



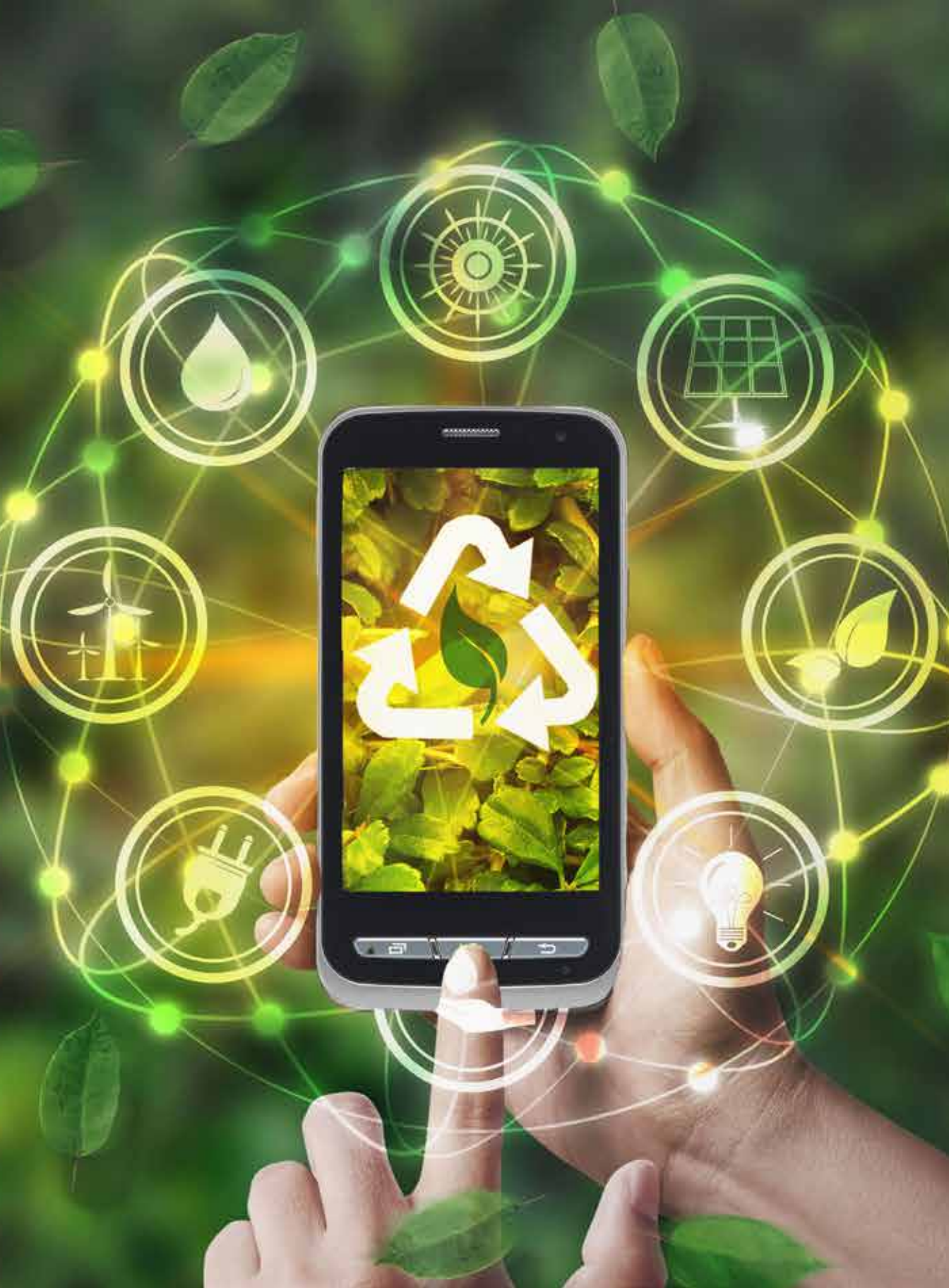
**Innovate. Inform. Inspire.**

1<sup>st</sup> QUARTER REPORT  
31<sup>st</sup> MARCH 2020 (UNAUDITED)









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# COMPANY INFORMATION

## Directors

Mr. Salim Habib Godil (Chairman)  
Syed Rizwan Hussain  
Mr. Ahmed Shuja Kidwai  
Mr. Shahzad Salim Godil  
Syed Salman Hussain  
Mr. Ashraf Ali Velji  
Dr. Irum Saba

## Managing Director & CEO

Syed Rizwan Hussain

## Chief Financial Officer

Muhammad Irfan\*

## Company Secretary

Ms. Naheed Shiraz Merchant

## Shariah Advisor

Mufti Sajjad Ashraf Usmani

## Shariah Supervisor & Consultant

Usmani & Co

## Statutory Auditor

KPMG Taseer Hadi & Co.  
Chartered Accountants

## Internal Auditor

EY Ford Rhodes Sidat Hyder and Co.  
Chartered Accountants

## Business Process Consultants

Deloitte Yousuf Adil & Co.  
Chartered Accountants

## Legal Advisors

Mohsin Tayebaly & Co.  
Haidermota & Co. Advocates

## Corporate Advisor

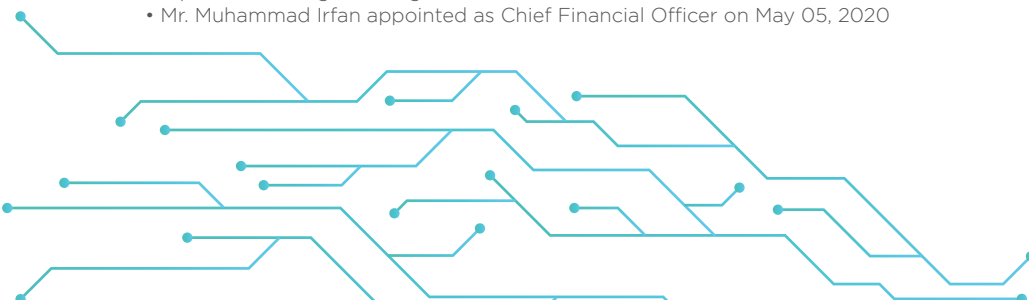
RS Corporate Advisory

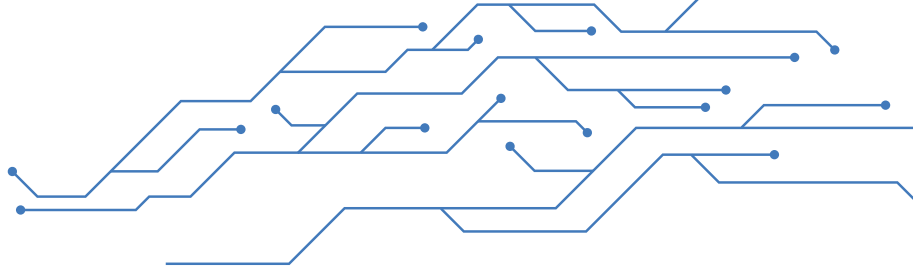
## Head Office

6th Floor, Business Centre,  
Plot No 19-1-A, Block -6, P.E.C.H.S.,  
Shahrah-e-Faisal, Karachi-75400,  
Pakistan.

\*Represents changes during the 2nd Quarter 2020

- Mr. Muhammad Irfan appointed as Chief Financial Officer on May 05, 2020





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**Website :**

www.takaful.com.pk

## BANKERS:

- Meezan Bank Limited
- Bank Islami Pakistan Limited
- Dubai Islamic Bank Limited
- Al Baraka Bank (Pakistan) Limited
- 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)
- UBL (Islamic Banking Division)
- NRSP Micro Finance Bank Limited  
(Islamic Banking Division)

# BOARD COMMITTEES

## AUDIT COMMITTEE

- **Chairperson** — Dr. Irum Saba\* (Independent Director)
- **Member** — Salim Habib Godil (Non-Executive Director)
- **Member** — Ahmed Shuja Kidwai (Non-Executive Director)
- **Member** — Shahzad Salim Godil (Non-Executive Director)
- **Member** — Syed Salman Hussain (Non-Executive Director)

## BOARD INVESTMENT COMMITTEE

- **Chairman** — Syed Salman Hussain (Non-Executive Director)
- **Member** — Rizwan Hussain (Managing Director & CEO)
- **Member** — Shahzad Salim Godil (Non-Executive Director)
- **Member & Secretary** — Muhammad Irfan\* (Chief Financial Officer & Chief Investment Officer)

## ETHICS, HUMAN RESOURCE & REMUNERATION COMMITTEE

- **Chairman** — Salim Habib Godil (Non-Executive Director)
- **Member** — Syed Rizwan Hussain (Managing Director & CEO)
- **Member** — Shahzad Salim Godil (Non-Executive Director)
- **Member** — Syed Salman Hussain (Non-Executive Director)

\*Represents changes during the 2nd Quarter 2020

1) Dr. Irum Saba appointed as Chairperson Audit Committee on April 15, 2020

2) Mr. Muhammad Irfan appointed as Chief Financial Officer on May 05, 2020



# MANAGEMENT COMMITTEES

## UNDERWRITING AND RETAKAFUL & CO-TAKAFUL COMMITTEE

- **Chairman** — Syed Rizwan Hussain (Managing Director & CEO)
- **Member & Secretary** — Umair Ismail (Executive Vice President, Head of Operation – Non-Motor)
- **Member** — Kamran M. Hanif (Executive Vice President, Head of Operations – Motor)
- **Member** — Muhammad Irfan\* (Chief Financial Officer)
- **Member** — Raheel Shaikh (Head of Health underwriting & Product)

## BENEFIT (CLAIM) SETTLEMENT COMMITTEE

- **Chairman** — Syed Rizwan Hussain (Managing Director & CEO)
- **Member & Secretary** — Faheem Darss (Head of Claims – South Region)
- **Member** — Dr. Omair Saeed (Head of Health- Benefits & Network)
- **Member** — Shoaib Hussain (Manager Claims- Non-Motor)

