

# Going Beyond The Ordinary!

Nine Months Report  
30<sup>th</sup> September 2021 (Un-audited)





**GOING BEYOND  
THE ORDINARY!**



## Contents

Company Information	03
Key Financial Figures	07
The Directors' Review Report to the members on	
Condensed Interim Financial Information	09

## Financial Statements

Condensed Interim Statement of Financial Position (Un-audited)	15
Condensed Interim Profit and Loss Account (Un-audited)	17
Condensed Interim Statement of Comprehensive Income (Un-audited)	18
Condensed Interim Statement of Changes in Equity / Fund (Un-audited)	19
Condensed Interim Cash Flow Statement (Un-audited)	21
Notes to the Condensed Interim Financial Statements (Un-audited)	22

# COMPANY INFORMATION

## DIRECTORS

Mr. Salim Habib Godil  
(Chairman)  
Syed Rizwan Hussain  
(Managing Director & C.E.O)  
Mr. Ahmed Shuja Kidwai  
Mr. Shahzad Salim Godil  
Syed Salman Hussain  
Dr. Irum Saba  
Mr. Faisal Murad

## MANAGING DIRECTOR & CEO

Syed Rizwan Hussain  
Contact No.: 021-111-725-226  
Email: rizwan@salaamtakaful.com

## CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Muhammad Irfan  
Contact No.: 021-34373191  
Email: m.irfan@salaamtakaful.com

## SHARIAH ADVISOR

Mufti Sajjad Ashraf Usmani  
Contact No.: 021-111-725-226 (Ext. 175)  
Email: sajjad.usmani@salaamtakaful.com

## AUDITORS

**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Address: Sheikh Sultan Trust Building No. 2  
Beaumont Road, Sharah-e-Faisal, Karachi.  
Contact No.: 021-35685847  
Web: www.home.kpmg.com

## INTERNAL AUDITOR

**EY Ford Rhodes Sidat Hyder and Co.**  
Chartered Accountants  
Address: Progressive Plaza,  
Beaumont Road, Karachi  
Contact No.: 021-111-113-937  
Website: www.ey.com

## BUSINESS PROCESS CONSULTANT

**A.F. Ferguson & Co.**  
Chartered Accountants  
Address: State Life Building No. 1-C,  
I.I Chundrigar Road, City Railway  
Colony, Karachi  
Contact No.: 021-32426711  
Website: www.pwc.com.pk

## LEGAL ADVISORS

**Mohsin Tayebaly & Co.**  
Address: Dime Centre,  
Khayban-e-Iqbal, Block-9,  
Clifton, Karachi.  
Contact No.: 021-111-682-529  
Website: www.mtclaw.com.pk

## Haidermota & Co. Advocates

Address: Plot No. 101, Zulfiqar &  
Al Murtaza Commercial Area  
Phase 8 D.H.A., Karachi-75500  
Contact No.: 021-111-520-000  
Website: www.hmco.com.pk

## CORPORATE ADVISOR

**RS Corporate Advisory**  
Address: 1st Floor, Plot No. 62, Central  
Commercial Area, Block T, Phase 2 - DHA,  
Lahore  
Contact No.: 042-35747904  
website: rscorporateadvisory.com

## HEAD OFFICE

6th Floor, Business Centre, Plot # 19-1-A,  
Block 6, P.E.C.H.S., Shahrah-e-Faisal,  
Karachi-75400.

**UAN :** (+92-21) 111-725-226

**Tel :** (+92-21) 34373171-80

**Fax :** (+92-21) 34373195-6

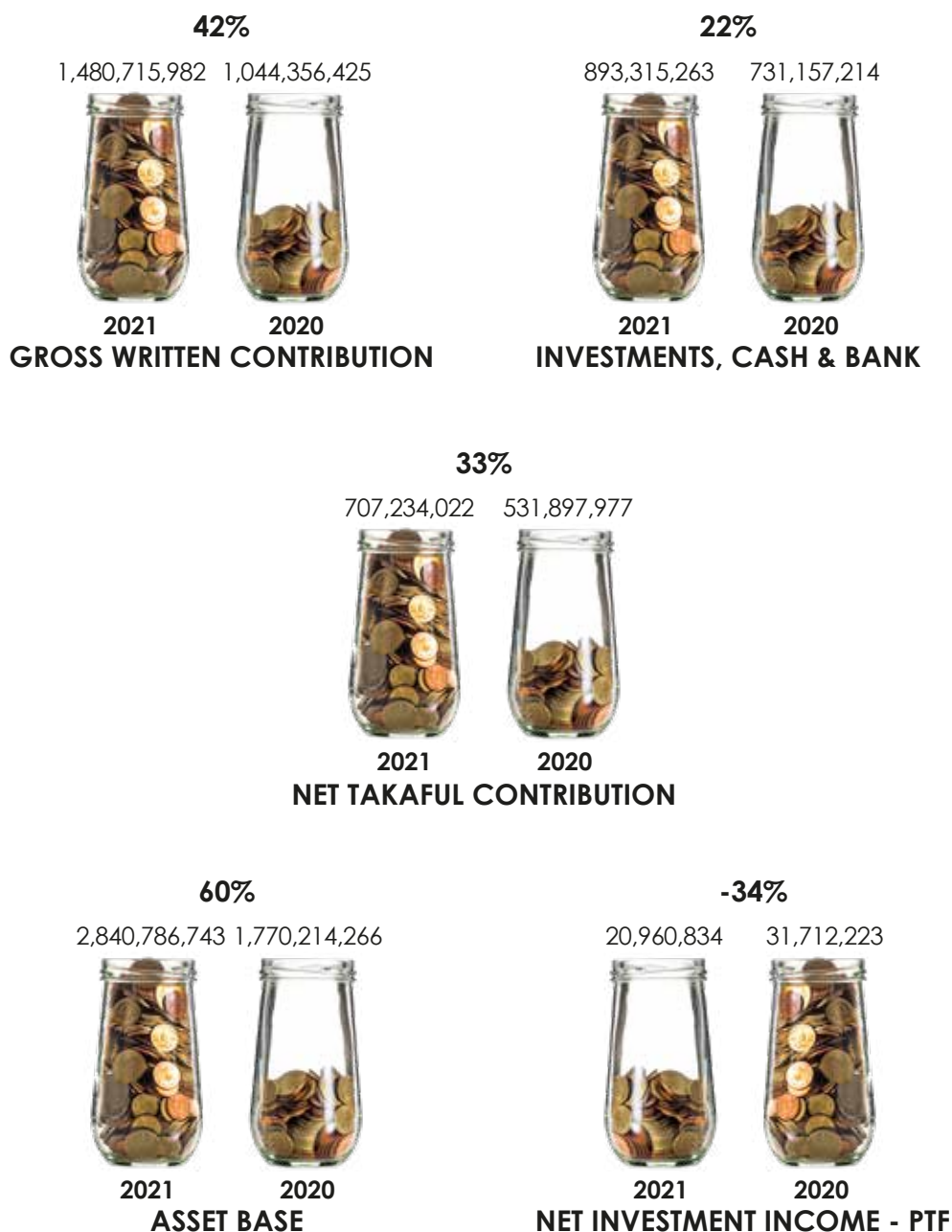
**E-mail :** info@salaamtakaful.com

**Website :** www.salaamtakaful.com

## BANKING PARTNERS:

- Al Baraka Bank Pakistan Limited
- Meezan Bank Limited
- Bank Islami Pakistan Limited
- Dubai Islamic Bank Limited
- UBL Ameen
- Habib Bank Limited  
(Islamic Banking Division)
- Faysal Bank Limited  
(Islamic Banking Division)
- Askari Bank Limited  
(Islamic Banking Division)
- Bank Alfalah Limited  
(Islamic Banking Division)
- Habib Metropolitan Bank  
(Islamic Banking Division)
- National Bank of Pakistan  
(Islamic Banking Division)
- Bank of Khyber  
(Islamic Banking Division)
- NRSP Micro Finance Bank Limited  
(Islamic Banking Division)

# KEY FINANCIAL FIGURES (NINE MONTHS JAN - SEP)



**70%**  
649,892,408    383,331,030



**2021      2020**  
**EQUITY - SHF**

**155%**  
158,035,728    62,005,484



**2021      2020**  
**ACCUMULATED SURPLUS - PTF**

**127%**  
78,151,557    34,439,379



**2021      2020**  
**PTF SURPLUS**

**-11%**  
21,255,388    23,787,928



**2021      2020**  
**NET INVESTMENT INCOME-SHF**

**-86%**  
4,075,409    28,872,393



**2021      2020**  
**PROFIT AFTER TAXATION-SHF**

# THE DIRECTORS' REPORT TO THE MEMBERS ON CONDENSED INTERIM FINANCIAL INFORMATION

The Directors of your Company are pleased to present before you the un-audited financial

statements of the Company for the nine months ended September 30, 2021.

## Financial Highlights

The summarized results of the Company's Takaful business for the nine months period ended September 30, 2021 are as under:

### PARTICIPANTS' TAKAFUL FUND (PTF):

	YTD 30th September 2021	YTD 30th September 2020	% Increase/ (decrease)
Gross Written Contribution	1,480,715,982	1,044,356,425	42%
Net takaful contribution	1,145,949,566	900,366,603	27%
Underwriting Results	60,175,531	8,016,913	651%
Gross Investment Income (before impairment)	24,085,450	35,018,000	(-31%)
Surplus/(Deficit) for the period	78,151,557	34,439,379	127%

----- (Rupees) -----

### SHAREHOLDERS' FUND (SHF)

Wakala Fee	438,715,545	368,468,626	19%
Gross Investment Income (before impairment)	32,468,380	24,418,127	33%
Profit before taxation for the period	9,453,068	35,272,396	(73%)
Profit after taxation for the period	4,075,409	28,872,393	(86%)

## Performance Review

During the nine months period ended September 30, 2021, company has aggressively focused on building its business volume. By the end of 3rd Quarter of 2021, the Company has increased its business significantly by 42% from previous year in the Gross Contribution and 27% in the Net Takaful Contribution. Significant increase in underwriting profit is witness due to product underwriting and claim management during the period.

Total investment income recorded at Rs.56.5 million (2020: Rs. 59.4 million) depicts a decrease of 5% over

the same period last year. This decrease is mainly attributable due to sharp decline in the profit rates on Sukuk and Term Deposit Certificate. However, the impact has been substantially offset due to realized gain on equity securities in which company invested same portion of the portfolio during the period.

The Shareholders' Fund topline income is derived from the Wakala fees earned. During the nine months period of the year 2021, the Company managed to earn Wakala fees of Rs. 438.7 million (2020: 368million), an increase of 19% over same period last year.

## Outlook:

### Pakistan's Economy

Pakistan's economy has been growing slowly over the past two decades. Annual per capita growth has averaged only 2 percent, less than half of the South Asia average, partly due to inconsistent macroeconomic policies and an under-reliance on investment and exports to drive economic growth. Short periods of rapid consumption-fueled growth frequently led to sizable current account and fiscal deficits, that ultimately required policy tightening, resulting in recurrent boom-bust cycles.

Pakistan's economy has witnessed a broad economic recovery in the current fiscal year with major macroeconomic indicators showing re-emergence of the positive trend amid the COVID-19 Pandemic. Pakistan's economic growth in FY2021 was supported by improved COVID-19 containment strategies through the second and third waves of infections and continued accommodative fiscal and monetary policies that accelerated the recovery across all sectors. All sectors experienced sustainable growth with fast-paced hike in large scale manufacturing, agriculture, construction, and export sector. Due to low-base effects and recovering domestic demand, real GDP growth is estimated to have rebounded to 3.5 percent in FY21 from a contraction of 0.5 percent in FY20. Buttressed with record-high official remittance inflows, received through formal banking channels, and an accommodative monetary policy, private consumption and investment are both estimated to have strengthened during the FY. Government consumption is also estimated to have risen, but at a slower pace than in FY20 when the COVID-19 fiscal stimulus package was rolled out. In contrast, net exports are estimated to have contracted in FY21, as imports growth almost doubled that of exports due to strong domestic demand. On the production side, supported by strong large-scale manufacturing, industrial activity is projected to have rebounded after contracting for two consecutive years. Similarly, the services sector that accounts for 60 percent of GDP, is estimated to have expanded, as generalized lockdown measures were increasingly lifted.

The current account deficit narrowed from 1.7 percent of GDP in FY20 to 0.6 percent in FY21 as robust remittance inflows offset a wider trade deficit.

The State Bank of Pakistan, the central bank, maintained its policy rate at 7% to support the economic recovery. Investment is expected to strengthen as global sentiment improves and the International Monetary Fund-supported stabilization program continues to progress.

