

# HALF YEARLY REPORT

Half Year Ended June 30,

# 2024

(Un-Audited)

**SERVING  
RELIABLY**



Reliance Insurance  
Company Limited



Window Takaful

**Reliance Insurance Company Limited**

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# COMPANY INFORMATION

## Board Of Directors

Chairman  
Irfan Zakaria Bawany

## Directors

Muhammad Omar Bawany  
Ahmed Ali Bawany  
Noor M. Zakaria  
Zia Zakaria  
Muhammad Patel  
Naeem Ahmed Shafi  
Tasneem Yusuf  
Jahangir Adam

## Chief Executive & Managing Director

A. Razak Ahmed

## Chief Financial Officer

Ghulam Haider

## Company Secretary & Compliance Officer

Faraz Abdul Razak

## Audit Committee

Tasneem Yusuf	Chairperson
Irfan Zakaria Bawany	Member
Muhammad Omar Bawany	Member

## Investment Committee

Irfan Zakaria Bawany	Chairman
Ahmed Ali Bawany	Member
Tasneem Yusuf	Member
Muhammad Patel	Member
A. Razak Ahmed	Member
Muhammad Salim Memon	Secretary

## Ethics, Human Resource & Remuneration Committee

Naeem Ahmed Shafi	Chairman
Irfan Zakaria Bawany	Member
Noor M. Zakaria	Member
A. Razak Ahmed	Member

## Credit Rating

A+ (Single A+) By VIS & Pacra  
Outlook "Stable"

## Auditors

BDO Ebrahim & Co.  
Chartered Accountants

## Legal Advisor

Irfan Advocate

## Shari'ah Advisor

Mufti Muhammad Farhan Farooq

## Bankers

Habib Bank Limited  
Mcb Bank Limited  
Allied Bank Limited  
Soneri Bank Limited  
Bank Alfalah Limited  
National Bank Of Pakistan  
Meezan Bank Limited  
Dubai Islamic Bank  
Mcb Islamic Bank Limited  
United Bank Limited  
The Bank Of Punjab  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
Js Bank Limited  
The Bank Of Khyber

## Registered Office

96-a, Sindhi Muslim Co-operative  
Housing Society, Karachi.

## Head Office

Reliance Insurance House, 181-A,  
Sindhi Muslim Co-operative Housing  
Society, P.O. Box No. 13356,  
Karachi-74400.  
Phone : 34539415-17  
Fax : 92-21-34539412  
E-mail : [reli-ins@cyber.net.pk](mailto:reli-ins@cyber.net.pk)  
[ric-re@cyber.net.pk](mailto:ric-re@cyber.net.pk)  
Website: [www.relianceins.com](http://www.relianceins.com)



## Shares Registrar

M/s. C&k Management  
Associates (Pvt.) Ltd.  
404-trade Tower,  
Abdullah Haroon Road,  
Near Hotel Metropole,  
Karachi-75530.  
Tel: (021) 35687839 & 35685930

# DIRECTORS' REVIEW

The Shareholders,  
Reliance Insurance Company Limited,

Your Directors are pleased to present before you the Half Yearly (Un-audited) Accounts for the period ended June 30, 2024.

During the period under review your Company underwrote gross premium of Rs.503.312 million inclusive of Takaful Contribution for Rs.62.743 million against Rs.438.284 million inclusive of Takaful Contribution for Rs.49.049 million of the corresponding period of the previous year, an increase of 14.83%.

Net claims incurred increased from Rs.60.272 million to Rs.66.883 million compared to corresponding period of last year, underwriting profit increased from Rs.44.562 million to Rs.55.313 million of previous year, showing an increase of Rs.10.751 million.

Investment income for the six-month period saw a remarkable growth, touching Rs.211.220 million, significantly up from Rs.47.874 million in the previous year. This impressive increase in investment income is attributed to enhanced earnings from dividends, income from debt securities, deposits as well as both realized and unrealized gains on investments. The Pakistan Stock Exchange index rose from 62,451.04 points on December 31, 2023, to 78,444.96 points on June 30, 2024, contributing to the heightened realized and unrealized gains. The unrealized gains for the current period amounted to Rs.98.610 million, in sharp contrast to the unrealized loss of Rs.17.362 million during the corresponding period of last year.

Profit before tax stood at Rs.251.283 million compared to the profit before tax of Rs.76.892 million for the corresponding period of the previous year – an increase of 226.79%. Earnings per share (EPS) stood at Rs.3.12 against Re.0.65 of corresponding period of last year. There is also a profit of Rs.20.118 million before tax from Window Takaful Operators Funds. Accumulated surplus from participant Takaful Fund stood at Rs.88.085 million for the period under review.

## Future Outlook:

The current economic environment in Pakistan presents significant challenges, particularly in light of the ongoing high-interest-rate regime, persistent inflation, rising costs of energy, food, and petroleum products coupled with political turmoil creating a complex landscape for business development.

However, despite these hurdles and challenges, the management remains resolute in its commitment to navigate effectively. We believe that our team's dedication and strategic approach will enable us to continue improving our performance. Our focus will remain on optimizing our operations, managing risks prudently, and leveraging opportunities that arise. We are confident that with perseverance and strategic initiatives, we can deliver positive results and continue to build on our solid foundation.

By order of the Board



**A. RAZAK AHMED**

Chief Executive & Managing Director

Karachi: 29th August, 2024

# ڈائریکٹرز کا جائزہ

## بنام حصص یافتگان

ڈائریکٹرز بمسرت کمپنی کے غیر آڈٹ شدہ حسابات پہلی سہ ماہی برائے مدت ختمہ 30 جون 2024 پیش کرتے ہیں۔

اس مدت کے دوران، آپ کی کمپنی نے مجموعی پریئم 503.312 ملین روپے (بشمول ٹکافل شراکتداری 62.743 ملین روپے) کیا جو کہ گزشتہ سال کی اسی مدت کے مجموعی پریئم 438.284 ملین روپے (بشمول ٹکافل شراکت 49.049 ملین روپے کے مقابلے میں 14.83 فیصد زائد ہے۔

نیٹ کلیمز گزشتہ سال کے 60.272 ملین روپے کے مقابلے میں 66.883 ملین روپے رہے۔ انڈر رائٹنگ منافع 44.562 ملین روپے سے بڑھ کر 55.313 ملین روپے رہا۔ جو کہ 10.751 فیصد اضافہ ظاہر کرتا ہے۔

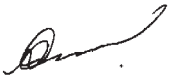
چھ ماہ کی مدت کے لیے سرمایہ کاری کی آمدنی میں نمایاں اضافہ دیکھا گیا، جو پچھلے سال کے 47.874 ملین روپے سے نمایاں طور پر بڑھ کر 211.220 ملین روپے تک پہنچ گیا۔ سرمایہ کاری کی آمدنی میں اس متاثر کن اضافے کی وجہ ڈیویڈنڈ سے بڑھی ہوئی آمدنی، Debt Securities سے آمدنی، ڈپازٹس کے ساتھ ساتھ سرمایہ کاری پر حقیقی اور غیر حقیقی دونوں طرح کے فوائد ہیں۔ پاکستان اسٹاک ایکسچینج کا انڈیکس 31 دسمبر 2023 کے 62,451.04 پوائنٹس سے بڑھ کر 30 جون 2024 کو 78,444.96 پوائنٹس پر آ گیا، جس نے حقیقی اور غیر حقیقی آمدنی میں اہم کردار ادا کیا۔ پچھلے سال کی اسی مدت کے دوران 17.362 ملین روپے کے غیر حقیقی نقصان کے بالکل برعکس موجودہ مدت کے لیے غیر حقیقی فائدہ 98.610 ملین روپے تھا۔

مذکورہ مدت میں کمپنی کو قبل از ٹیکس منافع 251.283 ملین روپے رہا جب کہ گزشتہ سال اسی مدت کے لیے 76.892 ملین روپے تھا۔ جو کہ 226.79 فیصد اضافہ ظاہر کرتا ہے۔ فی حصص آمدنی 3.12 روپے ہے جو گزشتہ سال اسی مدت کے لیے فی حصص 0.65 روپے تھی۔ ونڈو ٹکافل آپریٹرز فنڈز سے قبل از ٹیکس منافع 20.118 ملین روپے ہے شریک ٹکافل فنڈ سے جمع شدہ سربلس زیر جائزہ مدت کے لیے 88.085 ملین روپے رہا۔

## مستقبل پر ایک نگاہ:

پاکستان میں موجودہ معاشی ماحول میں اہم چیلنجوں خاص طور پر اعلیٰ شرح سود کے نظام، مسلسل افراط زر، توانائی، خوراک، اور پٹرولیم مصنوعات کی بڑھتی ہوئی قیمتوں اور سیاسی انتشار کے ساتھ، کاروباری کی ترقی کے لیے ایک پیچیدہ منظر پیش کر رہا ہے۔

تاہم، ان رکاوٹوں اور چیلنجوں کے باوجود، انتظامیہ مؤثر طریقے سے آگے بڑھنے کے لیے پرعزم ہے۔ ہمیں یقین ہے کہ ہماری ٹیم کی لگن اور اسٹریٹجک نقطہ نظر ہمیں اپنی کارکردگی کو بہتر بنانے کے قابل بنائے گا۔ ہماری توجہ اپنی کارروائیوں کو بہتر بنانے، خطرات سے احتیاط سے نمٹنے اور پیدا ہونے والے مواقع سے فائدہ اٹھانے پر رہے گی۔ ہمیں یقین ہے کہ ثابت قدمی اور سٹریٹجک اقدامات کے ساتھ، ہم مثبت نتائج دے سکتے ہیں اور اپنی مضبوط بنیاد پر استوار کرنا جاری رکھ سکتے ہیں۔



محکم یورڈ

اے رزاق احمد

چیف ایگزیکٹو اور مینیجنگ ڈائریکٹر

کراچی: 29 اگست 2024

## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS OF RELIANCE INSURANCE COMPANY LIMITED

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Reliance Insurance Company Limited ("the Company") as at June 30, 2024 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flow statement, and notes to the accounts for the six month period then ended (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The figures of condensed interim profit and loss account and condensed interim statement of comprehensive income for the three month period ended June 30, 2024 and June 30, 2023 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended June 30, 2024.

The engagement partner on the review resulting in this independent auditor's review report is Zulfikar Ali Causer.