## RISK MANAGEMENT & COMPLIANCE COMMITTEE

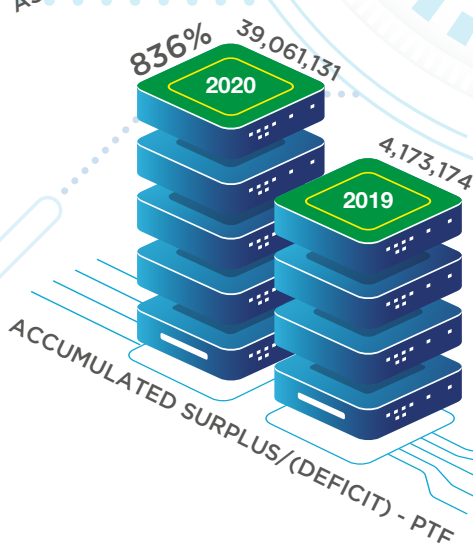
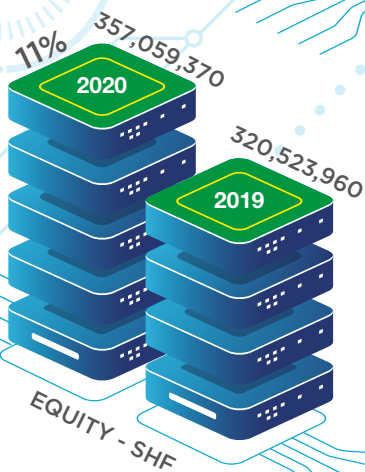
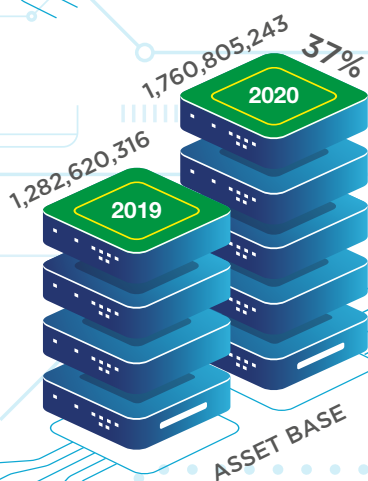
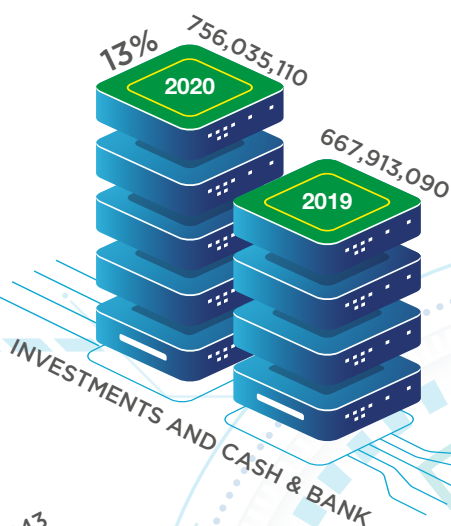
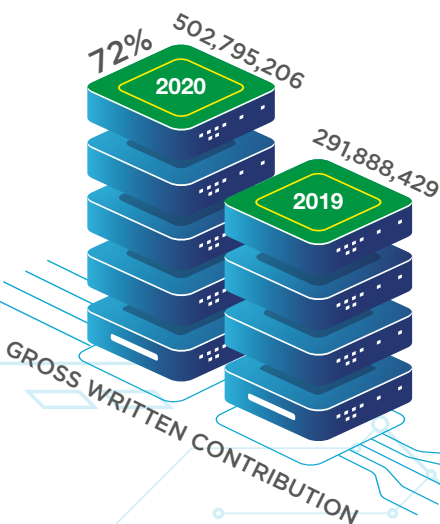
- **Chairman** — Syed Rizwan Hussain (Managing Director & CEO)
- **Member** — Waqas Ahmed (Executive Director – Strategy & Planning)
- **Member** — Kamran M. Hanif (Executive Vice President, Head of Operations – Motor)
- **Member** — Umair Ismail (Executive Vice President, Head of Operations- Non-Motor)
- **Member** — Naheed Shiraz Merchant (Head of Legal, Compliance & Company Secretary)
- **Member** — Muhammad Irfan\* (Chief Financial Officer)
- **Member & Secretary** — Syed Muhammad Ali Zaidi (Manager, Risk Management)

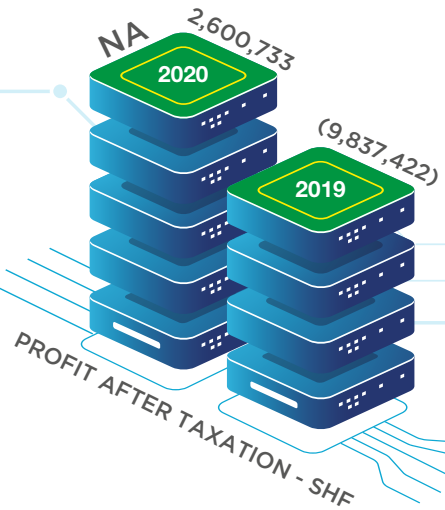
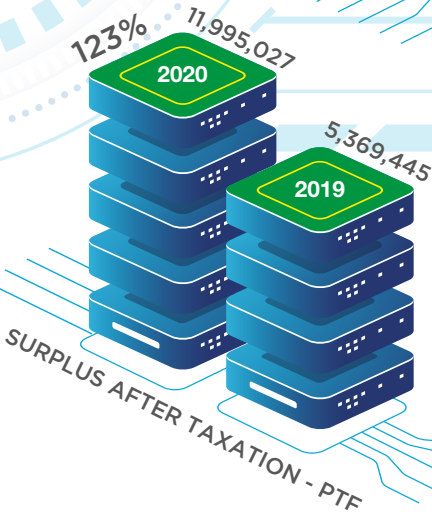
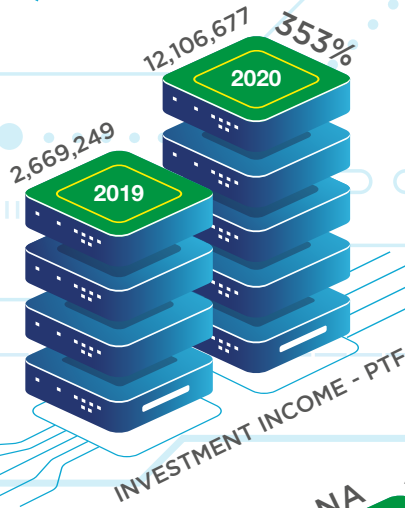
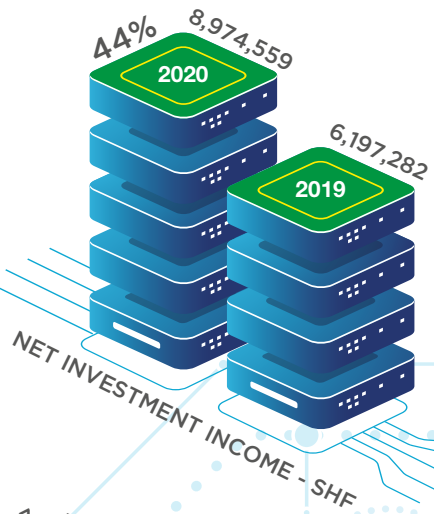
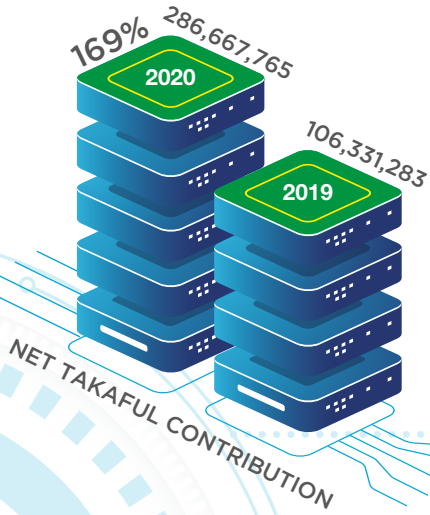
\*Represents changes during the 2nd Quarter 2020

1) Mr. Muhammad Irfan appointed as Chief Financial Officer on May 05, 2020

2) Mr. Syed Muhammad Ali Zaidi appointed as Manager Risk Management on May 05, 2020

# KEY FINANCIAL FIGURES (1ST QUARTER)





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

The Directors of your Company are pleased to present before you the unaudited financial statements of the

Company for the three months ended March 31, 2020.

## Financial Highlights

The summarized results of the Company's takaful business for the three

months period ended March 31, 2020 are as under:

### PARTICIPANTS' TAKAFUL FUND (PTF):

Gross Written Contribution
Net Takaful Contribution
Underwriting Results
Gross Investment Income (before impairment)
Surplus/(Deficit) after tax for the period

Unaudited		
YTD 31st March 2020	YTD 31st March 2019	
----- (Rupees) -----		
502,795,206	291,888,429	72%
286,667,765	106,331,283	170%
2,276,342	6,543,193	(65%)
12,814,024	4,590,857	179%
11,995,028	5,369,446	123%

### SHAREHOLDERS' FUND (SHF):

Wakala fee
Gross Investment Income (before impairment)
Profit & (Loss) before taxation
Profit & (Loss) after taxation

91,794,321	47,408,920	94%
9,049,750	6,729,124	34%
4,227,705	(8,537,717)	-
2,600,733	(9,837,421)	-

## Performance Review

During the quarter ended March 31, 2020, Takaful Pakistan Limited (hereinafter referred to as "the Company") has aggressively focused on building its business volume. By the end of 1st Quarter March 2020, the Company showed significant growth of 72% in the gross written contribution and 178% in the net takaful contribution vis-à-vis same period last year.

