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NINE MONTHS REPORT (Un-audited)
30TH SEPTEMBER 2020





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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. Faisal Murad
Dr. Irum Saba

Syed Rizwan Hussain

Managing Director & CEO

Muhammad Irfan

Chief Financial Officer & Company Secretary

Mufti Sajjad Ashraf Usmani

Shariah Advisor

Statutory Auditor

KPMG Taseer Hadi & Co.
Chartered Accountants

Internal Auditor

EY Ford Rhodes Sidat Hyder and Co.
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.
Haidermota & Co. Advocates

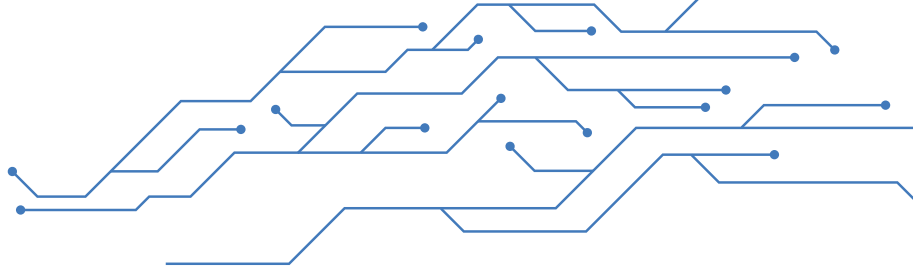
Corporate Advisor

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.





UAN :

(021) 111-875-111

Tel :

(+92-21) 34373171-80

Fax :

(+92-21) 34373195-6

E-mail :

info@takaful.com.pk

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)

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 & Company Secretary)
- **Member** — Raheel Shaikh (Head of Health underwriting & Product)

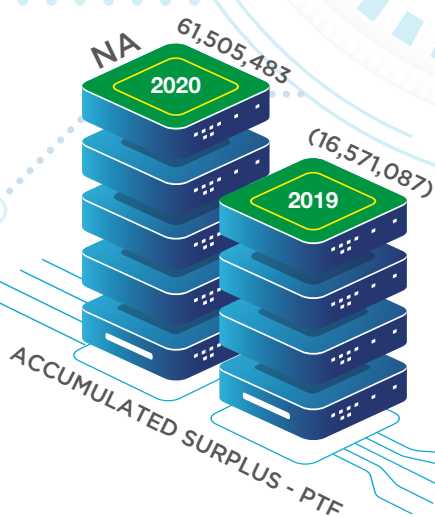
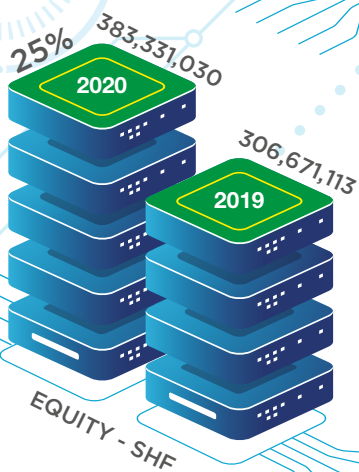
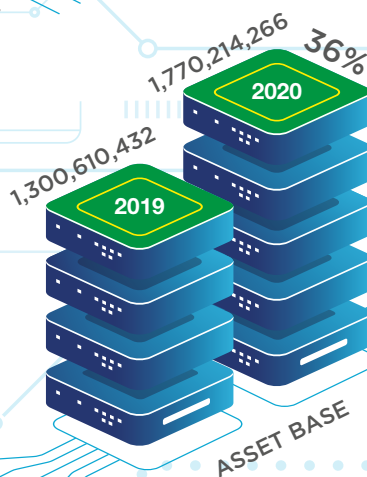
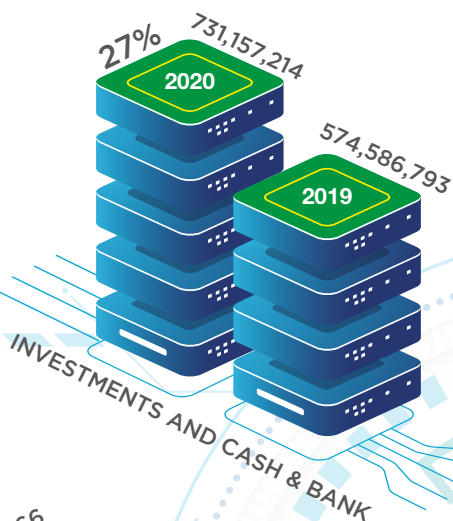
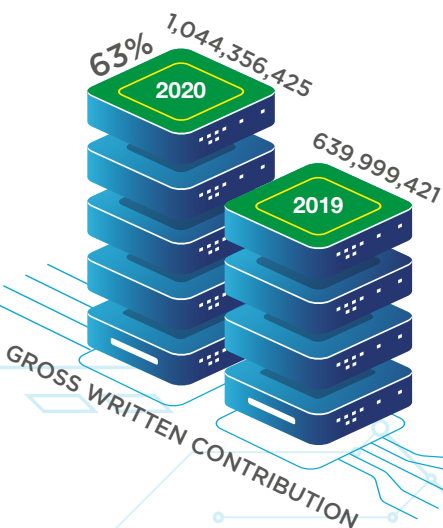
BENEFIT (CLAIM) SETTLEMENT COMMITTEE

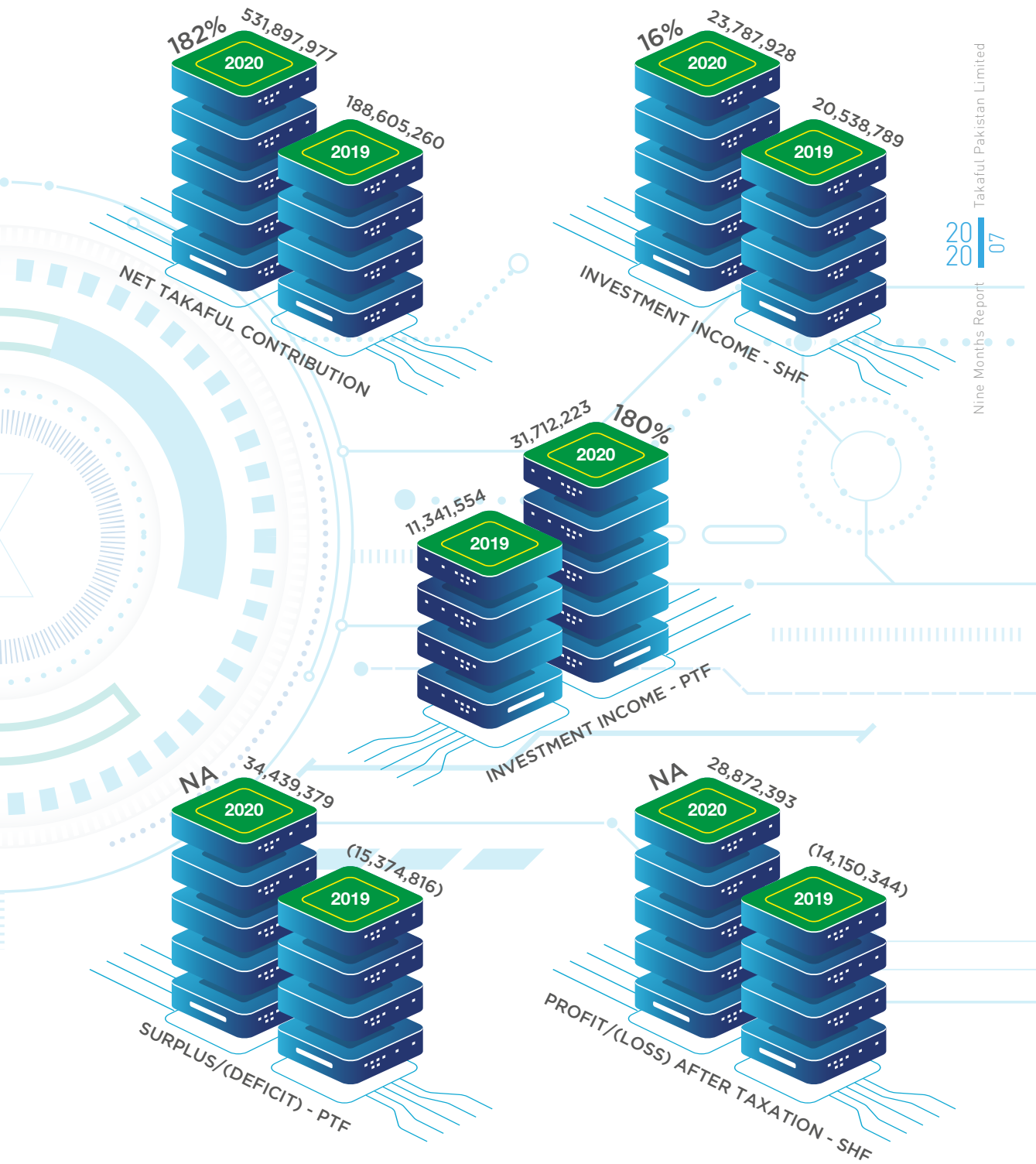
- **Chairman** — Syed Rizwan Hussain (Managing Director & CEO)
- **Member & Secretary** — Faheem Darss (Head of Claims – South Region)
- **Member** — Dr. Omair Saeed (Head of Health- Benefits & Network)
- **Member** — Shoaib Hussain (Manager Claims- Non-Motor)

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** — Muhammad Irfan (Chief Financial Officer & Company Secretary)
- **Member & Secretary** — Syed Muhammad Ali Zaidi (Manager, Risk Management)

KEY FINANCIAL FIGURES (NINE MONTHS PERIOD ENDED 30th September)





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 period ended September 30, 2020.

