



Jubilee
GENERAL INSURANCE

WE ARE THERE FOR YOU
TODAY AND TOMORROW

**NINE MONTHS
REPORT (Unaudited)**

2021

AA+
VIS

AA+
PACRA

B+
AM BEST

MAP

Top Position in Non-Life Insurance Sector (Financial Category) 36th MAP Corporate Excellence Award

ICAP & ICMAP

Third Position among Insurance Companies for Best Corporate Report & Sustainability Award

Lloyd's Register LRQA

ISO 9001:2015 (All Functions including Enterprise Risk Management)

FPCCI

Outstanding Service in Insurance

Insurance Journal

Corporate Social Responsibility Highest Donation (2013-2015)

SAFA

1st Runner-up Position (Insurance Sector)

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CORPORATE INFORMATION

Chairman of the Board of Directors

R. Zakir Mahmood (Non-Executive Director)

Directors

Akbarali Pesnani (Non-Executive Director)

John Joseph Metcalf (Non-Executive Director)

Amin A. Hashwani (Non-Executive Director)

Amyr Currimbhoy (Independent Director)

Riyaz Ali Towfiq Chinoy (Independent Director)

Murtaza Hashwani (Non-Executive Director)

Abrar Ahmed Mir (Non-Executive Director)

Nausheen Ahmad (Independent Director)

Managing Director and Chief Executive

Hassan Khan (Executive Director)

Chief Financial Officer

Nawaid Jamal

Auditors

A.F. Ferguson & Co. (Chartered Accountants)

Shariah Advisor

Mufti Zeeshan Abdul Aziz

Legal Advisor

SurrIDGE & Beecheno

Bankers

Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
Soneri Bank Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited

Share Registrar

THK Associates (Pvt.) Limited,
Plot No. 32-C, Jami Commercial Street 2, D.H.A.,
Phase VII Karachi.
UAN: (92-21) 111- 000-322
Tel: (92-21) 35310191-93

Head Office / Registered Office

2nd Floor, Jubilee Insurance House,
I. I. Chundrigar Road, Karachi, Pakistan.

UAN: (92-21) 111-654-111
Toll Free: 0800-03786
Tel: (92-21) 32416022-26
Fax: (92-21) 34216728 - 32438738

E-Mail: info@jubileegeneral.com.pk

Website: www.jubileegeneral.com.pk

National Tax Number

0711347-1

Sales Tax Registration Number

1600980500182

THE DIRECTORS' REVIEW

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

The Directors are pleased to present the unaudited financial statements for the period ended 30th September 2021.

Overview

During the quarter ended 30th September 2021, the overall economic growth continued, particularly auto sales, cement dispatches, POL sales and electricity generation showed healthy growth; however, the macroeconomic discourse was dominated by the rising trade deficit (higher international commodity prices) and rapid depreciation in PKR exchange rate. Trade Deficit for the first quarter of FY2022 was USD 11.7 bn (Q1 FY2021: USD 5.8 bn in). Resultantly, PKR depreciated by more than 12% from the highs witnessed in May 2021; the Monetary Policy Committee of SBP raised interest rates by 25 bps and put in place various other measures to control the rapid growth in imports.

Company Performance

During the period under review, the Company was able to achieve Gross Written Premium (GWP), including contribution written in Window Takaful Operations, of PKR 10.09 billion with a robust growth of 16% over corresponding period last year (2020: PKR 8.71 billion). The combined net premium / contribution was PKR 4.39 billion, 7% higher than last year (2020: PKR 4.10 billion).

The Company's technical profit during the period under review was PKR 417 million compared to technical loss in the corresponding period (2020: PKR 36 million Loss). The improvement in technical profit was mainly due to claims losses coming back to normalized levels. The investment income (including Window Takaful Operations) for the period was PKR 1.35 billion, thus resulting in an overall Profit before Tax of PKR 1.85 billion for the nine months ended on September 30, 2021. (2020: PKR 1.63 billion).

Conventional Insurance Operations

For the nine months, the GWP posted a healthy growth of 16% YoY to reach PKR 8.98 billion (2020: PKR 7.75 billion). Net Premium for the period increased by 7% to PKR 3.91 billion (2020: PKR 3.67 billion). Due to reasons mentioned earlier, the underwriting profit was PKR 315 million (compared to loss of PKR 76 million in the corresponding period). The investment income for the period was PKR 1.33 billion (2020: PKR 1.49 billion).

The summarised results of the Company's insurance business for the period ended 30th September 2021 are as under:

	30th September 2021	30th September 2020
	.....(Rupees in '000).....	
Gross Premium	8,980,049	7,753,995
Net Premium Revenue	3,909,746	3,666,939
Underwriting Result	315,109	(76,209)
Investment Income including Capital Gain and Rent	1,333,619	1,498,126
Profit Before Tax	1,854,279	1,626,878
Profit After Tax for the period	1,316,308	1,158,132
Earnings Per Share of PKR 10 each	6.63	5.83

Window Takaful Operations

The steady growth in Window Takaful Operations continues, Gross Contribution grew by 17% to PKR 1.11 billion (2020: PKR 953 million). Net contribution also increased by 11% to PKR 482 million (2020: PKR 436 million).

The Participant's Takaful Fund surplus increased to PKR 40 million (2020: PKR 36 million); while, the Operator's Profit after Tax increased by 15% to PKR 76 million (2020: PKR 66 million).

The summarised results of Company's Window Takaful Operations for the period ended 30th September 2021 are as follows:

	30th September 2021	30th September 2020
	.....(Rupees in '000).....	
Participants' Fund		
Gross Contribution	1,113,360	952,685
Net Contribution	481,583	435,555
Surplus/(Deficit) before Investment Income	14,978	(12,061)
Investment Income	31,206	60,132
Surplus for the period	39,849	36,024
Operator's Fund		
Revenue Account	87,123	52,762
Investment Income	14,246	29,062
Profit Before Tax	106,461	92,294
Profit after tax for the period	75,587	65,529

Outlook

The Government has already initiated a number of measures to check the rising current account deficit and consequently the PKR – US\$ parity and local inflation; positive outcome on the IMF Program will strengthen foreign exchange reserves as well as bring the economic reforms on track. Your Company is reasonably confident that the growth trends witnessed in Gross Written Premium and Net Premium will flow through in the last quarter as well.



Hassan Khan
Managing Director & Chief Executive



Aryn Currimbhoy
Director

Karachi: 26 October 2021

ونڈونکافل آپریشنز

ونڈونکافل آپریشنز نے ترقی کا سفر جاری رکھتے ہوئے مجموعی کنٹریبیوشن 17 فیصد اضافے کے ساتھ 1.11 بلین روپے (2020:953 ملین روپے) حاصل کیا۔ خالص کنٹریبیوشن بھی 11 فیصد اضافے کے ساتھ 482 ملین روپے (2020:436 ملین روپے) تھا۔

زیر جائزہ مدت کے دوران پارٹنیشنرز کا کافل فنڈ سرپلس بڑھ کر 40 ملین روپے (2020:36 ملین روپے) تک پہنچا جبکہ آپریٹنگ منافع سال کے اختتام سے 15 فیصد اضافے کے ساتھ 76 ملین روپے (2020:66 ملین روپے) رہا۔


30 ستمبر 2021 کو ختم ہونے والی مدت کے لیے کمپنی کے ونڈونکافل آپریشنز کے مجموعی نتائج درج ذیل ہیں:

30 ستمبر 2020	30 ستمبر 2021	
952,685	1,113,360	پارٹنیشنرز فنڈ
435,555	481,583	مجموعی کنٹریبیوشن
(12,061)	14,978	خالص کنٹریبیوشن
60,132	31,206	سرمایہ کاری کی آمدنی سے قبل سرپلس / (خسارہ)
36,024	39,849	سرمایہ کاری کی آمدنی
		اس مدت کے لیے سرپلس
52,762	87,123	آپریٹنگ فنڈ
29,062	14,246	ریونیو اکاؤنٹ
92,294	106,461	سرمایہ کاری سے آمدنی
65,529	75,587	قبل از ٹیکس منافع
		اس مدت کے لیے بعد از ٹیکس منافع

مستقبل پر نظر

حکومت نے کرنٹ اکاؤنٹ خسارے اور اسی کے سبب پاکستانی روپے کی ناقدری کے ساتھ مقامی طور پر ہونے والی مہنگائی کی نگرانی سے متعلق اقدامات اٹھارکھے ہیں جبکہ آئی ایم ایف پروگرام کے مثبت نتائج فارن ایکسچینج ریزرو میں بہتری اور معاشی بحالی کی صورت میں برآمد ہوں گے۔ آپ کی کمپنی مطمئن ہے کہ مجموعی پریمیم اور خالص پریمیم میں بہتری کے آثار آخری سہ ماہی تک قائم رہیں گے۔


امین کریم بھائی
ڈائریکٹر


حسان خان
مینجنگ ڈائریکٹر اینڈ چیف ایگزیکٹو

کراچی: 26 اکتوبر، 2021

ڈائریکٹرز کا تجزیہ

برائے ختم شدہ مدت 30 ستمبر 2021

ڈائریکٹرز آپ کے سامنے 30 ستمبر 2021 کو ختم شدہ مدت کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

تجزیہ

30 ستمبر 2021 کو ختم شدہ سہ ماہی کے دوران، معیشت میں ترقی کاراجان برقرار رہا جس کے نتیجے میں گاڑیوں کی فروخت، سیمنٹ کی ترسیل، POL کی فروخت اور بجلی کی پیداوار میں قابل قدر ترقی دیکھی گئی۔ تاہم، میکرو اکنامک جائزہ بڑھتے ہوئے تجارتی خسارے (اجناس کی قیمتوں میں عالمی طور پر اضافہ) اور روپے کی تیزی سے گرتی ہوئی قدر کے سبب منفی صورتحال سے دوچار رہا۔ مالی سال 2022 کی پہلی سہ ماہی کے دوران تجارتی خسارہ گزشتہ سال کے 5.8 بلین امریکی ڈالرز کے مقابلے میں 11.7 بلین امریکی ڈالرز ہو گیا۔ نتیجتاً، روپے کی قدر مئی 2021 کی گراؤ سے 12 فیصد زائد گراؤ کا شکار ہو گئی، اسٹیٹ بینک آف پاکستان کی مانیٹری پالیسی کمیٹی نے شرح سود میں 25 پی پی پی ایس تک اضافہ کرنے کے ساتھ ایپورٹس میں تیزی کو روکنے کے لیے دیگر اقدامات بھی اٹھائے ہیں۔

کمپنی کی کارکردگی

زیر جائزہ مدت کے دوران، کمپنی گزشتہ سال کی اسی مدت کے مقابلے میں 16 فیصد اضافے کے ساتھ مجموعی پریمیم (GWP) بشمول تکافل آپریشنز کے مجموعی کنٹریبیوشن 10.09 بلین روپے کا کاروبار کرنے میں کامیاب رہی (2020: 8.71 بلین روپے)۔ اسی طرح مشترکہ خالص پریمیم / کنٹریبیوشن تقریباً 7 فیصد اضافے کے ساتھ 4.39 بلین روپے رہا (2020: 4.10 بلین روپے)۔

زیر جائزہ مدت میں کمپنی کا ٹیکنیکل منافع 417 ملین روپے رہا جو کہ گزشتہ سال کی اسی مدت میں ٹیکنیکل نقصان سے دوچار تھا (2020: 36 ملین روپے نقصان)۔ ٹیکنیکل منافع میں اضافہ کی وجہ بنیادی طور پر کلیم نقصان کی عمومی سطح پر واپسی ہے۔ کمپنی کا سرمایہ کاری کا منافع (بشمول ونڈو تکافل آپریشنز) اس مدت کے دوران قابل ذکر اضافہ کے ساتھ 1.35 بلین روپے رہا اسی طرح 30 ستمبر 2021 کو ختم ہونے والی 9 ماہ کی مدت کے لیے مجموعی طور پر قبل از ٹیکس منافع 1.85 بلین روپے بنتا ہے (2020: 1.63 بلین روپے)۔

کنٹریبیوشن انشورنس آپریشنز

زیر جائزہ 9 ماہ کے دوران انشورنس بزنس کا مجموعی پریمیم (GWP) سال کے اعتبار سے 16 فیصد اضافے کے ساتھ 8.98 بلین روپے (2020: 7.75 بلین روپے) حاصل ہوا۔ مزید برآں، زیر جائزہ مدت کے لیے خالص پریمیم 7 فیصد اضافے کے ساتھ 3.91 بلین (2020: 3.67 بلین روپے) رہا۔ مندرجہ بالا وجوہات کے سبب، انڈر رائٹنگ منافع 315 ملین روپے (2020: 76 ملین روپے نقصان) رہا۔ مدت کے لیے سرمایہ کاری کی آمدنی 1.33 بلین روپے (2020: 1.49 بلین روپے) رہی۔