## Business Challenges and Opportunities

The coronavirus pandemic is tremendously dampening economy, consumer demand & behavior, exporters, businesses, and industries. Deteriorating economic condition would likely subdue the business activity that will impact Marine, Fire & Engineering and Miscellaneous line of businesses. Furthermore, with falling policy rates due to monetary easing by the central bank to cushion the impact of pandemic shock on growth and employment, there could be a rise in Ijarah and consumer lending businesses being favorable for Motor segment but that too could be outweighed by pandemic battered businesses causing disruption in consumer spending and income levels. In-addition to it, owing to declining fixed income yields and globally volatile equity market, investment returns would also be affected negatively.

There's severe uncertainty about the duration and intensity of the economic shock, and stimulating economic activity is more challenging given the required social distancing and isolation policies. In such recessions, there is always unfortunately tremendous loss of income for people at the lower end of the income scale, causing poverty and inequality to rise. Financial security becomes crucial as deteriorating businesses and potential rise in unemployment will cause a higher probability of decline in premium payments going forward.

The government has introduced timely and large financial stimulus package to bolster economy and support the vulnerable. The topmost priority is to contain the virus spread, protect people, and limit economic damage.

The pandemic would cause people to reconsider their individual health insurance needs. Furthermore, it would propel organizations to embark on rapid technological development and become more agile, connected, and responsive.

The organizations are rapidly assessing their operations, business disruption plans are being assessed and updated. The pandemic has led to a dire need and significant importance of digital transformation, integrating systems, servers and workforce amid social distancing enabling workforce to access servers and communicate remotely.

These are extremely challenging times for individuals, families, businesses and indeed whole societies and economies. With dedicated workforce under prudent leadership working tirelessly to best serve the participants and society at large, we strive to be the top of the mind playing a vital role in supporting

participants and societies through the crisis and the recovery.

It is a privilege that, during the period the company has featured in the coveted list of InsurTech 100 for 2021. This prestigious list recognizes the world most innovative technology solution providers that addresses the digital transformation challenges in insurance. This great achievement is testament of our commitment to cooperate governance, transparency, and compliance. We are appreciative to our well-wishers; members support and vital accomplices who have given us the certainty to ascend ahead and join this pined for alliance of organizations.

The Company intends to enter in the large un-tapped retail market through digitalization and customized customer portals. Moreover, through efficient underwriting, robust Retakaful arrangements and competent workforce, our Company also aims to take advantage from available opportunities and progress rapidly.

On behalf of the Board of Directors



**Syed Rizwan Hussain**  
Managing Director & CEO

## Acknowledgment

The Directors would like to express their deep appreciation to our shareholders who have shown continued confidence in the Company.

The Directors would also like to pay gratitude to the Securities and Exchange Commission of Pakistan, Retakaful operators and all our participants for their continued guidance and support.

Lastly, it is to place on record our sincere appreciation for the commitment, dedication and innovative thinking put in by each member of Salaam Takaful family and are confident that they will continue to do so in the future.



**Salim Habib Godil**  
Chairman

تنظیمیں تیزی سے اپنے کاموں کا جائزہ لے رہی ہیں، کاروباری خلل کے منصوبوں کا جائزہ لیا جا رہا ہے اور اپ ڈیٹ کیا جا رہا ہے۔ وبائی مرض نے ڈیجیٹل تبدیلی، انٹیگریشن سسٹمز، سرورز اور افرادی قوت کی اشد ضرورت اور اہم اہمیت کو جنم دیا ہے سماجی دوری کے درمیان افرادی قوت کو سرور تک رسائی اور دور سے بات چیت کرنے کے قابل بناتی ہے۔

## اعتراف

ڈائریکٹرز ان حصص یافتگان سے گہری تعریف کا اظہار کرنا چاہیں گے جنہوں نے کمپنی پر مسلسل اعتماد ظاہر کیا ہے۔

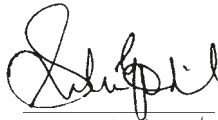
ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اپنے دوبارہ نکال آپریٹرز اور اپنے تمام شرکاء کو ان کی مسلسل رہنمائی اور مدد کے لئے بھی شکریہ ادا کرنا چاہیں گے۔


آخر میں، ہم اپنے نکال خاندان کے ہر فرد کی طرف سے رکھی گئی وابستگی، لگن اور جدید سوچ کے لئے اپنی مخلصانہ تعریف کو ریکارڈ کرنا چاہتے ہیں اور انہیں یقین ہے کہ آئندہ بھی وہ یہ کام جاری رکھیں گے۔

یہ افراد، خاندانوں، کاروباروں اور درحقیقت پورے معاشروں اور معیشتوں کے لیے انتہائی مشکل وقت ہیں۔ سمجھدار قیادت کے تحت سرشار افرادی قوت کے ساتھ بڑے پیمانے پر شرکاء اور معاشرے کی بہترین خدمت کے لیے انتھک محنت کرتے ہوئے، ہم کو شش کرتے ہیں کہ بحران اور بحالی کے دوران شرکاء اور معاشروں کی مدد کرنے میں اہم کردار ادا کریں۔

یہ ایک اعزاز کی بات ہے کہ اس مدت کے دوران کمپنی نے 2021 کے لیے InsurTech 100 کی مانتھیت فہرست میں شامل کیا ہے۔ یہ باوقار فہرست دنیا کے جدید ترین ٹیکنالوجی حل فراہم کنندگان کو تسلیم کرتی ہے جو انشورنس میں ڈیجیٹل تبدیلی کے چیلنجوں سے نمٹتے ہیں۔ یہ عظیم کامیابی گورننس، شفافیت اور تعمیل میں تعاون کے لیے ہمارے عزم کا ثبوت ہے۔ ہم اپنے خیر خواہوں کے شکر گزار ہیں۔ اراکین کی حمایت اور اہم ساتھی جنہوں نے ہمیں آگے بڑھنے اور تنظیموں کے اتحاد کے لیے اس پنڈ میں شامل ہونے کا یقین دلا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

  
سلیم حبیب نوٹیل  
چیئرمین

  
سید ضوان حسین  
نیشنل ڈائریکٹریسی ای او

## پاکستان کی معیشت

سٹیٹ بینک آف پاکستان، مرکزی بینک نے معاشی بحالی میں مدد کے لیے اپنی پالیسی ریٹ کو 7 فیصد پر برقرار رکھا۔ سرمایہ کاری کے مضبوط ہونے کی توقع ہے کیونکہ عالمی جذبات میں بہتری آئے گی اور بین الاقوامی مالیاتی فنڈ کے تعاون سے استحکام کا پروگرام آگے بڑھ رہا ہے۔

## کاروباری چیلنجز اور مواقع

کورونا وائرس کی وبا معیشت، صارفین کی طلب اور روے، برآمد کنندگان، کاروبار اور صنعتوں کو زبردست طور پر متاثر کر رہی ہے۔ ہنگامی ہوئی معاشی حالت ممکنہ طور پر کاروباری سرگرمیوں کو متاثر کرے گی جس سے میرین، فائر اینڈ انجینئرنگ اور کاروبار کی متفرق لائن متاثر ہوگی۔ مزید برآں، ترقی اور روزگار پر وبائی صدمے کے اثرات کو کم کرنے کے لیے مرکزی بینک کی جانب سے مالیاتی نرمی کی وجہ سے گرتی ہوئی پالیسی شرحوں کے ساتھ، اجارہ میں اضافہ ہو سکتا ہے اور صارفین کو قرض دینے والے کاروبار موثر سیگنٹ کے لیے سازگار ہیں لیکن یہ بھی وبائی امراض کی وجہ سے بہت زیادہ ہو سکتا ہے۔ خراب کاروبار صارفین کے اخراجات اور آمدنی کی سطح میں رکاوٹ کا باعث بنتے ہیں۔ اس کے علاوہ، گرتی ہوئی مقررہ آمدنی کی پیدوار اور عالمی سطح پر غیر مستحکم ایکویٹی مارکیٹ کی وجہ سے، سرمایہ کاری کے منافع بھی منفی طور پر متاثر ہوں گے۔

معاشی جھٹکے کی مدت اور شدت کے بارے میں شدید غیر یقینی صورتحال ہے، اور ضروری سماجی دوری اور تنہائی کی پالیسیوں کے پیش نظر معاشی سرگرمیوں کو متحرک کرنا زیادہ مشکل ہے۔ اس طرح کی کساد بازاری میں، بدقسمتی سے آمدنی کے پیمانے کے نچلے سرے پر رہنے والے لوگوں کے لیے آمدنی کا ہمیشہ زبردست نقصان ہوتا ہے، جس کی وجہ سے غربت اور عدم مساوات میں اضافہ ہوتا ہے۔ مالیاتی تحفظ بہت اہم ہو جاتا ہے کیونکہ بگڑتے کاروبار اور بے روزگاری میں ممکنہ اضافہ آگے بڑھتے ہوئے پریمیم کی ادائیگیوں میں کمی کے زیادہ امکان کا سبب بنے گا۔

حکومت نے معیشت کو تقویت دینے اور کمزوروں کی مدد کے لیے بروقت اور بڑا مالیاتی پیکیج متعارف کرایا ہے۔ اولین ترجیح وائرس کے پھیلاؤ پر قابو پانا، لوگوں کی حفاظت کرنا اور معاشی نقصان کو محدود کرنا ہے۔

وبائی مرض لوگوں کو اپنی انفرادی صحت انشورنس ضروریات پر نظر ثانی کرنے کا سبب بنائے گا۔ مزید برآں، یہ تنظیموں کو تیز رفتار تکنیکی ترقی کا آغاز کرنے اور زیادہ چست، مربوط اور جوابدہ بننے پر اکسائے گا۔

پاکستان کی معیشت گزشتہ دو دہائیوں سے آہستہ آہستہ ترقی کر رہی ہے۔ سالانہ فی کس نمو اوسطاً صرف 2 فیصد رہی ہے، جو جنوبی ایشیا کی اوسط سے نصف سے بھی کم ہے، جس کی ایک وجہ غیر متضاد میکرو اکنامک پالیسیاں اور اقتصادی ترقی کو آگے بڑھانے کے لیے سرمایہ کاری اور برآمدات پر کم انحصار ہے۔ تیز کھیت کے ایندھن سے چلنے والی نمو کے قلیل ادوار نے اکثر بڑے کرنٹ اکاؤنٹ اور مالیاتی خسارے کو جنم دیا، جس کے لیے بالآخر پالیسی کو سخت کرنے کی ضرورت پڑی ہے، جس کے نتیجے میں بار بار بوم بوم سائیکل ہوتے ہیں۔

اقتصاد کی معیشت نے رواں مالی سال میں وسیع معاشی بحالی کا مشاہدہ کیا ہے جس میں بڑے معاشی اشارے COVID-19 وبائی امراض کے درمیان مثبت رجحان کے دوبارہ پھرتے ہوئے دکھائے ہیں۔ FY2021 میں پاکستان کی معاشی نمو کو انٹیکشن کی دوسری اور تیسری لہروں کے ذریعے بہتر COVID-19 پر قابو پانے کی حکمت عملیوں اور مسلسل مناسب مالیاتی اور مالیاتی پالیسیوں سے مدد ملی جس نے تمام شعبوں میں بحالی کو تیز کیا۔ تمام شعبوں نے بڑے پیمانے پر مینوفیکچرنگ، زراعت، تعمیرات، اور برآمدی شعبے میں تیز رفتار اضافے کے ساتھ پائیدار ترقی کا تجربہ کیا، کم بنیاد اثرات اور گھریلو طلب کی بحالی کی وجہ سے، حقیقی جی ڈی پی کی نمو مالی سال 2021 میں 3.5 فیصد تک پہنچنے کا تخمینہ لگایا گیا ہے مالی سال 2020 میں 0.5 فیصد۔ باضابطہ بینکنگ چینلز کے ذریعے موصول ہونے والی ریکارڈ حد تک سرکاری ترسیلات زر کی آمد، اور ایک موافق مانیٹرنگ پالیسی، نجی کھیت اور سرمایہ کاری دونوں مالی سال کے دوران مضبوط ہونے کا اندازہ لگایا جاتا ہے۔ حکومتی کھیت میں بھی اضافہ ہونے کا اندازہ لگایا گیا ہے، لیکن مالی سال 2020 کے مقابلے میں سست رفتاری سے جب COVID-19 مالیاتی محرک پیچیدہ نافذ کیا گیا تھا۔ اس کے برعکس، مالیاتی سال 2021 میں خالص برآمدات میں کمی کا تخمینہ لگایا گیا ہے، کیونکہ مضبوط گھریلو طلب کی وجہ سے درآمدات کی نمو برآمدات سے تقریباً گنی ہو گئی ہے۔ پیداوار کی طرف، مضبوط بڑے پیمانے پر مینوفیکچرنگ کی مدد سے، صنعتی سرگرمیاں مسلسل دو سال تک معاہدہ کرنے کے بعد دوبارہ بحال ہونے کا امکان ہے۔ اسی طرح، خدمات کا شعبہ جس کا جی ڈی پی کا 60 فیصد حصہ ہے، میں توسیع کا تخمینہ لگایا گیا ہے، کیونکہ لاک ڈاؤن کے عمومی اقدامات تیزی سے اٹھائے گئے تھے۔

