



UNLOCKING GREAT OPPORTUNITIES

INTERIM FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED 31 MARCH 2020





OPENING NEW GATEWAYS

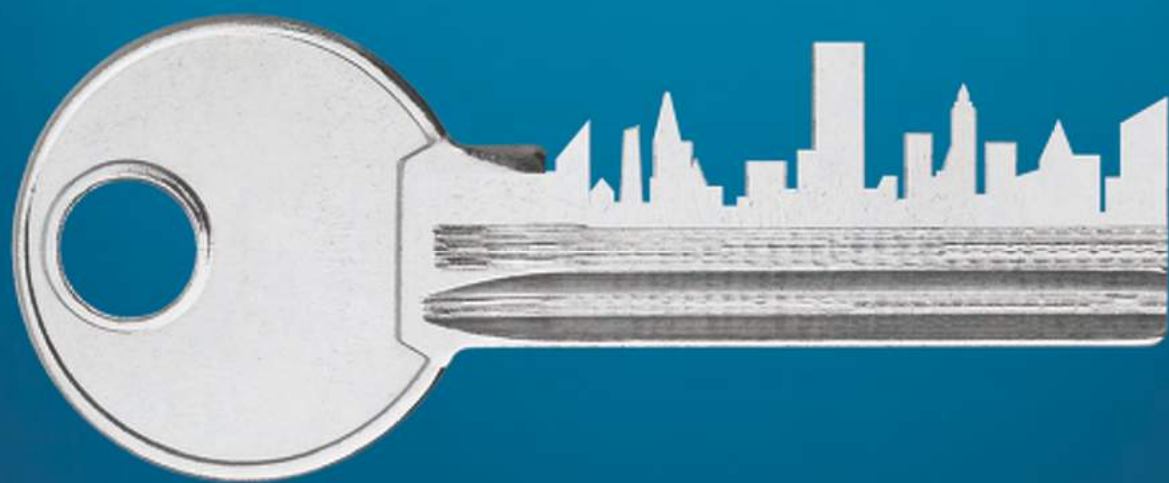
At Adamjee Insurance, we are committed to providing our customers with exceptional service, opening the doors to success and giving them the security and confidence to capitalize on every opportunity that comes their way.



CONTENTS

05	Vision / Core Values
07	Company Information
09	Directors' Review to the members on Unconsolidated Condensed Interim Financial Information
10	Directors' Review to the members on Unconsolidated Condensed Interim Financial Information (Urdu)
12	Unconsolidated Condensed Interim Financial Information
34	Directors' Review to the members on Consolidated Condensed Interim Financial Information
35	Consolidated Condensed Interim Financial Information
61	Condensed Interim Financial Information - Window Takaful Operations





VISION

Our will is to explore, innovate and differentiate.
Our passion is to provide leadership to insurance industry.



CORE VALUES

- Integrity
- Humility
- Fun at the Workplace
- Corporate Social Responsibility

COMPANY INFORMATION

BOARD OF DIRECTORS

Umer Mansha	Chairman
Ibrahim Shamsi	Director
Imran Maqbool	Director
Muhammad Anees	Director
Mohammad Arif Hameed	Director
Sadia Younas Mansha	Director
Shaikh Muhammad Jawed	Director
Muhammad Ali Zeb	Managing Director & Chief Executive Officer

ADVISOR

Mian Muhammad Mansha

AUDIT COMMITTEE

Muhammad Anees	Chairman
Ibrahim Shamsi	Member
Shaikh Muhammad Jawed	Member
Umer Mansha	Member

ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

Muhammad Anees	Chairman
Ibrahim Shamsi	Member
Muhammad Ali Zeb	Member
Umer Mansha	Member

INVESTMENT COMMITTEE

Umer Mansha	Chairman
Imran Maqbool	Member
Muhammad Ali Zeb	Member
Muhammad Asim Nagi	Member

COMPANY SECRETARY

Tameez ul Haque, F.C.A

CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi, F.C.A

EXECUTIVE MANAGEMNT TEAM

Muhammad Ali Zeb
Muhammad Asim Nagi
Adnan Ahmad Chaudhry
Asif Jabbar
Muhammad Salim Iqbal

AUDITORS

Deloitte Yousuf Adil
Chartered Accountants
134-A, Abu Bakar Block, New Garden Town,
Lahore, Pakistan

SHARIAH ADVISOR

Mufti Muhammad Hassan Kaleem

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi-74400
Ph: (92) 0800-23275
Fax (92-21) - 34326053

BANKERS

Askari Bank Limited
Abu Dhabi Commercial Bank, UAE
Allied Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Emirates Islamic Bank, UAE
FINCA Microfinance Bank Limited
Habib Bank Limited
Habib Metropolitan Bank
Khushali Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
Mobilink Microfinance Bank Limited
National Bank of Pakistan
Samba Bank Limited
Soneri Bank Limited
The Punjab Provincial Cooperative Bank Limited
United Bank Limited
Zarai Taraqati Bank Limited

REGISTERED OFFICE

Adamjee House, 80/A, Block E-1,
Main Boulevard Gulberg-III,
Lahore- 54000, Pakistan.
Phone: (92-42) 35772960-79
Fax (92-42) – 35772868
Email: info@adamjeeinsurance.com
Web: www.adamjeeinsurance.com

Directors' Review to the Members on Unconsolidated Condensed Interim Financial Information (Unaudited)

For the Quarter Ended 31 March 2020

On behalf of the Board, we are pleased to present the unaudited unconsolidated condensed interim financial information of the Company for the first quarter ended 31 March 2020.

Financial Highlights:

The highlights for the period under review are as follows:

	31 March 2020	31 March 2019
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Gross Premium	4,580,310	6,256,266
Net Premium	3,743,793	3,755,197
Underwriting results	167,464	298,169
Investment Income	410,111	488,896
Profit before tax	673,951	818,488
Profit after tax	471,702	588,346

	31 March 2020	31 March 2019
	Rupees	
	(Unaudited)	(Unaudited)

Earnings per share	1.35	1.68
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Performance Review:

The Gross Premium of the Company decreased by 27% and the Net Premium decreased by 0.3%. There was a drop in profitability as underwriting profit decreased by 44% from the last year. The investment income also decreased by 16% in the first quarter of 2020 as compared to the corresponding figures in the last year due to the continuous instability in the stock market. Consequently, the profit before tax & profit after tax decreased by 18 % and 20 % respectively.

Window Takaful Operations:


The written contribution and Surplus of Participants' Takaful Fund are Rs. 500,052 thousands (2019: Rs. 329,529 thousands) and Rs. 47,715 thousands (2019: Rs. 41,672 thousands), respectively. Most of the growth in contribution written came from the Accident & Health and Miscellaneous line of businesses which contributed 44% and 7%, respectively to the total contribution written in this quarter. Window Takaful Operations profit before tax increased by 35% amounting to Rs. 35,776 thousands for the period ended 31 March 2020 (2019: Rs. 26,434 thousands).

Future Outlook:

Insurance Industry in Pakistan has seen several peaks and dips in the recent past. It keeps pace with the development of economy and growth vis-a-vis other sectors of the industry. Despite volatility and turbulence in the domestic financial markets, the Insurance Sector has performed well in 2019, registering a positive growth of 12.8%. However, in the current macro-financial environment, especially the effects of COVID-19 and related global and potential domestic lockdowns, we foresee a distressed growth trajectory of Insurance Sector during the year 2020.

Acknowledgements:

We would wholeheartedly like to thank our shareholders, valued customers, employees and development staff for their consistent support that has helped Adamjee Insurance emerge as one of the Pakistan's leading insurance company. We are also grateful to the Securities & Exchange Commission of Pakistan and the State Bank of Pakistan for their continued guidance and assistance.



Shaikh Muhammad Jawed
Director



Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

Lahore: 22 May 2020

غیرمجمع مختصر عبوری مالیاتی معلومات (غیر آڈٹ شدہ) پر

ممبران کوڈ انٹریکٹرز کی جائزہ رپورٹ

بابت سہ ماہی مختتمہ 31 مارچ 2020ء

بورڈ کی جانب سے 31 مارچ 2020ء کو ختم ہونے والی سہ ماہی کیلئے کمپنی کی غیر آڈٹ شدہ غیرمجمع عبوری مالیاتی گوشوارے پیش کرنا میرے لیے باعث مسرت ہے۔

مالیاتی جھلکیاں

زیر جائزہ مدت کی جھلکیاں درج ذیل ہیں:

31 مارچ 2020ء	31 مارچ 2019ء
ہزار روپے میں	
(غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
4,580,310	6,256,266
3,743,793	3,755,197
167,464	298,169
410,111	488,896
673,951	818,488
471,702	588,346

مجموعی پربیم

خالص پربیم

آڈٹ رائٹنگ رولٹس

سرمایہ کاری سے آمدنی

منافع قبل از ٹیکس

منافع بعد از ٹیکس

31 مارچ 2020ء	31 مارچ 2019ء
روپے میں	
(غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
1.35	1.68

آمدنی فی شیئر (روپے)

کارکردگی کا جائزہ

کمپنی کا مجموعی (گراس) پربیم 27% تک کم ہوئی ہیں اور خالص (نیٹ) پربیم 0.3% تک کم ہو گئی ہیں۔ پچھلے سال سے منافع میں کمی واقع ہوئی ہے کیونکہ آڈٹ رائٹنگ منافع 44% تک کم ہو گیا۔ آمدنی سرمایہ کاری بھی پچھلے سال کے مقابلے میں 2020ء کی پہلی سہ ماہی میں 16% تک کم رہی کیونکہ اسٹاک مارکیٹ میں مسلسل غیر استحکام رہا۔ نتیجتاً قبل اور بعد از ٹیکس منافع جات علی الترتیب 18% اور 20% تک کم ہو گئے۔

وٹڈ وکفال آپریشنز (دریچہ برائے افعال نکال)

شرکاء کار کے نکال فیڈ کا تخمینہ کردہ حصہ اور فاضل -500,052/ ہزار روپے (2019ء: -329,529/ ہزار روپے) اور -47,715/ ہزار روپے (2019ء: -41,672/ ہزار روپے) علی الترتیب ہیں۔ تحریر کردہ حصے میں زیادہ تر اضافہ کاروبار کے حادثے اور منتقلیات سے آیا جس نے اس سہ ماہی میں کل ضمانتی حصے میں علی الترتیب 44% اور 7% کی اعانت کی۔ وٹڈ وکفال آپریشنز کا منافع قبل از ٹیکس 31 مارچ 2020ء کو ختم شدہ عرصے کیلئے (2019ء: -26,434/ ہزار روپے) -35,776/ ہزار روپے کی مالیت سے 35% تک بڑھ گیا۔

توقعات مستقبل

حالیہ ماضی میں یا ماضی قریب میں پاکستان کے اندر بیہ صنعت نے کئی اتار چڑھاؤ دیکھے ہیں۔ اس نے اس صنعت کے دیگر شعبہ جات کے ساتھ ساتھ معیشت کی ترقی اور نشوونما کے ساتھ رفتار کو برقرار رکھا ہے۔ ملکی مالیاتی منڈیوں میں غیر یقینی اور خفاشار کے باوجود شعبہ بیمہ نے 2019ء میں بہتری کارکردگی کا مظاہرہ کرتے ہوئے 12.8% کی مثبت نمو پیش کی ہے۔ تاہم جاری اقتصادی کلی کے ماحول میں، خاص طور پر کووڈ-19 کے اثرات اور متعلقہ عالمی اور ملکی لوک ڈاؤن (بندشوں) کے اثرات کے پیش نظر ہم 2020ء کے دوران شعبہ بیمہ کے خط نموی پریشان کن صورتحال کی پیش گوئی کرتے ہیں۔

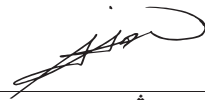
اعتراف

ہم اپنے شیئر ہولڈرز، معزز صارفین، ملازمین اور ترقیاتی عملے کا ان کی مستقل معاونت پر تہہ دل سے شکریہ ادا کرتے ہیں جنہوں نے اس عرصے کے دوران آدھی انشورنس کو پاکستان کی بڑی انشورنس کمپنیز میں سے ایک کی حیثیت کو برقرار رکھا۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی مستقل کی معاونت اور فراہم کردہ رہنمائی کو بھی سراہتے ہیں۔

مخائب و برائے بورڈ



محمد علی زاید
چیئنگ ڈائریکٹر اینڈ
چیف ایگزیکٹو آفیسر



شجاع زاید
ڈائریکٹر

لاہور: 22 مئی 2020ء



UNCONSOLIDATED

Condensed Interim
Financial Information
for the Quarter Ended
31 March 2020
(Unaudited)



Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Statement of Financial Position
As at 31 March 2020

			31 March 2020	31 December 2019
			----- (Rupees in thousand) ----- (Unaudited)	(Audited)
Assets				
Property and equipment	7		4,404,935	4,232,130
Intangible assets	8		67,774	68,927
Investment properties	9		401,896	401,896
Investment in Subsidiary	10		1,096,096	694,895
Investments				
Equity securities	11		15,029,713	18,843,017
Debt securities	12		465,975	465,868
Term deposits	13		6,383,870	5,883,892
Loans and other receivable	14		469,278	477,264
Insurance / reinsurance receivables	15		5,265,976	5,810,164
Reinsurance recoveries against outstanding claims			6,196,682	5,931,928
Salvage recoveries accrued			326,723	301,420
Deferred commission expense / Acquisition cost			1,197,363	1,190,146
Prepayments	16		2,644,630	3,633,739
Cash and bank	17		1,222,860	1,176,685
			45,173,771	49,111,971
Total assets of Window Takaful Operations - Operator's Fund	18		507,577	426,291
Total Assets			45,681,348	49,538,262
Equity And Liabilities				
Capital and reserves attributable to Company's equity holders				
Ordinary share capital			3,500,000	3,500,000
Reserves	19		1,456,318	4,555,491
Unappropriated Profit			13,796,703	13,325,001
Total Equity			18,753,021	21,380,492
Liabilities				
Underwriting provisions				
Outstanding claims including IBNR			11,191,266	10,367,347
Unearned premium reserves			9,235,451	10,242,348
Unearned reinsurance commission			201,121	237,751
Retirement benefit obligation			213,127	225,177
Deferred taxation			34,191	1,329,898
Premium received in advance			271,492	363,002
Insurance / reinsurance payables			2,725,000	2,701,164
Other creditors and accruals	20		1,936,397	1,719,334
Deposits and other liabilities			700,476	723,618
Taxation - provision less payments			168,686	52,259
			26,677,207	27,961,898
Total liabilities of Window Takaful Operations - Operator's Fund	18		251,120	195,872
Total Equity and Liabilities			45,681,348	49,538,262
Contingencies and commitments	21			

The annexed notes 1 to 32 form an integral part of this unconsolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial
Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)

For the Quarter Ended 31 March 2020

		Quarter Ended	
		31 March	31 March
		2020	2019
		Rupees in thousand	
	Note		
Net Insurance Premium	22	3,743,793	3,755,197
Net Insurance Claims	23	(2,343,117)	(2,277,791)
Net Commission and other acquisition costs	24	(515,379)	(369,553)
Insurance claims and acquisition expenses		(2,858,496)	(2,647,344)
Management expenses		(717,833)	(809,684)
Underwriting results		167,464	298,169
Investment income	25	410,111	488,896
Rental income		20,112	845
Other income		60,011	37,381
Other expenses		(17,868)	(30,742)
Results of operating activities		639,830	794,549
Finance cost under IFRS 16		(1,655)	(2,495)
Profit from window takaful operations		35,776	26,434
Profit before tax		673,951	818,488
Income tax expense		(202,249)	(230,142)
Profit after tax		471,702	588,346
		----- (Rupees) -----	
Earnings (after tax) per share	26	1.35	1.68

The annexed notes 1 to 32 form an integral part of this unconsolidated condensed interim financial information.



Chairman



Director



Director



Chief Financial
Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended 31 March 2020

	Quarter Ended	
	31 March	31 March
	2020	2019
	Rupees in thousand	
Profit after tax for the period	471,702	588,346
<u>Other comprehensive income</u>		
<i>Items that may be reclassified subsequently to profit and loss:</i>		
Unrealized gain / (loss) on 'available-for-sale' investments - net of tax	(3,214,208)	126,703
Reclassification adjustment relating to 'available for sale' investments disposed off during the period - net of tax	2,644	10,915
Other comprehensive income from window takaful operations net of tax	684	423
Effect of translation of investment in foreign branches - net	111,707	8,337
Total comprehensive income for the period	<u>(2,627,471)</u>	<u>734,724</u>

The annexed notes 1 to 32 form an integral part of this unconsolidated condensed interim financial information.



Chairman



Director



Director



Chief Financial Officer



**Managing Director &
Chief Executive Officer**

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Quarter Ended 31 March 2020

	Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
	------(Rupees in thousand)-----	
<u>Cash flows from operating activities</u>		
Underwriting activities		
Insurance premiums received	5,161,818	5,688,215
Reinsurance premiums paid	(1,052,823)	(1,372,817)
Claims paid	(3,077,562)	(3,718,221)
Surrenders paid	(14,058)	(14,666)
Reinsurance and other recoveries received	1,023,973	1,258,676
Commissions paid	(629,277)	(525,565)
Commissions received	86,377	89,055
Other underwriting payments	(516,791)	(871,191)
Net cash inflow from underwriting activities	981,657	533,486
Other operating activities		
Income tax paid	(59,341)	(36,489)
Other operating payments	(19,848)	(64,483)
Loans advanced	(11,312)	(16,138)
Loans repayments received	17,138	13,123
Other operating receipts	13,869	18,744
Net cash outflow from other operating activities	(59,494)	(85,243)
Total cash inflow from all operating activities	922,163	448,243
<u>Cash flows from investing activities</u>		
Profit / return received on bank deposits	142,330	75,513
Income received from Pakistan Investment Bonds	3,462	-
Income from Treasury Bills	6,450	7,581
Dividends received	317,163	52,771
Rentals received	21,450	776
Payments for investments	(4,970,107)	(3,912,778)
Proceeds from disposal of investments	3,802,845	2,443,008
Fixed capital expenditure - operating assets	(202,105)	(224,887)
Fixed capital expenditure - intangible assets	(3,157)	-
Proceeds from disposal of operating fixed assets	8,269	9,196
Total cash outflow from investing activities	(873,400)	(1,548,820)
<u>Cash flows from financing activities</u>		
Dividends paid	(2,588)	(2,281)
Net cash outflow from financing activities	(2,588)	(2,281)
Net cash (outflow) / inflow from all activities	46,175	(1,102,858)
Cash and cash equivalent at the beginning of the period	1,176,685	2,211,444
Cash and cash equivalent at the end of the period	1,222,860	1,108,586

Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
------(Rupees in thousand)-----	

Reconciliation to profit and loss account

Operating cash flows	922,163	448,243
Depreciation expense	(67,092)	(34,123)
Provision for retirement benefit obligations	(12,593)	(11,564)
Other income - bank & term deposits	85,641	45,824
(Loss) / gain on disposal of operating assets	2,721	4,192
Rental income	26,755	845
Increase / (decrease) in assets other than cash	(1,132,047)	1,037,411
(Increase) / decrease in liabilities	(610,308)	(488,559)
Gain on disposal of investments	3,724	460
Amortization expense	(5,368)	(5,495)
Decrease / (increase) in unearned premium	1,006,897	(701,741)
(Decrease) / Increase in loans	(5,826)	3,015
Income taxes paid	59,341	36,489
Increase in tax liabilities	(202,249)	(230,142)
Reversal / (provision) for impairment in value of 'available-for-sale' investments	-	14,700
Dividend and other income	350,981	432,067
Income from treasury bills	10,911	10,290
Income from Pakistan Investment Bonds	2,275	-
Profit for the period from Window Takaful Operations	35,776	26,434

Profit after tax

471,702	588,346
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Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
------(Rupees in thousand)-----	

Cash for the purposes of the statement of cash flows consists of:

Cash and other equivalents	7,749	9,512
Current and other accounts	1,215,111	1,099,074

Total cash and cash equivalents

1,222,860	1,108,586
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The annexed notes 1 to 32 form an integral part of this unconsolidated condensed interim financial information.




