

QUARTERLY REPORT

Quarter Ended March 31

2024

(Un-Audited)

**SERVING
RELIABLY**



Reliance Insurance
Company Limited



Window Takaful

Reliance Insurance Company Limited

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COMPANY INFORMATION

Board Of Directors

Chairman
Irfan Zakaria Bawany

Directors

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

Chief Executive & Managing Director

A. Razak Ahmed

Chief Financial Officer

Ghulam Haider

Company Secretary & Compliance Officer

Faraz Abdul Razak

Audit Committee

Tasneem Yusuf
Irfan Zakaria Bawany
Muhammad Omar Bawany

Chairperson
Member
Member

Investment Committee

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

Chairman
Member
Member
Member
Member
Secretary

Ethics, Human Resource & Remuneration Committee

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

Chairman
Member
Member
Member

Credit Rating

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

Auditors

BDO Ebrahim & Co.
Chartered Accountants

Legal Advisor

Irfan Advocate

Shari'ah Advisor

Mufti Muhammad Farhan Farooq

Bankers

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

Registered Office

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

Head Office

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



Shares Registrar

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

DIRECTORS' REVIEW

The Shareholders,
Reliance Insurance Company Limited,

Your Directors are pleased to present before you the First Quarter (Un-audited) Account for the period ended March 31, 2024.

During the period under review, your Company underwrote a Gross Premium of Rs.238.897 million (inclusive of Takaful Contribution for Rs.27.462 million) as compared to Rs.211.002 million of the corresponding period of last year (inclusive of Takaful Contribution for Rs.19.321million) – an increase of 13.22%. Net Premium stood at Rs.125.144 million as against Rs.117.576 million of last year showing an increase of 6.44%.

Net Claims stood at Rs.28.721 million compared to Rs.33.801 million of corresponding period of last year, underwriting profit increased from Rs.25.815 million to Rs.26.206 million.

The Total Investment income for the quarter has witnessed a substantial upturn, reaching Rs.77.487 million from Rs.18.675 million, marking an impressive surge of 314.92% compared to the previous year. This significant growth is predominantly attributed to the outstanding performance of the Pakistan Stock Exchange, which led to an unrealized gain of Rs.41.932 million, against an unrealized loss of Rs.12.487 million in the corresponding period of the previous year. Furthermore, the Dividend Income has also experienced positive growth, rising from Rs.23.974 million to Rs.29.888 million, demonstrating an increase of Rs.5.914 million. Throughout the period under review, the Pakistan Stock Exchange Index surged from 62,451.04 points as of December 31, 2023, to 67,005.10 points as of March 31, 2024, indicating a positive market trend.

Profit before tax stood at Rs.100.747 million against Rs.39.190 million of corresponding period of last year. Earnings per share (EPS) stood at Re.1.49 compared to Re.0.24 – (Restated) for the corresponding period of last year. There is an Accumulated surplus from Window Takaful Operators Fund of Rs.77.696 million as at 31st March, 2024 as compared to Rs.54.436 million of previous year.

Future Outlook:

Business development in current scenario is quite challenging. In the current business landscape, we encounter significant challenges, as highlighted by the State Bank of Pakistan (SBP)'s projection of average inflation to range between 23–25 percent in FY24, with an anticipated downward trend in FY25. Additionally, geopolitical tensions have caused a surge in global freight charges, posing risks to global trade and commodity prices. To counteract inflationary pressures and maintain currency stability, the SBP has upheld a record-high policy rate of 22 percent since June 2023.

Despite these formidable challenges, there are promising signs in agriculture and indications of potential recovery in the industrial sector. However, persistent risks such as budget deficits, escalating debt obligations, and soaring inflation continue to loom, posing threats to economic stability. Negotiating a new International Monetary Fund (IMF) program is pivotal in securing sustainable financing solutions.

In the face of these circumstances, embracing bold and innovative strategies becomes imperative. We hold steadfast confidence in our team's ability to navigate these challenges and strive for positive outcomes. Furthermore, our Takaful operations present additional avenues and opportunities to enhance our company's business, culminating in our growth and success.

By order of the Board



A. RAZAK AHMED

Chief Executive & Managing Director

Karachi: 29th April, 2024

ڈائریکٹرز کا جائزہ

بنام حصص یافتگان
ڈائریکٹرز ہمسرت کمپنی کے غیر آڈٹ شدہ حسابات پہلی سہ ماہی برائے مدت ختمہ 31 مارچ 2024 پیش کرتے ہیں۔

اس مدت کے دوران، آپ کی کمپنی نے مجموعی پریئم 238.897 ملین روپے (بشمول تکافل شراکتداری 27.462 ملین روپے) کیا جو کہ گزشتہ سال کی اسی مدت کے مجموعی پریئم 211.002 ملین روپے بشمول تکافل شراکت 19.321 ملین روپے کے مقابلے میں 13.22 فیصد زائد ہے۔ خالص پریئم آمدنی 125.144 ملین روپے ہے جب کہ گزشتہ سال 117.576 ملین روپے تھی جو کہ گزشتہ سال کے مقابلے میں 6.44 فیصد اضافہ ظاہر کرتا ہے۔

نیٹ کلیمز گزشتہ سال کے 33.801 ملین روپے کے مقابلے میں 28.721 ملین روپے رہے۔ انڈر رائٹنگ منافع 25.815 ملین روپے سے بڑھ کر 26.206 ملین روپے رہا۔

اس سہ ماہی میں سرمایہ کاری کی آمدنی میں کافی اضافہ دیکھا گیا جو کہ 18.675 ملین روپے سے 77.487 ملین روپے تک پہنچ گیا، جو پچھلے سال کے مقابلے میں 314.92 فیصد کے متاثر کن اضافے کی نشاندہی کرتا ہے۔ یہ نمایاں اضافہ بنیادی طور پر پاکستان اسٹاک ایکسچینج کی نشاندہی کا کردار کا نتیجہ ہے۔ جس سے 41.932 ملین روپے کا غیر حقیقی فائدہ ہوا، جبکہ پچھلے سال کی اسی مدت میں 12.487 ملین روپے کا غیر حقیقی نقصان ہوا تھا۔ مزید برآں، ڈیویڈنڈ انکم میں بھی مثبت اضافہ ہوا ہے، جو کہ 23.974 ملین روپے سے بڑھ کر 29.888 ملین روپے تک پہنچ گیا ہے، جو کہ 5.914 ملین روپے کے اضافے کو ظاہر کرتی ہے۔ زیر نظر مدت کے دوران، پاکستان اسٹاک ایکسچینج انڈیکس 31 دسمبر 2023 تک 62,451.04 پوائنٹس سے بڑھ کر 31 مارچ 2024 تک 67,005.10 پوائنٹس تک پہنچ گیا، جو مارکیٹ کے مثبت رجحان کی نشاندہی کرتا ہے۔

مذکورہ مدت میں کمپنی کو قسمل از بیکس منافع 100.747 ملین روپے رہا جب کہ گزشتہ سال اسی مدت کے لیے 39.190 ملین روپے تھا۔ فی حصص آمدنی 1.49 روپے ہے جو کہ گزشتہ سال اسی مدت کے لیے فی حصص 0.24 (نظر ثانی شدہ) روپے تھی۔ 31 مارچ 2023 کو ختم ہونے والی مدت کے لیے ونڈو تکافل آپریٹرز فنڈ کا جمع شدہ سرپلس گزشتہ سال کے 54.436 ملین روپے سے بڑھ کر 77.696 ملین روپے رہا۔

مستقبل پر ایک نگاہ:

موجودہ حالات میں کاروبار کی ترقی کافی مشکل ہے۔ موجودہ کاروباری حالات میں، ہمیں اہم چیلنجوں کا سامنا ہے، جیسا کہ اسٹیٹ بینک آف پاکستان (SBP) کی جانب سے مالی سال 2024 میں اوسط افراط زر کی شرح 23-25 فیصد کے درمیان رہنے کے تخمینہ کیا گیا ہے، مالی سال 2025 میں اس میں کمی متوقع ہے۔ مزید برآں، جغرافیائی سیاسی تناؤ نے عالمی مال برداری کے چارجز میں اضافے کا سبب بنی ہے، جس سے عالمی تجارت اور اجناس کی قیمتوں کو خطرات لاقن ہیں۔ افراط زر کے دباؤ کا مقابلہ کرنے اور کرنسی کے استحکام کو برقرار رکھنے کے لیے، اسٹیٹ بینک نے جون 2023 سے اب تک 22 فیصد کی ریکارڈ بلند پالیسی کی شرح کو برقرار رکھا ہے۔

ان سنگین چیلنجوں کے باوجود، زراعت میں امید افزا اطلاعات اور صنعتی شعبے میں مکمل بحالی کے اشارے ہیں۔ تاہم، مسلسل خطرات جیسے کہ بجٹ خسارہ، ترقیوں کی ذمہ داریوں میں اضافہ اور بڑھتی ہوئی افراط زر کی وجہ سے معاشی استحکام کو خطرات لاقن ہیں۔ ایک نئے بین الاقوامی مالیاتی فنڈ (IMF) کے پروگرام پر گفت و شنید کرنا پائیدار مالیاتی حل کو محفوظ بنانے کے لیے اہم ہے۔

ان حالات میں مزید تخلیقی سوچ اور جرأت مندانہ فیصلوں کی ضرورت ہے۔ ہم اپنی ٹیم کی ان چیلنجوں کو نیوگیٹ کرنے اور مثبت نتائج کے لیے کوشش کرنے کی صلاحیت پر مستحکم اعتماد رکھتے ہیں۔ مزید برآں، ہمارے تکافل آپریٹرز ہماری کمپنی کے کاروبار کو بڑھانے کے لیے اضافی مواقع اور مواقع فراہم کرتے ہیں، جو ہماری ترقی اور کامیابی پر متعلق ہوتے ہیں۔



محکم بورڈ

اے رزاق احمد

چیف ایگزیکٹو اور مینیجنگ ڈائریکٹر

کراچی: 29 اپریل 2024



OUR SERVICES

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



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

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



**General Takaful
(Islamic)**

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

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

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

	Note	(Un-audited) March 31, 2024	(Audited) December 31, 2023
Rupees			
ASSETS			
Property and equipment	6	84,510,900	87,159,556
Intangible assets		-	-
Investment			
Equity securities	8	918,359,038	839,874,670
Debt securities	8.1	70,092,591	70,092,591
Term deposit	8.2	42,021,980	42,628,618
		1,030,473,609	952,595,879
Loan and other receivables	9	20,324,834	5,135,425
Insurance / Reinsurance receivables	10	528,150,287	537,186,737
Reinsurance recoveries against outstanding claims		197,790,400	176,420,765
Deferred Commission Expense		90,984,213	95,312,664
Prepayments	12	181,605,408	194,268,623
Cash & Bank	13	110,838,878	108,555,276
		2,244,678,529	2,156,634,925
Total Assets of Window Takaful Operatoins-Operator's Fund		161,017,969	155,881,702
TOTAL ASSETS		2,405,696,498	2,312,516,627
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital	14	665,379,490	665,379,490
Reserves		310,000,000	310,000,000
Unappropriated Profit		324,172,002	225,049,587
Surplus on revaluation of available for sale investment		36,882,583	21,992,211
Total Equity		1,336,434,075	1,222,421,288
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		257,341,136	230,153,423
Unearned premium reserves		417,952,754	440,170,615
Unearned Reinsurance Commission		37,758,716	39,285,465
		713,052,606	709,609,503
Insurance / Reinsurance Payables		205,951,657	216,603,821
Other Creditors and Accruals	15	62,334,577	76,108,264
Deferred taxation		20,815,443	30,143,866
Taxation - provision less payments		33,797,107	22,637,371
Total Liabilities		1,035,951,390	1,055,102,825
Total Liabilities of Window Takaful Operations-Operators Fund		33,311,033	34,992,514
TOTAL EQUITY AND LIABILITIES		2,405,696,498	2,312,516,627
CONTINGENCIES AND COMMITMENTS			

The annexed notes from 1 to 25 form an integral part of this condensed interim financial information.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Note	(Un-audited) March 31, 2024	(Un-audited) March 31, 2023
— Rupees —			
Net insurance premium	17	125,143,612	117,576,547
Net insurance claims	18	(28,721,222)	(33,800,566)
Net Commission and other acquisition costs	19	(29,903,560)	(23,604,906)
Insurance claims and acquisition expenses		(58,624,782)	(57,405,472)
Management Expenses		(40,313,191)	(34,356,322)
Underwriting results		26,205,639	25,814,753
Investment Income	20	77,486,862	18,675,234
Other income		2,590,646	1,362,877
Other expenses		(15,212,066)	(12,749,905)
		64,865,441	7,288,206
Profit before tax from takaful operations-Operators Fund		9,676,100	6,086,796
Profit before tax		100,747,181	39,189,755
Income tax expense		(1,624,766)	(23,361,534)
Profit after tax		99,122,415	15,828,221
			Restated
Earnings after tax per share - Rupees	21	1.49	0.24

The annexed notes from 1 to 25 form an integral part of this condensed interim financial information.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	(Un-audited) March 31, 2024	(Un-audited) March 31, 2023
	————— Rupees —————	
Profit after tax	99,122,415	15,828,221
Other Comprehensive Income		
Surplus / Defecit on revaluation of available for sale securities	20,538,404	1,206,906
Less: Net gain transferred to profit and loss on disposal / redemption of investment	507,593	-
Surplus on revaluation of available for sale securities - takaful	(52,286)	-
Impact of related deferred taxation including change in tax rate	(6,103,339)	(350,004)
	14,890,372	856,902
Total comprehensive income for the period	114,012,787	16,685,123

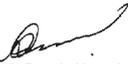
The annexed notes from 1 to 25 form an integral part of this condensed interim financial information.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Revenue Reserves		Unappropriated profit / (Accumulated)	Total	
	Share capital	General reserves			Surplus on revaluation of AFS investments
	(Rupees)				
Balance as at January 01, 2023	633,694,750	290,000,000	49,196	136,521,419	1,060,265,365
Total comprehensive income for the period	-	-	856,902	15,828,221	16,685,123
Balance as at March 31, 2023	<u>633,694,750</u>	<u>290,000,000</u>	<u>906,098</u>	<u>152,349,640</u>	<u>1,076,950,488</u>
Balance as at January 01, 2024	665,379,490	310,000,000	21,992,211	225,049,587	1,222,421,288
Total comprehensive income for the period	-	-	14,890,372	99,122,415	114,012,787
Balance as at March 31, 2024	<u>665,379,490</u>	<u>310,000,000</u>	<u>36,882,583</u>	<u>324,172,002</u>	<u>1,336,434,075</u>

The annexed notes from 1 to 25 form an integral part of this condensed interim financial information.