Total investment income before impairment recorded at Rs. 21.8 million (2019: Rs. 11.3 million) depicts an increase of

93% over the same period last year. This increase is mainly attributable to rising discount rates as compare to same period last year as well as because of elimination of equity investment portfolio as at 31st December 2019 that increased and reflect the income from only bank deposits and Sukuk Certificates.

The Shareholders' Fund topline income is derived from the wakala fees earned. During the March quarter of 2020, the Company managed to earn wakala fees of Rs. 91.78 million (2019: 47.41 million), a healthy increase of 94% over same period last year.



## Outlook:

### Pakistan's Economy

The COVID-19 pandemic has brought to an Economic Crisis unlike any before as The IMF projects the global real GDP growth in 2020 to fall to -3.0%. This makes the coronavirus pandemic lock down the worst recession since the Great Depression of the 1930s and far worse than the Global Financial Crisis of 2008.

The pandemic poses unprecedented health, economic, and financial stability challenges across the globe. Emerging market economies experienced the sharpest reversal of portfolio flows on record. Equity Prices have declined by 15%-20% across the globe and there has been huge capital outflows.

To ease the economic fallout and protect financial stability, Central banks globally have taken pivotal actions by easing monetary policy and providing liquidity to the financial system. Also, the government authorities across the globe have introduced and implemented large and timely fiscal & economic stimulus packages.

Although Pakistan's economy is in better shape than before, nevertheless owing to COVID-19 pandemic, the economic growth is expected to contract sharply, by -1.5% in FY 2020, as the economy is buffeted by demand and supply shocks. Exports and remittances are expected to decline sharply, which together with a temporary loss of market access create an urgent balance of payments need.

The State Bank of Pakistan considering reduction in growth and inflation expectations, cut the policy rate to 9.0%. The SBP Monetary Policy Committee believes that this action would cushion the impact of the Coronavirus shock on

growth and employment and help in maintaining financial stability.

The government also introduced a massive Rs. 1.2 trillion relief packages aimed at supporting the underprivileged as well as bolstering sectors of the economy that have been battered by the pandemic.

The IMF Executive Board also approved a US\$1.386 Billion disbursement to Pakistan to address the pandemic.

Going forward, there could be a sizeable rebound and recovery across the globe as pandemic subsides though clouded by uncertainty, the priority action for the government is to contain the spread of the virus, minimize the economic loss and protect the vulnerable and the poorest.

### 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 in order 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. Perhaps coronavirus crisis could

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.

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.

## Acknowledgment

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

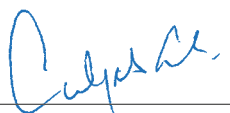
We would also like to pay our gratitude to the Securities and Exchange Commission of Pakistan, Re-Takaful operators and all our participants for their continued guidance and support.

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

On behalf of the Board of Directors



**Syed Rizwan Hussain**  
Managing Director & CEO



**Shahzad Salim Godil**  
Director

کورونا وائرس کی وباء کی وجہ سے لوگ اپنی انفرادی صحت کے لیے سیر کی ضرورت کو مد نظر رکھیں گے۔ مزید یہ کہ اس کے نتیجے میں تنظیمیں تیزی سے تکنیکی ترقی کی راہ پر گامزن ہوتے ہوئے مزید مستعد، منسوب وہ اثر پذیر ہونے کی کوشش کریں گی۔

کورونا وائرس کی وباء کے پیش نظر پیدا ہونے والے سماجی فاصلے کو پائے ہوئے سرور تک رسائی حاصل کرنے اور فاصلے سے بات چیت کرنے کے لیے ڈیجیٹل انقلاب جو کہ سسٹم، سرور اور انفرادی قوت کو ضم کرے ناگزیر ہے۔

یہ وقت انفرادی طور پر، کنبوں کے لیے بلکہ بلاشبہ تمام معاشروں اور معیشتوں کے لیے ہی انتہائی مشکل ہے۔ ہم بہترین قیادت تلے منہمک انفرادی قوت کے ساتھ شرکاء اور معاشرے کی خدمت کے لیے انتھک محنت کر رہے ہیں اور ان کو اس بحران سے سنبھلنے میں مدد کرنے کے لئے بھرپور طریقے سے کوشاں ہیں۔

کمپنی ڈیجیٹلائزیشن اور کسٹمائزڈ پورٹل کی مدد سے وسیع رینج مارکیٹ جس پر اب تک کام نہیں ہوا ہے میں بھی نفوذ کا ارادہ رکھتی ہے۔ مزید برآں کمپنی موثر طریقے سے واجبات کا ذمہ قبول کر کے سخت ریاضت سے کیے گئے تکافل کے انتظامات اور لائق انفرادی قوت کے استعمال کے ذریعے موجودہ مواقع کا فائدہ اٹھاتے ہوئے مزید ترقی کے لیے پرعزم ہے۔

## سپاس

بورڈ کمپنی میں حصہ داروں اور منتظمین کے اعتماد کو سراہتا ہے۔ سیکورٹیز اینڈ اینجینج کمیشن آف پاکستان، ری تکافل آپریٹرز اور تمام شرکاء کی رہنمائی اور مدد کے لئے بورڈ تہہ دل سے شکر گزار ہے۔ مزید برآں بورڈ تکافل کے عمل کے عدم لگن اور جدت پسندانہ روش پر ان کو خراج تحسین پیش کرتے ہوئے اس سلسلے کے یونٹی جاری و ساری رہنے کی امید کا اظہار کرتا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے



سید رضوان حسین  
چیکنگ ڈائریکٹر وی سی ای او



شیرااد سلیم گوڈیل  
ڈائریکٹر

آئی ایم ایف اگیزیکلوژ بورڈ نے کرونا وائرس کی وبا سے ٹھٹنے کے لیے پاکستان کو بھینچے کے لیے 1.386 ارب ڈالر کی منظوری دے دی ہے۔

آگے چل کر اس عالمی وبامیں کی واقع ہونے کے ساتھ عالمگیر سطح پر بحالی متوقع ہے۔ دنیا اس وقت امید و بہم کی کیفیت سے دوچار ہے۔ بہر حال حکومت کے لیے فی الحال پہلی ترجیح کرونا وائرس کی وبا کے پھیلاؤ کو روکنا، معاشی نقصان قابو پانا، متاثرین وباء اور غریب طبقے کی حفاظت کرنا ہے۔

## کاروباری چیلنجز اور مواقع

کرونا وائرس کی وباء معیشت، صارفین کی طلب اور رویہ، برآمد کنندگان، کاروبار اور صنعتوں کو متاثر کر رہی ہے۔ معاشی تباہ حالی ممکنہ طور پر کاروباری سرگرمیوں پر اثر انداز ہوگی جس کے نتیجے میں بحری، آتشزدگی، انجینئرنگ اور دیگر کاروباروں پر فرق پڑے گا۔ مزید یہ کہ اخراجات اور روزگار پر کرونا وائرس کی وباء کے اثر کو زائل کرنے کی خاطر سنٹرل بینک کی طرف سے مانیٹرنگ پالیسی میں کی گئی نرمی کی وجہ سے پالیسی کی شرح میں گراؤ کے نتیجے میں اجارہ اور صارفین کو قرض دینے والے کاروبار جو موثر سیگنٹ کے لیے سازگار ثابت ہو سکتے ہیں میں اضافہ ممکن ہے مگر کرونا وائرس کی وباء سے متاثرہ کاروباروں کے صارفین کی اخراجات اور آمدنی کی سطح میں خلل اندازی اس پر بھی حاوی ہو سکتی ہے۔ مزید برآں، مقررہ آمدنی کی پیداوار میں کمی اور عالمی سطح پر لیکوٹی مارکیٹ میں اتار چڑھاؤ کی وجہ سے سرمایہ کاری کی پیداوار پر بھی منفی اثرات پڑنے کے امکانات ہیں۔

معاشی دھچک کی شدت اور اس کی مدت کے بارے میں بے یقینی کی فضاء ہے اور سماجی فاصلوں اور علیحدگی سے متعلق پالیسیوں کی وجہ سے متحرک کاروباری سرگرمیاں انجام دینے میں مشکلات کا سامنا ہے۔ اس طرح کی کساد بازاری میں اکثر کم آمدنی رکھنے والے افراد کو نقصان اٹھانا پڑتا ہے جس کی وجہ سے غربت اور عدم مساوات کی شرح میں اضافہ ہوتا ہے۔ کاروبار تباہ ہونے اور بیروزگاری میں ممکنہ اضافے سے اگلی پریمیم ادائیگیوں میں کمی کا امکان بڑھ جاتا ہے جس سے مالی تحفظ کی ضرورت بڑھ جاتی ہے۔

حکومت نے معیشت کو تقویت دینے اور کمزور شعبہ جات کی مدد کے لئے بروقت اور بڑے مالی سہیولس پیکیجز متعارف کرائے ہیں۔ حکومت کی اولین ترجیح کرونا وائرس کی وباء کے پھیلاؤ پر قابو پانا، لوگوں کی حفاظت کرنا اور معاشی نقصان کو محدود کرنا ہے۔

نئے کرونا وائرس کی وباء کے باعث دنیا ایک معاشی بحران سے گزر رہی ہے۔ آئی ایم ایف کی پیش اندازی کے مطابق دنیا کی اصل جی ڈی پی کی شرح 3.0% تک گرجائے گی جس کی وجہ سے نئے کرونا وائرس کی روک تھام کے لیے نافذ کیے گئے لاک ڈاؤن کو جو کہ 2008 کے عالمگیر مالی بحران کے مقابلے میں خاصا بہتر ہے 1930 کے گریٹ ڈپریشن کے بعد کی بدترین کساد بازاری قرار دیا جا رہا ہے۔

اس عالمی وباء کی وجہ سے دنیا کو بے نظیر صحت، معیشت اور مالی استحکام کے مسائل کا سامنا درپیش ہے۔ ابھرتی ہوئی مارکیٹ معیشت نے پورٹ فولیو فلوڈز میں اب تک کی سب سے تیز تقلیب کا سامنا کیا ہے۔ عالمگیر سطح پر لیکوٹی قیمتوں میں 15% سے 20% کا زوال آیا ہے اور کپٹل آؤٹ فلوڈز میں شدت دیکھی گئی ہے۔

معاشی بحران پر قابو پانے اور مالی استحکام کی حفاظت کی خاطر دنیا بھر کے سنٹرل بینکوں نے مانیٹرنگ پالیسی میں نرمی برتتے ہوئے مالیاتی نظام میں لکویڈیٹی فراہم کرنے کے لئے اہم اقدامات اٹھائے ہیں۔

مزید برآں یہ کہ دنیا بھر کی حکومتوں نے بروقت اور بڑے پیمانے پر مالی اور معاشی اسٹیمیولس پیکیجز متعارف اور لاگو کیے ہیں۔

پاکستان کی معاشی حالت جو پہلے کے مقابلے میں قدرے بہتر ہو گئی تھی مگر کرونا وائرس کے عالمی وبائی وجہ سے معیشت میں طلب اور رسد کے جھٹکوں کے باعث معاشی اخراجات میں تیزی سے کمی واقع ہو گئی جس کا تخمینہ 2020 کے مالی سال میں 1.5% لگایا گیا ہے۔ ایکسپورٹ اور ترسیلات زر میں تیزی سے کمی واقع ہونے کا اندیشہ ہے جو مارکیٹ تک رسائی کے عارضی نقصان کے ساتھ مل کر فوری سیلنس آف پے منٹ کی ضرورت کو ناگزیر کر دے گا۔

اسٹیٹ بینک آف پاکستان نے اخراجات اور اقتصادیات کی توقعات میں کمی پر غور کرتے ہوئے پالیسی کی شرح کو 9 فیصد تک کم کر دیا ہے۔ اسٹیٹ بینک مانیٹرنگ پالیسی کمیٹی کا ماننا ہے کہ یہ قدم اٹھانے سے کرونا وائرس کے اخراجات روزگار پر پڑنے والے منفی اثرات زائل ہونگے اور مالی استحکام کو برقرار رکھنے میں آسانی پیدا ہوگی۔

حکومت نے بڑے پیمانے پر 12 کھرب روپے کے ریلیف پیکیج بھی متعارف کرائے جن کا مقصد پسماندہ طبقات کی مدد کرنے کے ساتھ معیشت کے مستحکم شعبوں کی حمایت کرنا ہے جو کرونا وائرس کی وباء سے بحران کا شکار ہیں۔



# مرکز دورانیہ کی مالی معلومات سے متعلق ڈائریکٹرز کی ممبران کو رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ 2020 کے اختتام پر کمپنی کے تین ماہ کے غیر آڈٹ شدہ مالیاتی گوشواروں کو پیش کرتے ہوئے مسرت کا اظہار کرتے ہیں۔

## مالیاتی جھلکیاں

30 مارچ 2020 کو ختم ہونے والے تین ماہ کی مدت کے لئے کمپنی کے مکافل کاروبار کے نتائج کا خلاصہ کچھ یوں ہے:

### Unaudited YTD 31st March 2020 PARTICIPANTS' TAKAFUL FUND (PTF):

Gross Written Contribution	502,795,206	291,888,429	72%
Net Takaful Contribution	286,667,765	106,331,283	170%
Underwriting Results	2,276,342	6,543,193	(65%)
Gross Investment Income (before impairment)	12,814,024	4,590,857	179%
Surplus/(Deficit) after tax for the period	11,995,028	5,369,446	123%

YTD 31st March 2020	YTD 31st March 2019	
		(Rupees)

### SHAREHOLDERS' FUND (SHF):

Wakala fee	91,794,321	47,408,920	94%
Gross Investment Income (before impairment)	9,049,750	6,729,124	34%
Profit & (Loss) before taxation	4,227,705	(8,537,717)	-
Profit & (Loss) after taxation	2,600,733	(9,837,421)	-

## کارکردگی کا جائزہ

یہ اضافہ بنیادی طور پر پچھلے سال کی اسی مدت کے مقابلے میں رعایت کی شرح میں اضافے سے منسوب ہے مزید برآں 31 دسمبر 2019 کو لیکوٹی سرمایہ کاری کے پورٹ فولیو کے خاتمے کی وجہ سے ہونے والا اضافہ بھی اس کی ایک وجہ ہے اور یہ صرف بینک ڈپوزٹ اور سکوک سرٹیفکیٹس سے ہونے والی آمدنی کو ظاہر کرتا ہے۔

شیئر ہولڈرز کے کے فنڈ کی ٹوپ لائن آمدنی وکالہ فیس سے حاصل کی گئی ہے۔ مارچ 2020 کے تین ماہ کے دورانیہ میں کمپنی نے وکالہ فیس کی مد میں 91.78 ملین روپے کمائے (47.41 ملین: 2019) جو کہ پچھلے سال کی اسی مدت کے مقابلے میں 94 فیصد کے قابل ذکر اضافے کا حامل ہے۔

31 مارچ 2020 کو ختم ہونے والے تین ماہ کے دورانیہ میں مکافل پاکستان لمیٹڈ (جو کہ اس دستاویز میں آئندہ لفظ کمپنی سے منسوب ہوگی) نے اپنے کاروباری حجم کو بڑھانے کیلئے بھرپور کوشش کی ہے۔

سال کی پہلی سہ ماہی کے اختتام تک جو کہ مارچ 2020 میں وقوع پذیر ہو گا کمپنی نے (گزشتہ سال اسی مدت کے مقابلے میں) مجموعی تحریری شراکت داری میں 72 فیصد کی قابل ذکر نمو اور نیٹ مکافل کنٹریبیوشن میں 178 فیصد کا اضافہ ظاہر کیا ہے۔

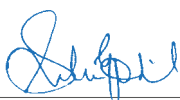
امپائر منسٹ سے قبل مجموعی سرمایہ کاری کی آمدنی جو کہ 21.8 ملین روپے ریکارڈ کی گئی (11.3 ملین روپے: 2019) میں پچھلے سال کی اسی مدت کے مقابلے میں 93 فیصد کا اضافہ دیکھا گیا ہے۔

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

		31 March 2020			31 December 2019
	Note	Shareholders' Fund	Participants' Takaful Fund	Aggregate	Aggregate Audited
ASSETS					
Property and equipment	12	54,609,583	-	54,609,583	44,193,686
Intangible assets	13	300,723	-	300,723	4,667
Investments					
Debt securities	14	88,000,000	-	88,000,000	88,000,000
Term deposits	15	192,600,000	413,000,000	605,600,000	513,200,000
Qard-e-hasna - receivable		91,479,565	-	91,479,565	91,479,565
Long term deposits		16,172,720	-	16,172,720	12,073,240
Loans and other receivables	16	53,262,354	28,704,170	81,966,523	67,526,863
Takaful / co-takaful receivables	17	-	350,164,307	350,164,307	254,742,978
Re-takaful recoveries against outstanding claims	24	-	50,603,336	50,603,336	45,739,312
Salvage recoveries accrued	24	-	23,945,000	23,945,000	4,506,786
Wakala fees receivable		-	-	-	7,867,535
Mudarib fees receivable		14,519,207	-	14,519,207	11,315,701
Deferred wakala fees	26	-	163,706,337	163,706,337	147,035,841
Deferred comission expense	25	48,868,916	-	48,868,916	33,609,160
Taxation-payment less provisions		18,528,823	-	18,528,823	13,986,143
Prepayments	18	6,391,091	83,514,001	89,905,092	70,759,599
Cash and Bank	20	11,746,471	50,688,639	62,435,110	24,836,690
TOTAL ASSETS	Rupees	596,479,453	1,164,325,790	1,760,805,243	1,430,877,766

The annexed notes from 1 to 29 form an integral part of this condensed interim financial information.




**Salim Habib Godil**  
Chairman



**Syed Rizwan Hussain**  
Managing Director & CEO



**Dr. Irum Saba**  
Director




**Ahmed Shuja Kidwai**  
Director

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

		31 March 2020			31 December 2019
	Note	Shareholders' Fund	Participants' Takaful Fund	Aggregate	Aggregate Audited
SHARE CAPITAL AND RESERVES					
Authorised share capital 70,000,000 (31 December 2019: 70,000,000 ordinary shares of Rs. 10 each)		700,000,000	-	700,000,000	700,000,000
Issued, subscribed and paid-up share capital	21	612,989,050	-	612,989,050	612,989,050
Discount on issuance of shares		(112,989,050)	-	(112,989,050)	(112,989,050)
Accumulated losses		(142,940,630)	-	(142,940,630)	(145,541,363)
		357,059,370	-	357,059,370	354,458,637
WAQF / PARTICIPANTS' TAKAFUL FUND (PTF)					
Ceded money		-	500,000	500,000	500,000
Accumulated surplus/(deficit)		-	39,061,131	39,061,131	27,066,104
		-	39,561,131	39,561,131	27,566,104
Qard-e-hasna - payable		-	91,479,565	91,479,565	91,479,565
Underwriting provisions					
Outstanding claims including IBNR	24	-	227,468,933	227,468,933	152,283,379
Unearned contribution reserves	23	-	691,979,710	691,979,710	504,543,197
Unearned re-takaful rebate	25	-	4,778,500	4,778,500	3,851,294
Contributions received in advance		-	10,710,260	10,710,260	6,710,260
Takaful / Re-takaful payables		-	62,672,123	62,672,123	51,365,917
Unearned wakala fees	26	163,706,337	-	163,706,337	147,035,841
Wakala fees payable		-	-	-	7,867,535
Mudarib fees payable		-	14,519,207	14,519,207	11,315,701
Deferred Tax Liability		928,289	-	928,289	928,289
Other creditors and accruals	22	74,785,457	21,156,362	95,941,819	71,472,048
		239,420,083	1,033,285,093	1,272,705,176	957,373,460
Total Liabilities		239,420,083	1,124,764,658	1,364,184,741	1,048,853,025
TOTAL EQUITY AND LIABILITIES	Rupees	596,479,453	1,164,325,790	1,760,805,243	1,430,877,766

The annexed notes from 1 to 29 form an integral part of this condensed interim financial information.



Salim Habib Godil  
Chairman



Syed Rizwan Hussain  
Managing Director & CEO



Dr. Irum Saba  
Director




Ahmed Shuja Kidwai  
Director

# CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the three months period ended 31 March 2020

	Note	Quarter ended 31st March 2020	Quarter ended 31st March 2019
<b>PARTICIPANTS' TAKAFUL FUND (PTF)</b>			
Net takaful contribution	24	<b>286,667,765</b>	106,331,283
Net takaful claims expense	25	<b>(190,891,646)</b>	(52,146,293)
Wakala fee	27	<b>(91,794,321)</b>	(47,408,920)
Retakaful rebate earned	26	<b>3,678,572</b>	3,532,827
Direct expenses		<b>(5,384,027)</b>	(3,765,704)
		<b>(284,391,423)</b>	(99,788,091)
Underwriting results		<b>2,276,342</b>	6,543,192
Investment income	22.1	<b>12,106,677</b>	2,669,249
Impairment Loss on Available for Sale Equity Securities		-	(3,800,379)
Profit on bank balances		<b>707,347</b>	1,921,608
Mudarib's share		<b>(3,203,506)</b>	(197,620)
Net investment income		<b>9,610,518</b>	592,859
Other income		<b>161,146</b>	635,274
Bank charges		<b>(52,979)</b>	(52,979)
Surplus before taxation		<b>11,995,027</b>	7,718,346
Provision for taxation - current		-	(2,348,900)
Surplus after taxation		<b>11,995,027</b>	5,369,445
<b>SHAREHOLDERS' FUND (SHF)</b>			
Wakala fee income	27	<b>91,794,321</b>	47,408,920
Commission expense / acquisition cost	26	<b>(27,112,974)</b>	(13,179,382)
Management expenses		<b>(72,748,281)</b>	(49,197,015)
		<b>(99,861,255)</b>	(62,376,397)
		<b>(8,066,934)</b>	(14,967,477)
Mudarib's share of PTF investment income		<b>3,203,506</b>	197,620
Investment income	22.2	<b>8,974,559</b>	6,197,282
Impairment Loss on Available for Sale Equity Securities		-	(949,869)
Profit on bank balances		<b>75,191</b>	531,842
Other income		41,383	452,886
Profit before taxation		<b>4,227,705</b>	(8,537,717)
Provision for taxation - Current		<b>(1,626,972)</b>	(1,299,705)
Profit after taxation		<b>2,600,733</b>	(9,837,422)
Profit (after tax) per share	29	<b>0.042</b>	(0.160)

The annexed notes from 1 to 29 form an integral part of this condensed interim financial information.



**Salim Habib Godil**  
Chairman



**Syed Rizwan Hussain**  
Managing Director & CEO



**Dr. Irum Saba**  
Director



**Ahmed Shuja Kidwai**  
Director

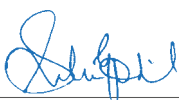


# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the three months period ended 31 March 2020

		Quarter ended 31st March 2020	Quarter ended 31st March 2019
<b>A Shareholders' Fund (SHF)</b>			
Profit/(Loss) after taxation for the period		2,600,733	(9,837,422)
<b>Other comprehensive income for the period</b>			
<i>Item to be reclassified to profit and loss account in subsequent period</i>			
- Net unrealised loss arising during the period on revaluation of available-for-sale investments		-	(1,948,821)
Total comprehensive income for the period	Rupees	2,600,733	(11,786,243)
<b>B Participant Takaful Fund (PTF)</b>			
Surplus after taxation for the period		11,995,027	5,369,445
<b>Other comprehensive income for the period</b>			
Item to be reclassified to profit and loss account in subsequent period			
- Net unrealised loss arising during the period on revaluation of available-for-sale investments		-	(1,139,101)
Total comprehensive income for the period	Rupees	11,995,027	4,230,344

The annexed notes from 1 to 29 form an integral part of this condensed interim financial information.



Salim Habib Godil  
Chairman



Syed Rizwan Hussain  
Managing Director & CEO



Dr. Irum Saba  
Director



Ahmed Shuja Kidwai  
Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY / FUND (UNAUDITED)

For the three months period ended 31 March 2020

## Balance as at 1 January 2019

Loss for the three months period ended 31 March 2019

## Other comprehensive income

Fair value/net unrealized loss on available for sale investments during the three months period ended 31 March 2019

## Balance as at 31 March 2019

Total comprehensive income for the nine months ended 31 December 2019

Profit after tax for the nine months period 31 December 2019

## Other comprehensive income

Fair value/net unrealized loss on available for sale investments during the nine months period ended 31 December 2019  
Actuarial loss on defined benefit plan for the period

Total comprehensive income

## Balance as at 31 December 2019

Total comprehensive income for the three months ended 31 March 2020

Profit after tax for the three months period ended 31 March 2020

## Other comprehensive income

Fair value/net unrealized loss on available for sale investments during the three months period ended 31 March 2020

Total comprehensive income

## Balance as at 31 March 2020

Rupees

### SHAREHOLDERS' FUND


Issued, subscribed and paid up share capital	Discount on issue of shares	Accumulated loss	Fair value reserve	Total
612,989,050	(112,989,050)	(161,051,131)	(6,638,666)	332,310,203
-	-	(9,837,422)	-	(9,837,422)
-	-	-	(14,293,207)	(14,293,207)
612,989,050	(112,989,050)	(170,888,553)	(20,931,873)	308,179,574
-	-	26,837,307	-	26,837,307
-	-	-	20,931,873	20,931,873
-	-	(1,490,117)	-	(1,490,117)
-	-	25,347,190	20,931,873	46,279,063
612,989,050	(112,989,050)	(145,541,363)	-	354,458,637
-	-	2,600,733	-	2,600,733
-	-	-	-	-
-	-	2,600,733	-	2,600,733
612,989,050	(112,989,050)	(142,940,630)	-	357,059,370

### WAQF / PARTICIPANTS' TAKAFUL FUND

Cede money	Discount on issue of shares	Accumulated Surplus / (deficit)	Fair value reserve	Total
500,000	-	(1,196,271)	(20,788,553)	(21,484,824)
-	-	5,369,445	(1,139,101)	4,230,344
500,000	-	4,173,174	(21,927,654)	(17,254,480)
-	-	22,892,930	-	22,892,930
-	-	-	21,927,654	21,927,654
500,000	-	27,066,104	-	27,566,105
-	-	11,995,027	-	11,995,027
-	-	-	-	-
500,000	-	39,061,131	-	39,561,133

Rupees

The annexed notes from 1 to 29 form an integral part of this condensed interim financial information.




**Salim Habib Godil**  
Chairman



**Syed Rizwan Hussain**  
Managing Director & CEO



**Dr. Irum Saba**  
Director



**Ahmed Shuja Kidwai**  
Director

# CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)

For the three months period ended 31 March 2020

	31 March 2020			31 March 2019
	Shareholders' Fund	Participants' Takaful Fund	Aggregate	Aggregate
<b>OPERATING ACTIVITIES</b>				
<b>a) Takaful activities</b>				
Contributions received	-	445,501,695	445,501,695	212,147,349
Net re-takaful payments	-	(32,642,195)	(32,642,195)	(8,509,672)
Claims paid	-	(160,823,430)	(160,823,430)	(36,977,155)
Retakaful & other Recoveries received	-	20,815,100	20,815,100	20,564,067
Commissions paid	(12,111,991)	-	(12,111,991)	(21,495,773)
Retakaful rebate received	-	4,605,778	4,605,778	4,174,305
Wakala fee paid	-	(116,332,351)	(116,332,351)	(81,548,197)
Wakala fee received	116,332,351	-	116,332,351	81,548,197
Other takaful receipt/(payments)	-	(16,504,683)	(16,504,683)	2,007,504
Net cash flows from takaful activities	104,220,360	144,619,913	248,840,274	171,910,625
<b>b) Other operating activities</b>				
Income tax paid	(6,169,652)	-	(6,169,652)	(2,771,518)
Security deposits return/(paid)	(4,099,480)	-	(4,099,480)	(915,816)
General administrative and management expenses paid	(86,115,480)	-	(86,115,480)	(54,836,361)
Other operating receipt/(payments)	10,531,570	(27,282,954)	(16,751,384)	(493,358)
Ijarah rentals paid	(5,918,687)	-	(5,918,687)	(1,199,629)
Advances to employees	538,178	-	538,178	(308,439)
Net cash used in other operating activities	(91,233,552)	(27,282,954)	(118,516,506)	(60,525,121)
Total cash (used in) / flows from all operating activities	12,986,808	117,336,959	130,323,768	111,385,504
<b>INVESTING ACTIVITIES</b>				
Profit / return received	6,842,288	3,600,765	10,443,053	9,459,035
Investments made	-	-	-	(1,101,873)
Proceeds from disposal of investments	-	-	-	15,078,419
Investment in term deposits	(10,400,000)	(92,000,000)	(102,400,000)	(427,354,239)
Proceeds from encashment of term deposits	-	-	-	349,917,090
Fixed capital expenditure	(768,400)	-	(768,400)	(4,372,715)
Proceeds from disposal of property and equipment	-	-	-	22,300
Total cash used in all investing activities	(4,326,112)	(88,399,235)	(92,725,347)	(58,351,983)
<b>FINANCING ACTIVITIES</b>				
Total cash used in all financing activities	-	-	-	-
Net cash (used in) / flows from all activities	8,660,696	28,937,724	37,598,420	53,033,522
Cash and cash equivalents at the beginning of the period	3,085,775	21,750,915	24,836,690	88,305,476
Cash and cash equivalents at end of the period	11,746,471	50,688,639	62,435,110	141,338,998
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	12,986,808	117,336,959	130,323,768	111,385,504
Depreciation and amortization	(2,100,009)	-	(2,100,009)	(823,128)
Gain/(loss) on disposal of fixed assets	-	-	-	(22,367)
Provision for taxation	(1,626,972)	-	(1,626,972)	(3,648,605)
Provision for staff retirement benefits	(1,100,000)	-	(1,100,000)	(487,000)
Increase/(decrease) in assets other than cash	29,089,537	208,239,518	237,329,055	226,549,355
(Increase)/decrease in liabilities other than borrowings	(34,648,632)	(313,581,450)	(348,230,082)	(337,421,736)
Profit / (loss) / surplus after taxation for the period	2,600,733	11,995,027	14,595,760	(4,467,977)

## Definition of cash

Cash comprises of cash in hand, policy stamps, cheques in hand, bank balances and other deposits 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 statement of cash flows consists of:

Cash and other equivalents  
Current and other accounts

103,961	219,635	323,596	415,442
11,642,510	50,469,004	62,111,514	140,923,556
11,746,471	50,688,639	62,435,110	141,338,998

The annexed notes from 1 to 29 form an integral part of this condensed interim financial information.



**Salim Habib Godil**  
Chairman



**Syed Rizwan Hussain**  
Managing Director & CEO



**Dr. Irum Saba**  
Director



**Ahmed Shuja Kidwai**  
Director

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

## 1. LEGAL STATUS AND NATURE OF BUSINESS

**1.1** Takaful Pakistan Limited ("the Company / Takaful operator") is an unlisted public limited company incorporated in Pakistan on 02 June 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is established with the objective to carry out General Takaful Business as specified under the Insurance Ordinance, 2000, Takaful Rules, 2012 (repealed) and Takaful Rules, 2017. The Company commenced commercial operations from March 12, 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 2017: 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 condensed interim financial information 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 Board established by the Company.

## 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012.

Where the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012, have been followed.

**2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2018.

## 3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention, except for the available for sale investments which are stated at their fair values.

## 4. FUNCTIONAL AND PRESENTATION CURRENCY

These 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.

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

## 5. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2018.

## 6. TAKAFUL AND FINANCIAL RISK MANAGEMENT

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

## 7. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the unearned contribution reserve for each class of business at period end is adequate to meet the expected future liability after re-takaful from claims and other expenses expected to be increased after the reporting date in respect of policies in force at the reporting date.

## 8. WAKALA FEE

The Company manages the general takaful operations for the participants and charges wakala fee to PTF on gross contribution recognized for each class of business to meet the general and administrative expenses of the Company including commission to agents.

Wakala fee is recognised as income in Shareholders' Fund on the same basis on which the related contribution revenue is recognized. Unearned portion of wakala fee is recognized as a liability of Company's Fund and an assets of the Participants' Takaful Fund (PTF)

## 9. MUDARIB'S FEE

The Company also manages the participants' investment as Mudarib and charges 25% of the investment income earned by the PTF as Mudarib's fee as per the approval of the Shariah advisor. It is reconized on the same basis on which related revenue is recognized.

## 10. QARDA-E-HASNA

Qard-e-Hasna is provided by the shareholders fund to the Participants' Takaful Fund in case of deficit or to fulfil the cash flow requirements. Under the Takaful Rules, 2012 in the event of surplus in Participants' Takaful Fund, Qarda-e-Hasna shall be paid to Shareholders' Fund prior to the distribution of surplus to the Participants.

## 11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for cash flow purposes include cash in hand, policy stamps, bank balances and the term deposit treceipts having a maturity of not more that three monhts and are subject to insignificant risk of change in value

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

	Note	31 March 2020 (Unaudited)	31 December 2019 (Audited)
<b>12. PROPERTY AND EQUIPMENT - Shareholders' Fund</b>			
Tangible assets	12.1 & 12.2	22,484,098	24,111,763
Capital work in progress		2,000,000	-
Right of use assets		30,125,485	20,081,923
		<b>54,609,583</b>	<b>44,193,686</b>

## 12.1 Tangible assets

As at 31 March 2020 - (Unaudited)								
	Cost		Accumulated depreciation			Book value As at 31 March 2020	Depreciation Rate %	
	As at 1 January 2020	Additions / (disposal) during the year	As at 31 March 2020	As at 1 January 2020	Charge for the year / (disposal)	As at 31 March 2019		
Leasehold improvements	11,691,801	-	11,691,801	5,397,729	420,696	5,818,425	5,873,376	33.33%
Furniture and fixtures	15,235,573	12,000	15,247,573	12,723,769	281,876	13,005,645	2,241,928	33.33%
Office equipment	9,996,168	55,300	10,051,468	5,988,046	291,993	6,280,039	3,771,429	20%
Computers	32,113,726	376,100	32,489,826	21,230,499	1,039,422	22,269,921	10,219,905	33.33%
Vehicles	704,606	-	704,606	290,068	37,078	327,146	377,460	20%
Rupees	69,741,874	443,400	70,185,274	45,630,111	2,071,065	47,701,176	22,484,098	

## 12.2 Tangible assets

As at 31 December 2019 - (Audited)								
	Cost		Accumulated depreciation			Book value As at 31 December 2017	Depreciation Rate %	
	As at 1 January 2019	Additions / (disposal) during the year	As at 31 December 2019	As at 1 January 2019	Charge for the year / (disposal)	As at 31 December 2019		
Leasehold improvements	4,582,141	7,109,660	11,691,801	3,894,944	1,502,785	5,397,729	6,294,072	33.33%
Furniture and fixtures	12,713,001	3,241,932 (719,360)	15,235,573	12,361,943	1,043,506 (681,680)	12,723,769	2,511,804	33.33%
Office equipment	6,794,416	3,439,516 (237,764)	9,996,168	5,261,289	956,912 (230,155)	5,988,046	4,008,122	20%
Computers	20,615,939	11,497,787	32,113,726	18,198,167	3,032,332	21,230,499	10,883,227	33.33%
Vehicles	647,737	382,900 (326,031)	704,606	366,129	88,311 (164,372)	290,068	414,538	20%
Rupees	45,353,234	25,671,795 (1,283,155)	69,741,874	40,082,472	6,623,846 (1,076,207)	45,630,111	24,111,763	

## 13. INTANGIBLE ASSETS

As at 31 March 2020 - (Unaudited)								
	Cost		Accumulated depreciation			Book value As at 31 March 2020	Amortization Rate %	
	As at 1 January 2020	Additions during the year	As at 31 March 2019	As at 1 January 2020	Charge for the year	As at 31 March 2020		
Computer software	Rupees 14,263,181	325,000	14,588,181	14,258,514	28,944	14,287,458	300,723	33.33%
As at 31 December 2019 - (Audited)								
	Cost		Accumulated depreciation			Book value As at 31 December 2019	Amortization Rate %	
	As at 1 January 2019	Additions during the year	As at 31 December 2019	As at 1 January 2019	Charge for the year	As at 31 December 2019		
Computer software	Rupees 14,263,181	-	14,263,181	14,117,837	140,677	14,258,514	4,667	33.33%



# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

## 14. INVESTMENT IN DEBT SECURITIES - held to maturity

### 7.1 Sukuk Certificates - Shareholders' Fund

Performing Assets	Note	Number of certificates	Face value	Maturity date	Effective yield	Profit Payment	Principal payment	Market value	Face value	31 March 2020	31 December 2019	Security
Dubai Islamic Bank Pakistan Limited - unlisted	14.1.1	6,000	5,000	Perpetual	3 months KIBOR + 1.75%	Quarterly	Perpetual	-	30,000,000	30,000,000	30,000,000	Unsecured
Hub Power Company Limited - listed		300	100,000	22 August 2023	3 months KIBOR + 1.90%	Quarterly	25% on February 2022 25% on August 2022 25% on February 2023 25% on August 2023	30,270,000	30,000,000	30,000,000	30,000,000	Revolving Cross Corporate Guarantee (RCCG) from Narowal Energy Limited ("NEL") for the issue amount (with 25% margin) and profit & principal payments. Subordinate hypothecation charge over NEL's receivables including subordinate charge over all present and future movable fixed assets of NEL and subordinate charge over all present and future movable fixed assets of HUBCO. Pledge of 100% shares of NEL.
Bank Islami Pakistan Limited - unlisted	14.1.1	5,600		Perpetual	3 months KIBOR + 2.75%	Monthly	Perpetual	-	28,000,000	28,000,000	28,000,000	Unsecured
Byco Petroleum Pakistan Limited		150	100,000	18 January 2022	3 months KIBOR + 1.05%	Quarterly	On maturity	-	-	-	-	
Pak Elektron Limited		25	1,000,000	19 May 2019	3 months KIBOR + 1.05%	Quarterly	On maturity	-	-	-	-	
Meezan Bank Limited		21	1,000,000	Perpetual	3 months KIBOR + 1.75%	Monthly	Perpetual	-	-	-	-	
<b>Non - Performing Assets (fully provided)</b>									Rupees	88,000,000	88,000,000	
Agriotech Limited	14.1.2	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	14.1.3	2,000		26 March 2020	3 months KIBOR + 1.75%	Quarterly	Non performing	-	10,000,000	3,965,520	3,965,520	Secured against first pari passu Rs. 1,846 billion on all fixed assets of the Company.
Total									Rupees	19,839,403	19,839,403	
Less: Provision held (against the non-performing sukuk certificates)										107,839,403	107,839,403	
										(19,839,403)	(19,839,403)	
									Rupees	88,000,000	88,000,000	

Market value of the security is 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.

**14.1.1** This represents investments aggregating to Rs. 15 million (31 December 2019: 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 agreement was signed between the investee company and the Investment Agent of the sukuk certificates, whereby, certain terms included in the original trust deed dated 22 July 2008 were amended, including the repayment period which was extended from 06 August 2015 to 06 August 2019. Further, in lieu of accrued overdue profit, 435 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 instalment due based 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.

**14.1.2** 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.

**14.1.3** 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 INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

## 15. INVESTMENT IN TERM DEPOSITS

		31 March 2020			31 December 2019 Aggregate (Audited)
		Shareholders' Fund	Participants' Takaful Fund	Aggregate	
		(Unaudited)			
<b>Held to Maturity</b>		note 15.1 & 15.2	note 15.3		
Deposits maturing within 12 months	<b>Rupees</b>	<b>192,600,000</b>	<b>413,000,000</b>	<b>605,600,000</b>	513,200,000

**15.1** This represents term deposits of Rs. 20 million, Rs. 20 million, Rs. 13.8 million, Rs. 31.5 million, Rs. 10 million, Rs. 35 million, Rs. 25 million, Rs. 26.4 million and Rs. 10.9 million maturing on 05 December 2020, 31 December 2020, 13 December 2020, 6 January 2021, 12 March 2021 31 December 2020 31 December 2020 31 December 2020 28 February 2021 respectively and carries profit rate at 12.50%, 12.50%, 12.50%, 12.50%, 9.91% 12.25% 12.50% 12.50% and 12.50% respectively. The deposit is held with Dubai Islamic Pakistan Limited, Bank Islamic Pakistan Limited and Al Baraka Bank Pakistan Limited.

**15.2** These include term deposits of Rs. 41.5 million (31 December 2020: Rs 41.5 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.

**15.3** This represents term deposits of Rs. 30.0 million, 208.0 million, 32.0 million, 11.10 million, 59.0 million, 10.4 million and 62.5 million maturing on 24 December 2020, 31 December 2020, 31 December 2020, 09 January 2021, 03 March 2021, 04 February 2021 and 27 February 2020 carries profit rate at 12.50%, 12.50%, 12.25%. 12.50%, 12.5%, 12.50% and 12..50% respectively. The deposit is held with Dubai Islamic Pakistan Limited, Bank Islamic Pakistan Limited, Al Baraka Bank Pakistan Limited and Bank Alfalah.

## 16. LOANS, ADVANCES AND OTHER RECEIVABLES - considered good

		31 March 2020			31 December 2019 Aggregate (Audited)
		Shareholders' Fund	Participants' Takaful Fund	Aggregate	
		(Unaudited)			
Advances to employees (unsecured and interest free)	16.1	2,997,115	-	2,997,115	3,535,293
Accrued investment income		8,229,979	11,036,238	19,266,217	7,845,496
Receivable from the Shareholder's Fund		-	13,106,407	13,106,407	1,538,758
Investment Proceeds - Receivables		-	-	-	15,325,835
Others		580,404	-	580,404	581,403.9
Advance against expenses		13,268,352	-	13,268,352	5,491,005
Service charges receivable from co-takaful entities		-	4,561,524	4,561,524	4,400,378
Advance payment to takaful agents		28,186,504	-	28,186,504	28,808,693
Receivable from Participants' Takaful Fund		-	-	-	-
	<b>Rupees</b>	<b>53,262,354</b>	<b>28,704,170</b>	<b>81,966,523</b>	67,526,863

**16.1** The eligible employees are entitled to two months salaries repayable within one year.

## 17. TAKAFUL / CO-TAKAFUL RECEIVABLES- Unsecured

	Note	31 March 2020 (Unaudited)	31 December 2019 (Audited)
Due from policy holders		328,901,447	244,754,999
Less: Provision for impairment against the balance due from the policy holders	17.1	(3,876,948)	(3,876,948)
		325,024,499	240,878,051
Due from other takaful companies		27,156,359	15,881,477
Less: Provision for impairment against the due from other takaful companies	17.2	(2,016,550)	(2,016,550)
		25,139,809	13,864,927
		350,164,307	254,742,977

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

## 17.1 Movement in provision for impairment - due from policy holders

		31 March 2020 (Unaudited)	31 December 2019 (Audited)
Balance as on 1 January 2020 & 1 January 2019		3,876,948	2,689,398
Add: Provision made during the period / year		-	1,187,550
Balance as on 31 March 2020 / 31 December 2019	Rupees	3,876,948	3,876,948

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

Balance as on 1 January 2020 & 1 January 2019		2,016,550	2,016,550
Add: Provision made during the period / year		-	-
Balance as on 31 March 2020 / 31 December 2019	Rupees	2,016,550	2,016,550

## 18. PREPAYMENTS

	Note	31 March 2020 (Unaudited)			31 December 2019 (Audited)
		Shareholders' Fund	Participants' Takaful Fund	Aggregate	Aggregate
Prepaid re-takaful ceded		-	46,352,502	46,352,502	46,956,918
Prepaid tracker installation expense			37,161,499	37,161,499	21,611,590
Others		6,391,091	-	6,391,091	2,191,091
	Rupees	6,391,091	83,514,001	89,905,092	70,759,599

## 19. CASH AND BANK

Cash and cash equivalents					
- Cash in hand		103,961	-	103,961	218,709
- Policy and revenue stamps, bond papers		-	219,635	219,635	193,070
		103,961	219,635	323,596	411,779
Cash and bank					
- Current account		20,921	59,704	80,625	80,625
- Savings accounts	19.1	11,621,589	50,409,300	62,030,889	24,344,286
	Rupees	11,746,471	50,688,639	62,435,110	24,836,690

19.1 These represent balances maintained with Islamic commercial banks under profit and loss sharing basis carrying expected profit rates ranging from 3.5% to 11.5% (2019: 3.5% to 8.50%) per annum.

## 20. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

31 March 2020 (Unaudited)	31 December 2019 (Audited)		31 March 2020 (Unaudited)	31 December 2019 (Audited)
		(Number of shares)		
61,298,905	61,298,905		Rupees 612,989,050	612,989,050

### Shares in the Company are held by the following:

	Number of shares	Percentage
House Building Finance Company Limited	8,699,500	14.19%
Al Baraka Bank (Pakistan) Limited	5,099,000	8.32%
Sitara Chemical Industries Limited	2,999,500	4.89%
Mal Al Khaleej Investment LLC	2,550,000	4.16%
Mr. Salim Habib Godil	10,485,602	17.11%
Syed Rizwan Hussain	10,485,601	17.11%
Mr. Shahzad Salim Godil	10,485,601	17.11%
Syed Salman Hussain	10,485,601	17.11%
Others	8,500	0.01%
	61,298,905	100.00%

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

## 21. OTHER CREDITORS AND ACCRUALS

Note	31 March 2020			31 December 2019 Aggregate (Audited)
	Shareholders' Fund	Participants' Takaful Fund (Unaudited)	Aggregate	
Commission payable to agents	24,011,530	-	24,011,530	9,010,547
Federal excise duty	-	2,990,590	2,990,590	7,553,590
Federal Takaful fee	-	1,377,999	1,377,999	1,872,730
Tax deducted at source	508,717	745,686	1,254,403	897,377
Payable to staff gratuity fund	-	-	-	-
- defined benefit plan	7,692,612	-	7,692,612	6,592,612
Provision for staff compensated absences	337,010	-	337,010	337,010
Security deposit (held in separate bank account)	941,279	-	941,279	918,876
Tracker installation fee payable	-	11,181,689	11,181,689	10,598,209
Accrued expenses	7,583,410	-	7,583,410	8,703,263
Payable to Shareholder's Fund	-	-	-	-
Payable to Participant's Takaful Fund	13,106,407	-	13,106,407	1,538,757
Liabilities against leased assets	18,924,490	-	18,924,490	16,880,928
Other payables	1,680,003	4,860,397	6,540,400	6,568,148
21.1				
Rupees	74,785,457	21,156,362	95,941,819	71,472,047

**21.1** The Participants' Takaful Fund liability of Rs. 3.17 million (31 December 2019: 4.26 million) represents the stale cheques in respect of the claim liability of the Company.

## 22. INVESTMENT INCOME

### 22.1 Participants' Takaful Fund (PTF)

#### Income from equity securities-Available for sale

	Three months period ended	
	31 March 2020 (Unaudited)	31 March 2019
Dividend Income	-	643,750
Return on Sukuk	-	136,182
<b>Income from Deposits</b>		
Return on term deposit-held to maturity	12,106,677	1,897,457
Total Investment Income	12,106,677	2,677,389
Less: Charity on dividend purification	-	(8,140)
<b>Net investment income (PTF)</b>	<b>12,106,677</b>	<b>2,669,249</b>
Rupees		

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

## 22.2 Shareholders' Fund (SHF)

### Income from equity securities-Available for sale

Dividend Income

### Income from debt securities-Held to maturity

Return on sukuk

Amortization of contribution on sukuk

### Income from Deposits

Return on term deposit-held to maturity

Total Investment Income

Less: Investment related expenses

Less: Charity on dividend purification

**Net investment income (SHF)**

Rupees

### Three months period ended

31 March 2020	31 March 2019
(Unaudited)	
-	296,906
3,172,188	3,163,759
-	(112,500)
3,172,188	3,051,259
5,802,371	2,864,345
8,974,559	6,212,510
-	(11,040)
-	(4,188)
8,974,559	6,197,282

## 23. NET TAKAFUL CONTRIBUTION

### For the quarter ended 31 March 2020

Note	Fire, and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
Written Gross Contribution	10,996,608	6,759,007	180,448,921	279,935,557	24,655,113	502,795,206
Add: Unearned Contribution reserve opening	11,522,279	3,447,978	282,629,442	144,473,807	62,469,691	506,402,779
Less: Unearned Contribution reserve closing	14,236,585	1,022,462	311,732,348	309,609,045	55,379,270	691,979,710
Contribution earned	8,282,302	9,184,523	151,346,015	114,800,319	31,745,534	315,358,693
Retakaful Contribution ceded	9,767,573	4,850,560	6,747,050	-	6,721,329	28,086,512
Add: Prepaid Retakaful Contribution opening	8,903,103	2,096,926	-	-	35,956,889	46,956,918
Less: Prepaid Retakaful Contribution closing	12,241,695	2,489,625	-	-	31,621,182	46,352,502
Retakaful expense	6,428,981	4,457,861	6,747,050	-	11,057,036	28,690,928
Net Takaful Contribution	Rupees 1,853,321	4,726,662	144,598,965	114,800,319	20,688,498	286,667,765

## 24. NET TAKAFUL CLAIM EXPENSE

Claims Paid	2,910,162	3,024,323	76,613,250	72,025,048	6,250,647	160,823,430
Less: Outstanding claims including IBNR - opening-restated	23,427,292	7,078,950	65,324,640	34,935,979	21,516,518	152,283,379
Add: Outstanding claims including IBNR - closing Claims expense	18,608,782	6,503,254	98,748,743	77,145,512	26,462,642	227,468,933
	(1,908,348)	2,448,627	110,037,353	114,234,581	11,196,771	236,008,984
Retakaful and other recoveries received	1,562,756	1,678,773	13,778,908	-	3,794,662	20,815,100
Less: Retakaful and other recoveries in respect of outstanding claims - opening	14,993,163	6,640,955	17,745,274	-	10,866,706	50,246,098
Add: Retakaful and other recoveries in respect of outstanding claims - closing	16,671,671	5,153,012	44,860,948	-	7,862,705	74,548,336
Retakaful and other recoveries revenue	3,241,264	190,830	40,894,582	-	790,661	45,117,338
Net Takaful Claims Expense	Rupees (5,149,612)	2,257,797	69,142,771	114,234,581	10,406,110	190,891,646

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

## 25. NET COMMISSION EXPENSE / (REVENUE)

For the quarter ended 31 March 2020

	Fire, and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
Commission paid or payable	1,426,896	894,715	25,319,205	13,773,826	958,088	42,372,730
Add: Deferred commission expense - opening	1,509,826	510,095	24,924,051	4,051,937	2,613,252	33,609,160
Less: Deferred commission expense - closing	1,868,009	387,636	31,258,953	13,209,920	2,144,399	48,868,916
Net Commission	1,068,713	1,017,174	18,984,303	4,615,843	1,426,941	27,112,974
Commission received or recoverable	2,645,420	1,521,871	-	-	438,487	4,605,778
Add: Unearned Retakaful Rebate - opening	2,718,479	704,615	-	-	428,200	3,851,294
Less: Unearned Retakaful Rebate - closing	3,394,382	833,350	-	-	550,768	4,778,500
Retakaful Rebate/commission	1,969,517	1,393,136	-	-	315,919	3,678,572
Net Commission expense/ (revenue) Rupees	(900,804)	(375,962)	18,984,303	4,615,843	1,111,022	23,434,402

## 26. WAKALA FEE EXPENSE/INCOME

Gross Wakala Fee	4,398,643	2,703,603	81,202,014	13,996,778	6,163,778	108,464,816
Add: Deferred/unearned Wakala Fee expense/income - opening	4,608,911	1,379,192	115,506,527	9,077,727	16,463,484	147,035,841
Less: Deferred/unearned Wakala Fee expense/income - closing	5,694,634	408,986	127,908,183	15,806,072	13,888,462	163,706,337
Net Wakala Expense / Income Rupees	3,312,920	3,673,809	68,800,359	7,268,434	8,738,800	91,794,321

## 27. SEGMENT INFORMATION

Segment information prepared in accordance with the requirement of Insurance Ordinance, 2000 and Insurance Rules, 2017 for class of business wise revenues, results, assets and liabilities.

For the quarter ended 31 March 2020

Note	Fire, and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
<b>PARTICIPANTS' TAKAFUL FUND</b>						
Takaful / re-takaful receivables	12,370,472	7,954,405	205,740,912	282,738,467	28,118,769	536,923,025
Less: Federal Excise Duty	(1,261,577)	(662,812)	(23,456,572)	-	(3,205,538)	(28,586,499)
Federal Takaful Fee	(109,966)	(67,590)	(1,804,489)	(2,799,356)	(246,551)	(5,027,952)
Stamp duty	(2,321)	(464,996)	(30,930)	(3,554)	(11,567)	(513,368)
Tracker charges recovered	-	-	-	-	-	-
Gross written contribution Rupees	10,996,608	6,759,007	180,448,921	279,935,557	24,655,113	502,795,206
<b>Participants' Takaful Fund - revenue account</b>						
Takaful contribution earned	8,282,302	9,184,523	151,346,015	114,800,319	31,745,534	315,358,693
Takaful contribution ceded expense	(6,428,981)	(4,457,861)	(6,747,050)	-	(11,057,036)	(28,690,928)
Net Takaful contribution	1,853,321	4,726,662	144,598,965	114,800,319	20,688,498	286,667,765
Retakaful rebate earned	1,969,517	1,393,136	-	-	315,919	3,678,572
<b>Net Revenue</b>	<b>3,822,838</b>	<b>6,119,798</b>	<b>144,598,965</b>	<b>114,800,319</b>	<b>21,004,417</b>	<b>290,346,337</b>
Takaful claims	1,908,348	(2,448,627)	(110,037,353)	(114,234,581)	(11,196,771)	(236,008,984)
Takaful claims recovered from retakaful operators & salvage recovery	3,241,264	190,830	40,894,582	-	790,661	45,117,338
Net Takaful claims expense	5,149,612	(2,257,797)	(69,142,771)	(114,234,581)	(10,406,110)	(190,891,646)
Wakala fee	(3,312,920)	(3,673,809)	(68,800,359)	(7,268,434)	(8,738,800)	(91,794,321)
Other direct expenses	(99,269)	(8,256)	(5,128,293)	-	(148,209)	(5,384,027)
<b>Underwriting results</b>	<b>5,560,262</b>	<b>179,937</b>	<b>1,527,542</b>	<b>(6,702,696)</b>	<b>1,711,298</b>	<b>2,276,343</b>
Investment income						12,106,677
Impairment Loss on Available for Sale Equity Securities						-
Profit on bank balances						707,347
Less: Mudarib's share						(3,203,506)
Net investment income						9,610,518
Other income						161,146
Bank charges						(52,979)
Total surplus Rupees						11,995,028



# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

		For the quarter ended 31 March 2019					
		Fire, and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
<b>PARTICIPANTS' TAKAFUL FUND</b>							
Takaful / re-takaful receivables		7,303,383	5,836,037	163,103,384	64,317,854	84,230,045	324,790,703
Less: Federal Excise Duty		(780,985)	(598,880)	(18,650,911)	-	(9,605,706)	(29,636,482)
Federal Takaful Fee		(57,309)	(47,140)	(1,413,503)	(636,803)	(738,848)	(2,893,603)
Stamp duty		(2,020)	(354,079)	(14,920)	(360)	(810)	(372,189)
Tracker charges recovered		-	-	-	-	-	-
Gross written contribution	Rupees	6,463,069	4,835,938	143,024,050	63,680,691	73,884,681	291,888,429
<b>Participants' Takaful Fund - revenue account</b>							
Takaful contribution earned		6,374,167	5,331,234	89,028,401	12,436,114	14,524,859	127,694,775
Takaful contribution ceded expense		(5,877,251)	(4,165,429)	(6,698,000)	-	(4,622,812)	(21,363,492)
Net Takaful contribution	23	496,916	1,165,805	82,330,401	12,436,114	9,902,047	106,331,283
Retakaful rebate earned	25	1,833,353	1,279,207	-	-	420,267	3,532,827
<b>Net Revenue</b>		2,330,269	2,445,012	82,330,401	12,436,114	10,322,314	109,864,110
Takaful claims		(14,877,973)	-	(54,230,754)	(9,500,437)	(3,752,517)	(82,361,681)
Takaful claims recovered from retakaful operators & salvage recovery		14,283,163	-	15,626,319	-	305,906	30,215,388
Net Takaful claims expense	24	(594,810)	-	(38,604,435)	(9,500,437)	(3,446,611)	(52,146,293)
Wakala fee	26	(2,453,984)	(2,479,858)	(34,763,678)	(2,588,231)	(5,123,169)	(47,408,920)
Direct expenses		(58,049)	(3,674)	(3,218,318)	(29,100)	(456,563)	(3,765,704)
<b>Underwriting results</b>		(776,574)	(38,520)	5,743,970	318,346	1,295,971	6,543,193
Investment income	22						2,669,249
Impairment Loss on Available for Sale Equity Securities							(3,800,379)
Profit on bank balances							1,921,608
Less: Mudarib's share							(197,620)
Net investment income							592,859
Other income							635,274
Bank charges							(52,979)
Total surplus - before tax							7,718,347
Provision for taxation - current							(2,348,900)
Total surplus - after tax						Rupees	5,369,446

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the three months period ended 31 March 2020

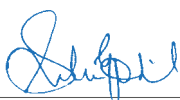
## 28. EARNINGS (AFTER TAX) PER SHARE - BASIC AND DILUTED

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

Net profit after tax for the period	Rupees	<b>2,600,733</b>	(9,837,421)
Weighted average number of ordinary shares	Number	<b>61,298,905</b>	61,298,905
Basic earnings per share	Rupees	<b>0.042</b>	0.160

## 29. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved by the board of directors in the meeting held on 19th May 2020 and authorized for issue.




Salim Habib Godil  
Chairman



Syed Rizwan Hussain  
Managing Director & CEO



Dr. Irum Saba  
Director



Ahmed Shuja Kidwai  
Director





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