Chairman



Director



Director



Chief Financial Officer



**Managing Director &
Chief Executive Officer**


Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Statement of Changes in Equity
For the Quarter Ended 31 March 2020

	Share capital	Capital reserve				Revenue reserve		
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	General reserve	Unappropriated Profit	Total
------(Rupees in thousand)-----								
Balance as at 31 December 2018 - (Audited)	3,500,000	22,859	3,764	614,062	2,207,015	936,500	12,379,158	19,663,358
Profit for the period 01 January 2019 to 31 March 2019	-	-	-	-	-	-	588,346	588,346
Other comprehensive income for the period 01 January 2019 to 31 March 2019	-	-	-	8,337	138,041	-	-	146,378
Total comprehensive income for the period	-	-	-	8,337	138,041	-	588,346	734,724
Balance as at 31 March 2019 - (Unaudited)	3,500,000	22,859	3,764	622,399	2,345,056	936,500	12,967,504	20,398,082
Profit for the period 01 April 2019 to 31 December 2019	-	-	-	-	-	-	1,224,629	1,224,629
Other comprehensive income for the period 01 April 2019 to 31 December 2019	-	-	-	52,537	572,376	-	7,868	632,781
Total comprehensive income for the period	-	-	-	52,537	572,376	-	1,232,497	1,857,410
Transactions with owners of the Company								
Final dividend for the year ended 31 December 2018 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	(525,000)	(525,000)
Interim dividend for the half year ended 30 June 2019 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	(350,000)	(350,000)
	-	-	-	-	-	-	(875,000)	(875,000)
Balance as at 31 December 2019 - (Audited)	3,500,000	22,859	3,764	674,936	2,917,432	936,500	13,325,001	21,380,492
Profit for the period 01 January 2020 to 31 March 2020	-	-	-	-	-	-	471,702	471,702
Other comprehensive income for the period 01 January 2020 to 31 March 2020	-	-	-	111,707	(3,210,880)	-	-	(3,099,173)
Total comprehensive income for the period	-	-	-	111,707	(3,210,880)	-	471,702	(2,627,471)
Balance as at 31 March 2020 - (Unaudited)	3,500,000	22,859	3,764	786,643	(293,448)	936,500	13,796,703	18,753,021

The annexed notes 1 to 32 form an integral part of this unconsolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

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

For the Quarter Ended 31 March 2020

1 Legal status and nature of business

Adamjee Insurance Company Limited ("the Company") is a public limited Company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange and is engaged in the general insurance business. The registered office of the Company is situated at Adamjee House Building, 80/A Block E-1, Main Boulevard Gulberg-III, Lahore.

The Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Company was granted authorization on December 23, 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by the Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on January 01, 2016.

2 Basis of preparation and statement of compliance

This unconsolidated condensed interim financial information of the Company for the quarter ended 31 March 2020 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

In terms of the requirements of the Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator Fund of the Window Takaful operations of the Company have been presented as a single line item in the statement of financial position and profit and loss account of the Company respectively. A separate set of statement of financial position of the Window Takaful operations has been annexed to this financial information as per the requirements of the Takaful Rules, 2012.

This unconsolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2019. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2019, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Company for the quarter ended 31 March 2019.

This unconsolidated condensed interim financial information is presented in Pakistan Rupees which is the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

3 Basis of measurement

This unconsolidated condensed interim financial information have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statements.

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the unconsolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2019.

The company has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2020, as mentioned in the financial statement for the year ended 31 December 2019.

There is no significant impact of such changes on this condensed interim financial information of the Company.

5 Use of estimates and judgments

The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31 December 2019.

6 Insurance and Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the unconsolidated annual financial statements for the year ended 31 December 2019.

		(Unaudited) 31 March 2020	(Audited) 31 December 2019
	Note	---- (Rupees in thousand) ----	
7 Property and equipment			
Opening balance - net book value		4,168,110	2,332,540
Additions during the period / year	7.1	16,712	1,929,636
Right of use asset - initial application of IFRS - 16		-	171,918
Book value of disposals during the period	7.2	(5,548)	(49,712)
Depreciation charged during the period / year		(67,092)	(226,400)
Net book value of transfers to Investment property		-	(37,566)
Exchange differences and other adjustments		40,182	47,694
		(32,458)	(265,984)
		4,152,364	4,168,110
Capital work in progress	7.3	252,571	64,020
		4,404,935	4,232,130
7.1 Additions during the period:			
Land and buildings		-	1,306,069
Furniture and fixtures		2,885	57,971
Motor vehicles		8,768	106,078
Machinery and equipment		4,312	430,366
Computer and related accessories		746	23,963
Right of use asset		-	5,189
		16,712	1,929,636
7.2 Written down values of property and equipment disposed off during the period / year			
Furniture and fixtures		-	22,084
Motor vehicles		5,548	20,463
Machinery and equipment		-	7,165
Computer and related accessories		-	-
		5,548	49,712
7.3 Capital work in progress			
Capital work in progress as of 31 March 2020 includes advances to different contractors, suppliers and vendors amounting to Rs. 252,571 thousands (31 December 2019: Rs. 64,020 thousands).			
		(Unaudited) 31 March 2020	(Audited) 31 December 2019
		---- (Rupees in thousand) ----	
8 Intangible assets			
Opening balance - net book value		68,927	79,185
Additions during the period		-	8,933
Book value of disposals during the period		-	-
Amortization charged during the period		(5,368)	(24,913)
Exchange differences and other adjustments		4,215	5,722
		(1,153)	(19,191)
		67,774	68,927
9 Investment Properties			
Net book value as at January 01		401,896	-
Additions and capital improvements		-	389,598
Unrealized fair value gain		-	12,298
Net book value as at December 31		401,896	401,896
10 Investment in subsidiary			
Adamjee Life Assurance Company Limited - At cost		1,096,096	694,895

11 Investment in equity securities

Available-for-sale

Related parties

	31 March 2020 (Unaudited)			31 December 2019 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
	----- Rupees in thousands -----					
Listed shares	7,962,628	-	7,962,628	7,962,628	-	7,962,628
Unlisted shared	748,226	-	748,226	698,226	-	698,226
	8,710,854	-	8,710,854	8,660,854	-	8,660,854
Unrealized (loss) / gain			(807,879)			1,853,236
			7,902,975			10,514,090

Others

Listed shares	7,769,530	(2,004,569)	5,764,961	6,789,795	(2,004,569)	4,785,226
Unlisted shared	925,360	-	925,360	925,360	-	925,360
Mutual Funds	44,555	-	44,555	364,265	-	364,265
NIT Units	161	-	161	161	-	161
	8,739,606	(2,004,569)	6,735,037	8,079,581	(2,004,569)	6,075,012
Unrealized gain			391,701			2,253,915
			7,126,738			8,328,927
Total	17,450,460	(2,004,569)	15,029,713	16,740,435	(2,004,569)	18,843,017

- 11.1 3,716,710 (2019: 3,716,710) shares of MCB have been pledged against SBLC (Standby Letter of Credit) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited.

12 Investment in debt securities

Held-to-maturity

Others

	(Unaudited)	(Audited)
	31 March	31 December
	2020	2019
	----- (Rupees in thousand) -----	
Treasury Bills	371,785	370,491
Pakistan Investment Bonds	94,190	95,377
	465,975	465,868

13 Investments in Term Deposits

Held to maturity

Deposits maturing within 12 months

Inside Pakistan

- related parties	6,811	6,811
- others	176,447	175,066
	183,258	181,877

Outside Pakistan

- related parties	1,361,532	1,264,698
- others	4,790,351	4,387,207
	6,151,883	5,651,905
	6,335,141	5,833,782

Deposits maturing after 12 months

Inside Pakistan

- related parties	2,000	2,000
- others	46,729	48,110
	48,729	50,110
	6,383,870	5,883,892

13.1

- 13.1 These include fixed deposits amounting to Rs. 5,219,206 thousands (AED 115,000 thousands) [2019: Rs. 4,848,009 thousands (AED 115,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 231,987 thousands (2019: Rs. 231,987 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company, bid bond guarantees and guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party.

		(Unaudited) 31 March 2020	(Audited) 31 December 2019
	Note	----- (Rupees in thousand) -----	
14 Loans and other receivables			
Considered good			
Rent receivable		19,618	14,313
Receivable from related parties	14.1	39,801	27,523
Accrued income		102,673	125,544
Security deposits		38,442	58,399
Advances to employees and suppliers		173,118	152,012
Advance agent commission		3,253	3,003
Loans to employees		44,170	49,484
Other receivables		48,203	46,986
		469,278	477,264
14.1	This represents receivable from Adamjee Life Assurance Company Limited, subsidiary of the Company, in respect of cash value of life policies obtained for key management personnel of the Company. Company is the beneficiary in respect of policies obtained for the employees.		
15 Insurance / reinsurance receivables - unsecured and considered good			
Due from insurance contract holders		5,220,707	5,730,843
Provision for impairment of receivables from insurance contract holders		(916,808)	(868,586)
		4,303,899	4,862,257
Due from other insurers / other reinsurers		1,163,379	1,149,209
Provision for impairment of due from other insurers / reinsurers		(201,302)	(201,302)
		962,077	947,907
		5,265,976	5,810,164
15.1	Due from insurance contact holders include an amount of Rs. 106,373 thousands (2019: Rs. 212,014 thousands) held with related parties.		
16 Prepayments			
Prepaid reinsurance premium ceded		2,445,880	3,500,512
Prepaid rent		2,066	2,195
Prepaid miscellaneous expenses		196,684	131,032
		2,644,630	3,633,739
17 Cash and Bank			
<u>Cash and cash equivalents</u>			
<i>Inside Pakistan</i>			
Cash in hand		857	476
Policy & revenue stamps, bond papers		6,599	9,937
		7,456	10,413
<i>Outside Pakistan</i>			
Cash in hand		293	-
Policy & revenue stamps, bond papers		-	-
		293	-
		7,749	10,413
<u>Cash at bank</u>			
<i>Inside Pakistan</i>			
Current accounts		57,770	133,822
Saving accounts		771,382	967,605
		829,152	1,101,427
<i>Outside Pakistan</i>			
Current accounts		380,024	59,333
Savings accounts		5,935	5,512
		385,959	64,845
		1,215,111	1,166,272
		1,222,860	1,176,685
17.1	Cash at bank includes an amount of Rs. 129,235 thousands (31 December 2019: Rs. 433,504 thousands) held with MCB Bank Limited, a related party of the Company.		
17.2	Lien of Rs. 440,000 thousands (2019: Rs. 291,000 thousands) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited.		

18 Window takaful operations - operator's fund

Assets

Cash and bank deposits
Qard-e-Hasna to Participant Takaful Fund
Investments
Intangible assets
Property and equipment
Current assets - others
Total Assets

Total liabilities

Wakala Fee
Commission expense
Management expense
Other Income
Mudarib's share of PTF investment income
Profit before taxation
Taxation
Profit after taxation

(Unaudited)	(Audited)
31 March	31 December
2020	2019
----- (Rupees in thousand) -----	

107,000	91,895
146,460	146,460
33,922	32,958
17,369	17,650
17,949	17,733
184,877	119,595
507,577	426,291

251,120	195,872
---------	---------

(Unaudited)	(Unaudited)
31 March	31 March
2020	2019
----- (Rupees in thousand) -----	

96,323	73,917
(28,468)	(22,495)
(35,534)	(30,235)
2,557	5,247
898	-
35,776	26,434
(10,422)	(7,402)
25,354	19,032

Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial information for the quarter ended 31 March 2020.

19 Reserves

Capital reserves

Reserves for exceptional losses
Investment fluctuation reserves
Exchange translation reserves
Fair value reserve

Revenue reserves

General reserves

(Unaudited)	(Audited)
31 March	31 December
2020	2019
----- (Rupees in thousand) -----	

22,859	22,859
3,764	3,764
786,643	674,936
(293,448)	2,917,432
519,818	3,618,991

936,500	936,500
1,456,318	4,555,491

20 Other creditors and accruals

Agents commission payable
Federal Excise Duty / Sales Tax / VAT
Federal Insurance Fee
Workers' welfare fund
Tax deducted at source
Accrued expenses
Unpaid and Unclaimed Dividend
Payable to Employees' Provident Fund
Sundry creditors

583,443	630,736
130,463	50,149
32,240	33,785
76,485	76,485
129,952	92,873
177,190	170,872
123,241	125,829
2,702	2,676
680,681	535,929
1,936,397	1,719,334

21 Contingencies and commitments

21.1 Contingencies

There has been no significant change in the status of contingencies as reported in the preceding published unconsolidated annual financial statements of the Company for the year ended 31 December 2019 except for the following.

- The Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 990,000 thousands (2019: Rs. 841,000 thousands).
- The Company has issued letter of guarantees amounting to AED 374,000 amounting to Rs.16,974 thousands (2019: AED 449,000 amounting to Rs. 18,928 thousands) relating to UAE branch.

		Quarter Ended	
		31 March 2020	31 March 2019
		Rupees in thousand	
22	Net Insurance Premium		
	Written Gross Premium	4,580,310	6,256,266
	Unearned premium reserve opening	10,242,348	10,100,901
	Unearned premium reserve closing	(9,235,451)	(10,802,642)
	Currency translation effect	294,959	64,942
	Premium earned	5,882,166	5,619,467
	Reinsurance premium ceded	(1,076,659)	(2,251,193)
	Prepaid reinsurance premium opening	(3,500,512)	(2,866,980)
	Prepaid reinsurance premium closing	2,445,880	3,254,355
	Currency translation effect	(7,082)	(452)
	Reinsurance expense	(2,138,373)	(1,864,270)
		3,743,793	3,755,197
22.1	Net Insurance Premium - Business underwritten inside Pakistan		
	Written Gross Premium	2,833,839	4,119,815
	Unearned premium reserve opening	6,197,501	5,508,453
	Unearned premium reserve closing	(5,111,264)	(6,030,336)
	Premium earned	3,920,076	3,597,932
	Reinsurance premium ceded	(1,022,427)	(2,186,697)
	Prepaid reinsurance premium opening	(3,425,355)	(2,838,973)
	Prepaid reinsurance premium closing	2,344,222	3,220,928
	Reinsurance expense	(2,103,560)	(1,804,742)
		1,816,516	1,793,190
22.2	Net Insurance Premium - Business underwritten outside Pakistan		
	Written Gross Premium	1,746,471	2,136,451
	Unearned premium reserve opening	4,044,847	4,592,448
	Unearned premium reserve closing	(4,124,187)	(4,772,306)
	Currency translation effect	294,959	64,942
	Premium earned	1,962,090	2,021,535
	Reinsurance premium ceded	(54,232)	(64,496)
	Prepaid reinsurance premium opening	(75,157)	(28,007)
	Prepaid reinsurance premium closing	101,658	33,427
	Currency translation effect	(7,082)	(452)
	Reinsurance expense	(34,813)	(59,528)
		1,927,277	1,962,007
23	Net Insurance Claims Expense		
	Claim paid	3,077,562	3,718,221
	Outstanding claims including IBNR - closing	11,191,266	10,193,465
	Outstanding claims including IBNR - opening	(10,367,347)	(10,461,975)
	Currency translation effect	(473,500)	(72,992)
	Claim expense	3,427,981	3,376,719
	Reinsurance and other recoveries received	(1,038,143)	(1,356,971)
	Reinsurance and other recoveries in respect of outstanding claims - closing	(6,523,405)	(6,178,315)
	Reinsurance and other recoveries in respect of outstanding claims - opening	6,233,348	6,397,245
	Currency translation effect	243,336	39,113
	Reinsurance and other recoveries revenue	(1,084,864)	(1,098,928)
		2,343,117	2,277,791

