدت کے دوران ترقی کی شرح 7.2 فیصد ریکارڈ کی گئی تھی۔ اہم فصلوں کے حالیہ تخمینے کے مطابق زرعی شعبے کی کارکردگی زیادہ متاثر کن نہیں رہی، جس کی بنیادی وجہ پانی کی قلت اور پیداوار میں کمی ہے۔ اجناس کے شعبے میں سست روی خدمات کے شعبے کی ترقی پر بھی منفی اثرات مرتب کر رہی ہے۔ ترقیاتی اخراجات میں ایک تہائی کوئی کمی گئی ہے جو اس بات کو ظاہر کرتی ہے کہ کینپل انویسٹمنٹ میں کمی واقع ہوئی ہے جس کے نتیجے میں صارفین کی طلب کمزور سطح پر پہنچ چکی ہے اور یہ تمام عوامل شرح نمو پر منفی اثر انداز ہو رہے ہیں۔ زرمبادلہ کی شرح مالی سال 2019 کے پہلے آٹھ مہینوں کے دوران 12 فیصد کمی مجموعی کمی کے ساتھ تیزی کا شکار ہے جس کے نتیجے میں اضافی دباؤ اور تیل کی قیمتوں میں بڑھوتری ہوئی، اور افراط زر کے دباؤ میں بھی اضافہ ہوا جو کہ جولائی 2018 سے فروری 2019 کے درمیان کی مدت میں اوسط 6.5 فیصد تک پہنچ گیا، جبکہ گزشتہ سال کی اسی مدت کے دوران اوسط افراط زر 3.9 فیصد تھا۔ سینٹرل بینک نے مارچ میں اپنی حالیہ دو ماہی مالیاتی پالیسی کا جائزہ لیا، جہاں مالیاتی پالیسی میں سختی برقرار رکھنے ہوئے پالیسی ریٹ میں مزید 50 bps کا اضافہ کیا، جس کے ساتھ پالیسی کی شرح 10.75 فیصد ہو گئی ہے۔

بیرونی محاذ پر کرنٹ اکاؤنٹ خسارے میں استحکام کے اقدامات کی وجہ سے بہتری دیکھی گئی ہے، جس میں مالی سال 2019 کے جولائی سے فروری کے دوران 8.8 بلین امریکی ڈالر کمی ہوئی جو کہ گزشتہ سال اسی مدت کے 11.4 بلین امریکی بلین خسارے کے مقابلے میں 22.8 فیصد کم ہے۔ سال 2019 کے پہلے دو مہینوں کے دوران کرنٹ اکاؤنٹ خسارے میں 59.9 فیصد کمی دیکھی گئی۔ ملکی برآمدات میں جولائی 2018 سے مارچ 2019 کے دوران 1 فیصد کمی معمولی بہتری دیکھی گئی جو کہ 17.03 بلین سے بڑھ کر 17.21 بلین ہو گئی ہے، جبکہ گزشتہ سال کے مقابلے میں درآمدات میں 8.25 فیصد کمی واقع ہوئی ہے جو کہ 144.32 بلین امریکی بلین سے کم ہو کر 40.66 بلین امریکی ڈالر تک آ گئی ہے۔ درآمدات میں کمی کی بنیادی وجہ گٹھری اشیاء اور آٹوموٹو پارٹس پر ریگولٹری ڈیولپمنٹ کا نفاذ ہے۔ غیر ملکی پاکستانیوں نے مالی سال 2019 کے پہلے نو ماہ میں 16.35 بلین امریکی ڈالر کی ترسیلات زر کی، جو کہ گزشتہ سال کے اسی مدت میں حاصل کئے جانے والے 14.80 بلین امریکی ڈالر کے مقابلے میں 8.7 فیصد زیادہ ہے۔ جبکہ غیر ملکی کرنسی کے ذخائر جو کہ جنوری 2019 میں 14.9 بلین امریکی ڈالر رہ گئے تھے مارچ تک سعودی عرب اور متحدہ عرب امارات کی سرمایہ کاری کے باعث 17.4 بلین امریکی ڈالر تک پہنچ گئے۔

کمپنی

زیر جائزہ مدت کے دوران کمپنی نے اچھی کارکردگی کا مظاہرہ کیا۔ مجموعی پریمیم گزشتہ سال اسی مدت کے 667.42 بلین روپے کے مقابلے میں 740.46 بلین روپے رہا۔ نیٹ پریمیم گزشتہ سال اسی مدت کے 356.30 بلین روپے کے مقابلے میں 4 فیصد اضافے کے ساتھ 371.21 بلین روپے رہا۔ بہترین ڈیموٹو پالیسیوں پر عمل درآمد جاری رکھنے کے سبب ڈیموٹو منافع گزشتہ سال اسی مدت کے 146.24 بلین روپے کے مقابلے میں 13 فیصد اضافے کے ساتھ 164.61 بلین روپے رہا۔ زیر جائزہ مدت کے دوران، کمپنی نے سرمایہ کاری کے ذریعے آمدنی کی صورت



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, 2019.

	March 31, 2019	March 31, 2018
The overall business figures are:	(Rupees in thousand)	
Net premium	371,208	356,300
Net claims	108,461	117,262
Investment and other income	44,753	60,852
Net commission	31,608	34,573
Expenses of management	129,742	116,753
Financial results are as follows:		
Profit before tax	214,490	204,685
Less: Provision for taxation	70,782	67,548
Profit after tax	143,708	137,137
Un-appropriated profit brought forward	665,689	664,170
* Appropriation:		
Final dividend @ 70% (2017: Rs. 6.5 per share)	(491,129)	(456,049)
Bonus shares @ 10% (2017: Nil)	(70,161)	-
Transfer to general reserve	(93,000)	(208,000)
Un-appropriated profit carried forward	155,107	137,258

* The Board of Directors has recommended cash dividend of Rs. 7.0 per share i.e. 70% and bonus shares 10% i.e. one ordinary share for every ten shares held for the year ended December 31, 2018. The financial statements do not reflect these appropriations in compliance with the Companies Act, 2017.

Contribution of Rs. 81.25 million (2018: Rs. 42.15 million) was written in Participants' Fund account during the period ended March 31, 2019.

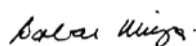
Chairman's Review

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, 2019

ڈائریکٹرز کی جانب سے جائزہ

ڈائریکٹرز نہایت مسرت کے ساتھ 31 مارچ 2019 کو ختم ہونے والی مدت کے لیے کمپنی کی سہ ماہی رپورٹ، غیر پڑتال شدہ مالیاتی حسابات کے ہمراہ پیش کر رہے ہیں۔

2018 مارچ 31	2019 مارچ 31	مجموعی کاروباری اعداد و شمار یہ ہیں:
(روپے ہزاروں میں)		
356,300	371,208	خالص پربیم
117,262	108,461	خالص گھیر
60,852	44,753	سرمایہ کاری اور دیگر ذرائع سے حاصل آمدنی
34,573	31,608	خالص کمیشن
116,753	129,742	انتظامی امور کے اخراجات
		مالیاتی نتائج درج ذیل ہیں:
204,685	214,490	قبل از ٹیکس منافع
67,548	70,782	کم: ٹیکس تفرقات
137,137	143,708	بعد از ٹیکس منافع
664,170	665,689	آگے لایا گیا غیر تصرف شدہ منافع
		*تفرقات:
(456,049)	(491,129)	فائلڈ یوڈنڈ 70% @ (2017: 65%)
-	(70,161)	یونٹس شیئرز 10% @ (2017: Nil)
(208,000)	(93,000)	عام ذخائر میں منتقلی
137,258	155,107	آگے روانہ کیا گیا غیر تصرف شدہ منافع

بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر 2018 کو ختم ہونے والے سال کے لیے 7.0 روپے فی حصص (70 فیصد) کیس ڈیویڈنڈ اور 10% یونٹس شیئرز دینے کی تجویز کی گئی تھی۔ عبوری مالیاتی حسابات کمپنیز ایکٹ 2017 کی تعمیل میں ان تفرقات کی عکاسی نہیں کرتے ہیں۔

31 مارچ 2019 کو مکمل ہونے والی مدت کے دوران، 81.25 ملین روپے (2018: 42.15 ملین روپے) کی تکافل کنٹری بیوشن تحریر ہوئی۔

چیئرمین کا جائزہ

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

ہم اپنے معزز کسٹمرز، بینکرز، ری انشوررز اور سیکورٹیز اینڈ ایپینج 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 اور جانب سے

Balai Muzga

باہر محمود مرزا

چیف ایگزیکٹو

لاہور: 25 اپریل 2019

Pattern of Shareholding

As at March 31, 2019

Number of shareholders	Shareholding		Shares held
	From	To	
256	1	100	5,838
174	101	500	50,863
123	501	1000	102,748
250	1001	5000	660,542
99	5001	10000	716,207
58	10001	15000	731,873
28	15001	20000	495,175
6	20001	25000	131,213
18	25001	30000	498,473
14	30001	35000	454,436
7	35001	40000	261,972
7	40001	45000	297,842
5	45001	50000	238,437
5	50001	55000	260,650
6	55001	60000	340,380
2	60001	65000	124,679
2	65001	70000	134,550
3	70001	75000	211,121
6	75001	80000	472,326
4	80001	85000	330,022
1	90001	95000	92,666
4	95001	100000	396,564
1	100001	105000	102,500
1	105001	110000	110,000
1	115001	120000	116,879
1	120001	125000	125,000
1	125001	130000	130,000
1	130001	135000	130,541
1	135001	140000	136,500
2	140001	145000	280,512
1	145001	150000	149,672
2	155001	160000	317,378
2	165001	170000	338,400
1	175001	180000	176,803
1	185001	190000	186,000
1	200001	205000	203,926
1	255001	260000	257,000
1	260001	265000	261,990
1	345001	350000	350,000
1	360001	365000	362,000
1	390001	395000	394,000
1	900001	905000	905,000
1	1355001	1360000	1,358,353
1	1925001	1930000	1,929,336
1	1975001	1980000	1,978,915
1	52850001	52855000	52,852,099
<hr/> <hr/>	1,105		<hr/> <hr/>
			70,161,381

Shareholders' Information

As at March 31, 2019

Categories of Shareholders	Shares held	Percentage
Director, Chief Executive and their spouse and minor children	1,114	0.00%
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	1,556,000	2.22%
Insurance Companies	2,138,915	3.05%
Modaraba and Mutual Funds	-	0.00%
Shareholders holding 5% and above	52,852,099	75.33%
General Public :		
Local	10,191,876	14.53%
Foreign	-	0.00%
Others :		
Joint Stock Companies	67,724	0.10%
Others	1,423,786	2.03%



Condensed Interim Statement of Financial Position (Unaudited)

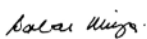
As at March 31, 2019

	Note	March 31, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited)
Assets			
Property and equipment	7	89,635	82,080
Investments			
Equity securities	8	3,669,616	3,638,943
Debt securities	9	73,704	73,704
Loan and other receivable		37,916	14,052
Insurance / reinsurance receivables		426,383	332,681
Reinsurance recoveries against outstanding claims		404,786	454,431
Salvage recoveries accrued		1,985	2,435
Deferred commission expense / acquisition cost		79,070	80,233
Prepayments		616,391	550,697
Cash and bank	10	1,095,279	1,327,987
		6,494,765	6,557,243
Total assets from window takaful operations - Operator's fund		120,225	108,484
Total assets		6,614,990	6,665,727
Equity and liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		701,614	701,614
Reserves		2,113,805	2,104,563
Unappropriated profit		798,407	654,699
Total equity		3,613,826	3,460,876
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR		680,416	727,887
Unearned premium reserves		1,101,728	1,060,806
Unearned reinsurance commission		135,980	116,648
Retirement benefit obligation		10,169	9,249
Deferred taxation		362,374	358,875
Premium received in advance		22,645	178,520
Insurance / reinsurance payable		279,167	330,450
Other creditors and accruals		345,081	357,361
Taxation - provision less payments		17,860	22,218
Total liabilities		2,955,420	3,162,014
Total liabilities from window takaful operations - Operator's Fund		45,744	42,837
Total equity and liabilities		6,614,990	6,665,727
Contingencies and commitments	6		

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Profit & Loss Account (Unaudited)

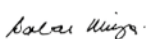
For the Three Months ended March 31, 2019

	Note	March 31, 2019	March 31, 2018
(Rupees in thousand)			
Net insurance premium	11	371,208	356,300
Net insurance claim expense	12	(108,461)	(117,262)
Net commission and other acquisition income	13	31,608	34,573
Insurance claims and acquisition expenses		(76,853)	(82,689)
Management expenses		(129,742)	(127,369)
Underwriting results		164,613	146,242
Investment income	14	32,684	56,346
Rental income		-	450
Other income		12,069	4,056
Other expenses		(3,072)	(3,588)
Results of operating activities		206,294	203,506
Finance cost		(393)	(84)
Profit before tax from window takaful operations- Operator's fund	16	8,589	1,263
Profit before tax for the period		214,490	204,685
Income tax expense		(70,782)	(67,548)
Profit after tax for the period		143,708	137,137
Earnings (after tax) per share - Rupees	15	2.05	1.95

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

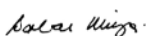
For the Three Months ended March 31, 2019

	March 31, 2019	March 31, 2018
	(Rupees in thousand)	
Profit after tax for the period	143,708	137,137
Other comprehensive income / (loss) for the period:		
<i>Items that may be subsequently reclassified to profit and loss account:</i>		
Un-realized profit / (loss) on available for sale investments - net of deferred tax	8,997	(19,472)
Other comprehensive income from window takaful operations- Operator's fund	245	1,649
Other comprehensive income / (loss) for the period	9,242	(17,823)
Total comprehensive income for the period	152,950	119,314

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the Three Months ended March 31, 2019

	Note	March 31, 2019	March 31, 2018
Operating cash flows			
(Rupees in thousand)			
a) Underwriting activities			
Insurance premium received		572,156	581,085
Reinsurance premiums paid		(449,570)	(314,594)
Claims paid		(249,031)	(142,841)
Reinsurance and other recoveries received		152,938	48,466
Commissions paid		(30,867)	(31,014)
Commissions received		95,561	88,960
Management expenses paid		(173,238)	(159,613)
Other underwriting payments		(142)	(113)
Other underwriting receipts		7,300	7,231
Net cash (used in) / generated from underwriting activities		(74,893)	77,567
b) Other operating activities			
Income tax paid		(76,861)	(54,388)
Loan repayment received		7	7
Other deposits		24,193	7,781
Net cash used in other operating activities		(52,661)	(46,600)
Total cash (used in) / generated from all operating activities		(127,554)	30,968
Investment activities			
Profit / return received		14,890	6,282
Dividend received		15,187	11,665
Rental received		-	-
Payments for investments		(614,496)	(397,686)
Proceeds from investments		491,718	278,000
Fixed capital expenditure		(12,908)	(3,178)
Proceeds from sale of property and equipment		2,336	1,896
Total cash used in investing activities		(103,273)	(103,021)
Financing activities			
Dividends paid		(1,779)	(279)
Financial charges		(102)	(102)
Total cash used in financing activities		(1,881)	(381)
Net cash used in all activities		(232,708)	(72,434)
Cash and cash equivalents at the beginning of the period		1,327,987	702,252
Cash and cash equivalents at the end of the period	10	1,095,279	629,818