کمپنی کے انشورنس کاروبار کے مجموعی نتائج برائے مدت ختم شدہ 30 ستمبر 2021 درج ذیل ہیں:

30 ستمبر 2020	30 ستمبر 2021	
7,753,995	8,980,049	مجموعی پریمیم
3,666,939	3,909,746	خالص پریمیم
(76,209)	315,109	انڈر رائٹنگ رزلٹ
1,498,126	1,333,619	سرمایہ کاری کی آمدنی بشمول کیپیٹل گینز اور کرایہ
1,626,878	1,854,279	قبل از ٹیکس منافع
1,158,132	1,316,308	زیر جائزہ مدت کے لیے بعد از ٹیکس منافع
5.83	6.63	10 روپے والے ہر ایک شیئر پر منافع (روپوں میں)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2021

Assets	Note	September 30,	December 31,
		2021 (Un-audited)	2020 (Audited)
		.....(Rupees in '000).....	
Property and equipment	7	95,471	135,471
Intangible assets	8	50,015	61,991
Investment properties	9	641,962	645,896
Investments in associates	10	947,406	911,059
Investments			
Equity securities	11	2,901,825	3,731,766
Debt securities	12	10,988,360	9,747,624
Term deposits	13	153,076	140,467
Loans and other receivables	14	186,742	303,564
Insurance / reinsurance receivables	15	2,702,389	1,074,028
Reinsurance recoveries against outstanding claims		3,544,448	3,231,138
Salvage recoveries accrued		31,821	28,750
Deferred commission expense / acquisition cost	26	280,032	210,288
Prepayments	16	2,964,704	1,688,753
Cash and bank	17	1,870,901	965,862
		27,359,152	22,876,657
Total assets of Window Takaful Operations - Operator's Fund	18	472,932	418,313
Total assets		27,832,084	23,294,970



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive

	Note	September 30,	December 31,
		2021 (Un-audited)	2020 (Audited)
Equity and liabilities			
Capital and reserves attributable to the Company's equity holders			
Authorised share capital: 250,000,000 (December 31, 2020: 250,000,000) ordinary shares of Rs.10 each		2,500,000	2,500,000
Issued, subscribed and paid-up share capital [198,491,241 (December 31, 2020: 198,491,241) ordinary shares of Rs.10 each]		1,984,912	1,984,912
Reserves		6,254,963	5,941,897
Unappropriated profit		1,504,042	1,620,200
Total Equity		9,743,917	9,547,009
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	25	5,237,370	4,807,405
Unearned premium reserves	24	5,187,111	3,465,728
Unearned reinsurance commission	26	190,257	108,839
Deferred taxation - net	19	58,305	232,143
Premium received in advance		165,479	288,059
Insurance / reinsurance payables	20	3,768,342	1,989,235
Other creditors and accruals	21	1,262,693	1,025,929
Deposits and other payables	22	1,597,177	1,424,498
Taxation - provision less payments		316,637	173,500
		17,783,371	13,515,336
Total liabilities of Window Takaful Operations - Operator's Fund	18	304,796	232,625
Total liabilities		18,088,167	13,747,961
Total equity and liabilities		27,832,084	23,294,970
Contingencies and commitments	23		

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the three months and nine months period ended September 30, 2021

	Note	Three months period ended		Nine months period ended	
		September 30,	September 30,	September 30,	September 30,
		2021	2020	2021	2020
		(Rupees in '000).....		(Rupees in '000).....	
Net insurance premium	24	1,365,748	1,204,354	3,909,746	3,666,939
Net insurance claims	25	753,625	891,638	2,189,232	2,294,101
Net commission and other acquisition costs	26	72,517	83,248	239,363	261,271
Insurance claims and acquisition expenses		826,142	974,886	2,428,594	2,555,372
Management expenses		348,233	363,027	1,166,047	1,187,776
Underwriting results		191,372	(133,559)	315,105	(76,209)
Net investment income	27	300,928	795,109	1,209,758	1,366,918
Rental income	28	21,899	21,054	62,765	53,103
Other income	29	38,071	21,437	71,176	89,765
Other expenses		(15,926)	(20,121)	(45,486)	(49,802)
Results of operating activities		536,344	683,920	1,613,318	1,383,775
Share of profit of associates	10	40,622	108,616	134,500	150,809
Profit from Window Takaful Operations	18	48,443	40,429	106,461	92,294
Profit before tax		625,409	832,965	1,854,279	1,626,878
Income tax expense - Current		(174,609)	(216,062)	(539,228)	(488,934)
- Deferred		(5,050)	(22,133)	1,257	20,188
		(179,659)	(238,195)	(537,971)	(468,746)
Profit after tax		445,750	594,770	1,316,308	1,158,132
Earnings (after tax) per share - Rupees	30	2.25	3.00	6.63	5.83

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.



R. Zakir Mahmood
Chairman




Hassan Khan
Chief Executive



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the three months and nine months period ended September 30, 2021

	Three months period ended		Nine months period ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	(Rupees in '000)		(Rupees in '000)	
Profit after tax for the period	445,750	594,770	1,316,308	1,158,132
Other comprehensive income				
<i>Item that will not be reclassified to the profit and loss account in subsequent periods</i>				
Share in actuarial gain on defined benefit plan of an associate - net of tax	-	179	949	1,247
<i>Item that may be reclassified to the profit and loss account in subsequent periods</i>				
Foreign currency translation difference - net of tax	1,457	(14,240)	(2,268)	(14,518)
Unrealised (diminution) / appreciation on revaluation of 'available-for- sale' investments - net of tax	(154,667)	367,492	(251,488)	(2,434)
Reclassification adjustment for net (gain) / loss on sale of available-for-sale investments included in the profit and loss account - net of tax	(30,507)	(126,869)	(167,089)	(184,601)
	(185,174)	240,623	(418,577)	(187,035)
Unrealised (diminution) / appreciation on 'available-for- sale' investments of Window Takaful Operations - net of tax	(3,665)	4,297	(2,155)	(3,417)
Reclassification adjustment for net gain on disposal of available-for-sale investments included in profit and loss account of Window Takaful Operations - net of tax	-	(331)	-	(968)
	(3,665)	3,966	(2,155)	(4,385)
Share in other comprehensive income of an associate				
Net unrealised appreciation / (diminution) on 'available-for- sale' investments - net of tax	1,804	(24,647)	(2,090)	1,001
Foreign currency translation difference - net of tax	151	384	(540)	(684)
	1,955	(24,263)	(2,630)	317
Total comprehensive income for the period	260,323	801,035	891,627	953,758

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.


R. Zakir Mahmood
Chairman

Hassan Khan
Chief Executive

Amyn Currimbhoy
Director

Amin A. Hashwani
Director

Nawaid Jamal
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the three months and nine months period ended September 30, 2021

Attributable to equity holders of the Company										
Share capital	Capital reserve			Revenue reserves				Company's share of money ceded to waqf fund by an associate	Unappropriated profit	Total
	Reserve for exceptional losses	Unrealised appreciation / (diminution) on revaluation of available-for-sale investments - net of tax	Foreign currency translation difference - net of tax	General reserve	Special reserve	Company's share of retained earnings arising from business participating attributable to shareholders Ledger D of an associate				
1,804,465	9,384	627,144	24,729	3,650,000	1,200,000	209,752	32	1,186,555	8,712,061	
-	-	-	-	-	-	-	-	1,158,132	1,158,132	
-	-	-	-	-	-	20,400	-	(20,400)	-	
-	-	-	(14,518)	-	-	-	-	-	(14,518)	
-	-	1,001	(684)	-	-	-	-	1,247	1,564	
-	-	(5,851)	-	-	-	-	-	-	(5,851)	
-	-	(185,569)	-	-	-	-	-	-	(185,569)	
-	-	(190,419)	(15,202)	-	-	20,400	-	1,138,979	953,758	
-	-	-	-	-	-	-	-	(541,340)	(541,340)	
180,447	-	-	-	-	-	-	-	(180,447)	-	
-	-	-	-	150,000	-	-	-	(150,000)	-	
-	-	-	-	200,000	-	-	-	(200,000)	-	
180,447	-	-	-	150,000	200,000	-	-	(1,071,787)	(541,340)	
1,984,912	9,384	436,725	9,527	3,800,000	1,400,000	230,152	32	1,253,747	9,124,479	

(Rupees in '000)

Balance as at December 31, 2019 (audited)

Total comprehensive income
 Profit after taxation
 Share in Ledger D balance of an associate
Other comprehensive income
 Foreign currency translation difference - net of tax
 Share in other comprehensive income of an associate - net of tax
 Net unrealised diminution arising during the period on revaluation of available for sale investments (including WTO) - net of tax
 Reclassification adjustment for net gain on sale of available for sale investments included in the profit and loss account (Including WTO) - net of tax

Transactions with owners recorded directly in equity

Final cash dividend at Rs.3 (30%) per share for the year ended December 31, 2019
 Issuance of bonus shares @ Re. 1.00 per share (10%) for the year ended December 31, 2019
 Transfer to general reserve
 Transfer to special reserve

Balance as at September 30, 2020 (un-audited)

Attributable to equity holders of the Company

Share capital	Capital reserve				Revenue reserves				Total
	Reserve for exceptional losses	Unrealised appreciation / (diminution) on available-for-sale investments - net of tax	Foreign currency translation difference - net of tax	General reserve	Special reserve	Company's share of retained earnings arising from participating business attributable to shareholders Ledger D of an associate	Company's share of money ceded to waqf fund by an associate	Unappropriated profit	
1,984,912	9,384	481,522	9,354	3,800,000	1,400,000	241,605	32	1,620,200	9,547,009
-	-	-	-	-	-	-	-	1,316,308	1,316,308
-	-	-	-	-	-	38,696	-	(38,696)	-
-	-	(2,090)	(2,268)	-	-	-	-	-	(2,268)
-	-	(253,643)	(540)	-	-	-	-	949	(1,681)
-	-	(167,089)	-	-	-	-	-	-	(253,643)
-	-	(422,822)	(2,808)	-	-	38,696	-	1,278,561	891,627
-	-	-	-	-	-	-	-	(694,719)	(694,719)
-	-	-	-	300,000	-	-	-	(300,000)	-
-	-	-	-	-	400,000	-	-	(400,000)	-
-	-	-	-	300,000	400,000	-	-	(1,394,719)	(694,719)
1,984,912	9,384	58,700	6,546	4,100,000	1,800,000	280,301	32	1,504,042	9,743,917

Balance as at December 31, 2020 (audited)

Total comprehensive income

Profit after taxation
 Share in Ledger D balance of an associate
Other comprehensive income
 Foreign currency translation difference - net of tax
 Share in other comprehensive income of an associate
 Net unrealised diminution arising during the period on revaluation of available for sale investments (including WTO) - net of tax
 Reclassification adjustment for net gain on available for sale investments included in profit and loss account (Including WTO) - net of tax

Transactions with owners recorded directly in equity

Final cash dividend at Rs.3.5 (35%) per share for the year ended December 31, 2020
 Transfer to general reserve
 Transfer to special reserve

Balance as at September 30, 2021 (un-audited)

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.