		Quarter Ended	
		31 March 2020	31 March 2019
		Rupees in thousand	
23.1	Net Insurance Claims Expense - Business underwritten inside Pakistan		
	Claim paid	1,138,384	2,030,503
	Outstanding claims including IBNR - closing	4,507,781	4,823,914
	Outstanding claims including IBNR - opening	(4,398,967)	(5,386,215)
	Claim expense	1,247,198	1,468,202
	Reinsurance and other recoveries received	(144,400)	(1,008,594)
	Reinsurance and other recoveries in respect of outstanding claims - closing	(3,114,792)	(3,295,122)
	Reinsurance and other recoveries in respect of outstanding claims - opening	2,948,471	3,769,658
	Reinsurance and other recoveries revenue	(310,721)	(534,058)
		936,477	934,144
23.2	Net Insurance Claims Expense - Business underwritten outside Pakistan		
	Claim paid	1,939,178	1,687,718
	Outstanding claims including IBNR - closing	6,683,485	5,369,551
	Outstanding claims including IBNR - opening	(5,968,380)	(5,075,760)
	Currency translation effect	(473,500)	(72,992)
	Claim expense	2,180,783	1,908,517
	Reinsurance and other recoveries received	(893,743)	(348,377)
	Reinsurance and other recoveries in respect of outstanding claims - closing	(3,408,613)	(2,883,193)
	Reinsurance and other recoveries in respect of outstanding claims - opening	3,284,877	2,627,587
	Currency translation effect	243,336	39,113
	Reinsurance and other recoveries revenue	(774,143)	(564,870)
		1,406,640	1,343,647
24	Net commission and other acquisition costs		
	Commission Paid or payable	581,734	488,365
	Deferred Commission expense opening	1,190,146	788,431
	Deferred Commission expense closing	(1,197,363)	(799,779)
	Currency translation effect	64,137	7,261
	Net Commission	638,654	484,278
	Commission received or recoverable	(86,377)	(89,055)
	Unearned reinsurance commission opening	(237,751)	(221,371)
	Unearned reinsurance commission closing	201,121	195,759
	Currency translation effect	(268)	(58)
	Commission from reinsurance	(123,275)	(114,725)
		515,379	369,553
24.1	Net commission and other acquisition costs Business underwritten Inside Pakistan		
	Commission Paid or payable	200,764	194,033
	Deferred Commission expense opening	352,673	297,403
	Deferred Commission expense closing	(295,578)	(264,800)
	Net Commission	257,859	226,636
	Commission received or recoverable	(83,830)	(85,644)
	Unearned reinsurance commission opening	(236,381)	(218,690)
	Unearned reinsurance commission closing	197,095	191,511
	Commission from reinsurance	(123,116)	(112,823)
		134,743	113,813
24.2	Net commission and other acquisition costs Business underwritten Outside Pakistan		
	Commission Paid or payable	380,970	294,332
	Deferred Commission expense opening	837,473	491,028
	Deferred Commission expense closing	(901,785)	(534,979)
	Currency translation effect	64,137	7,261
	Net Commission	380,795	257,642
	Commission received or recoverable	(2,547)	(3,411)
	Unearned reinsurance commission opening	(1,370)	(2,681)
	Unearned reinsurance commission closing	4,026	4,248
	Currency translation effect	(268)	(58)
	Commission from reinsurance	(159)	(1,902)
		380,636	255,740

25

Business underwritten Inside Pakistan

Available-for-sale

Income from equity securities

Dividend income

- associated undertakings

- others

Income from debt securities - Held to maturity

Return on Pakistan Investment Bonds

Profit on Treasury Bills

Net realized gains on investments

Realized gains on

- associated undertakings

- others

Reversal / (Provision) for impairment in value of
'available-for-sale' investments

Business underwritten Outside Pakistan

Available-for-sale

Income from equity securities

Dividend income

- associated undertakings

- others

Net realized gains on investments

Realized gains on

- associated undertakings

- others

Income from term deposits

- associated undertakings

- others

Net investment income

26

There is no dilutive effect on the basic earnings per share which is based on:

Profit after tax for the period attributable to ordinary shareholders

Weighted average number of ordinary shares

Earnings (after tax) per share - basic and diluted

Quarter Ended	
31 March 2020	31 March 2019
Rupees in thousand	
239,136	191,309
111,791	227,015
350,927	418,324
2,275	-
10,911	10,290
13,186	10,290
-	-
3,533	460
3,533	460
367,646	429,074
-	14,700
367,646	443,774
-	-
54	13,743
54	13,743
-	-
191	-
191	-
8,737	4,063
33,483	27,316
42,220	31,379
42,465	45,122
410,111	488,896
471,702	588,346
----- Number of shares -----	
350,000,000	350,000,000
----- (Rupees) -----	
1.35	1.68

27 Transactions with related parties

The Company has related party relationships with its associates, subsidiary company, entities with common directors, employee retirement benefit plans, key management personnel and other parties. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. There are no transactions with key management personnel other than those specified in their terms of employment.

The transactions and balances with related parties during the period other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

		(Unaudited) 31 March 2020	(Unaudited) 31 March 2019
		---- (Rupees in thousand) ----	
i) Transactions			
Subsidiary company			
	Premiums underwritten	17,881	13,202
	Premiums received	18,229	11,017
	Claims paid	1,369	1,908
	Claims received	3,000	2,500
	Premium paid	14,813	2,543
	Rent paid / payable	-	750
	Rent / service charges received	-	284
	Investments made	401,201	-
Other related parties			
	Premiums underwritten	315,174	296,689
	Premiums received	407,632	543,943
	Claims paid	193,391	166,303
	Commission Paid	14,776	34,847
	Rent paid	3,456	965
	Rent received	7,776	-
	Dividends received	203,266	-
	Dividends paid	-	-
	Income on bank deposits	36,839	7,822
	Investments made	50,000	100,000
	Fee / service charges paid	4,050	1,289
	Fee / service charges received	711	-
	Charge in respect of gratuity expense	12,593	8,410
	Contribution to Employees' Provident Fund	8,102	8,398
	Compensation paid to Key management personnel	299,917	356,215
		(Unaudited) 31 March 2020	(Audited) 31 December 2019
		---- (Rupees in thousand) ----	
ii) Period end balances			
Subsidiary company			
	Balances receivable	58,583	35,962
	Balances payable	1,926	2,048
Other related parties			
	Balances receivable	109,280	215,212
	Balances payable	309,948	359,782
	Cash and bank balances including term deposits	1,499,578	1,707,013
	Payable to Staff Gratuity Fund	136,502	142,470

Quarter Ended 31 March 2020													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	1,208,872	7,614	211,185	4,934	816,255	1,801,325	611,251	13,897	317,801	5,868	3,165,364	1,833,638	4,999,002
Less: Federal excise duty / VAT	(149,873)	(363)	(22,427)	(38)	(97,487)	(85,777)	(7,219)	(662)	(25,840)	(317)	(302,846)	(87,157)	(390,003)
Federal insurance fee	(10,187)	-	(1,869)	(5)	(7,209)	-	(5,956)	-	(3,458)	(5)	(28,679)	(10)	(28,689)
	1,048,812	7,251	186,889	4,891	711,559	1,715,548	598,076	13,235	288,503	5,546	2,833,839	1,746,471	4,580,310
Gross written premium (inclusive of administrative surcharge)	1,048,812	7,251	186,889	4,891	711,559	1,715,548	598,076	13,235	288,503	5,546	2,833,839	1,746,471	4,580,310
Gross direct premium	1,043,462	7,220	181,385	4,891	685,190	1,713,622	597,690	13,235	285,847	5,541	2,793,574	1,744,509	4,538,083
Facultative inward premium	1,463	-	-	-	-	-	-	-	-	-	1,463	-	1,463
Administrative surcharge	3,887	31	5,504	-	26,369	1,926	386	-	2,656	5	38,802	1,962	40,764
	1,048,812	7,251	186,889	4,891	711,559	1,715,548	598,076	13,235	288,503	5,546	2,833,839	1,746,471	4,580,310
Insurance premium earned	1,986,504	8,455	195,260	5,273	695,522	1,942,414	478,634	2,387	564,156	3,561	3,920,076	1,962,090	5,882,166
Insurance premium ceded to reinsurers	(1,776,336)	(6,145)	(27,860)	12	(12,896)	(21,295)	-	(5,477)	(286,468)	(1,908)	(2,103,560)	(34,813)	(2,138,373)
Net insurance premium	210,168	2,310	167,400	5,285	682,626	1,921,119	478,634	(3,090)	277,688	1,653	1,816,516	1,927,277	3,743,793
Commission income	108,503	238	80	-	1,142	-	-	-	13,391	(79)	123,116	159	123,275
Net underwriting income	318,671	2,548	167,480	5,285	683,768	1,921,119	478,634	(3,090)	291,079	1,574	1,939,632	1,927,436	3,867,068
Insurance claims	(64,019)	(84,498)	(225,562)	583	(285,548)	(2,089,207)	(376,123)	(7,856)	(295,946)	195	(1,247,198)	(2,180,783)	(3,427,981)
Insurance claim recoveries from reinsurer	1,826	20,197	91,465	-	(4,222)	747,797	-	6,201	221,652	(52)	310,721	774,143	1,084,864
Net claims	(62,193)	(64,301)	(134,097)	583	(289,770)	(1,341,410)	(376,123)	(1,655)	(74,294)	143	(936,477)	(1,406,640)	(2,343,117)
Commission expense	(123,008)	(366)	(35,026)	(305)	(49,604)	(379,566)	(12,972)	(327)	(37,249)	(231)	(257,859)	(380,795)	(638,654)
Management expense	(73,168)	(315)	(75,230)	(2,057)	(243,820)	(224,883)	(28,945)	(2,967)	(66,225)	(223)	(487,388)	(230,445)	(717,833)
Premium deficiency expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(258,369)	(64,982)	(244,353)	(1,779)	(583,194)	(1,945,859)	(418,040)	(4,949)	(177,768)	(311)	(1,681,724)	(2,017,880)	(3,699,604)
Underwriting result	60,302	(62,434)	(76,873)	3,506	100,574	(24,740)	60,594	(8,039)	113,311	1,263	257,908	(90,444)	167,464
Net investment income											367,646	42,465	410,111
Rental income											19,634	478	20,112
Other income											43,586	16,425	60,011
Other expenses											(14,996)	(2,872)	(17,868)
Finance cost											(624)	(1,031)	(1,655)
Profit from Window Takaful Operations											35,776	-	35,776
Profit before tax											708,930	(34,979)	673,951
31 March 2020													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment Assets	5,231,508	97,130	572,935	4,935	1,209,550	5,624,003	834,543	53,488	1,780,194	24,339	9,628,730	5,803,895	15,432,625
Unallocated assets											22,857,541	7,391,182	30,248,723
											32,486,271	13,195,077	45,681,348
Segment Liabilities	5,552,421	113,364	807,317	24,984	2,383,338	10,731,787	1,738,285	63,895	2,180,945	27,993	12,662,306	10,962,023	23,624,329
Unallocated Liabilities											2,659,898	644,100	3,303,998
											15,322,204	11,606,123	26,928,327

28.1 Segment Information

Quarter ended 31 March 2019													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	2,348,132	18,697	225,853	8,487	828,770	2,205,102	640,761	10,647	584,689	9,444	4,628,205	2,252,377	6,880,582
Less: Federal excise duty / VAT	(281,907)	(1,341)	(24,520)	(157)	(98,975)	(113,361)	(11,180)	(507)	(50,628)	(483)	(467,210)	(115,849)	(583,059)
Federal insurance fee	(20,233)	(61)	(1,998)	(12)	(7,318)	-	(6,291)	-	(5,340)	(4)	(41,180)	(77)	(41,257)
	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266
Gross written premium (inclusive of administrative surcharge)	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266
Gross direct premium	2,039,024	17,194	194,085	8,291	698,612	2,091,741	623,104	10,140	525,544	8,929	4,080,369	2,136,295	6,216,664
Facultative inward premium	2,730	-	167	-	-	-	-	-	-	-	2,897	-	2,897
Administrative surcharge	4,238	101	5,083	27	23,865	-	186	-	3,177	28	36,549	156	36,705
	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266
Insurance premium earned	1,797,686	11,578	209,298	8,373	709,339	1,983,416	430,167	14,363	451,442	3,805	3,597,932	2,021,535	5,619,467
Insurance premium ceded to reinsurers	(1,548,350)	(7,377)	(25,651)	-	(12,387)	(40,007)	-	(9,386)	(218,354)	(2,758)	(1,804,742)	(59,528)	(1,864,270)
Net insurance premium	249,336	4,201	183,647	8,373	696,952	1,943,409	430,167	4,977	233,088	1,047	1,793,190	1,962,007	3,755,197
Commission income	80,561	1,321	225	-	738	-	-	-	31,299	581	112,823	1,902	114,725
Net underwriting income	329,897	5,522	183,872	8,373	697,690	1,943,409	430,167	4,977	264,387	1,628	1,906,013	1,963,909	3,869,922
Insurance claims	(356,636)	(2,828)	(81,418)	-	(364,771)	(1,891,460)	(377,212)	(14,229)	(288,165)	-	(1,468,202)	(1,908,517)	(3,376,719)
Insurance claim recoveries from reinsurer	302,356	7,856	(423)	-	15,325	546,001	-	11,013	216,800	-	534,058	564,870	1,098,928
Net claims	(54,280)	5,028	(81,841)	-	(349,446)	(1,345,459)	(377,212)	(3,216)	(71,365)	-	(934,144)	(1,343,647)	(2,277,791)
Commission expense	(105,606)	(1,504)	(26,906)	(1,619)	(50,797)	(254,252)	(14,217)	(72)	(29,110)	(195)	(226,636)	(257,642)	(484,278)
Management expense	(115,308)	(441)	(68,853)	(2,393)	(244,418)	(268,499)	(35,254)	(3,216)	(70,968)	(334)	(534,801)	(274,883)	(809,684)
Premium deficiency expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(275,194)	3,083	(177,600)	(4,012)	(644,661)	(1,868,210)	(426,683)	(6,504)	(171,443)	(529)	(1,695,581)	(1,876,172)	(3,571,753)
Underwriting result	54,703	8,605	6,272	4,361	53,029	75,199	3,484	(1,527)	92,944	1,099	210,432	87,737	298,169
Net investment income											443,774	45,122	488,896
Rental income											845	-	845
Other income											27,039	10,342	37,381
Other expenses											(27,796)	(2,946)	(30,742)
Finance cost											(1,321)	(1,174)	(2,495)
Profit from Window Takaful Operations											26,434	-	26,434
Profit before tax											679,407	139,081	818,488

31 December 2019													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment Assets	6,992,773	95,788	489,767	5,187	1,062,812	5,552,814	558,513	33,510	1,923,756	19,249	11,027,621	5,706,548	16,734,169
Unallocated assets											26,257,955	6,546,138	32,804,093
											37,285,576	12,252,686	49,538,262
Segment Liabilities	7,060,540	111,211	624,861	25,552	2,359,101	9,993,415	1,366,492	40,351	2,307,325	22,763	13,718,319	10,193,292	23,911,611
Unallocated Liabilities											3,567,097	679,062	4,246,159
											17,285,416	10,872,354	28,157,770

29 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

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

		31 March 2020 (Unaudited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- Rupees in thousand -----									
<u>Financial assets - measured at fair value</u>											
Investments											
Equity securities - Quoted	11	12,104,181	-	-	-	-	12,104,181	12,104,181	-	-	12,104,181
Equity securities - Unquoted	11	2,925,532	-	-	-	-	2,925,532	-	-	2,925,532	2,925,532
Debt securities	12	-	465,975	-	-	-	465,975	-	465,975	-	465,975
Investment Properties	9	-	-	401,896	-	-	401,896	-	-	401,896	401,896
Investments of Window Takaful Operations - Operator's Fund	18	33,922	-	-	-	-	33,922	33,922	-	-	33,922
<u>Financial assets - not measured at fair value</u>											
Loans and other receivables *	14	-	-	469,278	-	-	469,278	-	-	-	-
Investment - Term deposits *	13	-	6,383,870	-	-	-	6,383,870	-	-	-	-
Investment in subsidiary*	10	-	-	1,096,096	-	-	1,096,096	-	-	-	-
Insurance / reinsurance receivables											
- unsecured and considered good *	15	-	-	5,265,976	-	-	5,265,976	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	6,196,682	-	-	6,196,682	-	-	-	-
Salvage recoveries accrued *		-	-	326,723	-	-	326,723	-	-	-	-
Prepayments *	16	-	-	2,644,630	-	-	2,644,630	-	-	-	-
Cash and bank *	17	-	-	-	1,222,860	-	1,222,860	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund	18	-	-	366,655	107,000	-	473,655	-	-	-	-
		15,063,635	6,849,845	16,767,936	1,329,860	-	40,011,276	12,138,103	465,975	3,327,428	15,931,506
<u>Financial liabilities - not measured at fair value</u>											
Underwriting provisions:											
Outstanding claims (including IBNR)*	23	-	-	-	-	11,191,266	11,191,266	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	2,725,000	2,725,000	-	-	-	-
Other creditors and accruals*		-	-	-	-	2,294,844	2,294,844	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	18	-	-	-	-	251,120	251,120	-	-	-	-
		-	-	-	-	16,462,230	16,462,230	-	-	-	-

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

29.1 Fair value measurement of financial instruments

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

		31 December 2019									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- Rupees in thousand -----									
<u>Financial assets - measured at fair value</u>											
<i>Investment</i>											
Equity securities- quoted	11	15,968,534	-	-	-	-	15,968,534	15,968,534	-	-	15,968,534
Equity securities- unquoted	11	2,874,483	-	-	-	-	2,874,483	-	-	2,874,483	2,874,483
Debt securities	12	-	465,868	-	-	-	465,868	-	465,868	-	465,868
Investment Properties	9	-	-	401,896	-	-	401,896	-	-	401,896	401,896
Investments of Window Takaful Operations - Operator's Fund	18	32,958	-	-	-	-	32,958	32,958	-	-	32,958
<u>Financial assets - not measured at fair value</u>											
Loans and other receivables *	14	-	-	477,264	-	-	477,264	-	-	-	-
Investment - Term deposits*	13	-	5,883,892	-	-	-	5,883,892	-	-	-	-
Investment in subsidiary*	10	-	-	694,895	-	-	694,895	-	-	-	-
Insurance / reinsurance receivables											
- unsecured and considered good *	15	-	-	5,810,164			5,810,164	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	5,931,928	-	-	5,931,928	-	-	-	-
Salvage recoveries accrued *		-	-	301,420	-	-	301,420	-	-	-	-
Prepayments *	16	-	-	3,633,739		-	3,633,739	-	-	-	-
Cash and bank *	17	-	-	-	1,176,685	-	1,176,685	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*	18	-	-	301,438	91,895	-	393,333	-	-	-	-
		18,875,975	6,349,760	17,552,744	1,268,580	-	44,047,059	16,001,492	465,868	3,276,379	19,743,739
<u>Financial liabilities - not measured at fair value</u>											
<i>Underwriting provisions:</i>											
Outstanding claims (including IBNR)*	23	-	-	-	-	10,367,347	10,367,347	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	2,701,164	2,701,164	-	-	-	-
Other creditors and accruals*		-	-	-	-	2,177,455	2,177,455	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	18	-	-	-	-	195,872	195,872	-	-	-	-
		-	-	-	-	15,441,838	15,441,838	-	-	-	-

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

30 Date of authorization for issue

This unconsolidated condensed interim financial information was authorized for issue on 22 May 2020 by the Board of Directors of the Company.

