



Century Insurance
A Lakson Group Company



Quarterly Report
For the nine month period ended September 30, 2021
(Un-audited)



Century Insurance at a glance

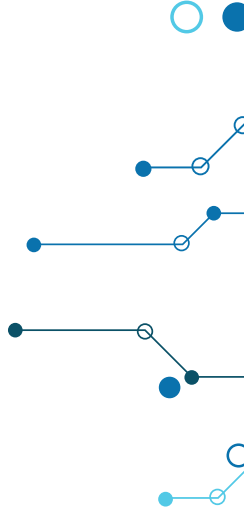
- Century Insurance is a Lakson Group Company.
- Operating since 1989, dealing in all areas of general insurance business.
- One of the premier general insurance companies of Pakistan.
- Rated "AA-" with a stable outlook by VIS Credit Rating Co. Limited, signifying a 'very high capacity to meet policyholders' and contractual obligations'.
- Total equity in excess of Rs. 2.1 billion.
- Twice awarded 'Top 25 Companies Award' by the Karachi Stock Exchange.
- Very strong reinsurance treaty arrangements with highly rated international reinsurers.
- Broad client base consisting of individuals as well as some of the most prestigious local and multinational companies.



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Our vision

To be an organization known for integrity and ethical behavior and fully dedicated to its Clients, Business Partners, Shareholders and Employees, providing exceptional quality service and committed to achieving excellence in all areas of its operations.

Our mission

- To become a company of choice for its valued Clients, Stockholders and Employees.
- To ensure continued growth of the financial strength and resilience of the company so that it may be able to withstand any unexpected shocks or cyclical economic downturns.
- The Company culture to be known for Integrity and Ethical behavior.
- The Company to be known as one of the best insurance companies of the country.





Corporate information

Board of Directors

Mr. Iqbal Ali Lakhani - Chairman
Mr. Amin Mohammed Lakhani
Ms. Anushka Lakhani
Mr. Aftab Ahmad
Mr. Sadrudin Ismail Mohamed
Mr. Akber Dawood Vazir
Mr. Mohammad Hussain Hirji - Chief Executive

Advisor

Mr. Sultan Ali Lakhani

Chief Financial Officer

Mr. Sabza Ali Pirani

Company Secretary

Mr. Mansoor Ahmed

Audit Committee

Mr. Sadrudin Ismail Mohamed - Chairman
Mr. Amin Mohammed Lakhani
Mr. Aftab Ahmad

Investment Committee

Mr. Iqbal Ali Lakhani - Chairman
Mr. Aftab Ahmad
Mr. Mohammad Hussain Hirji
Mr. Sabza Ali Pirani

Ethics, Human Resource & Remuneration Committee

Mr. Sadrudin Ismail Mohamed - Chairman
Mr. Amin Mohammed Lakhani
Mr. Akber Dawood Vazir
Mr. Mohammad Hussain Hirji

External Auditors

M/s. EY Ford Rhodes
Chartered Accountants

Share Registrar

M/s. FAMCO Associates (Pvt) Ltd.
8-F, Near Hotel Faran, Nursery,
Block-6, P.E.C.H.S., Shahra-e-Faisal,
Karachi.
Tel: (021) 34380101-2
Fax: (021) 34380106
Email: info.shares@famco.com.pk
Website: www.famco.com.pk

Bankers

Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
NRSP Microfinance Bank Limited
Silkbank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Telenor Microfinance Bank Limited
U Microfinance Bank Limited
United Bank Limited

Registered & Corporate Office

Lakson Square, Building No. 2,
Sarwar Shaheed Road, Karachi-74200.

Head Office

11th Floor, Lakson Square, Building No. 3,
Sarwar Shaheed Road, Karachi-74200.

Website: www.cicl.com.pk
UAN: 111-111-717
NTN: 0710008-6

Directors' Review

On behalf of the Board of Directors, we are pleased to present to you the un-audited financial statements for the nine-month period ended September 30, 2021.

General Review

The overall operational performance of the Company has improved for the nine-month period ended 30 September 2021 as compared to the same period in 2020. Gross written premium (inclusive of takaful contribution) has increased by Rs. 148.9 million (13%) to Rs. 1,304.6 million whereas net premium has increased by Rs. 45.6 million (7%) to Rs. 662.6 million. Underwriting profit stood at Rs. 152.3 million, up by Rs. 20.9 million. Investment & other income is Rs. 127.6 million.

Earnings Per Share (EPS) for the nine-month period ended is Rs. 3.99 as against Rs. 3.01 for the same period last year.

Operating Results

The comparative financial highlights for the nine-month period ended September 30, 2021 and September 30, 2020 are presented below:

	Rs. In Millions (except for EPS)			
	September 30, 2021	September 30, 2020	Increase / (Decrease)	%
Gross Written Premium (including Takaful Contribution)	1,305	1,156	149	13
Net Premium	663	617	46	7
Underwriting results	152	131	21	16
Investment & other income	128	84	44	52
Profit from Window Takaful Operations	15	8	7	88
Profit before tax	282	210	72	34
Profit after tax	201	151	50	33
Earnings per share (EPS) (Rs.)	3.99	3.01	0.98	33
Total assets	3,722	3,501	221	6
Paid-up capital	503	503	-	-
Total equity	2,129	1,908	221	12

As compared to the nine-month period ended September 30, 2020, the gross written premium (inclusive of takaful contribution) for Fire has increased by Rs. 26.5 million (7%), Marine by Rs. 37.9 million (19%), Motor by Rs. 54.5 million (18%), Accident & Health by Rs. 33.5 million (15%). The gross written premium (inclusive of takaful contribution) for Miscellaneous class of business has decreased by Rs. 3.3 million (5%).





Window Takaful Operations

Participant Takaful Fund (PTF)

The gross written contribution for the nine-month period ended September 30, 2021 is Rs. 104.6 million as compared to Rs. 80.1 million for the same period last year. Net contribution revenue is Rs. 27.7 million and the surplus is Rs. 5.7 million.

Operator's Fund (OPF)

Gross wakala fee income for the nine-month period ended September 30, 2021 is Rs. 38.4 million while net wakala fee income is Rs. 34.9 million. Profit before tax is Rs. 15.4 million.

Future Outlook

The management is making concerted efforts to increase market share and profitability and the business of the Company is expected to continue to grow at a steady pace. We shall continue to strive to identify new and innovative products and distribution channels, expand the branch network to serve clients in new cities and recruit, train and motivate sales staff so as to maintain the momentum of profitable growth. We are hopeful that this will result in improved sustainability and enhanced shareholder equity.

COVID – 19

The COVID-19 pandemic outbreak has posed lots of challenges at a global level. The company has formed a steering committee in order to ensure compliance with all government directives and SOPs for the safety and health of employees and to ensure uninterrupted services to clients.

Acknowledgments

On behalf of the directors of the company, we wish to place on record our appreciation of the efforts of all the employees of the company in enabling its growth and success. We are also grateful to our clients for their patronage, to the Securities & Exchange Commission of Pakistan (SECP) for its guidance as regulator of the insurance industry and to our reinsurers and shareholders for their trust and confidence in the company.

Iqbal Ali Lakhani
Chairman

Mohammad Hussain Hirji
Director & Chief Executive

Karachi: October 27, 2021



وندو تکافل آپریٹرز

شرکت داروں کا تکافل فنڈ تیسری سہ ماہی 2021ء میں شرکت داروں کا تحریر شدہ مجموعی کنٹریبوشن کا فنڈ 104.6 ملین روپے جبکہ اسی مدت کے دوران گزشتہ سال 80.1 ملین روپے رہا۔ خالص کنزی (بیوشن بشمول وکالہ فیس) 27.7 ملین روپے اور سرپلس فنڈ تیسری سہ ماہی 2021ء میں 5.7 ملین روپے رہا۔

آپریٹر فنڈ مجموعی وکالہ فیس برائے تیسری سہ ماہی 2021ء میں 38.4 ملین روپے ہے۔ خالص وکالہ فیس کی آمدنی 34.9 ملین روپے ہے۔ عمل از فیس منافع 15.4 ملین روپے رہا۔

مستقبل کے خدوخال

کمپنی کی انتظامیہ کاروبار میں منافع اور مارکیٹ شیئر میں اضافے کی مستحکم رفتار کو برقرار رکھنے کے لیے ٹھوس اقدامات کر رہی ہے۔ ہم منافع بخش ترقی کی رفتار کو برقرار رکھنے کے لیے نئی اور جدید مصنوعات کی شناخت، دیگر شہروں میں کلائنٹ کی خدمات کی غرض سے اضافی برانچوں کے قیام اور بیجہ فروخت کے عملے کی حوصلہ افزائی اور تربیت کرتے رہیں گے۔ ہم امید کرتے ہیں کہ مندرجہ بالا اقدامات حصص یافتگان کی ایکویٹی میں اضافے اور بہتر پائیداری کا باعث بنیں گے۔

(COVID-19) کووڈ 19

عالمی سطح پر کووڈ 19 کی وبا کے مرض نے بے شمار نئے چیلنجز اور سیکھنے کے مواقع کا باعث بنا ہے۔ کمپنی نے ملازمین کی حفاظت اور صحت کے لئے تمام سرکاری ہدایات اور ایس او پیز کی تعمیل کو یقینی بنانے اور کلائنٹ کو بلا تعطل خدمات کو یقینی بنانے کے لئے ایک اعلیٰ رینگ کمپنی تشکیل دی ہے۔

اعترافات

میں ادارے کی ترقی اور کامیابی کو ممکن بنانے کے لیے تمام ملازمین کی کوششوں پر انہیں کمپنی ڈائریکٹرز کی جانب سے سراہنا چاہتا ہوں۔ ہم اپنے شانہ بشانہ رہنے پر تمام کلائنٹس، انشورنس انڈسٹری میں ریگولیٹرز کی حیثیت سے رہنمائی کرنے پر سکیورٹیز اینڈ ایکسچین کمیشن آف پاکستان (SECP) اور کمپنی پر بھروسہ و اعتماد کرنے پر اپنے شیئر ہولڈرز کے بھی شکر گزار ہیں۔

Muhammad Hussain Mirza

محمد حسین میرزا
ڈائریکٹر اور چیف

اقبال علی لاکھانی

چیئرمین

کراچی : 27 اکتوبر 2021ء

ڈائریکٹرز کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم مسرت کے ساتھ 30 ستمبر 2021ء کو ختم ہونے والی تیسری سہ ماہی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کر رہے ہیں۔

عمومی جائزہ

30 ستمبر 2021ء کو ختم ہونے والی تیسری سہ ماہی کی مدت میں ادارے کی انشورنس آپریشن کا کردگی میں گذشتہ سال 2020ء کی اسی مدت کے مقابلے بہتر آئی ہے۔ مشترکہ مجموعی پریمیئم (بشمول مکافل کنز بیوشن) 1,304.6 ملین روپے (13 فیصد) اضافہ جو کہ 148.9 ملین روپے ہوا۔ مجموعی خالص پریمیئم 662.6 ملین روپے (7 فیصد) اضافہ جو کہ 45.6 ملین روپے ہوا۔ انڈرائٹنگ آمدن 152.3 ملین روپے رہی ہے جس میں 20.9 ملین روپے اضافہ ہوا ہے۔ انوسٹمنٹ اور دیگر آمدنی 127.6 ملین روپے ظاہر ہوئی ہے۔

30 ستمبر 2021ء کو ختم ہونے والی تیسری سہ ماہی کی مدت میں فی حصص آمدنی 3.99 ملین روپے جو کہ گزشتہ سال اسی مدت میں 3.01 ملین روپے تھی۔

کاروباری امور کے نتائج

تیسری سہ ماہی کی مدت 30 ستمبر 2021ء اور 30 ستمبر 2020ء کی تقابلی مالیاتی جھلکیاں درج ذیل ہیں۔

(روپے ملین میں)		30 ستمبر	30 ستمبر	بیان
رقم	اضافہ/(کمی)	2020ء	2021ء	
13	149	1,156	1,305	تحریر شدہ مجموعی پریمیئم (بشمول مکافل کنز بیوشن)
7	46	617	663	خالص پریمیئم (بشمول مکافل کنز بیوشن)
16	21	131	152	انڈرائٹنگ نتائج
52	44	84	128	سرمایہ کاری و دیگر آمدنی
88	7	8	15	ونڈ مکافل آپریشن سے منافع
34	72	210	282	منافع قبل از ٹیکس
33	50	151	201	منافع بعد از ٹیکس
33	0.98	3.01	3.99	آمدنی فی حصص (روپے)
6	221	3,501	3,722	کل اثاثہ جات
-	-	503	503	ادا شدہ سرمایہ
12	221	1,908	2,129	کل ایکویٹی

تیسری سہ ماہی 2020ء کے مقابلے میں مجموعی پریمیئم (بشمول مکافل کنز بیوشن) برائے آتش زدگی میں 26.5 ملین روپے (7 فیصد)، بحری بیمہ میں 37.9 ملین روپے (19 فیصد)، موٹر بیمہ میں 54.5 ملین روپے (18 فیصد)، بیمہ حادثہ و صحت میں 33.5 روپے (15 فیصد)۔ جبکہ مجموعی پریمیئم (بشمول مکافل کنز بیوشن) بیمہ متفرق میں 3.3 ملین روپے (5 فیصد) کمی ہوئی ہے۔

Condensed Interim Statement of Financial Position

As at September 30, 2021

		(Un-audited) September 30, 2021	(Audited) December 31, 2020
	Note	----- (Rupees) -----	-----
Assets			
Property and equipment	10	123,145,400	121,150,269
Investment in associates	11	54,179,495	49,959,574
Investments			
Equity securities	12.1	1,015,903,763	958,721,992
Debt securities	12.2	533,220,734	524,693,346
Term deposit	13	100,000,000	195,400,000
Loan and other receivable	14	53,342,774	42,262,996
Insurance / reinsurance receivable	15	598,607,819	554,679,355
Reinsurance recoveries against outstanding claims	23	105,482,514	125,342,540
Salvage recoveries accrued		7,115,000	2,775,000
Deferred commission expense	24	27,114,025	25,643,610
Deferred taxation		43,772,176	34,941,495
Prepayments	16	274,584,958	209,416,425
Cash and bank	17	658,371,292	454,365,700
Total assets of Window Takaful Operations - Operator's fund	18	127,084,304	103,495,918
Total assets		<u>3,721,924,254</u>	<u>3,402,848,220</u>