 R. Zakir Mahmood
 Chairman


 Amin A. Hashwani
 Director


 Nawaid Jamal
 Chief Financial Officer

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the nine months period ended September 30, 2021

	Nine months period ended	
	September 30, 2021	September 30, 2020
.....(Rupees in '000).....		
Operating cash flows		
(a) Underwriting activities		
Insurance premium received	7,207,475	6,303,423
Reinsurance premium paid	(2,875,520)	(2,471,644)
Claims paid	(2,477,101)	(2,323,357)
Reinsurance and other recoveries received	423,087	537,301
Commissions paid	(473,706)	(423,308)
Commissions received	292,331	207,075
Management expenses paid	(1,116,280)	(1,012,358)
Net cash generated from underwriting activities	980,286	817,133
(b) Other operating activities		
Income taxes paid	(402,380)	(392,032)
General and administration expenses paid	(10,530)	(19,109)
Other operating payments	(930,028)	(851,641)
Other operating receipts	1,392,474	856,955
Loans advanced	(1,082)	(468)
Loans repayment received	943	834
Net cash generated / (used in) other operating activities	49,397	(405,461)
Total cash generated from all operating activities	1,029,683	411,672
Investment activities		
Profit / return received	733,640	687,483
Dividends received	222,906	134,978
Rentals received - net of expenses	111,381	49,874
Payments for investments	(22,730,363)	(7,476,049)
Proceeds from investments	22,207,563	7,091,441
Fixed capital expenditure	(6,914)	(32,017)
Proceeds from sale of property and equipment	1,879	1,241
Total cash generated from investing activities	540,092	456,951
Financing activities		
Dividends paid	(673,909)	(531,464)
Principal repayment of lease liabilities against right-of-use asset	(5,254)	(18,218)
Total cash used in financing activities	(679,163)	(549,682)
Net cash generated from all activities	890,612	318,941
Cash and cash equivalents at the beginning of the period	980,289	1,199,277
Cash and cash equivalents at the end of the period	1,870,901	1,518,218

	Nine months period ended	
	September 30, 2021	September 30, 2020
.....(Rupees in '000).....		
Reconciliation to profit and loss account		
Operating cash flows	1,029,683	411,672
Depreciation / amortisation expense	(56,721)	(66,220)
(Loss) / gain on sale of property and equipment	(290)	163
Unrealised diminution on revaluation of investments classified as 'at fair value through profit or loss'	(3,671)	(14,042)
Profit on disposal of investments	313,621	657,748
Dividend income	237,932	139,449
Rental income	62,765	53,103
Other investment income	857,474	812,677
Profit for the period from Window Takaful Operations	75,587	65,529
Increase in assets other than cash	3,166,124	2,832,835
(Increase) in liabilities other than borrowings	(4,366,196)	(3,734,781)
Profit after taxation	1,316,308	1,158,132
Cash for the purposes of the Statement of Cash Flows comprises of:		
Cash and other equivalents		
Cash	960	1,019
Policy and revenue stamps and bond papers in hand	4,904	2,528
	5,864	3,547
Cash at bank		
Current accounts	88,102	124,778
Savings accounts	1,776,935	1,360,031
	1,865,037	1,484,809
Deposits having maturity within 3 months (payable on demand)		
Term deposits - local currency	-	-
Term deposits - foreign currency	-	29,862
	-	29,862
	1,870,901	1,518,218
Reconciliation of liabilities arising out of financing activities		
Unclaimed dividend as at January 1	121,872	112,070
<i>Changes from financing activities</i>		
Dividend paid	(673,909)	(531,464)
<i>Others</i>		
Final cash dividend for the year ended December 31, 2020 @ 35% (December 31, 2019: 30%)	694,719	541,340
Unclaimed dividend as at September 30	142,682	121,946

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the nine months period ended September 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Jubilee General Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on May 16, 1953. The Company is listed on the Pakistan Stock Exchange Limited and is engaged in general insurance business. The registered office of the Company is situated at 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi, Pakistan.

The Company was granted authorisation on March 10, 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations (WTO) in respect of general takaful products by the Securities and Exchange Commission of Pakistan (the SECP) and subsequently the Company commenced Window Takaful Operations on May 7, 2015.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the format prescribed under Insurance Rules, 2017 and these should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2020.

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the 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, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019 shall prevail.

2.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2020.

2.3 A separate set of condensed interim financial statements of the Window Takaful Operations has been annexed to these condensed interim financial statements as per the requirements of the General Takaful Accounting Regulations, 2019.

2.4 In accordance with the requirements of the General Takaful Accounting Regulations, 2019, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations of the Company have been presented as a single line item in the condensed interim statement of financial position and the condensed interim profit and loss account of the Company respectively.

2.5 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except certain investments which are stated at their fair values.

2.6 Functional and presentation currency

These condensed interim financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

2.7 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period

There are certain amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2021 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been stated in these condensed interim financial statements.

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

The following standard, amendment and interpretations of accounting and reporting standards as applicable in Pakistan will be effective for accounting periods beginning on or after January 1, 2022:

Standard and amendments	Effective date (period beginning on or after)
- IAS 16 - 'Property, plant and equipment' (amendments)	January 1, 2022
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2023
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (amendments)	January 1, 2023
- IFRS 9 - 'Financial Instruments'	January 1, 2023*

* The management has opted for temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details relating to temporary exemption from the application of IFRS 9 are given in notes 2.8.1 and 2.8.1.1 to these condensed interim financial statements.

The management is in the process of assessing the impacts of these standards and amendments on the condensed interim financial statements.

2.8.1 Temporary exemption from application of IFRS 9

As an insurance company, the management has opted for temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 2.8.1.1 below.

2.8.1.1 Fair value of financial assets as at September 30, 2021 and change in the fair values during the nine months period ended September 30, 2021

Financial assets with contractual cash flows that meet the SPPI criteria, excluding those held for trading	As at September 30, 2021 (Rupees in '000)
<i>Pakistan Investment Bonds - Held to maturity (note 12)</i>	
Opening fair value	212,283
Additions / (disposals) during the period - net	(160,000)
Decrease in fair value	(1,698)
Closing fair value	50,585
<i>Debt Securities Available for sale - Available for sale (note 12)</i>	
Opening fair value	9,539,055
Additions / (disposals) during the period - net	1,526,570
Decrease in fair value	(129,200)
Closing fair value	10,936,425
Financial assets that do not meet the SPPI criteria	
<i>Equity Securities - Available for sale (note 11)</i>	
Opening fair value	3,731,766
Additions / (disposals) during the period - net	(516,569)
Decrease in fair value	(460,356)
Closing fair value	2,754,841

2.8.2 There are certain other amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or will not have significant effect on the Company's operations and are therefore not stated in these condensed interim financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation followed in these condensed interim financial statements are same as compared to the annual audited financial statements of the Company as at and for the year ended December 31, 2020.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. Estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial statements, the significant judgments, estimates and assumptions made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2020, except as disclosed in note 4.1 below:

- 4.1 The estimated residual values of the tracker equipment have been reviewed and based on the historical experience, the estimated residual values have been revised from 5% to 0% of its cost. The change has been accounted for as change in accounting estimate in accordance with the requirements of International Accounting Standard (IAS - 8) "Accounting policies, Changes in Estimates and Errors" whereby the effect of the change has been recognised prospectively. Had the Company's accounting estimate not been changed, the carrying amount of property and equipment of the Company and the profit after tax for the period ended September 30, 2021 would have been higher by Rs. 5,961 thousands and Rs. 4,232 thousands respectively.

5. INSURANCE AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2020.

6. PREMIUM DEFICIENCY RESERVE

No provision has been made in the condensed interim financial statements as the unearned premium reserve for each class of business at period end is adequate to meet the expected future liability after reinsurance from claims and other expenses expected to be incurred after the reporting date in respect of policies in force at the reporting date.

		September 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
7.	PROPERTY AND EQUIPMENT	Note	
	Operating assets	7.1	135,471
7.1	The break-up of operating assets as at the period / year end is given below:		
	Buildings	4,102	4,272
	Furniture and fixtures	23,550	27,707
	Office equipment	29,527	35,329
	Tracker equipment	12,401	28,453
	Motor vehicles	6,429	7,034
	Computers and related accessories	17,110	21,435
	Right-of-use asset - building	2,352	11,241
		95,471	135,471
7.2	Movement of property and equipment during the period / year is as follows :		
	Opening book value	135,471	191,199
	Add: Additions during the period / year		
	Owned assets	2,390	13,124
		137,861	204,323
	Less: Net book value of assets disposed of during the period / year	(2,169)	(3,071)
	Less: Depreciation for the period / year	(40,221)	(65,781)
		95,471	135,471

		September 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
8.	INTANGIBLE ASSETS	Note	
	Computer Software	8.1	50,015
8.1	Movement of intangible assets during the period / year is as follows:		
	Opening book value		61,991
	Add: Additions during the period / year		4,524
	Less: Amortisation for the period / year		66,515
			(16,500)
			50,015

9. INVESTMENT PROPERTIES

The market value of the investment properties as per the valuations carried out by the professional valuers in 2019 and as ascertained by the management is Rs. 3,453,729 thousands. (December 31, 2020 : Rs. 3,453,729 thousands).

10. INVESTMENTS IN ASSOCIATES

		September 30,	December 31,			September 30,	December 31,
		2021	2020	Face value per share		2021	2020
		Number of shares		(Rupees)		(Un-audited)	(Audited)
					Note	..... (Rupees in '000)	
Quoted							
		5,611,592	5,611,592	10	10.1	793,877	766,222
		29,250,000	29,250,000	1	10.2	153,529	144,837
					10.3	947,406	911,059

- 10.1** JLICL is engaged in the business of life insurance. The market value of investment and percentage of holding in associate are Rs. 1,527,475 thousands and 6.43% (December 31, 2020: Rs. 2,233,919 thousands and 6.43% respectively) respectively.
- 10.2** Jubilee Kyrgyzstan Insurance Company (JKIC) is a Closed Joint Stock Company (CJSC) engaged in life and non-life insurance business. The Company holds 19.5% (December 31, 2020: 19.5%) shares in JKIC. The break-up value of the investment based on management accounts for the nine months period ended September 30, 2021 is Rs. 5.39 per share (December 31, 2020: Rs. 4.76).
- 10.3** Movement of investment in associates is as follows:

	JLICL		JKIC		Total	
	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
..... (Rupees in '000)						
Balance at beginning of period / year	766,222	679,026	144,837	147,556	911,059	826,582
Share of profit during the period / year	122,614	169,741	11,886	19,273	134,500	189,014
Less: Dividend received during the period / year	(92,591)	(85,704)	-	(2,274)	(92,591)	(87,978)
Foreign currency translation difference	(760)	(1,936)	(3,194)	(19,718)	(3,954)	(21,654)
Unrealised (diminution) / appreciation on available-for-sale investments	(2,943)	4,840	-	-	(2,943)	4,840
Actuarial gain on defined benefit plan	1,335	255	-	-	1,335	255
Balance at end of the period / year	793,877	766,222	153,529	144,837	947,406	911,059

11. INVESTMENTS IN EQUITY SECURITIES

	(Un-audited)		(Audited)	
	September 30, 2021		December 31, 2020	
	Carrying value	Market value	Carrying value	Market value
(Rupees in '000)				
Available-for-sale				
Related parties				
Listed shares	620,975	466,925	620,975	564,836
Mutual funds	1,268	4,895	1,268	5,078
	<u>622,243</u>	<u>471,820</u>	<u>622,243</u>	<u>569,914</u>
Others				
Listed shares / certificates	2,159,143	2,280,521	2,675,713	3,159,352
Unlisted shares	2,500	2,500	2,500	2,500
	<u>2,161,643</u>	<u>2,283,021</u>	<u>2,678,213</u>	<u>3,161,852</u>
At fair value through profit or loss				
Listed shares	150,655	146,984	-	-
Total	<u>2,934,541</u>	<u>2,901,825</u>	<u>3,300,456</u>	<u>3,731,766</u>

12. INVESTMENTS IN DEBT SECURITIES

		(Un-audited)		(Audited)	
		September 30, 2021		December 31, 2020	
		Carrying value	Market value	Carrying value	Market value
(Rupees in '000)					
Government securities					
Held to maturity					
Pakistan Investment Bonds	12.1	51,935	51,935	208,568	208,568
Available-for-sale					
Pakistan Investment Bonds	12.1	2,311,924	2,436,030	3,285,975	3,534,550
Treasury Bills		8,504,438	8,500,395	6,003,818	6,004,506
		<u>10,816,362</u>	<u>10,936,425</u>	<u>9,289,793</u>	<u>9,539,056</u>
Total		<u>10,868,297</u>	<u>10,988,360</u>	<u>9,498,361</u>	<u>9,747,624</u>

12.1 Pakistan Investment Bonds with face value of Rs. 200,000 thousands (December 31, 2020: Rs. 210,000 thousands) are placed with the State Bank of Pakistan under Section 29 of the Insurance Ordinance, 2000.

13. INVESTMENTS IN TERM DEPOSITS

		September 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
(Rupees in '000)			
Held to maturity			
Deposits maturing within 12 months			
Term deposits - local currency	13.1 & 13.2	29,500	29,860
Term deposits - foreign currency		123,576	110,607
		<u>153,076</u>	<u>140,467</u>

13.1 This includes Rs.4,500 thousands (December 31, 2020: Rs.4,860 thousands) placed under lien with commercial banks against bank guarantees.

13.2 This includes an amount of Rs. 25,000 thousands (2020: Rs. 25,000 thousands) held with a related parties.

14. LOANS AND OTHER RECEIVABLES - CONSIDERED GOOD

		September 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
(Rupees in '000)			
Rent receivable	14.1	-	2,547
Accrued investment income		52,932	134,089
Security deposit		33,557	66,912
Advance to suppliers		74,606	64,158
Sales tax recoverable		14,753	18,385
Loans to employees		865	726
Medical claims recoverable		6,585	8,406
Receivables against sale of investment		-	5,042
Other receivables		3,444	3,299
		<u>186,742</u>	<u>303,564</u>

14.1 This represent receivable from a related party as at December 31 ,2020: Rs. 2,547.

		September 30, 2021	December 31, 2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
15. INSURANCE / RE-INSURANCE RECEIVABLES			
	Note		
Due from insurance contract holders	15.1	2,790,107	1,140,113
Less: provision for impairment of receivables from insurance contract holders		(174,961)	(174,961)
		<u>2,615,146</u>	<u>965,152</u>
Due from other insurers / reinsurers		104,242	125,876
Less: provision for impairment of due from other insurers / re-insurers		(17,000)	(17,000)
		<u>87,242</u>	<u>108,876</u>
		<u>2,702,388</u>	<u>1,074,028</u>

15.1 Due from insurance contract holders includes Rs. 145,230 thousands (December, 31 2020: Rs. 101,510 thousands) due from related parties.