کرنٹ اکاؤنٹ خسارہ مالی سال 2020 میں جی ڈی پی کے 1.7 فیصد سے کم ہو کر مالی سال 21 میں 0.6 فیصد رہ گیا کیونکہ مضبوط ترسیلات زر نے وسیع تجارتی خسارے کو پورا کیا۔

# کنڈسٹ عبوری مالی معلومات سے متعلق ممبروں کو ڈائریکٹرز کی رپورٹ

پکی کمپنی کے ڈائریکٹرز کو آپ کے سامنے 30 ستمبر 2021 کو ختم ہونے والے نو مہینوں کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی ہو رہی ہے

## مالی جھلکیاں

ستمبر 30، 2021 کو ختم ہونے والی نو ماہ کی مدت میں کمپنی کے تکلف کاروبار کے خلاصہ نتائج اس طرح ہیں

### Unaudited

%  
Change

YTD  
30th September  
2020

YTD  
30th September  
2021

----- (Rupees) -----

42%	1,044,356,425	1,480,715,982
27%	531,897,977	1,145,949,566
651%	8,016,913	60,175,531
(31%)	35,018,000	24,085,450
127%	34,439,379	78,151,557

### شرکت دار کا فنڈ (PTF)

مجموعی تحریری تعاون

خالص شرکت

تحریری نتائج

مدار بے فیس سے پہلے مجموعی سرمایہ کاری کی آمدنی

مدت کے لئے زائد / (خسارہ)

### شرکت دار کا فنڈ (SHF)

واقفہ فیس

سرمایہ کاری کی آمدنی

ٹیکس لگانے سے پہلے منافع

یکس لگانے کے بعد منافع

19%	368,468,626	438,715,545
33%	26,399,685	32,468,380
(73%)	35,272,396	9,453,068
(86%)	28,872,393	4,075,409

## کارکردگی کا جائزہ

ہے۔ یہ کمی بنیادی طور پر سکوٹ اور ٹرم ڈپازٹ سرٹیفکیٹ پر منافع کی شرح میں تیزی سے کمی کی وجہ سے منسوب ہے۔ تاہم، ایکویٹی سیکوریٹیز پر حاصل ہونے والے فائدہ کی وجہ سے اثر کافی حد تک ختم ہو گیا ہے جس میں کمپنی نے اس مدت کے دوران پورٹ فولیو کے اسی حصے کی سرمایہ کاری کی تھی۔

شیئر ہولڈرز فنڈ کی ٹاپ لائن آمدنی وکالا کی کمائی گئی فیس سے حاصل ہوتی ہے۔ سال 2021 کے نو مہینوں کی مدت کے دوران، کمپنی وکالا فیس روپے کمانے میں کامیاب ہوئی۔ 438.7 ملین (2020: 368 ملین)، پچھلے سال کی اسی مدت کے مقابلے میں 19 فیصد اضافہ۔

30 ستمبر 2021 کو ختم ہونے والی نو ماہ کی مدت کے دوران، کمپنی نے جارحانہ طور پر اپنے کاروباری حجم کو بڑھانے پر توجہ مرکوز کی ہے۔ 2021 کی تیسری سہ ماہی کے اختتام تک، کمپنی نے اپنے کاروبار میں گزشتہ سال کے مقابلے میں مجموعی شرکت میں 42% اور نیٹ تکافل شرکت میں 27% اضافہ کیا ہے۔ اس مدت کے دوران پروڈکٹ انڈر رائٹنگ اور کلیم مینجمنٹ کی وجہ سے انڈر رائٹنگ منافع میں نمایاں اضافہ ہوا ہے۔

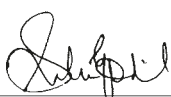
سرمایہ کاری کی کل آمدنی 56.5 ملین روپے (2020: 59.4 ملین روپے) ریکارڈ کی گئی جو پچھلے سال کی اسی مدت کے مقابلے میں 5% کی کمی کو ظاہر کرتی

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

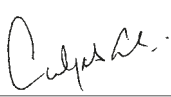
As at 30<sup>th</sup> September 2021

		Shareholders' Fund		Participants' Takaful Fund	
		30 September 2021 (Un-audited)	31 December 2020 (Audited)	30 September 2021 (Un-audited)	31 December 2020 (Audited)
<b>ASSETS</b>	Note	(Rupees)			
Property and equipment	6	116,672,731	95,248,396	-	-
Advance against Investment Property		100,000,000	-	-	-
<b>Investments</b>					
Debt securities	8	118,000,000	88,000,000	-	-
Term deposits	9	246,700,000	257,600,000	225,100,000	326,000,000
Investment in Equity	10	60,297,325	-	37,373,692	-
Long term deposits	12	22,647,306	10,691,613	-	-
Loans, advances and other receivables	13	71,620,345	13,268,441	21,959,990	11,540,607
Takaful / co-takaful receivables	14	-	-	640,506,235	480,278,414
Re-takaful recoveries against outstanding claims		-	-	84,907,578	94,690,909
Salvage recoveries accrued		-	-	12,860,000	10,692,786
Deferred wakala fees	29	-	-	483,566,989	226,315,276
Deferred commission expense	26	67,535,250	58,295,367	-	-
Taxation-payment less provisions		35,583,364	12,790,053	-	-
Accrued investment income		8,154,032	10,674,417	4,989,227	15,836,817
Receivable from Participants' Takaful Fund (PTF)	15	207,177,897	103,256,707	-	-
Prepayments	16	1,737,423	1,993,309	67,553,113	81,813,060
Cash and bank	17	143,617,143	219,024,947	62,227,103	67,419,876
<b>TOTAL ASSETS</b>		<b>1,199,742,816</b>	<b>870,843,250</b>	<b>1,641,043,927</b>	<b>1,314,587,745</b>

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements



Salim Habib Godil  
Chairman



Shahzad Salim Godil  
Director



Dr. Irum Saba  
Director



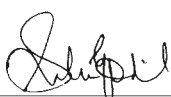
Syed Rizwan Hussain  
Managing Director & CEO

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

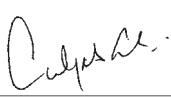
As at 30<sup>th</sup> September 2021

		Shareholders' Fund		Participants' Takaful Fund	
		30 September 2021 (Un-audited)	31 December 2020 (Audited)	30 September 2021 (Un-audited)	31 December 2020 (Audited)
<b>SHARE CAPITAL AND RESERVES</b>		(Rupees)			
Authorised share capital					
150,000,000 (31 December 2020: 150,000,000 ordinary shares of Rs. 10 each)		1,500,000,000	1,500,000,000	-	-
Issued, subscribed and paid-up share capital	18	1,132,020,019	612,989,050	-	-
Discount on issuance of shares		(332,020,019)	(112,989,050)	-	-
Fair value reserves		(11,912,897)	-	-	-
Accumulated losses		(138,194,695)	(142,270,104)	-	-
		649,892,408	357,729,896	-	-
Advance against further issue of share capital	18	-	200,000,000	-	-
		649,892,408	557,729,896		
<b>WAQF / PARTICIPANTS' TAKAFUL FUND (PTF)</b>					
Ceded money		-	-	500,000	500,000
Fair value reserves		-	-	(3,651,590)	-
Accumulated surplus		-	-	161,187,318	83,035,761
		-	-	158,035,728	83,535,761
<b>Underwriting provisions</b>					
Outstanding claims including IBNR	24	-	-	195,025,667	234,657,638
Unearned contribution reserves	22	-	-	1,001,666,831	774,926,588
Unearned re-takaful rebate		-	-	13,689,968	12,812,863
Contribution received in advance		-	-	24,202,005	4,888,381
Takaful / re-takaful payables	19	-	-	13,949,372	68,745,109
Unearned wakala fees		483,566,989	226,315,276	-	-
Accrued expenses		3,701,837	6,984,088	-	-
Payable to staff gratuity fund - defined benefit plan		6,558,198	15,202,763	-	-
Payable to Shareholder's Fund	15	-	-	207,177,897	103,256,707
Deferred tax liability - net		1,467,383	2,670,457	-	-
Other creditors and accruals	20	54,556,001	61,940,770	27,296,459	31,764,698
<b>TOTAL LIABILITIES</b>		<b>549,850,408</b>	<b>313,113,354</b>	<b>1,483,008,199</b>	<b>1,231,051,984</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,199,742,816</b>	<b>870,843,250</b>	<b>1,641,043,927</b>	<b>1,314,587,745</b>

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements



Salim Habib Godil  
Chairman



Shahzad Salim Godil  
Director



Dr. Irum Saba  
Director



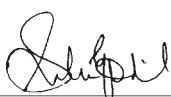
Syed Rizwan Hussain  
Managing Director & CEO

# CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

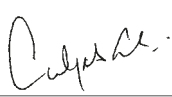
As at 30<sup>th</sup> September 2021

		Nine months ended 30 September		Three months ended 30 September	
		2021	2020	2021	2020
<b>PARTICIPANTS' TAKAFUL FUND (PTF)</b>		(Rupees)			
	Note				
Contribution earned		815,260,195	621,201,704	314,412,009	229,710,969
Less: Contribution ceded to retakaful operators		(108,026,173)	(89,303,727)	(31,696,887)	(28,918,353)
Net contribution	22	707,234,022	531,897,977	282,715,122	200,792,616
Retakaful rebate earned	23	19,236,040	12,727,696	5,150,337	5,329,107
		726,470,062	544,625,673	287,865,459	206,121,723
Net takaful claims expense		(590,726,732)	(471,175,494)	(247,785,436)	(196,531,406)
Incurred But Not Reported (IBNR) claims expense		(33,534,428)	(15,720,627)	-	-
Contribution deficiency expense		-	(1,211,778)	-	-
	24	(624,261,160)	(488,107,899)	(247,785,436)	(196,531,406)
Other direct expenses	25	(39,404,216)	(41,233,326)	(19,790,166)	(13,388,036)
Surplus before investment Income		62,804,686	15,284,448	20,289,857	(3,797,719)
Investment income	30	20,960,834	31,712,223	1,903,584	10,233,342
Other income	31	119,490	369,522	2,011	92,232
Profit on Bank balances		3,124,616	3,305,778	691,712	626,518
Mudarib's share		(6,021,362)	(8,754,500)	(648,823)	(2,714,965)
Net investment income		18,183,578	26,633,023	1,948,484	8,237,127
Provisions against doubtful contribution (receivables)		(2,629,155)	(7,267,536)	(64,718)	-
Bank charges		(207,552)	(210,555)	(101,721)	(67,897)
Surplus before taxation		78,151,557	34,439,379	22,071,902	4,371,510
Provision for taxation - current		-	-	-	-
Surplus after taxation		78,151,557	34,439,379	22,071,902	4,371,510
<b>SHAREHOLDERS' FUND (SHF)</b>					
Wakala fee		438,715,545	368,468,626	189,620,219	132,494,322
Commission expense	26	(113,957,993)	(86,277,312)	(42,063,042)	(33,646,732)
General, administrative and management expenses	27	(343,627,944)	(272,198,537)	(124,779,970)	(87,842,882)
		(457,585,937)	(358,475,850)	(166,843,012)	(121,489,614)
		(18,870,392)	9,992,777	22,777,207	11,004,708
Mudarib's share of PTF investment income		6,021,362	8,754,500	648,823	2,714,965
Investment income	30	21,255,388	23,787,928	8,073,305	6,980,056
Other direct expenses	28	(5,982,594)	(6,927,686)	(2,276,704)	-
Profit on bank balances		11,212,992	630,199	2,519,370	289,237
Other income	31	(249,968)	1,981,559	(249,968)	1,867,380
Finance cost		(3,933,720)	(2,946,881)	(1,314,803)	(946,189)
Profit before taxation		9,453,068	35,272,396	30,177,230	21,910,157
Taxation	32	(5,377,659)	(6,400,002)	(2,844,303)	(1,987,415)
Profit after taxation		4,075,409	28,872,393	27,332,927	19,922,742
Earnings (after tax) per share	34	0.05	0.26	0.37	0.18

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements



Salim Habib Godil  
Chairman



Shahzad Salim Godil  
Director



Dr. Irum Saba  
Director



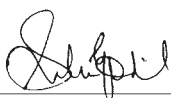
Syed Rizwan Hussain  
Managing Director & CEO