		(Un-audited) September 30, 2021	(Audited) December 31, 2020
	Note	----- (Rupees) -----	
Equity and liabilities			
Authorized share capital (70,000,000 Ordinary share of Rs.10 each)		<u>700,000,000</u>	<u>700,000,000</u>
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		502,968,030	502,968,030
Share premium		254,024,260	254,024,260
Reserves		161,621,614	181,840,187
Unappropriated profit		1,210,533,007	1,110,233,075
Total Equity		<u>2,129,146,911</u>	<u>2,049,065,552</u>
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR	23	251,451,837	260,105,733
Unearned premium reserve	22	645,076,771	521,370,886
Unearned reinsurance commission	24	58,297,362	46,716,196
Retirement benefits obligation		3,778,868	4,519,519
Premiums received in advance		2,522,331	1,891,673
Insurance / reinsurance payables	19	368,016,763	234,715,482
Other creditors and accruals	20	151,689,515	152,676,442
Taxation - provision less payments		65,499,730	96,880,283
Total Liabilities		<u>1,546,333,177</u>	<u>1,318,876,214</u>
Total liabilities of Window Takaful Operations - Operator's fund	18	46,444,166	34,906,454
Total equity and liabilities		<u>3,721,924,254</u>	<u>3,402,848,220</u>

Contingencies and commitments

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The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Profit and Loss Account (Un-audited)

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

	Note	Three months period ended		Nine months period ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
		----- (Rupees) -----		----- (Rupees) -----	
Net insurance premium	22	232,605,402	203,538,148	662,606,519	616,966,856
Net insurance claims	23	(107,761,072)	(98,963,075)	(309,649,608)	(249,901,717)
Net commission and other acquisition costs	24	14,059,285	7,937,363	47,111,425	11,171,636
Insurance claims and acquisition expenses		(93,701,787)	(91,025,712)	(262,538,183)	(238,730,081)
Management Expenses		(81,234,651)	(75,407,480)	(247,775,561)	(246,805,227)
Underwriting results		57,668,964	37,104,956	152,292,775	131,431,548
Investment income	25	11,087,888	29,105,923	85,327,272	51,908,654
Other income	26	15,913,316	7,443,166	37,452,107	27,157,520
Other expenses		(3,551,505)	(3,372,685)	(8,943,340)	(8,665,184)
Results of operating activities		81,118,663	70,281,360	266,128,814	201,832,538
Finance costs - Lease liabilities		(1,468,765)	(1,507,994)	(4,352,672)	(4,741,133)
Share of profit of associates		494,731	2,853,594	4,792,604	4,917,619
Profit from Window Takaful Operations	18	4,382,439	2,609,798	15,366,311	8,029,667
Profit before tax		84,527,068	74,236,758	281,935,057	210,038,691
Income tax expense - current		(24,269,130)	(10,359,805)	(81,157,371)	(63,803,593)
- deferred		(1,440,934)	(9,699,775)	106,545	4,966,743
		(25,710,064)	(20,059,580)	(81,050,826)	(58,836,850)
Profit after tax		58,817,004	54,177,178	200,884,231	151,201,841
Earnings per share of Rs. 10 each - basic and diluted	27	1.17	1.08	3.99	3.01

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer



Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three 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) -----		----- (Rupees) -----	
Profit after tax	58,817,004	54,177,178	200,884,231	151,201,841
Other comprehensive income				
Item to be reclassified to profit and loss account in subsequent period:				
Unrealised (diminution) / appreciation 'available for sale' investments - net of tax	(21,347,991)	59,510,524	(11,864,184)	7,798,248
Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net of tax	-	(60,730)	(9,494,982)	(193,210)
	(21,347,991)	59,449,794	(21,359,166)	7,605,038
Unrealised appreciation 'available for sale' investments of Window Takaful Operations - net of tax	1,100,824	639,526	1,174,638	710,054
Reclassification adjustment for net gain on available for sale investments of Window Takaful Operation - net of tax	-	-	(34,045)	-
	1,100,824	639,526	1,140,593	710,054
- Share in other comprehensive income of an associate - net of tax	9,303	45,897	9,367	45,973
Total comprehensive income for the period	38,579,140	114,312,395	180,675,025	159,562,906

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive

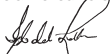

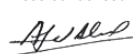

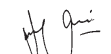

Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the nine months period ended September 30, 2021

	(Un-audited)	
	September 30, 2021	September 30, 2020
Note	------(Rupees)-----	
Operating cash flows		
(a) Underwriting activities		
Insurance premium received	1,104,932,202	958,520,290
Reinsurance premium paid	(346,697,692)	(319,263,157)
Claims paid	(451,587,661)	(325,134,531)
Reinsurance and other recoveries received	232,383,348	68,625,360
Commissions paid	(54,493,224)	(58,824,098)
Commissions received	82,393,374	84,765,885
Management expenses paid	(254,085,323)	(242,387,200)
Net cash inflow from underwriting activities	<u>312,845,024</u>	<u>166,302,549</u>
(b) Other operating activities		
Income tax paid	(108,081,694)	(45,599,925)
Other operating receipts	(2,323,495)	(12,067,882)
Net cash outflow from other operating activities	<u>(110,405,189)</u>	<u>(57,667,807)</u>
Total cash inflow from operating activities	<u>202,439,835</u>	<u>108,634,742</u>
Investment activities		
Profit / return received	81,513,922	58,996,422
Dividends received	25,550,094	11,184,203
Payments for investments	(763,338,070)	(1,502,768,289)
Proceeds from disposal of investments	773,953,913	1,526,815,409
Fixed capital expenditure	(17,927,501)	(6,369,726)
Proceeds from sale of property and equipment	1,986,976	799,059
Total cash inflow from investing activities	<u>101,739,334</u>	<u>88,657,078</u>
Financing activities - Dividends paid	<u>(100,173,421)</u>	<u>(87,561,354)</u>
Net cash inflow from all activities	<u>204,005,748</u>	<u>109,730,466</u>
Cash at beginning of the period	453,365,544	266,224,544
Cash at end of the nine months period	17.2 <u>657,371,292</u>	<u>375,955,010</u>
Reconciliation to profit and loss account		
Operating cash flows	202,439,835	108,634,742
Depreciation / amortization expense	(12,325,770)	(2,526,513)
Profit on disposal of fixed assets	502,789	54,903
Profit on disposal of investments	22,093,925	(530,962)
Dividend income	26,853,779	10,938,991
Investment and other income	80,715,601	79,967,121
Increase in assets other than cash	97,150,954	259,278,271
Increase in liabilities other than running finance	(227,456,963)	(310,315,776)
Profit from Window Takaful Operations	10,910,081	5,701,064
Profit after tax	<u>200,884,231</u>	<u>151,201,841</u>

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

 Iqbal Ali Lakhani Chairman	 Amin Mohammed Lakhani Director	 Aftab Ahmad Director	 Mohammad Hussain Hirji Director & Chief Executive	 Sabza Ali Pirani Chief Financial Officer
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Condensed Interim Statement of Changes in Equity (Un-audited)

For the nine months period ended September 30, 2021

	Attributable to equity holders of the Company					Total
	Share capital	Capital reserves	Revenue reserves			
	Issued, subscribed and paid-up	Share premium	General reserve	Unrealised appreciation / (diminution) "available for sale" investments	Unappropriated profit	
	----- (Rupees) -----					
Balance as at January 01, 2020	502,968,030	254,024,260	119,000,000	5,545,934	955,159,703	1,836,697,927
Total comprehensive income						
Profit after tax for the nine months period	-	-	-	-	151,201,841	151,201,841
Other comprehensive income						
Share in other comprehensive income of an associate	-	-	-	-	45,973	45,973
Net unrealised gain arising during the period on revaluation of available for sale investments net of tax	-	-	-	8,508,302	-	8,508,302
Reclassification adjustment for net gain on available for sale investments included in profit and loss account net of tax	-	-	-	(193,210)	-	(193,210)
Total comprehensive income	-	-	-	8,315,092	151,247,814	159,562,906
Transactions with owners recorded directly in equity						
Final cash dividend of Rs. 1.75 (17.5%) per share for the year ended December 31, 2019	-	-	-	-	(88,019,608)	(88,019,608)
Balance as at September 30, 2020	<u>502,968,030</u>	<u>254,024,260</u>	<u>119,000,000</u>	<u>13,861,026</u>	<u>1,018,387,909</u>	<u>1,908,241,225</u>
Balance as at January 01, 2021	502,968,030	254,024,260	119,000,000	62,840,187	1,110,233,075	2,049,065,552
Total comprehensive income						
Profit after tax for the nine months period	-	-	-	-	200,884,231	200,884,231
Other comprehensive income						
Share in other comprehensive income of an associate	-	-	-	-	9,367	9,367
Net unrealised loss arising during the period on revaluation of available for sale investments (including WTO) net of tax	-	-	-	(10,689,546)	-	(10,689,546)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (Including WTO) net of tax	-	-	-	(9,529,027)	-	(9,529,027)
Total comprehensive income	-	-	-	(20,218,573)	200,893,598	180,675,025
Transactions with owners recorded directly in equity						
Final cash dividend of Rs. 2 (20%) per share for the year ended December 31, 2020	-	-	-	-	(100,593,666)	(100,593,666)
Balance as at September 30, 2021	<u>502,968,030</u>	<u>254,024,260</u>	<u>119,000,000</u>	<u>42,621,614</u>	<u>1,210,533,007</u>	<u>2,129,146,911</u>

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer



Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended September 30, 2021

1. STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on October 10, 1985 under the repealed Companies Ordinance, 1984 (now Companies Act 2017). 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 Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

The Company was granted authorization on August 07, 2017 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations by Securities and Exchange Commission of Pakistan (SECP) and under Takaful Rules, 2012 to carry on general takaful operations in Pakistan. The Company has formed a Waqf for Participants' Fund ("PTF") by executing the Waqf deed dated August 17, 2017. The Company commenced its activities of Window Takaful Operations on August 18, 2017.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IAS) 34, interim Financial Reporting issued by the International Accounting Standards Board (IASB) as for interim Financial Reporting notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

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

In terms of the requirements of The General Takaful Accounting Regulation, 2019, read with SECP SRO 1416(I)/2019 dated November 20, 2019, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations (WTO) of the Company have been presented as a single line item in the balance sheet and profit and loss account of the Company respectively.

3. BASIS OF MEASUREMENT

These financial statements have been prepared on the historical cost basis except for certain investment which are carried at fair value.

4. FUNCTIONAL AND PRESENTATION CURRENCY

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





These condensed interim financial statements for the three months and nine months period ended September 30, 2021 have been prepared under the historical cost convention, except that investments classified as available-for-sale and investment properties are stated at fair value and obligations under employee benefits are measured at present value.

5. ACCOUNTING POLICIES

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

5.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period.

The Company has adopted the following amendments to IFRSs which became effective for the current period:

Standard or Interpretation

- IFRS 3 - Definition of a Business (Amendments)
- IAS 1/ IAS 8 - Definition of Material (Amendments)
- International Accounting Standard Board (IASB) revised Conceptual Framework
- IFRS 16 - Rent concessions on leased assets on account of Covid-19
- IFRS 14 - Regulatory Deferral Accounts

The adoption of the above Standards / amendments and improvements to accounting standards did not have any effect on the Company's condensed interim financial statements.

5.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective

The following IFRSs as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting period beginning on or after January 01, 2021:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 16 - Interest Rate Benchmark Reform Phase 2 (Amendments)	January 01, 2021
- IFRS 3 - Revised Conceptual Framework (Amendments)	January 01, 2022
- IAS 16 – Property, Plant and Equipments: proceeds before intended use	January 01, 2022
- IAS 37 - Onerous Contracts: cost of fulfilling a contract	January 01, 2022
- IAS 1 - Classification of Liabilities as Current to Non-current (Amendments)	January 01, 2023

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods



Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended September 30, 2021

beginning on or after January 01, 2021 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 1 – First time adoption of IFRSs	January 01, 2004
- IFRS 17 – Insurance Contracts	January 01, 2023

6. ESTIMATES AND JUDGMENTS

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

7. INSURANCE AND FINANCIAL RISK MANAGEMENT

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

8. DISCLOSURES RELATED TO TEMPORARY EXEMPTION FROM IFRS 9

To determine the appropriate classification of financial assets under IFRS 9, an entity would need to assess the contractual cash flows characteristics of any financial asset. Indeed, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI) i.e. cash flows that are consistent with a basic lending arrangement. In a basic lending arrangement consideration for the time value of money and credit risk are typically the most significant elements of interest. IFRS 9 defines the terms principal as being the fair value of the financial asset at initial recognition and the interest as being compensation for (i) the time value of money and (ii) the credit risk associated with the principal amount outstanding during a particular period of time.

The debt instruments accounted for fair value through other comprehensive income under IAS 39 are potentially eligible to SPPI test whereas it is not applicable for the debt instruments accounted for fair value through profit and loss.

The tables below set out the fair values on gross basis as at the end of reporting period and the amount of change in the fair value during that period for the following two groups of financial assets separately:



- a) financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis; and
- b) all other financial assets.