KARACHI

DATED: 29th August, 2024

UDIN: RR202410067P9SyztdcU



**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	(Un-audited) June 30, 2024	(Audited) December 31, 2023
		Rupees	
<b>ASSETS</b>			
Property and equipment	6	103,513,714	87,159,556
Investments			
Equity securities	7	952,504,451	839,874,670
Debt securities	8	70,086,743	70,092,591
Term deposits	9	43,165,682	42,628,618
		1,065,756,876	952,595,879
Loan and other receivables	10	4,608,964	5,135,425
Insurance / reinsurance receivables	11	595,660,022	537,186,737
Reinsurance recoveries against outstanding claims	19	233,525,015	176,420,765
Deferred commission expense	20	79,337,702	95,312,664
Prepayments	13	177,064,636	194,268,623
Cash and bank balances	14	99,894,116	108,555,276
		2,359,361,045	2,156,634,925
Total assets window takaful operator's fund		168,233,730	155,881,702
<b>TOTAL ASSETS</b>		<b>2,527,594,775</b>	<b>2,312,516,627</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to Company's equity holder</b>			
Ordinary share capital	15	665,379,490	665,379,490
General reserves		400,000,000	310,000,000
Unappropriated profit		275,964,577	225,049,587
Unrealised gain on revaluation of available for sale investment		50,064,126	21,992,211
<b>TOTAL EQUITY</b>		<b>1,391,408,193</b>	<b>1,222,421,288</b>
<b>LIABILITIES</b>			
<b>Underwriting provisions</b>			
Outstanding claims including IBNR	19	306,423,922	230,153,423
Unearned premium reserves	18	394,152,204	440,170,615
Unearned reinsurance commission	20	32,996,988	39,285,465
		733,573,114	709,609,503
Insurance / reinsurance payables		196,643,473	216,603,821
Other creditors and accruals	16	87,166,367	76,108,264
Deferred taxation	12	41,184,120	30,143,866
Taxation - provision less payments		44,511,451	22,637,371
		1,103,078,525	1,055,102,825
Total liabilities window takaful - operation's fund		33,108,057	34,992,514
<b>TOTAL LIABILITIES</b>		<b>1,136,186,582</b>	<b>1,090,095,339</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,527,594,775</b>	<b>2,312,516,627</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	17		

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

  
Irfan Zakaria Bawany  
Chairman

  
Mohammad Omar Bawany  
Director

  
Noor M. Zakaria  
Director

  
Ghulam Haider  
Chief Financial Officer

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th August, 2024

# CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN AUDITED)

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

		Three month period ended June 30,		Six month period ended June 30,	
Note		2024	2023	2024	2023
(Rupees)					
Net insurance premium	18	146,080,407	112,533,183	271,224,019	230,109,730
Net insurance claims	19	(38,161,559)	(26,471,423)	(66,882,781)	(60,271,989)
Net commission	20	(30,473,528)	(25,453,185)	(60,377,088)	(49,058,091)
Insurance claims and acquisition expenses		(68,635,087)	(51,924,608)	(127,259,869)	(109,330,080)
Management expenses		(48,337,523)	(41,861,293)	(88,650,714)	(76,217,615)
Underwriting results		29,107,797	18,747,282	55,313,436	44,562,035
Investment income	21	133,732,675	29,198,485	211,219,537	47,873,719
Other income		-	926,020	2,590,646	2,288,897
Other expenses		(22,746,264)	(18,565,815)	(37,958,330)	(31,315,720)
		110,986,411	11,558,690	175,851,853	18,846,896
Results of operating activities		140,094,208	30,305,972	231,165,289	63,408,931
Profit from takaful operations-operator's fund		10,441,743	7,396,288	20,117,843	13,483,084
Profit before taxation		150,535,951	37,702,260	251,283,132	76,892,015
Taxation					
Current taxation		(27,218,676)	(12,347,393)	(44,275,204)	(27,333,684)
Deferred taxation		(14,986,751)	2,283,737	445,011	(6,091,506)
		(42,205,427)	(10,063,656)	(43,830,193)	(33,425,190)
Profit after taxation		108,330,524	27,638,604	207,452,939	43,466,825
Earnings after tax per share		1.63	0.42	3.12	0.65

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.



**Irfan Zakaria Bawany**  
Chairman



**Mohammad Omar Bawany**  
Director



**Noor M. Zakaria**  
Director



**Ghulam Haider**  
Chief Financial Officer



**A. Razak Ahmed**  
Chief Executive & Managing Director



# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN AUDITED)

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

Note	Three month period ended June 30,		Six month period ended June 30,	
	2024	2023	2024	2023
	(Rupees)			
<b>Profit after taxation</b>	<b>108,330,524</b>	27,638,604	<b>207,452,939</b>	43,466,825
Other comprehensive income / (loss)				
Unrealised gain / (loss) on revaluation of available for sale investments	26,689,639	(2,255,959)	47,228,043	(1,049,053)
Reclassification adjustment related to gain on disposal / redemption of available for sale investments	(8,131,272)	-	(7,623,679)	-
Unrealised gain / loss from window takaful operations Operator's Fund	5,100	-	(47,184)	-
Impact of related deferred taxation	12 (5,381,925)	654,229	(11,485,265)	304,225
Other comprehensive income / (loss)	13,181,542	(1,601,730)	28,071,915	(744,829)
<b>Total comprehensive income for the period</b>	<b>121,512,066</b>	26,036,873	<b>235,524,854</b>	42,721,997

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

  
Irfan Zakaria Bawany  
Chairman

  
Mohammad Omar Bawany  
Director

  
Noor M. Zakaria  
Director

  
Ghulam Haider  
Chief Financial Officer

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th August, 2024

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN AUDITED)

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

	Share capital	General reserves	Unrealised gain / (loss) on revaluation of AFS investments	Unappropriated profit	Total
(Rupees)					
Balance as at January 01, 2024 (Audited)	665,379,490	310,000,000	21,992,211	225,049,587	1,222,421,288
Transfer to General reserve		90,000,000		(90,000,000)	-
Payment of cash dividend				(66,537,949)	(66,537,949)
Total comprehensive income for the six month period ended June 30, 2024					
Profit after taxation	-	-	-	207,452,939	207,452,939
Other comprehensive income	-	-	28,071,915	-	28,071,915
	-	-	28,071,915	207,452,939	235,524,854
Balance as at June 30, 2024	665,379,490	400,000,000	50,064,126	275,964,577	1,391,408,193
Balance as at January 01, 2023 (Audited)	633,694,750	290,000,000	49,196	136,521,419	1,060,265,365
Transfer to general reserves		20,000,000		(20,000,000)	-
Transations with owners:					
Issuance of bonus shares	31,684,740			(31,684,740)	-
Cash dividend					
Total comprehensive income/(loss) for the six month period ended June 30, 2023				(31,684,738)	(31,684,738)
Profit after tax	-	-	-	43,466,825	43,466,825
Other comprehensive income	-	-	(744,829)	-	(744,829)
	-	-	(744,829)	43,466,825	42,721,996
Balance as at June 30, 2023	665,379,490	310,000,000	(695,633)	96,618,766	1,071,302,624

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

  
Irfan Zakaria Bawany  
Chairman

  
Mohammad Omar Bawany  
Director

  
Noor M. Zakaria  
Director

  
Ghulam Haider  
Chief Financial Officer

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th August, 2024

# CONDENSED INTERIM CASH FLOW STATEMENT (UN AUDITED)

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023
	Rupees	
<b>Operating cash flows</b>		
<b>a) Underwriting activities</b>		
Premium received	394,936,520	390,177,612
Reinsurance premium paid	(230,486,797)	(180,327,193)
Claims paid	(146,090,505)	(131,280,613)
Reinsurance and other recoveries received	98,373,973	81,670,957
Commission paid	(88,784,514)	(77,985,290)
Commission received	38,093,912	37,350,585
Management expenses paid	(88,650,714)	(76,217,615)
Net cash flow from underwriting activities	(22,608,125)	43,388,443
<b>b) Other operating activities</b>		
Income tax paid	(16,566,950)	(10,690,449)
Other operating payments	(22,707,460)	(19,410,047)
Loans disbursed	57,800	96,625
Net cash flow from other operating activities	(39,216,610)	(30,003,871)
Net cash flows from all operating activities	(61,824,735)	13,384,572
<b>Investment activities</b>		
Profit / return / dividend received	81,750,334	61,434,926
Payments for investments	(167,439,796)	(61,271,970)
Proceeds from sale / redemption of investments	223,821,027	43,820,255
Fixed capital expenditures	(24,130,040)	(26,368,475)
Proceeds from disposal of property and equipment	5,700,000	8,795,000
Total cash flow from investing activities	119,701,525	26,409,736
<b>Financing activities</b>		
Dividend paid	(66,537,950)	(31,684,738)
Net cash used in financing activities	(66,537,950)	(31,684,738)
Net cash (used in) / flows from all activities	(8,661,160)	8,109,570
Cash and cash equivalent at the beginning of the period	108,555,276	101,815,197
Cash and cash equivalent at the end of the period	99,894,116	109,924,766

# CONDENSED INTERIM CASH FLOW STATEMENT (UN AUDITED)

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

	Note	June 30, 2024	June 30, 2023
Rupees			
<b>Reconciliation to profit and loss account</b>			
Operating cash flows		(61,824,735)	13,384,572
Depreciation expense		(6,566,528)	(5,976,624)
Profit on disposal of property, plant and equipment		2,590,646	2,288,897
Profit on disposal of investments		31,327,849	3,548,863
Dividend income		65,808,708	49,197,988
Other investment income / (loss)		114,082,980	(4,873,132)
Increase in assets other than cash		84,240,786	44,830,685
Decrease in liabilities other than borrowings		(36,935,447)	(62,415,907)
Deferred taxation		445,011	(6,091,506)
Profit after tax from conventional insurance operations		193,169,270	33,893,836
Profit after tax from Takaful operations-Operators' Fund		14,283,669	9,572,989
Profit after taxation		207,452,939	43,466,825
<b>Cash and cash equivalent consists of:</b>			
Cash and equivalents		182,649	745,083
Current and other accounts		99,711,467	109,179,683
	14	99,894,116	109,924,766

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.



**Irfan Zakaria Bawany**  
Chairman



**Mohammad Omar Bawany**  
Director



**Noor M. Zakaria**  
Director



**Ghulam Haider**  
Chief Financial Officer



**A. Razak Ahmed**  
Chief Executive & Managing Director

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

## 1. STATUS AND NATURE OF BUSINESS

Reliance Insurance Company Limited (the Company) was incorporated in Pakistan as a public limited company on November 4, 1981 and is engaged in general insurance business and has also been allowed to undertake General Window Takaful operations (WTO) on May 25, 2016 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012. The shares of the Company are quoted on Pakistan Stock Exchange Limited.

The registered office of the Company is situated at 96-A, Sindhi Muslim Co-operative Housing Society, Karachi. The Company has 24 operational branches throughout Pakistan. VIS Credit Rating Company Limited & Pakistan Credit Rating Agency Ltd - both the rating agencies have assessed the Insurer Financial Strength (IFS) rating of the Company as 'A+' (Single A Plus), Outlook on the assigned rating is "Stable".

## 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

### 2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under;
- Provisions of and directives issued under Companies Act, 2017, Insurance Ordinance 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and SECP Takaful Rules 2017, General Takaful Accounting Regulations, 2019;

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

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 audited annual financial statements for the year ended December 31, 2023.

The comparative statement of financial position presented in this condensed interim financial statement has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2023, whereas the comparative condensed interim statement of comprehensive income, condensed interim cash flows statement and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the six months period ended June 30, 2024.

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2023.

In terms of the requirements of the Takaful Rules 2012, read with SECP Circular 25 of 2015 dated July 09, 2015, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations (WTO) of the Company have been presented as a single line item in the balance sheet and profit and loss account of the Company respectively.

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

## 2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value.

These condensed interim financial statements have been prepared under the accrual basis of accounting except for cash flow statement.

## 2.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented has been rounded off to the nearest rupees unless otherwise stated.

## 3. MATERIAL ACCOUNTING POLICY

The material accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2023, except for change in accounting policy of recognizing the portion of income tax paid or payable for the period under the Income Tax Ordinance, 2001, not based on the taxable profits of the Company, as a Levy under IFRIC-21/ IAS-37 instead of the current income tax for the period under IAS-12.