Financial Highlights

The summarized results of the Company's takaful business for the nine months period ended September 30, 2020 are as under:

PARTICIPANT'S TAKAFUL FUND (PTF):

	YTD 30th September 2020	YTD 30th September 2019	% Change
Gross Written Contribution	1,044,356,425	639,999,421	63%
Net takaful contribution	531,897,977	188,605,260	182%
Underwriting Results	8,016,913	(37,357,046)	(121%)
Gross Investment Income (before impairment)	35,018,000	16,908,725	107%
Surplus/(Deficit) for the period	34,439,379	(15,374,816)	(324%)

SHAREHOLDERS' FUND (SHF)

Wakala Fee	368,468,626	217,292,338	70%
Gross Investment Income (before impairment)	26,399,685	21,171,163	25%
Profit & (Loss) before taxation for the period	35,272,396	(10,890,959)	(424%)
Profit & (Loss) after taxation for the period	28,872,393	(14,150,344)	(304%)

Performance Review

During the nine months period ended September 30, 2020, Takaful Pakistan Limited (hereinafter referred to as "the Company") has aggressively focused on building its business volume despite going through world worst hit pandemic Covid-19 situation including Pakistan. By the end of 3rd Quarter of the year 2020, the Company showed significant growth of 63% in the Gross Written Contribution and 182% in the Net Takaful Contribution vis-à-vis same period last year.

Total investment income before impairment recorded at Rs. 61 million (2019: 38 million) depicts an increase of 61% over the same period last year. This increase is mainly attributable to increase in cash flow because of increased business volume as compare to same period

last year and prudent management of excess fund availability. While at the same time elimination of equity investment portfolio was existing 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 nine months of the year 2020, the Company managed to earn wakala Fees of Rs. 368 million (2019: 217.2 million), which depicts a healthy increase of 70% 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 have 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.

As easing in lockdown and decline in COVID-19 cases the State Bank Pakistan (SBP) has decided to keep the policy rate unchanged and as they have provided the stimulus on timely basis and estimated of 1.58 trillion injected to take measures. 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.

As it is expected that there is a possibility of a second wave of Covid-19 in the last three months due to the winter season which will be an uplift in the export market for the Pakistan economy as international there will be a threat to the agricultural sector.

The IMF Executive Board also approved a US\$1.386 Billion disbursement to Pakistan to address the pandemic. The IMF projects that Pakistan is in the state of stagflation as the economy shows that the prices are high of goods and services as the unemployment rate is lower. The remittances flow was sharply contracted during the early lockdown, but gradual recovery has been noticed as in exports and remittances. The SBP taken steps which came as supportive measure that restore SBP foreign exchange and during the last three months remittances were rose to US\$ 2 billion which sung into surplus in July 2020.

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.

It was a privilege that, during the period the company has secured 1st position in the Insurance Category for Best Corporate & Sustainability Report Award 2019 by CA & ICMA Pakistan. 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.

Acknowledgment

The Directors would like to express their deep appreciation to 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, our 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



Ahmed Shuja Kidwai
Director

نیجنگ ڈائریکٹر اور چیف ایگزیکٹو آفیس
دہلی کرائی ہے۔

مزید برآں، یہ تنظیموں کو تیز رفتار تکنیکی ترقی پر گامزن ہو جائے گا اور زیادہ
فرتیبی، جڑے ہوئے اور ذمہ دار بننے کی تحریک کرے گا۔

کمپنی کا ارادہ ہے کہ ڈیجیٹلائزیشن اور کسٹمرز ڈکسٹر پور ٹلز کے توسط سے بڑے غیر
ٹیپ خوردہ بازار میں داخلہ لیا جائے۔ مزید یہ کہ موثر انڈر وریٹنگ، مضبوط ردک
انتظامات اور اہل افرادی قوت کے ذریعہ، ہماری کمپنی کا مقصد بھی دستیاب مواقع
سے فائدہ اٹھانا اور تیزی سے ترقی کرنا 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 تکافل آپریٹرز اور اپنے
تمام شرکاء کو ان کی مسلسل رہنمائی اور مدد کے لئے بھی شکریہ ادا کرنا چاہیں گے۔

آخر میں، ہم اپنے تکافل 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۔

تنظیمیں اپنے کاموں کا تیزی سے جائزہ لے رہی ہیں، کاروبار میں خلل ڈالنے کے
منصوبوں کا اندازہ اور تازہ کاری کی جارہی ہے۔ وبائی مرض نے ڈیجیٹل
ٹرانسفارمیشن، انٹیگریٹنگ سسٹمز، سرورز اور افرادی قوت کی اشد ضرورت اور
اہم اہمیت کا باعث بنا ہے جس کے نتیجے میں معاشرتی فاصلے سے افرادی قوت کو
سرور تک رسائی حاصل کرنے اور دور سے بات چیت کرنے میں مدد ملتی ہے۔

یہ افراد، کئے، کاروبار اور واقعی پوری معاشروں اور معیشتوں کے لئے انتہائی
مشکل وقت ہیں۔ مسجد ار قیادت میں سرشار افرادی قوت بڑے پیمانے پر شرکاء
اور معاشرے کی بہترین خدمت کے لئے انتھک محنت کر رہی ہے، ہم جدوجہد اور
بحالی کے ل امیدوار شرکاء اور معاشروں کی مدد کرنے میں ایک اہم کردار ادا
کرنے کی کوشش کرتے ہیں۔

یہ ایک اعزاز کی بات تھی کہ اس مدت کے دوران کمپنی نے CA اور ICMA
پاکستان کے ذریعہ انشورنس کمیٹیگری برائے بہترین کارپوریٹ اینڈ پائیداری
رپورٹ ایوارڈ 2019 میں پہلی پوزیشن حاصل کی۔ یہ عظیم کارنامہ گورننس،
شفافیت، اور تعمیل میں تعاون کے ہمارے عزم کا ثبوت ہے۔ ہم اپنے خیر
خواہوں کے شکر گزار ہیں۔ ممبران کی حمایت کرتے ہیں اور ان اہم ساتھیوں نے
، جنہوں نے ہمیں آگے بڑھنے اور تنظیموں کے اتحاد کے اس شمولیت کی یقین

نیجنگ ڈائریکٹر اور چیف ایگزیکٹو آفیس



احمد شجاع قدوائی
ڈائریکٹر



سید رضوان حسین
نیجنگ ڈائریکٹر و سی ای او

آئی ایم ایف نے 2020 میں عالمی جی ڈی پی کی نمو 3.0- فیصد تک گرنے کا منصوبہ پیش کیا ہے، اس سے پہلے کوویڈ 19 وبائی بیماری ایک اقتصادی بحران کا شکار ہو گئی ہے۔ اس کی وجہ سے 1930 کی دہائی کے بڑے افسردگی اور 2008 کے عالمی مالیاتی بحران سے کہیں زیادہ خراب صورتحال میں کورونا وائرس وبائی امراض کا سامنا ہے۔

وبائی مرض سے پوری دنیا میں صحت، معاشی اور مالی استحکام کے بے مثال چیلنج ہیں۔ ابھرتی ہوئی مارکیٹ کی معیشتوں نے ریکارڈ میں موجود پورٹ فولیو کے بہاؤ کو تیز ترین الٹ لیا۔ ایکویٹی کی قیمتوں میں پوری دنیا میں 15% - 20% کی کمی واقع ہوئی ہے اور سرمائے کے بہت بڑے اخراج ہو چکے ہیں۔

معاشی بحران کو آسان بنانے اور معاشی استحکام کے تحفظ کے لیے Central، بین الاقوامی سطح پر مالیاتی پالیسی کو آسان بنانے اور مالیاتی نظام کو لیکویڈیٹی فراہم کر کے مرکزی بینکوں نے اہم اقدامات اٹھائے ہیں۔ نیز، پوری دنیا کے سرکاری حکام نے بڑے اور بروقت مالی سال کو متعارف کروایا ہے اور ان پر عمل درآمد کیا ہے۔

اگرچہ پاکستان کی معیشت پہلے کی نسبت بہتر حالت میں ہے، اس کے باوجود کوویڈ 19 وبائی امراض کی وجہ سے، مالی سال 2020 میں معاشی نمو 1.5- فیصد تک بہتری کے ساتھ متوقع ہونے کی امید ہے، کیونکہ معیشت کی طلب اور رسد کے جھگڑوں سے دوچار ہے۔ توقع ہے کہ برآمدات اور ترسیلات زر میں تیزی سے کمی واقع ہوگی، جو مارکیٹ تک رسائی کے عارضی نقصان کے ساتھ ادائیگیوں کی اشد ضرورت کا ایک فوری توازن پیدا کرتے ہیں۔

کوویڈ 19 کے معاملات میں لاک ڈاؤن اور کمی میں آسانی کے طور پر اسٹیٹ بینک پاکستان (ایس بی پی) نے پالیسی کی شرح کو کوئی تبدیلی نہیں رکھنے کا فیصلہ کیا ہے اور کیونکہ انہوں نے بروقت محرک فراہم کیا ہے اور اقدامات کرنے کے لئے 1.58 ٹریلین انجکشن لگانے کا نچھینہ لگایا ہے۔ اسٹیٹ بینک مانیٹرنگ پالیسی کمیٹی کا ماننا ہے کہ اس کارروائی سے کورونا وائرس کے جھٹکے کے اثرات اور ملازمت پر اثر انداز ہوں گے اور مالی استحکام برقرار رکھنے میں مدد ملے گی۔

جیسا کہ توقع کی جا رہی ہے کہ موسم سرما کے موسم کی وجہ سے گزشتہ تین ماہ میں کوویڈ 19 کی دوسری لہر آنے کا امکان موجود ہے جو پاکستان کی معیشت کے لئے برآمدی منڈی میں ایک ترقی ہوگی کیونکہ بین الاقوامی زمری خطرہ ہوگا شعبہ۔

آئی ایم ایف کے ایگزیکٹو بورڈ نے وبائی امراض سے نمٹنے کے لئے پاکستان کو

1.386 بلین امریکی ڈالر کی فراہمی کی بھی منظوری دی ہے۔ آئی ایم ایف کے منصوبے جو پاکستان جمود کی حالت میں ہیں کیونکہ معیشت سے پتہ چلتا ہے کہ بیروزگاری کی شرح کم ہونے کی وجہ سے قیمتوں میں سامان اور خدمات کی قیمتیں زیادہ ہیں۔ ابتدائی لاک ڈاؤن کے دوران ترسیلات زر کی روانی میں تیزی سے معاہدہ کیا گیا تھا، لیکن برآمدات اور ترسیلات زر کی طرح آہستہ آہستہ بازیافت کو بھی دیکھا گیا ہے۔ اسٹیٹ بینک نے ایسے اقدامات اٹھائے جو امدادی اقدام کے طور پر آئے تھے جو ایس بی پی زرمبادلہ کی بحالی کرتے ہیں اور گزشتہ تین ماہ کے دوران ترسیلات زر بڑھ کر 2 ارب امریکی ڈالر ہوئیں جو جولائی 2020 میں اضافی رقم میں گئیں۔