September 30, 2021 (Un-audited)					
Fail the SPPI Test			Pass the SPPI Test		
Fair value	Change in Unrealized gain or (loss) during the period		Carrying value	Cost less impairment	Change in Unrealized gain or (loss) during the period
		(Rupees)			
Financial assets					
Investment in associate	124,185,079	-	-	-	-
Investments					
- Equity securities - Available for Sale	914,606,422	57,021,768	-	-	-
- Equity securities - Held for trading	101,297,341	(6,568,856)	-	-	-
- Debt securities - Held for trading	-	-	85,492,852	-	(4,817,710)
- Debt securities - available for sale	-	-	393,155,495	-	1,354,253
- Debt securities - held to maturity	-	-	54,572,387	-	-
Term deposit	-	-	100,000,000	-	-
Loan and other receivables*	53,342,774	-	-	-	-
Cash and Bank	-	-	658,371,292	-	-
TOTAL	1,298,914,130	50,452,912	1,291,592,026	-	(3,463,457)

* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of the fair values.

	Gross Carrying amount of debt instruments that pass the SPPI test			
	AA	A	Unrated	Total
	(Rupees)			
Investment in debt securities -				
Held for trading	-	-	85,492,852	85,492,852
Available for sale	80,867,885	135,000,000	177,287,610	393,155,495
Held to Maturity	-	-	54,572,387	54,572,387
Term Deposit	-	-	100,000,000	100,000,000
	80,867,885	135,000,000	417,352,849	633,220,734

9. PREMIUM DEFICIENCY RESERVE

No provision has been made 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 balance sheet date in respect of policies in force at the reporting date.

Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended September 30, 2021

10. PROPERTY AND EQUIPMENT		(Un-audited) September 30, 2021	(Audited) December 31, 2020
	Note	------(Rupees)-----	
Operating assets	10.1	78,857,108	70,599,800
Right of use assets	10.2	36,804,071	38,925,248
Capital work in progress	10.3	7,484,221	11,625,221
		<u>123,145,400</u>	<u>121,150,269</u>

10.1 Operating assets

Opening written down value		70,599,800	77,172,381
Add: Additions during the period / year - at cost			
- Motor vehicles		16,576,055	8,082,900
- Computers and related accessories		431,350	1,799,800
- Office equipment		2,208,911	870,152
- Furniture and fixtures		1,556,200	52,000
- Office improvement		1,295,985	-
		22,068,501	10,804,852
Less: Written down value of deletions		1,485,423	1,801,182
Depreciation for the period / year		12,325,770	15,576,251
		13,811,193	17,377,433
		<u>78,857,108</u>	<u>70,599,800</u>

10.2 Right of use assets

Opening written down value as at		38,925,248	48,887,433
Additions during the period / year		8,555,204	2,955,472
Depreciation for the period / year		(10,676,381)	(12,917,657)
Closing written down value as at		<u>36,804,071</u>	<u>38,925,248</u>

10.3 Capital work in progress

Advance against purchase of vehicles		7,023,221	11,625,221
Renovation of office		461,000	-
		<u>7,484,221</u>	<u>11,625,221</u>

11. INVESTMENT IN ASSOCIATES

Beginning of the period / year		49,959,574	39,404,247
Share of profit from associates		4,792,604	12,408,460
Dividend received from associates		(582,050)	(1,917,879)
Share in other comprehensive income		9,367	64,746
End of the period / year	11.1	<u>54,179,495</u>	<u>49,959,574</u>

11.1 This includes investment in Colgate - Palmolive (Pakistan) Limited of Rs. 12.460 million (December 31, 2020: Rs. 11.968 million and Century Paper & Board Mills Limited of Rs. 41.719 million (December 31, 2020: Rs. 37.992 million).



12. INVESTMENTS

12.1 Investments in equity

	Note	September 30, 2021 (Un-audited)				December 31, 2020 (Audited)			
		Cost	Impairment on AFS	Unrealised gain / (loss) revaluation	Carrying value	Cost	Impairment on AFS	Unrealised gain on revaluation	Carrying value
Available for sale	12.1.1	857,584,654	-	57,021,768	914,606,422	805,836,834	(30,836,151)	82,140,722	857,141,405
Held for trading		107,866,197	-	(6,568,856)	101,297,341	95,181,884	-	6,398,703	101,580,587
12.1.1 Available for sale		965,450,851	-	50,452,912	1,015,903,763	901,018,718	(30,836,151)	88,539,425	958,721,992
Related parties									
Mutual funds		462,944,666	-	30,024,403	492,969,069	413,678,396	-	32,820,801	446,499,197
Others									
Listed shares		54,481,841	-	4,811,991	59,293,832	40,991,667	(4,860,437)	10,886,773	47,018,003
Unlisted shares		75,283	-	-	75,283	75,283	-	-	75,283
Mutual funds		340,082,864	-	22,185,374	362,268,238	351,091,488	(25,975,714)	38,433,148	363,548,922
		394,639,988	-	26,997,365	421,637,353	392,158,438	(30,836,151)	49,319,921	410,642,208
		857,584,654	-	57,021,768	914,606,422	805,836,834	(30,836,151)	82,140,722	857,141,405

	Note	September 30, 2021 (Un-audited)			December 31, 2020 (Audited)		
		Cost	Unrealised gain / (loss) on revaluation	Carrying value*	Cost	Unrealised gain / (loss) on revaluation	Carrying value*
12.2 Investments in debt securities							
Held for trading							
Government securities		90,310,562	(4,817,710)	85,492,852	86,596,010	393,967	86,989,977
Held to maturity							
Government securities	12.2.1 & 12.2.2	54,572,387	-	54,572,387	127,627,411	-	127,627,411
Available for sale							
Sukuk		25,000,000	186,875	25,186,875	35,000,000	(53,023)	34,946,977
Term finance certificate		190,079,892	601,118	190,681,010	44,980,000	(713,169)	44,266,831
Government securities		176,721,350	566,260	177,287,610	223,777,326	7,084,824	230,862,150
		391,801,242	1,354,253	393,155,495	303,757,326	6,318,632	310,075,958
		536,884,191	(3,463,457)	533,220,734	517,980,747	6,712,599	524,693,346

12.2.1 This includes securities which are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.

12.2.2 The market value of held to maturity debt securities is Rs. 55.547 million (2020: Rs. 129.772 million).

Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended September 30, 2021

	(Un-audited) September 30, 2021	(Audited) December 31, 2020
13. INVESTMENT IN TERM DEPOSIT		
Deposit maturing within 12 months	<u>100,000,000</u>	<u>195,400,000</u>
14. LOAN AND OTHERS RECEIVABLE		
Accrued investment income	29,732,020	26,231,956
Security deposits	6,889,003	6,529,043
Advance to employees	3,270,286	3,856,474
Advance against expenses	154,409	1,104,909
Advance against purchase of shares	2,140,600	686
Receivable against sale of shares	158,200	-
Receivable from Window Takaful Operations	8,960,687	3,392,738
Others	<u>2,037,569</u>	<u>1,147,190</u>
	<u>53,342,774</u>	<u>42,262,996</u>
15. INSURANCE / REINSURANCE RECEIVABLE		
Due from insurance contract holders	469,487,659	395,106,061
Amounts due from other insurers / reinsurers	85,005,919	45,758,485
Reinsurance recoveries due but unpaid	<u>44,114,241</u>	<u>113,814,809</u>
	<u>598,607,819</u>	<u>554,679,355</u>
15.1 This include receivable amounting to Rs. 525.037 million (December 31, 2020: Rs. 289.716 million) due from related parties.		
16. PREPAYMENTS		
Prepaid reinsurance premium ceded	270,016,281	203,828,710
Prepayments	<u>4,568,677</u>	<u>5,587,715</u>
	<u>274,584,958</u>	<u>209,416,425</u>
17. CASH AND BANK		
Cash and cash equivalents		
Cash in hand	304,183	276,760
Policy stamps and bond papers in hand	2,476,889	1,614,728
Deposit with SBP	<u>5,153,258</u>	<u>5,153,258</u>
	7,934,330	7,044,746
Current and other accounts		
Current accounts	14,817,135	25,555,017
Saving accounts	<u>635,619,827</u>	<u>421,765,937</u>
	650,436,962	447,320,954
	<u>658,371,292</u>	<u>454,365,700</u>

17.1 Saving accounts expected profit rate ranging from 5.5% to 7.0% per annum (December 31, 2020: 5.5% to 12.0% per annum).

17.2 Cash includes the following for the purposes of the Statement of Cash Flows:

	Note	(Un-audited) September 30, 2021	(Un-audited) September 30, 2020
		------(Rupees) -----	
Cash and Balance		658,371,292	311,534,707
Less: local currency account with a lien		1,000,000	800,000
		<u>657,371,292</u>	<u>310,734,707</u>

18. WINDOW TAKAFUL OPERATIONS

	(Un-audited) September 30, 2021	(Audited) December 31, 2020
	------(Rupees) -----	
Assets		
Investments	93,313,526	6,968,219
Cash and bank deposits	1,023,411	82,593,412
Current assets - others	32,747,367	13,934,287
Total Assets	<u>127,084,304</u>	<u>103,495,918</u>
Total Liabilities - Current	<u>46,444,166</u>	<u>34,906,454</u>
	Three months period ended	Nine months period ended
	<u>September 30,</u> 2021	September 30, 2020
Profit before tax for the period	<u>4,382,439</u>	2,609,798
		<u>September 30,</u> 2021
		September 30, 2020
		<u>15,366,311</u>
		8,029,667

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

Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended September 30, 2021

(Un-audited) September 30, 2021	(Audited) December 31, 2020
------(Rupees) -----	

19. INSURANCE AND REINSURANCE PAYABLES

Foreign reinsurers	117,306,342	39,146,607
Local reinsurers	230,866,242	186,039,601
Co-insurers	19,844,179	9,529,274
	368,016,763	234,715,482

20. OTHER CREDITORS AND ACCRUALS

Agent commission payable	47,790,021	46,717,880
Federal excise duty	12,623,050	13,482,688
Federal insurance fees	1,137,003	1,423,681
Creditors	4,425,337	3,961,772
Retention money	141,073	141,073
Margin deposits	4,335,445	5,029,833
Payable against purchase of shares	1,247	-
Withholding tax payable	943,646	206,656
Accrued expenses	12,946,299	15,833,604
Deposits from employees against car scheme	17,506,234	13,908,530
Unclaimed dividend	5,447,356	5,027,111
Lease liability	41,224,148	43,775,508
Others	3,168,656	3,168,106
	151,689,515	152,676,442

21. CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

The status of contingencies, except for mentioned below, remain unchanged as disclosed in annual audited financial statements for the year ended December 31, 2020.

During the year 2015, the Company received orders under section 122(5A) passed by the Additional Commissioner Inland Revenue (ACIR) for the Tax Years 2009 to 2013 wherein prior year assessments were revised on similar issue as mentioned above resulting in aggregate demand of Rs. 26.35 million. The Company had paid Rs. 2.9 million in protest against demand for Tax Year 2009 before going in appeal and applied for rectification of remaining order in respect of short credits allowed. The ACIR issued revised orders and now aggregated demand is Rs.14.609 million. The Company had filed appeals against the said orders with CIT (Appeals) that was rejected by the CIT (Appeals) through a combined order for five years. Thereafter, the Company filed an appeal against the order of CIT (Appeal) with Appellate Tribunal Inland Revenue which has been decided in Company's favour recently.

21.2 Commitments

There are no commitments as at September 30, 2021



22. NET INSURANCE PREMIUM

Note	(Un-audited)		(Un-audited)	
	Three months period ended		Nine months period ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----
Written Gross premium	315,495,025	291,315,371	1,200,345,719	1,075,568,698
Add : Unearned premium reserve opening	699,004,578	622,426,853	521,370,886	494,320,532
Less: Unearned premium reserve closing	645,076,771	578,088,483	645,076,771	578,088,483
Premium earned	<u>369,422,832</u>	<u>335,653,741</u>	<u>1,076,639,834</u>	<u>991,800,747</u>
Less: Reinsurance premium ceded	136,515,550	128,670,034	480,220,886	425,692,762
Add: Prepaid reinsurance premium opening	270,318,161	234,210,691	203,828,710	179,906,261
Less: Prepaid reinsurance premium closing	270,016,281	230,765,132	270,016,281	230,765,132
Reinsurance expense	136,817,430	132,115,593	414,033,315	374,833,891
	<u>232,605,402</u>	<u>203,538,148</u>	<u>662,606,519</u>	<u>616,966,856</u>

23. NET INSURANCE CLAIMS EXPENSE

Claim paid	149,437,869	96,593,186	451,587,661	325,134,530
Add : Outstanding claims including IBNR closing	251,451,837	314,008,953	251,451,837	314,008,953
Less: Outstanding claims including IBNR opening	271,814,461	237,195,622	260,105,733	206,337,532
Claims expense	<u>129,075,245</u>	<u>173,406,517</u>	<u>442,933,765</u>	<u>432,805,951</u>
Less: Reinsurance and others recoveries received	45,466,371	15,675,383	153,144,183	94,156,253
Add: Reinsurance and others recoveries in respect of outstanding claims closing	105,482,514	186,329,821	105,482,514	186,329,821
Less: Reinsurance and others recoveries in respect of outstanding claims opening	129,634,712	127,561,761	125,342,540	97,581,839
Reinsurance and other recoveries revenue	21,314,173	74,443,443	133,284,157	182,904,235
	<u>107,761,072</u>	<u>98,963,075</u>	<u>309,649,608</u>	<u>249,901,717</u>

24. NET COMMISSION EXPENSE

Commission paid or payable	25,942,410	27,852,478	59,106,842	78,461,834
Add : Deferred commission expense opening	19,762,621	27,538,371	25,643,610	35,271,269
Less: Deferred commission expense closing	27,114,025	30,397,132	27,114,025	30,397,132
Net commission	<u>18,591,006</u>	<u>24,993,717</u>	<u>57,636,427</u>	<u>83,335,971</u>
Less: Commission received or recoverable	40,081,470	37,952,926	116,329,018	105,251,180
Add: Unearned Reinsurance commission opening	50,866,183	45,860,824	46,716,196	40,139,097
Less: Unearned Reinsurance commission closing	58,297,362	50,882,670	58,297,362	50,882,670
Commission from reinsurers	32,650,291	32,931,080	104,747,852	94,507,607
	<u>(14,059,285)</u>	<u>(7,937,363)</u>	<u>(47,111,425)</u>	<u>(11,171,636)</u>

Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended September 30, 2021

25. INVESTMENT INCOME

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2021	September 30, 2020	Nine months period ended September 30, 2021	September 30, 2020
	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----
Income from equity securities				
Available-for-sale				
Dividend income	4,595,304	290,900	21,803,234	8,890,889
Held for trading				
Dividend income	1,777,480	142,668	5,050,545	2,048,102
Income from debt securities				
Held to maturity				
Return on government securities	1,305,667	2,825,805	5,901,377	11,057,588
Return on other fixed income securities and deposits	-	493,427	-	2,802,730
	1,305,667	3,319,232	5,901,377	13,860,318
Available-for-sale				
Return on government securities	4,779,601	5,017,981	16,901,186	15,082,414
Return on other fixed income securities and deposits	2,607,589	1,745,812	6,392,883	7,685,901
	7,387,190	6,763,793	23,294,069	22,768,315
Held-for-trading				
Return on government securities	1,893,972	6,995,077	5,298,001	19,558,289
Income from term deposits				
Return on term deposits	3,591,779	4,364,557	15,866,784	13,513,360
Net realised gains on investments				
Available for sale				
- Gain on sale of equity securities	883,557	2,966,218	16,697,611	3,363,796
Fair value through profit or loss				
- Gain / (loss) on sale of equity securities	944,944	2,861,948	5,390,258	(6,482,273)
- Gain on sale of debt securities	-	16,742	6,056	2,587,515
	944,944	2,878,690	5,396,314	(3,894,758)
Net unrealised (loss) / gain on investments at fair value through profit and loss (Held for trading purposes)				
- Equity securities	(9,076,171)	11,831,103	(6,568,842)	2,779,312
- Debt securities	(1,405,577)	(5,338,743)	(4,817,710)	(938,023)
	(10,481,748)	6,492,360	(11,386,552)	1,841,289
Total investment income	11,898,145	34,213,495	87,921,383	81,949,600
Less: Impairment in value of available-for-sale	-	-	-	(23,594,686)
Less: Investment related expenses	(810,257)	(5,107,572)	(2,594,111)	(6,446,260)
Investment income	11,087,888	29,105,923	85,327,272	51,908,654



	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2021	September 30, 2020	Nine months period ended September 30, 2021	September 30, 2020
	----- (Rupees) -----		----- (Rupees) -----	
26. OTHER INCOME				
Return on bank balances	15,831,450	7,410,348	37,249,215	27,054,744
Gain on sale of fixed assets	-	(2,466)	502,789	54,903
Others	81,866	35,284	(299,897)	47,873
	<u>15,913,316</u>	<u>7,443,166</u>	<u>37,452,107</u>	<u>27,157,520</u>

27. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after tax for the period	<u>58,817,004</u>	54,177,178	<u>200,884,231</u>	151,201,841
	----- (Numbers) -----		----- (Numbers) -----	
Weighted average number of ordinary shares	<u>50,296,803</u>	50,296,803	<u>50,296,803</u>	50,296,803
	----- (Rupees) -----		----- (Rupees) -----	
Earnings per share - basic and diluted	<u>1.17</u>	1.08	<u>3.99</u>	3.01

27.1 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.

28. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies; directors and their close family members; staff retirement funds; key management personnel and major shareholders of the Company. The associated companies are associated either based on holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances, including investments in associates, are disclosed in relevant notes to these condensed interim financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:



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For the nine months period ended September 30, 2021

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2021	September 30, 2020	Nine months period ended September 30, 2021	September 30, 2020
	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----
Transactions with related parties				
Premium written	<u>53,996,956</u>	<u>57,193,946</u>	<u>610,882,403</u>	<u>577,011,825</u>
Commission expense	<u>-</u>	<u>4,797,357</u>	<u>-</u>	<u>27,404,093</u>
Claims paid	<u>48,425,658</u>	<u>34,109,682</u>	<u>161,660,896</u>	<u>142,327,666</u>
Investment in mutual funds	<u>74,842,350</u>	<u>57,000,000</u>	<u>180,001,762</u>	<u>63,721,589</u>
Sale of units of mutual funds	<u>43,433,089</u>	<u>-</u>	<u>133,880,728</u>	<u>-</u>
Dividend received	<u>7,090,190</u>	<u>-</u>	<u>7,672,240</u>	<u>476,235</u>
Donation paid	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
Donation Paid	<u>-</u>	<u>-</u>	<u>77,204,246</u>	<u>54,551,777</u>
Expenses	<u>7,028,672</u>	<u>4,480,274</u>	<u>20,326,964</u>	<u>17,197,750</u>
Staff benefit plans	<u>3,417,883</u>	<u>3,337,557</u>	<u>10,227,261</u>	<u>10,109,675</u>
Remuneration to key management personnel	<u>39,985,659</u>	<u>26,959,658</u>	<u>80,068,957</u>	<u>72,313,487</u>

29. FAIR VALUE OF MANAGEMENT

IFRS 13 "Fair Value Measurement" defines fair value as 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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

In respect of investments in quoted equity securities, fair value is determined by reference to stock exchange quoted market price at the close of business day. For term finance certificates, fair value is determined by reference to average broker rates.

Fair value hierarchy

IFRS 13 requires the Company to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) and;



Level 3 Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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)											
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associate	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees)											
Financial assets measured at fair value											
Investments											
- Equity	101,297,341	665,686,939	-	-	-	-	786,883,280	160,591,173	626,292,107	-	786,883,280
- Debt	85,492,652	393,155,495	-	-	-	-	478,648,347	-	478,648,347	-	478,648,347
Assets of Window Takatful Operations - Operator's fund	-	93,313,526	-	-	-	-	93,313,526	-	93,313,526	-	93,313,526
Financial assets not measured at fair value											
Cash and bank*											
	-	-	-	658,371,292	-	-	658,371,292	-	-	-	-
Investments											
- In associates	-	-	-	-	54,179,495	-	54,179,495	124,165,079	-	-	124,165,079
- Debt securities	-	-	54,572,387	-	-	-	54,572,387	-	-	-	-
- Unquoted equity shares*	-	229,020,483	-	-	-	-	229,020,483	-	-	229,020,483	229,020,483
- Term Deposits	-	-	100,000,000	-	-	-	100,000,000	-	-	-	-
Insurance / reinsurance receivable*	-	-	-	598,607,819	-	-	598,607,819	-	-	-	-
Loan and other receivable*	-	-	-	49,918,079	-	-	49,918,079	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	105,482,514	-	-	105,482,514	-	-	-	-
Assets of Window Takatful Operations - Operator's fund*	-	-	-	29,388,576	-	-	29,388,576	-	-	-	-
Financial liabilities not measured at fair value											
Outstanding claims including IBNR*											
	-	-	-	-	-	(251,451,837)	(251,451,837)	-	-	-	-
Insurance / reinsurance payables*											
	-	-	-	-	-	(368,016,763)	(368,016,763)	-	-	-	-
Other creditors and accruals*											
	-	-	-	-	-	(136,985,816)	(136,985,816)	-	-	-	-
Total liabilities of Window Takatful Operations - Operator's fund*	-	-	-	-	-	(19,421,704)	(19,421,704)	-	-	-	-
	186,790,193	1,401,075,443	154,572,387	1,441,768,280	54,179,495	(775,676,120)	2,462,509,678	-	284,776,252	-	1,198,253,980
	-	-	-	-	-	-	-	-	1,198,253,980	229,020,483	1,712,050,715

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For the nine months period ended September 30, 2021

September 30, 2020 (Un-audited)											
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associate	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees)										
Financial assets measured at fair value											
Investments											
- Equity	101,580,587	628,120,922	-	-	-	-	729,701,509	148,598,590	628,120,946	-	776,719,536
- Debt	86,989,977	310,075,958	-	-	-	-	397,065,935	-	397,065,935	-	397,065,935
Assets of Window Takaful Operations - Operator's fund	-	6,968,219	-	-	-	-	6,968,219	-	6,968,219	-	6,968,219
Financial assets not measured at fair value											
Cash and bank*											
	-	-	-	454,365,700	-	-	454,365,700	-	-	-	-
Investments											
- In associates	-	-	-	-	49,959,574	-	49,959,574	162,055,359	-	-	162,055,359
- Debt securities	-	-	127,627,411	-	-	-	127,627,411	-	-	-	-
- Unquoted equity shares*	-	229,020,483	-	-	-	-	229,020,483	-	-	229,020,483	229,020,483
- Term Deposits	-	-	195,400,000	-	-	-	195,400,000	-	-	-	-
Insurance / reinsurance receivable*	-	-	-	554,679,355	-	-	554,679,355	-	-	-	-
Loan and other receivable*	-	-	-	37,301,613	-	-	37,301,613	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	125,342,540	-	-	125,342,540	-	-	-	-
Assets of Window Takaful Operations - Operator's fund*	-	-	-	82,637,961	-	-	82,637,961	-	-	-	-
Financial liabilities not measured at fair value											
Outstanding claims including IBNR*											
	-	-	-	-	-	(260,105,733)	(260,105,733)	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	(234,715,482)	(234,715,482)	-	-	-	-
Other creditors and accruals*	-	-	-	-	-	(123,654,887)	(123,654,887)	-	-	-	-
Total liabilities of Window Takaful Operations - Operator's fund*	-	-	-	-	-	(15,938,074)	(15,938,074)	-	-	-	-
	186,570,564	1,174,185,582	323,027,411	1,254,327,169	49,959,574	(634,414,176)	2,355,656,124	310,653,949	1,032,155,100	229,020,483	1,571,829,532

29.1 Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKFRV, PKFRV & PKISRV rates (Reuters page).
Term Finance Certificates and Bonds	Investments in debt securities (comprising Term Finance Certificates, Bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration, etc.

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

29.2 During the period ended September 30, 2021, there were no transfers between level 1 and 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

30. SEGMENT INFORMATION

	Three months period ended September 30, 2021 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	(Rupees)					
Premium received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	100,664,025	94,014,732	107,141,661	29,005,460	24,805,434	355,631,312
Less: - Federal Excise Duty / Sales Tax	12,552,748	10,248,036	12,689,585	240,222	2,971,580	38,702,171
- Federal Insurance Fee	882,135	783,716	938,298	397,217	216,007	3,217,373
- Others	24,200	4,629,817	94,349	2,800	14,000	4,765,166
Add: - Facultative inward premium	4,691,359	-	1,465,998	-	391,066	6,548,423
Gross written premium (inclusive of Administrative Surcharge)	91,896,301	78,353,163	94,885,427	28,365,221	21,994,913	315,495,025
- Gross direct premium	86,676,103	76,426,406	90,873,348	28,310,053	21,377,305	303,663,215
- Facultative inward premium	4,691,359	-	1,465,998	-	391,066	6,548,423
- Administrative surcharge	528,839	1,926,757	2,546,081	55,168	226,542	5,283,387
	91,896,301	78,353,163	94,885,427	28,365,221	21,994,913	315,495,025
Insurance premium earned	107,371,365	75,643,055	94,174,351	78,482,423	13,751,638	369,422,832
Insurance premium ceded to reinsurers	(97,644,160)	(27,900,092)	(2,146,149)	39,809	(9,166,838)	(136,817,430)
Net Insurance premium	9,727,205	47,742,963	92,028,202	78,522,232	4,584,800	232,605,402
Commission income	19,341,679	10,681,780	72,395	42,000	2,512,437	32,650,291
Net underwriting income	29,068,884	58,424,743	92,100,597	78,564,232	7,097,237	265,255,693
Insurance claims	(2,721,379)	(9,472,125)	(50,584,734)	(63,846,527)	(2,450,480)	(129,075,245)
Insurance claims recovered from reinsurers	2,365,187	6,776,577	10,637,138	-	1,535,271	21,314,173
Net claims	(356,192)	(2,695,548)	(39,947,596)	(63,846,527)	(915,209)	(107,761,072)
Commission expense	(6,924,272)	(5,217,242)	(5,257,323)	(677,029)	(515,140)	(18,591,006)
Management expense	(23,981,126)	(18,967,288)	(23,214,194)	(10,026,861)	(5,045,182)	(81,234,651)
Net insurance claims and expenses	(31,261,590)	(26,880,078)	(68,419,113)	(74,550,417)	(6,475,531)	(207,586,729)
Underwriting results	(2,192,706)	31,544,665	23,681,484	4,013,815	621,706	57,668,964
Investment Income						11,087,888
Other income						15,913,316
Other expenses						(3,551,505)
Finance costs - Lease liabilities						(1,468,765)
Share of profit of associates						494,731
Profit before tax from Window Takaful Operations						4,382,439
Profit before tax for the period						84,527,068

Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended September 30, 2021

	Nine months period ended September 30, 2021 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Premium received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	413,446,195	278,705,377	335,104,918	265,087,751	56,592,229	1,348,936,470
Less: - Federal Excise Duty / Sales Tax	49,229,983	30,239,781	39,815,816	4,714,260	6,785,719	130,785,559
- Federal Insurance Fee	3,616,683	2,317,754	2,932,309	2,870,172	492,836	12,229,754
- Others	54,150	14,412,441	263,759	6,400	28,050	14,764,800
Add: - Facultative inward premium	6,629,040	57,505	2,056,979	-	445,838	9,189,362
Gross written premium (inclusive of Administrative Surcharge)	367,174,419	231,792,906	294,150,013	257,496,919	49,731,462	1,200,345,719
- Gross direct premium	359,268,705	225,651,911	285,231,090	257,338,879	48,836,778	1,176,327,363
- Facultative inward premium	6,629,040	57,505	2,056,979	-	445,838	9,189,362
- Administrative surcharge	1,276,674	6,083,490	6,861,944	158,040	448,846	14,828,994
	367,174,419	231,792,906	294,150,013	257,496,919	49,731,462	1,200,345,719
Insurance premium earned	314,417,591	229,391,940	263,889,087	225,248,501	43,692,715	1,076,639,834
Insurance premium ceded to reinsurers	(283,653,802)	(91,746,767)	(6,702,247)	(310,196)	(31,620,303)	(414,033,315)
Net Insurance premium	30,763,789	137,645,173	257,186,840	224,938,305	12,072,412	662,606,519
Commission income	60,519,573	35,417,741	226,695	143,503	8,440,340	104,747,852
Net underwriting income	91,283,362	173,062,914	257,413,535	225,081,808	20,512,752	767,354,371
Insurance claims	(62,711,444)	(33,282,488)	(151,991,343)	(181,240,234)	(13,708,256)	(442,933,765)
Insurance claims recovered from reinsurers	58,084,891	20,190,936	43,942,129	-	11,066,201	133,284,157
Net claims	(4,626,553)	(13,091,552)	(108,049,214)	(181,240,234)	(2,642,055)	(309,649,608)
Commission expense	(20,246,104)	(17,011,999)	(15,133,871)	(2,884,143)	(2,360,310)	(57,636,427)
Management expense	(75,792,204)	(47,846,730)	(60,718,494)	(53,152,556)	(10,266,577)	(247,775,561)
Net insurance claims and expenses	(100,664,861)	(77,950,281)	(183,901,579)	(237,276,933)	(15,267,942)	(615,061,596)
Underwriting results	(9,381,499)	95,112,633	73,511,956	(12,195,125)	5,244,810	152,292,775
Investment income						85,327,272
Other income						37,452,107
Other expenses						(8,943,340)
Finance costs - Lease liabilities						(4,352,672)
Share of profit of associates						4,792,604
Profit before tax from Window Takaful Operations						15,366,311
Profit before tax for the period						281,935,057

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

	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Premium received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	99,271,162	80,919,158	85,460,419	34,597,255	31,412,020	331,660,014
Less: - Federal Excise Duty / Sales Tax	12,269,600	8,867,895	10,209,748	195,884	3,863,131	35,406,258
- Federal Insurance Fee	863,515	680,762	750,125	376,405	272,619	2,943,426
- Others	19,750	3,391,737	83,200	2,950	16,100	3,513,737
- Facultative inward premium	856,125	-	154,741	-	507,912	1,518,778
Gross written premium (inclusive of Administrative Surcharge)	86,974,422	67,978,764	74,572,087	34,022,016	27,768,082	291,315,371
- Gross direct premium	85,541,333	66,337,034	72,231,048	33,965,264	26,985,452	285,060,131
- Facultative inward premium	856,125	-	154,741	-	507,912	1,518,778
- Administrative surcharge	576,964	1,641,730	2,186,298	56,752	274,718	4,736,462
	86,974,422	67,978,764	74,572,087	34,022,016	27,768,082	291,315,371
Insurance premium earned	102,802,768	65,692,605	76,514,686	73,461,096	17,182,586	335,653,741
Insurance premium ceded to reinsurers	(92,056,802)	(27,876,229)	(1,321,469)	(186,033)	(10,675,060)	(132,115,593)
Net Insurance premium	10,745,966	37,816,376	75,193,217	73,275,063	6,507,526	203,538,148
Commission income	19,447,867	10,710,447	32,551	52,485	2,687,730	32,931,080
Net underwriting income	30,193,833	48,526,823	75,225,768	73,327,548	9,195,256	236,469,228
Insurance claims	(55,789,529)	(16,759,968)	(30,076,230)	(55,769,515)	(15,011,275)	(173,406,517)
Insurance claims recovered from reinsurers	50,115,091	9,496,351	4,798,918	-	10,033,083	74,443,443
Net claims	(5,674,439)	(7,263,617)	(25,277,312)	(55,769,515)	(4,978,192)	(98,963,075)
Commission expense	(8,409,478)	(8,740,077)	(4,749,022)	(1,092,213)	(2,002,927)	(24,993,717)
Management expense	(22,764,387)	(17,009,485)	(19,088,684)	(9,883,578)	(6,661,346)	(75,407,480)
Net insurance claims and expenses	(36,848,304)	(33,013,179)	(49,115,018)	(66,745,306)	(13,642,465)	(199,364,272)
Underwriting results	(6,654,471)	15,513,644	26,110,750	6,582,242	(4,447,209)	37,104,956
Investment income						29,105,923
Other income						7,443,166
Other expenses						(3,372,685)
Share of profit of associates						2,853,594
Finance costs - Lease liabilities						(1,507,994)
Profit before tax from Window Takaful Operations						2,609,798
Profit before tax for the period						74,236,758

Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended September 30, 2021

	Nine months period ended September 30, 2020 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Premium received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	393,968,702	234,476,674	293,259,529	226,859,806	61,935,710	1,210,500,421
Less: - Federal Excise Duty / Sales Tax	47,218,361	25,601,187	34,835,784	267,940	7,559,646	115,482,918
- Federal Insurance Fee	3,448,613	1,973,320	2,568,065	2,317,074	537,903	10,844,975
- Others	53,000	9,685,648	325,640	5,570	52,750	10,122,608
- Facultative inward premium	856,125	-	154,741	-	507,912	1,518,778
Gross written premium (inclusive of Administrative Surcharge)	344,104,853	197,216,519	255,684,781	224,269,222	54,293,323	1,075,568,698
- Gross direct premium	341,929,286	192,708,253	240,425,326	224,140,746	53,243,964	1,052,447,575
- Facultative inward premium	856,125	-	154,741	-	507,912	1,518,778
- Administrative surcharge	1,319,442	4,508,266	15,104,714	128,476	541,447	21,602,345
	344,104,853	197,216,519	255,684,781	224,269,222	54,293,323	1,075,568,698
Insurance premium earned	302,920,386	194,440,591	230,866,795	216,958,094	46,614,881	991,800,747
Insurance premium ceded to reinsurers	(265,400,832)	(72,374,971)	(4,241,423)	(500,645)	(32,316,020)	(374,833,891)
Net Insurance premium	37,519,554	122,065,620	226,625,372	216,457,449	14,298,861	616,966,856
Commission income	58,421,002	27,895,899	81,307	143,721	7,965,678	94,507,607
Net underwriting income	95,940,556	149,961,519	226,706,679	216,601,170	22,264,539	711,474,463
Insurance claims	(114,182,271)	(25,611,744)	(82,474,006)	(148,014,619)	(62,523,311)	(432,805,951)
Insurance claims recovered from reinsurers	104,723,013	13,290,487	13,215,678	-	51,675,057	182,904,235
Net claims	(9,459,259)	(12,321,257)	(69,258,328)	(148,014,619)	(10,848,254)	(249,901,717)
Commission expense	(32,844,164)	(27,675,074)	(15,162,725)	(3,243,233)	(4,410,775)	(83,335,971)
Management expense	(78,959,974)	(45,254,262)	(58,670,674)	(51,461,907)	(12,458,410)	(246,805,227)
Net insurance claims and expenses	(121,263,397)	(85,250,593)	(143,091,727)	(202,719,759)	(27,717,439)	(580,042,915)
Underwriting results	(25,322,841)	64,710,926	83,614,952	13,881,411	(5,452,900)	131,431,548
Investment income						51,908,654
Other income						27,157,520
Other expenses						(8,665,184)
Share of profit of associates						4,917,619
Finance costs - Lease liabilities						(4,741,133)
Profit before tax from Window Takaful Operations						8,029,667
Profit before tax for the period						210,038,691

The class wise assets and liabilities are as follows:

Nine months period ended September 30, 2021 (Un-audited)						
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
----- (Rupees) -----						
Segment assets	484,292,453	145,836,522	163,960,433	130,078,611	84,167,620	1,008,335,639
Unallocated assets	-	-	-	-	-	2,586,504,311
Unallocated assets of Window Takaful Operation - Operator's Fund	-	-	-	-	-	127,084,304
Total assets	484,292,453	145,836,522	163,960,433	130,078,611	84,167,620	3,721,924,254
Segment liabilities	461,647,545	131,379,990	342,358,040	289,498,400	100,481,088	1,325,365,063
Unallocated liabilities	-	-	-	-	-	220,968,114
Unallocated liabilities of Window Takaful Operation - Operator's Fund	-	-	-	-	-	46,444,166
Total liabilities	461,647,545	131,379,990	342,358,040	289,498,400	100,481,088	1,592,777,343
December 31, 2020 (Audited)						
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
----- (Rupees) -----						
Segment assets	435,184,308	133,595,354	152,439,484	116,574,215	83,592,416	921,385,777
Unallocated assets	-	-	-	-	-	2,377,966,525
Unallocated assets of Window Takaful Operation - Operator's Fund	-	-	-	-	-	103,495,918
Total assets	435,184,308	133,595,354	152,439,484	116,574,215	83,592,416	3,402,848,220
Segment liabilities	385,382,699	93,571,378	265,445,583	228,048,628	92,351,682	1,064,799,970
Unallocated liabilities	-	-	-	-	-	254,076,244
Unallocated liabilities of Window Takaful Operation - Operator's Fund	-	-	-	-	-	34,906,454
Total liabilities	385,382,699	93,571,378	265,445,583	228,048,628	92,351,682	1,353,782,668

31. GENERAL

Figures in these condensed interim financial information have been rounded off to the nearest rupees, unless otherwise stated.

33. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue in accordance with a resolution of the Board of Directors on October 27, 2021.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer



Window TAKAFUL Operations

Financial Statements



Condensed Interim Statement of Financial Position (Un-audited)

As at September 30, 2021

	Note	Operator's Fund		Participants' Takaful Fund	
		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		----- (Rupees) -----			
Assets					
Investments	9				
Equity securities / mutual funds		93,313,526	6,968,219	31,032,109	-
Debt securities		-	-	500,000	500,000
Loans and other receivables	10	6,773	44,550	918,669	533,901
Takaful / retakaful receivables	11	-	-	63,880,663	45,421,012
Retakaful recoveries against outstanding claims		-	-	11,763,368	15,778,359
Deferred commission expense / acquisition cost	20	4,382,202	3,792,532	-	-
Receivable from PTF	12	28,358,392	10,097,205	-	-
Deferred wakala fee	21	-	-	21,116,851	17,669,203
Prepaid retakaful contribution ceded		-	-	18,725,463	11,947,160
Cash and bank	13	1,023,411	82,593,412	60,729,452	45,227,837
Total Assets		127,084,304	103,495,918	208,666,575	137,077,472

Note	Operator's Fund		Participants' Takaful Fund	
	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)

Funds and Liabilities

Funds attributable to:

Operator's Fund

Statutory fund	50,000,000	50,000,000	-	-
Reserves	1,174,638	34,045	-	-
Accumulated profit	29,465,500	18,555,419	-	-

Participants' Takaful Fund

Seed Money	-	-	500,000	500,000
Accumulated surplus	-	-	19,751,545	13,723,262

Total Funds

	<u>80,640,138</u>	<u>68,589,464</u>	<u>20,251,545</u>	<u>14,223,262</u>
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Liabilities

PTF underwriting provisions

Outstanding claims including IBNR	19	-	-	37,546,510	36,298,886
Unearned contribution reserve	17	-	-	56,791,363	44,501,222
Reserve for unearned re-takaful rebate	18	-	-	3,169,147	1,751,801
		-	-	<u>97,507,020</u>	<u>82,551,909</u>
Unearned Wakala fee	21	21,116,851	17,669,203	-	-
Payable to OPF	12	-	-	28,358,392	10,097,205
Deferred taxation		479,782	13,906	-	-
Contribution received in advance		-	-	12,212,850	1,387,347
Takaful / retakaful payables	14	-	-	48,656,004	27,412,918
Other creditors and accruals	15	19,463,923	15,968,201	1,680,764	1,404,831
Taxation - provision less payment		5,383,610	1,255,144	-	-
		<u>46,444,166</u>	<u>34,906,454</u>	<u>90,908,010</u>	<u>40,302,301</u>
Total Liabilities		<u>46,444,166</u>	<u>34,906,454</u>	<u>188,415,030</u>	<u>122,854,210</u>
Total Funds and Liabilities		<u>127,084,304</u>	<u>103,495,918</u>	<u>208,666,575</u>	<u>137,077,472</u>

Contingency and Commitment

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Profit and Loss Account (Un-audited)

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

	Note	Three months period ended		Nine months period ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
		----- (Rupees) -----		----- (Rupees) -----	
Participants' Takaful Fund - revenue account					
Contribution earned		21,156,001	14,633,948	57,338,235	40,819,789
Less: Contribution ceded to retakaful		(11,354,768)	(8,483,899)	(29,668,963)	(22,707,080)
Net contribution revenue	17	9,801,233	6,150,049	27,669,272	18,112,709
Re-takaful rebate earned	18	1,874,038	1,334,772	4,802,614	3,307,420
Net underwriting income		11,675,271	7,484,821	32,471,886	21,420,129
Net claims - reported / settled	19	(11,809,817)	(6,235,984)	(26,960,469)	(13,062,226)
Direct expenses		(692,830)	(497,063)	(1,858,382)	(1,033,076)
Surplus before investment income		(827,376)	751,774	3,653,035	7,324,827
Investment income	22	216,796	90,235	801,720	809,485
Other income	23	627,492	420,200	1,734,281	1,351,886
Less: Mudarib's share of investment income	24	(168,857)	(102,087)	(507,200)	(432,274)
(Deficit) / surplus transferred to the accumulated surplus		(151,945)	1,160,122	5,681,836	9,053,924
Operator's Fund - revenue account					
Wakala fee	21	12,430,010	9,072,765	34,917,847	24,261,826
Commission expense	20	(3,225,044)	(2,201,504)	(7,611,966)	(6,489,866)
General, administration and management expenses		(4,724,185)	(4,880,106)	(14,326,955)	(13,456,126)
		4,480,781	1,991,155	12,978,926	4,315,834
Mudarib share of PTF investment income	24	168,857	102,087	507,200	432,274
Investment Income	22	110,028	605,608	2,533,837	3,515,541
Other income	23	52,202	42,201	180,656	219,382
Direct expenses		(429,429)	(131,253)	(834,308)	(453,364)
Profit before tax		4,382,439	2,609,798	15,366,311	8,029,667
Taxation		(1,270,907)	(756,841)	(4,456,230)	(2,328,603)
Profit after tax		3,111,532	1,852,957	10,910,081	5,701,064