Condensed Interim Cash Flow Statement (Unaudited)

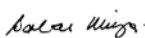
For the Three Months ended March 31, 2019

	March 31, 2019	March 31, 2018
	(Rupees in thousand)	
Reconciliation to profit and loss account		
Operating cash flows	(127,554)	30,968
Depreciation expense	(4,652)	(4,242)
Financial charges	(102)	(102)
Provision for doubtful debts	(7,056)	(6,272)
Loss on sale of fixed assets	(31)	-
Rental and other income	12,069	4,506
Increase in assets other than cash	123,111	150,907
Decrease / (increase) in liabilities other than borrowings	104,932	(130,312)
Other adjustments		
Increase in provision for unearned premium	22,213	48,629
Increase in commission income unearned	(19,333)	(19,090)
Income on investments and current and other deposits	32,684	56,346
(Decrease) / increase in provision for deferred commission expense	(1,162)	4,536
Profit from window takaful operations for the period - Operator's fund	8,589	1,263
Profit after tax for the period	143,708	137,137

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Changes in Equity (Unaudited)

For the Three Months ended March 31, 2019

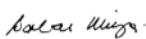
Attributable to equity holders of the Company

	Attributable to equity holders of the Company						Unappropriated profit	Total
	Capital reserves			Revenue reserves				
	Share capital	Capital reserve	Investment fair value reserve	Reserve for exceptional losses	General reserves	Investment fluctuation reserve		
	(Rupees in thousand)							
Balance as at December 31, 2017 (audited - restated)	701,614	2,251	1,797,580	2,164	880,649	3,000	659,785	4,047,043
Profit after taxation for the year ended December 31, 2018	-	-	-	-	-	-	665,568	665,568
Re-measurement loss on defined benefit obligation - net of tax	-	-	-	-	-	-	(6,605)	(6,605)
Net unrealised loss on revaluation of available for sale investments - net of deferred tax	-	-	(789,010)	-	-	-	-	(789,010)
Other comprehensive income from window takaful operations (OPF)	-	-	(71)	-	-	-	-	(71)
Total comprehensive income for the year ended December 31, 2018	-	-	(789,081)	-	-	-	658,963	(130,118)
Final dividend for the year ended December 31, 2017 @ 65% (Rs. 6.5 per share)	-	-	-	-	-	-	(456,049)	(456,049)
Transferred to general reserve	-	(2,251)	-	(2,164)	212,415	-	(208,000)	-
Balance as at December 31, 2018 (audited)	701,614	-	1,008,499	-	1,093,064	3,000	654,699	3,460,876
Profit after taxation for the period ended March 31, 2019 (unaudited)	-	-	-	-	-	-	143,708	143,708
Net unrealised gain on revaluation of available for sale investments - net of deferred tax	-	-	8,997	-	-	-	-	8,997
Other comprehensive income from window takaful operations (OPF)	-	-	245	-	-	-	-	245
Total comprehensive income for the period ended March 31, 2019	-	-	9,242	-	-	-	143,708	152,950
Balance as at March 31, 2019 (unaudited)	701,614	-	1,017,741	-	1,093,064	3,000	798,407	3,613,826

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



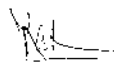
Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahrim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Notes to and Forming Part of the Condensed Interim Financial Statements (Unaudited)

For the Three Months ended March 31, 2019

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

2.1 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, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

Where the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 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, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 have been followed.

2.2 Basis of preparation

The Securities and Exchange Commission of Pakistan (SECP) vide S.R.O. 89(I)/2017 dated February 9, 2017 issued the Insurance Rules, 2017 (the Rules) for insurance companies which were enforceable with immediate effect. The Rules prescribe the amended format of financial statements for non-life insurance companies. Further the Rules did not carry forward the exemption in application of International Accounting Standard (IAS) - 39 'Financial Instruments: Recognition and Measurement' in respect of 'available for sale' securities.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34 'Interim Financial Reporting'. These condensed interim financial statements do 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, 2018.

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's Fund (OPF) of the WTO of the Operator have been presented as a single line item in the condensed interim statement of financial position, condensed interim statement of profit and loss, condensed interim statement of comprehensive income and statement of changes in equity of the Company respectively.

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

2.3 Basis of measurement

These condensed interim financial statements have been prepared under historical cost convention, except that certain investments that are carried at fair market value and the recognition of certain employee retirement benefits that are measured at present value.

2.4 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani rupees, which is the Company's functional and presentation currency.

3. Standards, amendments and interpretations to accounting and reporting 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 01, 2019 but are considered not to be relevant or to have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

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, 2018.

5. Critical accounting estimates and judgments

The preparation of condensed interim financial statements in conformity with accounting and reporting 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 these condensed interim financial statements, 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 annual audited financial statements of the Company as at and for the year ended December 31, 2018.

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)] partially upheld the decision 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 condensed interim 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 condensed interim financial statements since the Company believes that there are meritorious grounds that the case will be decided in favor of the Company.

	<u>March 31,</u> 2019	<u>December 31,</u> 2018
	(Unaudited)	(Audited)
	(Rupees in thousand)	
6.1.3 Other contingencies		
Claims against the Company not acknowledged as debt	<u>112,526</u>	<u>112,526</u>

6.2 Commitments

6.2.1 Commitments in respect of operating leases

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

	<u>Note</u>	<u>March 31,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>December 31,</u> <u>2018</u> <u>(Audited)</u> <u>(Rupees in thousand)</u>
Not later than one year		7,792	53,323
Later than one year and not later than five years		6,661	39,253
		<u>14,453</u>	<u>92,576</u>

7. Property and equipment

Operating assets	7.1	89,635	82,045
Capital work in progress		-	35
		<u>89,635</u>	<u>82,080</u>

7.1 The breakup of operating assets as at the period / year end is given below:

	<u>Note</u>	<u>March 31,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>December 31,</u> <u>2018</u> <u>(Audited)</u> <u>(Rupees in thousand)</u>
Freehold building		1,925	1,925
Lease hold improvements		14,159	14,930
Furniture and fixtures		6,285	6,112
Office equipment		15,812	15,251
Computers equipment		11,978	11,738
Motor vehicles		39,476	32,089
		<u>89,635</u>	<u>82,045</u>

7.2 Movement of operating fixed assets during the period / year

Opening book value		82,045	89,078
Add: Additions during the period / year	7.3	14,647	32,774
		96,692	121,852
Less: Disposal during the period / year (at book value)	7.4	(2,405)	(20,380)
Depreciation charged for the period / year		(4,652)	(19,427)
		(7,057)	(39,807)
Closing book value		<u>89,635</u>	<u>82,045</u>