کاروباری چیلنجز اور مواقع

کورونا وائرس وبائی مرض معیشت، صارفین کی مانگ کو انتہائی گھٹا رہا ہے مزید یہ کہ ترقی اور ملازمت پر وبائی صدمے کے اثرات کو کم کرنے کے لئے مرکزی بینک کے ذریعہ مانیٹرنگ میں نرمی کی وجہ سے پالیسیوں کے نرخوں میں کمی کے ساتھ، اجارہ میں اضافہ ہو سکتا ہے اور صارفین کے قرض دینے والے کاروبار موٹر سیکٹر کے لئے سازگار ہیں لیکن اس میں بھی کمی کی جاسکتی ہے۔ وبائی مرض سے متاثرہ کاروبار کے ذریعہ جس سے صارفین کے اخراجات اور آمدنی کی سطح میں خلل پڑتا ہے۔

اس کے علاوہ، مقررہ آمدنی میں کمی اور عالمی سطح پر اتار چڑھاؤ والے ایکویٹی مارکیٹ میں کمی کی وجہ سے، سرمایہ کاری کی واپسی پر بھی منفی اثر پڑے گا۔

معاشی جھٹکے کی مدت اور اس کی شدت کے بارے میں سخت بے یقینی ہے، اور معاشرتی دوری اور الگ تھلک پالیسیوں کی وجہ سے معاشی سرگرمی کو متحرک کرنا زیادہ مشکل ہے۔ اس طرح کی کساد بازاری میں، بد قسمتی سے آمدنی کے پیمانے کے نچلے سرے پر لوگوں کے لئے آمدنی کا زبردست نقصان ہوتا ہے، جس کی وجہ سے غربت اور عدم مساوات میں اضافہ ہوتا ہے۔

مالی سیوریٹی بہت اہم ہو گئی ہے کیونکہ بگڑتے ہوئے کاروبار اور بے روزگاری میں ممکنہ اضافے کے باعث پرمیم ادائیگیوں میں کمی کا امکان زیادہ ہو جائے گا۔

حکومت نے معاشی استحکام اور کمزوروں کی مدد کے لئے بروقت اور بڑے مالی محرک پہنچانے کو متعارف کرایا ہے۔ اولین ترجیح وائرس کے پھیلاؤ پر قابو پانا، لوگوں کی حفاظت کرنا اور معاشی نقصان کو محدود کرنا ہے۔ وبائی مرض سے لوگوں کو انفرادی صحت کی انشورنس کی ضروریات پر نظر ثانی کرنے کا سبب بنتا ہے۔

کنڈسٹ عبوری مالی معلومات سے متعلق ممبروں کو ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2020 کو ختم ہونے والی نو ماہ کی مدت کے لئے آپ کے سامنے کمپنی کے غیر آڈٹ مالیاتی بیانات پیش کرنے پر خوش ہیں۔

مالی جھلکیاں

ستمبر 30، 2020 کو ختم ہونے والی نو ماہ کی مدت میں کمپنی کے تکلف کاروبار کے خلاصہ نتائج اس طرح ہیں۔

	YTD 30th September 2019	YTD 30th September 2020
%		
		(Rupees)

شرکت دار کا فنڈ (PTF)

63%	639,999,421	1,044,356,425
182%	188,605,260	531,897,977
(121%)	(37,357,046)	8,016,913
107%	16,908,725	35,018,000
(324%)	(15,374,816)	34,439,379

مجموعی تحریری تعاون
خالص شرکت
تحریری نتائج
مداریب فیس سے پہلے مجموعی سرمایہ کاری کی آمدنی
مدت کے لئے زائد / (خسارہ)

شرکت دار کا فنڈ (SHF)

70%	217,292,338	368,468,626
25%	21,171,163	26,399,685
(424%)	(10,890,959)	35,272,396
(304%)	(14,150,344)	28,872,393

واقفہ فیس
سرمایہ کاری کی آمدنی
ٹیکس لگانے سے پہلے منافع
ٹیکس لگانے کے بعد منافع

کارکردگی کا جائزہ

میں اضافہ ہوا ہے کیونکہ پچھلے سال کے اسی عرصے کے مقابلے میں اور اضافی فنڈ کی دستیابی میں تدبیر کا انتظام۔ جبکہ ایک ہی وقت میں ایکویٹی سرمایہ کاری کے پورٹ فولیو کا خاتمہ موجودہ 31 دسمبر 2019 تک موجود تھا جس میں صرف بینک کے ذخائر سے حاصل ہونے والی آمدنی میں اضافہ اور عکاسی ہوتی ہے۔

شیئر ہولڈرز کی فنڈ ٹاپ لائن اکم و اکیلا فیس سے حاصل کی گئی ہے۔ سال 2020 کی پہلی ششماہی کے دوران، کمپنی نے واکالہ فیس کو 500 روپے کمانے میں کامیابی حاصل کی۔ 368 ملین (2019: 217.2 ملین)، جو پچھلے سال کے اسی عرصے کے مقابلے میں 70 فیصد کا صحت مند اضافہ دکھایا گیا ہے۔

30 ستمبر 2020 کو ختم ہوئے نو ماہ کے عرصہ کے دوران تکافل پاکستان لمیٹڈ (اس کے بعد "کمپنی" کے طور پر جانا جاتا ہے) نے پاکستان سمیت دنیا کے سب سے زیادہ متاثرہ وبائی مرض کوویڈ 19 صورتحال سے گزرنے کے باوجود جارجانہ طور پر اپنے کاروباری حجم کی تعمیر پر توجہ مرکوز کی ہے۔ سال 2020 کے تیسرے سہ ماہی کے اختتام تک، کمپنی نے مجموعی تحریری شرکت میں 63 فیصد اور گزشتہ سال اسی عرصے میں خالص تکافل شرکت میں 182 فیصد کی نمایاں ترقی دکھائی۔

خرابی سے قبل مجموعی سرمایہ کاری کی آمدنی Rs. 61 ملین (2019: 38 ملین) میں پچھلے سال کی اسی مدت کے مقابلے میں 61 فیصد کا اضافہ دکھایا گیا ہے۔ یہ اضافہ بنیادی طور پر نقد بہاؤ میں اضافے کی وجہ سے ہے کیوں کہ کاروباری حجم

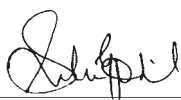
TAKAFUL PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

For the nine months period ended 30 September 2020

	Note	Shareholders' Fund		Participants' Takaful Fund	
		30 September 2020 (Un-audited)	31 December 2019 (Audited)	30 September 2020 (Un-audited)	31 December 2019 (Audited)
		(Rupees)			
ASSETS					
Property and equipment	6	54,049,573	44,193,686	-	-
Intangible assets	7	-	4,667	-	-
Investments					
Debt securities	8	88,000,000	88,000,000	-	-
Term deposits	9	257,600,000	192,200,000	381,000,000	321,000,000
Qard-e-hasna - receivable	10	-	91,479,565	-	-
Long term deposits	11	14,643,515	12,073,240	-	-
Loans, advances and other receivables	12	37,323,763	42,700,140	4,587,087	15,442,468
Takaful / co-takaful receivables	13	-	-	282,438,761	254,742,978
Re-takaful recoveries against outstanding claims		-	-	105,947,021	45,739,312
Salvage recoveries accrued		-	-	29,000,000	4,506,786
Deferred wakala fees		-	-	221,596,689	147,035,841
Deferred commission expense	24	77,717,774	33,609,160	-	-
Taxation-payment less provisions		12,804,800	13,986,143	-	-
Accrued investment income		14,916,211	6,022,517	16,640,514	1,822,979
Receivable from SHF/PTF	14	113,194,716	19,183,236	-	1,538,758
Prepayments	15	4,653,893	2,191,091	49,542,735	68,568,508
Cash and Bank	16	4,219,926	3,085,775	337,288	21,750,915
TOTAL ASSETS	Rupees	679,124,171	548,729,221	1,091,090,095	882,148,546

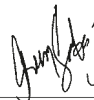
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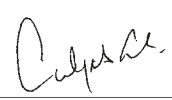
Salim Habib Godil
Chairman



Syed Rizwan Hussain
Managing Director & CEO



Dr. Irum Saba
Director



Shahzad Salim Godil
Director

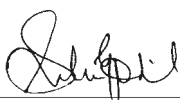
TAKAFUL PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

For the nine months period ended 30 September 2020

		Shareholders' Fund		Participants' Takaful Fund	
		30 September 2020 (Un-audited)	31 Decemeber 2019 (Audited)	30 September 2020 (Un-audited)	31 Decemeber 2019 (Audited)
SHARE CAPITAL AND RESERVES		Note			
Authorised share capital					
150,000,000 (31 December 2019: 70,000,000 ordinary shares of Rs. 10 each)	1.3	1,500,000,000	700,000,000	-	-
Issued, subscribed and paid-up share capital	1.4 & 18	612,989,050	612,989,050	-	-
Discount on issuance of shares		(112,989,050)	(112,989,050)	-	-
Accumulated losses		(116,668,970)	(145,541,363)	-	-
		383,331,030	354,458,637	-	-
WAQF / PARTICIPANTS' TAKAFUL FUND (PTF)					
Ceded money		-	-	500,000	500,000
Accumulated surplus		-	-	61,505,483	27,066,104
		-	-	62,005,483	27,566,104
Qard-e-hasna - payable	10	-	-	-	91,479,565
Underwriting provisions					
Outstanding claims including IBNR	22	-	-	258,950,915	152,283,379
Unearned contribution reserves	20	-	-	559,229,292	504,543,197
Unearned re-takaful rebate	21	-	-	6,146,265	3,851,294
Contribution deficiency reserve		-	-	1,211,778	-
Contributions received in advance		-	-	19,856,534	6,710,261
Takaful / re-takaful payables	18	-	-	44,905,749	51,365,917
Unearned wakala fees		221,596,689	147,035,841	-	-
Accrued expenses		2,145,053	8,703,263	-	-
Payable to staff gratuity fund - defined benefit plan		11,753,470	6,592,612	-	-
Payable to Shareholder's Fund	14	-	1,538,757	113,194,716	19,183,236
Deferred tax liability		1,365,515	928,289	-	-
Other creditors and accruals	19	58,932,415	29,471,821	25,589,362	25,165,594
Total Liabilities		295,793,141	194,270,584	1,029,084,612	763,102,877
TOTAL EQUITY AND LIABILITIES		679,124,171	548,729,221	1,091,090,095	882,148,546