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

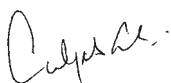
As at 30<sup>th</sup> September 2021

	Nine months ended 30 September		Three months ended 30 September	
	2021	2020	2021	2020
	(Rupees)			
<b>Shareholders' Fund (SHF)</b>				
Profit after taxation for the period	<b>4,075,409</b>	28,872,393	<b>27,332,927</b>	19,922,742
Other comprehensive income for the period				
Item to be reclassified to profit and loss account in subsequent year				
Net unrealised loss arising during the year on revaluation of available-for-sale investments	<b>(11,912,897)</b>	-	-	-
Total comprehensive income for the period'	<b>(7,837,488)</b>	28,872,393	<b>27,332,927</b>	19,922,742
<b>Participant Takaful Fund (PTF)</b>				
Surplus for the period	<b>78,151,557</b>	34,439,379	<b>22,071,902</b>	4,371,510
Other comprehensive income for the period				
Item to be reclassified to profit and loss account in subsequent year				
Net unrealised loss arising during the year on revaluation of available-for-sale investments	<b>(3,651,590)</b>	-	-	-
Total comprehensive income for the period	<b>74,499,967</b>	34,439,379	<b>22,071,902</b>	4,371,510

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements



**Salim Habib Godil**  
Chairman



**Shahzad Salim Godil**  
Director



**Dr. Irum Saba**  
Director



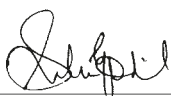
**Syed Rizwan Hussain**  
Managing Director & CEO

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY / FUND (UN-AUDITED)

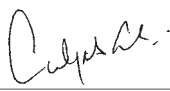
As at 30<sup>th</sup> September 2021

	SHAREHOLDERS' FUND (SHF)					Total
	Issued, subscribed and paid up share capital	Discount on issue of shares	Accumulated loss	Fair value reserves	Advance against further issue of share capital	
	(Rupees)					
<b>Balance as at 1 January 2020</b>	612,989,050	(112,989,050)	(145,541,363)	-	-	354,458,637
Total comprehensive income for the nine months period ended 30 September 2020						
Profit after tax for the nine months period ended 30 September 2020	-	-	28,872,393	-	-	28,872,393
<b>Other comprehensive income for the period</b>	-	-	-	-	-	-
Total comprehensive income for the period	-	-	28,872,393	-	-	28,872,393
<b>Balance as at 30 September 2020</b>	612,989,050	(112,989,050)	(116,668,970)	-	-	383,331,030
Advance received during the period	-	-	-	-	200,000,000	200,000,000
Total comprehensive income for the three months ended 31 December 2020						
Loss for the three months period ended 31 December 2020	-	-	(23,716,620)	-	-	(23,716,620)
<b>Other comprehensive income</b>	-	-	(1,884,513)	-	-	(1,884,513)
Actuarial loss on defined benefit plan for the period	-	-	(1,884,513)	-	-	(1,884,513)
Total comprehensive loss for the period	-	-	(25,601,133)	-	-	(25,601,133)
<b>Balance as at 1 January 2021</b>	612,989,050	(112,989,050)	(142,270,104)	-	200,000,000	557,729,896
Advance received during the period	-	-	-	-	100,000,000	100,000,000
Shares issued during the period	519,030,969	(219,030,969)	-	-	(300,000,000)	-
Total comprehensive income for the nine months ended 30 September 2021						
Profit after tax for the nine months period ended 30 September 2021	-	-	4,075,409	-	-	4,075,409
<b>Other comprehensive income for the period</b>						
Net fair value / net unrealized loss on available -for-sale investments for the nine months period ended 30 September 2021	-	-	-	(11,912,897)	-	(11,912,897)
Total comprehensive income for the period	-	-	4,075,409	(11,912,897)	-	(7,837,488)
<b>Balance as at 30 September 2021</b>	1,132,020,019	(332,020,019)	(138,194,695)	(11,912,897)	-	649,892,408

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements



**Salim Habib Godil**  
Chairman



**Shahzad Salim Godil**  
Director



**Dr. Irum Saba**  
Director



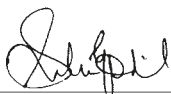
**Syed Rizwan Hussain**  
Managing Director & CEO

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY / FUND (UN-AUDITED)

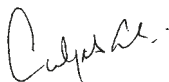
As at 30<sup>th</sup> September 2021

	WAQF / PARTICIPANTS' TAKAFUL FUND (PTF)				
	Ceded Money	Discount on issue of shares	Accumulated Surplus / (deficit)	Fair value reserves	Total
	(Rupees)				
Balance as at 1 January 2020	500,000	-	27,066,105	-	27,566,105
<b>Total comprehensive income for the nine months ended 30 September 2020</b>					
Surplus for the nine months ended 30 September 2020	-	-	34,439,379	-	34,439,379
<b>Other comprehensive income</b>	-	-	-	-	-
Total comprehensive income for the period	-	-	34,439,379	-	34,439,379
Balance as at 30 Septemeber 2020	500,000	-	61,505,484	-	62,005,484
Total comprehensive income for the three months ended 31 December 2020					
Loss for the three months period ended 31 December 2020	-	-	21,530,277	-	21,530,277
<b>Other comprehensive income</b>	-	-	-	-	-
Total comprehensive income for period	-	-	21,530,277		21,530,277
<b>Balance as at 01 January 2021</b>	<b>500,000</b>	<b>-</b>	<b>83,035,761</b>	<b>-</b>	<b>83,535,761</b>
Total comprehensive income for the nine months period ended 30 September 2021					
Surplus for the nine months ended 30 September 2021	-	-	78,151,557	-	78,151,557
<b>Other comprehensive income</b>					
Net fair value / net unrealized loss on available-for-sale investments for the nine months period ended 30 September 2021	-	-	-	(3,651,590)	(3,651,590)
Total comprehensive income for the period	-	-	78,151,557	(3,651,590)	74,499,967
<b>Balance as at 30 September 2021</b>	<b>500,000</b>	<b>-</b>	<b>161,187,318</b>	<b>(3,651,590)</b>	<b>158,035,728</b>

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements



Salim Habib Godil  
Chairman



Shahzad Salim Godil  
Director



Dr. Irum Saba  
Director



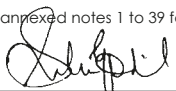
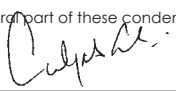


Syed Rizwan Hussain  
Managing Director & CEO

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

As at 30<sup>th</sup> September 2021

	Shareholders' Fund 30 September		Participants' Takaful Fund 30 September	
	2021	2020	2021	2020
OPERATING ACTIVITIES				
----- (Rupees) -----				
<b>Takaful activities</b>				
Contributions received	-	-	1,339,515,289	1,026,413,256
Re-takaful payments	-	-	(127,520,866)	(82,241,764)
Claims paid	-	-	(773,861,542)	(548,424,414)
Retakaful and other recoveries received	-	-	42,200,522	45,241,355
Commissions paid	(122,189,512)	(124,064,427)	-	-
Retakaful rebate received	-	-	19,236,040	7,583,426
Wakala fee paid	-	-	(586,050,952)	(352,118,469)
Wakala fee received	586,050,953	352,118,469	-	-
Mudarib share paid	-	-	(67)	(11,500,000)
Mudarib share received	67	11,500,000	-	-
Other takaful receipts / (payments)	-	-	11,633,992	17,555,091
Net cash flows from takaful activities	463,861,508	239,554,042	(74,847,584)	102,508,482
<b>Other operating activities</b>				
Income tax paid	(27,575,985)	(5,079,339)	-	-
Security deposits return / (paid)	(11,955,693)	(2,570,275)	-	-
Payment of retirement benefits	-	1,401,501	-	-
General administrative and management expenses paid	(418,305,333)	(264,774,617)	-	-
Other operating receipt / (payments)	11,766,444	(1,085,460)	(25,679,922)	10,662,769
Ijarah rentals paid	(22,653,228)	(16,632,516)	-	-
Advances from/to employees and agents received / (paid)	(50,830,352)	22,504,000	-	-
Net cash used in other operating activities	(519,554,147)	(266,236,706)	(25,679,922)	10,662,769
<b>Total cash flows from all operating activities</b>	(55,692,639)	(26,682,665)	(100,527,506)	113,171,250
<b>INVESTING ACTIVITIES</b>				
P/Profit / return received	34,988,765	15,524,434	31,808,425	16,894,688
Investment made	(100,000,000)	-	-	-
Proceeds from disposal of investments	-	-	-	-
Investment in term deposits	(179,397,325)	-	63,526,308	(60,000,000)
Proceeds from encashment of term deposits	-	(65,400,000)	-	-
Fixed capital expenditure	(75,306,605)	(13,787,183)	-	-
Proceeds from disposal of property and equipment	-	-	-	-
<b>Total cash (used in) / generated from investing activities</b>	(319,715,165)	(63,662,748)	95,334,733	(43,105,312)
<b>FINANCING ACTIVITIES</b>				
Qard-e-Hasna received back	-	91,479,565	-	-
Qard-e-Hasna returned back	-	-	-	(91,479,565)
Advance against shares subscription received	300,000,000	-	-	-
<b>Total cash used in all financing activities</b>	300,000,000	91,479,565	-	(91,479,565)
<b>Net cash (used in) / flows from all activities</b>	(75,407,804)	1,134,152	(5,192,773)	(21,413,627)
Cash and cash equivalents at the beginning of the year	219,024,947	3,085,775	67,419,876	21,750,915
<b>Cash and cash equivalents at end of the year</b>	143,617,143	4,219,926	62,227,103	337,288
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	(55,692,639)	(38,182,665)	(100,527,506)	124,671,250
Depreciation and amortization	32,167,170	(22,592,370)	-	-
Gain / (loss) on disposal of fixed assets	-	-	-	-
Provision for taxation	(5,377,659)	(6,400,003)	-	-
Provision for staff retirement benefits	(6,704,493)	(4,728,059)	-	-
Increase / (decrease) in assets other than cash	276,420,084	202,298,046	430,635,278	84,270,299
(Increase) / decrease in liabilities	(236,737,054)	(101,522,557)	(251,956,215)	(174,502,169)
Profit / surplus after taxation for the period	4,075,409	28,872,393	78,151,557	34,439,379
<b>Definition of cash</b>				
Cash comprises of cash in hand, policy stamps and bank balances which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.				
Cash for the purpose of the cash flow statement	272,762	231,315	526,045	224,345
Cash and other equivalents	143,344,381	3,988,611	61,701,058	112,943
Current and other accounts	143,617,143	4,219,926	62,227,103	337,288

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements

			
<b>Salim Habib Godil</b> Chairman	<b>Shahzad Salim Godil</b> Director	<b>Dr. Irum Saba</b> Director	<b>Syed Rizwan Hussain</b> Managing Director & CEO

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Salaam Takaful Limited (Formerly Takaful Pakistan Limited) ("the Company") is an unlisted public limited company incorporated in Pakistan on 02 June 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). On 22 February 2021, Company changed its name from Takaful Pakistan Limited to Salaam Takaful Limited. The Company has been established with the objective to carry out General Takaful Business as specified under the Insurance Ordinance, 2000, Takaful Rules, 2012, and Insurance Rules, 2017. The Company commenced commercial operations from 12 March 2007. The registered office of the Company is at 6th Floor, Business Centre, 19-1-A, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi, in the province of Sindh. The Company operates with 4 (31 December 2020: 4) branches in Pakistan.
- 1.2** For the purpose of carrying on the takaful business, the Company has formed a Waqf for Participants' equity. The Waqf, namely Takaful Pakistan Waqf (hereinafter referred to as the Participants' Takaful Fund or PTF) was formed on 22 January 2007 under the Trust deed executed by the Company with a ceded money of Rs. 500,000. The cede money is required to be invested in Shariah compliant investments and profit thereon is utilized to pay benefits to participants or defray PTF expenses. As required by Takaful Rules 2012 the accounts of the Waqf are maintained by the Company in a manner that the assets and liabilities of the Waqf remain separately identifiable. These financial statements have been prepared such that the financial position and results of operations of the Waqf and the Company are shown separately. Waqf deed also governs the relationship of shareholders and participants for the management of takaful operations, investment of participants' funds (PTF) and investment of shareholders' funds (SHF) approved by the Shariah Advisor of the Company.
- 1.3** The novel coronavirus (COVID 19) emerged in 2020 and since then, the condition has continued to deteriorate. On 30 January 2020, the International Health Regulations Emergency Committee of the WHO declared the outbreak a "Public Health Emergency of International Concern". The COVID-19 pandemic has significantly impacted the market around the world to date and may continue to do so in the coming months of 2021. The scale and duration of this outbreak remains uncertain and as it evolves globally, the Company based on its current assessment considered that there would be no significant impact that will adversely affect its business, result of operations and financial condition of the Company.

## 2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

- 2.1** These condensed interim financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial statements. The accounting and reporting standards as applicable in Pakistan for interim financial statements comprise of:
- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as are notified under Companies Act, 2017; and
  - Provisions of and directive issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, General Takaful Regulations, 2019 and Takaful Rules, 2012.
  - Islamic Financial Accounting Standards (IFAS) 2019 issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017.