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three 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) -----		----- (Rupees) -----	
Participants' Fund				
(Deficit) / surplus for the period	(151,945)	1,160,122	5,681,836	9,053,924
Other Comprehensive Income for the period				
- Unrealized gain on available for sale investments	330,383	-	346,447	-
- Reclassification adjustment for net (gain) on available for sale investments included in profit and loss account	-	-	-	-
	330,383	-	346,447	-
Total Comprehensive Income for the period	178,438	1,160,122	6,028,283	9,053,924
Operator's Fund				
Profit after tax	3,111,532	1,852,957	10,910,081	5,701,064
Other Comprehensive Income for the period				
Items that will be reclassified to profit and loss account				
- Unrealized gain on available for sale investments - net of tax	1,100,824	620,039	1,174,638	649,324
- Reclassification adjustment for net (gain) / loss on available for sale investments included in profit and loss account	-	-	(34,045)	60,730
	1,100,824	620,039	1,140,593	710,054
Total comprehensive income for the period	4,212,356	2,472,996	12,050,674	6,411,118

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the nine months period ended September 30, 2021

	Operator's Fund		Participants' Takaful Fund	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Operating Cash flows	Note ----- (Rupees) -----			
(a) Takaful activities				
Contribution received	-	-	117,714,062	59,977,130
Retakaful contributions paid	-	-	(23,025,920)	(15,462,760)
Claims paid	-	-	(34,690,365)	(19,186,514)
Retakaful and other recoveries received	-	-	3,016,601	8,843,700
Commission paid	(7,742,028)	(3,144,731)	-	-
Retakaful rebate received	-	-	3,215,624	2,148,279
Wakala fee received / paid	20,611,508	28,282,405	(20,611,508)	(28,282,405)
Direct expenses paid	-	-	(1,858,382)	(1,033,076)
Net cash inflows from takaful activities	12,869,480	25,137,674	43,760,112	7,004,354
(b) Other operating activities				
Income tax paid	(327,764)	(2,340,793)	(357,597)	30,032
General, administration and management expenses paid	(12,137,211)	(13,685,862)	-	-
Other operating receipts / payments- net	12,062	18,601	275,932	1,123,214
Net cash (outflows) / inflow from other operating activities	(12,452,913)	(16,008,054)	(81,665)	1,153,246
Total cash inflows from operating activities	416,567	9,129,620	43,678,447	8,157,600
Investment activities				
Profit / return received	218,433	271,199	1,724,202	1,402,472
Dividend received	2,423,809	1,869,118	784,628	452,055
Payment for investments	(104,628,810)	(131,176,119)	(30,685,662)	(53,785,450)
Proceed from investments	20,000,000	123,911,284	-	40,045,696
Total cash outflows from investing activities	(81,986,568)	(5,124,518)	(28,176,832)	(11,885,227)
Net cash (outflows) / inflows from all activities	(81,570,001)	4,005,102	15,501,615	(3,727,627)
Cash and cash equivalents at beginning of period	82,593,412	1,326,746	45,227,837	43,817,054
Cash and cash equivalents at the end of period	13 1,023,411	5,331,848	60,729,452	40,089,427
Reconciliation to profit and loss account				
Operating cash flows	416,567	9,129,620	43,678,447	8,157,600
Profit on disposal of investments	110,028	1,646,423	-	331,588
Profit / returns received	218,433	271,199	1,724,202	1,402,472
Dividend income	2,423,809	1,869,118	784,628	452,055
Increase / (decrease) in assets other than cash	18,813,080	3,756,752	25,055,379	45,696,720
(Increase) in liabilities other than borrowings	(11,071,836)	(10,972,048)	(65,560,820)	(46,986,511)
Profit after tax / surplus for the period	10,910,081	5,701,064	5,681,836	9,053,924

Definition of cash

Cash comprises of cash in hand, policy stamps, bond papers, bank balances and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Changes in Funds (Un-audited)

For the nine months period ended September 30, 2021

	Operator's Fund			Total
	Statutory fund	Revenue reserve Available for sale Investment revaluation reserve	Accumulated surplus	
	----- (Rupees) -----			
Balance as at January 01, 2020	50,000,000	(60,730)	11,122,345	61,061,615
Changes in fund for the nine months period ended September 30, 2020				
Profit after tax for the nine months period	-	-	5,701,064	5,701,064
Other comprehensive income				
Unrealised gain on available for sale investments - net of tax	-	649,324	-	649,324
Reclassification adjustment for net loss on available for sale investments included in profit and loss account	-	60,730	-	60,730
	-	710,054	5,701,064	6,411,118
Balance as at September 30, 2020	50,000,000	649,324	16,823,409	67,472,733
Balance as at January 01, 2021	50,000,000	34,045	18,555,419	68,589,464
Changes in fund for the nine months period ended September 30, 2021				
Profit after tax for the nine months period	-	-	10,910,081	10,910,081
Other comprehensive income				
Unrealised gain on available for sale investments - net of tax	-	1,174,638	-	1,174,638
Reclassification adjustment for net gain on available for sale investments included in profit and loss account	-	(34,045)	-	(34,045)
	-	1,140,593	10,910,081	12,050,674
Balance as at September 30, 2021	50,000,000	1,174,638	29,465,500	80,640,138



	Participants' Takaful Fund		
	Seed money	Accumulated surplus	Total
	(Rupees)		
Balances as at January 01, 2020	500,000	9,304,881	9,804,881
Changes in fund for the nine months period ended September 30, 2020			
Surplus for the nine months period ended	-	9,053,924	9,053,924
Balance as at September 30, 2020	500,000	18,358,805	18,858,805
Balances as at January 01, 2021	500,000	13,723,262	14,223,262
Changes in fund for the nine months period ended September 30, 2021			
Surplus for the nine months period ended	-	5,681,836	5,681,836
Other comprehensive income			
Unrealised gain on available for sale investments	-	346,447	346,447
	-	6,028,283	6,028,283
Balance as at September 30, 2021	500,000	19,751,545	20,251,545

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
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

Century Insurance Company Limited (“the Operator”) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act 2017) on October 10, 1985. The Operator is listed on Pakistan Stock Exchange and is engaged in general insurance business. The registered office of the Operator is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

The Operator was granted authorisation on August 07, 2017 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations (“the Operations”) by Securities and Exchange Commission of Pakistan (“SECP”) under Takaful Rules, 2012 to carry on general takaful operations in Pakistan.

The Operator transferred statutory fund of Rs. 50 million in a separate bank account for the Operations as per the requirement of circular 8 of 2014. Thereafter, the Operator has formed a Waqf for Participants’ Fund (“PTF”) by executing the Waqf deed dated August 17, 2017 by investing a ceded money of Rs. 0.5 million. The ceded money is required to be invested in shariah compliant investments and any profit thereon can be utilized only to pay benefits to participants or defray PTF expenses. Waqf Deed governs the relationship of Operator and participants for management of takaful operations, investments of participants’ funds and investments of the Operator’s funds approved by the shariah advisor of the Operator. The Operator commenced activities of the Operations on August 18, 2017.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 The Securities and Exchange Commission of Pakistan (“SECP”) vide its S.R.O 1416(I)/2019 dated November 20, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: ‘Interim Financial Reporting’. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2020.

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 Operator and PTF remain separately identifiable.

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

- International Financial Reporting Standards (IAS) 34, interim Financial Reporting issued by the International Accounting Standards Board (IASB) as for interim Financial Reporting notified under the Companies Act, 2017;



Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2021

- Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

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

2.3 These condensed interim financial statements have been prepared under the historical cost convention except investments which are carried at fair value and at amortized cost.

2.4 These condensed interim financial statements are presented in Pakistani Rupees which is also the Operator's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Thousand Rupees, unless otherwise stated.

3. STANDARDS, INTERPRETATIONS AND AMENDMENTS

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 for the year ended December 31, 2020.

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

The Company has adopted the following amendments to IFRSs which became effective for the current period:

Standard or Interpretation

- IFRS 3 - Definition of a Business (Amendments)
- IAS 1/ IAS 8 - Definition of Material (Amendments)
- International Accounting Standard Board (IASB) revised Conceptual Framework
- IFRS 16 - Rent concessions on leased assets on account of Covid-19
- IFRS 14 - Regulatory Deferral Accounts

The adoption of the above Standards / amendments and improvements to accounting standards did not have any effect on the Company's condensed interim financial statements.

3.1 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective.

The following IFRSs as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting period beginning on or after January 01, 2021:





Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 16 - Interest Rate Benchmark Reform Phase 2 (Amendments)	January 01, 2021
- IFRS 3 - Revised Conceptual Framework (Amendments)	January 01, 2022
- IAS 16 – Property, Plant and Equipments: proceeds before intended use	January 01, 2022
- IAS 37 - Onerous Contracts: cost of fulfilling a contract	January 01, 2022
- IAS 1 - Classification of Liabilities as Current to Non-current (Amendments)	January 01, 2023

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on or after January 01, 2021 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 1 – First time adoption of IFRSs	January 01, 2004
- IFRS 17 – Insurance Contracts	January 01, 2023

4. 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 audited financial statements for the year ended December 31, 2020.

5. ESTIMATES AND JUDGMENTS

The preparation of these 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, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operations' accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual financial statements as at December 31, 2020.

6. TAKAFUL AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those



Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2021

disclosed in the annual financial statements of the Company for the year ended December 31, 2020.

7. CONTRIBUTION DEFICIENCY RESERVE

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

8. DISCLOSURES RELATED TO TEMPORARY EXEMPTION FROM IFRS 9

To determine the appropriate classification of financial assets under IFRS 9, an entity would need to assess the contractual cash flows characteristics of any financial asset. Indeed, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI) i.e. cash flows that are consistent with a basic lending arrangement. In a basic lending arrangement consideration for the time value of money and credit risk are typically the most significant elements of interest. IFRS 9 defines the terms principal as being the fair value of the financial asset at initial recognition and the interest as being compensation for (i) the time value of money and (ii) the credit risk associated with the principal amount outstanding during a particular period of time.

The debt instruments accounted for fair value through other comprehensive income under IAS 39 are potentially eligible to SPPI test whereas it is not applicable for the debt instruments accounted for fair value through profit or loss.

The table below set out the fair values on gross basis as at the end of reporting period and the amount of change in the fair value during that period for the following two groups of financial assets separately:

- financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and
- all other financial assets.

	September 30, 2021				Change in Unrealized gain or (loss) during the year
	Fail the SPPI Test		Pass the SPPI Test		
	Fair value	Change in Unrealized gain during the year	Carrying Value	Cost less impairment	
	----- (Rupees) -----				
Financial assets					
Investments					
- Equity securities - Available for Sale	93,313,526	1,654,420	-	-	-
Loans and other receivables*	6,773	-	-	-	-
Cash and bank	-	-	1,023,411	-	-
	<u>93,320,299</u>	<u>1,654,420</u>	<u>1,023,411</u>	<u>-</u>	<u>-</u>

Participants' Takaful Fund

September 30, 2021				
Fail the SPPI Test		Pass the SPPI Test		
Fair value	Change in Unrealized gain during the year	Carrying Value	Cost less impairment	Change in Unrealized gain or (loss) during the year
----- (Rupees) -----				
Financial assets				
Investments				
- Equity securities - Available for Sale	31,032,109	346,447	-	-
- Debt securities - held to maturity	-	500,000	-	-
Loans and other receivables*	918,669	-	-	-
Cash and bank	-	60,729,452	-	-
	<u>31,950,778</u>	<u>346,447</u>	<u>61,229,452</u>	<u>-</u>

* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of the fair values.

Gross Carrying amount of debt instruments that pass the SPPI test

Investment in debt securities

AA+
--- (Rupees)---

Held to Maturity

500,000

9. INVESTMENTS

9.1 Investments In Securities - Available For Sale

	September 30, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Cost	Impairment / provision	Carrying Value	Cost	Impairment / provision	Carrying Value
----- (Rupees) -----						
Operator's Fund						
Mutual funds	<u>91,659,106</u>	-	<u>93,313,526</u>	6,920,268	-	6,968,219
Participants' Takaful Fund						
Mutual funds	<u>30,685,662</u>	-	<u>31,032,109</u>	-	-	-

9.2 Investment in debt securities

Held to maturity

Certificate of Islamic Investment

<u>500,000</u>	-	<u>500,000</u>	500,000	-	500,000
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10. LOAN AND OTHER RECEIVABLE

Accrued investment income
Advance Tax

Operator's Fund		Participants' Takaful Fund	
September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
----- (Rupees) -----			
6,773	44,550	233,861	206,690
-	-	<u>684,808</u>	327,211
<u>6,773</u>	<u>44,550</u>	<u>918,669</u>	<u>533,901</u>

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2021

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		----- (Rupees) -----	
11.	TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF		
	Due from Takaful participants	24,749,792	11,525,617
	Due from other Takaful / Retakaful operators	26,875,232	28,997,046
	Retakaful recoveries due but unpaid	12,255,639	4,898,349
		<u>63,880,663</u>	<u>45,421,012</u>

11.1 This includes Rs. 1.5 million (December 31, 2020: Rs. Nil from related party. The amount is not over due/impaired as at September 30, 2021.

	Operator's Fund		Participants' Takaful Fund	
	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
----- (Rupees) -----				
12.	RECEIVABLE / PAYABLE (Between OPF and PTF)			
	27,966,226	9,912,365	27,966,226	9,912,365
	392,166	184,840	392,166	184,840
	<u>28,358,392</u>	<u>10,097,205</u>	<u>28,358,392</u>	<u>10,097,205</u>

13. CASH AND BANK

Cash and cash equivalents

Cash in hand	10,000	10,000	-	-
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Cash at bank

Saving accounts	13.1	1,013,411	82,583,412	60,729,452	45,227,837
		<u>1,023,411</u>	<u>82,593,412</u>	<u>60,729,452</u>	<u>45,227,837</u>

13.1 Saving accounts carry expected profit rates ranging from 2.75% to 6.00% (December 31, 2020: 3.0% to 6.75%) per annum.

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		----- (Rupees) -----	
14.	TAKAFUL / RETAKAFUL PAYABLES - PTF		
	Due to other takaful / re-takaful operators	<u>48,656,004</u>	<u>27,412,918</u>

	Operator's Fund		Participants' Takaful Fund	
	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
----- (Rupees) -----				
Commission payable	9,329,914	8,870,306	-	-
Federal excise duty and sales tax	-	-	1,363,870	1,254,515
Federal takaful fee	-	-	126,296	109,145
Accrued expense	9,811,837	6,792,738	200	-
Audit fee payable	279,953	275,000	-	-
Creditors	-	-	126,748	-
Tax deducted at source	42,219	30,157	63,650	41,171
	19,463,923	15,968,201	1,680,764	1,404,831

16. CONTINGENCY AND COMMITMENT

There is no contingency and commitment as at September 30, 2021 (December 31, 2020: Nil).

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2021	September 30, 2020	Nine months period ended September 30, 2021	September 30, 2020
----- (Rupees) -----				
Written gross contribution	40,482,810	34,612,657	104,546,223	80,142,790
Less: Wakala fee	(12,430,010)	(9,072,765)	(34,917,847)	(24,261,826)
Contribution net of wakala fee	28,052,800	25,539,892	69,628,376	55,880,964
Add : Unearned contribution reserve opening	49,894,564	34,358,055	44,501,222	30,202,824
Less: Unearned contribution reserve closing	(56,791,363)	(45,263,999)	(56,791,363)	(45,263,999)
Contribution earned	21,156,001	14,633,948	57,338,235	40,819,789
Less: Retakaful Contribution ceded	16,733,828	13,510,032	36,447,266	28,552,653
Add: Prepaid Retakaful contribution ceded opening	13,346,403	8,923,733	11,947,160	8,104,293
Less: Prepaid Retakaful contribution ceded closing	(18,725,463)	(13,949,866)	(18,725,463)	(13,949,866)
Retakaful expense	11,354,768	8,483,899	29,668,963	22,707,080
	9,801,233	6,150,049	27,669,272	18,112,709

18. REBATE FROM RE-TAKAFUL - PTF

Retakaful Rebate received or receivable	2,812,301	1,905,761	6,219,960	4,214,064
Add: Unearned retakaful rebate - opening	2,230,884	1,469,999	1,751,801	1,134,344
Less: Unearned retakaful rebate - closing	(3,169,147)	(2,040,988)	(3,169,147)	(2,040,988)
	1,874,038	1,334,772	4,802,614	3,307,420

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2021

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2021	September 30, 2020	Nine months period ended September 30, 2021	September 30, 2020
	----- (Rupees) -----		----- (Rupees) -----	
19. NET TAKAFUL CLAIMS EXPENSE - PTF				
Claim paid	14,990,818	8,556,249	34,690,365	19,186,514
Add : Outstanding claims including IBNR closing	37,546,510	37,282,987	37,546,510	37,282,987
Less: Outstanding claims including IBNR opening	(38,234,767)	(36,876,043)	(36,298,886)	(19,802,329)
Claims expense	14,302,561	8,963,193	35,937,989	36,667,172
Less: Retakaful and others recoveries received	6,167,444	5,394,174	12,992,511	12,140,192
Add: Retakaful and others recoveries against outstanding claims closing	11,763,368	17,200,487	11,763,368	17,200,487
Less: Retakaful and others recoveries against outstanding claims opening	(15,438,068)	(19,867,452)	(15,778,359)	(5,735,733)
Retakaful and recoveries revenue	2,492,744	2,727,209	8,977,520	23,604,946
	11,809,817	6,235,984	26,960,469	13,062,226
20. COMMISSION EXPENSE - OPF				
Commission paid or payable	3,966,120	2,898,671	8,201,636	7,129,707
Add : Deferred commission expense opening	3,641,126	3,181,841	3,792,532	3,239,167
Less: Deferred commission expense closing	(4,382,202)	(3,879,008)	(4,382,202)	(3,879,008)
Net commission	3,225,044	2,201,504	7,611,966	6,489,866
21. WAKALA FEE				
Gross Wakala Fee	14,493,559	14,172,927	38,365,495	31,018,858
Add: Deferred Wakala Fee - Opening	19,053,302	12,967,318	17,669,203	11,310,448
Less: Deferred Wakala Fee - Closing	(21,116,851)	(18,067,480)	(21,116,851)	(18,067,480)
	2,063,549	(5,100,162)	(3,447,648)	(6,757,032)
	12,430,010	9,072,765	34,917,847	24,261,826

The Operator manages the general takaful operations for the Participants' and charges wakala fee to PTF on gross contributions recognized for each class of business at following rates:

Class	Percentage
	---- (%) ----
Fire and property damage	30
Marine, aviation and transport	30
Motor	40 - 58
Health	20
Miscellaneous	35

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
22. INVESTMENT INCOME	----- (Rupees) -----			
Participants' Takaful Fund				
Income from equity securities - Available for sale				
Realised gain on sale of equity securities	-	-	-	331,588
Dividend income	209,490	83,958	784,628	452,055
Income from debt securities - Held to maturity				
Return on Certificate of Islamic Investment	7,306	6,277	17,092	25,842
	<u>216,796</u>	<u>90,235</u>	<u>801,720</u>	<u>809,485</u>
Operator's Fund				
Income from equity securities - Available for sale				
Realised gain on sale of equity securities	110,028	-	110,028	1,646,423
Dividend income	-	605,608	2,423,809	1,869,118
	<u>110,028</u>	<u>605,608</u>	<u>2,533,837</u>	<u>3,515,541</u>

23. OTHER INCOME

Participants' Takaful Fund

Profit on bank balances	<u>627,492</u>	<u>420,200</u>	<u>1,734,281</u>	<u>1,351,886</u>
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Operator's Fund

Profit on bank balances	<u>52,202</u>	<u>42,201</u>	<u>180,656</u>	<u>219,382</u>
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24. MUDARIB'S FEE

The Operator also manages the participants' investment as Mudarib and charges 20 percent of the investment income and profits on bank deposits earned by the PTF as Mudarib's fee. It is recognized on the same basis on which related revenue is recognised.

Mudarib's share of PTF investment income	<u>168,857</u>	<u>102,087</u>	<u>507,200</u>	<u>432,274</u>
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25. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise 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 and on an arm's length basis. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in these financial information, are as follows:

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	----- (Rupees) -----			
Associated companies				
Takaful contribution written	<u>950,469</u>	<u>2,032,152</u>	<u>18,134,914</u>	<u>9,715,929</u>
Claim paid	<u>232,872</u>	<u>235,462</u>	<u>1,649,534</u>	<u>4,221,315</u>
Managerial Remuneration	<u>1,765,396</u>	<u>-</u>	<u>4,143,768</u>	<u>2,070,775</u>
Expenses Paid	<u>-</u>	<u>-</u>	<u>5,202,562</u>	<u>9,349,862</u>

26. SEGMENT INFORMATION

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

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2021

	For the three months period ended September 30, 2021 (Un-audited)				
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Aggregate
----- (Rupees) -----					
Participant's Takaful Fund					
Contribution received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)					
	14,082,733	4,380,485	26,194,362	677,557	45,335,137
Less: - Federal Excise Duty / Sales Tax	1,712,817	475,115	2,970,463	77,250	5,235,645
- Federal Insurance Fee	122,565	34,790	230,447	5,941	393,743
- Others	2,250	374,367	21,850	150	398,617
Facultative inward Contribution	452,525	-	471,910	251,243	1,175,678
	<u>12,697,626</u>	<u>3,496,213</u>	<u>23,443,512</u>	<u>845,459</u>	<u>40,482,810</u>
Gross written Contribution (inclusive of Administrative Surcharge)					
- Gross direct Contribution	12,198,083	3,365,624	22,043,332	582,659	38,189,698
- Facultative inward contribution	452,525	-	471,910	251,243	1,175,678
- Administrative surcharge	47,018	130,589	928,270	11,557	1,117,434
	<u>12,697,626</u>	<u>3,496,213</u>	<u>23,443,512</u>	<u>845,459</u>	<u>40,482,810</u>
Wakala fee	(1,970,886)	(1,025,781)	(8,813,579)	(619,764)	(12,430,010)
Takaful contribution earned	6,569,618	3,419,270	21,712,090	1,885,033	33,586,011
Takaful contribution ceded to re-takaful operators	(6,193,140)	(2,527,961)	(1,269,498)	(1,364,169)	(11,354,768)
Net Takaful contribution	(1,594,408)	(134,472)	11,629,013	(98,900)	9,801,233
Rebate earned	1,101,371	501,613	31,419	239,635	1,874,038
Net underwriting income	<u>(493,037)</u>	<u>367,141</u>	<u>11,660,432</u>	<u>140,735</u>	<u>11,675,271</u>
Takaful claims	(2,246,701)	(425,148)	(11,630,712)	-	(14,302,561)
Takaful claims recovered from re-takaful operators	2,141,904	350,840	-	-	2,492,744
Net claims	(104,797)	(74,308)	(11,630,712)	-	(11,809,817)
Direct expenses	(222,200)	(59,784)	(398,606)	(12,240)	(692,830)
(Deficit) / surplus before investment income	<u>(820,034)</u>	<u>233,049</u>	<u>(368,886)</u>	<u>128,495</u>	<u>(827,376)</u>
Investment income					216,796
Other income					627,492
Mudarib's share of investment income					(168,857)
Deficit for the period					<u>(151,945)</u>
Operator's Fund					
Wakala fee	1,970,886	1,025,781	8,813,579	619,764	12,430,010
Commission expense	(634,981)	(352,610)	(2,147,430)	(90,023)	(3,225,044)
Management expense	(1,632,162)	(406,439)	(2,655,479)	(30,105)	(4,724,185)
	<u>(296,257)</u>	<u>266,732</u>	<u>4,010,670</u>	<u>499,636</u>	<u>4,480,781</u>
Mudarib share of PTF investment income					168,857
Investment income					110,028
Other income					52,202
Direct expenses					(429,429)
Profit before tax					<u>4,382,439</u>

For the Nine months period ended September 30, 2021 (Un-audited)

	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Aggregate
	----- (Rupees) -----				
Participant's Takaful Fund					
Contribution received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)					
	23,741,078	11,419,810	75,087,081	8,314,355	118,562,324
Less: - Federal Excise Duty / Sales Tax	2,896,935	1,253,263	8,697,162	975,887	13,823,247
- Federal Insurance Fee	206,576	91,090	659,448	73,147	1,030,261
- Others	5,650	995,530	55,600	250	1,057,030
Facultative inward Contribution	460,142	70,000	1,113,052	251,243	1,894,437
	<u>21,092,059</u>	<u>9,149,927</u>	<u>66,787,923</u>	<u>7,516,314</u>	<u>104,546,223</u>
Gross written Contribution (inclusive of Administrative Surcharge)					
- Gross direct Contribution	20,498,935	8,713,557	63,713,415	7,240,923	100,166,830
- Facultative inward contribution	460,142	70,000	1,113,052	251,243	1,894,437
- Administrative surcharge	132,982	366,370	1,961,456	24,148	2,484,956
	<u>21,092,059</u>	<u>9,149,927</u>	<u>66,787,923</u>	<u>7,516,314</u>	<u>104,546,223</u>
Wakala fee	(5,024,458)	(2,701,411)	(25,290,589)	(1,901,389)	(34,917,847)
Takaful contribution earned	16,748,193	9,004,705	60,943,431	5,559,753	92,256,082
Takaful contribution ceded to retakaful operators	<u>(15,828,425)</u>	<u>(6,919,113)</u>	<u>(2,711,988)</u>	<u>(4,209,437)</u>	<u>(29,668,963)</u>
Net Takaful contribution	(4,104,690)	(615,819)	32,940,854	(551,073)	27,669,272
Retakaful rebate	2,674,585	1,340,935	86,817	700,277	4,802,614
Net underwriting income	<u>(1,430,105)</u>	<u>725,116</u>	<u>33,027,671</u>	<u>149,204</u>	<u>32,471,886</u>
Takaful claims	(8,464,276)	(1,443,873)	(26,660,322)	630,482	(35,937,989)
Takaful claims recovered from retakaful operators	<u>8,071,726</u>	<u>1,177,367</u>	<u>186,812</u>	<u>(458,385)</u>	<u>8,977,520</u>
Net claims	(392,550)	(266,506)	(26,473,510)	172,097	(26,960,469)
Direct expenses	(374,926)	(162,646)	(1,187,202)	(133,608)	(1,858,382)
(Deficit) / surplus before investment income	<u>(2,197,581)</u>	<u>295,964</u>	<u>5,366,959</u>	<u>187,693</u>	<u>3,653,035</u>
Investment income					801,720
Other income					1,734,281
Mudarib's share of investment income					<u>(507,200)</u>
Surplus for the period					<u>5,681,836</u>
Operator's Fund					
Wakala fee	5,024,458	2,701,411	25,290,589	1,901,389	34,917,847
Commission expense	(1,658,440)	(923,925)	(4,685,346)	(344,255)	(7,611,966)
Management expense	(2,890,444)	(1,253,901)	(9,152,579)	(1,030,031)	(14,326,955)
	<u>475,574</u>	<u>523,585</u>	<u>11,452,664</u>	<u>527,103</u>	<u>12,978,926</u>
Mudarib share of PTF investment income					507,200
Investment income					2,533,837
Other income					180,656
Direct expenses					<u>(834,308)</u>
Profit before tax					<u>15,366,311</u>