16. PREPAYMENTS

Prepaid reinsurance premium ceded	2,905,474	1,663,576
Prepaid rent	24,955	10,278
Prepaid miscellaneous expenses	34,275	14,899
	<u>2,964,704</u>	<u>1,688,753</u>

17. CASH AND BANK

Cash and cash equivalents

- Cash in hand	960	31
- Policy, revenue stamps and bond papers	4,904	4,149
	<u>5,864</u>	<u>4,180</u>

Cash at bank

- Current accounts	88,102	55,957
- Savings accounts	1,776,935	905,725
	<u>1,865,037</u>	<u>961,682</u>

17.1 1,870,901 965,862

17.1 Cash at bank includes Rs. 78,475 thousands (December 2020: Rs. 55,418 thousands) held with related parties.

		September 30, 2021	December 31, 2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
18. WINDOW TAKAFUL OPERATIONS			
Assets			
Cash and bank deposits		188,603	210,422
Investments		56,472	54,786
Property and equipment and Intangible assets		2,323	3,799
Other assets		225,534	149,306
Total assets		<u>472,932</u>	<u>418,313</u>
Total liabilities - current		<u>304,796</u>	<u>232,625</u>

		(Un-audited)	(Un-audited)
		Three months period ended September 30, September 30,	Nine months period ended September 30, September 30,
		2021	2020
		2021	2020
		.....(Rupees in '000).....	
Profit before tax for the period		<u>48,443</u>	<u>40,429</u>
		<u>106,461</u>	<u>92,294</u>

Details of assets and liabilities and segment disclosures of Window Takaful Operations are stated in the annexed condensed interim financial statements of Window Takaful Operations.

		September 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
19.	DEFERRED TAXATION - NET		
	Deferred tax (assets) / liabilities arising in respect of:		
	Accelerated tax depreciation	(4,755)	(3,065)
	Share of profit of associates	252,390	239,444
	Right-of-use assets - net	682	1,736
	Provision for doubtful debts	(55,669)	(55,669)
	Impairment in available for sale investment	(70,417)	(70,417)
	Other provisions	(68,852)	(57,393)
		<u>53,379</u>	<u>54,636</u>
	Foreign currency translation difference	2,638	3,564
	Unrealised appreciation on revaluation of available-for-sale investments	25,755	196,723
	Share in other comprehensive income of an associate	684	1,758
	Actuarial loss on defined benefit plan	(24,151)	(24,538)
		<u>58,305</u>	<u>232,143</u>
20.	INSURANCE/ REINSURANCE PAYABLES		
	Due to insurance contract holders	114,275	50,467
	Due to other insurers / reinsurers	3,654,067	1,938,768
		<u>3,768,342</u>	<u>1,989,235</u>
21.	OTHER CREDITORS AND ACCRUALS		
	Agent commission payable	515,554	469,240
	Federal excise duty and sales tax	120,308	45,317
	Federal insurance fee	5,597	2,941
	Sindh Workers' Welfare Fund	266,858	231,902
	Tax deducted at source	14,399	6,544
	Accrued expenses	77,899	50,957
	Claims payable - stale cheques	70,960	61,335
	Unpaid and unclaimed dividend	142,682	121,872
	Payable against purchase of investments	11,476	-
	Lease liability against right-of-use assets	-	5,097
	Others	36,960	30,724
		<u>1,262,693</u>	<u>1,025,929</u>
22.	DEPOSITS AND OTHER PAYABLES		
	Advance rent	64,344	22,210
	Security deposits against bond insurance	1,525,040	1,400,696
	Other deposits	7,793	1,592
		<u>1,597,177</u>	<u>1,424,498</u>
22.1	This includes an amount of Rs. 32,746 thousands (December 31, 2020 : Rs. 12,367 thousands) payable to a related party.		
22.2	This represents margin deposit on account of performance and other bond policies issued by the Company.		

23. CONTINGENCIES

The status of the contingencies remains unchanged as disclosed in the annual audited financial statements as at December 31, 2020 except for the following:

Under the Punjab Sales Tax Services Act, 2012, the health insurance service provided in the province of Punjab was exempted from the chargeability of sales tax upto October 30, 2018. The aforesaid exemption had been withdrawn through the Punjab Finance Act, 2018 by amending Second Schedule of the Punjab Sales Tax Services Act, 2012 with effect from November 01, 2018. During the year ended December 31, 2020, the Punjab Revenue Authority (PRA) vide notification no. SO(TAX)1-110/2020 (COVID-19) dated April 2, 2020 revised the rate of sales tax on health insurance to zero percent for the period from April 2, 2020 till June 30, 2020. The Company has not yet billed its customers for health insurance services provided in the province of Punjab for the provincial sales tax for the periods from November 1, 2018 to April 1, 2020 and from July 1, 2020 till September 30, 2021. This matter is already taken up by the insurance industry with the Punjab Revenue Authority in the context of exemption available from the applicability of the sales tax on health insurance in other provinces and in federal territory as well. The management believes that the amount not yet billed aggregating to Rs. 202.494 million (December 31, 2020: Rs. 133.369 million) by the Company would be recoverable from the customers in case of any adverse outcome of the aforementioned negotiations.

(Un-audited)		(Un-audited)	
Three months period ended		Nine months period ended	
September 30,	September 30,	September 30,	September 30,
2021	2020	2021	2020

(Rupees in '000)

24. NET INSURANCE PREMIUM

Written gross premium	3,377,080	3,038,695	8,980,049	7,753,995
Add: Unearned premium reserve opening	4,385,522	3,726,861	3,465,728	3,556,851
Less: Unearned premium reserve closing	5,187,111	4,450,839	5,187,111	4,450,839
Premium earned	2,575,491	2,314,717	7,258,667	6,860,007
Less: Reinsurance premium ceded	1,632,703	1,375,077	4,590,819	3,779,184
Add: Prepaid reinsurance premium opening	2,482,514	1,940,362	1,663,576	1,618,960
Less: Prepaid reinsurance premium closing	2,905,474	2,205,076	2,905,474	2,205,076
Reinsurance expense	1,209,743	1,110,363	3,348,919	3,193,068
	1,365,748	1,204,354	3,909,746	3,666,939

25. NET INSURANCE CLAIMS

Claims paid	692,028	956,374	2,477,101	2,323,357
Add: Outstanding claims including IBNR closing	5,237,370	5,779,534	5,237,370	5,779,534
Less: Outstanding claims including IBNR opening	4,957,515	5,364,829	4,807,405	4,240,397
Claims expense	971,883	1,371,079	2,907,066	3,862,494
Reinsurance and other recoveries received	103,444	238,883	401,453	517,738
Add: Reinsurance and other recoveries received in respect of outstanding claims closing	3,576,269	4,029,567	3,576,269	4,029,567
Less: Reinsurance and other recoveries received in respect of outstanding claims opening	3,461,455	3,789,009	3,259,888	2,978,912
Reinsurance and other recoveries revenue	218,258	479,441	717,834	1,568,393
	753,625	891,638	2,189,232	2,294,101

26. NET COMMISSION AND OTHER ACQUISITION COSTS

Commission paid or payable	200,048	179,649	520,020	447,528
Add: Deferred commission expense opening	230,480	210,489	210,288	247,849
Less: Deferred commission expense closing	280,032	245,509	280,032	245,509
Net commission	150,496	144,629	450,276	449,868
Less: Commission received or receivable	124,988	88,479	292,331	207,075
Add: Unearned reinsurance commission opening	143,248	108,974	108,839	117,594
Less: Unearned reinsurance commission closing	190,257	136,072	190,257	136,072
Commission from reinsurers	77,979	61,381	210,913	188,597
	72,517	83,248	239,363	261,271

		(Un-audited)		(Un-audited)	
		Three months period ended		Nine months period ended	
		September 30, 2021		September 30, 2020	
		2021	2020	2021	2020
27. NET INVESTMENT INCOME		Note (Rupees in '000)			
Income from equity securities					
<i>Available for sale</i>					
Dividend income					
- Related parties					
- Others					
		11,321	-	34,579	10,675
		62,694	20,501	199,462	117,290
		74,015	20,501	234,041	127,965
<i>Fair value through profit or loss</i>					
Dividend income - others					
		2,434	-	3,891	11,484
Income from debt securities					
<i>Held to maturity</i>					
- Return on government securities					
- Amortisation of discount - net					
		1,696	4,198	9,860	12,406
		33	1,587	3,367	4,543
		1,729	5,785	13,227	16,949
<i>Available for sale</i>					
- Return on government securities					
- Amortisation of discount - net					
		201,379	172,262	583,413	537,201
		19,248	29,691	82,148	84,735
		220,627	201,953	665,561	621,936
Income from term deposits					
- Return on term deposits					
27.1		4,600	8	7,326	3,455
Net realised gains / (losses) on investments					
<i>Available for sale</i>					
- Gain on sale of equity securities					
- Loss on sale of equity securities					
- Gain on sale of Government securities					
		11,952	496,153	323,686	621,528
		(2,769)	10,991	(16,673)	(17,045)
		-	-	(1)	2,715
		9,183	507,144	307,012	607,198
<i>Fair value through profit or loss</i>					
- Gain on sale of equity securities					
- Loss on sale of equity securities					
		(13)	50,123	8,604	71,865
		(549)	(21,193)	(1,995)	(21,315)
		(562)	28,930	6,609	50,550
Net unrealised (loss) / gain on investments at fair value through profit or loss					
		(4,018)	36,869	(3,671)	(14,042)
Total investment income					
		308,008	801,190	1,233,996	1,425,495
Less: Impairment in value of available for sale equity securities					
		-	-	-	(42,483)
Less: Investment related expenses					
		(7,080)	(6,081)	(24,238)	(16,094)
		300,928	795,109	1,209,758	1,366,918
27.1	This includes Rs. 1,651 thousands (September 30, 2020: Rs. 1,990 thousands) in respect of return on term deposits held with a related party.				
28. RENTAL INCOME					
		34,896	29,641	99,026	78,948
		(12,997)	(8,587)	(36,261)	(25,845)
		21,899	21,054	62,765	53,103
29. OTHER INCOME					
		27,800	23,305	61,096	78,105
29.1		9,916	(2,004)	7,621	9,879
		6	8	17	26
		171	-	2,732	1,592
		178	128	(290)	163
		38,071	21,437	71,176	89,765
29.1	This includes Rs. 7,645 thousands (September 30, 2020: Rs. 27,716 thousands) in respect of return on bank balances held with a related party.				

30. EARNINGS PER SHARE - BASIC AND DILUTED

Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of shares as at the period end as follows:

	(Un-audited)		(Un-audited)	
	Three months period ended September 30,		Nine months period ended September 30,	
	2021	2020	2021	2020
	(Rupees in '000)			
Profit after taxation	445,750	594,770	1,316,308	1,158,132
	(Number of shares in '000)			
Weighted average number of shares of Rs.10 each	198,491	198,491	198,491	198,491
	(Rupees)			
Earnings per share of Rs.10 each - basic and diluted	2.25	3.00	6.63	5.83

30.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

31. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, companies under common control, companies with common directors, major shareholders, directors, key management personnel and employees' funds. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The transactions and balances with related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	(Un-audited)		(Un-audited)	
	Three months period ended September 30,		Nine months period ended September 30,	
	2021	2020	2021	2020
	(Rupees in '000)			
Associated companies				
Insurance premium written (including government levies, administrative surcharge and policy stamps)	463,824	504,559	790,417	712,851
Insurance premium received / adjusted during the period	381,175	398,452	711,349	676,906
Insurance claims paid	61,900	146,358	276,391	221,212
Commission paid	1,689	3,499	10,397	9,968
Purchases of goods and services	-	-	21,006	20,450
Dividend income	-	-	34,579	10,675
Dividend received from associates under equity method	16,835	16,835	92,591	85,704
Dividend paid	-	-	493,026	391,197
Rent income	17,951	16,969	60,442	37,760
Reimbursement of expenses *	5,175	9,174	29,325	28,511
Director's fee	-	-	525	225
Key management personnel				
Remuneration	25,380	28,825	94,198	74,572
Dividend paid	-	-	137	945
Employees' funds				
Contribution to provident fund	8,209	7,558	25,258	22,884
Provision for gratuity fund	8,250	8,250	23,400	24,750
Others				
Insurance premium written (including government levies, administrative surcharge and policy stamps)	288	224	644	308
Insurance premium received / adjusted during the period	53	114	453	288
Expense allocated to Window Takaful Operations	22,441	21,700	74,400	72,775
Claims paid	15	10	27	10
Rent income	670	683	1,924	1,790
Directors' fee	1,350	2,175	4,125	4,275
Dividend paid	-	-	10,582	10,590

* These expenses pertain to accident and health business and common back office operations jointly shared with Jubilee Life Insurance Company Limited, an associated company.