In case requirements differ, the provisions or directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, General Takaful Accounting Regulations, 2019 and Takaful Rules, 2012 shall prevail.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

**2.2** These condensed interim financial statements reflect the financial position and results of operations of both the Shareholders' Fund and Participants' Takaful Fund in a manner that the assets, liabilities, income and expenses of the Shareholders' Fund and Participants Takaful Fund remain separately identifiable.

## **2.3 BASIS OF MEASUREMENT**

These condensed interim financial statements have been prepared under the historical cost model except for lease liability and investment in equity classified as held for trading measured at fair value.

## **2.4 FUNCTIONAL AND PRESENTATION CURRENCY**

These condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees.

## **3 ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of these condensed interim financial statements are in conformity with accounting and reporting standards as applicable in Pakistan which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2020.

## **4 FINANCIAL RISK MANAGERMENTS**

In preparing these condensed interim financial statements, the financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2020.

## **5 SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the financial statements for the year ended 31 December 2020.

## **6 PROPERTY AND EQUIPMENT - Shareholder's Fund**

	<b>30 September 2021 (Unaudited)</b>	<b>31 December 2020 (Audited)</b>
Note	----- (Rupees) -----	
Tangible assets	<b>49,326,587</b>	20,772,877
Capital work in progress	<b>27,459,062</b>	25,991,678
Right of use assets	<b>39,887,082</b>	48,483,841
	<b>116,672,731</b>	95,248,396

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 6.1 Tangible assets

	30 September 2021 (Unaudited)							Depreciation Rate %
	Cost		Accumulated depreciation			Book value		
	As at 1 January 2021	Additions / (disposal) during the period	As at 30 September 2021	As at 1 January 2021	Charge for the period / (disposal)	As at 30 September 2021	As at 30 September 2021	
	(Rupees)							
Leasehold improvements	11,960,161	14,796,508	26,756,669	6,609,287	4,923,409	11,532,696	15,223,973	33.33
Furniture and fixtures	14,944,553	4,728,971	19,673,524	13,526,359	1,057,891	14,584,250	5,089,274	33.33
Office equipment	10,228,758	13,637,260	23,866,018	6,841,944	1,703,683	8,545,627	15,320,391	20.00
Computers	34,523,594	6,684,214	41,207,808	26,023,554	4,519,430	30,542,984	10,664,824	33.33
Vehicles	3,722,896	2,572,121 (1,006,790)	5,288,227	1,605,941	654,880 (719)	2,260,102	3,028,125	20.00
	75,379,962	42,419,074 (1,006,790)	116,792,246	54,607,085	12,859,293 (719)	67,465,659	49,326,587	

	31 December 2020 (Audited)							Depreciation Rate %
	Cost		Accumulated depreciation			Book value		
	As at 1 January 2020	Additions / (disposal) during the year	As at 31 December 2020	As at 1 January 2020	Charge for the year / (disposal)	As at 31 December 2020	As at 31 December 2020	
	(Rupees)							
Leasehold improvements	11,691,801	268,360	11,960,161	5,397,729	1,211,558	6,609,287	5,350,874	33.33
Furniture and fixtures	15,235,573	47,000 (338,020)	14,944,553	12,723,769	1,140,610 (338,020)	13,526,359	1,418,194	33.33
Office equipment	9,996,168	232,590	10,228,758	5,988,046	853,898	6,841,944	3,386,814	20.00
Computers	32,113,726	2,575,503 (165,635)	34,523,594	21,230,499	4,865,185 (72,130)	26,023,554	8,500,040	33.33
Vehicles	704,606	10,160,158 (7,141,868)	3,722,896	290,068	1,543,410 (227,537)	1,605,941	2,116,955	20.00
	69,741,874	13,283,611 (7,645,523)	75,379,962	45,630,111	9,614,661 (637,687)	54,607,085	20,772,877	

## 6.2 Capital Work in Progress

	30 September 2021 (Unaudited)	31 December 2020 (Audited)
	(Rupees)	
Civil Works on branches	1,031,112	17,286,678
Advance for vehicle	9,500,000	-
Advance for software development	16,927,950	8,705,000
	27,459,062	25,991,678

Note

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 6.3 Right of use assets

30 September 2021 (Unaudited)								
	Cost		Accumulated Depreciation			Carrying Value	Depreciation Rate %	
	As at 1 January 2021	Additions during the period	As at 30 September 2021	As at 1 January 2020	Charge for the period	As at 30 September 2021	As at 30 September 2021	
	(Rupees)							
Right of use assets	78,446,480	11,190,527	89,637,007	29,962,639	19,787,286	49,749,925	39,887,082	33.33

	31 December 2020 (Audited)							
	Cost			Accumulated Depreciation			Carrying Value	Depreciation Rate %
	As at 1 January 2020	Additions during the year	As at 31 December 2020	As at 1 January 2020	Charge for the year	As at 31 December 2020	As at 31 December 2020	
	(Rupees)							
Right of use assets	30,122,885	48,323,595	78,446,480	10,040,962	19,921,677	29,962,639	48,483,841	33.33

## 7 INTANGIBLE ASSETS

30 September 2021 (Unaudited)							
	Cost		Accumulated Depreciation			Carrying Value	Depreciation Rate %
	As at 1 January 2021	Additions during the period	As at 30 September 2021	As at 1 January 2020	Charge for the period	As at 30 September 2021	As at 30 September 2021
	(Rupees)						
Computer software	14,263,181	-	14,263,181	14,263,181	-	14,263,181	-
							33.33

	31 December 2020 (Audited)							
	Cost		Accumulated Depreciation			Carrying Value	Depreciation Rate %	
	As at 1 January 2020	Additions during the year	As at 31 December 2020	As at 1 January 2020	Charge for the year	As at 31 December 2020	As at 31 December 2020	
	(Rupees)							
Computer software	14,263,181	-	14,263,181	14,258,514	4,667	14,263,181	-	33.33

- 7.1** Cost of above assets represents the cost of software amounting to Rs. 14.26 million having net book value equal to NIL at the reporting date that are still in use.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 8 INVESTMENT IN DEBT SECURITIES - held to maturity

### 8.1 Sukuk Certificates - Shareholders' Fund

Performing Assets	Note	Number of certificates	Maturity date	Effective yield	Profit Payment	Principal payment	Market value	Face value	30 September 2021 (Un-audited)		Security
									(Rupees)		
									30 September 2021 (Un-audited)	31 December 2020 (Audited)	
Dubai Islamic Bank Pakistan	8.1.1	6,000	Perpetual	3 months KIBOR + 1.75%	Quarterly	Perpetual	30,839,010	30,000,000	30,000,000	30,000,000	Unsecured
Hub Power Company Limited (HUBCO), listed	8.1.1	300	22-Aug-23	3 months KIBOR + 1.90%	Quarterly	25% on February 2022 25% on April 2022 25% on August 2022 25% on February 2023 25% on August 2023	30,674,560	30,000,000	30,000,000	30,000,000	Revolving Gross Corporate Guarantee (TRCOG) from Narawa Energy Limited (NEL) for the Issue Amount (with 25% margin) and for the Subordinate charge over NEL's receivables including but not limited to any amounts receivable under the GoP Guarantee. Subordinate charge over all present and future movable fixed assets of NEL for PKR 9,333.33 million (Issue Amount along with 25% margin). Subordinate charge over all present and future movable fixed assets of HUBCO for PKR 4,000 million. Pledge of 100% shares of NEL with a book value of PKR 3,900 million.
Bank Islami Pakistan Ltd	8.1.1	5,600	Perpetual	3 months KIBOR + 2.75%	Monthly	Perpetual	-	28,000,000	28,000,000	28,000,000	Unsecured
GOP Ijarah Sukuk	8.1.1		30-Apr-25	7%	Semi-annually	30-Apr-25	-	30,000,000	30,000,000	-	Unsecured
Non - Performing Assets (fully provided)											
Agriotech Limited	8.1.2	3,000	06 August 2019	3 months KIBOR + 2%	Semi-annually	Non performing	-	15,000,000	15,873,883	15,873,883	Secured against pari passu charge over property, plant and equipment of the Company.
Quetta Textile Mills Limited	8.1.3	2,000	26 March 2020	3 months KIBOR + 1.75%	Quarterly	Non performing	-	10,000,000	3,945,520	3,945,520	Secured against first pari passu Rs. 1,846 billion on all fixed assets of the Company.
									19,839,403	19,839,403	
									137,839,403	107,839,403	
									(19,839,403)	(19,839,403)	
									118,000,000	88,000,000	

8.1.1

Market value of securities are not yet quoted on MUFAP, however the profit is being received. Market value of other instruments, except for those which have been provided, are based on the rates quoted by MUFAP (i.e. of HUBCO which is of level 1 fair value).

8.1.2

The represent investment aggregating to Rs. 15 million (31 December 2020: Rs. 15 million) in sukuk issued by Agriotech Limited (the investee company) against which the investee company had not made payments on the contractual dates. In 2011, a restructuring was implemented by the company and the sukuk certificates were issued by the company. The sukuk certificates were issued on 22 July 2008 and the interest payments were made from 06 August 2015 to 06 August 2019. Further, in lieu of accrued overdue profit, zero coupon Term Finance Certificates (TFCs) were issued by Agriotech Limited on 17 October 2011 which were to be repaid by the investee company within three and a half years from the date of issuance of such TFCs. However, the investee company defaulted on the restructuring agreement as well as in making payments in respect of zero coupon term finance certificates. Therefore, the management has neither recorded TFCs issued in lieu of profit in the books of accounts nor accrued any profit on the outstanding balance of the principal amount and has fully provided the outstanding principal.

8.1.3

An agreement for the restructuring of these sukuk was executed between the Investment Agent of these sukuk and Quetta Textile Mills Limited on 24 June 2013. According to the restructuring terms, repayment of principal of Rs. 8 million will be made to the Company over a period of 7 years till 26 March 2020 in twenty nine quarterly instalments whereas the profit shall be received by the Company at the rate of 6 monthly KIBOR and a spread of 1.75% with effect from 26 March 2013.

However, the investee company defaulted on the instalment on due dates under restructuring agreement. Therefore, the management has not accrued any profit on outstanding principal amount and has fully provided for the outstanding principal.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 9 INVESTMENT IN TERM DEPOSITS

	30 September 2021 (Un-audited)			31 December 2020 (Audited)		
	Shareholders' Fund (9.1) & (9.2)	Participants' Takaful Fund (9.3)	Aggregate	Shareholders' Fund (9.1) & (9.2)	Participants' Takaful Fund (9.3)	Aggregate
<b>Held to Maturity</b>	(Rupees)					
Deposits maturing within 12 months	246,700,000	225,100,000	471,800,000	257,600,000	326,000,000	583,600,000

- 9.1** "These have been invested in Islamic Banks in Pakistan and have maturity between December 2021 to April 2022 and carries profit rates ranging between 6.50% to 7.50% per annum.
- 9.2** These include term deposits of Rs. 61.5 million (31 December 2020: Rs 61.5 million) deposited with State Bank of Pakistan as statutory reserve in accordance with the requirement laid down in section 29 of the Insurance Ordinance, 2000.
- 9.3** These have been invested in Islamic Banks in Pakistan and have maturity between April 2021 to October 2021 and carries profit rates ranging between 6.50% to 7.50% per annum.

## 10 INVESTMENT IN EQUITY SECURITIES - available-for-sale

	30 September 2021 (Un-audited)				31 December 2020 (Audited)			
	Cost	Impairment / provision	Revaluation surplus / (deficit)	Carrying Amount	Cost	Impairment / provision	Revaluation surplus / (deficit)	Carrying Amount
	(Rupees)							
<b>Equity securities</b>								
Shareholder fund	72,210,222	-	(11,912,897)	60,297,325	-	-	-	-
Participant fund	41,025,282	-	(3,651,590)	37,373,692	-	-	-	-
	113,235,504	-	(15,564,487)	97,671,017	-	-	-	-

## 11 QARD-E-HASNA RECEIVABLE

This represented the amount receivable by the Shareholders Fund from Participants' Takaful Fund / amount payable by the Participants' Takaful Fund to the Shareholders Fund.