7.3 Additions during the period / year

Lease hold improvements		-	962
Furniture and fixtures		467	222
Office equipment		1,300	1,692
Computers equipment		1,291	4,581
Motor vehicles		11,589	25,317
		<u>14,647</u>	<u>32,774</u>

7.4 Disposals during the period / year

Freehold land		-	1,168
Freehold building		-	12,410
Furniture and fixtures		-	2,209
Office equipment		-	2,613
Computers equipment		131	2,509
Motor vehicles		5,338	16,632
		<u>5,469</u>	<u>37,541</u>

8. Investments in equity securities

	Note	March 31, 2019			December 31, 2018		
		(Unaudited)			(Audited)		
		Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
(Rupees in thousand)							
Available for sale							
Related parties							
Listed shares	8.1	643,711	-	643,711	643,711	-	643,711
Mutual funds		225,520	(1,089)	224,431	215,520	-	215,520
		869,231	(1,089)	868,142	859,231	-	859,231
Unrealized gain on revaluation as at				1,225,294			1,282,760
				<u>2,093,436</u>			<u>2,141,991</u>
Others							
Listed shares	8.1	1,390,011	(141,220)	1,248,791	1,329,964	(71,701)	1,258,263
Unlisted shares		500	(500)	-	500	(500)	-
Mutual funds	8.2	80,320	(391)	79,929	121,704	(947)	120,757
		1,470,831	(142,111)	1,328,720	1,452,168	(73,148)	1,379,020
Unrealized gain on revaluation as at				247,460			117,932
				<u>1,576,180</u>			<u>1,496,952</u>
				<u>3,669,616</u>			<u>3,638,943</u>

8.1 Listed securities include an amount of Rs. 2,523,586 thousand (December 31, 2018: Rs. 2,657,964 thousand) being the fair market value under an arrangement permissible under Shariah. Cost of these securities amounts to Rs. 1,390,084 thousand (December 31, 2018: Rs. 1,435,793 thousand).

8.2 Mutual funds include an amount of Rs. 24,258 thousand (December 31, 2018: Rs. 29,887 thousand) being the fair market value under an arrangement permissible under Shariah. Cost of these securities amounts to Rs. 23,588 thousand (December 31, 2018: Rs. 28,999 thousand).

9. Investments in debt securities

	Note	March 31, 2019			December 31, 2018		
		(Unaudited)			(Audited)		
		Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
(Rupees in thousand)							
Held to maturity							
Pakistan investment bonds	9.1	73,704	-	73,704	73,704	-	73,704

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.

Note	March 31, 2019	December 31, 2018
	(Unaudited)	(Audited)
	(Rupees in thousand)	

10. Cash and bank

Cash at bank

Current accounts and other accounts	10.1	1,095,279	1,327,987
		<u>1,095,279</u>	<u>1,327,987</u>

10.1 The balance in savings accounts bears mark-up which ranges from 8% to 10% (2018: 3.73% to 9%) per annum.

	March 31, 2019	March 31, 2018
--	---------------------------	---------------------------

(Rupees in thousand)

11. Net insurance premium

Written gross premium	740,460	667,417
Add: Unearned premium reserve - opening	1,060,805	875,050
Less: Unearned premium reserve - closing	(1,101,728)	(915,854)
Premium earned	699,537	626,613
Less: Reinsurance premium ceded	391,466	359,746
Add: Prepaid reinsurance premium - opening	546,319	408,367
Less: Prepaid reinsurance premium - closing	(609,456)	(497,800)
Reinsurance expense	328,329	270,313
	<u>371,208</u>	<u>356,300</u>

12. Net insurance claims expense

Claims paid	249,217	144,937
Add: Outstanding claims including IBNR - closing	680,416	408,926
Less: Outstanding claims including IBNR - opening	(727,887)	(324,385)
Claims expense	201,746	229,478
Less: Reinsurance and other recoveries received	142,930	51,513
Add: Reinsurance and other recoveries in respect of outstanding claims net of impairment - closing	404,786	211,371
Less: Reinsurance and other recoveries in respect of outstanding claims net of impairment - opening	(454,431)	(150,668)
Reinsurance and other recoveries revenue	93,285	112,216
	<u>108,461</u>	<u>117,262</u>

13. Net commission and other acquisition expense / (income)

Commission paid or payable	38,449	37,521
Add: Deferred commission expense - opening	80,234	61,735
Less: Deferred commission expense - closing	(79,070)	(66,270)
Net Commission expense	39,613	32,986
Less: Commission received or recoverable	90,553	88,960
Add: Unearned Reinsurance commission - opening	116,648	96,213
Less: Unearned Reinsurance commission - closing	(135,980)	(117,614)
Commission from reinsurers	71,221	67,559
	<u>(31,608)</u>	<u>(34,573)</u>

14. Investment income

Income from equity securities

Available for sale

Dividend income	36,042	27,189
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Income from debt securities

Held to maturity

Return on debt securities	1,243	1,073
	<u>37,285</u>	<u>28,262</u>

Net realised gain on investments

Available for sale financial assets

Realised gains on:

- Equity securities	5,952	28,229
---------------------	-------	--------

Total investment income

	<u>43,237</u>	<u>56,491</u>
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Less: Impairment in value of available for sale securities

- Equity securities	10,486	-
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Less: Investment related expenses

	67	145
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	<u>32,684</u>	<u>56,346</u>
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	March 31, 2019	March 31, 2018
	(Rupees in thousand)	
15. Earnings per share		
There is no dilutive effect on basic earnings per share which is based on:		
Profit after tax for the period	<u>143,708</u>	<u>137,137</u>
	Number of shares thousand	
Weighted average number of ordinary shares	<u>70,161</u>	<u>70,161</u>
	Rupees	
Earnings per share - (basic / diluted)	<u>2.05</u>	<u>1.95</u>

	March 31, 2019	March 31, 2018
	(Rupees in thousand)	
16. Window takaful operations - OPF		
Wakala fee	15,525	10,820
Management expenses	(3,445)	(6,007)
Commission expenses	(4,402)	(3,442)
Other income	1,129	288
Other expenses	(218)	(396)
Profit / (loss) for the period	<u>8,589</u>	<u>1,263</u>

17. 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. The Company in the normal course of business carries out transactions with various related parties.

Amounts due to / from and other significant transactions, other than those disclosed elsewhere in these condensed interim financial statements, are as follows:

		March 31, 2019	December 31, 2018
		(Unaudited)	(Audited)
		(Rupees in thousand)	
Associated Companies	Period end balances		
	Provision for outstanding claims (including IBNR)	213,527	294,336
	Premium received in advance	-	105,202
	Due from insurance contract holders	124,659	127,715
		<u>338,186</u>	<u>527,253</u>
		Transactions during the period	
	Premium underwritten	302,899	293,994
	Premium collected	345,068	361,941
	Claims paid	126,922	23,761
	Assets purchased	10,506	13,205
	Rent paid	964	877
	Expenses paid	298	102
	Donations	2,200	-
	Dividends received	5,237	-
	Investments purchased	554,452	272,000
	Investments sold	549,123	278,000
		<u>2,448,508</u>	<u>2,347,972</u>
Post employment benefit plans	Transactions during the period		
	Contributions in respect of retirement benefit plans	1,625	2,271
		<u>1,625</u>	<u>2,271</u>
Key management personnel	Transactions during the period		
	Premium underwritten	75	-
	Premium collected	47	-
	Assets sold	2,218	-
	Compensation	33,182	-
		<u>33,922</u>	<u>-</u>

18. Segment Reporting

The Company has identified four (2018: four) primary business segments for reporting purposes in accordance with the requirements of the Insurance Ordinance, 2000 and the Insurance Rules, 2017. These include fire and property damage, marine, aviation and transport, motor, health and miscellaneous class of business.