Irfan Zakaria Bawany
 Chairman


Mohammad Omar Bawany
 Director


Noor M. Zakaria
 Director


Ghulam Haider
 Chief Financial Officer


A. Razak Ahmed
 Chief Executive & Managing Director

Karachi: 29th April, 2024

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

January to March

2024

2023

Rupees

Operating cash flow

a) Underwriting activities

Premium received	227,238,294	204,443,599
Reinsurance premium paid	(104,382,662)	(64,617,728)
Claims paid	(73,303,355)	(69,341,624)
Reinsurance and other recoveries received	50,400,211	40,567,831
Commission paid	(47,350,937)	(41,924,825)
Commission received	20,249,079	19,791,086
Management expenses paid	(38,280,379)	(32,586,827)
Net cash flow from underwriting activities	34,570,251	56,331,512

b) Other operating activities

Income tax paid	(5,896,792)	(4,177,642)
Other operating payments	(14,117,476)	(11,991,550)
Loan advanced	(175,600)	91,747
Other creditors and accruals	(13,773,687)	499,877
Other (payments) / receipts in respect of operating assets	(8,882,381)	(612,281)
Net cash flow from operating activities	(42,845,935)	(16,189,849)
Total cash from all operating activities	(8,275,685)	40,141,663

Investment activities

Profit / return received	5,226,241	3,701,307
Dividend received	14,861,057	13,056,547
Payments for investments	(26,176,041)	(52,670,360)
Proceeds from investments	14,536,130	41,314,826
Fixed capital expenditures	(3,588,100)	(17,770,635)
Proceeds from sale of property and equipment	5,700,000	6,095,000
Total cash flow from investing activities	10,559,287	(6,273,315)

Financing activities

Dividend paid	-	-
Financial charges	-	-
Net cash from financing activities	-	-
Net cash flow from all activities	2,283,602	33,868,348
Cash and cash equivalent at the beginning of the period	108,555,276	101,815,197
Cash and cash equivalent at the end of the period	110,838,878	135,683,545

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

January to March

2024

2023

Rupees

Reconciliation to profit and loss account

Operating cash flow	(8,275,685)	40,141,663
Depreciation / amortization expense	(3,127,402)	(2,527,850)
Gain on disposal of fixed assets	2,590,646	1,362,877
Profit on disposal of investments	454,191	3,548,863
Dividend income	29,888,371	23,974,253
Other investment income	47,144,300	(8,847,882)
(Decrease) / Increase in assets other than cash	(4,482,880)	7,070,007
Increase / (decrease) in liabilities other than running finance	9,823,011	(46,605,264)
Deferred taxation	15,431,762	(8,375,243)
Profit before tax from Takaful operations-Operators' Fund	9,676,100	6,086,796
Profit after taxation	99,122,415	15,828,221

The annexed notes from 1 to 25 form an integral part of this condensed interim financial information.

Irfan Zakaria Bawany
Chairman

Mohammad Omar Bawany
Director

Noor M. Zakaria
Director

Ghulam Haider
Chief Financial Officer

A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

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

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

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

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

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under Companies Act 2017 and

Provisions of and directives issued under Companies Act, 2017, Insurance Ordinance 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and SECP Takaful Rules 2017, General Takaful Accounting Regulations, 2019;

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

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

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

2.2 Basis of measurement

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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

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

2.3 Functional and presentation currency

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of this condensed interim financial information are in line with the audited annual accounts for the year ended December 31, 2023.

3.1 Accounting Standards, IFRIC Interpretations and amendments that are effective for the current year

There are new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations hence not enlisted in these financial statements except as follows;

a) IFRS 9 'Financial Instruments' and amendment (effective for period ending on or after June 30, 2019). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Amendment to IFRS 4 'Insurance Contracts' - Applying IFRS 9 'Financial Instruments' with IFRS 4 addresses issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from July 01, 2018 onwards to remove from profit or loss account the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied.

The Company has determined that it is eligible for the temporary exemption option since the Company has not previously applied any version of IFRS 9, its activities are predominantly connected with insurance as the percentage of the total carrying amount of its liabilities connected with insurance relative to the total carrying amount of all its liabilities is greater than 90 percent and the Company doesn't engage in significant activities unconnected with insurance based on historical available information. Under the temporary exemption option, the Company can defer the application of IFRS 9 until the application IFRS 17.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

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 tables below set out the fair values 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 payment 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

Fair value of financial assets as at March 31, 2024 and change in fair value during the period ended March 31, 2024.

Financial assets with contractual cash flows that meet the SPPI criteria excluding those held for trading

Debt securities - Held to maturity

Opening fair value	70,020,020
Addition during the period-net	-
Decrease in fair value	-
Closing fair value	<u>70,020,020</u>

Financial assets that do not meet the SPPI criteria

Equity Securities - Available for sale

Opening fair value	486,376,208
Addition during the period-net	24,281,467
Disposal during the period-net	-
Increase in fair value	21,045,997
Closing fair value	<u>531,703,672</u>

Carrying value of all other financial assets approximates to their fair values since these either have short term maturity or are frequently repriced.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

5. FINANCIAL RISK MANAGEMENT

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

	Note	March 31, 2024	December 31, 2023
————— (Rupees) —————			
6. PROPERTY AND EQUIPMENT			
Open written down value		87,159,556	72,739,091
Additions and transfers during the period / year at cost			
Land and buildings		-	-
Furniture & fixtures		87,000	99,790
Motor Vehicles		2,450,000	35,403,360
Office Equipments		1,051,100	293,500
Office Computers		-	148,105
		3,588,100	35,944,755
Written down value of disposal during the period / year			
Motor Vehicles		(3,109,354)	(8,509,899)
Depreciation for the period / year		(3,127,402)	(13,014,391)
Closing writtend value		84,510,900	87,159,556
7. INTANGIBLE ASSETS - Computer software			
Open written down value		3,477,823	3,477,823
Additions and transfers during the period / year at cost		-	-
Amortization		(3,477,823)	(3,477,823)
Closing written down value		-	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Note	March 31, 2024	December 31, 2023
————— (Rupees) —————			
8. INVESTMENT IN EQUITY SECURITIES			
Available for sale			
Mutual funds		358,611,181	329,022,441
Related parties		16,299,488	12,221,513
Others listed shares		156,793,003	145,132,254
		531,703,672	486,376,208
Investments at fair value through profit or loss - held for trading		386,655,366	353,498,462
Quoted shares			
		918,359,038	839,874,670
8.1 INVESTMENT IN DEBT SECURITIES			
Held to maturity			
Pakistan Energy Sukuk II	8.1.2	70,092,591	70,092,591
8.1.2			
Pakistan Energy Sukuk II having face value amounted to Rs.70 million (December 31, 2023: Rs.70 million) are placed with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000. These carry profit at the rate of 6 months KIBOR (-)0.10 and will mature on 20 May 2030.			
8.2 TERM DEPOSIT			
Deposit maturing within 12 months		42,021,980	42,628,618
9. LOANS AND OTHER RECEIVABLES			
Loan to employees		1,688,350	1,512,750
Deposit		867,351	867,351
Accrued investment income		17,769,133	2,755,324
		20,324,834	5,135,425
10. INSURANCE / REINSURANCE RECEIVABLE			
Due from insurance contract holders		506,973,593	522,776,745
Considered good		17,301,197	17,301,197
		524,274,790	540,077,942
Less: Allowance for impairment against doubtful of receivable from Insurance contract holders		(17,301,197)	(17,301,197)
		506,973,593	522,776,745
Due from other insurers / reinsurers		21,176,694	14,409,992
		528,150,287	537,186,737

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Note	March 31, 2024	December 31, 2023
————— (Rupees) —————			
11. DEFERRED TAXATION			
Deferred tax credits / (debits) arising in respect of:			
Provision for impairment of doubtful receivables from insurance contract holders		5,017,347	5,017,347
Unrealized loss/(gain) on held for trading investments		(12,160,153)	(27,591,915)
Surplus on revaluation of available for sale securities		(13,672,637)	(7,569,298)
		(20,815,443)	(30,143,866)
Reconciliation of deferred tax			
Opening provision		(30,143,866)	20,409,659
Credit to statement of profit or loss		15,431,762	(38,155,979)
(Debit)/Credit to other comprehensive income		(6,103,339)	(12,397,546)
Closing balance		(20,815,443)	(30,143,866)
12. PREPAYMENTS			
Prepaid reinsurance premium ceded		172,009,159	193,554,755
Prepaid rent		411,764	114,000
Prepaid miscellaneous expenses		9,184,485	599,868
		181,605,408	194,268,623
13. CASH AND BANK DEPOSITS			
Cash and other equivalents			
Cash in hand, Policy stamps and bond paper in hand		972,253	424,699
Cash at bank			
Current accounts		39,417,902	41,861,206
Saving accounts	13.1	70,448,723	66,269,371
		109,866,625	108,130,577
		110,838,878	108,555,276

13.1 These accounts carry profit at rates ranging between 12.50% to 18.50% per annum (31-12-2023: 12.50% to 18.50% per annum).

14. SHARE CAPITAL

14.1 Authorized Capital

March 31, 2024	December 31, 2023		March 31, 2024	December 31, 2023
(Number of shares)			————— (Rupees) —————	
100,000,000	100,000,000	Ordinary shares of Rs. 10 each	100,000,000	100,000,000

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

14.2 Issued, subscribed and paid-up share capital

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

15. OTHER CREDITORS AND ACCRUALS

Accrued expenses			3,809,449	4,614,724
Unpaid and unclaimed dividend			4,531,819	4,531,819
Other creditors			53,993,309	66,961,721
			<u>62,334,577</u>	<u>76,108,264</u>

16. CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

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

16.2 Commitments

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

Not more than one year	-	2,107,100
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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	(Rupees)	
17. NET INSURANCE PREMIUM		
Written Gross Premium	211,435,142	191,680,432
Add: Unearned premium reserve opening	440,170,615	339,216,908
Less: Unearned premium reserve closing	(417,952,754)	(327,698,006)
Premium earned	233,653,003	203,199,334
Less: Reinsurance premium ceded	86,963,795	84,637,925
Add: Prepaid reinsurance premium opening	193,554,755	153,258,702
Less: Prepaid reinsurance premium closing	(172,009,159)	(152,273,840)
Reinsurance expense	108,509,391	85,622,787
Net Insurance Premium	<u>125,143,612</u>	<u>117,576,547</u>
18. NET INSURANCE CLAIMS EXPENSE		
Claim Paid	73,303,355	69,341,624
Add: Outstanding claims including IBNR closing	257,341,136	212,992,236
Less: Outstanding claims including IBNR opening	(230,153,423)	(188,533,455)
Claims expense	100,491,068	93,800,405
Less: Reinsurance and other recoveries received	50,400,211	40,567,831
Add: Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	197,790,400	171,919,937
Less: Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	(176,420,765)	(152,487,929)
Reinsurance and other recoveries revenue	71,769,846	59,999,839
Net claims expenses	<u>28,721,222</u>	<u>33,800,566</u>
19. NET COMMISSION EXPENSE / ACQUISITION COST		
Commission paid or payable	47,350,937	41,924,825
Add: Deferred commission expense opening	95,312,664	74,411,786
Less: Deferred commission expense closing	(90,984,213)	(71,176,893)
Net Commission	51,679,388	45,159,718
Less: Commission received or recoverable	20,249,079	19,791,086
Add: Unearned Reinsurance Commission opening	39,285,465	31,620,714
Less: Unearned Reinsurance Commission closing	(37,758,716)	(29,856,988)
Commission from reinsurers	21,775,828	21,554,812
	<u>29,903,560</u>	<u>23,604,906</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	(Rupees)	
20. INVESTMENT INCOME		
Income from equity securities		
Dividend income		
Available for sale investments	17,189,038	13,511,005
Held for trading investments	12,699,333	10,463,248
	29,888,371	23,974,253
Income from debt securities - Held for maturity		
Return on debt securities	3,689,364	2,720,219
Income from term deposits		
Return on term deposits	1,536,877	981,088
Net realised gains/(losses) on investments		
Realised gains on - Equity securities		
Available for sale investments	226,367	-
Held for trading investments	227,824	3,548,863
	454,191	3,548,863
Net unrealised gains/(losses) on investments at fair value through profit and loss (Held for trading purposes)	41,931,564	(12,487,114)
Total investment income	77,500,367	18,737,309
Investment related expenses	(13,505)	(62,075)
Net investment income	77,486,862	18,675,234
21. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after tax	99,122,415	15,828,221
Weighted average number of Ordinary shares of Rs. 10 each	66,537,949	Restated 66,537,949
Earning per share basic and diluted - Rupees	1.49	0.24

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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

22. TRANSACTIONS WITH RELATED PARTIES

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

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

Relation with the Company	Nature of transaction	March 31, 2024	March 31, 2023
		(Rupees)	
Transactions during the period			
Associated companies	Premium underwritten	13,382,780	11,980,258
	Premium collected	24,007,117	17,452,297
	Claims paid	1,958,768	1,194,701
	Premium due but unpaid	100,509,837	71,318,618
	Provision for outstanding claims	30,019,338	23,805,896
Key management personnel	Remuneration and other benefits	11,218,308	7,472,052
Staff retirement benefits	Contribution to provident fund	1,114,189	855,508

23. SEGMENT INFORMATION

	March 31, 2024				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written premium (inclusive of Administrative surcharge)	113,339,462	50,275,926	42,680,064	5,139,690	211,435,142
Insurance premium earned	122,884,929	52,530,914	46,829,339	11,407,821	233,653,003
Insurance premium ceded to reinsurers	(66,156,839)	(31,209,280)	(2,245,997)	(8,897,275)	(108,509,391)
Net insurance premium	56,728,090	21,321,634	44,583,342	2,510,546	125,143,612
Commission income	13,579,554	7,050,575	19,213	1,126,486	21,775,828
Net underwriting income	70,307,644	28,372,209	44,602,555	3,637,032	146,919,440
Insurance claims	(68,745,154)	(14,717,311)	(19,461,004)	2,432,401	(100,491,068)
Insurance claims recovered from reinsurers	62,444,270	10,978,368	-	(1,652,792)	71,769,846
Net claims	(6,300,884)	(3,738,943)	(19,461,004)	779,609	(28,721,222)
Commission expense	(32,652,399)	(11,607,436)	(4,758,634)	(2,660,919)	(51,679,388)
Management expense	(18,274,128)	(6,868,454)	(14,361,874)	(808,735)	(40,313,191)
Net insurance claims & expenses	(57,227,411)	(22,214,833)	(38,581,512)	(2,690,045)	(120,713,801)
Underwriting result	13,080,233	6,157,376	6,021,043	946,987	26,205,639
Net Investment Income					77,486,862
Other income					2,590,646
Other expenses					(15,212,066)
Profit before tax from takaful operations-Operators' Fund					9,676,100
Profit before tax					100,747,181
Segment assets	375,823,787	141,255,897	295,364,791	16,632,376	829,076,850
Unallocated assets					1,576,619,648
					2,405,696,498
Segment liabilities	467,546,536	175,730,509	367,450,889	20,691,638	1,031,419,571
Unallocated liabilities					37,842,852
					1,069,262,423

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2023				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written premium (inclusive of Administrative surcharge)	103,234,313	39,123,856	40,249,964	9,072,299	191,680,432
Insurance premium earned	116,101,449	40,714,248	33,174,100	13,209,537	203,199,334
Insurance premium ceded to reinsurers	(56,489,661)	(22,326,809)	(1,827,515)	(4,978,802)	(85,622,787)
Net insurance premium	59,611,788	18,387,439	31,346,585	8,230,735	117,576,547
Commission income	15,021,383	5,340,091	620	1,192,718	21,554,812
Net underwriting income	74,633,171	23,727,530	31,347,205	9,423,453	139,131,359
Insurance claims	(65,651,521)	(12,623,246)	(15,397,313)	(128,325)	(93,800,405)
Insurance claims recovered from reinsurers	53,629,692	6,259,523	14,379	96,245	59,999,839
Net claims	(12,021,829)	(6,363,723)	(15,382,934)	(32,080)	(33,800,566)
Commission expense	(29,633,901)	(9,086,963)	(3,228,959)	(3,209,895)	(45,159,718)
Management expense	(17,418,795)	(5,372,881)	(9,159,593)	(2,405,053)	(34,356,322)
Net insurance claims & expenses	(59,074,525)	(20,823,567)	(27,771,486)	(5,647,028)	(113,316,606)
Underwriting result	15,558,646	2,903,963	3,575,719	3,776,425	25,814,753
Net Investment income					18,675,234
Other income					1,362,877
Other expenses					(12,749,905)
Profit before tax from takaful operations-Operators' Fund					6,086,796
Loss before tax					39,189,755
Segment assets	406,914,607	119,004,124	258,137,857	26,444,797	810,501,385
Unallocated assets					1,502,015,242
					2,312,516,627
Segment liabilities	527,442,267	154,253,015	334,598,007	34,277,716	1,050,571,005
Unallocated liabilities					39,524,334
					1,090,095,339

24. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue on 29th April, 2024 by the Board of Directors of the Company.

25. GENERAL

Figures have been rounded off to the nearest rupee.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

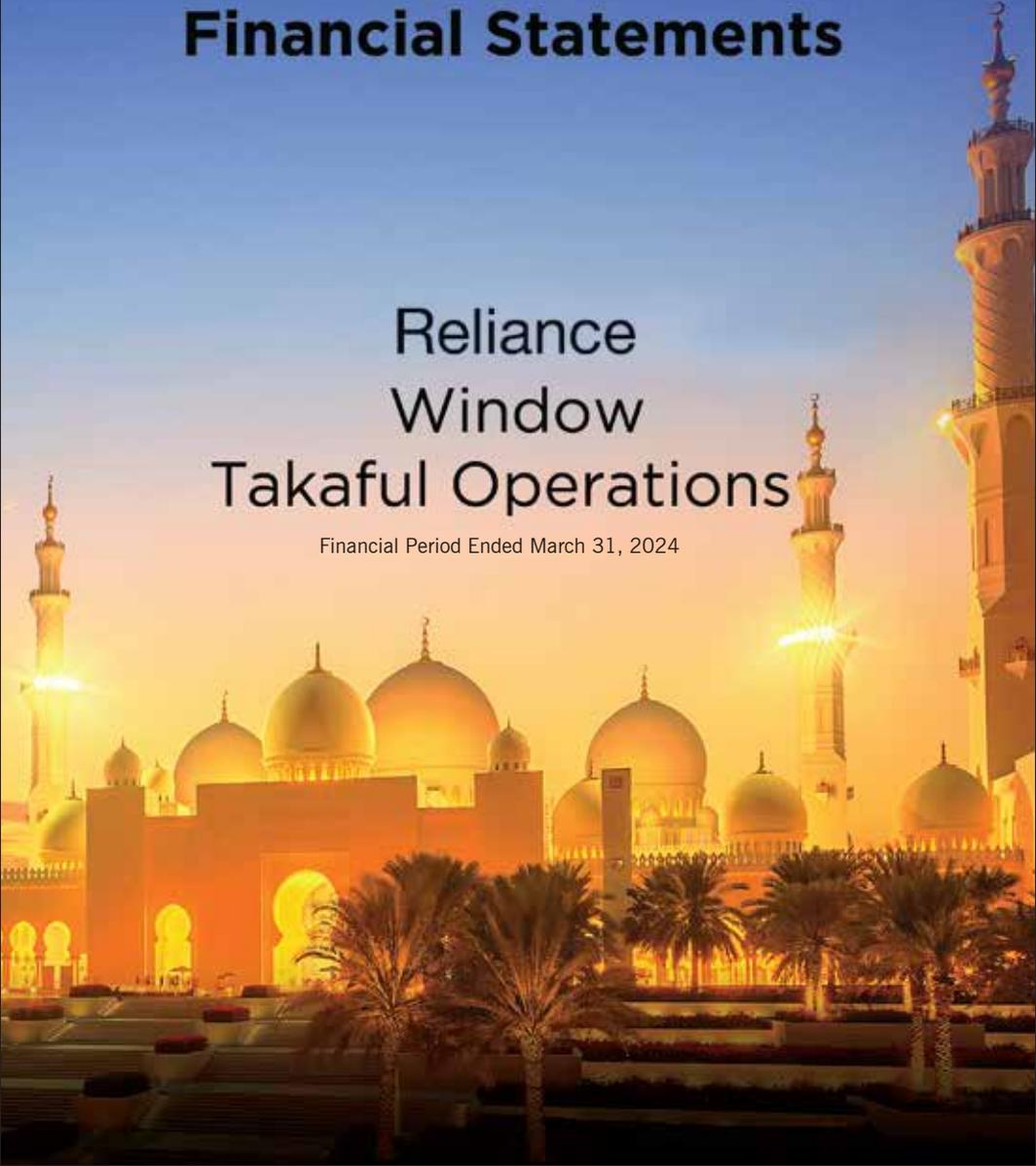
Karachi: 29th April, 2024



Financial Statements

Reliance Window Takaful Operations

Financial Period Ended March 31, 2024



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

Note	OPF		PTF			
	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)		
(Rupees)						
ASSETS						
Investment						
	Equity securities	6	103,473,760	99,313,467	13,878,174	27,800,998
	Takaful / Re-takaful receivables	7	-	-	91,526,828	106,124,638
	Deferred wakala fee		-	-	18,324,892	21,182,249
	Receivable from PTF	8	35,780,141	34,807,391	-	-
	Accrued investment income		44,894	68,975	276,405	369,191
	Retakaful recoveries against outstanding claims		-	-	12,209,469	45,932,517
	Deferred Commission Expense		7,077,095	7,811,311	-	-
	Prepayments	9	-	508,500	18,409,177	20,767,465
	Cash and Bank	10	14,642,079	13,372,058	42,607,725	41,386,451
	TOTAL ASSETS		161,017,969	155,881,702	197,232,670	263,563,509

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

Note	OPF		PTF	
	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
(Rupees)				
FUND AND LIABILITIES				
Operator's Fund				
Statutory Fund	50,000,000	50,000,000	-	-
Accumulated profit	77,696,444	70,826,413	-	-
Surplus on revaluation of available for sale investments	10,491	62,776	-	-
	127,706,935	120,889,189	-	-
Participants' Takaful Fund (PTF)				
Seed Money	-	-	500,000	500,000
Accumulated Surplus	-	-	90,298,192	87,696,055
	-	-	90,798,192	88,196,055
Liabilities				
PTF Underwriting Provisions				
Outstanding claims including IBNR	-	-	17,607,848	61,498,945
Unearned contribution reserves	-	-	45,812,230	52,955,619
Reserve for unearned re-takaful rebate	-	-	3,403,911	3,638,253
	-	-	66,823,989	118,092,817
Unearned wakala fees	18,324,892	21,182,249	-	-
Takaful / Retakaful payables	-	-	1,875,711	19,234,111
Other creditors and accruals	12,082,159	12,530,929	1,954,637	3,233,135
Taxation - provision less payments	2,899,696	1,260,876	-	-
Deferred taxation	4,286	18,459	-	-
Payable to OPF	-	-	35,780,141	34,807,391
Total Liabilities	33,311,033	34,992,513	39,610,489	57,274,637
Contingencies and Commitments	-	-	-	-
TOTAL FUND AND LIABILITIES	161,017,969	155,881,702	197,232,670	263,563,509

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

Note	March 31, 2024	March 31, 2023
Rupees		
Participants' Takaful Fund - (PTF)		
Contribution earned	20,763,473	14,827,463
Less: Contributions ceded to retakaful	(14,553,494)	(12,254,989)
Net contributions revenue	6,209,979	2,572,474
Retakaful rebate earned	2,112,319	2,576,159
Net underwriting income	8,322,298	5,148,633
Net claims - reported / settled including IBNR	(6,121,458)	(3,062,228)
Other direct expenses	(962,405)	(211,979)
Underwriting results	1,238,435	1,874,426
Investment income	1,267,266	910,109
Other Income	1,005,571	644,570
Less: Modarib's share of investment income	(909,135)	(621,871)
Surplus transferred to accumulated surplus	2,602,137	2,807,234
Operator's Fund - (OPF)		
Wakala fee	13,842,318	9,884,979
Commission expenses	(5,026,974)	(4,068,308)
General, administrative and management expenses	(4,973,495)	(3,561,034)
	3,841,849	2,255,637
Modarib's shares of PTF investment income	909,135	621,871
Investment income	4,972,646	3,312,227
Direct expenses	(356,820)	(340,500)
Other Income	309,290	237,561
Profit before taxation	9,676,100	6,086,796
Taxation	(2,806,069)	(1,765,171)
Profit after taxation	6,870,031	4,321,625

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Quarter ended March 31	
	2024	2023
	(Rupees)	
Participants' Takaful Fund - (PTF)		
Surplus during the period	2,602,137	2,807,234
Other comprehensive income:		
Unrealised gain/loss on available-for-sale investments	-	-
Total comprehensive income for the period	2,602,137	2,807,234
Operator's Fund - (OPF)		
Profit after tax	6,870,031	4,321,625
Other Comprehensive income		
Unrealized Loss on available-for-sale investments	(66,458)	-
Impact of related deferred taxation	14,173	-
	(52,286)	-
Total comprehensive income for the period	6,817,745	4,321,625

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

CONDENSED INTERIM STATEMENT OF CHANGES IN FUND (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Operator's Fund			
	Statutory Fund	(Accumulated Loss/Profit)	Surplus/(Defecit) on revaluation of AFS investments	Total
	(Rupees)			
Balance as at 1st January 2023	50,000,000	50,114,740	22,684	100,137,424
Total comprehensive income for the period ended March 31, 2023				
Profit for the period	-	4,321,625	-	4,321,625
Other comprehensive Income / loss	-	-	-	-
Balance as at March 31, 2023	50,000,000	54,436,365	22,684	104,459,049
Balance as at January 01, 2024	50,000,000	70,826,413	62,776	120,889,189
Total comprehensive income for the period ended March 31, 2024				
Profit for the period	-	6,870,031	-	6,870,031
Other comprehensive loss	-	-	(52,286)	(52,286)
Balance as at March 31, 2024	50,000,000	77,696,444	10,491	127,706,935

	Participants Takaful Fund			
	Seded money	(Accumulated Profit)	Surplus/(Defecit) on revaluation of AFS investments	Total
	(Rupees)			
Balance as at 1st January 2023	500,000	87,450,723	-	87,950,723
Surplus for the period	-	2,807,234	-	2,807,234
Other comprehensive loss	-	-	-	-
Balance as at March 31, 2023	500,000	90,257,957	-	90,757,957
Balance as at January 01, 2024	500,000	87,696,055	-	88,196,055
Surplus for the period	-	2,602,137	-	2,602,137
Other comprehensive income	-	-	-	-
Balance as at March 31, 2024	500,000	90,298,192	-	90,798,192

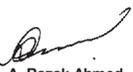
The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	OPF		PTF	
	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Operating Cash Flows	(Rupees)			
a) Takaful activities				
Contribution received	-	-	54,296,143	36,017,320
Retakaful contribution paid	-	-	(41,789,538)	(16,063,416)
Claims / Benefits paid	-	-	(50,978,809)	(6,979,643)
Retakaful and other recoveries received	-	-	34,689,302	3,329,978
Commission paid	(4,292,758)	(3,152,857)	-	-
Retakaful rebate received	-	-	1,877,978	1,758,351
Wakala fee received / (paid)	10,550,000	16,000,000	(10,550,000)	(16,000,000)
Modarib received / (paid)	371,346	241,915	(371,346)	(241,915)
Net cash flows from takaful activities	6,628,588	13,089,058	(12,826,270)	1,820,675
b) Other operating activities				
Income tax paid	(1,167,249)	(788,710)	-	-
General and other expenses paid	(5,330,315)	(3,901,534)	(962,405)	(211,979)
Other operating payments	508,500	-	-	-
Other operating receipts	(448,770)	(350,950)	(1,278,499)	(235,248)
Net cash flow from other operating activities	(6,437,834)	(5,041,194)	(2,240,904)	(447,227)
Total cash flow from all operating activities	190,754	8,047,864	(15,067,174)	1,373,448
Investment activities				
Profit / return received	309,289	237,560	1,005,571	644,570
Dividend received	4,996,727	3,407,993	1,360,052	995,896
Payments for investments made	(4,226,749)	(2,815,430)	(1,077,175)	(773,593)
Proceeds from investments	-	-	15,000,000	-
Total cash flows from investing activities	1,079,267	830,123	16,288,448	866,873
Net cash flows from all activities	1,270,021	8,877,987	1,221,274	2,240,321
Cash and cash equivalent at the beginning of the period	13,372,058	12,146,627	41,386,451	34,033,671
Cash and cash equivalent at the end of the period	14,642,079	21,024,612	42,607,725	36,273,992

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	OPF		PTF	
	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
	(Rupees)			
Reconciliation to profit and loss Account				
Operating cash flows	190,754	8,047,864	(15,067,174)	1,373,448
Dividend income	4,972,646	3,312,227	1,267,266	910,109
Other investment income	309,290	237,561	1,005,571	644,570
Increase / (Decrease) in assets other than cash	(269,966)	(8,806,925)	(53,536,502)	(15,873,740)
Increase / (Decrease) in liabilities other than borrowings	1,667,307	1,530,898	68,932,976	15,752,847
Profit / Surplus / (Deficit) for the period	6,870,031	4,321,625	2,602,137	2,807,234
Attributed to				
Operatot's Fund	6,870,031	4,321,625	-	-
Participants' Takaful Fund	-	-	2,602,137	2,807,234
	6,870,031	4,321,625	2,602,137	2,807,234

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

These condensed interim financial statements reflect the financial position and results of operations of both the company and 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 does not include all the information and disclosures required in the annual financial statements. Accordingly these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2023.

2.3 Basis of measurement

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

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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

2.4 Functional and presentation currency

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and method of computation adopted in preparation of condensed interim financial statements are consistent with those followed in preparation of the annual financial statement of the operator for the year ended 31 December 2023.

3.1 STANDARDS INTERPRETATIONS AND AMENDMENTS

Standards, interpretations and amendments effective during the current period

There are new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2024 but are considered not to be relevant or do not have any significant effect on the Operator's operations hence not enlisted in these financial statements except as follows:

IFRS 9 'Financial Instruments' and amendment (effective for period ending on or after June 30, 2019). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Further, IFRS 4 provides two alternative options in relation to application of IFRS 9 for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from the effective date to remove from profit or loss the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied.

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

The table below set out the fair values 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 payment 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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

b) all other financial assets:

Fair value of financial assets as at March 31, 2024 and change in fair value during the period

	Operator's Fund	Participant's Takaful Fund
	March 31, 2024	
	(Rupees)	
Financial assets that do not meet the SPPI criteria		
Equity Securities - Available for sale		
Opening fair value	99,313,467	27,800,998
Net addition/(deletion) during the period - net	4,226,749 (66,456)	(13,922,823) -
	<u>103,473,760</u>	<u>13,878,174</u>

Carrying value of all other financial assets approximates to their fair values since these either have short term maturity or are frequently repriced.

The Company expects that the adoption of the other amendments and interpretations of the standards will not have any material impact and therefore will not affect the Company's financial statements in the period of initial application.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

5. FINANCIAL RISK MANAGEMENT

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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

6. INVESTMENT - EQUITY SECURITIES

Available for sale

	March 31, 2024 (Un-audited)			December 31, 2023 (Audited)		
	Cost	Revaluation surplus	Carrying Value	Cost	Revaluation Surplus	Carrying Value
	Rupees					
OPF						
Al-Hamra Daily Dividend Fund	8,452	-	8,452	8,135	-	8,135
Al-Hamra Money Market Fund	61,568,138	-	61,568,138	59,072,857	-	59,072,857
HBL Islamic Money Market Fund	41,882,391	14,780	41,897,170	40,151,239	81,237	40,232,476
	103,458,980	14,780	103,473,760	99,232,231	81,238	99,313,467
PTF						
ABL Islamic Cash Fund	13,878,174	-	13,878,174	27,800,999	-	27,800,998

7. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF

	OPF		PTF	
	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
	(Rupees)			
Due from takaful participants holders	-	-	33,527,427	60,361,168
Due from other takaful / retakaful operators	-	-	57,999,401	45,763,470
	-	-	91,526,828	106,124,638
8. RECEIVABLE FROM PTF				
Wakala fee	32,551,603	32,116,642	-	-
Moudarib fee	3,228,538	2,690,749	-	-
	35,780,141	34,807,391	-	-
9. PREPAYMENT				
Prepaid re-takaful contribution ceded	-	-	18,409,177	20,767,464
Prepaid expenses	-	508,500	-	-
	-	508,500	18,409,177	20,767,465

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

Note	OPF		PTF	
	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
(Rupees)				
10. CASH AND BANK				
Cash and Cash Equivalents				
Policy and Revenue stamps	-	-	-	-
Cash at bank				
Saving accounts	14,642,080	13,372,058	42,607,726	41,386,451
	<u>14,642,079</u>	<u>13,372,058</u>	<u>42,607,725</u>	<u>41,386,451</u>
11. OTHER CREDITORS AND ACCRUALS				
Accrued expenses	284,100	227,280	-	-
Other payables	11,798,059	12,303,649	1,954,641	3,233,135
	<u>12,082,159</u>	<u>12,530,929</u>	<u>1,954,637</u>	<u>3,233,135</u>
12. DEFERRED TAXATION				
Deferred tax arising in respect of Revaluation of available for sale Equity	12.1 4,286	18,459	-	-
12.1 RECONCILIATION OF DEFERRED TAXATION				
Opening balance	(18,459)	5,100	-	-
Credit to other comprehensive income	14,173	(23,559)	-	-
	<u>(4,286)</u>	<u>(18,459)</u>	<u>-</u>	<u>-</u>
13. CONTINGENCIES AND COMMITMENTS				
There were no contingencies and commitments as at March 31, 2024 (31 December 2023: NIL).				

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Note	PTF	
		March 31, 2024	March 31, 2023
(Rupees)			
14. NET CONTRIBUTION			
Written Gross Contributions		27,462,402	19,321,424
Less: Wakala Fee	14.1	(13,842,318)	(9,884,979)
Contribution Net of Wakala Fee		13,620,084	9,436,445
Add: Unearned contributions reserve opening		52,955,619	38,852,349
Less: Unearned contributions reserve closing		(45,812,230)	(33,461,331)
Contributions earned		20,763,473	14,827,463
Re-takaful contributions ceded		12,195,207	9,906,665
Add: Prepaid re-takaful contributions opening		20,767,464	15,622,451
Less: Prepaid re-takaful contributions closing		(18,409,177)	(13,274,127)
Re-takaful expense		14,553,494	12,254,989
Net contributions		6,209,979	2,572,474
14.1 Wakala Expense			
Gross Wakala fee		(10,984,961)	(7,728,570)
Add: Deferred wakala fee Opening		21,182,249	15,540,940
Less: Deferred wakala fee closing		(18,324,892)	(13,384,531)
		(8,127,604)	(5,572,161)
15. RE-TAKAFUL REBATE			
Retakaful rebate received or recoverable		1,877,978	1,758,351
Add: Unearned retakaful rebate Opening		3,638,252	3,190,440
Less: Unearned retakaful rebate Closing		(3,403,911)	(2,372,632)
		2,112,319	2,576,159
WAKALA EXPENSE			
Gross Wakala fee		10,984,961	7,728,570
Add: Deferred wakala fee opening		21,182,249	15,540,940
Less: Deferred wakala fee closing		(18,324,892)	(13,384,531)
		13,842,318	9,884,979

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Note	PTF	
		March 31, 2024	March 31, 2023
(Rupees)			
16. TAKAFUL BENEFITS / CLAIMS EXPENSE			
Benefits / Claim Paid		50,978,809	6,979,643
Add: Outstanding benefits / claims including IBNR closing		17,607,848	17,083,589
Less: Outstanding benefits / claims including IBNR opening		(61,498,945)	(18,033,223)
Claims expense		7,087,712	6,030,009
Retakaful and other recoveries received		34,689,302	3,329,978
Add: Retakaful and other recoveries in respect of outstanding claims closing		12,209,469	11,393,181
Less: Re-takaful and other recoveries in respect outstanding claims opening		(45,932,517)	(11,755,378)
Re-takaful and other recoveries revenue		966,254	2,967,781
Net Takaful benefits / Claim expense		6,121,458	3,062,228

	OPF		PTF	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(Rupees)				
17. OTHER DIRECT EXPENSES				
Fire and property damage	-	-	484,046	110,930
Marine, Aviation and Transport	-	-	80,304	18,300
Motor	-	-	390,246	80,079
Miscellaneous	-	-	7,809	2,670
	-	-	962,405	211,979
18. INVESTMENT INCOME				
Income from mutual funds available sale	4,972,646	3,312,227	1,267,266	910,109
	4,972,646	3,312,227	1,267,266	910,109
19. OTHER INCOME				
Profit on bank deposits	309,290	237,561	1,005,571	644,570
	309,290	237,561	1,005,571	644,570

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

20. MODARIB'S FEE

The Operators' manage the participants' investments as a Modarib and charge 40% Modarib's share of the investment income earned by PTF.

21. WAKALA FEE

The Operators' manage the general takaful operations for the participants and charges 40% for motor, fire and property damage and others etc. of the gross contribution written net off administrative surcharge on co-takaful inward as wakala fee against the services.

22. WAKALA FEE INCOME

Gross wakala fee

Add: Unearned wakala fee opening

Less: Unearned wakala fee closing

OPF	
March 31, 2024	March 31, 2023
————— (Rupees) —————	

10,984,961	7,728,570
21,182,249	15,540,940
(18,324,892)	(13,384,531)
13,842,318	9,884,979

23. COMMISSION EXPENSE

Commission paid or payable

Add: Deferred commission expense opening

Less: Deferred commission expense closing

4,292,758	3,152,857
7,811,311	6,218,649
(7,077,095)	(5,303,198)
5,026,974	4,068,308

24. RELATED PARTY TRANSACTIONS

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

		March 31, 2024	March 31, 2023
		————— (Rupees) —————	
Relation with the Company	Nature of transaction		
Associated companies	Contribution underwritten	7,197,173	6,256,718
	Contribution collected	6,847,478	13,874,136
	Contribution due but unpaid	47,577,807	34,574,451
Key management personnel Staff retirement benefits	Remuneration and other benefits	697,500	585,000
		10,188	8,814

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

25. SEGMENT INFORMATION

PTF	March 31, 2024				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written contributions (inclusive of Administrative surcharge)	16,068,302	3,859,965	7,498,140	35,995	27,462,402
Wakala fee	(7,939,985)	(1,876,468)	(3,808,815)	(217,050)	(13,842,318)
Takaful contributions earned	19,849,960	4,691,169	9,522,038	542,624	34,605,791
Takaful contributions ceded to re-takaful	(9,764,560)	(3,017,977)	(1,391,030)	(379,927)	(14,553,494)
Net takaful contribution	2,145,415	(203,276)	4,322,193	(54,353)	6,209,979
Retakaful rebate	1,413,842	694,135	(77,342)	81,684	2,112,319
Net underwriting income	3,559,257	490,859	4,244,851	27,331	8,322,298
Takaful claims	(3,298,248)	(173,490)	(3,615,974)	-	(7,087,712)
Takaful claims recovered from re-takaful	2,543,706	138,792	(1,716,244)	-	966,254
Net claims	(754,542)	(34,698)	(5,332,218)	-	(6,121,458)
Other Direct expense	(484,046)	(80,304)	(390,246)	(7,809)	(962,405)
Surplus before investment income	2,320,669	375,857	(1,477,613)	19,522	1,238,435
Net Investment income					1,267,266
Other Income					1,005,571
Modarib's share of investment income					(909,135)
Surplus transferred to accumulated surplus					2,602,137
Corporate segment assets	70,650,253	11,721,046	56,959,343	1,139,725	140,470,366
Corporate unallocated assets					56,762,304
Total assets					197,232,670
Corporate segment liabilities	52,548,643	8,717,946	42,365,542	847,710	104,479,840
Corporate unallocated liabilities					1,954,638
Total Liabilities					106,434,478

PTF	March 31, 2023				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written contributions (inclusive of Administrative surcharge)	10,007,599	3,983,892	5,167,973	161,960	19,321,424
Wakala fee	(6,044,607)	(1,429,735)	(2,237,863)	(172,774)	(9,884,979)
Takaful contributions earned	15,111,512	3,574,338	5,594,657	431,935	24,712,442
Takaful contributions ceded to re-takaful	(8,592,464)	(2,498,924)	(888,646)	(274,955)	(12,254,989)
Net takaful contributions	474,441	(354,321)	2,468,148	(15,794)	2,572,474
Retakaful rebate	1,971,042	546,002	-	59,115	2,576,159
Net underwriting income	2,445,483	191,681	2,468,148	43,321	5,148,633
Takaful claims	(3,894,728)	(27,169)	(2,108,112)	-	(6,030,009)
Takaful claims recovered from re-takaful	2,946,046	21,735	-	-	2,967,781
Net claims	(948,682)	(5,434)	(2,108,112)	-	(3,062,228)
Other direct expense	(110,930)	(18,300)	(80,079)	(2,670)	(211,979)
Surplus before Investment Income	1,385,871	167,947	279,957	40,651	1,874,426
Net Investment income					910,109
Other Income					644,570
Modarib's share of investment income					(621,871)
Surplus transferred to accumulated surplus					2,807,234
Corporate segment assets	93,396,499	14,485,833	84,224,586	1,880,549	193,987,467
Corporate unallocated assets					69,576,042
Total assets					263,563,509
Corporate segment liabilities	81,571,525	12,651,775	73,560,873	1,642,452	169,426,625
Corporate unallocated liabilities					5,940,829
Total Liabilities					175,367,454

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

25.1 OPF

	March 31, 2024				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Wakala Fee	7,939,985	1,876,468	3,808,815	217,050	13,842,318
Commission Expenses	(3,198,879)	(896,243)	(865,002)	(66,850)	(5,026,974)
Management Expenses	(2,501,443)	(414,995)	(2,016,703)	(40,354)	(4,973,495)
	<u>(5,700,322)</u>	<u>(1,311,238)</u>	<u>(2,881,705)</u>	<u>(107,204)</u>	<u>(10,000,469)</u>
	<u>2,239,663</u>	<u>565,230</u>	<u>927,110</u>	<u>109,846</u>	<u>3,841,849</u>
Mudarib share of PTF Investment Income					909,135
Investment Income					4,972,646
Direct expenses					(356,820)
Other Income					309,290
Profit before taxation					9,676,100
Taxation					(2,806,069)
Profit after tax					<u>6,870,031</u>
Corporate segment assets	<u>21,555,255</u>	<u>3,576,068</u>	<u>17,378,185</u>	<u>347,728</u>	<u>42,857,236</u>
Corporate unallocated assets					118,160,733
Total Assets					<u>161,017,969</u>
Corporate segment liabilities	<u>9,218,749</u>	<u>1,529,413</u>	<u>7,432,300</u>	<u>148,716</u>	<u>18,329,178</u>
Corporate unallocated liabilities					14,981,856
Total Liabilities					<u>33,311,033</u>

	March 31, 2023				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Wakala Fee	6,044,607	1,429,735	2,237,863	172,774	9,884,979
Commission Expenses	(2,829,656)	(632,255)	(551,011)	(55,386)	(4,068,308)
Management Expenses	(1,863,507)	(307,413)	(1,345,240)	(44,874)	(3,561,034)
	<u>(4,693,163)</u>	<u>(939,668)</u>	<u>(1,896,251)</u>	<u>(100,260)</u>	<u>(7,629,342)</u>
	<u>1,351,444</u>	<u>490,067</u>	<u>341,612</u>	<u>72,514</u>	<u>2,255,637</u>
Mudarib share of PTF Investment Income					621,871
Investment Income					3,312,227
Direct expenses					(340,500)
Other Income					237,561
Profit before taxation					6,086,796
Taxation					(1,765,171)
Profit after tax					<u>4,321,625</u>
Corporate segment assets	<u>19,221,644</u>	<u>2,981,285</u>	<u>17,334,001</u>	<u>387,030</u>	<u>39,923,960</u>
Corporate unallocated assets					115,957,742
Total Assets					<u>155,881,702</u>
Corporate segment liabilities	<u>10,206,195</u>	<u>1,582,985</u>	<u>9,203,905</u>	<u>205,503</u>	<u>21,198,588</u>
Corporate unallocated liabilities					13,793,926
Total Liabilities					<u>34,992,514</u>

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

27. GENERAL

Figures have been rounded off to the nearest rupee.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Gulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 29th April, 2024

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Chief Executive & Managing Director

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Mr. Ghulam Haider
Chief Financial Officer

Direct : 34539409
Extension : 203

Mr. Faraz Abdul Razak
Company Secretary & Compliance Officer

Extension : 209

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

Direct : 34304068
Extension : 212

Mr. Muhammad Siddique
Assistant Vice President (Claims)

Direct : 34550403
Extension : 208

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

Direct : 34557079
Extension : 201

Mr. Muhammad Kashif Wadiwala
Shariah Compliance Officer

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Mr. Ghulam Mujaddid
Vice President (Accounts)

Extension : 205

Mr. Abdul Rahim Patni
Assistant Vice President (Reinsurance)

Direct : 34539411
Extension : 215

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

Extension : 214

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

Extension : 202

Mr. Muhammad Masood Alam
Chief Manager (Administration)

Direct : 34539411
Extension : 206

Mr. Muhammad Naveed Jan
Chief Manager

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Resident Representative

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