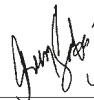
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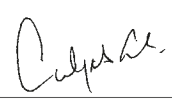
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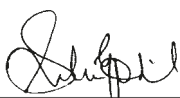
TAKAFUL PAKISTAN LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the nine months period ended 30 September 2020

		Nine months ended 30 September		Three months ended 30 September	
PARTICIPANTS' TAKAFUL FUND (PTF)		2020	2019	2020	2019
Note		(Rupees)			
Contribution earned		621,201,704	271,788,378	229,710,969	91,565,235
Less: Contribution ceded to Retakaful		(89,303,727)	(83,183,118)	(28,918,353)	(31,542,624)
Net takaful contribution	20	531,897,977	188,605,260	200,792,616	60,022,611
Retakaful rebate earned	21	12,727,696	10,195,927	5,329,107	3,594,417
		544,625,673	198,801,187	206,121,723	63,617,028
Net takaful claims expense	22	(471,175,494)	(224,195,513)	(287,618,825)	(114,055,513)
Incurred But Not Reported (IBNR) claims expense		(15,720,627)	-	-	-
Contribution deficiency expense		(1,211,778)	-	-	-
		(488,107,899)	(224,195,513)	(196,531,406)	(114,055,513)
Other direct expenses	23	(48,500,862)	(11,962,719)	(13,388,036)	(2,318,157)
Surplus before investment Income		8,016,912	(37,357,045)	(3,797,719)	(52,756,643)
Investment income	26	31,712,223	11,341,554	10,859,859	2,649,777
Other income		3,675,299	19,503,083	92,232	12,137,368
Impairment loss on available for sale equity securities		-	(6,028,150)	-	3,459,860
Mudarib's share		(8,754,500)	(2,720,144)	(2,714,965)	(1,827,613)
Net investment income		26,633,022	22,096,343	8,237,126	16,419,392
Bank charges		(210,555)	(114,114)	(67,897)	(40,465)
Surplus before taxation		34,439,379	(15,374,816)	4,371,510	(36,377,716)
Provision for taxation - current		-	-	-	2,893,896
Surplus after taxation		34,439,379	(15,374,816)	4,371,510	(33,483,820)
SHAREHOLDERS' FUND (SHF)					
Wakala fee income	27	368,468,626	217,292,338	132,494,322	80,200,040
Commission expense / acquisition cost	24	(86,277,311)	(63,985,475)	(33,646,732)	(20,146,164)
Management expenses	27	(279,126,223)	(188,301,340)	(87,842,881)	(70,171,804)
		(365,403,534)	(252,286,815)	(121,489,613)	(90,317,968)
		3,065,092	(34,994,477)	11,004,709	(10,117,928)
		-	-	-	-
Mudarib's share of PTF investment income		8,754,500	2,720,144	2,714,965	1,827,613
Investment income	27	23,787,928	20,538,789	7,012,653	8,050,510
Impairment (loss) / reversal on available for sale equity securities		-	(135,889)	-	1,859,366
Profit on bank balances		630,199	632,374	265,771	286,300
Other income		1,981,558	348,101	1,715,591	29,144
Finance cost		(2,946,881)	-	(803,531)	-
Profit / (loss) before taxation		35,272,396	(10,890,959)	21,910,158	1,935,005
		-	-	-	-
Provision for taxation		(6,400,003)	(3,259,385)	(1,987,415)	(1,780,874)
Profit / (loss) after taxation		28,872,393	(14,150,344)	19,922,743	154,131
Earnings (after tax) per share	32	0.47	(0.23)	0.33	(0.003)

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.



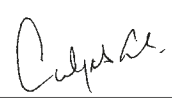
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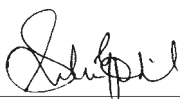
TAKAFUL PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the nine months period ended 30 September 2020

	Nine month period ended 30 September		Three months period ended 30 September	
	2020	2019	2020	2019
	(Rupees)			
Shareholders' Fund (SHF)				
Profit / (loss) after taxation for the period	28,872,393	(14,150,344)	19,922,743	154,131
Other comprehensive income for the period				
<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	-	(18,127,412)	-	(6,545,205)
- Reclassification adjustment for net gain on sale of available-for-sale investments included in profit and loss account	-	-	-	-
	-	(18,127,412)	-	(6,545,205)
Total comprehensive income for the period	28,872,393	(32,277,756)	19,922,743	(6,391,074)
Participant Takaful Fund (PTF)				
Surplus for the period	34,439,379	(15,374,816)	47,251,303	(33,483,820)
Other comprehensive income for the period				
<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	-	(45,313,745)	-	(13,981,180)
- Reclassification adjustment for net gain on sale of available-for-sale investments included in profit and loss account	-	-	-	-
	-	(45,313,745)	-	(13,981,180)
Total comprehensive income for the period	34,439,379	(60,688,561)	47,251,303	(47,465,000)

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.



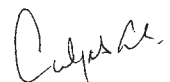
Salim Habib Godil
Chairman



Syed Rizwan Hussain
Managing Director & CEO



Dr. Irum Saba
Director



Shahzad Salim Godil
Director

TAKAFUL PAKISTAN LIMITED

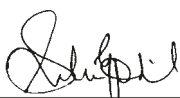
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY / FUND (UN-AUDITED)

For the nine months period ended 30 September 2020

	SHAREHOLDERS' FUND				
	Issued, subscribed and paid up share capital	Discount on issue of shares	Accumulated loss	Fair value reserve	Total
Balance as at 1 January 2019	612,989,050	(112,989,050)	(161,051,131)	(6,638,666)	332,310,203
Total comprehensive income for the nine months period ended 30 September 2019	-	-	(14,150,344)	-	(14,150,344)
Loss for the nine months period ended 30 September 2019	-	-	-	(11,488,746)	(11,488,746)
Other comprehensive income	-	-	-	-	-
Net unrealized loss on available for sale investments during the nine months period ended 30 September 2019	-	-	-	(11,488,746)	(11,488,746)
Transaction with owners - Qard-e-Hasna returned to SHF*	-	-	(14,150,344)	(11,488,746)	(25,639,090)
Total comprehensive income for the period	612,989,050	(112,989,050)	(175,201,475)	(18,127,412)	306,671,113
Balance as at 30 September 2019	612,989,050	(112,989,050)	(175,201,475)	(18,127,412)	306,671,113
Total comprehensive income for the three months ended 31 December 2019	-	-	31,150,229	-	31,150,229
Profit after tax for the three months period 31 December 2019	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Fair value / net unrealized loss on available for sale investments during the six months period ended 31 December 2019	-	-	-	18,127,412	18,127,412
Actuarial loss on defined benefit plan for the period	-	-	(1,490,117)	-	(1,490,117)
Total comprehensive income	-	-	29,660,112	18,127,412	47,787,524
Transaction with owners - Qard-e-Hasna contributed to Waqf*	-	-	-	-	-
Balance as at 1 January 2020	612,989,050	(112,989,050)	(145,541,363)	-	354,458,637
Total comprehensive income for the nine months ended 30 September 2020	-	-	28,872,393	-	28,872,393
Profit after tax for the nine months period ended 30 September 2020	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	28,872,393	-	28,872,393
Balance as at 30 September 2020	612,989,050	(112,989,050)	(116,668,970)	-	383,331,030

	WAQF / PARTICIPANTS' TAKAFUL FUND				
	Cede money	Discount on issue of shares	Accumulated Surplus / (deficit)	Fair value reserve	Total
Balance as at 1 January 2019	500,000	-	(1,196,271)	(20,788,553)	(21,484,824)
Total comprehensive income for the nine months September	-	-	(15,374,816)	-	(15,374,816)
Deficit for the nine months period ended 30 September 2019	-	-	-	-	-
Qard-e-Hasna returned by Waqf	-	-	-	(24,525,192)	(24,525,192)
Other comprehensive income	-	-	-	-	-
Net unrealized loss on available for sale investments during the nine months period ended 30 September 2019	-	-	(15,374,816)	(24,525,192)	(39,900,008)
Balance as at 30 September 2019	500,000	-	(16,571,087)	(45,313,745)	(61,384,832)
Surplus for the three months period ended 31 December 2019	-	-	43,637,191	-	43,637,191
Fair value/net utilized gain/loss on available for sale investments during the three months period ended 31 December 2019	-	-	-	45,313,745	45,313,745
Balance as at 1 January 2020	500,000	-	27,066,104	-	27,566,104
Total comprehensive income for the nine months ended 30 September 2020	-	-	34,439,379	-	34,439,379
Surplus for the nine months period ended 30 September 2020	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Net unrealized loss on available for sale investments during the nine months period ended 30 September 2020	-	-	-	-	-
Total comprehensive income for the period	-	-	34,439,379	-	34,439,379
Balance as at 30 September 2020	500,000	-	61,505,483	-	62,005,483

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.