	30 September 2021 (Un-audited)	31 December 2020 (Audited)
Note	(Rupees)	
Opening balance	-	91,479,565
Qard-e-hasna contributed to the Waqf (PTF) during the period	-	-
Qard-e-hasna returned by PTF during the period	-	(91,479,565)

## 12 LONG TERM DEPOSITS - Shareholders Fund

	Shareholders' Fund (SHF)		Participants' Takaful Fund (PTF)	
	30 September 2021 (Un-audited)	31 December 2020 (Audited)	30 September 2021 (Un-audited)	31 December 2020 (Audited)
	(Rupees)			
Ijarah	18,849,770	8,467,720	-	-
Rental	3,797,536	2,223,893	-	-
	22,647,306	10,691,613	-	-

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 13 LOANS, ADVANCES AND OTHER RECEIVABLES - considered good

	Note	Shareholders' Fund (SHF)		Participants' Takaful Fund (PTF)	
		30 September 2021 (Un-audited)	31 December 2020 (Audited)	30 September 2021 (Un-audited)	31 December 2020 (Audited)
		(Rupees)			
Loans to employees (unsecured and interest free)	13.1	40,085,894	8,951,176	-	-
Advance against expenses		26,242,675	-	-	-
Security deposit with others		4,087,280	3,885,270	1,500,000	-
Earnest money receivable		-	-	4,316,411	3,666,548
Service charges receivable from co-takaful entities		-	-	523,593	1,383,283
Refundable input tax		-	-	15,201,543	6,336,979
Bank profit receivable		551,395	331,995	252,061	153,797
Others		653,101	100,000	166,382	-
		<b>71,620,345</b>	<b>13,268,441</b>	<b>21,959,990</b>	<b>11,540,607</b>

13.1 The eligible employees are entitled to loans against salaries repayable within one to two years.

## 14 TAKAFUL / CO-TAKAFUL RECEIVABLES - unsecured - Participants' Takaful Fund

	Note	30 September 2021 (Un-audited)	31 December 2020 (Audited)
		(Rupees)	
Due from takaful participant holders		605,219,563	450,256,160
Less: Provision for impairment against balances due from participants	14.1	(11,291,237)	(8,662,082)
		<b>593,928,326</b>	<b>441,594,078</b>
Due from other takaful companies		46,577,909	38,684,336
Less: Provision for impairment against balances due from other takaful companies	14.2	-	-
		<b>46,577,909</b>	<b>38,684,336</b>
		<b>640,506,235</b>	<b>480,278,414</b>

### 14.1 Movement in provision for impairment - balances due from takaful participant holders

Balance as at 1 January	8,662,082	3,876,948
Add: Provision made during the period	2,629,155	4,785,134
Balance as at 30 September	<b>11,291,237</b>	<b>8,662,082</b>

### 14.2 Movement in provision for impairment - balances due from other takaful companies

Balance as at 1 January	-	2,016,550
Reversal made during the period	-	(2,016,550)
Balance as at 30 September	<b>-</b>	<b>-</b>

## 15 RECEIVABLE / PAYABLE (Current account between SHF and PTF)

	Note	Shareholders' Fund (SHF - receivable)		Participants' Takaful Fund (PTF payable)	
		30 September 2021 (Un-audited)	31 December 2020 (Audited)	30 September 2021 (Un-audited)	31 December 2020 (Audited)
		(Rupees)			
Wakala fee		199,570,333	89,654,027	199,570,333	89,654,027
Mudarib fee		17,039,980	11,018,684	17,039,980	11,018,684
Other receivable / payable	15.1	(9,432,416)	2,583,996	(9,432,416)	2,583,996
		<b>207,177,897</b>	<b>103,256,707</b>	<b>207,177,897</b>	<b>103,256,707</b>

15.1 This represents payments by PTF on behalf of SHF.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 16 PREPAYMENTS

	Shareholders' Fund (SHF)		Participants' Takaful Fund (PTF)	
	30 September 2021 (Un-audited)	31 December 2020 (Audited)	30 September 2021 (Un-audited)	31 December 2020 (Audited)
Note	(Rupees)			
CDC, SECP's annual fee	1,737,423	1,993,309	-	-
Prepaid re-takaful ceded	-	-	51,526,186	67,651,940
Prepaid tracker installation expense	-	-	16,026,927	14,161,120
	<b>1,737,423</b>	<b>1,993,309</b>	<b>67,553,113</b>	<b>81,813,060</b>

## 17 CASH AND BANK

Cash and cash equivalents	272,762	80,321	-	-
- Cash in hand	-	-	526,045	104,940
- Policy and revenue stamps, bond papers	272,762	80,321	526,045	104,940
Cash and bank				
- Current account	10,921	10,921	1,140,915	58,604
- Savings accounts	143,333,460	218,933,705	60,560,143	67,256,332
	<b>143,617,143</b>	<b>219,024,947</b>	<b>62,227,103</b>	<b>67,419,876</b>

17.1 These represent balances maintained with Islamic banks under profit and loss sharing basis carrying expected profit rates ranging between 2.5% to 4.75% (2020: 3.9% to 9.038%) per annum.

## 18 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

30 September 2021 (Un-audited)	31 December 2020 (Audited)
(Number of shares)	
<b>113,202,019</b>	61,298,905

30 September 2021 (Un-audited)	31 December 2020 (Audited)
(Rupees)	
<b>1,132,020,190</b>	612,989,050

### Shareholding pattern

House Building Finance Company Ltd.  
Al Baraka Bank (Pakistan) Limited  
Sitara Chemical Industries Limited  
Mal Al Khaleej Investment LLC  
Mr. Salim Habib Godil  
Syed Rizwan Hussain  
Mr. Shahzad Salim Godil  
Syed Salman Hussain  
Others

Number of shares	Percentage
8,699,500	7.68%
10,435,690	9.22%
2,999,500	2.65%
5,218,869	4.61%
21,459,992	18.96%
21,459,990	18.96%
21,459,990	18.96%
21,459,990	18.96%
8,500	0.01%
<b>113,202,019</b>	<b>100.00%</b>

18.1 The Board of Directors in their meeting held on 21 December 2020 has announced to increase paid up share capital of the company from Rs. 612,989,050 to Rs. 912,989,048, by issuance of additional share 51,903,114 ordinary share at a discounted price of Rs 5.78/- .Securities and Exchange Commission of Pakistan, vide its letter dated June 17, 2021 approved the aforesaid issuance of shares by way of other than right offer ,at discounted price of Rs. 5.78 (i.e. at a discount of Rs. 4.22 per share) under section 82 and 83 of the Companies Acts, 2017 read with regulation 5 of the Companies (further Issue of Shares) Regulations, 2020 (the "Regulations").

During the period, the company issued the 51,903,114 ordinary shares at the discounted price of Rs. 5.78 per share as disclosed above.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 19 TAKAFUL / RE-TAKAFUL PAYABLES

	30 September 2021 (Un-audited)	31 December 2020 (Audited)
	(Rupees)	
Due to other takaful companies	2,184,712	595,689
Due to re-takaful operators	11,764,660	68,149,420
	<b>13,949,372</b>	<b>68,745,109</b>

## 20 OTHER CREDITORS AND ACCRUALS

	Shareholders' Fund (SHF)		Participants' Takaful Fund (PTF)	
	30 September 2021 (Un-audited)	31 December 2020 (Audited)	30 September 2021 (Un-audited)	31 December 2020 (Audited)
	(Rupees)			
Commission payable to agents	1,064,629	56,265	-	-
Sales Tax Payable	-	-	12,907,746	11,590,647
Federal Takaful fee	-	-	1,767,198	3,370,730
Sales tax deducted at source	812,519	217,534	(285,707)	874,414
Security deposit (held in separate bank account)	-	-	-	-
Liabilities against the right of use asset	51,745,570	49,844,467	-	-
Tracker installation fee payable	-	-	6,164,853	8,235,559
Other payables	933,283	11,822,504	6,742,369	7,693,348
	<b>54,556,001</b>	<b>61,940,770</b>	<b>27,296,459</b>	<b>31,764,698</b>

## 21 CONTINGENCIES AND COMMITMENTS

### 21.1 Contingencies

**22.1.1** Travel Agents Association of Pakistan (TAAP) had filed a case against the Company on 10 October 2012 in the Takaful Tribunal of Sindh for the recovery of Rs. 546.534 million (31 December 2019 Rs. 546.534 million) inclusive of compensation / damages for premature termination and mark up accrued thereon in respect of Amaan Travel and Health Takaful Package. A commissioner has been appointed for recording evidences of the parties which is yet to issue its report to Tribunal along-with evidence based on which the case shall be disposed off by the Tribunal. The matter is at the stage of evidence of the parties before the Commissioner appointed by the Court. The management, based on the advice of its legal counsel, is confident that the Company has reasonable defence in the case and as such no loss is likely to arise from this litigation and accordingly, no provision has been made in these financial information. The legal advisor has opined that the company has a reasonable defence in this matter and there is less likelihood of any potential loss being suffered by the Company, however, final outcome would depend on the conclusion of the evidence led by the respective parties in support of their case.

**22.1.2** Securities and Exchange Commission of Pakistan (SECP) on 13 October 2017 passed an order for alleged contravention of Section 11(1) and Section 28 of the Insurance Ordinance 2000, in respect of minimum paid up capital requirement and imposed a fine of Rs. 1,200,000, earning Rs. 500,000 imposed on the Company and Rs. 100,000 on each of the directors of Company. The Company had filed an appeal before the Appellate Bench of SECP for setting aside the order and the matter is at the stage of hearing. Company's legal advisor has opined that the Company has a good arguable case and there is no likelihood of an unfavorable outcome, however, if the appeal fails the Company would have an opportunity to file before the High Court. Nonetheless the Company's management is hoping that since now the Company has met the minimum paid up capital requirement, the Commission may take a lenient view.

**21.1.3** With effect from 1 November 2018, the Punjab Revenue Authority (PRA), withdrew the exemption on health takaful policies written in the province of Punjab.

This being a collective issue of the industry, the Insurance Association of Pakistan (IAP) had taken up the matter with the Punjab Revenue Authority (PRA) for restoration of the exemptions that were withdrawn. The management of the Company sought a legal opinion from their legal advisor, who confirmed the Company's contention that health insurance is not a service, but in fact, an underwriter's promise to pay to its policyholders in the future, as is also clearly defined in the definition of the term "insurance" under the Insurance Ordinance, 2000. Such contention of the Company and the insurance industry has also been upheld in the superior courts of foreign jurisdiction, where, in a majority of jurisdictions it has been widely held that insurance is not a service.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

Based on the above contentions, certain insurance companies have challenged the levy of Punjab Sales Tax (PST) on health insurance in the Honourable Lahore High Court (LHC) in the month of September 2019. The Honourable LHC, in their order dated 3 October 2019, has granted a stay to the petitioners against any coercive measures for recovery by the PRA. The Company is not a party to the petition. However, management believes that the decision of the court shall be binding on all the litigants including the Company and the Government. The hearing of the petition is currently in progress. In view of the pending adjudication, the Company, has not charged PST to its clients, nor recognized the contingent amount of PST liability in the financial statements as the management is confident that the final outcome will be in favour of the Company. Furthermore, PRA vide its notification SO(Tax) 1-110/2020 (Covid-19) dated 2 April 2020 exempted PST on health insurance for the period from 2 April 2020 till 30 June 2020.

In view of the above, the Company is not charging sales tax on contribution written in the province of Punjab, nor has recognised the liability for PST in the financial statements. The amount involved as of 30 June 2021 is Rs. 31.539 million.

**21.1.4** The Company was issued a show-cause notice (SCN) on 25 April 2016 by the Sindh Revenue Board (SRB) alleging that the Company had received re-insurance services liable to Sindh Sales Tax at 16% during the period from July 2011 to June 2014 and required the Company to show cause as to why tax of Rs. 31.561 million should not be levied and recovered from the Company (apart from the default surcharge and penalty). Based on the SCN, the Company had filed a stay application and obtained a stay order at the Honourable Sindh High Court to keep the proceedings in abeyance against the said SCN.

Thereafter, based on the judgement of Supreme Court where C.P. petition shall be valid based on the payment of 50% of the disputed amount, management of the Company has withdrawn the suit (earlier filed). The Company through the Insurance Association of Pakistan (IAP), as representatives decided to take the matter to the Chairman SRB and requested to keep the proceedings in abeyance till the matter is decided for the industry.

Furthermore SRB, vide its order dated 18 April 2019, passed an order to recover the sales tax on reinsurance services amounting to Rs. 31.561 million along with penalty of Rs. 9.86 million. Thereafter, SRB issued recovery notice under section 66(1)C of Sales tax on Services Act 2011 for the attachment and recovery of Sindh sales tax from the Company's bank account for Rs. 65.705 million which comprises of principal, penalty and default surcharge of Rs. 31.5 million, 9.8 million and 24.28 million respectively.

The company filed a constitutional petition D-2726 of 2019 under article 199 of the Constitution of Pakistan to keep the recovery proceedings in abeyance till next date of hearing. Furthermore, on 22 April 2019 the Company had filed an appeal before commissioner (appeals) under section 57 of Sindh Sales Tax on Services Act 2011 for the suspension of order in respect of sales tax on Re Takaful Services.

The Company's management is view that an insurance company on issuing policy and receiving contribution, charges sales tax on the ultimate user. The same risk is transferred / shared by an insurance company with a reinsurance entity and SRB is charging sales tax on service which was already taxed and paid by the end consumer. Furthermore, sales tax is always levied as value added tax. However, in reinsurance services there is no element of value addition.