Assets and liabilities, wherever possible, have been assigned to each reportable segment based on specific identification or allocated on the basis of the gross premium written by the segments.

	(Unaudited) March 31,									
	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Premium receivable (inclusive of Federal Insurance Fee and Administrative surcharge)	248,752	156,087	236,689	259,782	200,519	180,839	170,137	166,562	856,097	763,270
Less: Federal Excise Duty	34,088	19,768	28,645	31,938	24,331	20,301	21,246	17,487	108,310	89,494
Federal Insurance Fee	2,253	1,341	2,030	2,236	1,560	1,307	1,484	1,475	7,327	6,359
Gross written premium (inclusive of Administrative Surcharge)	212,411	134,978	206,014	225,608	174,628	159,231	147,407	147,600	740,460	667,417
Gross direct premium	207,548	132,956	202,213	221,304	149,992	128,058	145,805	146,353	705,558	628,671
Facultative inward premium	3,677	1,188	-	85	23,102	30,087	823	156	27,602	31,516
Administrative surcharge	1,186	834	3,801	4,219	1,534	1,086	779	1,091	7,300	7,230
	212,411	134,978	206,014	225,608	174,628	159,231	147,407	147,600	740,460	667,417
Insurance premium earned	204,582	161,068	196,817	215,573	161,798	115,480	136,340	134,492	699,537	626,613
Insurance premium ceded to reinsurers	(143,132)	(119,410)	(65,878)	(70,005)	(57,396)	(28,914)	(61,923)	(51,984)	(328,329)	(270,313)
Net insurance premium	61,450	41,658	130,939	145,568	104,402	86,566	74,417	82,508	371,208	356,300
Commission income	33,098	29,210	20,600	21,507	3,772	4,468	13,750	12,374	71,220	67,559
Net underwriting income	94,547	70,868	151,539	167,075	108,174	91,034	88,167	94,882	442,428	423,859
Insurance claims	(41,116)	(86,158)	(17,575)	(10,156)	(66,174)	(69,696)	(76,882)	(63,468)	(201,747)	(229,478)
Insurance claims recovered from reinsurers	37,206	81,006	6,170	7,314	27,087	13,261	22,823	10,635	93,286	112,216
Net claims	(3,910)	(5,152)	(11,405)	(2,842)	(39,087)	(56,435)	(54,059)	(52,833)	(108,461)	(117,262)
Commission expense	(15,635)	(10,760)	(5,999)	(4,516)	(11,612)	(9,774)	(6,366)	(7,936)	(39,612)	(32,986)
Management expenses	(34,729)	(25,759)	(33,962)	(43,055)	(36,662)	(30,387)	(24,389)	(28,168)	(129,742)	(127,369)
Net insurance claims and expenses	(54,274)	(41,671)	(51,366)	(50,413)	(87,361)	(96,596)	(84,814)	(88,937)	(277,815)	(277,617)
Underwriting results	40,273	29,197	100,173	116,662	20,813	(5,562)	3,353	5,945	164,613	146,242
Net investment income									32,684	56,346
Rental Income									-	450
Other income									12,069	4,066
Other expenses									(3,072)	(3,588)
Finance cost									(933)	(84)
Profit / (loss) before taxation from window takaful operations - OPF									8,589	1,263
Profit before tax for the period									214,490	204,685
									March 31,	Dec. 31,
									2019	2018
									(Unaudited)	(Audited)
									(Rupees in thousands)	
Segment assets - Conventional									1,528,615	1,416,098
Segment assets - Takaful OPF									51,153	40,896
Unallocated assets - Conventional									4,966,085	5,141,145
Unallocated assets - Takaful OPF									69,137	67,588
									<u>6,614,990</u>	<u>6,665,727</u>
Segment liabilities - Conventional									2,219,936	2,498,349
Segment liabilities - Takaful OPF									45,705	42,837
Unallocated liabilities - Conventional									735,419	663,665
Unallocated liabilities - Takaful OPF									104	0
									<u>3,001,164</u>	<u>3,204,851</u>

19. Fair value of financial instruments

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value measurement of available for sale investments is based on quoted market prices i.e. level 1 inputs and is equal to the carrying amount. In case of other financial assets and financial liabilities that are expected to be settled within one year, carrying amounts are considered to be a reasonable approximation of their fair values.

	Held to maturity	Available for sale	Total
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Rupees in thousand

20. Movement in investments

As at beginning of current year	73,704	3,638,943	3,712,647
Additions	-	614,496	614,496
Disposals (sales and redemptions)	-	(585,833)	(585,833)
Fair value net losses (excluding net realised losses)	-	12,496	12,496
Impairment	-	(10,486)	(10,486)
As at end of current period	<u>73,704</u>	<u>3,669,616</u>	<u>3,743,320</u>

21. Financial and insurance risk management

The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2018.

22. Corresponding figures

There has been no significant re-classifications / restatements in these condensed interim financial statements.

23. Subsequent events

There are no significant subsequent events that need to be disclosed for the period ended March 31, 2019.

24. Date of authorization for issue

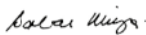
The condensed interim financial statements were authorised for issue on April 25, 2019 by the Board of Directors of the Company.

25. General

Figures in these interim financial statements have been rounded off to the nearest thousand rupees.



Rashid Amin
Chief Financial Officer



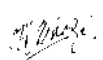
Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Frahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

تكاافل

TAKAFUL



Window Takaful Operations

Quarterly Report

March 31, 2019

Window Takaful Operations

Condensed Interim Statement of Financial Position (Unaudited)

As at March 31, 2019

	Note	OPF March 31, 2019	PTF March 31, 2019 (Unaudited)	Total March 31, 2019	Total December 31, 2018 (Audited)
Assets					
Property and equipment	6	431	-	431	2,157
Intangible assets	7	170	-	170	245
Investments					
Equity Securities	8	20,341	-	20,341	-
Loans and other receivables		1,020	855	1,875	3,110
Takaful / retakaful receivables		-	24,532	24,532	8,682
Retakaful recoveries against outstanding claims		-	9,569	9,569	3,519
Deferred commission expense / acquisition cost		8,958	-	8,958	6,997
Wakala fees receivable		35,329	-	35,329	29,610
Deferred wakala expense		-	35,908	35,908	33,715
Prepayments		6,181	20,182	26,363	21,418
Cash and bank	9	22,860	175,004	197,864	196,952
		95,290	266,050	361,340	306,405
Qard-e-Hasna to Participants' Takaful Fund		25,000	-	25,000	25,000
Total assets		120,290	266,050	386,340	331,405
Fund and Liabilities					
Funds					
Statutory fund / cede money		50,000	500	50,500	50,500
Capital reserve		245	-	245	-
Accumulated profit		24,236	-	24,236	15,647
Accumulated deficit		-	(23,139)	(23,139)	(23,347)
Total funds		74,481	(22,639)	51,842	42,800
Qard-e-Hasna from Operator's Fund		-	25,000	25,000	25,000
Liabilities					
Underwriting provisions					
Outstanding claims (including IBNR)	12	-	44,455	44,455	30,434
Unearned contribution reserves	11	-	126,962	126,962	106,254
Unearned retakaful rebate	14	-	3,760	3,760	3,695
Retirement benefit obligations		-	-	-	509
Deferred taxation		96	-	96	-
Contribution received in advance		-	1,277	1,277	7,972
Takaful / retakaful payables		-	48,027	48,027	37,467
Unearned wakala fee	13	35,908	-	35,908	33,715
Wakala fee payable		-	35,329	35,329	29,610
Other creditors and accruals		9,805	3,879	13,684	13,949
Total liabilities		45,809	263,689	309,498	263,605
Total equity and liabilities		120,290	266,050	386,340	331,405

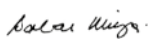
Contingencies and commitments

10

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.




Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahrim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations Condensed Interim Profit & Loss Account (Unaudited)

For the Three Months ended March 31, 2019

	Note	March 31, 2019	March 31, 2018
(Rupees in thousand)			
PTF revenue account			
Net contribution revenue	11	45,236	25,081
Net claims expense	12	(28,128)	(15,619)
Wakala expense	13	(15,525)	(10,820)
Reversal of contribution deficiency reserve		-	1,291
Retakaful rebate	14	2,602	1,442
Takaful claims and acquisition expenses		(41,051)	(23,706)
Direct expenses		(5,965)	(3,650)
Underwriting results		(1,780)	(2,275)
Investment income	16	2,001	632
Result from operating activities		221	(1,643)
Finance cost		(13)	-
Surplus / (deficit) for the period		208	(1,643)

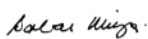
OPF revenue account

Wakala fee	13	15,525	10,820
Net commission and other acquisition costs	15	(4,402)	(3,442)
Management expenses		(3,445)	(6,007)
		7,678	1,371
Investment income	16	1,129	288
Other expenses		(218)	(396)
Profit for the period		8,589	1,263

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.




Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Frahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations Condensed Interim Statement of Comprehensive Income (Unaudited)

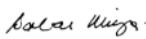
For the Three Months ended March 31, 2019

	<u>March 31,</u> 2019	<u>March 31,</u> 2018
(Rupees in thousand)		
Operator's Fund		
Profit for the period	8,589	1,263
Other comprehensive income / (loss) for the period:		
<i>Items that may be subsequently reclassified to profit and loss account:</i>		
Un-realized gains / (losses) on available for sale investments - net of deferred tax	245	(71)
Total comprehensive income for the period	<u>8,834</u>	<u>1,192</u>

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



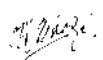
Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Frahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations Condensed Interim Cash Flow Statement (Unaudited)

For the Three Months ended March 31, 2019

	OPF	PTF	Total	Total
Note	March 31,	March 31,	March 31,	March 31,
	2019	2019	2019	2018

(Rupees in thousand)

Operating activities

a) Takaful activities

Contributions received	-	75,977	75,977	42,308
Re-takaful contributions paid	-	(5,721)	(5,721)	(4,626)
Re-takaful and other recoveries received	-	4	4	2
Claims paid	-	(21,582)	(21,582)	(12,133)
Commissions paid	(5,492)	-	(5,492)	(3,856)
Management and other expenses paid	(4,936)	(20,443)	(25,379)	(16,131)
Other underwriting receipts	-	425	425	44
Other operating payments	-	(215)	(215)	(274)
Wakala fees received / (paid)	12,000	(12,000)	-	-
Net cash generated from takaful activities	1,572	16,445	18,017	5,334

b) Other operating activities

Income tax paid	(7)	(249)	(256)	(83)
Net cash used in other operating activities	(7)	(249)	(256)	(83)

Total cash generated from all operating activities	1,565	16,196	17,761	5,251
-----------------------------------------------------------	--------------	---------------	---------------	--------------

Investment activities

Profit / return received	2,152	2,041	4,193	426
Payments for investments	(38,000)	-	(38,000)	-
Proceeds from investments	18,383	-	18,383	-
Fixed capital expenditure	(1,425)	-	(1,425)	-
Total cash (used in) / generated from investing activities	(18,890)	2,041	(16,849)	426

Financing activities

Qard-e-Hasna	-	-	-	-
Total cash used in financing activities	-	-	-	-

Total cash (used in) / generated from all activities	(17,325)	18,237	912	5,677
-------------------------------------------------------------	-----------------	---------------	------------	--------------

Cash and cash equivalents at the beginning of the period	40,186	156,766	196,952	80,331
----------------------------------------------------------	--------	---------	---------	--------

Cash and cash equivalents at the end of the period	9	22,861	175,003	197,864
-----------------------------------------------------------	----------	---------------	----------------	----------------

Window Takaful Operations Condensed Interim Cash Flow Statement (Unaudited)

For the Three Months ended March 31, 2019

Note	OPF	PTF	Total	Total
	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2018

(Rupees in thousand)

Reconciliation to profit and loss account

Operating cash flows	1,565	16,196	17,761	5,251
Depreciation / amortization expense	(99)	-	(99)	(199)
Investment income	735	2,002	2,737	920
Dividend income	74	-	74	-
Profit on sale of investment	320	-	320	-
Finance cost	13	-	13	-
Increase in assets other than cash	8,786	24,712	33,498	1,964
Increase in liabilities other than borrowings	(2,805)	(42,701)	(45,506)	(8,316)

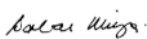
Other adjustments

Provision for impairment of receivable from takaful contract holders	-	-	-	-
Profit / (deficit) for the period	8,589	208	8,797	(380)

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



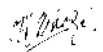
Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Frahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Changes in Fund (Unaudited)

For the Three Months ended March 31, 2019

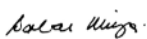
	Operator's Fund (OPF)			
	Statutory fund	Capital reserve		Total
		Investment fair value reserve	Accumulated (loss) / profit	
(Rupees in thousand)				
Balance as at December 31, 2017 (audited - restated)	50,000	71	(1,460)	48,611
Profit for the year ended December 31, 2018	-	-	17,107	17,107
Net unrealized loss on revaluation of available for sale investments - net of deferred tax	-	(71)	-	(71)
Total comprehensive (loss) / income for the period	-	(71)	17,107	17,036
Balance as at December 31, 2018 (audited)	50,000	-	15,647	65,647
Profit for the three months ended March 31, 2019	-	-	8,589	8,589
Net unrealized gain on revaluation of available for sale investments - net of deferred tax	-	245	-	245
Total comprehensive income for the period	-	245	8,589	8,834
Balance as at March 31, 2019 (unaudited)	<u>50,000</u>	<u>245</u>	<u>24,236</u>	<u>74,481</u>

	Participant's Takaful Fund (PTF)			
	Cede money	Capital reserve		Total
		Investment fair value reserve	Accumulated (deficit) / surplus	
(Rupees in thousand)				
Balance as at December 31, 2017 (audited - restated)	500	-	1,650	2,150
Deficit for the year ended December 31, 2018	-	-	(24,997)	(24,997)
Total comprehensive income for the year	-	-	(24,997)	(24,997)
Balance as at December 31, 2018 (audited)	500	-	(23,347)	(22,847)
Deficit for the three months ended March 31, 2019	-	-	208	208
Total comprehensive income for the period	-	-	208	208
Balance as at March 31, 2019 (unaudited)	<u>500</u>	<u>-</u>	<u>(23,139)</u>	<u>(22,639)</u>

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Notes to and Forming Part of the Condensed Interim Financial Statements (Unaudited)

For the Three Months ended March 31, 2019

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

2.1 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, Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

Where the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 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, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed.