The management believes that the new policy provides reliable and more relevant information to the user of the condensed interim financial statements.

### Taxation - Current

Current tax is the expected tax payable on the taxable income for the year based on taxable profits, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

## Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the period in Profit & loss account. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the period, is then recognized as a levy.

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

During the period ended June 30, 2024, the Company has revised its accounting policy. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors'.

However, the change do not have any impact on current year and prior year figures of condensed statement of financial position, condensed interim profit and loss account, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim cash flows statement.

## 3.1 STANDARDS INTERPRETATIONS AND AMENDMENTS

### 3.1.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these interim financial statements.

### 3.1.2 Standards, interpretations of and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2024, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are therefore, not detailed in these interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

However, the Company has taken a benefit of temporary exemption of applying IFRS 9 "Financial Instrument" with IFRS 17 "Insurance Contracts" as allowed under IFRS.

3.2

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the condensed interim financial statements, the significant judgments made by the management in applying the Company accounting policies and the key sources of estimation uncertainty were the same as those that applied in the financial statements as at and for the year ended December 31, 2023.

4.

FINANCIAL AND INSURANCE RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2023.

5.

PREMIUM DEFICIENCY RESERVE

No provision has been made as the premium deficiency reserve for each class of business as at June 30, 2024 and considered adequate to meet the expected liability after reinsurance, for claims and other expenses, expected to be incurred after the reporting date in respect of policies in force at the reporting date.

	Note	(Un-audited) June 30, 2024	(Audited) December 31, 2023
		(Rupees)	
6.	PROPERTY AND EQUIPMENT		
Operating asset	6.1	100,305,524	87,159,556
Capital work-in-progress	6.2	3,208,190	-
		103,513,714	87,159,556
6.1	Operating assets		
Opening written down value		87,159,556	72,739,091
Additions during the period / year at cost			
Furniture and fixtures		967,000	99,790
Motor vehicles		14,347,300	35,403,360
Computer equipment		50,500	148,105
Office structure		4,400,000	-
Office equipment		3,057,050	293,500
		22,821,850	35,944,755
Written down value of disposal during the period / year		(3,109,354)	(8,509,899)
Depreciation for the period / year		(6,566,528)	(13,014,391)
Closing written down value		100,305,524	87,159,556



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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

	Note	(Un-audited) June 30, 2024	(Audited) December 31, 2023
		(Rupees)	
<b>6.2 Capital work-in-progress</b>			
Civil works		1,308,190	-
Advance for vehicles		1,900,000	-
		<b>3,208,190</b>	-
<b>7. INVESTMENT IN EQUITY SECURITIES</b>			
<b>Available for sale</b>			
Related parties		12,446,099	12,221,513
Other listed securities		162,979,536	145,132,254
Mutual funds		298,032,965	329,022,441
		<b>473,458,601</b>	486,376,208
<b>Held for trading</b>			
Listed securities		479,045,851	353,498,462
		<b>952,504,451</b>	839,874,670
<b>8. DEBT SECURITIES</b>			
Held to maturity			
Pakistan Energy Sukuk I & II	8.1 & 8.2	<b>70,086,743</b>	70,092,591
<b>8.1</b>	This represents sukuk of Pakistan Energy Sukuk II having face value Rs.70 million (December 31, 2023: Rs.70 million) placed with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000.		
<b>8.2</b>	These carry profit at the rate of 6 months KIBOR minus 0.10 and will be mature on 20 May 2030 (December 31, 2023: 6 months KIBOR minus 0.10).		
<b>9. TERM DEPOSIT</b>			
Deposit maturing within 12 months	9.1	<b>43,165,682</b>	42,628,618
<b>9.1</b>	These carry profit at the rate of 17.5% to 19.00% per annum ( December 31, 2023: 18.50% to 21% per annum) having maturity ranges from one month to six month.		
<b>10. LOANS AND OTHER RECEIVABLES</b>			
<b>Unsecured - considered good</b>			
Loan to employees		1,454,950	1,512,750
Deposits		867,351	867,351
Accrued interest income		2,286,663	2,755,324
		<b>4,608,964</b>	5,135,425

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

	Note	(Un-audited) June 30, 2024	(Audited) December 31, 2023
<b>11. INSURANCE / REINSURANCE RECEIVABLE</b>			
<b>(Rupees)</b>			
Due from insurance contract holders			
Considered good		568,409,520	522,776,745
Considered doubtful		22,301,197	17,301,197
		<u>590,710,717</u>	<u>540,077,942</u>
Less: Allowance for impairment of receivables from Insurance contract holders		(22,301,197)	(17,301,197)
		<u>568,409,520</u>	<u>522,776,745</u>
Due from other insurers/reinsurers - considered good		27,250,502	14,409,992
		<u>595,660,022</u>	<u>537,186,737</u>
<b>12. DEFERRED TAXATION</b>			
Deferred tax assets / (liabilities) arising in respect of:			
Provision for impairment of doubtful receivables from insurance contract holders		6,467,347	5,017,347
Unrealized gain on held for trading investments		(28,596,904)	(27,591,915)
Surplus on revaluation of available for sale investments		(19,054,563)	(7,569,298)
		<u>(41,184,120)</u>	<u>(30,143,866)</u>
<b>Reconciliation of deferred tax</b>			
Opening provision		(30,143,866)	20,409,659
(Charge) / credit to statement of profit or loss		445,011	(38,155,979)
Charge to other comprehensive income		(11,485,265)	(12,397,546)
Closing balance		<u>(41,184,120)</u>	<u>(30,143,866)</u>
<b>13. PREPAYMENTS</b>			
Reinsurance premium ceded		175,877,007	193,554,755
Rent		78,000	114,000
Miscellaneous expenses		1,109,629	599,868
		<u>177,064,636</u>	<u>194,268,623</u>
<b>14. CASH AND BANK</b>			
<b>Cash and other equivalents</b>			
Cash in hand, Policy stamps and bond paper in hand		182,649	424,699
<b>Current and other bank accounts</b>			
Current accounts		46,558,754	41,861,206
Savings accounts	14.1	53,152,713	66,269,371
		<u>99,711,467</u>	<u>108,130,577</u>
		<u>99,894,116</u>	<u>108,555,276</u>

**14.1** These carry profit at rates ranging 15.50% % to 18.5% (December 31, 2023: 12.50% to 18.50%) per annum.

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

## 15. SHARE CAPITAL

### 15.1 Authorized Capital

(Un-audited) June 30, 2024	(Audited) December 31, 2023		(Un-audited) June 30, 2024	(Audited) December 31, 2023
(Number of shares)			(Rupees)	
<u>100,000,000</u>	<u>100,000,000</u>	Ordinary shares of Rs. 10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>

### 15.2 Issued, subscribed and paid-up share capital

(Un-audited) June 30, 2024	(Audited) December 31, 2023		(Un-audited) June 30, 2024	(Audited) December 31, 2023
(Number of shares)			(Rupees)	
<u>1,156,680</u>	<u>1,156,680</u>	Ordinary shares of Rs.10 each allotted for consideration paid in cash	<u>11,566,800</u>	<u>11,566,800</u>
<u>65,381,269</u>	<u>65,381,269</u>	Ordinary shares of Rs.10 each allotted as fully paid bonus shares	<u>653,812,690</u>	<u>653,812,690</u>
<u>66,537,949</u>	<u>66,537,949</u>		<u>665,379,490</u>	<u>665,379,490</u>

## 16. OTHER CREDITORS AND ACCRUALS

Accrued expenses	<u>3,380,849</u>	<u>4,614,724</u>
Unpaid and unclaimed dividend	<u>6,849,890</u>	<u>4,531,819</u>
Other creditors	<u>76,935,628</u>	<u>66,961,721</u>
	<u>87,166,367</u>	<u>76,108,264</u>

## 17. CONTINGENCIES AND COMMITMENTS

### 17.1 Contingencies

During the year ended December 31, 2019, the Assistant Commissioner (AC) Sindh Revenue Board has passed an order for assessment under section 23(1) and (1A) of the Sindh Sales Tax on Services Act, 2011 (the Act) in respect of audit for the tax year December 2016 levied Sindh Sales tax at Rs. 110 Million on exempt marine activities and re-insurance under foreign treaties. The Company have filed an appeal before the Commissioner-Appeals -Sindh Revenue Board and in view of the tax advisor contesting the matter no eventual financial impact is likely to arise.

### 17.2 Commitments

The Company is committed to minimum rental payments for each of the following period as follows:

	(Un-audited) June 30, 2024	(Audited) December 31, 2023
Minimum rental payments	<u>2,966,262</u>	<u>2,107,100</u>

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

(Un-audited) June 30, 2024	(Un-audited) June 30, 2023
(Rupees)	

## 18. NET INSURANCE PREMIUM

Written Gross Premium	440,569,295	389,235,231
Add: Unearned premium reserve opening	440,170,615	339,216,908
Less: Unearned premium reserve closing	(394,152,204)	(305,514,880)
Premium earned	486,587,706	422,937,259
Less: Reinsurance premium ceded	197,685,939	192,210,971
Add: Prepaid reinsurance premium opening	193,554,755	153,258,702
Less: Prepaid reinsurance premium closing	(175,877,007)	(152,642,144)
Reinsurance expense	215,363,687	192,827,529
	271,224,019	230,109,730

## 19. NET INSURANCE CLAIMS EXPENSE

Claims Paid	146,090,505	131,280,613
Add: Outstanding claims including IBNR closing	306,423,922	250,157,365
Less: Outstanding claims including IBNR opening	(230,153,423)	(188,533,455)
Claims expense	222,361,004	192,904,523
Less: Reinsurance and other recoveries received	98,373,973	81,670,957
Add: Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	233,525,015	203,449,506
Less: Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	(176,420,765)	(152,487,929)
Reinsurance and other recoveries revenue	155,478,223	132,632,534
	66,882,781	60,271,989

## 20. NET COMMISSION EXPENSE

Commission paid or payable	88,784,514	77,985,290
Add: Deferred commission expense opening	95,312,664	74,411,786
Less: Deferred commission expense closing	(79,337,702)	(61,254,424)
Net Commission	104,759,476	91,142,652
Less: Commission received or recoverable	38,093,911	37,350,585
Add: Unearned reinsurance commission opening	39,285,465	31,620,714
Less: Unearned reinsurance commission closing	(32,996,988)	(26,886,738)
Commission from reinsurers	44,382,388	42,084,561
	60,377,088	49,058,091

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

	(Un-audited) June 30, 2024	(Un-audited) June 30, 2023
	(Rupees)	
<b>21. INVESTMENT INCOME</b>		
<b>Income from equity securities</b>		
Dividend income		
Available for sale investments	44,940,480	30,140,446
Held for trading investments	20,868,227	19,057,542
	<u>65,808,708</u>	<u>49,197,988</u>
<b>Income from debt securities - Held for maturity</b>		
Return on debt securities	7,375,240	5,952,741
<b>Income from term deposits</b>		
Return on term deposits and savings accounts	8,421,730	6,598,270
	<u>81,605,678</u>	<u>61,748,999</u>
<b>Realised gains on investments</b>		
Realised gains on		
Available for sale investments	18,049,670	-
Held for trading investments	13,322,848	3,548,863
	<u>31,372,518</u>	<u>3,548,863</u>
Realised loss on		
Available for sale investments	(44,669)	-
Held for trading investments	-	-
	<u>(44,669)</u>	<u>-</u>
<b>Net unrealised gain / (loss) on held for trading investment</b>	<u>98,610,015</u>	<u>(17,362,068)</u>
<b>Total investment income</b>	<u>211,543,542</u>	<u>47,935,794</u>
<b>Less:</b>		
Investment related expenses	(324,005)	(62,075)
	<u>211,219,537</u>	<u>47,873,719</u>

	(Un-audited) June 30, 2024	(Un-audited) June 30, 2023
	(Rupees)	
<b>22. TAXATION</b>		
For the period		
Current	44,275,204	27,333,684
Deferred	(445,011)	6,091,506
	<u>43,830,193</u>	<u>33,425,190</u>

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

	Note	(Un-audited) June 30, 2024	(Un-audited) June 30, 2023
		(Rupees)	
<b>23. EARNINGS PER SHARE - BASIC AND DILUTED</b>			
Profit after tax		<u>207,452,939</u>	<u>43,466,825</u>
Weighted average number of shares	23.1	<u>66,537,949</u>	<u>66,537,949</u>
Earning per share - Rupees		<u>3.12</u>	<u>0.65</u>

**23.1** No figures for diluted earnings per share has been presented as the Company has not issued any instrument which would have dilutive effect on earnings per share when exercised.