31 Non-adjusting events after balance sheet date

31.1 The Board of Directors of the Company in their meeting held on 13 March 2020 proposed final cash dividend for the year ended 31 December 2019 @ 15% i.e. Rs. 1.5/- per share which has been approved by the members in the Annual General Meeting held on 22 May 2020. This unconsolidated condensed interim financial information for the quarter ended 31 March 2020 does not include the effect of this appropriation which will be accounted for in the unconsolidated condensed interim financial information for the half year ending 30 June 2020.

31.2 The Company follows the development of the Covid-19 corona virus and evaluates the extent to which this may affect the Company's operations in the short and long term. With the high levels of uncertainty surrounding the situation and potential additional initiatives by authorities and customers, it is very difficult to predict the full financial impact that the situation may have on the Company.

32 General

32.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

32.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.


Chairman


Director


Director


Chief Financial
Officer


Managing Director & Chief
Executive Officer

Directors' Review to the Members on Consolidated Condensed Interim Financial Information (Unaudited)

For the Quarter Ended 31 March 2020

On behalf of the Board, We are pleased to present the consolidated condensed interim financial information of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited for the three months ended 31 March 2020.

The following appropriation of profit has been recommended by the Board of Directors:

	31 March 2020	31 March 2019
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Profit before tax	703,081	891,748
Taxation	(209,710)	(230,231)
Profit after tax	493,371	661,517
Less: Profit attributable to non-controlling interest	(2,786)	(18,820)
Profit attributable to ordinary shareholders	490,585	642,697
Unappropriated profit brought forward	13,610,534	12,521,272
Acquisition of non-controlling interest	(56,209)	-
Profit available for appropriation	14,044,910	13,163,969

	31 March 2020	31 March 2019
	Rupees	
Earnings per share - Basic and diluted	1.40	1.84

For and on behalf of the Board

Lahore: 22 May 2020


Shaikh Muhammad Jawed
 Director


Muhammad Ali Zeb
 Managing Director &
 Chief Executive Officer



CONSOLIDATED

Condensed Interim
Financial Information
for the Quarter Ended
31 March 2020
(Unaudited)




Adamjee Insurance Company Limited
Consolidated Condensed Interim Statement of Financial Position
As at 31 March 2020

	Note	31 March 2020	31 December 2019
		----- (Rupees in thousand) ----- (Unaudited)	(Audited)
Assets			
Property and equipment	7	4,783,638	4,626,364
Intangible assets	8	123,567	131,236
Investment property	9	1,204,026	1,204,026
Investments			
Equity securities	10	26,949,474	32,184,555
Debt securities	11	13,376,793	8,617,474
Term deposits	12	10,618,870	15,468,892
Loan secured against life insurance policies		30,987	32,785
Loans and other receivables	13	855,278	716,839
Insurance / reinsurance receivables	14	5,342,458	5,865,967
Reinsurance recoveries against outstanding claims		6,196,682	5,931,928
Salvage recoveries accrued		326,723	301,420
Deferred commission expense / acquisition cost		1,197,363	1,190,146
Taxation - payment less provisions		101,361	198,833
Prepayments	15	2,718,149	3,671,070
Cash and bank	16	7,268,758	8,437,244
		81,094,127	88,578,779
Total assets of Window Takaful Operations - Operator's Fund (Parent Company)	17	507,577	426,291
Total Assets		81,601,704	89,005,070
Equity And Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		3,500,000	3,500,000
Reserves	18	1,457,377	4,552,846
Unappropriated Profit		14,044,910	13,610,534
Equity attributable to equity holders of the parent		19,002,287	21,663,380
Non-controlling interest		-	341,508
Total Equity		19,002,287	22,004,888
Liabilities			
Insurance liabilities		34,735,633	36,708,430
Underwriting provisions:			
Outstanding claims including IBNR		11,191,266	10,367,347
Unearned premium reserve		9,235,451	10,242,348
Unearned reinsurance commission		201,121	237,751
Retirement benefits obligations		260,669	262,203
Deferred taxation		139,433	1,425,938
Premium received in advance		485,785	623,336
Insurance / reinsurance payables		2,728,457	2,826,429
Other creditors and accruals	19	2,492,347	3,212,270
Deposits and other liabilities		878,135	898,258
		27,612,664	30,095,880
Total liabilities of Window Takaful Operations - Operator's Fund (Parent Company)	17	251,120	195,872
Total Equity and Liabilities		81,601,704	89,005,070
Contingencies and commitments	20		

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.


Chairman


Director


Director


Chief Financial
Officer


Managing Director &
Chief Executive Officer


Adamjee Insurance Company Limited
Consolidated Condensed Interim Profit and Loss Account (Un-audited)
For the Quarter Ended 31 March 2020

		Quarter Ended	
		31 March	31 March
Note		2020	2019
		Rupees in thousand	
Net insurance premium	21	7,216,399	6,253,018
Net insurance claims	22	(3,872,600)	(4,035,566)
Net commission and other acquisition costs	23	(1,174,240)	(947,208)
Insurance claims and acquisition expenses		(5,046,840)	(4,982,774)
Management expenses		(951,975)	(1,069,499)
Net change in insurance liabilities (other than outstanding claims)		1,886,273	(997,129)
Underwriting results		3,103,857	(796,384)
Investment income	24	1,202,518	1,402,980
Net fair value (loss) / gain on financial assets at fair value through profit or loss		(3,780,955)	191,716
Net unrealized gain on investment property		-	21,000
Rental income		10,297	1,578
Other income		159,801	87,897
Other expenses		(22,271)	(40,978)
Results of operating activities		673,247	867,809
Finance cost under IFRS 16		(5,942)	(2,495)
Profit from 'Window Takaful Operations	17	35,776	26,434
Profit before tax		703,081	891,748
Income tax expense		(209,710)	(230,231)
Profit after tax		493,371	661,517
Profit attributable to:			
Equity holders of the parent		490,585	642,697
Non-controlling interest		2,786	18,820
		493,371	661,517
		Rupees	
Earnings (after tax) per share - Rupees	25	1.40	1.84

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended 31 March 2020

	Quarter Ended	
	31 March 2020	31 March 2019
	Rupees in thousand	
Profit after tax	493,371	661,517
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss:		
Unrealized (loss) / gain on 'available-for-sale' investments - net of tax	(3,209,807)	128,599
Reclassification adjustment relating to 'available for sale' investments disposed off during the period - net of tax	2,644	10,915
Other comprehensive income from window takaful operations net of tax	684	423
Effect of translation of investment in foreign branches - net	111,707	8,337
Total comprehensive income for the period	(2,601,401)	809,791
Total comprehensive income attributable to:		
Equity holders of the parent	(2,604,884)	790,483
Non-controlling interest	3,483	19,308
	(2,601,401)	809,791

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.



Chairman



Director



Director



Chief Financial Officer



**Managing Director &
Chief Executive Officer**

Adamjee Insurance Company Limited
Consolidated Condensed Interim Cash Flow Statement (Un-audited)
For the Quarter Ended 31 March 2020

	Quarter Ended	
	31 March 2020	31 March 2019
	Rupees in thousand	
Cash flows from operating activities		
Underwriting activities		
Insurance premium received	8,726,152	8,254,883
Reinsurance premiums paid	(1,198,403)	(1,372,817)
Claims paid	(4,795,954)	(5,711,840)
Surrenders paid	(14,058)	(14,666)
Reinsurance and other recoveries received	1,023,973	1,258,676
Commissions paid	(1,343,973)	(1,108,779)
Commissions received	86,377	89,055
Other underwriting payments	(1,852,218)	(1,509,198)
Net cash inflow from / (outflow for) underwriting activities	631,896	(114,686)
Other operating activities		
Income tax paid	(78,174)	(62,985)
Other operating payments	(19,848)	(64,483)
Loans advanced	(11,312)	(16,138)
Loans repayments received	17,138	13,123
Other operating receipts	13,869	18,744
Net cash outflow for other operating activities	(78,327)	(111,739)
Total cash inflow from / (outflow for) operating activities	553,569	(226,425)
Cash flows from investing activities		
Profit / return received on bank deposits	1,380,692	550,818
Income received from Government Securities	9,912	7,581
Dividends received	355,788	56,515
Rentals received	22,950	1,776
Payment for investments/ investment properties	(64,676,208)	(36,447,096)
Loan to policy holder	1,874	323
Proceeds from disposal of investments	56,036,974	35,099,230
Fixed capital expenditure - operating assets	(206,562)	(239,196)
Fixed capital expenditure - intangible assets	(3,157)	-
Proceeds from disposal of operating fixed assets	8,269	9,196
Total cash outflow for investing activities	(7,069,468)	(960,853)
Cash flows from financing activities		
Dividends paid	(2,588)	(2,281)
Total cash outflow for financing activities	(2,588)	(2,281)
Net cash outflow for all activities	(6,518,487)	(1,189,559)
Cash and cash equivalents at beginning of period	18,022,245	16,543,097
Cash and cash equivalents at end of the period	11,503,758	15,353,538

Quarter Ended	
31 March 2020	31 March 2019
Rupees in thousand	

Reconciliation to profit and loss account

Operating cash flows	553,569	(1,031,121)
Depreciation and amortization expense	(97,368)	(58,380)
Provision for retirement benefit obligations	(12,593)	(11,564)
Other income - bank and term deposits	85,641	45,824
Gain on disposal of property and equipment	2,836	4,192
Rental income	28,255	1,578
Increase / (decrease) in assets other than cash	(852,122)	2,539,539
(Increase) / decrease in liabilities	2,412,196	(1,608,024)
Gain on disposal of investments	3,724	361,554
Decrease / (increase) in unearned premium	1,006,897	(701,741)
(Decrease) / Increase in loans	(5,826)	3,015
Income taxes paid	59,341	36,489
Increase in tax liabilities	(202,249)	(230,142)
Reversal of impairment in value of 'available-for-sale' investments	-	14,700
Dividend and other investment income	(2,529,107)	1,267,268
Revaluation of investment	4,401	1,896
Profit for the year from Window Takaful Operations	35,776	26,434
Profit after taxation	493,371	661,517

Cash and bank for the purposes of the cash flow statement consists of:

Cash and other equivalents	12,624	29,472
Current and other accounts	7,256,134	2,548,066
Term deposit maturing within three months	4,235,000	12,776,000
	11,503,758	15,353,538

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the Quarter Ended 31 March 2020

	Share capital	Capital reserves				Revenue reserves		Equity attributable to equity holders of the parent	Non-controlling interest	Total Equity
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	General reserve	Retained earnings			
	------(Rupees in thousand)-----									
Balance as at 31 December 2018 - (Audited)	3,500,000	22,859	3,764	614,062	2,204,097	936,500	12,521,272	19,802,554	288,797	20,091,351
Profit for the period 01 January 2019 to 31 March 2019	-	-	-	-	-	-	642,697	642,697	18,820	661,517
Other comprehensive income for the period 01 January 2019 to 31 March 2019	-	-	-	8,337	139,449	-	-	147,786	488	148,274
Total comprehensive income for the period	-	-	-	8,337	139,449	-	642,697	790,483	19,308	809,791
Balance as at 31 March 2019 - (Unaudited)	3,500,000	22,859	3,764	622,399	2,343,546	936,500	13,163,969	20,593,037	308,105	20,901,142
Profit for the period 01 April 2019 to 31 December 2019	-	-	-	-	-	-	1,329,348	1,329,348	39,216	1,368,564
Other comprehensive income for the period 01 April 2019 to 31 December 2019	-	-	-	52,537	571,241	-	(7,783)	615,995	(5,813)	610,182
Total comprehensive income for the period	-	-	-	52,537	571,241	-	1,321,565	1,945,343	33,403	1,978,746
Transactions with owners of the Company										
Final cash dividend at Rs. 1.5 per share - December 31, 2018	-	-	-	-	-	-	(525,000)	(525,000)	-	(525,000)
Interim cash dividend at Rs. 1.0 per share - June 30, 2019	-	-	-	-	-	-	(350,000)	(350,000)	-	(350,000)
	-	-	-	-	-	-	(875,000)	(875,000)	-	(875,000)
Balance as at 31 December 2019 - (Audited)	3,500,000	22,859	3,764	674,936	2,914,787	936,500	13,610,534	21,663,380	341,508	22,004,888
Profit for the period 01 January 2020 to 31 March 2020	-	-	-	-	-	-	490,585	490,585	2,786	493,371
Other comprehensive income for the period 01 January 2020 to 31 March 2020	-	-	-	111,707	(3,207,176)	-	-	(3,095,469)	697	(3,094,772)
Total comprehensive income for the period	-	-	-	111,707	(3,207,176)	-	490,585	(2,604,884)	3,483	(2,601,401)
	3,500,000	22,859	3,764	786,643	(292,389)	936,500	14,101,119	19,058,496	344,991	19,403,487
Transactions with owners of the Company										
Acquisition of Non-controlling interest	-	-	-	-	-	-	(56,209)	(56,209)	(344,991)	(401,200)
	-	-	-	-	-	-	(56,209)	(56,209)	(344,991)	(401,200)
Balance as at 31 March 2020 - (Unaudited)	3,500,000	22,859	3,764	786,643	(292,389)	936,500	14,044,910	19,002,287	-	19,002,287

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.



Chairman



Director



Director



Chief Financial Officer



Managing Director & Chief Executive Officer

Adamjee Insurance Company Limited
Notes to the Consolidated Condensed Interim Financial Information (Un-audited)
For the Quarter Ended 31 March 2020

1 The group and its operations:

1.1 The group comprises of:

	2020	2019
	(Holding percentage)	
Parent Company		
Adamjee Insurance Company Limited	100%	100%
Subsidiary Company		
Adamjee Life Assurance Company Limited	100%	74.28%

Adamjee Insurance Company Limited (Parent Company)

The Parent Company is a public limited company incorporated in Pakistan on September 28, 1960 under the repealed Companies Act, 1913 (now the Companies Act, 2017). The Parent Company is listed on Pakistan Stock Exchange limited and is principally engaged in the general insurance business. The registered office of the Parent Company is situated at Adamjee House Building, 80/A Block E-1, Main Boulevard Gulberg-III, Lahore.

The Parent Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Parent Company was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on 01 January 2016.

Adamjee Life Assurance Company Limited (Subsidiary Company)

The Subsidiary Company was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017. The Subsidiary Company started its operations from April 24, 2009. Registered office of the Subsidiary Company is at 1st floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi. The Subsidiary Company was an associate of IVM Intersurer B.V having a holding of 25.72% since February 25, 2020 in the share capital of the Subsidiary Company. IVM Intersurer B.V. nominated Hollard Life Assurance Company Limited ('HLA'), an associate company of IVM Intersurer B.V. to act on its behalf in respect of matters relating to the Subsidiary Company.

The shareholders of the Parent Company in their Extra Ordinary General Meeting (EOGM) held on February 25, 2019 had approved acquisition of 24,059,855 ordinary shares at par value of Rs. 10 each of Non controlling interest of the Subsidiary Company from IVM intersurer B.V. at share price of Rs.16.68 per share (approx.), for an aggregate price of Rs. 401,200 thousands. The Parent Company after obtaining the approval for payment of State Bank of Pakistan credited the sum to IVM's bank account on February 25, 2020. After the acquisition of aforementioned shares (representing 25.72%) Adamjee Life Assurance Company Limited has become a wholly owned subsidiary of the Parent Company.

The Subsidiary Company is engaged in life assurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance, 2000, the Subsidiary Company has established a shareholders' fund and the following statutory funds in respect of each class of its life assurance business:

- Conventional Business
- Accident and Health Business
- Individual Life Non-unitized Investment Linked Business
- Individual Life Unit Linked Business
- Individual Family Takaful Business

The Subsidiary Company was granted authorization on May 04, 2016 under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family takaful products by the SECP and subsequently the Subsidiary Company commenced Window Takaful Operations from July 14, 2016. The Subsidiary Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund (here-in-after referred to as the Participant Takaful Fund (PTF) on December 22, 2015 under a Waqf deed executed by the Subsidiary Company with the ceded amount of Rs. 500,000. 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 also governs the relationship of the Subsidiary Company and policy holders for the management of Takaful operations, investment of policy holders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Subsidiary Company.

2 Basis of preparation and statement of compliance

This consolidated condensed interim financial information of the Group for the quarter ended 31 March 2020 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

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

In case requirements differ, the provision of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000 the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

As per the requirements of the SECP Takaful Rules, 2012 and SECP Circular No. 25 of 2015 dated July 09, 2015, the assets, liabilities and profit and loss account of the Operator's Fund of the General Takaful Operations of the Parent Company have been presented as a single line item in the consolidated statement of financial position and profit and loss account respectively.

This consolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Group for the year ended 31 December 2019. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2019, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Group for the quarter ended 31 March 2019.

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. All the financial information presented in Pak Rupees has been rounded off to the nearest thousand in rupee, unless otherwise stated.

3 Basis of measurement

These consolidated financial statements have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and retirement benefit obligations under employee benefits carried at present value.

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the consolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2019.

The Group has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2020, as mentioned in the financial statement for the year ended 31 December 2019.

There is no significant impact of such changes on this condensed interim financial information of the Group.

5 Use of estimates and judgments

The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Group for the year ended 31 December 2019.