2.2 The Securities and Exchange Commission of Pakistan (SECP) vide S.R.O. 89(I)/2017 dated February 9, 2017 issued the Insurance Rules, 2017 ("the Rules") for insurance companies which were enforceable with immediate effect. The Rules prescribe the amended format of financial statements for non-life insurance companies. Further the Rules did not carry forward the exemption in application of International Accounting Standard (IAS) - 39 'Financial Instruments: Recognition and Measurement' in respect of 'available for sale' securities.

2.3 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34 'Interim Financial Reporting'. This condensed interim financial statements 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 operator for the year ended December 31, 2018.

2.4 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 OPF and PTF remain separately identifiable.

3. Basis of measurement

This interim financial information has been prepared under historical cost convention, except that certain investments that are carried at fair market value.

3.1 Functional and presentation currency

These condensed interim financial information are presented in Pakistani Rupees which is the Operator's functional and presentation currency.

3.2 Standards, amendments and interpretations to accounting and reporting standards that are effective in the current period

There are certain new and amended standards and interpretations that are mandatory for the Operator'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 Operator's operations and are therefore not detailed in these condensed interim financial statements.

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 Operator for the year ended December 31, 2018.

5. Critical accounting estimates and judgments

The preparation of condensed interim financial statements in conformity with accounting and reporting 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 these condensed interim financial statements, 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 annual audited financial statements of the Operator as at and for the year ended December 31, 2018.

	Note	March 31, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited)
6. Property and equipment - OPF			
Operating assets - tangible	6.1	431	2,157
6.1 The breakup of operating assets as at the period / year end is given below:			
Computers		55	173
Vehicles		376	1,984
		431	2,157
6.2 Movement of property and equipment during the period / year:			
Opening book value		2,157	2,893
Additions during the period / year	6.3	-	214
		2,157	3,107
Adjustment during the period / year (at book value)	6.4	(1,702)	-
Depreciation charged for the period / year		(24)	(950)
		(1,726)	(950)
Closing book value		431	2,157
6.3 Additions during the period / year			
Computers		-	214
Vehicles		-	-
		-	214
6.4 Adjustment during the period / year			
Computers		114	-
Vehicles		1,588	-
		1,702	-
7. Intangible assets - OPF			
Computer software	7.1	170	245
7.1 Movement of intangible assets during the period / year			
Opening book value		245	900
Additions during the period / year	7.2	-	-
		245	900
Amortization charged for the period / year		(75)	(655)
Closing book value		170	245

March 31, 2019 **December 31, 2018**
(Unaudited) **(Audited)**
(Rupees in thousand)

7.2 Additions during the period / year

Computer Software	-	-
	<u>-</u>	<u>-</u>

8. Investments in equity securities

The investments comprise of the following :

	March 31, 2019			December 31, 2018		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
	((Rupees in thousand))					
Related party						
Available for sale						
Mutual funds	20,000	-	20,000	-	-	-
	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unrealized gain on revaluation as on			341			-
			<u>20,341</u>			<u>-</u>
	OPF		PTF	Total		Total
	March 31,		March 31,	March 31,		December 31,
	2019		2019	2019		2018
			(Unaudited)			(Audited)

9. Cash and bank

Cash at bank

Saving accounts	22,860	175,004	197,864	196,952
	<u>22,860</u>	<u>175,004</u>	<u>197,864</u>	<u>196,952</u>

9.1 The rate of profit and loss sharing accounts range from 4.5% to 7.3% (2018: 2.66% to 6.66%) per annum, depending on the size of average deposits.

10. Contingencies and commitments

10.1 Contingencies

There are no outstanding contingencies of Atlas Insurance Limited - Window Takaful Operations (WTO) as on March 31, 2019.

10.2 Commitments

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

	March 31, 2019	December 31, 2018
	(Unaudited)	(Audited)
	(Rupees in thousand)	
Not later than one year	2,058	3,263
Later than one year and not later than five years	1,020	4,608
	<u>3,078</u>	<u>7,871</u>

11. Net takaful contribution - PTF

Written gross contribution	81,253	42,150
Add: Unearned contribution reserve - opening	106,254	62,743
Less: Unearned contribution reserve - closing	(126,961)	(70,023)
Contribution earned	60,546	34,870
Less: Retakaful contribution ceded	15,679	9,272
Add: Prepaid retakaful contribution - opening	18,775	14,543
Less: Prepaid retakaful contribution - closing	(19,144)	(14,026)
Retakaful expense	15,310	9,789
	<u>45,236</u>	<u>25,081</u>

March 31, 2019	March 31, 2018
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(Rupees in thousand)

12. Net takaful claims expense - PTF

Claims paid	21,582	12,133
Add: Outstanding claims including IBNR - closing	44,455	12,478
Less: Outstanding claims including IBNR - opening	(30,434)	(9,050)
Claims expense	35,603	15,561
Less: Retakaful and other recoveries received	1,425	485
Add: Retakaful and other recoveries in respect of outstanding claims net of impairment - closing	9,569	688
Less: Retakaful and other recoveries in respect of outstanding claims net of impairment - opening	(3,519)	(1,231)
Retakaful and other recoveries received	7,475	(58)
	<u>28,128</u>	<u>15,619</u>

13. Wakala fee / expense

Gross wakala fee / expense	17,719	12,608
Add: Deferred wakala expense / unearned wakala fee - opening	33,715	19,970
Less: Deferred wakala expense / unearned wakala fee - closing	(35,909)	(21,758)
Wakala fee / expense	<u>15,525</u>	<u>10,820</u>

14. Net rebate on retakaful - PTF

Re-takaful rebate received	2,697	1,816
Add: Re-takaful rebate - opening	3,695	(374)
Less: Re-takaful rebate - closing	(3,790)	-
Net rebate on retakaful	<u>2,602</u>	<u>1,442</u>

15. Net commission and other acquisition costs- OPF

Commission paid / payable	6,363	3,966
Add: Deferred commission expense - opening	6,997	6,129
Less: Deferred commission expense - closing	(8,958)	(6,653)
Net commission expense	<u>4,402</u>	<u>3,442</u>

16. Investment income

Operator's Fund

- Profit on bank deposits for the period	<u>1,129</u>	<u>288</u>
------------------------------------------	--------------	------------

Participant's Takaful Fund

- Profit on bank deposits for the period	2,668	842
- Mudarib's share	(667)	(210)
	<u>2,001</u>	<u>632</u>

17. 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. The operator 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:

Amounts due to / from and other significant transactions, other than those disclosed elsewhere in these condensed interim financial statements, are as follows:

		March 31, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited) (Rupees in thousand)
Associated Companies	Period end balances		
	Provision for outstanding claims (including IBNR)	189	138
	Contribution received in advance	-	224
	Premiums due but unpaid	615	-
		March 31, 2019 (Rupees in thousand)	March 31, 2018 (Rupees in thousand)
	Transactions during the period		
	Contribution underwritten	893	233
	Contribution collected	242	235
	Claims paid	477	83
	Dividend received	74	-
	Investment purchased	38,000	-
	Investment sold	18,383	-
Post employment benefit plans	Transactions during the period		
	Contributions to fund	-	44
		March 31, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited) (Rupees in thousand)
Key management personnel	Period end balances		
	Provision for outstanding claims (including IBNR)	98	28
		March 31, 2019 (Rupees in thousand)	March 31, 2018 (Rupees in thousand)
	Transactions during the period		
	Contribution underwritten	9	50
	Contribution collected	9	58
	Claims paid	-	18

18. Segment Reporting

The Operator has four (2018: 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 contribution written by the segments.