## 24. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices determined under "Comparable uncontrolled price method".

Details of transactions with related parties during the period are as follows:

		(Un-audited) June 30, 2024	(Un-audited) June 30, 2023
		(Rupees)	
<b>Relation with the Company</b>	<b>Nature of transaction</b>		
<b>Transactions during the period</b>			
Associated companies	Premium underwritten	16,440,190	16,643,669
	Premium collected	48,066,681	25,796,347
	Claims paid	2,453,539	16,687,665
	Dividend received	-	353,265
<b>Balances as at period end</b>			
Associate companies	Premium due but unpaid	73,002,302	72,470,882
	Provision for outstanding claims	43,574,818	12,004,369

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

## 25. SEGMENT INFORMATION

	June 30, 2024 (Unaudited)				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written premium (inclusive of Administrative surcharge)	208,511,281	120,092,413	86,610,354	25,355,247	440,569,295
Insurance premium earned	256,722,178	111,306,177	95,168,082	23,391,269	486,587,706
Insurance premium ceded to reinsurers	(130,972,042)	(64,290,581)	(4,571,137)	(15,529,927)	(215,363,687)
Net insurance premium	125,750,136	47,015,596	90,596,945	7,861,342	271,224,019
Commission income	28,091,588	14,716,682	38,428	1,535,690	44,382,388
Net underwriting income	153,841,724	61,732,278	90,635,373	9,397,032	315,606,407
Insurance claims	(158,712,561)	(23,494,072)	(39,548,698)	(605,673)	(222,361,004)
Insurance claims recovered from reinsurers	136,312,075	18,713,343	-	452,805	155,478,223
Net claims	(22,400,486)	(4,780,729)	(39,548,698)	(152,868)	(66,882,781)
Commission expense	(66,585,948)	(24,169,618)	(9,363,299)	(4,640,611)	(104,759,476)
Management expense	(41,101,962)	(15,367,246)	(29,611,993)	(2,569,513)	(88,650,714)
Net insurance claims & expenses	(130,088,396)	(44,317,593)	(78,523,990)	(7,362,992)	(260,292,971)
<b>Underwriting result</b>	<b>23,753,328</b>	<b>17,414,685</b>	<b>12,111,383</b>	<b>2,034,040</b>	<b>55,313,436</b>
Net investment income					211,219,537
Other income					2,590,646
Other expenses					(37,958,330)
Profit from takaful operations-Operators' Fund					20,117,843
Profit before taxation					251,283,132
Segment assets	502,770,426	187,976,347	362,221,992	31,430,982	1,084,399,747
Unallocated assets					1,443,195,028
					2,527,594,775
Segment liabilities	489,160,185	182,887,736	352,416,465	30,580,130	1,055,044,515
Unallocated liabilities					81,142,068
					1,136,186,583

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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

	June 30, 2023 (Unaudited)				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written premium (inclusive of Administrative surcharge)	203,054,695	95,636,650	71,956,410	18,587,476	389,235,231
Insurance premium earned	242,234,440	87,073,979	69,024,217	24,604,623	422,937,259
Insurance premium ceded to reinsurers	(125,706,738)	(50,425,712)	(3,827,789)	(12,867,290)	(192,827,529)
Net insurance premium	116,527,702	36,648,267	65,196,428	11,737,333	230,109,730
Commission income	28,011,018	11,787,229	620	2,285,694	42,084,561
Net underwriting income	144,538,720	48,435,496	65,197,048	14,023,027	272,194,291
Insurance claims	(133,090,301)	(27,842,676)	(31,634,017)	(337,529)	(192,904,523)
Insurance claims recovered from reinsurers	114,134,038	18,230,973	14,379	253,144	132,632,534
Net claims	(18,956,263)	(9,611,703)	(31,619,638)	(84,385)	(60,271,989)
Commission expense	(60,327,082)	(19,193,351)	(6,751,644)	(4,870,575)	(91,142,652)
Management expense	(38,596,645)	(12,138,746)	(21,594,551)	(3,887,674)	(76,217,615)
Net insurance claims & expenses	(117,879,990)	(40,943,800)	(59,965,833)	(8,842,634)	(227,632,256)
<b>Underwriting result</b>	<b>26,658,730</b>	<b>7,491,696</b>	<b>5,231,215</b>	<b>5,180,393</b>	<b>44,562,035</b>
Net investment income					47,873,719
Other income					2,288,897
Other expenses					(31,315,720)
Profit from takaful operations-Operators' Fund					13,483,084
Profit before taxation					<u>76,892,015</u>
<b>December 31, 2023</b>					
Segment assets	406,914,607	119,004,124	258,137,857	26,444,797	810,501,385
Unallocated assets					1,502,015,242
					<u>2,312,516,627</u>
Segment liabilities	527,442,267	154,253,015	334,598,007	34,277,716	1,050,571,005
Unallocated liabilities					39,524,334
					<u>1,090,095,339</u>

## 26. INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2023.



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

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

## 27. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

All assets and liabilities for which fair value is measured or disclosed in the condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### HIERARCHY OF FAIR VALUE LEVELS

JUNE 30, 2024				
Category	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Held for trading	479,045,851	-	-	479,045,851
Available for sale	175,425,636	298,032,965	-	473,458,601
	<u>654,471,486</u>	<u>298,032,965</u>	<u>-</u>	<u>952,504,451</u>

DECEMBER 31, 2023				
Category	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Held for trading	353,498,462	-	-	353,498,462
Available for sale	486,376,208	-	-	486,376,208
	<u>839,874,670</u>	<u>-</u>	<u>-</u>	<u>839,874,670</u>

## 28. CORRESPONDING FIGURES


The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and better presentation. However, no major reclassification has been made in these condensed interim financial statements.

## 29. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 29th August, 2024 by the Board of Directors of the Company.

## 30. GENERAL

Figures have been rounded off to the nearest rupee.

 <b>Irfan Zakaria Bawany</b> Chairman	 <b>Mohammad Omar Bawany</b> Director	 <b>Noor M. Zakaria</b> Director	 <b>Ghulam Haider</b> Chief Financial Officer	 <b>A. Razak Ahmed</b> Chief Executive & Managing Director
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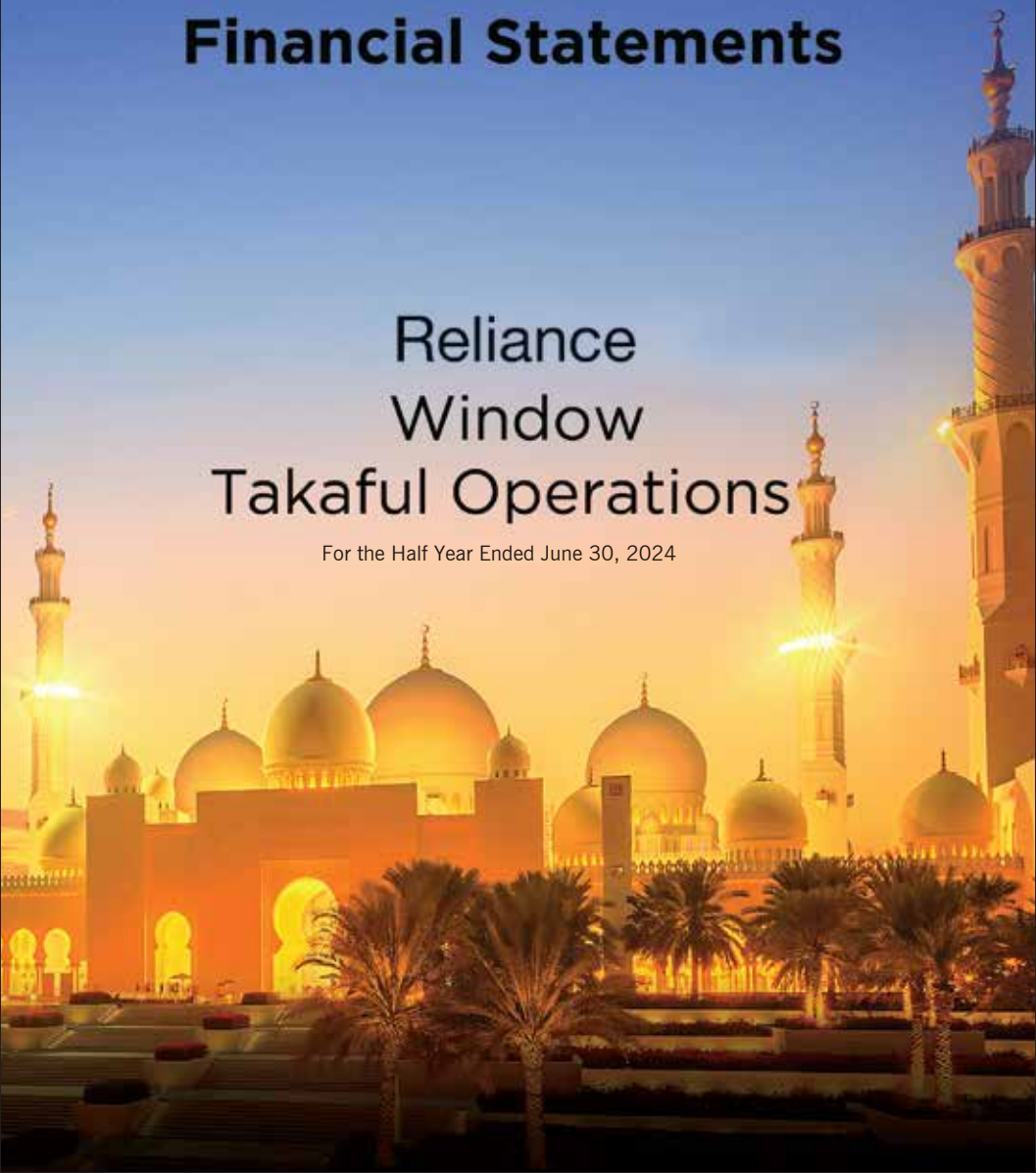
Karachi: 29th August, 2024



# Financial Statements

## Reliance Window Takaful Operations

For the Half Year Ended June 30, 2024





## OUR SERVICES

Reliance Insurance underwrites all classes of General Insurance and enjoys reputation second to none. Apart from Conventional General Insurance RIC has also commenced its General Takaful operations in the year 2016.