The same matter has been raised for certain other insurance companies also. Therefore, there is a likely chance for the settlement of issue on a prospective basis. Nonetheless, the management is also of the view that the said input tax shall be admissible (against the output tax being collected by the Company on insurance policies), although the department may dispute such input tax mainly on the restriction placed by Rule 22 of the Sindh Sales Tax Rules, 2011 which bars claim of input tax over six month's time. However, the management also consider that normally the courts have considered such matters as procedural issues as right to claim cannot be denied. With respect to the default surcharge and penalty under the Sindh Sales Tax Act, 2011, management is of the view that since no willful intension to contravene the statutory provisions of the law has been made, chances of the recovery of the same appears to be remote.

Accordingly, for the reasons explained above, provision for the above balance has not been made in these financial statements.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

**21.1.5** Sindh Revenue Board (SRB) issued notice dated 16 October 2020 contending that the Company has claimed inadmissible input sales tax against services taxable at reduced rate amounting to Rs. 0.87 million and input tax claimed against services not exclusively received in rendering of insurance services amounting to Rs. 9.93 million. The notice required the Company to deposit Rs. 10.81 million along with the default surcharge, revise the sales tax returns for the periods July 2018 to June 2020 and submit the information requested. With respect to inadmissible input tax against services taxable at reduced rate amounting to Rs. 0.87 million, the Company contended that it has not claimed such inadmissible input tax mentioned in the notice and that the revision in the sales tax returns for the periods July 2018 to June 2020 is not required. With respect to input tax against services not exclusively received in rendering of insurance services amounting to Rs. 9.93 million, the Company claimed that the services highlighted in the notice are directly attributable to the taxable services provided by the Company and that the input tax claimed in respect of these services is in accordance with the provisions of Sindh Sales Tax on Services Act 2011.

No further correspondence has been made in this regard.

**21.1.6** Sindh Revenue Board (SRB) issued notice dated 27 November 2020 requiring complete copies of sales invoices issued to service recipients and computerized payment receipts (CPRs) during the periods January 2012 to December 2013. Full compliance with the notice is still pending as the Company is still in the process of submitting required information on a piecemeal basis.

## 21.2 Commitments

**21.2.1** Commitments under Ijarah arrangements and the year in which these payments will become due are:

	30 September 2021 (Un-audited)	31 December 2020 (Audited)
Note	(Rupees)	(Rupees)
Not later than one year	23,436,735	27,051,913
Later than one year but not later than five years	21,471,801	45,970,577
	<b>44,908,536</b>	<b>73,022,490</b>

The company has vehicle Ijarah financing facility of Rs. 100 million from two Islamic banks (facilities amount being the cost of vehicles). The facilities are valid up to December 2023.

## 22 NET CONTRIBUTION - Participants' Takaful Fund

	Nine months ended 30 September		Three months ended 30 September	
	2021	2020	2021	2020
Note	(Rupees)			
<b>Written Gross Contribution</b>	<b>1,480,715,982</b>	1,044,356,425	<b>478,505,420</b>	343,168,966
Less: Wakala Fee	(438,715,544)	(368,468,626)	(189,620,219)	(132,494,322)
<b>Contribution Net of Wakala Fee</b>	<b>1,042,000,438</b>	675,887,799	<b>288,885,201</b>	210,674,644
Add: Unearned Contribution reserve opening	774,926,588	504,543,197	-	-
Less: Unearned Contribution reserve closing	(1,001,666,831)	(559,229,292)	25,526,807	19,036,325
<b>Contribution earned</b>	<b>815,260,195</b>	621,201,704	<b>314,412,008</b>	229,710,969
Retakaful Contribution ceded	91,900,419	71,094,458	44,693,600	30,115,295
Add: Prepaid retakaful contribution opening	67,651,940	46,956,918	-	-
Less: Prepaid retakaful contribution closing	(51,526,186)	(28,747,649)	(12,996,714)	(1,196,942)
<b>Retakaful Expense</b>	<b>108,026,173</b>	89,303,727	<b>31,696,885</b>	28,918,353
<b>Net Contribution</b>	<b>707,234,022</b>	531,897,977	<b>282,715,122</b>	200,792,616

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 23 RETAKAFUL REBATE - Participants' Takaful Fund

	Nine months ended 30 September		Three months ended 30 September	
	2021	2020	2021	2020
	(Rupees)			
Retakaful rebate/commission received	20,113,145	15,022,667	11,120,690	7,439,241
Add: Unearned retakaful rebate / commission opening	12,812,863	3,851,294	7,719,615	4,036,131
Less: Unearned retakaful rebate / commission closing	(13,689,968)	(6,146,265)	(13,689,968)	(6,146,265)
Retakaful rebate/commission Income	19,236,040	12,727,696	5,150,337	5,329,107

## 24 TAKAFUL BENEFITS / CLAIMS EXPENSE

	Nine months ended 30 September		Three months ended 30 September	
	2021	2020	2021	2020
	(Rupees)			
<b>Benefits Claim Paid</b>	773,861,543	549,636,192	267,939,901	229,561,354
Add: Outstanding benefits / claims including IBNR closing	195,025,667	258,950,915	195,025,667	258,950,915
Less: Outstanding benefits / claims including IBNR opening	(234,657,638)	(152,283,379)	(191,953,061)	(202,315,500)
<b>Claim Expense</b>	734,229,572	656,303,728	271,012,508	286,196,769
<b>Retakaful and other recoveries received</b>	117,584,529	83,494,906	36,264,050	38,253,551
Add: Retakaful and other recoveries in respect of outstanding claims closing	97,767,578	134,947,021	97,767,579	134,947,021
Less: Retakaful and other recoveries in respect of outstanding claims opening	(105,383,695)	(50,246,098)	(110,804,557)	(83,535,209)
Retakaful and other recoveries revenue	109,968,412	168,195,829	23,227,072	89,665,363
<b>Net Claim Expense</b>	624,261,160	488,107,899	247,785,436	196,531,406

## 25 OTHER DIRECT EXPENSES - Participant's Takaful Fund

	Nine months ended 30 September		Three months ended 30 September	
	2021	2020	2021	2020
	(Rupees)			
Tracker installation charges	23,783,015	28,041,958	7,182,901	11,560,177
Provision against FED refundable	14,624,400	12,081,332	12,060,999	1,513,567
Service charges on co-takaful acceptance	854,661	633,769	491,886	314,292
Others	142,140	476,267	54,380	-
	39,404,216	41,233,326	19,790,166	13,388,036

## 26 COMMISSION EXPENSE - Shareholders' Fund

	Nine months ended 30 September		Three months ended 30 September	
	2021	2020	2021	2020
	(Rupees)			
Commission Paid or payable	123,197,876	130,385,926	45,071,612	35,567,860
Add: Deferred commission expense opening	58,295,367	33,609,160	64,526,679	75,796,646
Less: Deferred commission expense closing	(67,535,250)	(77,717,774)	(67,535,250)	(77,717,774)
Commission Expense	113,957,993	86,277,312	42,063,042	33,646,732

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 27 GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES - Shareholders' fund

- Shareholders' fund		Nine months ended 30 September		Three months ended 30 September	
		2021	2020	2021	2020
Note		(Rupees)			
Employee benefit cost		242,028,862	182,018,023	86,341,000	50,831,301
Rent, rates and taxes		367,742	1,920,057	88,032	-
Electricity, Gas and Water		5,628,996	3,831,494	2,305,113	2,457,271
Communications		5,490,691	3,737,354	1,766,594	1,273,725
Printing and stationery		6,211,201	4,315,435	1,280,524	-
Travelling and entertainment		4,099,418	6,522,590	2,446,875	3,009,197
Office repairs and maintenance		2,076,098	3,113,627	580,648	981,455
Vehicles running expense		7,374,238	6,642,404	3,421,300	5,815,995
Advertisement and sales promotions		6,652,690	7,881,509	1,601,357	3,315,322
Ijarah rentals		22,653,228	15,419,395	9,648,805	3,626,765
Depreciation	6.1 & 6.3	32,167,170	21,895,259	12,138,567	6,806,347
Amortization of cost of intangible assets	7	-	4,667	-	-
Legal and professional charges - business related		7,080,608	5,787,005	2,543,728	-
Takaful contribution		641,777	3,103,434	295,628	2,665,846
Bank charges		196,408	133,689	1,514	131,970
Miscellaneous expenses		958,817	5,872,593	320,285	6,927,686
		343,627,944	272,198,537	124,779,970	87,842,882

## 28 OTHER DIRECT EXPENSES - Shareholders' Fund

	Note	30 September 2021 (Un-audited)	31 December 2020 (Audited)
(Rupees)			
Auditors' Remuneration		500,000	500,000
Shariah Advisory fee		990,000	600,000
Subscription		4,492,594	6,327,686
		5,982,594	6,927,686

## 29 WAKALA FEES

The wakala fees was charged at the gross contribution from the Participants ' Takaful Fund. The rate of wakala fees as approved by Shariah Advisor were as follows:

	Note	1 July 2021 to 30 September 2021	1 January 2021 to 30 June 2021	1 July 2020 to 30 September 2020	1 January 2020 to 30 June 2020
(Rupees)					
Fire and property damage		10.0%	10.0%	5.0%	45.0%
Marine, aviation and transport		10.0%	10.0%	5.0%	45.0%
Motor		75.0%	75.0%	45.0%	77.5%
Health		5.0%	5.0%	5.0%	17.0%
Miscellaneous		45.0%	45.0%	40.0%	77.5%

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 30 INVESTMENT INCOME

	<b>Shareholders' Fund (SHF)</b> Nine months ended 30 September		<b>Participants' Takaful Fund (PTF)</b> Nine months ended 30 September	
	2021	2020	2021	2020
	(Rupees)			
<b>Dividend Income</b>	<b>106,950</b>	1,694,159	<b>583,947</b>	-
<b>Income from Debt Securities</b>				
Return on Sukuk	<b>6,193,284</b>	9,372,482	-	-
<b>Income from Deposits</b>				
Return on term deposit-held to maturity	<b>14,250,210</b>	12,970,805	<b>12,795,657</b>	31,785,913
Less: Investment related expenses	<b>(197,324)</b>	(249,518)	<b>(271,048)</b>	(73,690)
<b>Net realized gains on investments - Held for trading</b>				
Realized Gain on equity securities	<b>902,268</b>	-	<b>7,852,278</b>	-
Net investment income	<b>21,255,388</b>	23,787,928	<b>20,960,834</b>	31,712,223

## 31 INVESTMENT INCOME

	<b>Shareholders' Fund (SHF)</b> Nine months ended 30 September		<b>Participants' Takaful Fund (PTF)</b> Nine months ended 30 September	
	2021	2020	2021	2020
	(Rupees)			
(Loss) / gain on sale of fixed asset	<b>(249,968)</b>	979,765	-	-
Service income	-	149,072	<b>47,747</b>	49,121
Others	-	852,721	<b>71,743</b>	320,401
	<b>(249,968)</b>	1,981,558	<b>119,490</b>	369,522

Note

## 32 TAXATION - Shareholders' Fund

	2021	2020
	(Rupees)	
For Current Period		
Current	<b>6,580,733</b>	7,328,291
Deferred	<b>(1,203,074)</b>	(928,289)
	<b>5,377,659</b>	6,400,002

Note

## 33 MUDARIB'S FEE

Mudarib fee is charged at the rate of 25% on investment income and return on bank balance during the period ended 30 September 2021.

## 34 EARNINGS (AFTER TAX) PER SHARE - BASIC

There is no dilutive effect on the basic earnings per share which is based on:

	<b>Shareholders' Fund (SHF)</b> Nine months ended 30 September		<b>Shareholders' Fund (SHF)</b> Three months ended 30 September	
	2021	2020	2021	2020
	(Rupees)			
Net profit / (loss) after tax for the half year - attributable to the ordinary shareholders	<b>4,075,409</b>	28,872,393	<b>27,332,927</b>	19,922,742
Weighted average number of ordinary shares	<b>74,274,679</b>	113,202,002	<b>74,274,679</b>	113,202,002
Basic earnings per share	<b>0.05</b>	0.26	<b>0.37</b>	0.18
		(Restated)		(Restated)

34.1 The Company has not issued any instrument which would dilute its basic earnings per share when exercised.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

## 36 SEGMENT INFORMATION - PARTICIPANTS' TAKAFUL FUND (PTF)

Segment information prepared in accordance with the requirement of Insurance Ordinance, 2000 and General Takaful Accounting Regulations, 2019 for class of business wise revenues, results, assets and liabilities.