	Operator's Fund (OPF)									
	(Unaudited) March 31,									
	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Wakala fee income	2,132	1,548	1,618	1,415	11,362	7,645	413	212	15,525	10,820
Commission expense	(938)	(578)	(716)	(578)	(2,668)	(2,221)	(80)	(65)	(4,402)	(3,442)
Management expenses	(367)	(743)	(212)	(485)	(2,786)	(4,363)	(80)	(416)	(3,445)	(6,007)
	827	227	690	352	5,908	1,061	253	(269)	7,678	1,371
Other income								1,129	288	
Other expenses								(218)	(396)	
Profit before tax								<u>8,589</u>	<u>1,263</u>	
								March 31, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited) (Rupees in thousand)	
Segment assets								51,153	40,896	
Unallocated assets								69,137	67,588	
								<u>120,290</u>	<u>108,484</u>	
Segment liabilities								45,705	42,837	
Unallocated liabilities								104	-	
								<u>45,809</u>	<u>42,837</u>	

Participant's Takaful Fund (PTF)

(Unaudited) March 31,

	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Contribution receivable (inclusive of Federal Excise Duty, Federal Takaful Fee and administrative surcharge)	9,919	6,008	5,620	3,839	76,148	35,506	2,191	3,208	93,878	48,561
Less: Federal Excise Duty	1,180	676	555	409	9,790	4,641	285	266	11,810	5,992
Federal Takaful Fee	86	50	50	34	659	306	20	29	815	419
Gross written contribution (inclusive of administrative surcharge)	8,653	5,282	5,015	3,396	65,699	30,559	1,886	2,913	81,253	42,150
Gross direct contribution	8,430	4,820	4,759	3,251	64,314	29,970	1,846	2,869	79,349	40,910
Facultative inward contribution	66	343	25	-	-	56	-	-	91	399
Administrative surcharge	157	119	231	145	1,385	533	40	44	1,813	841
	8,653	5,282	5,015	3,396	65,699	30,559	1,886	2,913	81,253	42,150
Contribution earned	6,294	4,465	5,082	3,889	47,940	25,604	1,230	911	60,546	34,869
Prepaid retakaful contribution ceded	(5,529)	(4,211)	(4,383)	(4,734)	(4,992)	(734)	(406)	(109)	(15,310)	(9,788)
Net contribution revenue	765	254	699	(845)	42,948	24,870	824	802	45,236	25,081
Rebate from retakaful operators	1,178	816	961	525	385	77	78	24	2,602	1,442
Net underwriting surplus	1,943	1,070	1,660	(320)	43,333	24,947	902	826	47,838	26,523
Takaful Claims	(171)	360	(5,304)	(114)	(30,439)	(15,220)	311	(587)	(35,603)	(15,561)
Retakaful and other recoveries	255	(236)	4,830	207	2,369	13	21	(42)	7,475	(58)
Net Claims	84	124	(474)	93	(28,070)	(15,207)	332	(629)	(28,128)	(15,619)
Wakala expense	(2,132)	(1,548)	(1,618)	(1,415)	(11,362)	(7,645)	(413)	(212)	(15,525)	(10,820)
Direct expenses	(79)	-	-	-	(5,886)	(3,650)	-	-	(5,965)	(3,650)
Reversal of contribution deficiency reserve	-	-	-	1,291	-	-	-	-	-	1,291
Net takaful claims and expenses	(2,127)	(1,424)	(2,092)	(31)	(45,318)	(26,502)	(81)	(841)	(49,618)	(28,798)
Underwriting result	(184)	(354)	(432)	(351)	(1,985)	(1,555)	821	(15)	(1,780)	(2,275)
Investment income									2,001	632
Finance cost									(13)	-
Deficit surplus for the period									208	(1,643)
									March 31,	Dec. 31,
									2019	2018
									(Unaudited)	(Audited)
									(Rupees in thousand)	
Segment assets									91,046	66,155
Unallocated assets									175,004	156,766
									<u>266,050</u>	<u>222,921</u>
Segment liabilities									263,697	220,768
Unallocated liabilities									(8)	-
									<u>263,689</u>	<u>220,768</u>

19. Fair value measurement of financial instruments

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value measurement of available for sale investments is based on quoted market prices i.e. level 1 inputs and is equal to the carrying amount. In case of other financial assets and financial liabilities that are expected to be settled within one year, carrying amounts are considered to be a reasonable approximation of their fair values.

	Available for sale	Total
	(Rupees in thousand)	
20. Movement in investment - OPF		
As at beginning of current year	-	-
Additions	38,063	38,063
Disposals (sale and redemptions)	(18,063)	(18,063)
Fair value net gains (excluding net realize gain)	341	341
Impairment losses	-	-
As at end of current year	<u>20,341</u>	<u>20,341</u>

21. Financial risk management

The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the operator for the year ended December 31, 2018.

22. Subsequent events - non adjusting event

There are no significant events that need to be disclosed for the period ended March 31, 2019.

23. Corresponding figures

There has been non significant re-classifications / restatements in this condensed interim financial statements.

24. Date of authorization for issue

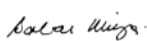
These condensed interim financial statements were authorized for issue on April 25, 2019 by the Board of Directors of the Operator.

25. General

Figures in these condensed interim financial statements have been rounded off to the nearest thousand rupees.



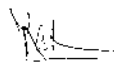
Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Company Offices

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MUHAMMAD SAEED Head of Claims	Direct: Extension:	(042) 37132608 777
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ABDUL RAZZAQ GHAURI Head of IT	Direct: Extension:	(042) 37132605 738
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SYED NASIR HUSSAIN Vice President Reinsurance	Extension:	715
MUHAMMAD AASIM GUL Head of Accounts & Compliance	Extension:	744
SALEEM MAHMOOD AKHTAR Chief Internal Auditor	Extension:	737

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CH. ZEESHAN AHMED
Chief Manager

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ZAHEER RASHEED
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SAHIWAL

RANA MUHAMMAD AAMIR NAZ Deputy Chief Manager	Room No. 1 & 2, 1st Floor, House No. 407, Stadium Road, Sahiwal.	(040) 4222266 Fax: (040) 4222267
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MULTAN

Ghulam Ali Office Incharge	Atlas Honda Building, Azmat Wasti Road, Multan.	(061) 4544494 Fax: (061) 4544498
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SOUTH ZONE OFFICE

Ground Floor, Federation House, Shahrah-e-Firdousi, Main Clifton, Karachi.	UAN: PABX:	111-245-000 (021) 35378806-7, 35369395-6
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Fax:	(021) 35378515
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BABAR MAHMOOD MIRZA Chief Executive Officer	Direct:	(021) 35378757
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ABBAS SAJJAD General Manager Sales & Marketing	Direct: Extension:	(021) 35269447 215
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M. WAQARUDDIN RAUF Vice President	Extension:	216
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MUHAMMAD AFZAL Company Secretary	Extension:	202
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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
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IMRAN SATTAR Chief Manager	Plaza Branch 3/3 Rimpa Plaza M.A. Jinnah Road, Karachi.	(021) 32729339, 32720852 Fax: (021) 32749004
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AJAZ TUFAIL
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SUKKUR

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Chief Manager

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