**General Insurance  
(Conventional)**

Reliance Insurance commenced its general insurance business in 1981 and it underwrites all classes of traditional and non-traditional lines.

Reliance Insurance is offering a wide range of covers such as Fire & Property, Marine Cargo, Motor Vehicles (Commercial & Private), Personal Accident, Money Insurance, Burglary & Liability (Public & Product) and Workmen Compensation while non-traditional covers such as Engineering Risks (MBD, CAR, EAR), Aviation Insurance, Terrorism & Sabotage and Bonds are also being offered.



**General Takaful  
(Islamic)**

Takaful is an Islamic alternate of Insurance and is growing steadily. Reliance Insurance commenced its Window Takaful Operations in June 2016 under the guidance of renowned, qualified and certified Sharia Scholars.

Reliance Takaful is offering a wide range of Sharia Compliant General Takaful Products such as Fire & Property Takaful, Marine Cargo Takaful, Motor Takaful (Private / Commercial Vehicles), Engineering Takaful, (MBD, CAR, EAR), Money Takaful, Liability (Public & Private) Takaful and Personal & Group Accident Takaful, etc.

## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS OF RELIANCE INSURANCE COMPANY (WINDOW TAKAFUL OPERATION)

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of RELIANCE INSURANCE COMPANY LIMITED (WINDOW TAKAFUL OPERATION) ("the Company") as at June 30, 2024 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in fund, condensed interim cash flow statement, and notes to the accounts for the six month period then ended (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

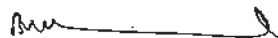
The figures of condensed interim profit and loss account and condensed interim statement of comprehensive income for the three month period ended June 30, 2024 and June 30, 2023 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended June 30, 2024.

The engagement partner on the review resulting in this independent auditor's review report is Zulfikar Ali Causer.

KARACHI

DATED: 29th August, 2024

UDIN: RR202410067k8ljpiNb4



**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

		OPF		PTF	
		June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Note		(Rupees)			
ASSETS					
Investments					
Equity	4	107,815,194	99,313,467	934,226	27,800,999
Takaful / Re-takaful receivables	5	-	-	116,750,330	106,124,638
Deferred wakala fee	13	-	-	18,486,690	21,182,249
Receivable from PTF	6	41,026,542	34,807,391	-	-
Accrued investment income		44,894	68,976	78,898	369,191
Retakaful recoveries against outstanding					
claims/benefits	14	-	-	12,180,974	45,932,517
Deferred commission expense	19	6,626,890	7,811,311	-	-
Prepayments	7	-	508,500	14,414,754	20,767,464
Deferred taxation		815	-	-	-
Cash and bank	8	12,719,396	13,372,057	41,242,684	41,386,451
TOTAL ASSETS		168,233,731	155,881,702	204,088,556	263,563,509

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

Note	OPF		PTF		
	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	
(Rupees)					
<b>FUND AND LIABILITIES</b>					
<b>Operator's fund</b>					
Statutory fund	50,000,000	50,000,000	-	-	
Accumulated profit	85,110,082	70,826,413	-	-	
Revaluation reserve - available for -					
Sale investments	15,592	62,776	-	-	
Total operators fund	135,125,674	120,889,188	-	-	
<b>Participants' takaful fund (PTF)</b>					
Seed money	-	-	500,000	500,000	
Accumulated surplus	-	-	88,085,017	87,696,055	
Balance of participants' takaful fund	-	-	88,585,017	88,196,055	
<b>LIABILITIES</b>					
<b>PTF underwriting provisions</b>					
Outstanding claims/benefits including IBNR	14	-	-	18,383,772	61,498,945
Unearned contribution reserves	11	-	-	46,216,723	52,955,619
Reserve for unearned re-takaful rebate	12	-	-	2,447,977	3,638,252
		-	-	67,048,472	118,092,816
Unearned wakala fees	18	18,486,690	21,182,249	-	-
Takaful / Retakaful payables		-	-	3,808,056	19,234,111
Other creditors and accruals	9	10,989,466	12,530,930	3,620,469	3,233,136
Taxation - provision less payments		3,631,901	1,260,876	-	-
Deferred taxation		-	18,459	-	-
Payable to OPF	6	-	-	41,026,542	34,807,391
<b>TOTAL LIABILITIES</b>		33,108,057	34,992,514	115,503,539	175,367,454
<b>TOTAL FUND AND LIABILITIES</b>		168,233,731	155,881,702	204,088,556	263,563,509
<b>CONTINGENCIES AND COMMITMENTS</b>					
	10				

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.



**Irfan Zakaria Bawany**  
Chairman



**Mohammad Omar Bawany**  
Director



**Noor M. Zakaria**  
Director



**Ghulam Haider**  
Chief Financial Officer



**A. Razak Ahmed**  
Chief Executive & Managing Director

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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

		Three month period ended June 30		Six months period ended June 30	
	Note	2024	2023	2024	2023
		(Rupees)		(Rupees)	
<b>PARTICIPANTS' TAKAFUL FUND - (PTF)</b>					
Contributions earned	11	20,925,430	16,700,522	41,688,903	31,527,985
Less: Contributions ceded to retakaful	11	(13,049,858)	(11,369,462)	(27,603,352)	(23,624,451)
Net contributions revenue		7,875,572	5,331,060	14,085,551	7,903,534
Retakaful rebate earned	12	2,326,207	2,127,689	4,438,526	4,703,848
Net underwriting income		10,201,779	7,458,749	18,524,077	12,607,382
Net claims - reported / settled - IBNR	14	(11,574,593)	(3,603,485)	(17,696,051)	(6,665,713)
Other direct expenses		(1,113,826)	(729,581)	(2,076,231)	(941,560)
(Deficit)/surplus before investment income		(2,486,640)	3,125,683	(1,248,205)	5,000,109
Investment income	15	65,943	1,159,698	1,333,209	2,069,807
Other income	16	389,831	701,574	1,395,402	1,346,144
Less: Modarib's share of investment income	17	(182,309)	(744,510)	(1,091,444)	(1,366,381)
(Deficit)/surplus transferred to accumulated surplus		(2,213,175)	4,242,445	388,962	7,049,679
<b>OPERATOR'S FUND - (OPF)</b>					
Wakala fee	18	13,950,285	11,133,678	27,792,603	21,018,657
Commission expenses	19	(5,366,969)	(4,298,294)	(10,393,943)	(8,366,602)
General, administrative and management expenses		(3,049,776)	(4,394,343)	(8,023,271)	(7,955,377)
		5,533,540	2,441,041	9,375,389	4,696,678
Modarib's shares of PTF investment income	17	182,309	744,510	1,091,444	1,366,381
Investment income	15	5,107,572	4,105,881	10,080,218	7,418,108
Direct expenses		(506,820)	(394,500)	(863,640)	(735,000)
Other income	16	125,142	499,356	434,432	736,917
Profit before taxation		10,441,743	7,396,288	20,117,843	13,483,084
Taxation		(3,028,105)	(2,144,924)	(5,834,174)	(3,910,095)
Profit after taxation		7,413,638	5,251,364	14,283,669	9,572,989

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

  
Irfan Zakaria Bawany  
Chairman

  
Mohammad Omar Bawany  
Director

  
Noor M. Zakaria  
Director

  
Ghulam Haider  
Chief Financial Officer

  
A. Razak Ahmed  
Chief Executive & Managing Director

Karachi: 29th August, 2024

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN AUDITED)

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

	Three months period ended June 30		Six months period ended June 30,	
	2024	2023	2024	2023
	(Rupees)		(Rupees)	
<b>PARTICIPANTS' TAKAFUL FUND - (PTF)</b>				
(Deficit)/surplus during the period	(2,213,175)	4,242,445	388,962	7,049,679
<b>Other comprehensive income:</b>				
Unrealised gain/ (loss) on				
available-for-sale investments	-	-	-	-
Total comprehensive (loss) / income for the period	(2,213,175)	4,242,445	388,962	7,049,679
<b>OPERATOR'S FUND - (OPF)</b>				
Profit after tax for the period	7,413,638	5,251,364	14,283,669	9,572,989
<b>Other comprehensive income:</b>				
Unrealized loss on available-for-sale				
investments	-	-	(66,457)	-
Impact of related deferred taxation	5,100	-	19,273	-
	5,100	-	(47,184)	-
Total comprehensive income for the period	7,418,738	5,251,364	14,236,485	9,572,989

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.



**Irfan Zakaria Bawany**  
Chairman



**Mohammad Omar Bawany**  
Director



**Noor M. Zakaria**  
Director



**Ghulam Haider**  
Chief Financial Officer



**A. Razak Ahmed**  
Chief Executive & Managing Director



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

### FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

	Operator's Fund			
	Statutory Fund	Accumulated Profit	Unrealised gain/(loss) on revaluation of AFS investments	Total
	(Rupees)			
Balance as at January 01, 2023 (Audited)	50,000,000	50,114,740	22,684	100,137,424
Total comprehensive income for the period ended June 30, 2023				
Profit for the period	-	9,572,989	-	9,572,989
Other comprehensive income	-	-	-	-
<b>Balance as at June 30, 2023 (Unaudited)</b>	<b>50,000,000</b>	<b>59,687,729</b>	<b>22,684</b>	<b>109,710,413</b>
Balance as at January 01, 2024 (Audited)	50,000,000	70,826,413	62,776	120,889,189
Total comprehensive income for the period ended June 30, 2024				
Profit for the period	-	14,283,669	-	14,283,669
Other comprehensive loss	-	-	(47,184)	(47,184)
<b>Balance as at June 30, 2024 (Unaudited)</b>	<b>50,000,000</b>	<b>85,110,082</b>	<b>15,592</b>	<b>135,125,674</b>

	Participants' Takaful Fund			
	Seed Money	Accumulated Profit	Unrealised gain/(loss) on revaluation of AFS investments	Total
	(Rupees)			
Balance as at January 01, 2023 (Audited)	500,000	87,450,723	-	87,950,723
Total comprehensive income for the period ended June 30, 2023				
Surplus for the period	-	7,049,679	-	7,049,679
Other comprehensive loss	-	-	-	-
<b>Balance as at June 30, 2023 (Unaudited)</b>	<b>500,000</b>	<b>94,500,402</b>	<b>-</b>	<b>95,000,402</b>
Balance as at January 01, 2024 (Audited)	500,000	87,696,055	-	88,196,055
Total comprehensive income for the period ended June 30, 2024				
Surplus for the Period	-	388,962	-	388,962
Other comprehensive income	-	-	-	-
<b>Balance as at June 30, 2024 (Unaudited)</b>	<b>500,000</b>	<b>88,085,017</b>	<b>-</b>	<b>88,585,017</b>

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

 <b>Irfan Zakaria Bawany</b> Chairman	 <b>Mohammad Omar Bawany</b> Director	 <b>Noor M. Zakaria</b> Director	 <b>Ghulam Haider</b> Chief Financial Officer	 <b>A. Razak Ahmed</b> Chief Executive & Managing Director
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Karachi: 29th August, 2024