6 Insurance and Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial statements for the year ended 31 December 2019.

		(Unaudited) 31 March 2020	(Audited) 31 December 2019
	Note	Rupees in thousand	
7 Property and equipment			
Opening balance - net book value		4,560,942	2,481,588
Additions during the period / year	7.1	20,274	2,056,756
Right of use asset - initial application of IFRS - 16		-	373,801
Book value of disposals during the period	7.2	(5,548)	(67,645)
Depreciation charged during the period / year		(85,482)	(308,034)
Net book value of transfers to Investment property		-	(23,218)
Exchange differences and other adjustments		40,182	47,694
		(50,848)	(351,203)
		4,530,368	4,560,942
Capital work in progress	7.3	253,270	65,422
		4,783,638	4,626,364
7.1 Additions during the period			
Building - Freehold		-	1,364,391
Furniture and fixtures		4,253	78,175
Motor vehicles		8,769	113,408
Machinery and equipment		4,510	437,606
Computer equipment		2,546	30,814
Leasehold Improvements		196	27,173
Right of use asset		-	5,189
		20,274	2,056,756
7.2 Written down values of property and equipment disposed off during the period / year			
Furniture and fixtures		-	29,637
Motor vehicles		5,548	22,948
Machinery and equipment		-	8,754
Computer equipment		-	-
Leasehold Improvements		-	6,306
		5,548	67,645
7.3 Capital work in progress			
Capital work in progress as of 31 March 2020 includes advances to different contractors, suppliers and vendors amounting to Rs. 253,270 thousands (31 December 2019: Rs. 65,422 thousands).			
		(Unaudited) 31 March 2020	(Audited) 31 December 2019
		Rupees in thousand	
8 Intangible assets			
Opening balance - net book value		131,236	160,602
Additions during the period		-	14,998
Book value of disposals during the period		-	-
Amortization charged during the period		(11,884)	(50,086)
Exchange differences and other adjustments		4,215	5,722
		(7,669)	(44,364)
		123,567	131,236
9 Investment Properties			
Net book value as at January 01		1,204,026	855,394
Additions and capital improvements		-	315,334
Unrealized fair value gain		-	33,298
Net book value as at December 31		1,204,026	1,204,026

10 Investment in equity securities

31 March 2020 (Unaudited)				31 December 2019 (Audited)			
Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value
Rupees in thousands							
7,963,718	(261,128)	(977,604)	6,724,986	9,086,355	(290,808)	2,098,765	10,894,312
748,226	-	14,971	763,197	698,226	-	13,922	712,148
8,711,944	(261,128)	(962,633)	7,488,183	9,784,581	(290,808)	2,112,687	11,606,460
7,791,629	(1,743,441)	(687,645)	5,360,543	5,686,610	(1,713,761)	759,400	4,732,249
925,360	-	1,236,975	2,162,335	925,360	-	1,236,975	2,162,335
44,555	-	(10,727)	33,828	364,265	-	68	364,333
161	-	-	161	161	-	635	796
8,761,705	(1,743,441)	538,603	7,556,867	6,976,396	(1,713,761)	1,997,078	7,259,713
17,473,649	(2,004,569)	(424,030)	15,045,050	16,760,977	(2,004,569)	4,109,765	18,866,173
1,384,403	-	-	1,384,403	1,633,771	-	-	1,633,771
4,656,426	-	-	4,656,426	5,014,226	-	-	5,014,226
6,040,829	-	-	6,040,829	6,647,997	-	-	6,647,997
4,996,516	-	-	4,996,516	5,828,985	-	-	5,828,985
867,079	-	-	867,079	841,400	-	-	841,400
5,863,595	-	-	5,863,595	6,670,385	-	-	6,670,385
11,904,424	-	-	11,904,424	13,318,382	-	-	13,318,382
29,378,073	(2,004,569)	(424,030)	26,949,474	30,079,359	(2,004,569)	4,109,765	32,184,555

		(Unaudited)	(Audited)
		31 March	31 December
		2020	2019
Note		Rupees in thousand	
11	Investments in debt securities		
	Held to maturity		
	Treasury Bills	371,785	370,491
	Pakistan Investment Bonds	94,190	95,377
		465,975	465,868
	Available for sale		
	Treasury Bills	557,145	558,153
	Pakistan Investment Bonds	98,595	93,684
		655,740	651,837
	Fair value through profit and loss		
	Term Finance Certificate	1,542,543	1,588,848
	Advance against purchase of term finance certificate	600,000	50,000
	Corporate sukuku	1,171,833	1,135,121
	Ijarah sukuku	-	-
	Treasury Bills	6,796,455	3,828,677
	Pakistan Investment Bonds	2,144,247	897,123
		12,255,078	7,499,769
		13,376,793	8,617,474
		(Unaudited)	(Audited)
		31 March	31 December
		2020	2019
		Rupees in thousand	
12	Investments in Term Deposits		
	Held to maturity		
	Deposits maturing within 12 months		
	Inside Pakistan		
	- related parties	281,811	156,811
	- others	4,136,447	9,610,066
		4,418,258	9,766,877
	Outside Pakistan		
	- related parties	1,361,532	1,264,698
	- others	4,790,351	4,387,207
		6,151,883	5,651,905
	Deposits maturing after 12 months	10,570,141	15,418,782
	Inside Pakistan		
	- related parties	2,000	2,000
	- others	46,729	48,110
		48,729	50,110
12.1		10,618,870	15,468,892

- 12.1** These include fixed deposits amounting to Rs. 5,219,206 thousands (AED 115,000 thousands) [2019: Rs. 4,848,009 thousands (AED 115,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches of the Parent Company for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 231,987 thousands (2019: Rs. 231,987 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Parent Company for claims under litigation filed against the Parent Company, bid bond guarantees and guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party.

		(Unaudited)	(Audited)
		31 March	31 December
		2020	2019
	Note	Rupees in thousand	
13 Loans and other receivables - considered good			
Rent receivable		9,091	7,295
Accrued income		270,602	351,017
Security deposits		75,523	92,526
Advances to employees and suppliers		173,118	152,012
Advance agent commission		3,253	3,003
Loans to employees		50,953	56,318
Receivable against the sale of investment		180,307	-
Receivable from related parties		-	5
Other receivables		92,431	54,663
		855,278	716,839

14 Insurance / reinsurance receivables - unsecured and considered good

Due from insurance contract holders	14.1	5,297,189	5,786,646
Provision for impairment of receivables from insurance contract holders		(916,808)	(868,586)
		4,380,381	4,918,060
Due from other insurers / reinsurers		1,163,379	1,149,209
Provision for impairment of due from other insurers / reinsurers		(201,302)	(201,302)
		962,077	947,907
		5,342,458	5,865,967

14.1 Due from insurance contact holders include an amount Rs. 118,997 thousands (2019: Rs. 221,567 thousands) held with related parties.

		(Unaudited)	(Audited)
		31 March	31 December
		2020	2019
	Note	Rupees in thousand	
15 Prepayments			
Prepaid reinsurance premium ceded		2,445,880	3,500,512
Prepaid rent		25,143	12,488
Prepaid miscellaneous expenses		247,126	158,070
		2,718,149	3,671,070
16 Cash and bank			
Cash and cash equivalents			
Inside Pakistan			
Cash in hand		3,736	819
Policy and revenue stamps, bond papers		8,595	24,993
		12,331	25,812
Outside Pakistan			
Cash in hand		293	-
Policy and revenue stamps, bond papers		-	-
		293	-
		12,624	25,812
Cash at bank			
Inside Pakistan			
Current accounts		68,149	289,356
Savings accounts		6,802,026	8,057,231
		6,870,175	8,346,587
Outside Pakistan			
Current accounts		380,024	59,333
Savings accounts		5,935	5,512
		385,959	64,845
		7,256,134	8,411,432
		7,268,758	8,437,244

- 16.1** Cash at bank includes an amount of Rs. 3,237,755 thousands (2019: Rs. 1,835,434 thousands) held with MCB Bank Limited, a related party of the Group.
- 16.2** Lien of Rs. 440,000 thousands (2019 : 291,000) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited by the Parent Company.

		(Unaudited)	(Audited)
		31 March	31 December
		2020	2019
	Note	Rupees in thousand	
17 Window Takaful Operations - Parent Company			
Operator's Fund			
Assets			
Cash and bank deposits		107,000	91,895
Qard-e-Hasna to Participant Takaful Fund		146,460	146,460
Investments		33,922	32,958
Intangible assets		17,369	17,650
Property and equipment		17,949	17,733
Current assets - others		184,877	119,595
Total Assets		507,577	426,291
Total liabilities		251,120	195,872
		(Unaudited)	(Unaudited)
		31 March	31 March
		2020	2019
	Note	Rupees in thousand	
Profit and loss account			
Wakala Fee		96,323	73,917
Commission expense		(28,468)	(22,495)
Management expense		(35,534)	(30,235)
Other Income		2,557	5,247
Mudarib's share of PTF investment income		898	-
Profit before taxation		35,776	26,434
Taxation		(10,422)	(7,402)
Profit after taxation		25,354	19,032

Details of total assets, total liabilities and segment disclosure of window takaful operations of the Parent Company are stated in the annexed condensed interim financial information for the quarter ended 31 March 2020.

		(Unaudited)	(Audited)
		31 March	31 December
		2020	2019
		Rupees in thousand	
18 Reserves			
Capital reserves			
Reserves for exceptional losses		22,859	22,859
Investment fluctuation reserves		3,764	3,764
Exchange translation reserves		786,643	674,936
Fair value reserve		(292,389)	2,914,787
		520,877	3,616,346
Revenue reserves			
General reserves		936,500	936,500
		1,457,377	4,552,846

		(Unaudited)	(Audited)
		251,120	195,872
	Note	Rupees in thousand	
19 Other creditors and accruals			
Agents commission payable		822,595	1,039,000
Payable against the purchase of investment		31,321	847,474
Federal Excise Duty / Sales Tax / VAT		130,463	50,149
Federal Insurance Fee		32,240	33,785
Payable to related parties		4,644	7,131
Workers' welfare fund		76,485	76,485
Tax deducted at source		140,747	104,056
Accrued expenses		440,642	386,051
Unpaid and unclaimed dividend		123,241	125,829
Payable to employees' provident fund		2,702	2,676
Sundry creditors		687,267	539,634
		2,492,347	3,212,270

20 Contingencies and commitments

Contingencies

Parent Company

There has been no significant change in the status of contingencies as reported in the preceding published consolidated annual financial statements of the Group for the year ended 31 December 2019 except for the following.

- The Parent Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 990,000 thousands (2019: Rs. 841,000 thousands).
- The Parent Company has issued letter of guarantees amounting to AED 374,000 amounting to Rs.16,974 thousands (2019: AED 449,000 amounting to Rs. 18,928 thousands) relating to UAE branch.

Subsidiary Company

Claims against the Subsidiary Company not acknowledged as debt

Number of cases

This represents various cases initiated against the Subsidiary company concerning policyholder claims referred to Court, Federal Insurance Mohtasib and Small Dispute Resolution Committee rejected by the company on different grounds. However, the management believes that no significant liability is likely to occur in these cases.

The exemption from the Sindh sales tax on life insurance premium has expired on June 30, 2019 and subsequently the sales tax has become applicable on the life insurance premium from July 01, 2019. The matter for renewal of the exemption has been taken-up at the collective level of Insurance Association of Pakistan with the SRB through its consultants. However, as the effort remained unconcluded, the Subsidiary Company, along with the other companies within the industry, through the consultant of Insurance Association of Pakistan (IAP) had filed a Constitution Petition bearing No. D-7677 of 2019, titled 'EFU Life Assurance Limited & Others vs The Province of Sindh & Another' with Sindh High Court. However, High Court in its order issued on December 2, 2019, stated that the Sindh Revenue Board ought to consider approving the exemption on the levy of this tax under Section 10 of Sindh Sales Tax on Services Act, 2011. In view of the fact that the exemption is still pending, the Subsidiary Company and other life insurance companies have not yet billed their customers for SST for the period commencing from July 01, 2019 on the Premium of life insurance coverage.

Commitments

Subsidiary Company

Commitments in respect of ljarah rentals payable in future period as at March 31, 2020 amounted to Rs. 76.70 million (December 31, 2019: Rs. 80.59 million) for vehicles.

	(Unaudited)	(Audited)
	31 March	31 December
	2020	2019
	Rupees in thousand	
Not later than one year	22,409	22,543
Later than one year and not later than five years	54,293	58,045
	76,702	80,588

		Quarter Ended	
		31 March 2020	31 March 2019
		Rupees in thousand	
21	Net Insurance Premium		
	Parent Company		
	Written gross premium	4,562,429	6,256,266
	Unearned premium reserve opening	10,242,348	10,100,901
	Unearned premium reserve closing	(9,235,451)	(10,802,642)
	Currency translation effect	294,959	64,942
	Premium earned	5,864,285	5,619,467
	Reinsurance premium ceded	(1,076,659)	(2,251,193)
	Prepaid reinsurance premium opening	(3,500,512)	(2,866,980)
	Prepaid reinsurance premium closing	2,445,880	3,254,355
	Currency translation effect	(7,082)	(452)
	Reinsurance expense	(2,138,373)	(1,864,270)
	Net insurance premium - Parent Company	3,725,912	3,755,197
	Subsidiary Company		
	Regular premium / contributions		
	individual policies		
	- first year	759,704	731,736
	- second year renewal	644,655	478,347
	- subsequent years renewal	1,191,343	987,117
	Single premium / contributions		
	individual policies	869,713	309,390
	Group policies without cash values	164,108	141,366
	Less: Experience refund	(601)	(9,665)
	Total gross premiums / contributions	3,628,922	2,638,291
	Less: reinsurance premiums /		
	retakaful contributions ceded		
	On individual life first year business	(3,292)	(8,473)
	On individual life second year business	(3,224)	(16,275)
	On individual life subsequent		
	renewal business	(25,702)	(29,668)
	On single premium individual policies	(1,791)	
	On group policies	(104,819)	(86,054)
	Profit commission on reinsurance	393	-
		(138,435)	(140,470)
	Net premiums / contributions - Subsidiary Company	3,490,487	2,497,821
		7,216,399	6,253,018
21.1	Net insurance premium - Business underwritten inside Pakistan		
	Written gross premium	2,815,958	4,119,815
	Unearned premium reserve opening	6,197,501	5,508,453
	Unearned premium reserve closing	(5,111,264)	(6,030,336)
	Premium earned	3,902,195	3,597,932
	Reinsurance premium ceded	(1,022,427)	(2,186,697)
	Prepaid reinsurance premium opening	(3,425,355)	(2,838,973)
	Prepaid reinsurance premium closing	2,344,222	3,220,928
	Reinsurance expense	(2,103,560)	(1,804,742)
		1,798,635	1,793,190
21.2	Net insurance premium - Business underwritten outside Pakistan		
	Written gross premium	1,746,471	2,136,451
	Unearned premium reserve opening	4,044,847	4,592,448
	Unearned premium reserve closing	(4,124,187)	(4,772,306)
	Currency translation effect	294,959	64,942
	Premium earned	1,962,090	2,021,535
	Reinsurance premium ceded	(54,232)	(64,496)
	Prepaid reinsurance premium opening	(75,157)	(28,007)
	Prepaid reinsurance premium closing	101,658	33,427
	Currency translation effect	(7,082)	(452)
	Reinsurance expense	(34,813)	(59,528)
		1,927,277	1,962,007
21.3	Individual policies are those underwritten on an individual basis.		

		Quarter Ended	
		31 March 2020	31 March 2019
		Rupees in thousand	
22	Net insurance claims expense		
	Parent Company		
	Claims paid	3,077,562	3,718,221
	Outstanding claims including IBNR closing	11,191,266	10,193,465
	Outstanding claims including IBNR opening	(10,367,347)	(10,461,975)
	Currency translation effect	(473,500)	(72,992)
	Claims expense	3,427,981	3,376,719
	Reinsurance and other recoveries received	(1,038,143)	(1,356,971)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(6,523,405)	(6,178,315)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	6,233,348	6,397,245
	Reinsurance and other recoveries revenue	243,336	39,113
	Reinsurance and other recoveries revenue	(1,084,864)	(1,098,928)
	Net insurance claims expense	2,343,117	2,277,791
	Subsidiary Company		
	Gross claims		
	Claims under individual policies		
	- by death	122,015	73,424
	- by insured event other than death	700	7,075
	- by maturity	167,575	332,561
	- by surrender	1,234,725	1,283,251
	Total gross individual policy claims	1,525,015	1,696,311
	Claims under group policies		
	- by death	112,387	156,594
	- by insured event other than death	4,969	(16,171)
	Total gross group policy claims	117,356	140,423
	Claim related expenses	1,775	1,966
	Total gross claims	1,644,146	1,838,700
	Less: Reinsurance recoveries		
	- on individual claims	34,145	(15,964)
	- on group claims	80,518	96,889
		114,663	80,925
	Net claims - Subsidiary Company	1,529,483	1,757,775
		3,872,600	4,035,566
22.1	Net insurance claims expense - Business underwritten inside Pakistan		
	Claim Paid	1,138,384	2,030,503
	Outstanding claims including IBNR closing	4,507,781	4,823,914
	Outstanding claims including IBNR opening	(4,398,967)	(5,386,215)
	Claim expense	1,247,198	1,468,202
	Reinsurance and other recoveries received	(144,400)	(1,008,594)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(3,114,792)	(3,295,122)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	2,948,471	3,769,658
	Reinsurance and other recoveries revenue	(310,721)	(534,058)
		936,477	934,144
22.2	Net insurance claims expense - Business underwritten outside Pakistan		
	Claim Paid	1,939,178	1,687,718
	Outstanding claims including IBNR closing	6,683,485	5,369,551
	Outstanding claims including IBNR opening	(5,968,380)	(5,075,760)
	Currency translation effect	(473,500)	(72,992)
	Claim expense	2,180,783	1,908,517
	Reinsurance and other recoveries received	(893,743)	(348,377)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(3,408,613)	(2,883,193)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	3,284,877	2,627,587
	Currency translation effect	243,336	39,113
	Reinsurance and other recoveries revenue	(774,143)	(564,870)
		1,406,640	1,343,647

Note

22.1 & 22.2

23 Net commission expense / acquisition costs

Parent Company

	Quarter Ended	
	31 March	31 March
	2020	2019
	Rupees in thousand	
Commission paid or payable	581,734	488,365
Deferred commission expense opening	1,190,146	788,431
Deferred commission expense closing	(1,197,363)	(799,779)
Currency translation effect	64,137	7,261
Net commission	638,654	484,278
Commission received or recoverable	(86,377)	(89,055)
Unearned reinsurance commission opening	(237,751)	(221,371)
Unearned reinsurance commission closing	201,121	195,759
Currency translation effect	(268)	(58)
Commission from reinsurance	(123,275)	(114,725)
Net commission expense / acquisition costs - Parent Company	515,379	369,553

Note

23.1 & 23.2

Subsidiary Company

Remuneration to insurance / takaful intermediaries on individual policies:		
- Commission on first year contribution / premium	338,496	340,154
- Commission on second year contribution / premium	34,407	26,738
- Commission on subsequent years renewal contribution / premium	27,916	24,450
- Commission on single contribution / premium	18,263	6,477
- Other benefits to insurance intermediaries	96,500	78,691
	515,582	476,510
Remuneration to insurance intermediaries on group policies:		
- Commission	20,674	10,198
- Other benefits to insurance intermediaries	478	1,458
	21,152	11,656
Other acquisition costs	122,127	89,489
	658,861	577,655
	1,174,240	947,208

23.1 Net commission and other acquisition costs - Business underwritten inside Pakistan

Commission paid or payable	200,764	194,033
Deferred commission expense opening	352,673	297,403
Deferred commission expense closing	(295,578)	(264,800)
Net commission	257,859	226,636
Commission received or recoverable	(83,830)	(85,644)
Unearned reinsurance commission opening	(236,381)	(218,690)
Unearned reinsurance commission closing	197,095	191,511
Commission from reinsurance	(123,116)	(112,823)
	134,743	113,813

23.2 Net commission and other acquisition costs - Business underwritten outside Pakistan

Commission paid or payable	380,970	294,332
Deferred commission expense opening	837,473	491,028
Deferred commission expense closing	(901,785)	(534,979)
Currency translation effect	64,137	7,261
Net commission	380,795	257,642
Commission received or recoverable	(2,547)	(3,411)
Unearned reinsurance commission opening	(1,370)	(2,681)
Unearned reinsurance commission closing	4,026	4,248
Currency translation effect	(268)	(58)
Commission from reinsurance	(159)	(1,902)
	380,636	255,740

24 Investment income

Business underwritten Inside Pakistan

Income from equity securities

Dividend Income

- Available for sale
- Held for trading

351,092	418,458
78,704	119,852
429,796	538,310

Income from debt securities

Return on debt securities

- Fair value through profit or loss
- Held to maturity

120,909	82,096
	-
120,909	82,096

Return on government securities

- Available for Sale
- Fair value through profit or loss
- Held to maturity

12,995	9,050
	140,465
446,043	10,290
459,038	159,805

Income from term deposit receipts

- Held to maturity

146,672	201,535
146,672	201,535

Tax on dividend under final tax regime

(10)	(142)
(10)	(142)

Net realized fair value gains on investments

Available for sale

- Equity securities
- Government securities

3,533	460
	(24)
3,533	436

Held for trading

- Equity securities
- Fixed income securities
- Government securities

(82,187)	362,082
	-
82,302	(964)
115	361,118

**Reversal of impairment in value of
'available-for-sale' investments**

-	14,700
1,160,053	1,357,858

Business underwritten Outside Pakistan

Income from equity securities

Dividend income

- Available for Sale

54	13,743
54	13,743

Net realized gains on investments

- Available for Sale

191	-
191	-

Return on term deposits

- Held to maturity

42,220	31,379
42,220	31,379
42,465	45,122
1,202,518	1,402,980

Quarter Ended	
31 March 2020	31 March 2019
Rupees in thousand	

25 Earnings per share - basic and diluted

There is no dilutive effect on the basic earnings per share which is based on:

Profit after tax for the period attributable to ordinary shareholders	490,585	642,697
	Number of shares	
Weighted average number of ordinary shares outstanding	350,000,000	350,000,000
	Rupees	
Earnings per share - basic and diluted	1.40	1.84

26 Transactions with related parties

The Group has related party relationships with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. Transactions are entered into with such related parties for the issuance of policies to and disbursements of claims incurred by them and payments of rentals for the use of premises rented from them. There are no transactions with key management personnel other than those specified in their terms of employment.