32. SEGMENT INFORMATION

Following segment information prepared in accordance with the requirements of the Insurance Ordinance, 2000 and the Insurance Rules, 2017 for class wise revenues, results, assets and liabilities:

The class wise revenues and results are as follows:

	For the three months period ended September 30, 2021 (Un-audited)						Total
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	
	(Rupees in '000)						
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	1,783,069	292,749	507,618	98,926	504,652	624,628	3,811,642
Less: Federal Excise Duty / Sales Tax	214,865	31,784	60,269	11,974	-	72,902	391,794
Federal Insurance Fee	15,698	2,490	4,399	898	4,995	5,443	33,923
Others	(238)	9,483	(743)	4	198	141	8,845
Gross written premium (inclusive of Administrative Surcharge)	1,552,744	248,992	443,693	86,050	499,459	546,142	3,377,080
- Gross direct premium	1,547,456	243,401	433,699	85,840	499,459	541,303	3,351,158
- Facultative inward premium	1,802	-	-	-	-	2,389	4,191
- Administrative surcharge	3,486	5,591	9,994	210	-	2,450	21,731
	1,552,744	248,992	443,693	86,050	499,459	546,142	3,377,080
Insurance premium earned	1,019,411	230,990	366,910	73,441	428,103	456,636	2,575,491
Insurance premium ceded to reinsurers	757,589	39,418	(1,330)	62,690	952	350,424	1,209,743
Net insurance premium	261,822	191,572	368,240	10,751	427,151	106,212	1,365,748
Commission income	33,349	1,837	237	6,997	-	35,558	77,978
Net underwriting income	295,171	193,410	368,477	17,748	427,151	141,770	1,443,726
Insurance claims	196,820	16,147	172,040	151,717	374,395	60,764	971,883
Insurance claims recovered from reinsurer	69,185	(57,889)	1,510	147,842	12,405	45,204	218,258
Net claims	127,635	74,036	170,530	3,875	361,990	15,560	753,625
Commission expense	52,362	29,528	29,070	2,073	16,558	20,903	150,495
Management expense	80,094	47,011	94,302	6,547	41,648	78,631	348,233
Net insurance claims and expenses	260,091	150,574	293,902	12,495	420,196	115,095	1,252,353
Underwriting result	35,079	42,835	74,575	5,253	6,955	26,675	191,372
Net investment income							300,928
Rental income							21,899
Other income							38,071
Other expenses							(15,926)
Share of loss of associates							40,622
Profit from Window Takaful Operations							48,443
Profit before tax							625,409

For the nine months period ended September 30, 2021 (Un-audited)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	4,413,242	827,030	1,353,681	332,439	1,408,660	1,819,145	10,154,197
Less: Federal Excise Duty / Sales Tax	536,623	89,317	161,677	54,728	-	217,448	1,059,793
Federal Insurance Fee	38,248	7,020	11,785	2,753	13,944	15,706	89,456
Others	(1,860)	28,408	(1,446)	11	358	(572)	24,899
Gross written premium (inclusive of Administrative Surcharge)	3,840,231	702,285	1,181,665	274,947	1,394,358	1,586,563	8,980,049
- Gross direct premium	3,826,893	685,724	1,152,731	274,207	1,394,358	1,561,705	8,895,618
- Facultative inward premium	5,709	-	-	-	-	18,761	24,470
- Administrative surcharge	7,629	16,561	28,934	740	-	6,097	59,961
	3,840,231	702,285	1,181,665	274,947	1,394,358	1,586,563	8,980,049
Insurance premium earned	2,648,068	666,865	1,068,549	252,102	1,314,884	1,308,198	7,258,667
Insurance premium ceded to reinsurers	1,956,333	143,469	26,615	227,191	3,854	991,458	3,348,919
Net insurance premium	691,735	523,396	1,041,935	24,910	1,311,031	316,740	3,909,746
Commission income	87,075	5,395	611	19,590	-	98,242	210,913
Net underwriting income	778,810	528,791	1,042,547	44,500	1,311,031	414,982	4,120,659
Insurance claims	708,157	244,493	468,067	123,930	1,142,910	219,511	2,907,066
Insurance claims recovered from reinsurer	385,400	5,134	9,017	120,057	41,126	157,102	717,834
Net claims	322,756	239,360	459,050	3,873	1,101,784	62,409	2,189,232
Commission expense	156,236	93,515	88,394	5,860	50,016	56,254	450,276
Management expense	268,191	157,416	315,766	21,922	139,459	263,293	1,166,047
Net insurance claims and expenses	747,183	490,291	863,210	31,655	1,291,260	381,957	3,805,555
Underwriting result	31,627	38,500	179,336	12,845	19,771	33,025	315,105
Net investment income							1,209,758
Rental income							62,765
Other income							71,176
Other expenses							(45,486)
Share of profit of associates							134,500
Profit from Window Takaful Operations							106,461
Profit before tax							1,854,279

For the three months period ended September 30, 2020 (Un-audited)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	1,448,138	211,731	464,150	82,446	660,124	523,683	3,390,272
Less: Federal Excise Duty / Sales Tax	171,550	22,357	55,201	9,776	-	63,265	322,149
Federal Insurance Fee	12,682	1,811	4,044	721	6,534	4,586	30,378
Others	(6,797)	6,081	(622)	2	164	222	(950)
Gross written premium (inclusive of Administrative Surcharge)	1,270,703	181,482	405,527	71,947	653,426	455,610	3,038,695
- Gross direct premium	1,268,038	176,719	395,710	71,734	653,426	453,440	3,019,067
- Facultative inward premium	-	-	-	-	-	-	-
- Administrative surcharge	2,665	4,763	9,817	213	-	2,170	19,628
	1,270,703	181,482	405,527	71,947	653,426	455,610	3,038,695
Insurance premium earned	783,270	152,570	341,160	151,697	415,066	470,954	2,314,717
Insurance premium ceded to reinsurers	554,015	28,632	13,949	144,702	750	368,314	1,110,363
Net Insurance premium	229,255	123,938	327,210	6,995	414,316	102,639	1,204,354
Commission income	22,308	1,155	92	6,776	-	31,049	61,381
Net underwriting income	251,564	125,093	327,302	13,770	414,316	133,689	1,265,735
Insurance claims	572,324	98,130	179,994	57,805	365,920	96,906	1,371,079
Insurance claims recovered from reinsurer	311,994	21,271	14,175	56,303	-	75,697	479,441
	260,329	76,859	165,819	1,502	365,920	21,209	891,638
Commission expense	51,950	20,101	30,355	2,220	17,238	22,765	144,629
Management expense	88,630	45,859	93,239	7,308	43,071	84,920	363,027
Net insurance claims and expenses	400,909	142,819	289,413	11,030	426,229	128,894	1,399,295
Underwriting result	(149,346)	(17,726)	37,890	2,741	(11,912)	4,794	(133,559)
Net investment income							795,109
Rental income							21,054
Other income							21,437
Other expenses							(20,121)
Share of profit of associates							108,616
Profit from Window Takaful Operations							40,429
Profit before tax							832,965

For the nine months period ended September 30, 2020 (Un-audited)							
Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total	
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	3,047,962	566,515	1,243,691	633,934	1,434,682	1,788,639	8,715,423
Less: Federal Excise Duty / Sales Tax	365,850	61,178	148,210	73,242	-	220,973	869,453
Federal Insurance Fee	26,581	4,819	10,797	5,551	14,200	15,489	77,437
Others	(8,247)	17,335	3,735	66	489	1,160	14,538
Gross written premium (inclusive of Administrative Surcharge)	2,663,778	483,183	1,080,949	555,075	1,419,993	1,551,017	7,753,995
- Gross direct premium	2,656,849	470,353	1,053,109	554,496	1,419,993	1,532,718	7,687,518
- Facultative inward premium	-	-	-	-	-	13,175	13,175
- Administrative surcharge	6,929	12,830	27,840	579	-	5,124	53,302
	2,663,778	483,183	1,080,949	555,075	1,419,993	1,551,017	7,753,995
Insurance premium earned	2,230,434	468,185	1,035,150	452,187	1,287,390	1,386,661	6,860,007
Insurance premium ceded to reinsurers	1,566,528	75,421	41,678	431,371	1,875	1,076,195	3,193,068
Net Insurance premium	663,906	392,764	993,472	20,816	1,285,515	310,466	3,666,939
Commission income	65,306	2,414	379	20,733	-	99,764	188,597
Net underwriting income	729,212	395,178	993,850	41,549	1,285,515	410,230	3,855,535
Insurance claims	1,590,276	206,004	430,209	136,119	1,028,449	471,437	3,862,494
Insurance claims recovered from reinsurer	1,039,003	42,532	15,029	133,561	-	338,267	1,568,393
	551,273	163,472	415,180	2,558	1,028,449	133,171	2,294,101
Commission expense	159,263	65,278	93,687	7,079	55,453	69,108	449,868
Management expense	289,986	150,044	305,065	23,912	140,922	277,846	1,187,776
Net insurance claims and expenses	1,000,522	378,794	813,933	33,549	1,224,824	480,125	3,931,745
Underwriting result	(271,309)	16,384	179,918	8,001	60,691	(69,895)	(76,209)
Net investment income							1,366,918
Rental income							53,103
Other income							89,765
Other expenses							(49,802)
Share of profit of associates							150,809
Profit from Window Takaful Operations							92,294
Profit before tax							1,626,878

The class wise assets and liabilities are as follows:

As at September 30, 2021 (un-audited)							
Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total	
(Rupees in '000)							
Segment assets	4,024,057	364,149	511,911	1,614,907	515,517	2,433,624	9,464,165
Unallocated corporate assets							17,894,987
Unallocated assets of Window Takaful Operation - Operator's Fund							472,932
Consolidated total assets							27,832,084
Segment liabilities	5,893,950	960,673	1,707,569	1,740,353	1,914,881	3,451,144	15,668,570
Unallocated corporate liabilities							2,114,801
Unallocated liabilities of Window Takaful Operation - Operator's Fund							304,796
Consolidated total liabilities							18,088,167

As at December 31, 2020 (Audited)							
Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total	
(Rupees in '000)							
Segment assets	2,262,546	170,284	274,710	1,447,793	228,847	1,832,006	6,216,186
Unallocated corporate assets							16,660,471
Unallocated assets of Window Takaful Operation - Operator's Fund							418,313
Consolidated total assets							23,294,970
Segment liabilities	3,697,386	585,691	1,242,150	1,601,219	1,447,009	2,752,889	11,326,344
Unallocated corporate liabilities							2,189,012
Unallocated liabilities of Window Takaful Operation - Operator's Fund							232,625
Consolidated total liabilities							13,747,961

33. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

33.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

September 30, 2021 (Un-audited)										
At fair value through profit or loss	Available-for-sale	Held-to-maturity	Loans and receivables	Investments in associates	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investments										
- Equity securities	146,984	2,752,341	-	-	-	2,899,325	2,894,430	4,895	-	2,899,325
- Debt securities	-	10,936,425	-	-	-	10,936,425	-	10,936,425	-	10,936,425
Assets of Window Takaful Operations - Operator's Fund										
-	56,472	-	-	-	-	56,472	56,472	-	-	56,472
Financial assets not measured at fair value										
Investments										
- Equity securities*	-	2,500	-	-	-	2,500	-	-	-	-
- Debt securities	-	-	51,935	-	-	51,935	-	-	-	-
- Term deposits*	-	-	153,076	-	-	153,076	-	-	-	-
Loans and other receivables*	-	-	-	97,382	-	97,382	-	-	-	-
Insurance / reinsurance receivables*	-	-	-	2,702,389	-	2,702,389	-	-	-	-
Reinsurance recoveries against outstanding claims*										
-	-	-	3,544,448	-	-	3,544,448	-	-	-	-
Salvage recoveries accrued*	-	-	-	31,821	-	31,821	-	-	-	-
Cash and bank*	-	-	-	1,870,901	-	1,870,901	-	-	-	-
Assets of Window Takaful Operations - Operator's Fund*										
-	-	-	338,757	-	-	338,757	-	-	-	-
Financial liabilities not measured at fair value										
Outstanding claims including IBNR*	-	-	-	-	(5,237,370)	(5,237,370)	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	(3,768,342)	(3,768,342)	-	-	-	-
Other creditors and accruals*	-	-	-	-	(855,531)	(855,531)	-	-	-	-
Deposits and other payables*	-	-	-	-	(1,532,833)	(1,532,833)	-	-	-	-
Total liabilities of Window Takaful Operations - Operator's Fund*										
-	-	-	-	-	(54,173)	(54,173)	-	-	-	-
146,984	13,747,738	205,011	8,585,699	-	(11,448,249)	11,237,183	2,950,902	10,941,320	-	13,892,222