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2021

	For the three months period ended September 30, 2020 (Un-audited)				
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Aggregate
	----- (Rupees) -----				
Participant's Takaful Fund					
Contribution received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	11,467,583	2,892,369	24,545,444	881,153	39,786,549
Less: - Federal Excise Duty / Sales Tax	1,365,731	294,134	2,987,926	106,479	4,754,270
- Federal Insurance Fee	100,006	23,802	213,699	7,673	345,180
- Others	2,150	194,085	22,000	100	218,335
Facultative inward Contribution	29,222	28,000	86,671	-	143,893
	<u>10,028,918</u>	<u>2,380,348</u>	<u>21,321,819</u>	<u>766,901</u>	<u>34,612,657</u>
Gross written Contribution (inclusive of Administrative Surcharge)					
- Gross direct Contribution	9,927,613	2,275,281	20,773,286	748,241	33,724,421
- Facultative inward contribution	29,222	28,000	86,671	-	143,893
- Administrative surcharge	72,083	105,067	548,533	18,660	744,343
	<u>10,028,918</u>	<u>2,408,348</u>	<u>21,408,490</u>	<u>766,901</u>	<u>34,612,657</u>
Wakala fee	(1,577,119)	(675,386)	(6,309,889)	(510,371)	(9,072,765)
Takaful contribution earned	5,257,066	2,251,283	14,736,380	1,461,984	23,706,713
Takaful contribution ceded to retakaful operators	<u>(4,606,357)</u>	<u>(1,749,713)</u>	<u>(980,702)</u>	<u>(1,147,127)</u>	<u>(8,483,899)</u>
Net Takaful contribution	(926,410)	(173,816)	7,445,789	(195,514)	6,150,049
Retakaful rebate	745,331	306,507	15,320	267,614	1,334,772
Net revenue	<u>(181,079)</u>	<u>132,691</u>	<u>7,461,109</u>	<u>72,100</u>	<u>7,484,821</u>
Takaful claims	<u>(1,502,051)</u>	<u>(739)</u>	<u>(6,555,263)</u>	<u>(905,140)</u>	<u>(8,963,193)</u>
Takaful claims recovered from retakaful operators	<u>1,580,992</u>	<u>3,000</u>	<u>316,669</u>	<u>826,548</u>	<u>2,727,209</u>
Net claims	78,941	2,261	(6,238,594)	(78,592)	(6,235,984)
Direct expenses	(137,807)	(34,887)	(308,805)	(15,564)	(497,063)
(Deficit) / surplus before investment income	<u>(239,945)</u>	<u>100,065</u>	<u>913,710</u>	<u>(22,056)</u>	<u>751,774</u>
Investment income					90,235
Other income					420,200
Mudarib's share of investment income					<u>(102,087)</u>
Surplus for the period					<u>1,160,122</u>
Operator's Fund					
Wakala fee	1,577,119	675,386	6,309,889	510,371	9,072,765
Commission expense	(578,035)	(218,770)	(1,272,647)	(132,052)	(2,201,504)
Management expense	(1,527,753)	(334,053)	(2,993,443)	(24,857)	(4,880,106)
	<u>(528,669)</u>	<u>122,563</u>	<u>2,043,799</u>	<u>353,462</u>	<u>1,991,155</u>
Mudarib share of PTF investment income					102,087
Investment income					605,608
Other income					42,201
Direct expenses					<u>(131,253)</u>
Profit before tax					<u>2,609,798</u>

For the nine months period ended September 30, 2020 (Un-audited)

	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Aggregate
----- (Rupees) -----					
Participant's Takaful Fund					
Contribution received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)					
	20,229,317	7,118,662	58,294,599	6,707,756	92,350,334
Less: - Federal Excise Duty / Sales Tax	2,418,090	719,869	7,031,445	802,936	10,972,340
- Federal Insurance Fee	176,349	58,289	507,982	58,478	801,098
- Others	5,400	523,102	51,000	250	579,752
Facultative inward Contribution	30,975	28,000	86,671	-	145,646
	<u>17,660,453</u>	<u>5,817,402</u>	<u>50,704,172</u>	<u>5,846,092</u>	<u>80,142,790</u>
Gross written Contribution (inclusive of Administrative Surcharge)					
- Gross direct Contribution	17,483,640	5,560,250	49,327,753	5,812,284	78,183,927
- Facultative inward contribution	30,975	28,000	86,671	-	145,646
- Administrative surcharge	145,838	257,152	1,376,419	33,808	1,813,217
	<u>17,660,453</u>	<u>5,845,402</u>	<u>50,790,843</u>	<u>5,846,092</u>	<u>80,142,790</u>
Wakala fee	(4,176,441)	(1,788,660)	(16,945,791)	(1,350,934)	(24,261,826)
Takaful contribution earned	13,921,469	5,962,198	41,326,136	3,871,812	65,081,615
Takaful contribution ceded to retakaful operators	<u>(11,838,083)</u>	<u>(4,507,422)</u>	<u>(3,366,688)</u>	<u>(2,994,887)</u>	<u>(22,707,080)</u>
Net Takaful contribution	(2,093,055)	(333,884)	21,013,657	(474,009)	18,112,709
Rebate earned	1,889,377	774,034	40,229	603,780	3,307,420
Net revenue	<u>(203,678)</u>	<u>440,150</u>	<u>21,053,886</u>	<u>129,771</u>	<u>21,420,129</u>
Takaful claims	(19,522,165)	(79,320)	(11,998,826)	(5,066,861)	(36,667,172)
Takaful claims recovered from retakaful operators	<u>17,736,073</u>	<u>65,865</u>	<u>1,622,089</u>	<u>4,180,919</u>	<u>23,604,946</u>
Net claims	(1,786,092)	(13,455)	(10,376,737)	(885,942)	(13,062,226)
Direct expenses	(227,651)	(75,350)	(654,715)	(75,360)	(1,033,076)
(Deficit) / surplus before investment income	<u>(2,217,421)</u>	<u>351,345</u>	<u>10,022,434</u>	<u>(831,531)</u>	<u>7,324,827</u>
Investment income					809,485
Other income					1,351,886
Mudarib fee					<u>(432,274)</u>
Surplus for the period					<u>9,053,924</u>
Operator's Fund					
Wakala fee	4,176,441	1,788,660	16,945,791	1,350,934	24,261,826
Commission expense	(1,538,246)	(575,835)	(4,007,165)	(368,620)	(6,489,866)
Management expense	(2,965,223)	(981,454)	(8,527,879)	(981,570)	(13,456,126)
	<u>(327,028)</u>	<u>231,371</u>	<u>4,410,747</u>	<u>744</u>	<u>4,315,834</u>
Mudarib share of PTF investment income					432,274
Investment income					3,515,541
Other income					219,382
Direct expenses					<u>(453,364)</u>
Profit before tax					<u>8,029,667</u>

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2021

The classwise assets and liabilities are as follows:

	September 30, 2021 (Un-audited)				
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
	----- (Rupees) -----				
Segment assets	35,708,293	7,603,209	60,286,417	11,888,428	115,486,347
Unallocated assets					
Participants' Takaful Fund					93,180,228
Operator's Fund					127,084,304
Consolidated total assets					335,750,879
Segment liabilities	40,745,445	9,926,918	123,687,866	13,598,985	187,959,214
Unallocated liabilities					
Participants' Takaful Fund					455,816
Operator's Fund					46,444,166
Consolidated total liabilities					234,859,196

	December 31, 2020 (Audited)				
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
	----- (Rupees) -----				
Segment assets	35,359,196	4,171,199	43,711,713	7,573,627	90,815,735
Unallocated assets					
Participants' Takaful Fund					46,261,737
Operator's Fund					103,495,918
Consolidated total assets					240,573,390
Segment liabilities	33,181,357	4,048,133	78,497,615	6,901,094	122,628,199
Unallocated liabilities					
Participants' Takaful Fund					226,011
Operator's Fund					34,906,454
Consolidated total liabilities					157,760,664

27. FAIR VALUE OF MEASUREMENTS

IFRS 13 "Fair Value Measurement" defines fair value as 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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

In respect of investments in quoted equity securities, fair value is determined by reference to stock exchange quoted market price at the close of business day. For term finance certificates, fair value is determined by reference to average broker rates.

Fair value hierarchy

IFRS 13 requires the operator to classify fair value measurement using a fair value hierarchy that



reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) and;

Level 3 Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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)					Fair value			
	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees)								
Financial assets measured at fair value									
Investments in mutual funds	124,345,635	-	-	-	124,345,635	-	124,345,635	-	124,345,635
Financial assets not measured at fair value									
Investment in Debt securities*	-	500,000	-	-	500,000	-	-	-	-
Loans and receivables*	-	-	240,634	-	240,634	-	-	-	-
Takaful / retakaful receivables*	-	-	63,880,663	-	63,880,663	-	-	-	-
Retakaful recoveries against outstanding claims	-	-	11,763,368	-	11,763,368	-	-	-	-
Receivable from PTF*	-	-	28,358,392	-	28,358,392	-	-	-	-
Cash and bank*	-	-	61,752,863	-	61,752,863	-	-	-	-
Total financial assets	124,345,635	500,000	165,995,920	-	290,841,555	-	124,345,635	-	124,345,635
Financial liabilities not measured at fair value									
Provision for outstanding claims (including IBNR)*	-	-	-	(37,546,510)	(37,546,510)	-	-	-	-
Payable to OPF*	-	-	-	(28,358,392)	(28,358,392)	-	-	-	-
Takaful / retakaful payables*	-	-	-	(48,656,004)	(48,656,004)	-	-	-	-
Other creditors and accruals*	-	-	-	(19,548,452)	(19,548,452)	-	-	-	-
Total financial liabilities	-	-	-	(134,109,358)	(134,109,358)	-	-	-	-

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2021

	December 31, 2020 (Audited)					Fair value			
	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	Carrying amount					Fair value			
	(Rupees)								
Financial assets measured at fair value									
Investments in mutual funds	6,968,219	-	-	-	6,968,219	-	6,968,219	-	6,968,219
Financial assets not measured at fair value									
Investments in Debt securities*	-	500,000	-	-	500,000	-	-	-	-
Loans and receivables*	-	-	251,240	-	251,240	-	-	-	-
Takaful / retakaful receivables*	-	-	45,421,012	-	45,421,012	-	-	-	-
Retakaful recoveries against outstanding claims	-	-	15,778,359	-	15,778,359	-	-	-	-
Receivable from PTF*	-	-	10,097,205	-	10,097,205	-	-	-	-
Cash and bank*	-	-	127,821,249	-	127,821,249	-	-	-	-
Total financial assets	6,968,219	500,000	199,369,065	-	206,837,284	-	6,968,219	-	6,968,219
Financial liabilities not measured at fair value									
Provision for outstanding claims (including IBNR)*	-	-	-	(36,298,886)	(36,298,886)	-	-	-	-
Payable to OPF*	-	-	-	(28,358,392)	(28,358,392)	-	-	-	-
Takaful / retakaful payables*	-	-	-	(27,412,918)	(27,412,918)	-	-	-	-
Other creditors and accruals*	-	-	-	(15,938,044)	(15,938,044)	-	-	-	-
Total financial liabilities	-	-	-	(108,008,240)	(108,008,240)	-	-	-	-

27.1 Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV, PKFRV & PKISRV rates (Reuters page).
Term Finance Certificates and Bonds	Investments in debt securities (comprising Term Finance Certificates, Bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration, etc.

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

27.2 During the period ended September 30, 2021, there were no transfers between level 1 and 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.



27.3 Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

The operations measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

28. GENERAL

Figures in these interim condensed financial statements have been rounded off to the nearest rupee, unless otherwise stated.

29. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue in accordance with a resolution of the Board of Directors on October 27, 2021.

Iqbal Ali Lakhani
Chairman

Amin Mohammed Lakhani
Director

Aftab Ahmad
Director

Mohammad Hussain Hirji
Director & Chief Executive

Sabza Ali Pirani
Chief Financial Officer



Network

Head Office

11th Floor, Lakson Square, Building # 3,
Sarwar Shaheed Road, Karachi-74200.
UAN: (021) 111-111-717 Fax: (021) 35671665
Email: info@cicl.com.pk

Karachi Clifton Office

Office # 504-505, 5th Floor, Marine Point,
DC 1, Block-9, Clifton, Karachi.
Tel: (021) 35309234-36 Fax: (021) 35309237

Islamabad Office

Office # 6, Kashmir Plaza, Jinnah Avenue,
Blue Area, Islamabad.
UAN: (051) 111-111-717 Fax: (051) 2870228

Faisalabad Office

2nd Floor, Legacy Tower, Kohinoor City,
Faisalabad.
UAN: (041) 111-111-717 Fax: (041) 8554453

Sialkot Office

Al Khalil Centre, 1st Floor, Office No. 215-216
Kashmir Road, Near China Chowk, Sialkot.
Tel: (052) 3241703-7

Gujranwala Office

2nd Floor, Gujranwala Business Centre,
Opp. Gujranwala Chamber of Commercial &
Industry Trust Plaza, Gujranwala.
Tel: (055) 3840034-35

Registered and Corporate Office

Lakson Square, Building # 2,
Sarwar Shaheed Road,
Karachi-74200.
Tel: (021) 38400000 Fax: (021) 35683410

Karachi Lakson Square Office

10th Floor, Lakson Square, Building # 3,
Sarwar Shaheed Road, Karachi-74200.
Tel: (021) 111-111-717 Fax: (021) 35689518

Shahrah e Faisal Office:

Ebrahim Estates, 2nd Floor,
D/1 Union Commercial Area,
Block 7 & 8, Shahrah e Faisal, Karachi.
Tel: (021) 34529155-7, 34310723-4
Fax: (021) 34310725

Lahore Regional Office

1st Floor, 14 Ali Block, New Garden Town, Lahore.
UAN: (042) 111-111-717 Fax: (042) 35911176

Lahore Gulberg Office

Office # 803-B 8th Floor, City Towers,
Main Boulevard, Gulberg-2 Lahore.
Tel: (042) 36400050-51

Multan Office

Office # 55-57, 1st Floor, Business City Plaza,
Bosan Road, Multan.
Tel: (061) 6211241-43 Fax: (061) 6211244

Website: www.cicl.com.pk



Century Insurance

A Lakson Group Company

UAN: 111-111-717

Website: www.cicl.com.pk