Investment in related parties have been disclosed in note 10 & 12 to the consolidated condensed interim financial information. Other transactions with related parties are summarized as follows:

Quarter Ended	
31 March 2020	31 March 2019
Rupees in thousand	

Parent Company

i) Transactions

Premiums underwritten	315,174	296,689
Premiums received	407,632	543,943
Claims paid	193,391	166,303
Security deposit received		
Commission Paid	14,776	34,847
Rent paid	3,456	965
Rent received	7,776	-
Dividends received	203,266	-
Dividends paid	-	-
Income on bank deposits	36,839	7,822
Investments made	50,000	100,000
Investments sold		
Fixed assets sold		
Purchases		
Fee / service charges paid	4,050	1,289
Fee / service charges income		
Fee / service charges received	711	-
Charge in respect of gratuity expense	12,593	8,410
Contribution to Employees' Provident Fund	8,102	8,398
Compensation paid to Key management personnel	299,917	356,215

(Unaudited)	(Audited)
31 March 2020	31 December 2019
Rupees in thousand	

ii) Period end balances

Balances receivable	109,280	215,212
Balances payable	309,948	359,782
Cash and bank balances including term deposits	1,499,578	1,707,013
Payable to Staff Gratuity Fund	136,502	142,470

Subsidiary Company
i) Transactions
Associated undertakings

Premium written	15,302	4,407
Claims expense	53,072	77,116
Commission and other incentives in respect of bancassurance	235,696	354,633
Profit on bank deposits	51,313	32,591
Bank charges	582	1,607
Investments purchased	2,315,941	1,710,651
Investments sold	617,557	986,819
Dividend income	24,623	24,644
Reinsurance claim recoveries	-	1,271
Reinsurance premium ceded	-	4,395

Other related parties

Premium written	4,657	16,938
Claims expense	1,031	1,484
Investment advisor fee	2,428	4,862
Trustee fee	2,492	2,553

(Unaudited)
(Audited)
**31 March
2020**
**31 March
2019**
Rupees in thousand
ii) Period end balances
Associated undertakings

Premium due but unpaid	9,511	6,526
Premium received in advance	898	-
Bank deposits	3,202,182	1,475,870
Investments held	6,316,715	6,799,087
Accrued Income	-	101
Commission payable	184,576	337,441
Claims payable	402	2,370
Reinsurance receivable/ (payable)	-	1,874

Other related parties

Premium due but unpaid	3,113	3,027
Remuneration payable for the management of discretionary investment portfolio	(3,178)	3,792
Remuneration payable to trustee	462	486
Other payable/(receivables)	(892)	(892)

Staff Retirement Benefit Plan (Gratuity Fund)

Charge for the period	10,516	51,447
(Payable to)/ receivable from Gratuity fund	(47,542)	(37,026)

27 Segment Information

The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Quarter Ended 31 March 2020															
General Insurance													Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	1,208,872	7,614	211,185	4,934	816,255	1,801,325	593,370	13,897	317,801	5,868	3,147,483	1,833,638	4,981,121	3,628,922	8,610,043
Federal excise duty / VAT	(149,873)	(363)	(22,427)	(38)	(97,487)	(85,777)	(7,219)	(662)	(25,840)	(317)	(302,846)	(87,157)	(390,003)	-	(390,003)
Federal insurance fee	(10,187)	-	(1,869)	(5)	(7,209)	-	(5,956)	-	(3,458)	(5)	(28,679)	(10)	(28,689)	-	(28,689)
	1,048,812	7,251	186,889	4,891	711,559	1,715,548	580,195	13,235	288,503	5,546	2,815,958	1,746,471	4,562,429	3,628,922	8,191,351
Gross written premium (inclusive of administrative surcharge)	1,048,812	7,251	186,889	4,891	711,559	1,715,548	580,195	13,235	288,503	5,546	2,815,958	1,746,471	4,562,429	3,628,922	8,191,351
Gross direct premium	1,043,462	7,220	181,385	4,891	685,190	1,713,622	579,809	13,235	285,847	5,541	2,775,693	1,744,509	4,520,202	3,628,922	8,149,124
Facultative inward premium	1,463	-	-	-	-	-	-	-	-	-	1,463	-	1,463	-	1,463
Administrative surcharge	3,887	31	5,504	-	26,369	1,926	386	-	2,656	5	38,802	1,962	40,764	-	40,764
	1,048,812	7,251	186,889	4,891	711,559	1,715,548	580,195	13,235	288,503	5,546	2,815,958	1,746,471	4,562,429	3,628,922	8,191,351
Insurance premium earned	1,986,504	8,455	195,260	5,273	695,522	1,942,414	460,753	2,387	564,156	3,561	3,902,195	1,962,090	5,864,285	3,628,922	9,493,207
Insurance premium ceded to reinsurers	(1,776,336)	(6,145)	(27,860)	12	(12,896)	(21,295)	-	(5,477)	(286,468)	(1,908)	(2,103,560)	(34,813)	(2,138,373)	(138,435)	(2,276,808)
Net insurance premium	210,168	2,310	167,400	5,285	682,626	1,921,119	460,753	(3,090)	277,688	1,653	1,798,635	1,927,277	3,725,912	3,490,487	7,216,399
Commission income	108,503	238	80	-	1,142	-	-	-	13,391	(79)	123,116	159	123,275	-	123,275
Net underwriting income	318,671	2,548	167,480	5,285	683,768	1,921,119	460,753	(3,090)	291,079	1,574	1,921,751	1,927,436	3,849,187	3,490,487	7,339,674
Insurance claims	(64,019)	(84,498)	(225,562)	583	(285,548)	(2,089,207)	(376,123)	(7,856)	(295,946)	195	(1,247,198)	(2,180,783)	(3,427,981)	(1,644,146)	(5,072,127)
Insurance claim recoveries from reinsurer	1,826	20,197	91,465	-	(4,222)	747,797	-	6,201	221,652	(52)	310,721	774,143	1,084,864	114,663	1,199,527
Net claims	(62,193)	(64,301)	(134,097)	583	(289,770)	(1,341,410)	(376,123)	(1,655)	(74,294)	143	(936,477)	(1,406,640)	(2,343,117)	(1,529,483)	(3,872,600)
Commission expense	(123,008)	(366)	(35,026)	(305)	(49,604)	(379,566)	(12,972)	(327)	(37,249)	(231)	(257,859)	(380,795)	(638,654)	(658,861)	(1,297,515)
Management expense	(73,168)	(315)	(75,230)	(2,057)	(243,820)	(224,883)	(28,945)	(2,967)	(63,165)	(223)	(484,328)	(230,445)	(714,773)	(237,202)	(951,975)
Net insurance claims and expenses	(258,369)	(64,982)	(244,353)	(1,779)	(583,194)	(1,945,859)	(418,040)	(4,949)	(174,708)	(311)	(1,678,664)	(2,017,880)	(3,696,544)	(2,425,546)	(6,122,090)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	1,886,273	1,886,273
Underwriting result	60,302	(62,434)	(76,873)	3,506	100,574	(24,740)	42,713	(8,039)	116,371	1,263	243,087	(90,444)	152,643	2,951,214	3,103,857
Investment income											367,646	42,465	410,111	792,407	1,202,518
Net fair value unrealized gain / (loss) on financial assets at fair value through profit or loss											-	-	-	(3,780,955)	(3,780,955)
Net unrealized gains on investment property											-	-	-	-	-
Rental income											9,107	478	9,585	712	10,297
Other income											43,586	16,425	60,011	99,790	159,801
Other expenses											(14,996)	(2,872)	(17,868)	(4,403)	(22,271)
Results of operating activities											648,430	(33,948)	614,482	58,765	673,247
Finance cost under IFRS - 16											(438)	(1,031)	(1,469)	(4,473)	(5,942)
Profit from Window Takaful Operations - Operators Fund (Parent Company)											35,776	-	35,776	-	35,776
Profit before taxation											683,768	(34,979)	648,789	54,292	703,081

31 March 2020															
General Insurance													Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	5,231,508	97,130	572,935	4,935	1,209,550	5,624,003	834,543	53,488	1,780,194	24,339	9,628,730	5,803,895	15,432,625	36,131,678	51,564,303
Unallocated assets											21,530,299	7,391,182	28,921,481	1,115,920	30,037,401
											31,159,029	13,195,077	44,354,106	37,247,598	81,601,704
Segment Liabilities	5,552,421	113,364	807,317	24,984	2,383,338	10,731,787	1,738,285	63,895	2,180,945	27,993	12,662,306	10,962,023	23,624,329	34,802,251	58,426,580
Unallocated Liabilities											2,486,609	644,100	3,130,709	1,042,128	4,172,837
											15,148,915	11,606,123	26,755,038	35,844,379	62,599,417

27.1 Segment Information

The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Quarter ended 31 March 2019															
General Insurance													Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	2,348,132	18,697	225,853	8,487	828,770	2,205,102	640,761	10,647	584,689	9,444	4,628,205	2,252,377	6,880,582	2,647,956	9,528,538
Federal excise duty / VAT	(281,907)	(1,341)	(24,520)	(157)	(98,975)	(113,361)	(11,180)	(507)	(50,628)	(483)	(467,210)	(115,849)	(583,059)	-	(583,059)
Federal insurance fee	(20,233)	(61)	(1,998)	(12)	(7,318)	-	(6,291)	-	(5,340)	(4)	(41,180)	(77)	(41,257)	-	(41,257)
	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266	2,647,956	8,904,222
Gross written premium (inclusive of administrative surcharge)	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266	2,647,956	8,904,222
Gross direct premium	2,039,024	17,194	194,085	8,291	698,612	2,091,741	623,104	10,140	525,544	8,929	4,080,369	2,136,295	6,216,664	2,647,956	8,864,620
Facultative inward premium	2,730	-	167	-	-	-	-	-	-	-	2,897	-	2,897	-	2,897
Administrative surcharge	4,238	101	5,083	27	23,865	-	186	-	3,177	28	36,549	156	36,705	-	36,705
	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266	2,647,956	8,904,222
Insurance premium earned	1,797,686	11,578	209,298	8,373	709,339	1,983,416	430,167	14,363	451,442	3,805	3,597,932	2,021,535	5,619,467	2,647,956	8,267,423
Insurance premium ceded to reinsurers	(1,548,350)	(7,377)	(25,651)	-	(12,387)	(40,007)	-	(9,386)	(218,354)	(2,758)	(1,804,742)	(59,528)	(1,864,270)	(140,470)	(2,004,740)
Net insurance premium	249,336	4,201	183,647	8,373	696,952	1,943,409	430,167	4,977	233,088	1,047	1,793,190	1,962,007	3,755,197	2,507,486	6,262,683
Commission income	80,561	1,321	225	-	738	-	-	-	31,299	581	112,823	1,902	114,725	-	114,725
Net underwriting income	329,897	5,522	183,872	8,373	697,690	1,943,409	430,167	4,977	264,387	1,628	1,906,013	1,963,909	3,869,922	2,507,486	6,377,408
Insurance claims	(356,636)	(2,828)	(81,418)	-	(364,771)	(1,891,460)	(377,212)	(14,229)	(288,165)	-	(1,468,202)	(1,908,517)	(3,376,719)	(1,848,365)	(5,225,084)
Insurance claim recoveries from reinsurer	302,356	7,856	(423)	-	15,325	546,001	-	11,013	216,800	-	534,058	564,870	1,098,928	80,925	1,179,853
Net claims	(54,280)	5,028	(81,841)	-	(349,446)	(1,345,459)	(377,212)	(3,216)	(71,365)	-	(934,144)	(1,343,647)	(2,277,791)	(1,767,440)	(4,045,231)
Commission expense	(105,606)	(1,504)	(26,906)	(1,619)	(50,797)	(254,252)	(14,217)	(72)	(29,110)	(195)	(226,636)	(257,642)	(484,278)	(577,655)	(1,061,933)
Management expense	(115,308)	(441)	(68,853)	(2,393)	(244,418)	(268,499)	(35,254)	(3,216)	(70,968)	(334)	(534,801)	(274,883)	(809,684)	(259,815)	(1,069,499)
Net insurance claims and expenses	(275,194)	3,083	(177,600)	(4,012)	(644,661)	(1,868,210)	(426,683)	(6,504)	(171,443)	(529)	(1,695,581)	(1,876,172)	(3,571,753)	(2,604,910)	(6,176,663)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(997,129)	(997,129)
Underwriting result	54,703	8,605	6,272	4,361	53,029	75,199	3,484	(1,527)	92,944	1,099	210,432	87,737	298,169	(1,094,553)	(796,384)
Investment income											443,774	45,122	488,896	914,084	1,402,980
Net fair value unrealized gain on financial assets at fair value through profit or loss											-	-	-	191,716	191,716
Net unrealized gains on investment property											-	-	-	21,000	21,000
Rental income											845	-	845	733	1,578
Other income											27,039	10,342	37,381	50,516	87,897
Other expenses											(27,796)	(2,946)	(30,742)	(10,236)	(40,978)
Results of operating activities											654,294	140,255	794,549	73,260	867,809
Finance cost under IFRS - 16											(1,321)	(1,174)	(2,495)	-	(2,495)
Profit from Window Takaful Operations - Operators Fund (Parent Company)											26,434	-	26,434	-	26,434
Profit before taxation											679,407	139,081	818,488	73,260	891,748
31 December 2019															
General Insurance													Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	6,992,773	95,788	489,767	5,187	1,062,812	5,552,814	558,513	33,510	1,923,756	19,249	11,027,621	5,706,548	16,734,169	39,189,702	55,923,871
Unallocated assets											25,463,418	6,546,138	32,009,556	1,071,643	33,081,199
											36,491,039	12,252,686	48,743,725	40,261,345	89,005,070
Segment Liabilities	7,060,540	111,211	624,861	25,552	2,359,101	9,993,415	1,366,492	40,351	2,307,325	22,763	13,718,319	10,193,292	23,911,611	37,970,494	61,882,105
Unallocated Liabilities											3,509,258	679,062	4,188,320	929,757	5,118,077
											17,227,577	10,872,354	28,099,931	38,900,251	67,000,182

28 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

		31 March 2020										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in thousand) -----										
Financial assets - measured at fair value												
Investment												
	10	12,119,518	-	11,904,424	-	-	-	24,023,942	24,023,942	-	-	24,023,942
	10	2,925,532	-	-	-	-	-	2,925,532	-	-	2,925,532	2,925,532
	11	655,740	465,975	12,255,078	-	-	-	13,376,793	-	13,376,793	-	13,376,793
Investments of Window Takaful Operations - Operator's Fund	17	33,922	-	-	-	-	-	33,922	33,922	-	-	33,922
Financial assets - not measured at fair value												
Loans and other receivables *	13	-	-	-	855,278	-	-	855,278	-	-	-	-
Loan secured against life insurance policies*		-	-	-	30,987	-	-	30,987	-	-	-	-
Investment - Term deposits*	12	-	10,618,870	-	-	-	-	10,618,870	-	-	-	-
Insurance / reinsurance receivables												
- unsecured and considered good *	14	-	-	-	5,342,458	-	-	5,342,458	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	-	6,196,682	-	-	6,196,682	-	-	-	-
Salvage recoveries accrued *		-	-	-	326,723	-	-	326,723	-	-	-	-
Cash and bank *	16	-	-	-	-	7,268,758	-	7,268,758	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*	17	-	-	-	331,337	107,000	-	438,337	-	-	-	-
		15,734,712	11,084,845	24,159,502	13,083,465	7,375,758	-	71,438,282	24,057,864	13,376,793	2,925,532	40,360,189
Financial liabilities - not measured at fair value												
Underwriting provisions:												
Outstanding claims (including IBNR)*		-	-	-	-	-	11,191,266	11,191,266	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	-	2,728,457	2,728,457	-	-	-	-
Other creditors and accruals*	19	-	-	-	-	-	2,112,412	2,112,412	-	-	-	-
Deposits and other liabilities		-	-	-	-	-	878,135	878,135	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	17	-	-	-	-	-	251,120	251,120	-	-	-	-
		-	-	-	-	-	17,161,390	17,161,390	-	-	-	-

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

28.1 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

		31 December 2019										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in thousand)										
Financial assets - measured at fair value												
Investment												
	10	15,991,690	-	13,318,382	-	-	-	29,310,072	29,310,072	-	-	29,310,072
	10	2,874,483	-	-	-	-	-	2,874,483	-	-	2,874,483	2,874,483
	11	651,837	465,868	7,499,769	-	-	-	8,617,474	-	8,617,474	-	8,617,474
Investments of Window Takaful Operations - Operator's Fund												
	17	32,958	-	-	-	-	-	32,958	32,958	-	-	32,958
Financial assets - not measured at fair value												
Loans and other receivables *												
	13	-	-	-	716,839	-	-	716,839	-	-	-	-
Loan secured against life insurance policies*												
		-	-	-	32,785	-	-	32,785	-	-	-	-
Investment - Term deposits*												
	12	-	15,468,892	-	-	-	-	15,468,892	-	-	-	-
Insurance / reinsurance receivables												
		-	-	-	5,865,967	-	-	5,865,967	-	-	-	-
- unsecured and considered good *												
	14	-	-	-	5,865,967	-	-	5,865,967	-	-	-	-
Reinsurance recoveries against outstanding claims *												
		-	-	-	5,931,928	-	-	5,931,928	-	-	-	-
Salvage recoveries accrued *												
		-	-	-	301,420	-	-	301,420	-	-	-	-
Cash and bank *												
	16	-	-	-	-	8,437,244	-	8,437,244	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*												
	17	-	-	-	266,055	91,895	-	357,950	-	-	-	-
		19,550,968	15,934,760	20,818,151	13,114,994	8,529,139	-	77,948,012	29,343,030	8,617,474	2,874,483	40,834,987
Financial liabilities - not measured at fair value												
Underwriting provisions:												
Outstanding claims (including IBNR)*												
		-	-	-	-	-	10,367,347	10,367,347	-	-	-	-
Insurance / reinsurance payables *												
		-	-	-	-	-	2,826,429	2,826,429	-	-	-	-
Other creditors and accruals*												
	19	-	-	-	-	-	3,566,335	3,566,335	-	-	-	-
Deposits and other liabilities												
		-	-	-	-	-	898,258	898,258	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*												
	17	-	-	-	-	-	195,872	195,872	-	-	-	-
		-	-	-	-	-	17,854,241	17,854,241	-	-	-	-

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

29 Date of authorization for issue

This consolidated condensed interim financial information was authorized for issue on 22 May 2020 by the Board of Directors of the Holding Company.