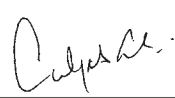
Salim Habib Godil
Chairman



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Managing Director & CEO



Dr. Irum Saba
Director



Shahzad Salim Godil
Director

TAKAFUL PAKISTAN LIMITED

CASH FLOW STATEMENT

For the nine months period ended 30 September 2020

	30 September 2020			30 September 2019
	Shareholders' Fund	Participants' Takaful Fund	Aggregate	Aggregate
OPERATING ACTIVITIES				
Takaful activities				
Contributions received	-	1,026,413,256	1,026,413,256	556,919,069
Re-takaful payments	-	(82,241,764)	(82,241,764)	(125,686,820)
Claims paid	-	(548,424,414)	(548,424,414)	(207,535,944)
Retakaful and other Recoveries received	-	45,241,355	45,241,355	51,476,101
Commissions paid	(124,064,427)	-	(124,064,427)	(78,209,851)
Retakaful rebate received	-	7,583,426	7,583,426	11,120,412
Wakala fee paid	-	(352,118,469)	(352,118,469)	(278,755,242)
Wakala fee received	352,118,469	-	352,118,469	278,755,242
Other takaful receipts/(payments)	-	17,555,091	17,555,091	570,959
Net cash flows from takaful activities	228,054,042	114,008,480	342,062,522	208,653,926
Other operating activities				
Income tax paid	(5,079,339)	-	(5,079,339)	(6,513,998)
Security deposits return/(paid)	(2,570,275)	-	(2,570,275)	(7,231,317)
Payment of retirement benefits	1,401,501	-	1,401,501	-
General administrative and management expenses paid	(264,774,617)	-	(264,774,617)	(185,018,323)
Other operating receipt/(payments)	(1,085,460)	10,662,769	9,577,309	4,961,533
Ijarah rentals paid	(16,632,516)	-	(16,632,516)	(5,856,358)
Advances from/to employees and agents received/(paid)	22,504,000	-	22,504,000	(2,190,853)
Net cash used in other operating activities	(266,236,707)	10,662,769	(255,573,937)	(201,849,316)
Total cash (used in) / flows from all operating activities	(38,182,665)	124,671,250	86,488,585	6,804,610
INVESTING ACTIVITIES				
Profit / return received	15,524,434	16,894,688	32,419,122	34,482,188
Net Investment (made)/encashed	-	-	-	(19,272,658)
Investment in term deposits	-	(60,000,000)	(60,000,000)	-
Proceeds from encashment of term deposits	(65,400,000)	-	(65,400,000)	-
Fixed capital expenditure	(13,787,183)	-	(13,787,183)	(11,721,802)
Mudarib fee received	11,500,000	-	11,500,000	-
Mudarib fee paid	-	(11,500,000)	(11,500,000)	-
Proceed from disposal of property and equipment	-	-	-	99,200
Total cash used in all investing activities	(52,162,749)	(54,605,312)	(106,768,061)	3,586,929
FINANCING ACTIVITIES				
Qarda-e-Hasana received back/(contributed)	91,479,565	-	91,479,565	10,000,000
Qarda-e-hasana (returned back)/received	-	(91,479,565)	(91,479,565)	(10,000,000)
Total cash used in all financing activities	91,479,565	(91,479,565)	-	-
Net cash (used in) / flows from all activities	1,134,151	(21,413,627)	(20,279,476)	10,391,540
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	4,219,926	337,288	4,557,214	98,697,016
Reconciliation to profit and loss account				
Operating cash flows	(38,182,665)	124,671,250	86,488,585	6,804,610
Depreciation and amortization	(22,592,370)	-	(22,592,370)	(3,568,556)
Gain /(loss) on disposal of fixed assets	-	-	-	10,467
Provision for taxation	(6,400,003)	-	(6,400,003)	(3,259,385)
Provision for staff retirement benefits	(4,728,059)	-	(4,728,059)	(2,829,729)
Increase/(decrease) in assets other than cash	202,298,046	84,270,299	286,568,345	243,583,094
(Increase)/decrease in liabilities other than borrowings	(101,522,557)	(174,502,169)	(276,024,726)	(270,265,660)
Profit / (loss) / surplus after taxation for the year	28,872,393	34,439,379	63,311,772	(29,525,159)

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	231,315	224,345	455,660	651,433
Current and other accounts	3,988,611	112,943	4,101,554	98,045,584
	4,219,926	337,288	4,557,214	98,697,017

TAKAFUL PAKISTAN LIMITED

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

For the nine months period ended 30 September 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, 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 2019: 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 Board established by the Company.

1.3 During the period, the authorised capital of the Company was increased from Rs. 700 million to Rs. 1,500 million.

1.4 As per the SRO notification no 825 (1) 2015 dated 18 August 2015 issued by the Securities and Exchange Commission of Pakistan (SECP), minimum paid up capital (net of discount on the issue of shares) of a non-life Insurance / Takaful Company shall be Rs. 500 million by 31 December 2017. At 31 December 2017, the Company's issued, subscribed and paid up capital was Rs. 300 million, i.e. it was short of the required amount by Rs. 200 million. The Company issued 31,298,905 shares of the face value of Rs. 10 each at a price of Rs. 6.39 per share i.e. at a discount of Rs. 3.61 per share without the issue of right shares under section 82 and 83 of the Companies Act, 2017 (the "Act"). SECP on the basis of a special resolution passed by the members of the Company in their general meeting held on 02 March 2018 allowed the Company under section 82 and 83 of the Act to issue 31,298,905 shares at Rs. 6.39 per share i.e. at a discount of Rs. 3.61 per share, without the issue of right share. The approval, however, was subject to the following conditions:

- i) 31.299 million shares shall be issued within sixty days of the letter.
- ii) The issuance of the shares shall be in cash and a copy of bank account statement maintained for the receipt of the subscription money, evidencing the receipt of all subscription money, shall be submitted to the Commission within thirty days of the receipt of subscription money.
- iii) On the receipt of subscription money, the Company will first meet the statutory deposit requirement maintaining minimum statutory deposits with the State Bank of Pakistan and submit the documentary evidence to the commission within thirty days of receipt of subscription money.

The Company has complied with all aforesaid conditions and return of allotment for the issue of additional shares was filed with SECP in June 2018 and a certified true copy of SECP has also been received. Accordingly the Company's capital as of 30 September 2020 is as follows:

	30 September 2020
	Aggregate
Issued, subscribed and paid up capital	612,989,050
Discount on issue of shares	(112,989,050)
Minimum paid up capital (as required)	500,000,000

TAKAFUL PAKISTAN LIMITED

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

For the nine months period ended 30 September 2020

- 1.5** A novel strain of coronavirus (COVID -19) was classified as a pandemic by the world health organization on 11 March 2020, impacting countries globally including Pakistan. Government of Pakistan has taken certain measures to reduce the spread of the COVID-19 including lockdown of businesses, suspension of flight operations, intercity movements, cancellation of major events etc. These measures have resulted in an overall economic slowdown, disruptions to various businesses. However, currently, the potential impacts from COVID-19 remain uncertain, including, among other things, on economic conditions, businesses and consumers. As per the initial assessment by the management, operation are not likely to have an impact as the sale of takaful cover in Pakistan was on going even during the period in which business activities were suspended by government of Pakistan. Furthermore, the management has also made assessment of future profitability and as per the projections the funds continues to earn profit.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

- 2.1** These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as are notified under Companies Act, 2017; and
- Provision of and directive issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, General Takaful Accounting Regulations, 2019 and Takaful Rules, 2012.
- Islamic Financial Accounting Standards (IFAS) (as a lease) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, General Takaful Accounting Regulations, 2019 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, General Takaful Accounting Regulations 2019 and Takaful Rules 2012, have been followed.

- 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 PTF remain separately identifiable.

- 2.3** 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 2019.

2.4 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention.

3. 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.

TAKAFUL PAKISTAN LIMITED

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

For the nine months period ended 30 September 2020

4. 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 as at and for the year ended 31 December 2019.

5. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of condensed interim financial statements are consistent with those followed in preparation of the annual financial statements of the Operator for the year ended '31 December 2019.

5.1 Application of General Takaful Accounting Regulations, 2019

The Securities and Exchange Commission of Pakistan (SECP) vide SRO 1416 (1)/2019 dated 20 November 2019 has issued General Takaful Accounting Regulations, 2019. Accordingly, the Company has changed format for preparation and presentation of these condensed interim financial statements to comply with the requirements of these regulations. The application of these regulations for the purpose of preparation and presentation of the condensed interim financial statements are effective from 01 January 2020. Accordingly, corresponding figures have been presented in accordance with the new regulations. However, the change have had no impact on the profit / loss of the Operators' Fund, surplus/ deficit of the Participants' Takaful Fund or of their equities.

6. PROPERTY AND EQUIPMENT - Shareholder's Fund

	Note	30 September 2020 (Unaudited)	31 December 2019 (Audited)
Tangible assets	6.1	20,239,142	24,111,763
Capital work in progress	6.2	10,414,394	-
Right of use assets	6.3	23,396,037	20,081,923
		54,049,573	44,193,686

6.1 Tangible assets

30 September 2020 - (Unaudited)

	Cost			Accumulated depreciation			Book value	Depreciation Rate %
	As at 1 January 2020	Additions / (disposal) during the period	As at 30 September 2020	As at 1 January 2020	Charge for the period / (disposal)	As at 30 September 2020	As at 30 September 2020	
	(Rupees)							
Leasehold improvements	11,691,801	268,360	11,960,161	5,397,729	2,587,997	7,985,726	3,974,435	33.33
Furniture and fixtures	15,235,573	12,000 (338,020)	14,909,553	12,723,769	979,031 (338,020)	13,364,780	1,544,773	33.33
Office equipment	9,996,168	159,900	10,156,068	5,988,046	1,042,870	7,030,916	3,125,152	20.00
Computers	32,113,726	1,508,503 (165,635)	33,456,594	21,230,499	3,595,737 (72,121)	24,754,115	8,702,479	33.33
Vehicles	704,606	10,160,158 (7,141,868)	3,722,896	290,068	540,525	830,593	2,892,303	20.00
	69,741,874	12,108,921 (7,645,523)	74,205,272	45,630,111	8,746,160 (410,141)	53,966,130	20,239,142	

TAKAFUL PAKISTAN LIMITED

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

For the nine months period ended 30 September 2020

	31 December 2019 - (Audited)							
	Cost		Accumulated depreciation			Book value	Depreciation	
	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	As at 31 December 2019	Rate %
	(Rupees)							
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	20.00
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	20.00
	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	

6.2 Capital Work in Progress

	Shareholders' Fund (SHF)		Participant's takaful fund (PTF)	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
(Rupees)				
Civil Works	5,214,394	-	-	-
Software development	5,200,000	-	-	-
	10,414,394	-	-	-

6.3 Right of use assets

30 September 2020 - (Unaudited)						
As at 1 January 2020	Additions / (disposal) during the period	As at 30 September 2020	As at 1 January 2020	Charge for the period / (disposal)	As at 30 September 2020	As at 30 September 2020
(Rupees)						
Right of use assets	30,122,885	17,160,324	47,283,209	10,040,962	13,846,210	23,887,172
						23,396,037

31 December 2019 - (Audited)						
As at 1 January 2020	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	As at 31 December 2019
(Rupees)						
Right of use assets	29,191,502	931,383	30,122,885	-	10,040,962	10,040,962
						20,081,923

7. INTANGIBLE ASSETS

30 September 2020 - (Unaudited)							
Cost			Accumulated amortization			Book value	Amortization
As at 1 January 2020	Additions during the period	As at 30 September 2020	As at 1 January 2020	Charge for the period	As at 30 September 2020	As at 30 September 2020	Rate %
(Rupees)							
Computer software	14,263,181	-	14,263,181	14,258,514	4,667	14,263,181	-
							33.33

31 December 2019 - (Audited)							
Cost			Accumulated amortization			Book value	Amortization
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	As at 31 December 2019	Rate %
(Rupees)							
Computer software	14,263,181	-	14,263,181	14,117,837	140,677	14,258,514	4,667
							33.33



TAKAFUL PAKISTAN LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(UN-AUDITED)

For the nine months period ended 30 September 2020

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 2020	31 December 2019	Security
									(Rupees)		
Dubai Islamic Bank Pakistan Limited	9.1.1	6,000	Perpetual	9 months KIBOR + 1.75%	Quarterly	Perpetual	-	30,000,000	30,000,000	30,000,000	Unsecured
Hub Power Company Limited (HUBCO) - Issued		300	22-Aug-23	3 months KIBOR + 1.90%	Quarterly	25% on February 2022 25% on August 2022 25% on February 2023 25% on August 2023	30,643,440	30,000,000	30,000,000	30,000,000	Revolving Cross Corporate Guarantee ("RCOG") from National Energy Limited ("NEL") for the Issue Amount (with 25% margin) and profit & principal payments, Subordinate hypothecation 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 3,500 million.
Bank Islami Pakistan Ltd	9.1.1	5,600	Perpetual	3 months KIBOR + 2.75%	Monthly	Perpetual	-	28,000,000	28,000,000	28,000,000	Unsecured
Non - Performing Assets (fully provided)											
AgriTech Limited	9.1.2	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	9.1.3	2,000	26 March 2020	9 months KIBOR + 1.75%	Quarterly	Non performing	-	10,000,000	3,985,520 19,839,403	3,985,520 19,839,403	Secured against first pari passu Rs. 1,846 billion on all fixed assets of the Company.
Less: Provision held (against the non-performing sukuk certificates)									107,839,403	107,839,403	
									(19,839,403)	(19,839,403)	
									88,000,000	88,000,000	

8.1.1 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 (i.e. of HUBCO which is of level 1 fair value).

8.1.2 This represents investments aggregating to Rs. 15 million (31 December 2019: Rs. 15 million) in sukuk issued by AgriTech 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 investing Agent, of the sukuk certificates, whereby certain terms included in the original trust deed dated 22 July 2008 were amended. Included in the amended period which was extended from 06 August 2015 to 06 August 2019. Further, in lieu of accrued due interest, the investee company issued zero coupon Term Finance Certificates (TFCs) 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.

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.

TAKAFUL PAKISTAN LIMITED

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For the nine months period ended 30 September 2020

9. INVESTMENT IN TERM DEPOSITS

	30 September 2020 (Un-audited)			31 December 2019 (Audited)		
	Shareholders' Fund (9.1)	Participants' Takaful Fund (9.2)	Aggregate	Shareholders' Fund	Participants' Takaful Fund	Aggregate
	(Rupees)					
Held to Maturity						
Deposits maturing within 12 months	257,600,000	381,000,000	638,600,000	192,200,000	321,000,000	513,200,000

9.1 These have been invested in Islamic Banks in Pakistan and have maturity between December 2020 to August 2021 and carries profit rates ranging between 6.75% to 12.50% per annum.

9.2 These have also been invested in Islamic banks and are due to mature between December 2020 and March 2021 and carries profit rates ranging between 8.75% to 12.50% per annum.

10. QARD-E-HASNA RECEIVABLE

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

	30 September 2020 (Un-audited)	31 December 2019 (Audited)
	(Rupees)	
Opening balance	91,479,565	109,479,565
Qard-e-hasna contributed to the Waqf (PTF) during the period/year	-	50,000,000
Qard-e-hasna refunded by PTF during the period / year	(91,479,565)	(68,000,000)
Closing balance	-	91,479,565

Under the Takaful Rules, 2012 in the event of surplus in Participants' Takaful Fund, Qard-e-Hasna shall be paid to the Shareholders' Fund prior to distributing surplus to the Participants. During the nine months period, the entire balance was paid off by the Participants' Takaful Fund to the Shareholders' Fund.

11. LONG TERM DEPOSITS - Shareholders Fund

Ijarah	8,130,220	7,071,120
Rental	2,763,256	1,963,871
Hospitals security deposit	2,922,118	2,475,000
Others	827,921	563,249
	14,643,515	12,073,240

12. LOANS, ADVANCES AND OTHER RECEIVABLES - considered good

	Shareholders' Fund (SHF)		Participants' takaful fund (PTF)	
	30 September 2020 (Un-audited)	31 December 2019 (Audited)	30 September 2020 (Un-audited)	31 December 2019 (Audited)
	(Rupees)			
Advances to employees (unsecured and interest free)	9,839,986	3,535,293	-	-
Advance payment to takaful agents	-	28,808,693	-	-
Advance against expenses	26,987,066	5,491,005	-	-
Earnest money receivable	496,711	-	781,512	-
Service charges receivable	-	-	3,805,575	4,400,378
Investment proceeds receivable	-	4,283,745	-	11,042,090
Others	-	581,404	-	-
	37,323,763	42,700,140	4,587,087	15,442,468

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

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

For the nine months period ended 30 September 2020

13. TAKAFUL / CO-TAKAFUL RECEIVABLES - unsecured - Participants' Takaful Fund

		30 September 2020 (Un-audited)	31 December 2019 (Audited)
		----- (Rupees) -----	
Due from takaful participant holders		274,766,427	244,754,999
Less: Provision for impairment against the balance due from the takaful participant holders	13.1	(13,161,034)	(3,876,948)
		261,605,393	240,878,051
Due from other takaful companies		20,833,368	15,881,477
Less: Provision for impairment against the due from other takaful companies	13.2	-	(2,016,550)
		20,833,368	13,864,927
		282,438,761	254,742,978

13.1 Movement in provision for impairment - due from policy holders

Balance as on 1 January 2020	3,876,948	2,689,398
Add: Provision made during the period / year	13,161,034	1,187,550
Less: Reversal during the year	(3,876,948)	-
Balance on at 30 September 2020	13,161,034	3,876,948

13.2 Movement in provision for impairment - due from other takaful companies

Balance as on 1 January 2020	2,016,550	2,016,550
Less: Reversal during the period / year	(2,016,550)	-
Balance on at 30 September 2020	-	2,016,550

14. RECEIVABLE / PAYABLE (Current account between OPF and PTF)

		Shareholders' Fund		Participants' Takaful fund (PTF)	
		30 September 2020	31 December 2019	30 September 2020	31 December 2019
		(Rupees)			
Wakala fee		98,778,539	7,867,535	98,778,539	7,867,535
Mudarib fee		8,570,201	11,315,701	8,570,201	11,315,701
Other receivable / payable	15.1	5,845,976	-	5,845,976	-
		113,194,716	19,183,236	113,194,716	19,183,236

14.1 This represents tax deductions by PTF, paid by SHF on its behalf and was subsequently settled to SHF.

15. PREPAYMENTS

	Shareholders' Fund		Participants' Takaful fund (PTF)	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
	----- (Rupees) -----			
Prepaid takaful contribution	2,891,959	-	-	-
Other prepaid expenses	1,761,934	2,191,091	-	-
Prepaid re-takaful ceded	-	-	28,747,649	46,956,918
Prepaid tracker installation expense	-	-	20,795,086	21,611,590
	4,653,893	2,191,091	49,542,735	68,568,508

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For the nine months period ended 30 September 2020

16. CASH AND BANK

	Shareholders' Fund		Participants' Takaful Fund	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
	(Rupees)			
Cash and cash equivalents				
- Cash in hand	231,315	218,709	-	-
- Policy and revenue stamps, bond papers	-	-	224,345	193,070
	231,315	218,709	224,345	193,070
Cash and bank				
- Current account	10,921	20,921	48,604	59,704
- Savings accounts	3,977,690	2,846,145	64,339	21,498,141
	4,219,926	3,085,775	-	21,750,915

16.1

- 16.1 These represent balances maintained with Islamic commercial banks under profit and loss sharing basis carrying expected profit rates ranging between 3.9% to 9.038% (2019: 6.5% to 11.0%) per annum

17. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

30 September 2020	31 December 2019		30 September 2020	31 December 2019
----- (Number of shares) -----				
61,298,905	61,298,905	Rupees	61,298,905	612,989,050

Shareholding pattern

House Building Finance Company Limited
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	14.19%
5,099,000	8.32%
2,999,500	4.89%
2,550,000	4.16%
10,485,602	17.11%
10,485,601	17.11%
10,485,601	17.11%
10,485,601	17.11%
8,500	0.01%
61,298,905	100.00%

18. TAKAFUL / RE-TAKAFUL PAYABLES

	30 September 2020	31 December 2019
	(Rupees)	
Due to other takaful companies	17,762,212	501,755
Due to re-takaful entities	27,143,537	50,864,162
	44,905,749	51,365,917

19. CASH AND BANK

	Shareholders' Fund (SHF)		Participants' Takaful Fund (PTF)	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
	(Rupees)			
Commission payable to agents	15,332,045	9,010,547	-	-
Federal excise duty	-	-	4,870,011	7,553,590
Federal Takaful fee	-	-	1,162,650	1,872,730
Tax deducted at source	513,779	374,458	1,362,204	522,919
Provision for staff compensated absences	1,305,712	337,010	-	-
Security deposit (held in separate bank account)	870,594	918,876	-	-
Tracker installation fee payable	-	-	12,724,446	10,598,209
Liabilities against assets subject to leases	27,389,177	16,880,928	-	-
Creditors	3,412,595	-	-	-
Other payables	10,108,513	1,950,002	5,470,050	4,618,146
	58,932,415	29,471,821	25,589,362	25,165,594

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20. NET CONTRIBUTION

Written Gross Contribution
Less: Wakala Fee
Contribution Net of Wakala Fee
Add: Unearned Contribution reserve opening
Less: Unearned Contribution reserve closing
Contribution earned

Retakaful Contribution ceded
Add: Prepaid retakaful contribution opening
Less: Prepaid retakaful contribution closing
Retakaful Expense
Net Contribution

Nine months ended 30 September		Three months ended 30 September	
Participants' Takaful Fund (PTF)			
2020	2019	2020	2019
(Rupees)			
1,044,356,425	639,999,421	343,168,966	180,504,166
(368,468,626)	(217,292,338)	(132,494,322)	(80,200,040)
675,887,799	422,707,083	210,674,644	100,304,126
504,543,197	216,589,851	578,265,617	358,769,664
(559,229,292)	(367,508,556)	(559,229,292)	(367,508,556)
621,201,704	271,788,378	229,710,969	91,565,235
71,094,458	104,798,838	30,115,295	21,409,871
46,956,918	14,445,719	27,550,707	46,194,192
(28,747,649)	(36,061,439)	(28,747,649)	(36,061,439)
89,303,727	83,183,118	28,918,353	31,542,624
531,897,977	188,605,260	200,792,616	60,022,611

21. RETAKAFUL REBATE

Retakaful rebate/commission received
Add: Unearned retakaful rebate / commission opening
Less: Unearned retakaful rebate / commission closing
Retakaful rebate/commission Income

15,022,667	11,120,412	7,439,241	3,989,003
3,851,294	4,237,040	4,036,131	4,766,939
(6,146,265)	(5,161,525)	(6,146,265)	(5,161,525)
12,727,696	10,195,927	5,329,107	3,594,417

22. TAKAFUL BENEFITS / CLAIMS EXPENSE

Benefits Claim Paid
Add: Outstanding benefits / claims including IBNR closing
Less: Outstanding benefits / claims including IBNR opening
Claim Expense

Retakaful and other recoveries received
Add: Retakaful and other recoveries in respect of outstanding claims closing
Less: Retakaful and other recoveries in respect of outstanding claims opening

Retakaful and other recoveries revenue
Net Claim Expense

549,636,192	207,535,944	247,743,429	78,628,566
258,950,915	176,363,576	258,950,915	176,363,576
(152,283,379)	(79,393,141)	(201,103,722)	(79,393,141)
656,303,728	304,506,379	305,590,622	175,599,001
83,494,906	51,476,101	39,675,607	7,347,749
134,947,021	50,586,028	134,947,021	50,586,028
(50,246,098)	(21,751,263)	(83,535,209)	(55,028,318)
168,195,829	80,310,866	91,087,419	2,905,459
488,107,899	224,195,513	214,503,203	172,693,542

23. OTHER DIRECT EXPENSES - Participant's takaful fund

Tracker installation charges
Provision against FED refundable
Provision against doubtful debts - net
Service charges on co-takaful acceptance
Others

28,041,958	8,903,170	11,560,177	1,169,722
12,081,332	1,035,235	1,513,567	1,035,235
7,267,536	-	-	-
633,769	2,024,314	314,292	113,200
476,267	-	-	-
48,500,862	11,962,719	13,388,036	2,318,157

24. COMMISSION EXPENSE

Commission Paid or payable
Add: Deferred commission expense opening
Less: Deferred commission expense closing
Commission Expense

130,385,926	70,921,642	35,567,860	28,940,958
33,609,160	34,652,031	75,796,646	32,793,404
(77,717,774)	(41,588,198)	(77,717,774)	(41,588,198)
86,277,311	63,985,475	33,646,732	20,146,164

25. 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 are as follows:

	1 July 2020 to 30 September 2020	1 January 2020 to 30 June 2020	1 July 2019 to 31 December 2019	1 January 2019 to 30 June 2019
Fire and property damage	5.0%	45.0%	40.0%	40.0%
Marine, aviation and transport	5.0%	45.0%	40.0%	40.0%
Motor	45.0%	77.5%	35.0%	60.0%
Health	5.0%	17.0%	5.0%	25.0%
Miscellaneous	40.0%	77.5%	25.0%	38.0%

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26. 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 Period ended 30 September 2020					
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Takaful / re-takaful receivables	43,222,839	23,051,228	560,710,121	419,371,753	89,357,641	1,135,713,582
Less: Federal Excise Duty	(3,408,407)	(1,956,932)	(63,740,924)	-	(10,325,753)	(79,432,017)
Federal Takaful Fee	(272,806)	(189,492)	(4,875,683)	(4,152,084)	(785,230)	(10,275,295)
Stamp duty	(18,782)	(1,534,731)	(69,365)	(8,844)	(18,124)	(1,649,846)
Tracker charges recovered	-	-	-	-	-	-
Gross written contribution	39,522,844	19,370,073	492,024,149	415,210,825	78,228,534	1,044,356,425
Wakala fee	(9,994,420)	(6,536,671)	(245,818,161)	(47,165,548)	(58,953,826)	(368,468,626)
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	(7,190,488)	(1,076,847)	189,001,543	321,206,615	29,957,154	531,897,977
Retakaful rebate earned	7,179,195	4,630,744	-	-	917,757	12,727,696
Net Underwriting Income	(11,293)	3,553,897	189,001,543	321,206,615	30,874,911	544,625,673
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 recovery	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 expense / (reversal)	-	-	-	(1,211,778)	-	(1,211,778)
Other direct expenses	1,286,487	1,492,570	(32,179,091)	(18,174,064)	(926,762)	(48,500,861)
Underwriting results	(5,114,887)	484,337	39,941,189	(47,396,216)	20,102,489	8,016,913
Investment income						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 - before tax						34,439,379
Provision for taxation - current						-
Total surplus - after tax						34,439,379

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	Nine Months Period ended 30 September 2019					
	Fire, and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Takaful / re-takaful receivables	23,129,877	20,459,552	461,486,264	108,110,137	103,470,972	716,656,802
Less: Federal Excise Duty	(2,433,758)	(2,020,963)	(52,802,961)	-	(11,802,004)	(69,059,686)
Federal Takaful Fee	(174,929)	(169,674)	(4,043,209)	(1,070,377)	(907,501)	(6,365,690)
Stamp duty	(8,970)	(1,172,633)	(37,688)	(1,865)	(10,849)	(1,232,005)
Tracker charges recovered	-	-	-	-	-	-
Gross written contribution	20,512,220	17,096,282	404,602,406	107,037,895	90,750,618	639,999,421
Wakala fee	(8,034,496)	(6,890,881)	(163,827,166)	(14,778,500)	(23,761,295)	(217,292,338)
Takaful contribution earned	19,624,077	16,950,771	330,966,960	59,044,827	62,494,081	489,080,716
Takaful contribution ceded expense	(16,692,362)	(12,185,398)	(14,094,000)	-	(40,211,358)	(83,183,118)
Net Takaful contribution	(5,102,781)	(2,125,508)	153,045,794	44,266,327	(1,478,572)	188,605,260
Retakaful rebate earned	4,620,568	3,807,167	-	-	1,768,192	10,195,927
Net Revenue	(482,213)	1,681,659	153,045,794	44,266,327	289,620	198,801,187
Takaful claims	(26,876,558)	(450,000)	(178,533,144)	(67,767,431)	(30,879,246)	(304,506,379)
Takaful claims recovered from retakaful operators & salvage recovery	21,104,924	372,500	50,333,488	-	8,499,954	80,310,866
Net Takaful claims expense	(5,771,634)	(77,500)	(128,199,656)	(67,767,431)	(22,379,292)	(224,195,513)
Contribution Deficiency Expense	-	-	-	-	-	-
Other direct expenses	(486,481)	(390,696)	(10,571,531)	-	(514,011)	(11,962,719)
Underwriting results	(6,740,328)	1,213,463	14,274,607	(23,501,104)	(22,603,683)	(37,357,045)
Investment income						11,341,554
Impairment Loss on Available for Sale Equity Securities						(6,028,150)
Profit on bank balances						5,567,171
Less: Mudarib's share						(2,720,144)
Net investment income						8,160,431
Other income						13,935,912
Bank charges						(114,114)
Total surplus - before tax						(15,374,815)
Provision for taxation - current						-
Total surplus - after tax						(15,374,815)

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26. 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.

	Three Months Period ended 30 September 2020					
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Takaful / re-takaful receivables	22,735,855	9,745,293	207,191,812	96,345,896	41,367,482	377,386,338
Less: Federal Excise Duty	(1,288,776)	(817,019)	(23,414,506)	-	(4,750,776)	(30,271,077)
Federal Takaful Fee	(91,001)	(77,856)	(1,775,264)	(953,857)	(365,443)	(3,263,421)
Stamp duty	(13,730)	(643,974)	(19,780)	(3,960)	(1,430)	(682,874)
Tracker charges recovered	-	-	-	-	-	-
Gross written contribution	21,342,348	8,206,444	181,982,262	95,388,079	36,249,833	343,168,966
Wakala fee	(2,909,750)	(1,284,241)	(90,849,189)	(16,444,627)	(21,006,515)	(132,494,322)
Takaful contribution earned	11,390,380	7,955,328	158,339,821	136,186,393	48,333,369	362,205,291
Takaful contribution ceded expense	(9,605,517)	(5,814,045)	(4,747,050)	-	(8,751,741)	(28,918,353)
Net Takaful contribution	(1,124,887)	857,042	62,743,582	119,741,766	18,575,113	200,792,616
Retakaful rebate earned	3,119,972	1,930,195	-	-	278,940	5,329,107
Net Underwriting Income	1,995,085	2,787,237	62,743,582	119,741,766	18,854,053	206,121,723
Takaful claims	(8,045,839)	(10,142,572)	(109,196,218)	(141,717,211)	(18,516,985)	(287,618,825)
Takaful claims recovered from retakaful operators & salvage recovery	6,518,982	7,612,125	59,762,837	-	17,193,475	91,087,419
Net Takaful claims expense	(1,526,857)	(2,530,447)	(49,433,381)	(141,717,211)	(1,323,510)	(196,531,406)
Incurred But Not Reported (IBNR) claims expense	-	-	-	-	-	-
Contribution deficiency expense / (reversal)	-	-	-	-	-	-
Other direct expenses	(149,733)	(75,948)	(12,590,123)	(420,715)	(151,518)	(13,388,036)
Underwriting results	318,495	180,842	720,078	(22,396,160)	17,379,025	(3,797,719)
Investment income						
Profit on bank balances						626,517
Less: Mudarib's share						(2,714,965)
Net investment income						8,144,894
Other income						92,232
Bank charges						(67,897)
Total surplus - before tax						4,371,510
Provision for taxation - current						-
Total surplus - before tax						4,371,510