# CONDENSED INTERIM CASH FLOWS STATEMENT (UN AUDITED)

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

	OPF		PTF	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
(Rupees)				
OPERATING CASH FLOWS				
<b>a) Takaful activities</b>				
Contribution received	-	-	64,762,211	61,191,745
Retakaful contribution paid	-	-	(49,321,990)	(41,027,609)
Claims / benefits paid	-	-	(85,478,422)	(14,062,206)
Retakaful and other recoveries received	-	-	58,418,741	6,910,802
Commission paid	(9,209,522)	(7,487,226)	-	-
Retakaful rebate received	-	-	3,248,251	3,660,975
Wakala fee received / (paid)	19,500,000	22,000,000	(19,500,000)	(22,000,000)
Modarib received / (paid)	469,337	528,844	(469,337)	(528,844)
Net cash flows from takaful activities	10,759,815	15,041,618	(28,340,546)	(5,855,137)
<b>b) Other operating activities</b>				
Income tax paid	(3,463,149)	(2,462,574)	-	-
General and other expenses paid	(8,886,911)	(8,690,377)	(2,076,231)	(941,560)
Other operating payments	508,500	(508,500)	-	-
Other operating receipts	(1,541,464)	1,415,060	387,333	987,155
Net cash (used in) / generated from other operating activities	(13,383,024)	(10,246,391)	(1,688,898)	45,595
<b>Total cash flow / (used in) all operating activities</b>	<b>(2,623,209)</b>	<b>4,795,227</b>	<b>(30,029,444)</b>	<b>(5,809,542)</b>
<b>c) Investment activities</b>				
Profit / return received	434,432	736,917	1,395,402	1,346,144
Dividend received	10,104,300	7,445,439	1,623,502	2,207,179
Payments for investments	(8,568,184)	(6,305,428)	(1,133,227)	(1,759,336)
Proceeds from investments	-	-	28,000,000	-
<b>Total cash flow from investing activities</b>	<b>1,970,548</b>	<b>1,876,928</b>	<b>29,885,677</b>	<b>1,793,987</b>
<b>Net cash flow / (used in) from all activities</b>	<b>(652,661)</b>	<b>6,672,155</b>	<b>(143,767)</b>	<b>(4,015,555)</b>
Cash and cash equivalent at the beginning of the period	13,372,057	12,146,627	41,386,451	34,033,671
<b>Cash and cash equivalent at the end of the period</b>	<b>12,719,396</b>	<b>18,818,782</b>	<b>41,242,684</b>	<b>30,018,116</b>

# CONDENSED INTERIM CASH FLOWS STATEMENT (UN AUDITED)

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

	OPF		PTF	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Rupees)			
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	(2,623,209)	4,795,227	(30,029,444)	(5,809,542)
Dividend income	10,080,218	7,418,108	1,333,209	2,069,807
Other investment income	434,432	736,917	1,395,402	1,346,144
Increase/(decrease) in assets other than cash	4,526,230	(1,913,722)	(32,174,120)	(15,166,126)
Decrease/(Increase) in liabilities other than borrowings	1,865,998	(1,463,541)	59,863,914	24,609,396
Surplus for the period	14,283,669	9,572,989	388,961	7,049,679
<b>Attributed to</b>				
Operatort's Fund	14,283,669	9,572,989	-	-
Participants' Takaful Fund	-	-	388,961	7,049,679
	14,283,669	9,572,989	388,961	7,049,679

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

  
**Irfan Zakaria Bawany**  
 Chairman

  
**Mohammad Omar Bawany**  
 Director

  
**Noor M. Zakaria**  
 Director

  
**Ghulam Haider**  
 Chief Financial Officer

  
**A. Razak Ahmed**  
 Chief Executive & Managing Director

Karachi: 29th August, 2024

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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Reliance Insurance Company Limited (the Operator) has been allowed to undertake Window Takaful Operations (WTO) on May 25, 2016 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window takaful operations in Pakistan.
- 1.2** For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on May 30, 2016 under the Waqf deed with a seed money of Rs. 500,000. The Waqf deed and PTF policies (Waqf Rules) which govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund (OPF) are approved by the Shariah Advisor of the Operator.

## 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

### 2.1 Statement of compliance

These condensed interim financial statements are prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting and reporting standards as applicable in Pakistan for Interim Financial Reporting, comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting" issued by International Accounting Standards Board (IASB), as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, Insurance Accounting Regulations 2017, SECP Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

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

These condensed interim financial statements reflect the financial position and results of operations of both the operator and PTF in a manner that the assets, liabilities, income and expenses of the operator and PTF remain separately identifiable.

These condensed interim financial statements does not include all the information and disclosures required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2023.

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended December 31, 2023 and the corresponding figures in the condensed interim profit and loss account and the condensed interim comprehensive income, condensed interim cash flows statement and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the six months ended June 30, 2024.

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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

## 2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost basis except for investment which are stated at fair value or at amortized cost.

These condensed interim financial statements have been prepared under the accrual basis of accounting except for cash flow statement.

## 2.3 Functional and presentation currency

These condensed interim financial statements have been prepared and presented in Pakistan Rupees, which is the Operator's functional and presentation currency. All financial information presented has been rounded off to the nearest rupees unless otherwise stated.

## 3. MATERIAL ACCOUNTING POLICY

The material accounting policies applied by the Company are the same as those applied in annual audited financial statements for the year ended December 31, 2023 except for change in accounting policy of recognizing the portion of income tax paid or payable for the period under the Income Tax Ordinance, 2001, not based on the taxable profits of the Company, as a Levy under IFRIC-21/ IAS-37 instead of the current income tax for the period under IAS-12.

The management believes that the new policy provides reliable and more relevant information to the user of the condensed interim financial statements.

### Taxation - Current

Current tax is the expected tax payable on the taxable income for the year based on taxable profits, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

### Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the period in Profit & loss account. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the period, is then recognized as a levy.

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

The change in accounting policy has been accounted for retrospectively in accordance with the International Accounting Standard 8: "Accounting Policies, Changes in Accounting Estimates and Errors." There is, however, no impact on the figures of condensed interim financial statements of the current and prior years.

## 3.1 STANDARDS INTERPRETATIONS AND AMENDMENTS

### 3.1.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these interim financial statements.

### 3.1.2 Standards, interpretations of and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2024, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are therefore, not detailed in these interim financial statements.

However, the Company has taken a benefit of temporary exemption of applying IFRS 9 "Financial Instrument" with IFRS 17 "Insurance Contracts" as allowed under IFRS.

## 3.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the condensed interim financial statements, the significant judgments made by the 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 December 31, 2023.

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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

## 4. INVESTMENT - EQUITY SECURITIES

### Available for sale - Mutual Funds

	June 30, 2024 (Un-audited)			December 31, 2023 (Audited)		
	Cost	Revaluation surplus	Carrying Value	Cost	Revaluation surplus	Carrying Value
Rupees						
<b>Operator's Fund</b>						
AL-Hamra Islamic Money Market Fund	64,160,896	-	64,160,896	59,072,856	-	59,072,856
AL-Hamra Daily Dividend Fund	8,777	-	8,777	8,135	-	8,135
HBL Islamic Money Market Fund	43,630,741	14,780	43,645,521	40,151,239	81,237	40,232,476
	107,800,414	14,780	107,815,194	99,232,230	81,237	99,313,467
<b>Participants' Takaful Fund</b>						
ABL Islamic Cash Fund	934,226	-	934,226	27,800,999	-	27,800,999

## 5. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF

Due from takaful participants holders	-	-	58,341,567	60,361,168
Due from other takaful / retakaful operators	-	-	58,408,763	45,763,470
	-	-	116,750,330	106,124,638

## 6. RECEIVABLE / PAYABLE

### Receivable from PTF:

Wakala fee	37,713,686	32,116,642	-	-
Modarib fee	3,312,856	2,690,749	-	-

### Payable to OPF:

Wakala fee	-	-	37,713,686	32,116,642
Modarib fee	-	-	3,312,856	2,690,749
	41,026,542	34,807,391	41,026,542	34,807,391

## 7. PREPAYMENTS

Prepaid re-takaful contribution ceded	-	-	14,414,754	20,767,464
Prepaid expenses	-	508,500	-	-
	-	508,500	14,414,754	20,767,464

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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

Note	OPF		PTF	
	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
(Rupees)				

## 8. CASH AND BANK

<b>Cash and Cash Equivalents</b>				
Policy stamps	-	-	-	-
<b>Cash at bank</b>				
Profit and loss sharing accounts	8.1 12,719,396	13,372,057	41,242,684	41,386,451
	<u>12,719,396</u>	<u>13,372,057</u>	<u>41,242,684</u>	<u>41,386,451</u>

8.1 These carry profit at rates ranging 15.50 % to 18% (December 31, 2023: 12.50% to 18.50%) per annum.

## 9. OTHER CREDITORS AND ACCRUALS

Audit fee payable	340,920	227,280	-	-
Other payables	10,648,546	12,303,650	3,620,469	3,233,136
	<u>10,989,466</u>	<u>12,530,930</u>	<u>3,620,469</u>	<u>3,233,136</u>

## 10. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2024 (December 31, 2023: Nil).

	June 30, 2024 (Unaudited)	June 30, 2023 (Unaudited)
(Rupees)		

## 11. NET CONTRIBUTION

Written Gross Contributions	62,742,610	49,049,043
Less: Wakala Fee	(27,792,603)	(21,018,657)
<b>Contribution Net of Wakala Fee</b>	<u>34,950,007</u>	<u>28,030,386</u>
Add: Unearned contributions reserve opening	52,955,619	38,852,349
Less: Unearned contributions reserve closing	(46,216,723)	(35,354,750)
Contributions earned	<u>41,688,903</u>	<u>31,527,985</u>
Less:		
Re-takaful contributions ceded	21,250,642	20,691,816
Add: Prepaid re-takaful contributions opening	20,767,464	15,622,451
Less: Prepaid re-takaful contributions closing	(14,414,754)	(12,689,816)
Re-takaful expense	<u>27,603,352</u>	<u>23,624,451</u>
<b>Net contributions</b>	<u>14,085,551</u>	<u>7,903,534</u>



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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

		PTF	
	Note	June 30, 2024 (Unaudited)	June 30, 2023 (Unaudited)
		(Rupees)	
<b>12. RE-TAKAFUL REBATE</b>			
Retakaful rebate received or recoverable		3,248,251	3,660,975
Add: Unearned retakaful rebate Opening		3,638,252	3,190,440
Less: Unearned retakaful rebate Closing		(2,447,977)	(2,147,567)
		<u>4,438,526</u>	<u>4,703,848</u>
<b>13. WAKALA EXPENSE</b>			
Gross Wakala fee		25,097,044	19,619,617
Add: Deferred wakala fee opening		21,182,249	15,540,940
Less: Deferred wakala fee closing		(18,486,690)	(14,141,900)
		<u>27,792,603</u>	<u>21,018,657</u>
<b>14. TAKAFUL BENEFITS / CLAIMS EXPENSE</b>			
Benefits / Claim Paid		85,478,422	14,062,206
Add: Outstanding benefits / claims including IBNR closing		18,383,772	15,034,467
Less: Outstanding benefits / claims including IBNR opening		(61,498,945)	(18,033,223)
Claims expense		42,363,249	11,063,450
Less:			
Retakaful and other recoveries received		58,418,741	6,910,802
Add:Retakaful and other recoveries in respect of outstanding claims closing		12,180,974	9,242,313
Less: Re-takaful and other recoveries in respect of outstanding claims opening		(45,932,517)	(11,755,378)
Re-takaful and other recoveries revenue		24,667,198	4,397,737
Net Takaful benefits / Claim expense		<u>17,696,051</u>	<u>6,665,713</u>

	OPF		PTF	
	June 30, 2024 (Unaudited)	June 30, 2023 (Unaudited)	June 30, 2024 (Unaudited)	June 30, 2023 (Unaudited)
(Rupees)				
<b>15. INVESTMENT INCOME</b>				
Income from equity securities - available for sale investments				
Dividend Income	10,080,218	7,418,108	1,333,209	2,069,807
<b>16. OTHER INCOME</b>				
Profit on bank deposits	434,432	736,917	1,395,402	1,346,144

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

17. MODARIB'S FEE

The Operators' manage the participants' investments as a Modarib and charge 40% (June 30, 2023: 40%) Modarib's share of the investment income earned by PTF.