		Nine months ended 30 September 2021					
		Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
		(Rupees)					
Contribution (inclusive of Sales tax, federal takaful fee, stamp duty)		69,950,679	39,824,975	723,153,355	728,437,657	33,336,540	<b>1,594,703,206</b>
Less: Sales Tax Payable		(6,931,251)	(4,148,148)	(82,610,357)	(26,994)	(3,792,492)	<b>(97,509,242)</b>
Federal Takaful Fee		(485,703)	(323,807)	(6,272,778)	(6,859,900)	(290,042)	<b>(14,232,230)</b>
Stamp duty		(58,040)	(2,054,730)	(102,390)	(22,850)	(7,740)	<b>(2,245,750)</b>
Gross written contribution		<b>62,475,685</b>	<b>33,298,290</b>	<b>634,167,830</b>	<b>721,527,913</b>	<b>29,246,266</b>	<b>1,480,715,984</b>
Wakala fee		(10,665,909)	(8,503,830)	(344,155,513)	(50,417,396)	(24,972,897)	<b>(438,715,545)</b>
<b>Participants' Takaful Fund - revenue account</b>							
Takaful contribution earned		47,804,077	31,831,347	569,610,612	544,571,869	60,157,835	<b>1,253,975,740</b>
Takaful contribution ceded expense		(39,900,587)	(15,845,904)	(16,837,088)	-	(35,442,594)	<b>(108,026,173)</b>
Net Takaful contribution	22	<b>(2,762,419)</b>	<b>7,481,613</b>	<b>208,618,011</b>	<b>494,154,473</b>	<b>(257,656)</b>	<b>707,234,022</b>
Retakaful rebate earned	23	10,981,905	4,442,401	-	-	3,811,734	<b>19,236,040</b>
<b>Net Underwriting Income</b>		<b>8,219,486</b>	<b>11,924,014</b>	<b>208,618,011</b>	<b>494,154,473</b>	<b>3,554,078</b>	<b>726,470,062</b>
Takaful claims		(2,863,917)	(9,601,036)	(243,065,076)	(434,510,661)	(10,654,454)	<b>(700,695,144)</b>
Takaful claims recovered from retakaful operators & salvage recoveries		(191,174)	7,357,116	94,016,442	-	8,786,028	<b>109,968,412</b>
Net Takaful claims expense		(3,055,091)	(2,243,920)	(149,048,634)	(434,510,661)	(1,868,426)	<b>(590,726,732)</b>
Incurred But Not Reported (IBNR) claims expense		(1,693,650)	(250,059)	(1,775,285)	(28,274,312)	(1,541,122)	<b>(33,534,428)</b>
Contribution deficiency expense / (reversal)		-	-	-	-	-	<b>-</b>
Provisions against doubtful contributions (receivables)		1,180,442	(2,464,245)	(901,573)	(64,718)	(379,061)	<b>(2,629,155)</b>
Other direct expenses		(1,876,543)	(737,544)	(36,201,942)	-	(588,187)	<b>(39,404,216)</b>
<b>Underwriting results</b>		<b>2,774,644</b>	<b>6,228,246</b>	<b>20,690,577</b>	<b>31,304,782</b>	<b>(822,718)</b>	<b>60,175,531</b>
Investment income	30						<b>20,960,834</b>
Profit on bank balances							<b>3,124,616</b>
Less: Mudarib's share							<b>(6,021,362)</b>
Net investment income							<b>18,064,088</b>
Other income							<b>119,490</b>
Bank charges							<b>(207,552)</b>
Total surplus - before tax							<b>78,151,557</b>
Provision for taxation - current							<b>-</b>
Total surplus - after tax							<b>78,151,557</b>

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

		Nine months ended 30 September 2020					
		Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
		(Rupees)					
Contribution (inclusive of Sales tax, federal takaful fee, stamp duty)		43,222,839	23,051,228	560,710,121	419,371,753	89,357,641	1,135,713,582
Less: Sales Tax Payable		(3,408,407)	(1,956,932)	(63,740,924)	-	(10,325,753)	(79,432,016)
Federal Takaful Fee		(272,806)	(189,492)	(4,875,683)	(4,152,084)	(785,230)	(10,275,296)
Stamp duty		(18,782)	(1,534,731)	(69,365)	(8,844)	(18,124)	(1,649,846)
Gross written contribution		<u>39,522,844</u>	<u>19,370,073</u>	<u>492,024,149</u>	<u>415,210,825</u>	<u>78,228,534</u>	<u>1,044,356,424</u>
Wakala fee		(9,994,420)	(6,536,671)	(245,818,161)	(47,165,548)	(58,953,826)	(368,468,626)
Participants' Takaful Fund - revenue account							
Takaful contribution earned		28,148,714	19,981,151	449,060,854	368,372,163	124,107,448	989,670,330
Takaful contribution ceded expense		(25,344,782)	(14,521,327)	(14,241,150)	-	(35,196,468)	(89,303,727)
Net Takaful contribution	22	<u>(7,190,488)</u>	<u>(1,076,847)</u>	<u>189,001,543</u>	<u>321,206,615</u>	<u>29,957,154</u>	<u>531,897,977</u>
Retakaful rebate earned	23	7,179,195	4,630,744	-	-	917,757	12,727,696
Net Underwriting Income		<u>(11,293)</u>	<u>3,553,897</u>	<u>189,001,543</u>	<u>321,206,615</u>	<u>30,874,911</u>	<u>544,625,673</u>
Takaful claims		(6,458,021)	(14,492,776)	(254,664,154)	(336,641,001)	(27,115,371)	(639,371,323)
Takaful claims recovered from retakaful operators & salvage recoveries		838,210	10,180,621	138,811,479	-	18,365,519	168,195,829
Net Takaful claims expense		(5,619,811)	(4,312,155)	(115,852,675)	(336,641,001)	(8,749,852)	(471,175,494)
Incurred But Not Reported (IBNR) claims expense		(770,270)	(249,975)	(1,028,587)	(12,575,987)	(1,095,808)	(15,720,627)
Contribution Deficiency Reversal		-	-	-	(1,211,778)	-	(1,211,778)
Provisions against doubtful contributions (receivables)		-	-	-	-	-	-
Other direct expenses		1,286,487	1,492,570	(32,179,091)	(18,174,064)	(926,762)	(48,500,861)
Underwriting results		<u>(5,114,887)</u>	<u>484,337</u>	<u>39,941,189</u>	<u>(47,396,216)</u>	<u>20,102,489</u>	<u>8,016,913</u>
Investment income	30						31,712,223
Profit on bank balances							3,305,777
Less: Mudarib's share							(8,754,500)
Net investment income							26,263,500
Other income							369,522
Bank charges							(210,555)
Total surplus - after tax							<u>34,439,378</u>

## 37 SEGMENT INFORMATION - SHAREHOLDERS' FUND (SHF)

Segment information prepared in accordance with the requirement of Insurance Ordinance, 2000 and General Takaful Accounting Regulations, 2019 for class of business wise revenues, results, assets and liabilities.

		Nine months ended 30 September 2021					
		Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
		(Rupees)					
Wakala fee		10,665,909	8,503,830	344,155,513	50,417,396	24,972,897	438,715,545
Less: Commission expense		(5,900,751)	(4,755,070)	(79,724,202)	(20,652,029)	(2,925,942)	(113,957,994)
Management expense		-	-	-	-	-	(343,627,944)
		<u>4,765,158</u>	<u>3,748,760</u>	<u>264,431,311</u>	<u>29,765,367</u>	<u>22,046,955</u>	<u>(18,870,393)</u>
Mudarib share of PTF investment income							6,021,362
Investment Income							21,255,388
Other charges / income							4,980,430
Profit before taxation							13,386,787
Finance Cost							(3,933,720)
Profit before taxation							9,453,067
Deferred Tax							-
Taxation							(5,377,659)
Profit after taxation							<u>4,075,408</u>

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

As at 30<sup>th</sup> September 2021

	Nine months ended 30 September 2020					
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Wakala fees	9,994,420	6,536,671	245,818,161	47,165,548	58,953,825	368,468,625
Less: Commission expense	(3,804,548)	(2,902,395)	(51,106,587)	(23,231,373)	(5,232,407)	(86,277,310)
Management expenses	(10,422,744)	(5,146,078)	(131,162,181)	(111,664,393)	(20,730,827)	(279,126,223)
	<u>(4,232,872)</u>	<u>(1,511,802)</u>	<u>63,549,393</u>	<u>(87,730,218)</u>	<u>32,990,590</u>	<u>3,065,092</u>
Investment Income						23,787,928
Mudarib share of PTF investment income						8,754,500
Other charges / income						2,611,757
						<u>38,219,277</u>
Finance Cost						(2,946,881)
Profit before taxation						<u>35,272,396</u>
Taxation						<u>(6,400,003)</u>
Profit after taxation						<u>28,872,393</u>

## 38. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, to facilitate comparison.

Reclassified from	Reclassified to	SHF
		----- (Rupees) -----
Other creditors and accruals	Advance against further issue of share capital	200,000,000

## 39. GENERAL

**39.1** Figures have been rounded off to nearest Rupee unless otherwise mentioned.

**39.2** These condensed interim financial statements were approved by the Board of Directors in their meeting held on 19th November 2021.

**BUREAU VERITAS**  
Certification



**TAKAFUL PAKISTAN LIMITED**  
6TH FLOOR, BUSINESS CENTRE, 19-A/1 BLOCK 6 P.E.C.H.S.  
SHAHRAH-E-FAISAL, KARACHI - PAKISTAN

*Bureau Veritas Certification Holding SAS –UK Branch certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below*

**ISO 9001:2015**

**GENERAL TAKAFUL BUSINESS (CLASSES: MOTOR, HEALTH, MARINE, FIRE, ENGINEERING AND MISCELLANEOUS)**

Original cycle start date: **13<sup>th</sup> December 2019**

Expiry date of previous cycle: **N/A**

Certification /Recertification Audit date: **16<sup>th</sup> November 2019**

Certification/ Recertification cycle start date: **13<sup>th</sup> December 2019**

Subject to the continued satisfactory operation of the organization's Management System, this certificate expires on: **12<sup>th</sup> December 2022**

**Certificate No. MER19.643/UQ**

**Version : 01**

**Revision date: 13-12-2019**

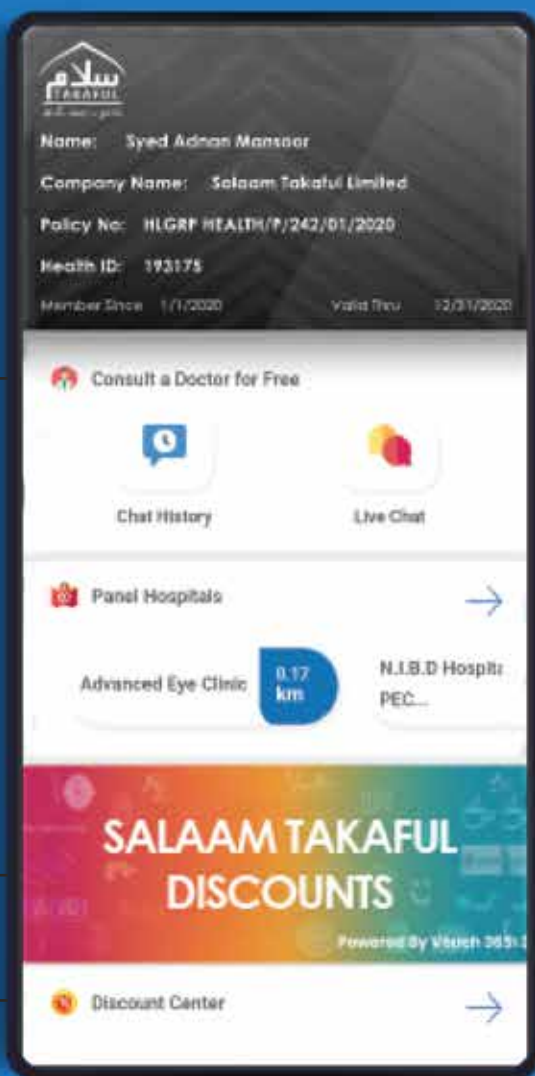


Certification body address: 5<sup>th</sup> Floor, 66 Prescott Street, London E1 8HG, United Kingdom  
Local office: Office No. 09, Third Floor, Sardar Begum Plaza, Blue Area, Islamabad, Pakistan  
Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.  
To check this certificate validity please call: **(+9251) 2347275-76-78**

Audio and  
Video OPD  
Consultation  
with  
Qualified  
Doctors

Amazing  
Discounts at  
Labs and  
Allied  
Partners

Doctors  
Appointment



View Health  
Card  
Information

Locate  
Nearby  
Hospitals

Panel  
Hospitals

Buy One Get  
One Free



6th Floor, Business Centre, Plot # 19-1-A, Block 6, P.E.C.H.S.,  
Shahrah-e-Faisal, Karachi-75400.



+92-21-111-725-226



[www.salaamtakaful.com](http://www.salaamtakaful.com)



[info@salaamtakaful.com](mailto:info@salaamtakaful.com)