December 31, 2020 (Audited)										
At fair value through profit or loss	Available-for-sale	Held-to-maturity	Loans and receivables	Investments in associates	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investments										
- Equity securities	3,729,266	-	-	-	-	3,729,266	3,724,188	5,078	-	3,729,266
- Debt securities	9,539,056	-	-	-	-	9,539,056	-	9,539,056	-	9,539,056
Assets of Window Takaful Operations -										
Operator's Fund	54,786	-	-	-	-	54,786	54,786	-	-	54,786
Financial assets not measured at fair value										
Investments										
- Equity securities*	2,500	-	-	-	-	2,500	-	-	-	-
- Debt securities	-	208,568	-	-	-	208,568	-	212,283	-	212,283
- Term deposits*	-	140,467	-	-	-	140,467	-	-	-	-
Loans and other receivables*	-	-	221,021	-	-	221,021	-	-	-	-
Insurance / reinsurance receivables*	-	-	1,074,028	-	-	1,074,028	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	3,231,138	-	-	3,231,138	-	-	-	-
Salvage recoveries accrued*	-	-	28,750	-	-	28,750	-	-	-	-
Cash and bank*	-	-	965,862	-	-	965,862	-	-	-	-
Assets of Window Takaful Operations -										
Operator's Fund*	-	-	293,911	-	-	293,911	-	-	-	-
Financial liabilities not measured at fair value										
Provision for outstanding claims (including IBNR)*	-	-	-	-	(4,807,405)	(4,807,405)	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	(1,989,236)	(1,989,236)	-	-	-	-
Other creditors and accruals*	-	-	-	-	(738,936)	(738,936)	-	-	-	-
Deposits and other payables*	-	-	-	-	(1,402,288)	(1,402,288)	-	-	-	-
Total liabilities of Window Takaful Operations -										
Operator's Fund*	-	-	-	-	(53,801)	(53,801)	-	-	-	-
	13,325,607	349,035	5,814,710	-	(8,991,666)	10,497,687	3,778,974	9,756,417	-	13,535,391

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

34. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on October 26, 2021.

35. GENERAL


All figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.


R. Zakir Mahmood
Chairman


Hassan Khan
Chief Executive


Amin Currimbhoy
Director


Amin A. Hashwani
Director


Nawaid Jamal
Chief Financial Officer



WINDOW TAKAFUL OPERATIONS

FINANCIAL STATEMENTS

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION OF OPF AND PTF

As at September 30, 2021

Note	OPF		PTF	
	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
Assets				
..... (Rupees in '000)				
Property and equipment	1,646	2,645	-	-
Intangible assets	677	1,154	-	-
Investments				
Equity securities	56,472	54,786	87,247	79,320
Loans and other receivables	911	370	9,196	4,100
Takaful / re-takaful receivables	-	-	429,074	224,958
Salvage recoveries accrued	-	-	21,890	4,840
Deferred taxation	3,043	2,163	-	-
Deferred wakala fee	-	-	221,007	159,231
Receivable from PTF	149,283	83,157	-	-
Re-takaful recoveries against outstanding claims / benefits	-	-	289,522	336,732
Deferred commission expense	71,857	62,536	-	-
Prepayments	440	1,080	125,581	80,104
Cash and bank	188,603	210,422	673,943	632,062
Total assets	472,932	418,313	1,857,460	1,521,347
Funds and Liabilities				
Funds attributable to:				
Operator's Fund (OPF)				
Statutory fund	100,000	100,000	-	-
Reserves	(7,451)	(5,296)	-	-
Accumulated profit	75,587	90,984	-	-
Balance of Operator's Fund	168,136	185,688	-	-
Participants' Takaful Fund (PTF)				
Seed Money	-	-	500	500
Reserves	-	-	(15,614)	(10,108)
Accumulated surplus	-	-	220,978	181,129
Balance of Participants' Takaful Fund	-	-	205,864	171,521
Liabilities				
PTF Underwriting Provisions				
Outstanding claims including IBNR	-	-	544,136	542,576
Unearned contribution reserves	-	-	630,211	482,542
Reserve for unearned re-takaful rebate	-	-	9,044	3,167
	-	-	1,183,391	1,028,285
Unearned wakala fee	221,007	159,231	-	-
Contribution received in advance	-	-	32,200	25,920
Takaful / re-takaful payables	-	-	262,675	193,992
Other creditors and accruals	55,016	45,593	24,047	18,472
Taxation - provision less payments	28,773	27,801	-	-
Payable to OPF	-	-	149,283	83,157
Total Liabilities	304,796	232,625	1,651,596	1,349,826
Total Funds and Liabilities	472,932	418,313	1,857,460	1,521,347
Contingencies and commitments				
	16			

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



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the three months and nine months period ended September 30, 2021

		Three months period ended		Nine months period ended	
		September 30,	September 30,	September 30,	September 30,
		2021	2020	2021	2020
Note		.....(Rupees in '000).....		.....(Rupees in '000).....	
PTF					
Contribution earned		228,694	200,015	648,288	593,139
Less: Contribution ceded to retakaful		(58,556)	(69,659)	(166,705)	(157,584)
Net contribution revenue	17	170,138	130,356	481,583	435,555
Re-takaful rebate earned	18	3,080	2,035	7,216	6,651
Net underwriting income		173,218	132,391	488,799	442,206
Net claims	19	(151,101)	(199,474)	(473,701)	(453,584)
Other direct expenses		(270)	(291)	(120)	(683)
Surplus / (deficit) before investment income		21,847	(67,374)	14,978	(12,061)
Investment income	22	1,450	20,496	4,599	28,683
Other income	23	9,234	8,285	26,513	31,428
Less: Modarib's share of investment income	24	(2,126)	(5,756)	(6,241)	(12,026)
Surplus / (deficit) transferred to accumulated surplus		30,405	(44,349)	39,849	36,024
OPF					
Wakala fee	20	114,263	93,258	317,403	275,340
Commission expense	21	(39,641)	(33,919)	(114,601)	(99,371)
General, administrative and management expenses		(33,138)	(37,891)	(115,679)	(123,207)
		41,484	21,448	87,123	52,762
Modarib's share of PTF investment income	24	2,126	5,756	6,241	12,026
Investment income	22	1,570	10,422	3,812	16,164
Direct expenses		(54)	(53)	(1,102)	(1,595)
Other income	23	3,317	2,857	10,387	12,937
Profit before taxation		48,443	40,430	106,461	92,294
Taxation		(14,049)	(11,724)	(30,874)	(26,765)
Profit after taxation		34,394	28,706	75,587	65,529

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


R. Zakir Mahmood
Chairman

Hassan Khan
Chief Executive

Amin Currimbhoy
Director

Amin A. Hashwani
Director

Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the three months and nine months period ended September 30, 2021

	Three months period ended		Nine months period ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
.....(Rupees in '000)..... (Rupees in '000).....				
PTF				
Surplus / (deficit) during the period	30,405	(44,349)	39,849	36,024
Other comprehensive income for the period:				
<i>Item that may be reclassified to the profit and loss account in subsequent period</i>				
- Net unrealised (loss) / gain arising during the period on revaluation of available-for-sale investments	(5,521)	6,873	(5,506)	(6,836)
- Reclassification adjustment for net gain on available for sale investments included in profit and loss account	-	(183)	-	(1,089)
Other comprehensive (loss) / income for the period	(5,521)	6,690	(5,506)	(7,925)
Total comprehensive income / (loss) for the period	24,884	(37,659)	34,343	28,099
OPF				
Profit after tax for the period	34,394	28,706	75,587	65,529
Other comprehensive income for the period:				
<i>Item that may be reclassified to the profit and loss account in subsequent period</i>				
- Net unrealised (loss) / gain arising during the period on revaluation of available-for-sale investments - net of tax	(3,665)	4,297	(2,155)	(3,417)
- Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net of tax	-	(331)	-	(968)
Other comprehensive (loss) / income for the period	(3,665)	3,966	(2,155)	(4,385)
Total comprehensive income for the period	30,729	32,672	73,432	61,144

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



R. Zakir Mahmood
Chairman




Hassan Khan
Chief Executive



Amyn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND

For the nine months period ended September 30, 2021

	Attributable to Operator's Fund			Total
	Statutory Fund	Available for sale investment revaluation reserve	Unappropriated profit	
	.....(Rupees in '000).....			
Balance as at January 01, 2020 (audited)	100,000	(1,237)	88,600	187,363
Profit after tax for the period	-	-	65,529	65,529
Transfer of profit to the Company	-	-	(88,600)	(88,600)
Other comprehensive loss for the period	-	(4,385)	-	(4,385)
Balance as at September 30, 2020 (un-audited)	<u>100,000</u>	<u>(5,622)</u>	<u>65,529</u>	<u>159,907</u>
Balance as at January 01, 2021 (audited)	100,000	(5,296)	90,984	185,688
Profit after tax for the period	-	-	75,587	75,587
Transfer of profit to the Company	-	-	(90,984)	(90,984)
Other comprehensive loss for the period	-	(2,155)	-	(2,155)
Balance as at September 30, 2021 (un-audited)	<u>100,000</u>	<u>(7,451)</u>	<u>75,587</u>	<u>168,136</u>

	Attributable to participants of the PTF			Total
	Seed money	Available for sale investment revaluation reserve	Accumulated Surplus	
	.....(Rupees in '000).....			
Balance as at January 01, 2020 (audited)	500	(671)	128,910	128,739
Surplus for the period	-	-	36,024	36,024
Other comprehensive loss for the period	-	(7,925)	-	(7,925)
Balance as at September 30, 2020 (un-audited)	<u>500</u>	<u>(8,596)</u>	<u>164,934</u>	<u>156,838</u>
Balance as at January 01, 2021 (audited)	500	(10,108)	181,129	171,521
Surplus for the period	-	-	39,849	39,849
Other comprehensive loss for the period	-	(5,506)	-	(5,506)
Balance as at September 30, 2021 (un-audited)	<u>500</u>	<u>(15,614)</u>	<u>220,978</u>	<u>205,864</u>

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



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Amyn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the nine months period ended September 30, 2021

	OPF		PTF	
	2021	2020	2021	2020
Operating cash flows	..... (Rupees in '000)			
(a) Takaful activities				
Contribution received	-	-	952,987	811,048
Re-takaful contribution paid	-	-	(145,556)	(108,326)
Claims / benefits paid	-	-	(505,099)	(427,515)
Re-takaful and other recoveries received	-	-	27,711	82,115
Commission paid	(114,358)	(95,868)	-	-
Commission received	-	-	13,093	4,898
Wakala fee received	312,913	260,026	-	-
Wakala fee paid	-	-	(312,913)	(260,026)
Mudarib share received	6,381	9,274	-	-
Mudarib share paid	-	-	(6,381)	(9,274)
Net cash generated from takaful activities	204,936	173,432	23,842	92,920
(b) Other operating activities				
Income tax paid	(2,100)	(2,060)	(4,538)	(4,479)
General and other expenses paid	(115,771)	(122,545)	324	(1,061)
Other operating payments	(27,886)	(546)	(120,630)	(101,438)
Other operating receipts	1,190	9,504	126,019	106,102
Net cash (used in) / generated from other operating activities	(144,567)	(115,647)	1,175	(875)
Total cash generated from all operating activities	60,369	57,785	25,017	92,045
Investment activities				
Profit / return received	10,434	12,898	26,518	30,313
Dividend received	2,992	1,445	3,613	1,848
Payment for investments	(4,720)	(39,966)	(13,433)	(98,033)
Proceeds from investments	90	57,539	166	114,322
Total cash generated from investing activities	8,796	31,916	16,864	48,450
Financing activities - Profit paid to the Operator	(90,984)	(88,600)	-	-
Net cash (used in) / generated from all activities	(21,819)	1,102	41,881	140,495
Cash and cash equivalents at the beginning of the period	210,422	193,740	632,062	457,937
Cash and cash equivalents at the end of the period	188,603	194,842	673,943	598,432
Reconciliation to profit and loss account				
Operating cash flows	60,369	57,785	25,017	92,045
Depreciation expense	(999)	(1,760)	-	-
Amortisation	(477)	(697)	-	-
Profit / return received	10,434	12,898	26,518	30,313
Profit on disposal of investments	90	14,151	166	26,047
Dividend income	3,722	1,445	4,433	1,848
Increase in assets other than cash	74,618	44,981	223,708	490,859
Increase in liabilities other than borrowings	(72,170)	(63,274)	(239,993)	(605,088)
Net profit / surplus for the period	75,587	65,529	39,849	36,024

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



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Amyn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the nine months period ended September 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Jubilee General Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan on May 16, 1953. The Operator is listed on the Pakistan Stock Exchange and is engaged in general insurance business. The registered office of the Operator is situated at 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi.

The Operator was granted authorisation on March 10, 2015 under Rule 6 of the SECP Takaful Rules, 2012 to undertake Window Takaful Operations (the Operations) by the Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on general takaful operations in Pakistan. The Waqf deed was executed on April 30, 2015 and the Operator commenced activities of the Operations on May 7, 2015.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

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

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

2.1.1 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Window Takaful Operations for the year ended December 31, 2020.

2.1.2 These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the OPF and PTF remain separately identifiable.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for certain investments which are stated at their fair values.

2.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupees which is also the functional and presentation currency of the Operator.

2.4 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Operator's accounting periods beginning on or after January 1, 2021 but are considered not to be relevant or do not have any significant effect on the Operator's operations and are therefore not detailed in these condensed interim financial statements.

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

The following standards, amendment and interpretations of accounting and reporting standards as applicable in Pakistan will be effective for accounting periods beginning on or after January 1, 2022:

Standards, amendments or interpretations	Effective date (period beginning on or after)
- IAS 16 - 'Property, plant and equipment' (amendments)	January 1, 2022
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2023
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (amendments)	January 1, 2023
- IFRS 9 - 'Financial Instruments'	January 1, 2023*

* The management has opted temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details relating to temporary exemption from the application of IFRS 9 are given in notes 2.5.1 and 2.5.1.1 to these interim condensed financial statements.

The management is in the process of assessing the impact of these standards, amendments and interpretations on the condensed financial statements of the Operator.

2.5.1 Temporary exemption from application of IFRS 9

As an insurance company, the management has opted temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 2.5.1.1 below.

2.5.1.1 Fair value of financial assets as at September 30, 2021 and changes in fair values during the nine months period ended September 30, 2021

Financial assets that do not meet the SPPI criteria

Operator's Fund

Equity Securities - Available for sale (note 8)

Opening fair value	54,786
Additions during the period	4,720
Decrease in fair value	(3,034)
Closing fair value	56,472

Participants' Takaful Fund

Equity Securities - Available for sale (note 8)

Opening fair value	79,320
Additions during the period	13,433
Decrease in fair value	(5,506)
Closing fair value	87,247

**As at
September 30, 2021
(Rupees in '000)**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Operator for the year ended December 31, 2020.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expense. Actual results may differ from these estimates. In preparing these 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 annual audited financial statements of the Operator as at and for the year ended December 31, 2020.

5. TAKAFUL AND FINANCIAL RISK MANAGEMENT

The takaful and financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Operator for the year ended December 31, 2020.

6. CONTRIBUTION DEFICIENCY RESERVE

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

7. PROPERTY AND EQUIPMENT	Note	September 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
Operating assets	7.1	1,646	2,645

7.1 The break-up of operating assets as at September 30, 2021 is given below:

Furniture and fixtures	923	1,503
Office equipment	622	1,016
Computers and related accessories	101	126
	1,646	2,645

7.2 Movement of property and equipment during the nine months period ended September 30, 2021 is as follows:

Opening book value	2,645	4,992
Less: depreciation for the period / year	999	2,347
Closing book value	1,646	2,645

8. INVESTMENT IN EQUITY SECURITIES - AVAILABLE-FOR-SALE

	September 30,			December 31,		
	2021			2020		
	(Un-audited)			(Audited)		
	Cost	Impairment / provision for the period	Carrying value	Cost	Impairment / provision for the year	Carrying value
OPF	..... (Rupees in '000)					
Others						
Listed shares	66,966	-	56,472	62,245	3,182	54,786
PTF						
Others						
Listed shares	102,861	-	87,247	89,428	-	79,320

9. LOANS AND OTHER RECEIVABLES

	OPF		PTF	
	September 30,	December 31,	September 30,	December 31,
	2021	2020	2021	2020
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	..... (Rupees in '000)			
Accrued investment income	870	140	1,752	843
Sales tax recoverable	39	38	2,603	2,559
Medical claims recoverable	-	-	301	181
Other receivables	2	192	4,540	517
	911	370	9,196	4,100

10. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF	Note	September 30, December 31,	
		2021	2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
Due from takaful participant holders	10.1	355,882	187,172
Due from other takaful / re-takaful operators	10.2	73,192	37,786
		<u>429,074</u>	<u>224,958</u>

10.1 This includes Rs. 153 thousands (December 31, 2020: Rs. Nil) receivable due from a related party.

10.2 This includes Rs. Nil (December 31, 2020: Rs. 676 thousands) due from a related party.

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

	Note	OPF		PTF	
		September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
		(Un-audited)	(Audited)	(Un-audited)	(Audited)
		..... (Rupees in '000)			
Wakala fee		147,157	80,891	(147,157)	(80,891)
Modarib fee		2,126	2,266	(2,126)	(2,266)
		<u>149,283</u>	<u>83,157</u>	<u>(149,283)</u>	<u>(83,157)</u>

12. PREPAYMENTS

Prepaid re-takaful contribution ceded	-	-	125,581	80,104
Prepaid miscellaneous expenses	440	1,080	-	-
	<u>440</u>	<u>1,080</u>	<u>125,581</u>	<u>80,104</u>

13. CASH AND BANK

Cash and cash equivalents		Policy and revenue stamps			
		15	3	132	957
Cash at bank					
- Current accounts		-	-	14,202	23,266
- Savings accounts		188,588	210,419	659,609	607,839
	13.1 & 13.2	<u>188,588</u>	<u>210,419</u>	<u>673,811</u>	<u>631,105</u>
		<u>188,603</u>	<u>210,422</u>	<u>673,943</u>	<u>632,062</u>

13.1 Cash and bank balances of OPF include Rs. 97,679 thousands (December 31, 2020: Rs. 118,605 thousands) held with a related party.

13.2 Cash and bank balances of PTF include Rs. 116,280 thousands (December 31, 2020: Rs. 113,993 thousands) held with a related party.

14. TAKAFUL / RE-TAKAFUL PAYABLES

	PTF	
	September 30, 2021	December 31, 2020
	(Un-audited)	(Audited)
	.....(Rupees in '000).....	
Due to takaful participants / re-takaful payable	<u>262,675</u>	<u>193,992</u>

15. OTHER CREDITORS AND ACCRUALS

	OPF		PTF	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	..... (Rupees in '000)			
Agents commission payable	53,254	43,690	-	-
Federal excise duty / sales tax	-	-	11,288	7,396
Federal Takaful Fee	-	-	1,120	739
Accrued expenses	843	1,309	3,657	3,073
Other tax payables	-	102	920	1,210
Miscellaneous	919	492	7,062	6,054
	<u>55,016</u>	<u>45,593</u>	<u>24,047</u>	<u>18,472</u>

16. CONTINGENCIES AND COMMITMENTS

The status of contingencies remains unchanged as disclosed in the annual audited financial statements as at December 31, 2020, except for the following:

Under the Punjab Sales Tax Services Act, 2012, the health insurance service provided in the province of Punjab was exempted from the chargeability of sales tax upto October 30, 2018. The aforesaid exemption had been withdrawn through the Punjab Finance Act, 2018 by amending Second Schedule of the Punjab Sales Tax Services Act, 2012 with effect from November 01, 2018. During the year ended December 31, 2020, the Punjab Revenue Authority (PRA) vide notification no. SO(TAX)1-110/2020 (COVID-19) dated April 2, 2020 revised the rate of sales tax on health insurance to zero percent for the period from April 2, 2020 till June 30, 2020. The Operator has not yet billed its customers for health insurance services provided in the province of Punjab for the provincial sales tax for the periods from November 1, 2018 to April 1, 2020 and from July 1, 2020 till September 30, 2021. This matter is already taken up by the insurance industry with the Punjab Revenue Authority in the context of exemption available from the applicability of the sales tax on health insurance in other provinces and in federal territory as well. The management believes that the amount not yet billed aggregating to Rs. 7.786 million (December 31, 2020: Rs. 3.776 million) by the Operator would be recoverable from the customers in case of any adverse outcome of the aforementioned negotiations.

17. NET CONTRIBUTION REVENUE

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2021	Three months period ended September 30, 2020	Nine months period ended September 30, 2021	Nine months period ended September 30, 2020
	2021	2020	2021	2020
	(Rupees in '000)			
	PTF			
Written Gross Contribution	428,697	338,854	1,113,360	952,685
Less: Wakala fee	147,247	109,856	379,179	297,448
Contribution net of Wakala fee	281,450	228,998	734,181	655,237
Add: Unearned contribution reserve - opening	356,448	333,796	323,311	300,681
Less: Unearned contribution reserve - closing	409,204	362,779	409,204	362,779
Contribution earned	228,694	200,015	648,288	593,139
Re-takaful contribution ceded	103,999	93,251	212,182	180,419
Add: Prepaid re-takaful contribution - opening	80,138	74,190	80,104	74,947
Less: Prepaid re-takaful contribution - closing	125,581	97,782	125,581	97,782
Re-takaful expense	58,556	69,659	166,705	157,584
Net contribution	170,138	130,356	481,583	435,555

18. RETAKAFUL REBATE EARNED

	PTF			
Retakaful rebate / commission received	7,944	1,769	13,093	4,898
Add: Unearned retakaful rebate / commission - opening	4,180	3,496	3,167	4,983
Less: Unearned retakaful rebate / commission - closing	9,044	3,230	9,044	3,230
	3,080	2,035	7,216	6,651

19. NET CLAIMS

	PTF			
Benefits / claims paid	185,067	169,850	505,098	427,515
Add: outstanding benefits / claims including IBNR - closing	544,136	601,602	544,136	601,602
Less: outstanding benefits / claims including IBNR - opening	594,446	495,932	542,576	180,708
Claims expense	134,757	275,520	506,658	848,409
Re-takaful and other recoveries received	51,107	21,977	63,117	59,061
Add: Re-takaful and other recoveries in respect of outstanding claims - closing	311,412	356,038	311,412	356,038
Less: Re-takaful and other recoveries against outstanding claims - opening	378,863	301,969	341,572	20,274
Re-takaful and other recoveries revenue	(16,344)	76,046	32,957	394,825
Net claims expense	151,101	199,474	473,701	453,584

20. WAKALA FEE INCOME

	OPF			
Gross Wakala fee	147,247	109,856	379,179	297,448
Add: Unearned Wakala fee income - opening	188,023	157,628	159,231	152,118
Less: Unearned Wakala fee income - closing	221,007	174,226	221,007	174,226
	114,263	93,258	317,403	275,340

25. TRANSACTIONS WITH RELATED PARTIES

Related parties include the Operator, associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel of the Operator. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The transactions and balances with related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	Note	(Un-audited)		(Un-audited)	
		Three months period ended		Nine months period ended	
		2021	2020	2021	2020
		(Rupees in '000)			
Contribution written		2,347	-	2,607	-
Contribution received / adjusted during the period		2,383	-	2,431	-
Rent	25.1	670	683	1,924	1,789
Reimbursement of expenses	25.2	22,779	22,276	76,278	74,566
Remuneration of key management personnel		3,116	3,281	10,624	8,653
Contributions to provident fund		153	129	458	388

25.1 This represents rent paid to the Operator.

25.2 These expenses pertain to accident and health business, common back office operations jointly shared with Jubilee Life Insurance Company Limited (an associated company) and allocation of management expenses including personnel expenses from the Company to the Operations.

26. SEGMENT INFORMATION

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

The class wise revenues and results are as follows:

	Three months period ended September 30, 2021 (Un-audited) - PTF					
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
	(Rupees in '000)					
Contribution received / receivable (inclusive of Federal Excise Duty / Sales Tax , Federal Takaful Fee and Administrative surcharge)	139,417	52,914	169,555	94,589	24,921	481,396
Less: Federal Excise Duty	16,676	5,907	20,433	-	2,888	45,904
Federal Takaful Fee	1,197	444	1,475	936	215	4,267
Others	59	2,215	187	40	27	2,528
Gross written contribution (inclusive of administrative surcharge)	121,485	44,348	147,460	93,613	21,791	428,697
Gross direct contribution	120,592	43,320	143,181	93,613	21,565	422,271
Administrative surcharge	893	1,028	4,279	-	226	6,426
	121,485	44,348	147,460	93,613	21,791	428,697
Takaful contribution earned	37,011	23,934	92,402	63,985	11,362	228,694
Takaful contribution ceded to re-takaful	(29,939)	(14,116)	(7,304)	-	(7,197)	(58,556)
Net takaful contribution	7,072	9,818	85,098	63,985	4,165	170,138
Re-takaful rebate	2,489	332	3	-	256	3,080
Net underwriting income	9,561	10,150	85,101	63,985	4,421	173,218
Takaful claims	(1,926)	(13,008)	(48,595)	(67,528)	(3,700)	(134,757)
Takaful claims recovered from re-takaful	(1,403)	(8,544)	(5,851)	-	(546)	(16,344)
Net claims	(3,329)	(21,552)	(54,446)	(67,528)	(4,246)	(151,101)
Other direct expenses	(23)	(16)	(183)	(37)	(11)	(270)
Surplus / (deficit) before investment income	6,209	(11,418)	30,472	(3,580)	164	21,847
Net investment income						1,450
Other income						9,234
Modarib share of investment income						(2,126)
Surplus transferred to Balance of PTF						30,405

Three months period ended September 30, 2021 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Wakala fee	19,397	12,826	47,315	29,384	5,341	114,263
Commission expense	(8,529)	(6,147)	(13,394)	(10,421)	(1,150)	(39,641)
Management expenses	(5,034)	(3,562)	(14,004)	(8,268)	(2,270)	(33,138)
	<u>5,834</u>	<u>3,117</u>	<u>19,917</u>	<u>10,695</u>	<u>1,921</u>	<u>41,484</u>
Mudarib share of PTF investment income						2,126
Investment income						1,570
Direct expenses						(54)
Other income						3,317
Profit before taxation						48,443
Taxation						(14,049)
Profit after tax						<u>34,394</u>

Three months period ended September 30, 2020 (Un-audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Contribution received / receivable (inclusive of Federal Excise Duty / Sales Tax , Federal Takaful Fee and Administrative Surcharge)	107,135	40,588	138,120	55,484	41,201	382,528
Less: Federal Excise Duty	12,886	4,028	16,646	-	4,734	38,294
Federal Takaful Fee	934	344	1,198	549	361	3,386
Others	42	1,738	171	34	9	1,994
Gross written contribution (inclusive of administrative surcharge)	<u>93,273</u>	<u>34,478</u>	<u>120,105</u>	<u>54,901</u>	<u>36,097</u>	<u>338,854</u>
Gross direct contribution	92,497	33,650	116,336	54,901	35,781	333,165
Administrative surcharge	776	828	3,769	-	316	5,689
	<u>93,273</u>	<u>34,478</u>	<u>120,105</u>	<u>54,901</u>	<u>36,097</u>	<u>338,854</u>
Takaful contribution earned	33,413	18,627	86,889	49,927	11,159	200,015
Takaful contribution ceded to re-takaful	(46,929)	(9,842)	(6,239)	-	(6,649)	(69,659)
Net takaful contribution	(13,516)	8,785	80,650	49,927	4,510	130,356
Re-takaful rebate	1,764	102	20	-	149	2,035
Net underwriting income	(11,752)	8,887	80,670	49,927	4,659	132,391
Takaful claims	(120,626)	(27,225)	(74,125)	(49,982)	(3,562)	(275,520)
Takaful claims recovered from re-takaful	70,826	38	5,348	-	(166)	76,046
Net claims	(49,800)	(27,187)	(68,777)	(49,982)	(3,728)	(199,474)
Other direct expenses	-	-	(291)	-	-	(291)
(Deficit) / surplus before investment income	(61,552)	(18,300)	11,602	(55)	931	(67,374)
Net investment income						20,496
Other income						8,285
Modarib share of investment income						(5,756)
Deficit transferred to balance of PTF						<u>(44,349)</u>

Three months period ended September 30, 2020 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Wakala fee	16,664	9,992	37,366	25,071	4,165	93,258
Commission expense	(7,368)	(4,472)	(11,714)	(9,524)	(841)	(33,919)
Management expenses	(4,797)	(3,771)	(18,328)	(8,493)	(2,503)	(37,891)
	<u>4,499</u>	<u>1,749</u>	<u>7,324</u>	<u>7,054</u>	<u>821</u>	<u>21,448</u>
Mudarib share of PTF investment income						5,756
Investment income						10,422
Direct expenses						(53)
Other income						2,857
Profit before taxation						40,430
Taxation						(11,724)
Profit after tax						<u>28,706</u>

Nine months period ended September 30, 2021 (Un-audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Contribution received / receivable (inclusive of Federal Excise Duty / Sales Tax , Federal Takaful Fee and Administrative surcharge)	239,533	133,826	511,031	301,474	58,041	1,243,905
Less: Federal Excise Duty	29,002	15,647	61,597	-	6,815	113,061
Federal Takaful Fee	2,067	1,116	4,478	2,983	507	11,151
Others	162	5,450	501	136	84	6,333
Gross written contribution (inclusive of administrative surcharge)	208,302	111,613	444,455	298,355	50,635	1,113,360
Gross direct contribution	206,578	108,667	432,538	298,355	50,078	1,096,216
Administrative surcharge	1,724	2,946	11,917	-	557	17,144
	208,302	111,613	444,455	298,355	50,635	1,113,360
Takaful contribution earned	102,198	66,947	269,816	173,355	35,972	648,288
Takaful contribution ceded to re-takaful	(80,985)	(40,566)	(20,782)	-	(24,372)	(166,705)
Net takaful contribution	21,213	26,381	249,034	173,355	11,600	481,583
Re-takaful rebate	5,610	836	14	-	756	7,216
Net underwriting income	26,823	27,217	249,048	173,355	12,356	488,799
Takaful claims	(62,700)	(62,292)	(178,222)	(193,938)	(9,506)	(506,658)
Takaful claims recovered from re-takaful	18,790	9,337	4,705	-	125	32,957
Net claims	(43,910)	(52,955)	(173,517)	(193,938)	(9,381)	(473,701)
Other direct expenses	-	-	(120)	-	-	(120)
(Deficit) / surplus before investment income	(17,087)	(25,738)	75,411	(20,583)	2,975	14,978
Net investment income						4,599
Other income						26,513
Modarib share of investment income						(6,241)
Surplus transferred to Balance of PTF						39,849

Nine months period ended September 30, 2021 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Wakala fee	52,829	35,979	131,439	81,692	15,464	317,403
Commission expense	(23,929)	(18,360)	(39,116)	(29,805)	(3,391)	(114,601)
Management expenses	(17,572)	(12,435)	(48,886)	(28,862)	(7,924)	(115,679)
	11,328	5,184	43,437	23,025	4,149	87,123
Mudarib share of PTF investment income						6,241
Investment income						3,812
Direct expenses						(1,102)
Other income						10,387
Profit before taxation						106,461
Taxation						(30,874)
Profit after tax						75,587

Nine months period ended September 30, 2020 (Un-audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Contribution received / receivable (inclusive of Federal Excise Duty / Sales Tax , Federal Takaful Fee and Administrative surcharge)	191,544	86,274	440,070	266,887	76,794	1,061,569
Less: Federal Excise Duty	22,916	8,865	53,091	-	8,853	93,725
Federal Takaful Fee	1,666	727	3,837	2,641	673	9,544
Others	215	3,916	1,317	146	21	5,615
Gross written contribution (inclusive of administrative surcharge)	166,747	72,766	381,825	264,100	67,247	952,685
Gross direct contribution	165,325	70,550	371,621	264,100	66,668	938,264
Administrative surcharge	1,422	2,216	10,204	-	579	14,421
	166,747	72,766	381,825	264,100	67,247	952,685
Takaful contribution earned	93,697	43,950	266,562	154,576	34,354	593,139
Takaful contribution ceded to re-takaful	(95,848)	(24,190)	(18,602)	-	(18,944)	(157,584)
Net takaful contribution	(2,151)	19,760	247,960	154,576	15,410	435,555
Re-takaful rebate	5,453	164	52	-	982	6,651
Net underwriting income	3,302	19,924	248,012	154,576	16,392	442,206
Takaful claims	(469,425)	(40,371)	(182,092)	(145,775)	(10,746)	(848,409)
Takaful claims recovered from re-takaful	384,120	2,023	7,645	-	1,037	394,825
Net claims	(85,305)	(38,348)	(174,447)	(145,775)	(9,709)	(453,584)
Other direct expenses	-	-	(683)	-	-	(683)
(Deficit) / surplus before investment income	(82,003)	(18,424)	72,882	8,801	6,683	(12,061)
Net investment income						28,683
Other income						31,428
Modarib share of investment income						(12,026)
Surplus transferred to Balance of PTF						36,024

Nine months period ended September 30, 2020 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Wakala fee	47,164	23,667	115,052	76,486	12,971	275,340
Commission expense	(21,056)	(10,891)	(36,179)	(28,357)	(2,888)	(99,371)
Management expenses	(15,599)	(12,262)	(59,596)	(27,613)	(8,138)	(123,207)
	10,509	514	19,277	20,516	1,945	52,762
Mudarib share of PTF investment income						12,026
Investment income						16,164
Direct expenses						(1,595)
Other income						12,937
Profit before taxation						92,294
Taxation						(26,765)
Profit after tax						65,529

The classwise assets and liabilities are as follows:

September 30, 2021 (Un-audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Corporate segment assets	492,029	73,161	301,624	168,241	52,321	1,087,376
Corporate unallocated assets						770,084
Total assets						1,857,460
Corporate segment liabilities	564,614	160,470	514,877	326,855	84,780	1,651,596
Corporate unallocated liabilities						-
Total liabilities						1,651,596

September 30, 2021 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Corporate segment assets	45,059	20,693	88,018	57,986	9,385	221,141
Corporate unallocated assets						251,791
Total assets						472,932
Corporate segment liabilities	60,152	13,662	120,393	67,364	14,453	276,024
Corporate unallocated liabilities						28,772
Total liabilities						304,796

December 31, 2020 (Audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Corporate segment assets	437,779	28,740	192,173	102,482	44,872	806,046
Corporate unallocated assets						715,301
Total assets						1,521,347
Corporate segment liabilities	513,159	73,707	436,415	242,170	84,375	1,349,826
Corporate unallocated liabilities						-
Total liabilities						1,349,826

December 31, 2020 (Audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Corporate segment assets	28,978	9,680	58,614	42,158	6,263	145,693
Corporate unallocated assets						272,620
Total assets						418,313
Corporate segment liabilities	38,707	8,399	89,994	56,053	11,671	204,824
Corporate unallocated liabilities						27,801
Total liabilities						232,625

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Operator is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Operator to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

September 30, 2021 (Un-audited)								
Carrying amount				Fair value				
Available-for-sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
.....(Rupees in '000).....								
Financial assets								
measured at fair value								
Investments in equity securities	143,719	-	-	143,719	143,719	-	-	143,719
Financial assets not measured at fair value								
Cash and bank*	-	862,546	-	862,546	-	-	-	-
Takaful / re-takaful receivables*	-	429,074	-	429,074	-	-	-	-
Receivable from PTF*	-	149,283	-	149,283	-	-	-	-
Loans and other receivables*	-	7,465	-	7,465	-	-	-	-
Salvage recoveries accrued*	-	21,890	-	21,890	-	-	-	-
Re-takaful recoveries against outstanding claims*	-	289,522	-	289,522	-	-	-	-
Financial liabilities not measured at fair value								
Provision for outstanding claims (including IBNR)*	-	-	(544,136)	(544,136)	-	-	-	-
Takaful / Re-takaful payables*	-	-	(262,675)	(262,675)	-	-	-	-
Payable to OPF*	-	-	(149,283)	(149,283)	-	-	-	-
Other creditors and accruals*	-	-	(65,735)	(65,735)	-	-	-	-
	<u>143,719</u>	<u>1,759,780</u>	<u>(1,021,829)</u>	<u>881,670</u>	<u>143,719</u>	<u>-</u>	<u>-</u>	<u>143,719</u>

December 31, 2020 (Audited)								
Carrying amount				Fair value				
Available-for-sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
.....(Rupees in '000).....								
Financial assets								
measured at fair value								
Investments in equity securities	134,106	-	-	134,106	134,106	-	-	134,106
Financial assets not measured at fair value								
Cash and bank*	-	842,484	-	842,484	-	-	-	-
Takaful / re-takaful receivables*	-	224,958	-	224,958	-	-	-	-
Receivable from PTF*	-	83,157	-	83,157	-	-	-	-
Loans and receivables*	-	1,873	-	1,873	-	-	-	-
Salvage recoveries accrued*	-	4,840	-	4,840	-	-	-	-
Re-takaful recoveries against outstanding claims / benefits*	-	336,732	-	336,732	-	-	-	-
Financial liabilities not measured at fair value								
Provision for outstanding claims (including IBNR)*	-	-	(542,576)	(542,576)	-	-	-	-
Takaful / Re-takaful payables*	-	-	(193,992)	(193,992)	-	-	-	-
Payable to OPF*	-	-	(83,157)	(83,157)	-	-	-	-
Other creditors and accruals*	-	-	(54,618)	(54,618)	-	-	-	-
	<u>134,106</u>	<u>1,494,044</u>	<u>(874,343)</u>	<u>753,807</u>	<u>134,106</u>	<u>-</u>	<u>-</u>	<u>134,106</u>

* The Operator has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

28. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on October 26, 2021.

29. GENERAL

All figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer



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