18. WAKALA FEE

The Operators' manage the general takaful operations for the participants and charges 40% (June 30, 2023: 40%) of the gross contribution written on all classes of business including administrative surcharges as wakala fee against the services.

18.1. WAKALA FEE INCOME

Gross wakala fee  
Add: Unearned wakala fee opening  
Less: Unearned wakala fee closing

OPF	
June 30, 2024 (Unaudited)	June 30, 2023 (Unaudited)
(Rupees)	
25,097,044	19,619,617
21,182,249	15,540,940
(18,486,690)	(14,141,900)
27,792,603	21,018,657

19. COMMISSION EXPENSE

Commission paid or payable  
Add: Deferred commission expense opening  
Less: Deferred commission expense closing

9,209,522	7,487,226
7,811,311	6,218,649
(6,626,890)	(5,339,273)
10,393,943	8,366,602

20. RELATED PARTY TRANSACTIONS

Related parties comprise of associated companies, entities under common control, entities with common directors, major shareholders and key management personnel of the company. Transactions with related parties are carried out at arm's length prices determined under "comparable uncontrolled price method". Details of the transactions with related parties during the period are as follows:

		June 30, 2024 (Unaudited)	June 30, 2023 (Unaudited)
		(Rupees)	
Relation with the Company	Nature of transaction		
<b>Transactions during the period</b>			
Associated companies	Contribution underwritten	13,147,208	13,287,711
	Contribution collected	15,388,500	25,476,637
	Remuneration and other benefits	1,607,500	1,267,500
<b>Balances as at period end</b>			
Associated companies	Contribution due but unpaid	42,368,657	31,162,545

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

## FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

### 21. SEGMENT INFORMATION

#### 21.1 PTF

	June 30, 2024 (Unaudited)				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written contributions (Inclusive of Administrative Surcharge)	28,265,192	9,472,132	24,913,641	91,645	62,742,610
Wakala fee	(15,432,556)	(3,945,815)	(7,986,019)	(428,213)	(27,792,603)
Takaful contributions earned	38,581,388	9,864,537	19,965,049	1,070,532	69,481,506
Takaful contributions ceded to - re-takaful	(19,371,890)	(5,524,670)	(1,982,459)	(724,333)	(27,603,352)
Net takaful contribution	3,776,943	394,052	9,996,571	(82,014)	14,085,551
Retakaful rebate	3,173,971	1,270,674	(161,851)	155,732	4,438,526
Net underwriting income	6,950,914	1,664,726	9,834,720	73,718	18,524,077
Takaful claims	(38,328,483)	4,688,726	(8,723,492)	-	(42,363,249)
Takaful claims recovered from re-takaful	29,898,744	(3,515,302)	(1,716,244)	-	24,667,198
Net claims	(8,429,739)	1,173,424	(10,439,736)	-	(17,696,051)
Other Direct expense	(946,991)	(213,947)	(886,506)	(28,787)	(2,076,231)
(Deficit) / surplus before investment income	(2,425,816)	2,624,203	(1,491,522)	44,931	(1,248,005)
Net Investment income					1,333,209
Other Income					1,395,402
Modarib's share of investment income					(1,091,444)
Surplus transferred to accumulated surplus					388,962
Corporate segment assets	73,813,594	16,676,186	69,099,126	2,243,842	161,832,748
Corporate unallocated assets					42,255,808
Total assets					204,088,556
Corporate segment liabilities	81,612,531	18,438,145	76,399,946	2,480,920	178,931,542
Corporate unallocated liabilities					3,620,469
Total Liabilities					182,552,011

#### PTF

	June 30, 2023 (Unaudited)				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written contributions (Inclusive of Administrative Surcharge)	23,952,180	7,576,605	17,242,273	277,985	49,049,043
Wakala fee	(13,024,155)	(2,839,750)	(4,801,582)	(353,170)	(21,018,657)
Takaful contributions earned	32,560,384	7,099,376	12,003,956	882,926	52,546,642
Takaful contributions ceded to re-takaful	(17,025,010)	(4,774,378)	(1,354,445)	(470,618)	(23,624,451)
Net takaful contributions	2,511,219	(514,752)	5,847,929	59,138	7,903,534
Retakaful rebate	3,614,005	1,069,356	(80,695)	101,182	4,703,848
Net underwriting income	6,125,224	554,604	5,767,234	160,320	12,607,382
Takaful claims	(6,452,726)	46,871	(5,607,620)	(49,885)	(11,063,450)
Takaful claims recovered from re-takaful	4,179,748	(37,425)	218,000	37,414	4,397,737
Net claims	(1,272,978)	9,356	(5,389,620)	(12,471)	(6,665,713)
Other direct expense	(505,754)	(75,690)	(346,694)	(13,422)	(941,560)
Surplus before Investment Income	4,346,492	488,270	30,920	134,427	5,000,109
Net Investment income					2,069,807
Other Income					1,346,144
Modarib's share of investment income					(1,366,381)
Deficit transferred to accumulated surplus					7,049,679
DECEMBER 31, 2023					
Corporate segment assets	104,209,576	15,595,830	71,435,745	2,765,717	194,006,868
Corporate unallocated assets					69,556,641
Total assets					263,563,509
Corporate segment liabilities	155,893,690	23,330,788	106,865,246	4,137,410	290,227,134
Corporate unallocated liabilities					3,233,136
Total Liabilities					293,460,270

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

## FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

### 21.2 OPF

June 30, 2024 (Unaudited)					
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Wakala Fee	15,432,556	3,945,815	7,986,019	428,213	27,792,603
Commission Expenses	(6,573,762)	(1,884,942)	(1,803,378)	(131,861)	(10,393,943)
Management Expenses	(3,659,497)	(826,764)	(3,425,765)	(111,245)	(8,023,271)
	(10,233,259)	(2,711,706)	(5,229,143)	(243,106)	(18,417,214)
	5,199,297	1,234,109	2,756,876	185,107	9,375,389
Mudarib share of PTF Investment Income					1,091,444
Investment Income					10,080,218
Direct expenses					(863,640)
Other Income					434,432
Profit before taxation					20,117,843
Taxation					(5,834,174)
Profit after tax					14,283,669
Corporate segment assets	21,735,596	4,910,570	20,347,345	660,735	47,654,247
Corporate unallocated assets					120,579,484
Total Assets					168,233,731
Corporate segment liabilities	8,431,971	1,904,976	7,893,422	256,321	18,486,690
Corporate unallocated liabilities					14,621,367
Total Liabilities					33,108,057

June 30, 2023 (Unaudited)					
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Wakala Fee	13,024,155	2,839,750	4,801,582	353,170	21,018,657
Commission Expenses	(5,902,856)	(1,308,901)	(1,043,766)	(111,079)	(8,366,602)
Management Expenses	(4,273,181)	(639,517)	(2,929,269)	(113,410)	(7,955,377)
	(10,176,037)	(1,948,418)	(3,973,035)	(224,489)	(16,321,979)
	2,848,118	891,332	828,547	128,681	4,696,678
Mudarib share of PTF Investment Income					1,366,381
Investment Income					7,418,108
Direct expenses					(735,000)
Other Income					736,917
Profit before taxation					13,483,084
Taxation					(3,910,095)
Profit after tax					9,572,989
<b>DECEMBER 31, 2023</b>					
Corporate segment assets	23,165,507	3,466,911	15,879,973	614,811	43,127,202
Corporate unallocated assets					112,754,500
Total Assets					155,881,702
Corporate segment liabilities	11,387,828	1,704,283	7,806,365	302,232	21,200,708
Corporate unallocated liabilities					13,791,806
Total Liabilities					34,992,514

## 22. INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2023.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2023.

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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

### 23. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

All assets and liabilities for which fair value is measured or disclosed in the condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

#### HIERARCHY OF FAIR VALUE LEVELS

##### PTF

	June 30, 2024 (Unaudited)			
	Level 1	Level 2	Level 3	Total
Equity securities	934,226	-	-	934,226
	934,226	-	-	934,226
December 31, 2023 (Audited)				
	Level 1	Level 2	Level 3	Total
Equity securities	27,800,999	-	-	27,800,999
	27,800,999	-	-	27,800,999

##### OPF

	June 30, 2024 (Unaudited)			
	Level 1	Level 2	Level 3	Total
Equity securities	107,815,194	-	-	107,815,194
	107,815,194	-	-	107,815,194
December 31, 2023 (Audited)				
	Level 1	Level 2	Level 3	Total
Equity securities	99,313,467	-	-	99,313,467
	99,313,467	-	-	99,313,467

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

FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

## 24. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no reclassification has been made during the period.

## 25. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 29th August, 2024 by the Board of Directors of the Company.

## 26. GENERAL

Figures have been rounded off to the nearest rupee.

				
<b>Irfan Zakaria Bawany</b> Chairman	<b>Mohammad Omar Bawany</b> Director	<b>Noor M. Zakaria</b> Director	<b>Ghulam Haider</b> Chief Financial Officer	<b>A. Razak Ahmed</b> Chief Executive & Managing Director

Karachi: 29th August, 2024

# CATEGORIES OF SHAREHOLDING - PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2024

Number of Shareholders	Shareholdings		Total shares held
	From	To	
420	1	100	7,365
151	101	500	39,791
110	501	1000	79,542
249	1001	5000	564,141
94	5001	10000	657,252
36	10001	15000	430,844
13	15001	20000	227,651
15	20001	25000	331,306
20	25001	30000	552,945
8	30001	35000	254,887
4	35001	40000	151,754
5	40001	45000	213,194
4	45001	50000	188,250
4	50001	55000	212,302
3	55001	60000	176,160
1	65001	70000	65,250
1	70001	75000	71,560
2	75001	80000	154,256
3	85001	90000	262,632
3	90001	95000	277,205
1	95001	100000	97,284
1	105001	110000	109,699
1	125001	130000	127,076
2	130001	135000	264,670
1	135001	140000	138,101
1	140001	145000	144,209
1	145001	150000	148,080
1	150001	155000	153,884
1	160001	165000	162,355
1	165001	170000	169,026
2	175001	180000	353,000
1	180001	185000	182,559
1	190001	195000	193,181
1	230001	235000	232,000
3	235001	240000	710,124
1	245001	250000	248,850
1	250001	255000	252,527
2	255001	260000	516,520
2	275001	280000	553,499
2	295001	300000	594,201
1	310001	315000	311,206
1	350001	355000	351,910
1	390001	395000	394,490
1	400001	405000	403,296
1	410001	415000	412,950
2	440001	445000	885,373
1	490001	495000	491,889
1	525001	530000	526,651
1	540001	545000	543,535
1	585001	590000	587,171
1	720001	725000	723,182
1	750001	755000	751,329
2	760001	765000	1,524,862
1	805001	810000	808,890
1	850001	855000	854,406
1	880001	885000	881,764
1	935001	940000	935,102
1	940001	945000	941,473
1	1000001	1005000	1,000,112
1	1275001	1280000	1,275,294
1	1305001	1310000	1,308,128
1	1340001	1345000	1,341,022
1	1520001	1525000	1,524,045
2	1755001	1760000	3,519,123
1	1810001	1815000	1,810,102
1	2300001	2305000	2,304,154
1	2520001	2525000	2,523,486
1	2600001	2605000	2,600,264
1	2665001	2670000	2,667,719
1	2960001	2965000	2,960,669
1	3975001	3980000	3,978,317
1	7305001	7310000	7,308,864
1	7815001	7820000	7,818,036
1209			66,537,949

Sr. No.	Categories of share holders	Number of share holders	Total shares hold	Percentage %
1	INDIVIDUALS	1180	47,565,113	71.49
2	INVESTMENT COMPANIES	5	572	0
3	INSURANCE COMPANIES	1	766	0
4	JOINT STOCK COMPANIES	14	17,231,867	25.9
5	FINANCIAL INSTITUTIONS	1	25	0
6	WELFARE SOCIETY	1	252,527	0.38
7	CHARITABLE TRUSTS	2	551,600	0.83
8	MODARABA MANAGEMENT COMPANIES	1	1	0
9	TRADE	1	791	0
10	GOVERNMENT DEPARTMENT	2	932,290	1.4
11	REIT MANAGEMENT	1	2,397	0
		1209	66,537,949	100.00

# OFFICES

## Head Office

"Reliance Insurance House"  
181-A, Sindhi Muslim Co-operative  
Housing Society,  
Karachi.

**Mr. A. Razak Ahmed**  
Chief Executive & Managing Director

**Mr. Ghulam Haider**  
Chief Financial Officer

**Mr. Faraz Abdul Razak**  
Company Secretary & Compliance Officer

**Mr. M.A. Hannan Shadani**  
Senior Vice President (underwriting)

**Mr. Muhammad Siddique**  
Assistant Vice President (Claims)

**Mr. Najamullah Khan**  
Senior Vice President (Head of Takaful)

**Mr. Muhammad Kashif Wadiwala**  
Shariah Compliance Officer

**Mr. Ghulam Mujaddid**  
Vice President (Accounts)

**Mr. Abdul Rahim Patni**  
Assistant Vice President (Reinsurance)

**Mr. Muhammad Salim Memon**  
Assistant Vice President (Investment/shares)

**Mr. Muhammad Masood Ali**  
Assistant Vice President (I.T. Deptt.)

**Mr. Muhammad Masood Alam**  
Chief Manager (Administration)

**Mr. Muhammad Naveed Jan**  
Chief Manager

PABX : 34539415-17  
Fax : 34539412  
E-mail : reli-ins@cyber.net.pk.  
ric-re@cyber.net.pk.  
Web : www.relianceins.com

Direct : 34539413, 34539414  
Extension : 204  
Direct : 34539409  
Extension : 203

Extension : 209  
Direct : 34304068  
Extension : 212

Direct : 34550403  
Extension : 208

Direct : 34557079  
Extension : 201

Extension : 216

Extension : 205

Direct : 34539411  
Extension : 215

Extension : 214

Extension : 202

Direct : 34539411  
Extension : 206

Extension : 208

## South Zone Offices & Branches

**Business Plaza Branch**  
407, 4th floor, Business Plaza,  
Off. I.I.Chundrigar Road, Karachi.

**Mr. Muhammad Iqbal Dhedhi**  
Executive Vice President

Ph (021) 32419581, 32419582  
Fax (021) 32421314, 32421317

**Tariq Road Branch**  
Room No. A-2 & A-3,  
1st Floor, Rahat Jo Daro,  
Plot No.172/L, Block-2, PECHS,  
Main Tariq Road, Karachi.

**Mr. Zafar A. Pasha**  
Executive Vice President

Ph (021) 34527806, 34532427  
34525376, 34322642  
Fax (021) 34522829

**Namco Centre Branch**  
1-A, 5th Floor, Campbell Street,  
Karachi.

**Mr. Iqbal Umer Bawany**  
Vice President

Ph (021) 32624504, 32624427  
Fax (021) 32624783

**Land Mark Plaza Branch**  
405, 4th Floor, Land Mark Plaza,  
Off. I. I. Chundrigar Road,  
Karachi.

**Mr. Muhammad Reza Rajani**  
Vice President

Ph (021) 32628777, 32628778  
Fax (021) 32628779

**M. A. Jinnah Road Branch**  
101, Japan Plaza,  
M. A. Jinnah Road, Karachi.

**Mr. Rizwan Ahmed Khan**  
Branch Manager

Ph (021) 32727076, 32729961  
Fax (021) 32722601

**Hyderabad Branch**  
1st Floor, Al-Falah Chamber,  
Tilak Road, Hyderabad.

**Mr. Abdullah Ahmed**  
Regional Manager

Ph (022) 2615774  
Fax (022) 2623029

**Sukkur**  
Minara Road, Sukkur.

**Mr. Anees Memon**  
Resident Representative

Ph (071) 5622619  
Cell 0300-3138090



# OFFICES

## North Zone Offices & Branches

**Zonal Office, Lahore (North Zone)**  
4th Floor, Gardee Trust Building.  
No.2, Napier Road, Lahore.

Mr. Hassan Sabih  
Chief Manager

PABX (042) 37239063, 37353292  
37234255, 37351353  
Direct (042) 37354689  
Fax (042) 37312526

**Regional Office, Lahore**  
90-A/3, 1st Floor, Canal Park,  
Gulberg-II, Lahore.

Mr. Waseem John  
Vice President

Ph (042) 35761077, 35761078  
35763446, 35763447  
Fax (042) 35761235

**Gulberg Branch**  
House No.17-A, Block-E/1,  
Gulberg-III, Lahore.

Mr. Muhammad Javed Ahmad  
Vice President

Ph (042) 35752245, 35752989  
35751971, 35756557  
Fax (042) 35756217

**Al-Rehman Branch**  
54/2, Lawrance Road,  
Lahore.

Mr. Nisar Ahmed Chughtai  
Senior Vice President

Ph (042) 35475061, 35475062  
35475063  
Fax (042) 35475015

**Eden Centre Branch (Unit I)**  
321, Eden Centre,  
43 Ghausul Azam Road,  
(Jail Road), Lahore.

Mr. Ch. H.S. Asghar  
Vice President

Ph (042) 37423613  
Fax (042) 37425649

**Garden Town Branch**  
321, Eden Centre,  
43 Ghausul Azam Road,  
(Jail Road), Lahore.

Mr. Muhammad Zaman  
Manager

Ph (042) 37423613  
Fax (042) 37425649

**Empress Tower Branch**  
Room No.18,1st Floor,  
Empress Tower,  
46 Empress Road, Lahore.

Mr. S.Azhar Ali Shah  
Senior Vice President

Ph (042) 36297253, 36297254  
Fax (042) 36297255

**Gujranwala Branch**  
Office No. 3, Block-A,  
Trust Plaza, G. T. Road,  
Gujranwala.

Mr. Ch. H.S. Asghar  
Vice President

Ph (055) 3254415  
Fax (055) 3253086

**Gujrat Branch**  
Marhaba Tower (Top Floor)  
Opp. Ram Piary Mahal  
Near Fawara Chawk, Gujrat.

Mr. Abdul Sattar Malik  
Branch Manager

Ph (053) 3522127

**Faisal Complex Branch**  
3rd Floor, Faisal Complex,  
Bilal Road, Civil Lines, Faisalabad.

Mrs. Ulfat Tahira  
Marketing Manager

Ph (041) 2611938, 2611939  
2626480  
Fax (041) 2621033

**Taj Plaza Branch**  
P-63, First Floor, Taj Plaza,  
Ashraf Hardware,  
Kotwali Road, Faisalabad.

Mr. Muhammad Akhlaq  
Senior Vice President

Ph (041) 2617277, 2622182  
2615922  
Fax (041) 2412010

**United Plaza Branch**  
3,3rd Floor, United Plaza,  
Shamsabad, Murree Rd. Rawalpindi.

Mr. Abdul Karim Siddiqi  
Vice President

Ph (051) 4854200  
Fax (051) 4935278

**Peshawar Branch**  
T-3 & 4, Bilour Shopping Plaza,  
3rd Floor, Saddar Road, .  
Peshawar Cantt.

Mr. Shah Mast Khan  
Assistant Vice President

Ph (091) 5274617, 5277328  
Fax (091) 5284683

**Regional Office Multan**  
1st Floor, 5-Commercial Plaza,  
Opp. Civil Hospital, Abdali Road,  
Multan.

Mr. Syed Mohsin Bukhari  
Assistant Vice President

Ph (061) 4517349  
Fax (061) 4510049

**Hasilpur Branch**  
27-B, 1st Floor, Main Bazar,  
Hasilpur.

Mr. Muhammad Shafi Anjum  
Senior Vice President

Ph (062) 2442473  
Fax (062) 2448073

**Sialkot Branch**  
Room No.4 & 5, 1st Floor,  
Mughal Plaza, Kutchery Road,  
Sialkot.

Mr. Asim Arshad  
Branch Manager

Ph (052) 4296075, 4296076  
Fax (052) 4296077

**Gojra Branch**  
P-132, Post Office Road,  
Gojra.

Mrs. Shahnaz Akhtar  
Branch Manager

Ph (046) 3511917  
Fax (046) 3513111

**Sahiwal Branch**

Mr. Sabir Hussain  
Resident Representative

Cell 0309-8712452  
0335-7714728

# NOTICE TO SHARE HOLDERS

## 1. UNCLAIMED DIVIDEND

As per the provision of section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company which have remained unclaimed/unpaid for a period of three years from the date on which it was due and payable are required to be deposited with the Commission for the credit of Federal Government after issuance of notices to the shareholders to file their claim. The details of the shares issued and dividend declared by the Company which have remained due for more than three years was sent to shareholders. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged timely. In case, no claim is lodged with the Company in the given time, the Company shall after giving notice in newspaper proceed to deposit the unclaimed/unpaid amount and shares with the Federal Government pursuant to the provision of Section 244 (2) of Companies Act, 2017.

## 2. CONVERSION OF PHYSICAL SHARES INTO BOOK ENTRY FORM

The shareholders having physical shares may open CDC Sub-account with any of the broker or Investor Account directly by with the Central Depository Company (CDC) of Pakistan Limited to have their physical shares converted into electronic form. This will facilitate then in many way including safe custody. Further with the requirement of Section 72 of Companies Act, 2017, every existing company having share capital required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four year from the commencement of the Act.

The Securitاس and Exchange Commission of Pakistan through its circular # CSD/ED/Misce/2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form, to convert their shares into book entry form.

Dated : 29 August, 2024



**Reliance Insurance Company Limited**

**Phone:**

+92 21 34539415-17

**Address:**

181-A, Sindhi Muslim Co-operative Housing Society,  
P.O. Box: 13356, Karachi-74400.