30 Non - adjusting events after balance sheet date

The Board of Directors of the Parent Company in their meeting held on 13 March 2020 proposed final cash dividend for the year ended 31 December 2019 @ 15% i.e. Rs. 1.5/- per share which has been approved by the members in the Annual General Meeting held on 22 May 2020. This consolidated condensed interim financial information for the quarter ended 31 March 2020 does not include the effect of this appropriation which will be accounted for in the consolidated condensed interim financial information for the half year ending 30 June 2020.


The Group follows the development of the Covid-19 corona virus and evaluates the extent to which this may affect the Group's operations in the short and long term. With the high levels of uncertainty surrounding the situation and potential additional initiatives by authorities and customers, it is very difficult to predict the full financial impact that the situation may have on the Group.


31 General

31.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

31.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.


Chairman


Director


Director


Chief Financial
Officer


Managing Director & Chief
Executive Officer



WINDOW TAKAFUL OPERATIONS

Condensed Interim
Financial Information
for the Quarter Ended
31 March 2020
(Unaudited)



Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Financial position (Unaudited)
As at 31 March 2020

	Note	Operator's Fund		Participants' Takaful Fund	
		31 March 2020	31 December 2019	31 March 2020	31 December 2019
		Rupees in thousand		Rupees in thousand	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS					
Qard-e-Hasna to Participants' Takaful Fund		146,460	146,460	-	-
Property and equipment	8	17,949	17,733	-	-
Intangible assets	9	17,369	17,650	-	-
Investments					
Equity Securities	10	33,922	32,958	-	-
Debt Securities	11	-	-	125,000	125,000
Loans and other receivables	12	6,377	6,731	21,407	21,655
Takaful / re-takaful receivables	13	-	-	505,575	261,580
Re-takaful recoveries against outstanding claims		-	-	56,820	88,706
Salvage recoveries accrued		-	-	31,256	13,631
Wakala and mudarib fee receivable		143,031	70,933	-	-
Deferred commission expense	22	35,469	41,931	-	-
Prepayments	14	-	-	96,627	105,379
Cash and Bank	15	107,000	91,895	425,411	434,658
		361,117	279,831	1,262,096	1,050,609
TOTAL ASSETS		507,577	426,291	1,262,096	1,050,609
FUNDS AND LIABILITIES					
Funds attributable to Operator and Participants					
Operator's Fund					
Statutory fund		50,000	50,000	-	-
Reserves		2,040	1,356	-	-
Unappropriated profit		204,417	179,063	-	-
		256,457	230,419	-	-
Waqf / Participants' Takaful Fund					
Ceded money		-	-	500	500
Accumulated deficit / (surplus)		-	-	128,501	80,786
		-	-	129,001	81,286
Qard-e-Hasna from Operator's Fund		-	-	146,460	146,460
Liabilities					
Underwriting provisions					
Outstanding claims including IBNR	21	-	-	253,192	257,810
Unearned contribution reserve	19	-	-	479,666	377,586
Unearned retakaful rebate	20	-	-	15,508	15,979
Contribution deficiency reserve		-	-	30,071	30,071
Retirement benefit obligations		3,878	3,878	-	-
Deferred taxation		1,262	987	-	-
Contribution received in advance		-	-	10,545	13,109
Takaful / re-takaful payables	16	-	-	18,516	38,513
Wakala and mudarib fee payable		-	-	143,031	70,933
Unearned wakala fee	23	185,787	139,979	-	-
Other creditors and accruals	17	52,689	51,028	36,106	18,862
Taxation - provision less payments		7,504	-	-	-
Total Liabilities		251,120	195,872	986,635	822,863
TOTAL FUND AND LIABILITIES		507,577	426,291	1,262,096	1,050,609
Contingencies and commitments					
	18				

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Profit and Loss Account (Unaudited)
For the Quarter Ended 31 March 2020


	Note	Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
		Rupees in thousand	
Participant Takaful Fund- Revenue Account			
Contributions earned		255,840	207,604
Less: Contributions ceded to retakaful		(70,944)	(57,579)
Net Contribution revenue	19	184,896	150,025
Retakaful Rebate Earned	20	12,458	10,301
Net underwriting income		197,354	160,326
Net Takaful claims	21	(148,617)	(114,225)
Contribution deficiency reserve		-	-
		(148,617)	(114,225)
Other Direct expenses		(16,095)	(12,008)
Surplus / (Deficit) before investment income		32,642	34,093
Investment income	25	4,489	1,196
Other Income	26	11,482	6,383
Less: Mudarib's share of investment income		(898)	-
Surplus transferred to accumulated surplus		47,715	41,672
Operator Takaful Fund - Revenue Account			
Wakala Income	23	96,323	73,917
Commission expense	22	(28,468)	(22,495)
General, administrative and management expenses	24	(34,764)	(29,282)
		33,091	22,140
Mudarib's share of PTF investment income		898	-
Direct Expenses		(770)	(953)
Other Income	26	2,557	5,247
Profit before taxation		35,776	26,434
Less: Provision for Taxation		(10,422)	(7,402)
Profit after taxation		25,354	19,032

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the Quarter Ended 31 March 2020

Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
Rupees in thousand	

PARTICIPANT TAKAFUL FUND

Surplus for the period	47,715	41,672
Other comprehensive income for the period	-	-
Total comprehensive income for the period	47,715	41,672

OPERATOR'S TAKAFUL FUND

Profit after taxation	25,354	19,032
Other comprehensive income for the period	-	-
Unrealized gains on available-for-sale investment- Net of tax	684	423
Total comprehensive income for the period	26,038	19,455

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director @
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Changes in Funds (Unaudited)
As at 31 March 2020

Balance as at January 01 2019

Profit for the period 01 Jan 2019 to 31 March 2019

Other comprehensive income for the

period 01 Jan 2019 to 31 March 2019

Total comprehensive income for the period

Balance as at 31 March 2019 - (Unaudited)

Profit for the period 01 April 2019 to 31 December 2019

Other comprehensive income for the

period 01 April 2019 to 31 December 2019

Total comprehensive income for the period

Balance as at 31 December 2019 - (Audited)

Profit for the period 01 Jan 2020 to 31 March 2020

Other comprehensive income for the

period 01 Jan 2020 to 31 March 2020

Total comprehensive income for the period

Balance as at 31 March 2020 - (Unaudited)

	Operator's Fund		
Statutory Fund	Unappropriated Profit	Fair value Reserve	Total
Rupees in thousand			
50,000	102,357	18	152,375
-	19,032	-	19,032
-	-	423	423
-	19,032	423	19,455
50,000	121,389	441	171,830
-	57,674	-	57,674
-	-	915	915
-	57,674	915	58,589
50,000	179,063	1,356	230,419
-	25,354	-	25,354
-	-	684	684
-	25,354	684	26,038
50,000	204,417	2,040	256,457

Balance as at January 01 2019

Surplus for the period 01 Jan 2019 to 31 March 2019

Other comprehensive surplus/ (deficit) for the

period 01 Jan 2019 to 31 March 2019

Total comprehensive surplus for the period

Balance as at 31 March 2019 - (Unaudited)

Surplus for the period 01 April 2019 to 31 December 2019

Other comprehensive surplus/ (deficit) for the

period 01 April 2019 to 31 December 2019

Total comprehensive surplus for the period

Balance as at 31 December 2019 - (Audited)

Surplus for the period 01 Jan 2020 to 31 March 2020

Other comprehensive surplus/ (deficit) for the

period 01 Jan 2020 to 31 March 2020

Total comprehensive surplus for the period

Balance as at 31 March 2020 - (Unaudited)


	Participants' Takaful Fund		
Ceded Money	Accumulated Surplus / (Deficit)	Fair value Reserve	Total
Rupees in thousand			
500	(28,849)	-	(28,349)
-	41,672	-	41,672
-	-	-	-
-	41,672	-	41,672
500	12,823	-	13,323
-	67,963	-	67,963
-	-	-	-
-	67,963	-	67,963
500	80,786	-	81,286
-	47,715	-	47,715
-	-	-	-
-	47,715	-	47,715
500	128,501	-	129,001

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Cash Flow Statement (Unaudited)
For the Quarter Ended 31 March 2020

Operating cash flows

(a) Takaful activities

Contributions received
Wakala fee received / (paid)
Retakaful / co-takaful paid
Claims paid
Retakaful and other recoveries received
Commissions paid
Retakaful rebate received
Management expenses paid
Other underwriting payments
Net cash inflows / (outflows) from takaful activities

Operator's Fund		Participants' Takaful Fund	
Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended
31 March 2020	31 March 2019	31 March 2020	31 March 2019
Rupees in thousand		Rupees in thousand	

-	-	301,207	311,116
70,932	87,025	(70,931)	(87,025)
-	-	(101,901)	(22,366)
-	-	(184,554)	(134,555)
-	-	13,591	-
(19,764)	(27,441)	-	-
-	-	11,987	11,593
(36,796)	(31,448)	-	-
-	-	(7,525)	(10,161)
14,372	28,136	(38,126)	68,602

(b) Other operating activities

Income tax paid
Other receipts
Other operating Payments - net
Net cash inflows / (outflows) from other operating activities

(491)	(525)	-	-
-	-	14,249	-
-	-	-	(7,007)
(491)	(525)	14,249	(7,007)
13,881	27,611	(23,877)	61,595

Total cash inflows / (outflows) from operating activities

(c) Investment activities

Profit received on bank deposits and investments
Payment for investments
Fixed capital expenditures

3,106	5,201	14,630	7,661
-	-	-	(50,000)
(1,882)	(699)	-	-
1,224	4,502	14,630	(42,339)

Total cash inflows / (outflows) from investing activities

(d) Financing activities

Contribution to Operator's fund
Ceded money

-	-	-	-
-	-	-	-
-	-	-	-

Total cash inflows from financing activities

Net Cash inflows / (outflows) from all activities

15,105	32,113	(9,247)	19,256
91,895	102,039	434,658	432,489
107,000	134,152	425,411	451,745

Cash and cash equivalent at the end of the period

Reconciliation to profit and loss account

Operating cash flows
Depreciation expense
Amortization expense
Increase in assets other than cash
Decrease / (Increase) in liabilities other than cash
Investment income
Other Income

13,881	27,611	(23,877)	61,595
(646)	(1,641)	-	-
(1,301)	-	-	-
65,831	4,883	221,958	85,507
(54,968)	(17,068)	(166,337)	(113,009)
-	-	4,489	-
2,557	5,247	11,482	7,579
25,354	19,032	47,715	41,672

Net profit / Surplus for the period

Definition of cash

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

Attributed to


Surplus in participants' equity
Profit before tax


Operator's Fund		Participants' Takaful Fund	
Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended
31 March 2020	31 March 2019	31 March 2020	31 March 2019
Rupees in thousand		Rupees in thousand	
-	-	47,715	41,672
25,354	19,032	-	-
25,354	19,032	47,715	41,672

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Window Takaful Operations

Notes to the Condensed Interim Financial Information (Unaudited)

For the Quarter Ended 31 March 2020

1 Legal status and nature of business

Adamjee Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Operator is listed on Pakistan Stock Exchange and is engaged in general takaful business comprising fire & property, marine, motor, accident and health and miscellaneous. The registered office of the Operator is situated at Adamjee House, 80/A, Block E-1, Main Boulevard, Gulberg-III, Lahore.

The Operator was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("WTO") in respect of general takaful products by the Securities and Exchange Commission of Pakistan ("SECP").

For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on 01 January, 2016 under the Waqf deed with a ceded money of Rs.500,000. The Waqf deed govern the relationship of Operator and Participants for management of Takaful operations.

2 Basis of preparation and statement of compliance

This condensed interim financial information for the three months period ended 31 March 2020 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, General Takaful Accounting Regulations 2019 and the Takaful Rules, 2012. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, General Takaful Accounting Regulations 2019 and the Takaful Rules, 2012 shall prevail.

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator for the year ended 31 December 2019. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2019, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in funds and interim cash flow statement and related notes are extracted from condensed interim financial information of the Operator for the three months period ended 31 March 2019.

The condensed interim financial information reflect the financial position and result of operations of both Operator's Fund ('OPF') and PTF in a manner that the assets, liabilities, income and expenses of the OPF and PTF remain separately identifiable.

This condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

This condensed interim financial information is presented in Pakistan Rupees which is the Operator's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

3 Changes in accounting policies

The Operator manages the general takaful operations for the participants and charges 28 % (2019: 28 %) for Fire and Property, 35 % (2019: 35 %) for Marine, Aviation and Transport, 32.5 % (2019: 27.5 %) for Motor, 25 % (2019: 25%) for Health and 25 % (2019: 25 %) for Miscellaneous, of gross contribution written including administrative surcharge as wakala fee against the services.

4 Basis of measurement

This condensed interim financial information has been prepared under historical cost convention except certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statement.

5 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2019.

The Operator has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2020, as mentioned in the financial statement for the year ended 31 December 2019. Furthermore, the Company has adopted the temporary exemption which allows the Company to defer the application of both IFRS 9 and IFRS 17 until 31 December, 2021.

There is no significant impact of such changes on this condensed interim financial information of the Operator.

6 Use of estimates and judgments

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Operator's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Operator for the year ended 31 December 2019.

7 Takaful and 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 31 December 2019.

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Quarter Ended 31 March 2020

		Note	Operator's Fund	
			31 March 2020	31 December 2019
			Rupees in thousand	
			(Unaudited)	(Audited)
8	Property and equipment			
	Opening balance- net book value		16,433	12,506
	Addition during the period	8.1	162	7,219
	Book value of disposal during the period		-	(841)
	Depreciation charged during the period		(646)	(2,451)
			(646)	(3,292)
	Closing balance - net book value		15,949	16,433
	Capital work-in-progress	8.2	2,000	1,300
			17,949	17,733
8.1	Additions during the period			
	Furniture and fixture		-	534
	Motor vehicles		-	6,292
	Office equipment		-	260
	Computer and related accessories		162	133
			162	7,219
8.2	Capital work in progress			
	As at 01 January		1,300	3,679
	Additions during the year		700	750
	Transfer to Property and Equipment		-	(2,379)
	Transfer to intangibles		-	(750)
	As at 31 December		2,000	1,300
This represent amount advanced to Analytics (Private) Limited. for development of Web portal for Takaful Operations.				
9	Intangible assets			
	Opening balance- net book value		17,650	20,633
	Transfer from Capital work-in-progress		-	750
	Addition during the period		1,020	2,250
	Less:			
	Book value of disposal during the period		-	-
	Amortization charged during the period		(1,301)	(5,983)
			(1,301)	(5,983)
			17,369	17,650
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			Operator's Fund	
			31 March 2020	
			31 December 2019	
			Rupees in thousand	
			(Unaudited)	
			(Audited)	
			Operator's Fund	
			Operator's Fund	
			31 March 2020	
			31 December 2019	
			Rupees in thousand	
			(Unaudited)	
			(Audited)	
			Operator's Fund	
			Operator's Fund	
			31 March 2020	
			31 December 2019	
			Rupees in thousand	
			(Unaudited)	
			(Audited)	
			Operator's Fund	
			Operator's Fund	
			31 March 2020	
			31 December 2019	
			Rupees in thousand	
			(Unaudited)	
			(Audited)	
			Operator's Fund	
			Operator's Fund	
			31 March 2020	
			31 December 2019	
			Rupees in thousand	

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Quarter Ended 31 March 2020

14 Prepayments

Prepaid retakaful contribution ceded
Prepaid monitoring charges (Tracking device)

15 Cash and Bank

Cash and cash equivalents:
Policy stamps in hand
Current and other accounts:
Profit or loss accounts

15.1

15.1 Saving accounts carry expected profit rates ranging from 5% to 11% (2019: 5% to 11%)

16 Takaful / retakaful payables

Due to takaful contract holders
Due to other takaful / retakaful operators

17 Other Creditors and Accruals

Agents Commission payable
Federal excise duty
Federal insurance fee
Sales tax Payables
Income tax deducted at source
Accrued expenses
Others

18 Contingencies and commitments

There has been no significant change in the contingencies and commitments since the date of preceding published annual financial statements.