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For the nine months period ended 30 September 2020

Three Months Period ended 30 September 2019						
	Fire, and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
----- (Rupees) -----						
Takaful / re-takaful receivables	11,149,009	7,135,798	135,286,326	30,488,095	17,966,668	202,025,896
Less: Federal Excise Duty	(1,073,698)	(700,275)	(15,577,144)	-	(2,051,825)	(19,402,942)
Federal Takaful Fee	(71,834)	(60,265)	(1,184,941)	(301,857)	(157,537)	(1,776,434)
Stamp duty	(4,790)	(345,658)	11,767	(960)	(2,713)	(342,354)
Tracker charges recovered	-	-	-	-	-	-
Gross written contribution	9,998,687	6,029,600	118,536,008	30,185,278	15,754,593	180,504,166
Wakala fee	(3,082,195)	(2,290,570)	(57,861,538)	(6,696,985)	(10,268,753)	(80,200,040)
Participants' Takaful Fund - revenue account						
Takaful contribution earned	6,152,012	5,727,461	107,820,358	25,094,630	26,970,813	171,765,274
Takaful contribution ceded expense	(6,080,099)	(4,344,471)	(4,698,000)	-	(16,420,054)	(31,542,624)
Net Takaful contribution	(3,010,281)	(907,580)	45,260,820	18,397,645	282,007	60,022,610
Retakaful rebate earned	1,563,728	1,335,245	-	-	695,444	3,594,417
Net Revenue	(1,446,553)	427,665	45,260,820	18,397,645	977,451	63,617,027
Takaful claims	(9,614,350)	(350,000)	(67,124,143)	(41,107,870)	(14,981,145)	(133,177,508)
Takaful claims recovered from retakaful operators & salvage recovery	4,922,618	332,500	14,505,121	-	(638,244)	19,121,995
Net Takaful claims expense	(4,691,732)	(17,500)	(52,619,022)	(41,107,870)	(15,619,389)	(114,055,513)
Other direct expenses	(428,701)	(533,162)	(1,175,531)	-	(180,763)	(2,318,157)
Underwriting results	(6,566,986)	(122,997)	(8,533,733)	(22,710,225)	(14,822,702)	(52,756,643)
Investment income						2,649,777
Impairment Loss on Available for Sale Equity Securities						3,459,860
Profit on bank balances						1,200,816
Less: Mudarib's share						(1,827,613)
Net investment income						5,482,840
Other income						10,936,552
Bank charges						(40,465)
Total surplus - before tax						(36,377,717)
Provision for taxation - current						2,893,896
Total surplus - after tax						(33,483,821)

27. SEGMENT INFORMATION - SHAREHOLDERS' FUND (SHF)

SSegment 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 Period ended 30 September 2020						
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
----- (Rupees) -----						
Wakala fee	9,994,420	6,536,671	245,818,161	47,165,548	58,953,825	368,468,626
Less: Commission expense	(3,804,548)	(2,902,395)	(51,106,587)	(23,231,373)	(5,232,407)	(86,277,311)
Management expense	(10,422,744)	(5,146,078)	(131,162,181)	(111,664,393)	(20,730,827)	(279,126,223)
	(4,232,872)	(1,511,802)	63,549,393	(87,730,218)	32,990,590	3,065,091
Mudarib share of PTF investment income						8,754,500
Investment Income						23,787,928
Other charges / income	-	-	-	-	-	2,611,757
Profit before taxation	(4,232,872)	(1,511,802)	63,549,393	(87,730,218)	32,990,590	38,219,277
Finance Cost	-	-	-	-	-	(2,946,881)
Profit before taxation	-	-	-	-	-	35,272,396
Taxation	-	-	-	-	-	(6,400,003)
Profit after taxation	(4,232,872)	(1,511,802)	63,549,393	(87,730,218)	32,990,590	28,872,393

TAKAFUL PAKISTAN LIMITED

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

For the nine months period ended 30 September 2020

	Three Months Period ended 30 September 2020					
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Wakala fee	2,909,750	1,284,241	90,849,189	16,444,627	21,006,515	132,494,322
Less: Commission expense	(1,509,299)	(1,111,921)	(20,601,456)	(7,716,553)	(2,707,503)	(33,646,732)
Management expense	(5,463,120)	(2,100,649)	(46,583,018)	(24,417,020)	(9,279,073)	(87,842,881)
	(4,062,669)	(1,928,329)	23,664,715	(15,688,946)	9,019,939	11,004,710
Mudarib share of PTF investment income						2,714,965
Investment Income						8,994,015
Other charges / income	-	-	-	-	-	(803,531)
Profit before taxation	(4,062,669)	(1,928,329)	23,664,715	(15,688,946)	9,019,939	21,910,158
Taxation	-	-	-	-	-	(1,987,415)
Profit after taxation	(4,062,669)	(1,928,329)	23,664,715	(15,688,946)	9,019,939	19,922,743

28. CORRESPONDING FIGURES

Reclassified from	Reclassified to	SHF	PTF
		(Rupees)	
Loans and other receivables	Accrued investment income	14,916,211	16,640,514
Mudarib fee receivable / payable	Receivable from Participants' Takaful Fund (PTF) and payable to	8,570,201	8,570,201
Wakala fee receivable / payable	Shareholders' Fund (SHF)	98,778,539	98,778,539

29. GENERAL

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

29.2 These condensed interim financial statements were approved by the Board of Directors in their meeting held on 3rd November 2020.

We are the Company you keep...



Awarded by Pakistan Credit Rating Agency (PACRA) an initial IFS rating (A-)



Honored with the prestigious 'Consumer Choice Award 2018' for Best Takaful Company



ISO Certified 9001



Awarded Certificate of Merit for Best Corporate Report 2018 in Insurance/Takaful Category by SAFA



Winner of brand of the year award 2018 in General Takaful Category



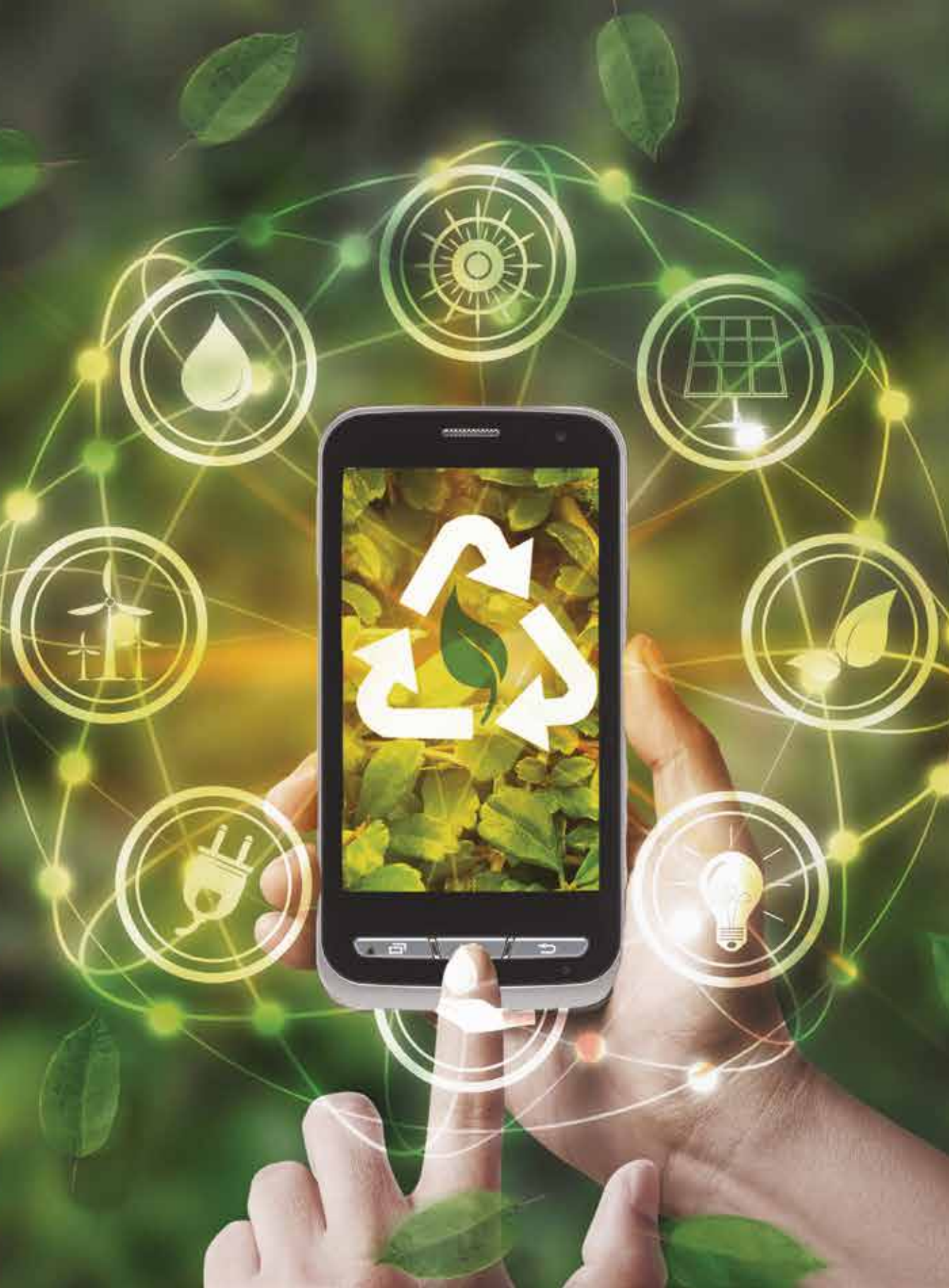
Win 2nd position for the Best Corporate and Sustainability Award 2018 in the Insurance Category by ICAP and ICAMP

Takaful Pakistan Limited

www.takaful.com.pk

+92 - 21-111-875-111







Takaful Pakistan Limited

Business Centre, 6th Floor,
Plot No. 19-1-A, Block-6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi-75400.
UAN: (+92-21) 111-875-111
Fax: (+92-21) 34373195

<http://www.takaful.com.pk>