19 Net contribution revenue

Gross contribution written
Less: Wakala fee
Contribution net of wakala fee
Opening: Unearned contribution revenue
Closing: Unearned contribution revenue
Contribution earned
Re-takaful contribution ceded
Add: Prepaid re-takaful contribution ceded opening
Less: Prepaid re-takaful contribution ceded closing
Re-takaful expense
Net contribution

Operator's Fund		Participants' Takaful Fund	
31 March 2020	31 December 2019	31 March 2020	31 December 2019
Rupees in thousand		Rupees in thousand	
(Unaudited)	(Audited)	(Unaudited)	(Audited)
-	-	76,920	81,686
-	-	19,707	23,693
-	-	96,627	105,379

Operator's Fund		Participants' Takaful Fund	
31 March 2020	31 December 2019	31 March 2020	31 December 2019
Rupees in thousand		Rupees in thousand	
(Unaudited)	(Audited)	(Unaudited)	(Audited)
150	-	-	68
106,850	91,895	425,411	434,590
107,000	91,895	425,411	434,658

Participants' Takaful Fund	
31 March 2020	31 December 2019
Rupees in thousand	
(Unaudited)	(Audited)
3,252	3,311
15,264	35,202
18,516	38,513

Operator's Fund		Participants' Takaful Fund	
31 March 2020	31 December 2019	31 March 2020	31 December 2019
Rupees in thousand		Rupees in thousand	
(Unaudited)	(Audited)	(Unaudited)	(Audited)
29,054	26,812	-	-
-	-	7,179	-
-	-	5,043	2,570
943	937	-	-
5,334	5,427	14,363	11,355
7,882	7,186	-	-
9,476	10,666	9,521	4,937
52,689	51,028	36,106	18,862

Participants' Takaful Fund	
Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
Rupees in thousand	
(Unaudited)	(Unaudited)
500,052	329,529
(142,132)	(89,933)
357,920	239,596
377,586	365,389
(479,666)	(397,381)
255,840	207,604
66,179	68,349
81,686	64,494
(76,921)	(75,264)
70,944	57,579
184,896	150,025

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Quarter Ended 31 March 2020

20 Re-takaful rebate

Re-takaful rebate received
Add: Unearned re-takaful rebate opening
Less: Unearned re-takaful rebate closing
Net re-takaful rebate

Participants' Takaful Fund	
Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
Rupees in thousand	
(Unaudited)	(Unaudited)
11,987	11,593
15,979	12,735
(15,508)	(14,027)
12,458	10,301

21 Net Takaful Claims

Claims Paid
Add: Outstanding claims including IBNR closing
Less: Outstanding claims including IBNR opening
Claim expense

Less: Re-takaful and other recoveries received
Add: Re-takaful and other recoveries in respect of
outstanding claims net of impairment (if any) closing
Less: Re-takaful and other recoveries in respect of
outstanding claims net of impairment opening
Re-takaful and other recoveries revenue
Net claim expense

Participants' Takaful Fund	
Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
Rupees in thousand	
(Unaudited)	(Unaudited)
184,554	134,555
253,192	229,570
(257,810)	(220,606)
179,936	143,519
45,579	15,432
88,076	76,396
(102,336)	(62,534)
31,319	29,294
148,617	114,225

22 Commission Expense

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

Operator's Fund	
Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
Rupees in thousand	
(Unaudited)	(Unaudited)
22,006	23,371
41,931	39,148
(35,469)	(40,024)
28,468	22,495

23 Wakala Fee

Gross Wakala fee
Add: Unearned Wakala fee Opening
Less: Unearned Wakala fee Closing
Net wakala fee

Quarter Ended 31 March 2020	Quarter Ended 31 March 2019
Rupees in thousand	
(Unaudited)	(Unaudited)
142,132	89,933
139,978	134,721
(185,787)	(150,737)
96,323	73,917

	Note	Operator's Fund	
		Quarter Ended 31	Quarter Ended 31
		March 2020	March 2019
		Rupees in thousand	
		(Unaudited)	(Unaudited)
24 Management Expenses			
Employee benefit cost		21,893	18,070
Depreciation		646	610
Amortization		1,301	1,032
Advertisement and sales promotion		-	1,164
Rent, rates and taxes		634	768
Communication		344	367
Legal and professional charges - business related		-	123
Travelling and conveyance expenses		823	572
Shared expenses		4,866	3,521
Entertainment		495	377
Printing, stationery and postage		186	184
Annual supervision fee SECP		550	371
Bank charges		10	9
Others		3,016	2,114
		34,764	29,282
		Operator's Fund	Participants' Takaful Fund
		Quarter Ended 31	Quarter Ended 31
		March 2020	March 2019
		Rupees in thousand	
		(Unaudited)	(Unaudited)
25 Investment income			
Profit on Sukuks		-	1,196
		-	1,196
		Operator's Fund	Participants' Takaful Fund
		Quarter Ended 31	Quarter Ended 31
		March 2020	March 2019
		Rupees in thousand	
		(Unaudited)	(Unaudited)
26 Other income			
Profit on bank deposits		2,557	6,383
		2,557	6,383
27 Transactions with related parties			
The Operator has related party relationship with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Balances and transactions with related party are disclosed in relevant notes to this financial statements.			
		Quarter Ended 31	Quarter Ended 31
		March 2020	March 2019
		Rupees in thousand	
		(Unaudited)	(Unaudited)
i) Transactions			
Subsidiary Company			
Contribution underwritten		1,522	884
Contribution received		1,635	915
Claims paid		589	-
Other related parties			
Contribution underwritten		65,219	59,153
Contribution received		73,508	68,746
Claims paid		16,047	10,091
Income on bank deposits		5,101	840
ii) Period end balances			
Subsidiary Company			
Balances payable		93	57
Other related parties			
Balances receivable		11,779	16,955
Balances payable		21,672	9,303
Contribution received in advance		301	298
Cash and bank balances		227,389	77,185

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Quarter Ended 31 March 2020

28 Segment Information

Each class of business has been identified as reportable segment. Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirements of the Insurance Ordinance, 2000. The following is a schedule of class of business wise assets and liabilities.

	Participants' Takaful Fund					Total
	Quarter Ended 31 March 2020 (Unaudited)					
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Participants' Takaful Fund						
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	43,322	13,802	226,417	223,647	38,006	545,194
Less : Federal Excise Duty	(5,595)	(1,754)	(27,438)	(884)	(4,901)	(40,572)
Federal Insurance Fee	(373)	(119)	(1,570)	(2,206)	(328)	(4,596)
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	37,354	11,929	197,409	220,557	32,777	500,026
Facultative inward contribution	26	-	-	-	-	26
Gross Contribution Written	37,380	11,929	197,409	220,557	32,777	500,052
Wakala fee	(10,466)	(4,175)	(64,158)	(55,139)	(8,194)	(142,132)
Contribution net of wakala fee	26,914	7,754	133,251	165,418	24,583	357,920
Contribution earned	31,882	8,564	124,173	75,098	16,123	255,840
Takaful contribution ceded to retakaful	(35,393)	(10,201)	(8,682)	-	(16,668)	(70,944)
Net takaful contribution	(3,511)	(1,637)	115,491	75,098	(545)	184,896
Re-takaful rebate	7,011	2,183	-	-	3,264	12,458
Net underwriting income	3,500	546	115,491	75,098	2,719	197,354
Takaful claims	(10,675)	(1,017)	(120,465)	(48,298)	519	(179,936)
Re-takaful and other recoveries	265	814	30,551	-	(311)	31,319
Net claims	(10,410)	(203)	(89,914)	(48,298)	208	(148,617)
Contribution deficiency reserve	-	-	-	-	-	-
Direct expense	(181)	(43)	(14,941)	(787)	(143)	(16,095)
Net takaful claims and expenses	(10,591)	(246)	(104,855)	(49,085)	65	(164,712)
(Deficit) / Surplus before investment income	(7,091)	300	10,636	26,013	2,784	32,642
Other Income	-	-	-	-	-	4,489
Investment income	-	-	-	-	-	11,482
Mudarib Fee	-	-	-	-	-	(898)
Surplus transferred to Balance of PTF	-	-	-	-	-	47,715
Corporate Segment assets	112,217	17,541	243,395	222,992	74,425	670,570
Corporate Unallocated assets	-	-	-	-	-	591,525
Total assets	112,217	17,541	243,395	222,992	74,425	1,262,095
Corporate Segment liabilities	109,131	10,806	462,378	309,628	58,585	950,528
Corporate Unallocated liabilities	-	-	-	-	-	182,566
Total liabilities	109,131	10,806	462,378	309,628	58,585	1,133,094

	Quarter Ended 31 March 2019 (Unaudited)					
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
	Rupees in thousand					
Participants' Takaful Fund						
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	46,561	10,375	255,772	40,806	31,856	385,370
Less : Federal Excise Duty	(6,368)	(1,419)	(34,978)	(5,580)	(4,356)	(52,701)
Federal Insurance Fee	(398)	(89)	(2,186)	(349)	(272)	(3,294)
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	39,795	8,867	218,608	34,877	27,228	329,375
Facultative inward contribution	154	-	-	-	-	154
Gross Contribution Written	39,949	8,867	218,608	34,877	27,228	329,529
Wakala fee	(11,185)	(3,104)	(60,118)	(8,719)	(6,807)	(89,933)
Contribution net of wakala fee	28,764	5,763	158,490	26,158	20,421	239,596
Contribution earned	26,457	6,065	124,157	37,553	13,372	207,604
Retakaful expense	(30,238)	(7,286)	(4,339)	-	(15,716)	(57,579)
Net contribution revenue	(3,781)	(1,221)	119,818	37,553	(2,344)	150,025
Net rebate on re-takaful	5,991	1,544	-	-	2,766	10,301
Net underwriting income	2,210	323	119,818	37,553	422	160,326
Takaful claims	(7,125)	(3,462)	(74,848)	(47,774)	(10,310)	(143,519)
Re-takaful and other recoveries	6,189	2,751	11,126	-	9,228	29,294
Net claims	(936)	(711)	(63,722)	(47,774)	(1,082)	(114,225)
Contribution deficiency reserve	-	-	-	-	-	-
Direct expense	(181)	(20)	(11,670)	(77)	(60)	(12,008)
Net takaful claims and expenses	(1,117)	(731)	(75,392)	(47,851)	(1,142)	(126,233)
Surplus / (Deficit) before investment income	1,093	(408)	44,426	(10,298)	(720)	34,093
Other Income						6,383
Investment income						1,196
Mudarib Fee						-
Surplus transferred to Balance of PTF						41,672
31 December 2019 (Audited)						
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
	Rupees in thousand					
Corporate Segment assets	168,093	14,798	259,075	65,903	77,713	585,582
Corporate Unallocated assets	-	-	-	-	-	605,006
Total assets	168,093	14,798	259,075	65,903	77,713	1,190,588
Corporate Segment liabilities	160,639	12,411	526,003	172,859	72,068	943,980
Corporate Unallocated liabilities	-	-	-	-	-	165,324
Total liabilities	160,639	12,411	526,003	172,859	72,068	1,109,304

	Operator's Fund					Total
	Quarter Ended 31 March 2020 (Unaudited)					
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Operator's Fund						
Wakala fee income	12,398	4,612	48,908	25,032	5,373	96,323
Less : Commission expense	(6,676)	(1,895)	(14,520)	(2,859)	(2,518)	(28,468)
Management expenses	(8,153)	(2,314)	(17,731)	(3,491)	(3,075)	(34,764)
	(2,431)	403	16,657	18,682	(220)	33,091
Mudarib's share of PTF investment income						898
Investment income						-
Direct Expenses						(770)
Other Income						2,557
Profit before tax						35,776
Corporate Segment assets	20,287	3,467	74,965	66,456	13,324	178,500
Corporate Unallocated assets	-	-	-	-	-	329,077
Total assets	20,287	3,467	74,965	66,456	13,324	507,577
Corporate Segment liabilities	17,952	183	106,329	52,292	9,031	185,787
Corporate Unallocated liabilities	-	-	-	-	-	65,333
Total liabilities	17,952	183	106,329	52,292	9,031	251,120
	Quarter Ended 31 March 2019 (Unaudited)					Total
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
	Operator's Fund					
Wakala fee income	10,289	3,267	43,423	12,517	4,421	73,917
Less : Commission expense	(4,866)	(1,443)	(12,141)	(2,599)	(1,446)	(22,495)
Management expenses	(6,334)	(1,879)	(15,803)	(3,383)	(1,883)	(29,282)
	(911)	(55)	15,479	6,535	1,092	22,140
Mudarib's share of PTF investment income						-
Investment income						-
Direct Expenses						(953)
Other Income						5,247
Profit before tax						26,434
	31 December 2019 (Audited)					Total
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
	Corporate Segment assets					
Corporate Segment assets	21,854	2,216	63,741	16,738	8,315	112,864
Corporate Unallocated assets	-	-	-	-	-	313,427
Total assets	21,854	2,216	63,741	16,738	8,315	426,291
Corporate Segment liabilities	19,884	620	91,079	22,185	6,211	139,979
Corporate Unallocated liabilities	-	-	-	-	-	55,893
Total liabilities	19,884	620	91,079	22,185	6,211	195,872

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Quarter Ended 31 March 2020

29 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

		Participants' Takaful Fund								
		31 March 2020 (Unaudited)								
		Carrying amount				Fair value				
		Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand								
Financial assets not measured at fair value										
Investments - Debt Securities	11	125,000	-	-	-	125,000	-	-	-	-
Loan and other receivables	12	-	21,407	-	-	21,407	-	-	-	-
Takaful / re-takaful receivables	13	-	505,575	-	-	505,575	-	-	-	-
Retakaful recoveries against outstanding claims		-	56,820	-	-	56,820	-	-	-	-
Salvage recoveries accrued		-	31,256	-	-	31,256	-	-	-	-
Cash and bank deposits	15	-	-	425,411	-	425,411	-	-	-	-
		<u>125,000</u>	<u>615,058</u>	<u>425,411</u>	<u>-</u>	<u>1,165,469</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value										
Outstanding claims including IBNR	21	-	-	-	253,192	253,192	-	-	-	-
Takaful / retakaful payables		-	-	-	18,516	18,516	-	-	-	-
Wakala and mudarib fee payable		-	-	-	143,031	143,031	-	-	-	-
Other creditors and accruals	17	-	-	-	9,521	9,521	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>424,260</u>	<u>424,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

		Participants' Takaful Fund									
		31 December 2019 (Audited)									
		Carrying amount				Fair value					
		Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Note		Rupees in thousand									
Financial assets not measured at fair value											
	Investments - Debt Securities	11	125,000	-	-	-	125,000	-	-	-	-
	Loan and other receivables	12	-	21,655	-	-	21,655	-	-	-	-
	Takaful / re-takaful receivables	13	-	261,580	-	-	261,580	-	-	-	-
	Retakaful recoveries against outstanding claims		-	88,706	-	-	88,706	-	-	-	-
	Salvage recoveries accrued		-	13,631	-	-	13,631	-	-	-	-
	Cash and bank deposits	15	-	-	434,658	-	434,658	-	-	-	-
			-	-	-	-	-	-	-	-	-
			<u>125,000</u>	<u>385,572</u>	<u>434,658</u>	<u>-</u>	<u>945,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value											
	Outstanding claims including IBNR	21	-	-	-	257,810	257,810	-	-	-	-
	Takaful / retakaful payables		-	-	-	38,513	38,513	-	-	-	-
	Wakala and mudarib fee payable		-	-	-	70,933	70,933	-	-	-	-
	Other creditors and accruals	17	-	-	-	4,937	4,937	-	-	-	-
			-	-	-	372,193	372,193	-	-	-	-

		Operator's Takaful Fund							
		31 March 2020 (Unaudited)							
Note	Carrying amount					Fair value			
	Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees in thousand									
Financial assets measured at fair value									
Investments - Equity Securities	10	33,922	-	-	-	33,922	-	-	33,922
Financial assets not measured at fair value									
Loan and other receivables	12	-	1,954	-	-	1,954	-	-	-
Wakala and mudarib fee receivable		-	143,031	-	-	143,031	-	-	-
Cash and bank deposits	15	-	-	107,000	-	107,000	-	-	-
		<u>33,922</u>	<u>144,985</u>	<u>107,000</u>	<u>-</u>	<u>285,907</u>	<u>33,922</u>	<u>-</u>	<u>33,922</u>
Financial liabilities not measured at fair value									
Other creditors and accruals	17	-	-	-	46,412	46,412	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>46,412</u>	<u>46,412</u>	<u>-</u>	<u>-</u>	<u>-</u>
		Operator's Takaful Fund							
		31 December 2019 (Audited)							
Note	Carrying amount					Fair value			
	Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees in thousand									
Financial assets measured at fair value									
Investments - Equity Securities	10	32,958	-	-	-	32,958	-	-	32,958
Financial assets not measured at fair value									
Loan and other receivables	12	-	3,211	-	-	3,211	-	-	-
Wakala and mudarib fee receivable		-	70,933	-	-	70,933	-	-	-
Cash and bank deposits	15	-	-	91,895	-	91,895	-	-	-
		<u>32,958</u>	<u>74,144</u>	<u>91,895</u>	<u>-</u>	<u>198,997</u>	<u>32,958</u>	<u>-</u>	<u>32,958</u>
Financial liabilities not measured at fair value									
Other creditors and accruals	17	-	-	-	44,664	44,664	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>44,664</u>	<u>44,664</u>	<u>-</u>	<u>-</u>	<u>-</u>

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Quarter Ended 31 March 2020

	31 March 2020	31 December 2019
	Rupees in thousand	
	(Unaudited)	(Audited)
30 Movement in Investment - Available for sale		
Opening balance	32,958	29,930
Additions	-	1,144
Disposals (sales and redemptions)	-	-
Fair value on gains (excluding net realized gain)	964	1,884
Closing balance	33,922	32,958

31 Subsequent events - non adjusting event

There are no significant events that need to be disclosed for the period ended 31 March 2020.

32 Date of authorization for issue

This condensed financial information was authorized for issue on 22 May 2020 by the Board of Directors of the Operator.

33 General

33.1 Corresponding figures have been rearranged and reclassified for better presentation, where considered necessary.

33.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer