

A full-page background image of a rock climber in a red shirt and black pants, wearing a yellow helmet, rappelling down a steep, craggy rock face. The climber is holding a yellow rope and a black rope. The sky is blue with some clouds, and the rock face is brown and grey.

IGI

Holdings

IGI Holdings Limited

Forging Ahead

**Nine Months Ended
September 30, 2020**

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Company Information

Board of Directors

Syed Babar Ali (Chairman)
Mr. Shamim Ahmad Khan
Syed Yawar Ali
Syed Shahid Ali
Syed Hyder Ali
Ms. Faryal Jooma
Ms. Faryal Sadiq

Chief Executive Officer

Mr. Tahir Masaud

Chief Financial Officer

Syed Awais Amjad

Company Secretary (Acting)

Syed Muhammad Taha Naqvi

Audit Committee

Ms. Faryal Jooma (Chairperson)
Mr. Shamim Ahmad Khan
Syed Yawar Ali
Syed Hyder Ali
Syed Muhammad Taha Naqvi (Acting Secretary)

Human Resources & Remuneration Committee

Ms. Faryal Jooma (Chairperson)
Syed Yawar Ali
Syed Shahid Ali
Syed Hyder Ali
Mr. Tahir Masaud
Mr. Muhammad Adnan (Secretary)

Bankers

Allied Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
State Bank of Pakistan
United Bank Limited

Auditors

A.F. Ferguson & Co.
Chartered Accountants

Legal Advisors

Hassan & Hassan Advocates
Access World Law Company
Chaudhary Abdul Rauf & Co.
S. & B. Durrani Law Advocates
Haidermota & Co.
Jurists & Arbitrators Advocates & Consultants
Lexicon Law Firm
Mohsin Tayebaly & Co.
Mughees Law Associates
Orr, Dignam & Co.
Fazleghani Advocates
SMGD Law Associates
Ijaz Ahmed & Associates

Share Registrar

FAMCO Associates (Pvt.) Limited
8-F, Next to Hotel Faran,
Nursery, Block-6, P.E.C.H.S
Shahrah-e-Faisal, Karachi.

Registered & Head Office

7th Floor, The Forum,
Suite Nos.701-713,
G-20, Block 9,
Khayaban-e-Jami, Clifton,
Karachi-75600, Pakistan
www.igi.com.pk/holdings

Contact

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Directors' Report to the Shareholders on Unconsolidated Condensed interim financial statements

The Directors of your Company take pleasure in presenting report for the nine months' period ended September 30, 2020 together with the unconsolidated condensed interim financial statements (un-audited).

Company performance review

---- Rupees in thousands ---

	Nine months' period ended September 30, 2020	Nine months' period ended September 30, 2019
Dividend income	780,000	997,950
Profit before taxation	588,178	802,497
Taxation	(2,586)	27,492
Profit after taxation	585,592	829,989
Earnings per share (in rupees)	4.11	5.82

The Company has earned Dividend income of Rs 780 million during the period against Rs. 998 million and profit after tax of Rs 586 million compared to profit after tax of Rs 830 million during corresponding period of 2019.

Earnings per share for the period stood at Rs 4.11 compared to Rs 5.82 for corresponding period of 2019. The decline in profit is attributable to decline in dividend income from subsidiaries i.e. IGI General Insurance Limited and IGI Investments (Pvt.) Limited.

IGI Holdings is operating as a holding company and its performance is determined by the financial performance of its subsidiaries, which in turn, would be influenced by the general economic environment and performance of the investee companies.

We value the support and patronage received from our business partners and all stakeholders.

For and on behalf of the Board



Shamim Ahmad Khan
Director

Lahore: October 28, 2020



Tahir Masaud
Chief Executive Officer

Unconsolidated
Condensed Interim
Financial Statements
for the Nine Months Ended
September 30, 2020

Unconsolidated Condensed Interim Statement of Financial Position (Un-audited) as at September 30, 2020

	Note	(Un-audited) September 30, 2020	(Audited) December 31, 2019
----- Rupees in 000 -----			
ASSETS			
Non-current assets			
Fixed assets	6	1,171	1,384
Investments	7	15,745,612	15,744,638
Long-term deposits		1,768	1,738
Deferred tax asset		43,910	43,958
		15,792,461	15,791,718
Current assets			
Loans and advances		7,400	7,400
Deposits and prepayments		7,625	6,832
Other receivables	8	219,485	219,485
Taxation recoverable		52,482	54,972
Cash and bank balances		29,732	11,363
		316,724	300,052
Total assets		16,109,185	16,091,770
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
200,000,000 (December 31, 2019: 200,000,000)			
ordinary shares of Rs. 10 each		2,000,000	2,000,000
Issued, subscribed and paid up share capital		1,426,305	1,426,305
Reserves		7,764,863	7,764,863
Unappropriated profit		4,751,971	4,594,271
Deficit on remeasurement of financial assets at fair value through other comprehensive income - net		(10,459)	(11,433)
Total equity		13,932,680	13,774,006
Non-current liabilities			
Long term loans - secured	9	450,000	600,000
Current liabilities			
Current portion of long term loan - secured	9	300,000	300,000
Short term loan		1,136,029	1,121,163
Unclaimed dividend		29,108	28,464
Trade and other payables	10	261,368	268,137
		1,726,505	1,717,764
Total liabilities		2,176,505	2,317,764
TOTAL EQUITY AND LIABILITIES		16,109,185	16,091,770
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited) for the Nine Months and Quarter Ended September 30, 2020

		Nine months ended September 30		Quarter ended September 30	
	Note	2020	2019	2020	2019
----- Rupees in 000 -----					
Dividend income	12	780,000	997,950	190,000	200,497
Other income		424	1,826	126	532
Total income		<u>780,424</u>	<u>999,776</u>	<u>190,126</u>	<u>201,029</u>
General and administrative expenses		(46,851)	(63,601)	(15,596)	(23,939)
Finance costs		(156,752)	(141,378)	(37,780)	(62,761)
		(203,603)	(204,979)	(53,376)	(86,700)
		<u>576,821</u>	<u>794,797</u>	<u>136,750</u>	<u>114,329</u>
Reversal of provision for bad and doubtful loans and advances / lease losses		11,357	7,700	804	700
Profit before taxation		<u>588,178</u>	<u>802,497</u>	<u>137,554</u>	<u>115,029</u>
Taxation					
- Current		(2,538)	(2,193)	(706)	(816)
- Deferred		(48)	29,685	-	-
		(2,586)	27,492	(706)	(816)
Profit after taxation		<u><u>585,592</u></u>	<u><u>829,989</u></u>	<u><u>136,848</u></u>	<u><u>114,213</u></u>
----- Rupees -----					
Earnings per share - basic and diluted	15	4.11	5.82	0.96	0.80

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

**Unconsolidated Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
for the Nine Months and Quarter Ended September 30, 2020**

	Nine months ended September 30		Quarter ended September 30	
	2020	2019	2020	2019
Profit after taxation	585,592	829,989	136,848	114,213
Other comprehensive income / (loss) for the period	974	(3,234)	365	(244)
Total comprehensive income for the period	<u>586,566</u>	<u>826,755</u>	<u>137,213</u>	<u>113,969</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited) for the Nine Months Ended September 30, 2020

Issued, subscribed and paid-up share capital	Capital reserves			Revenue reserves		Total
	Premium on issue of shares	Other capital reserves	Net deficit on remeasurement of financial assets at fair value through other comprehensive income	General reserve	Unappropriated profit	

(Rupees in 000)

Balance as at January 1, 2019 (audited)	1,426,305	434,051	33,267	-	7,297,545	4,114,637	13,305,805
Effect of change in accounting policy - net of tax	-	-	-	(10,797)	-	10,797	-
Profit after taxation for the nine months ended September 30, 2019	-	-	-	-	-	829,989	829,989
Other comprehensive loss for the period	-	-	-	(3,234)	-	-	(3,234)
Total comprehensive income for the nine months ended September 30, 2019	-	-	-	(3,234)	-	829,989	826,755
Transactions with owners directly recorded in equity							
Final dividend for the year ended December 31, 2018 - Rs. 3 per share approved on April 26, 2019	-	-	-	-	-	(427,892)	(427,892)
	-	-	-	-	-	(427,892)	(427,892)
Balance as at September 30, 2019 (un-audited)	1,426,305	434,051	33,267	(14,031)	7,297,545	4,527,531	13,704,668
Profit after taxation for the three months ended December 31, 2019	-	-	-	-	-	66,740	66,740
Other comprehensive income for the three months ended December 31, 2019	-	-	-	2,598	-	-	2,598
Total comprehensive income for the three months ended December 31, 2019	-	-	-	2,598	-	66,740	69,338
Balance as at December 31, 2019 (audited)	1,426,305	434,051	33,267	(11,433)	7,297,545	4,594,271	13,774,006
Profit after taxation for the nine months ended September 30, 2020	-	-	-	-	-	585,592	585,592
Other comprehensive income for the nine months ended September 30, 2020	-	-	-	974	-	-	974
Total comprehensive income for the nine months ended September 30, 2020	-	-	-	974	-	585,592	586,566
Transactions with owners directly recorded in equity							
Final dividend for the year ended December 31, 2019 - Rs. 3 per share approved on May 21, 2020	-	-	-	-	-	(427,892)	(427,892)
	-	-	-	-	-	(427,892)	(427,892)
Balance as at September 30, 2020 (un-audited)	1,426,305	434,051	33,267	(10,459)	7,297,545	4,751,971	13,932,680

The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited) for the Nine Months Ended September 30, 2020

Note	Nine months ended	
	September 30, 2020	September 30, 2019
	----- Rupees in 000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	588,178	802,497
Adjustments for :		
Depreciation	232	430
Finance cost	156,752	141,378
Gain on disposal of fixed assets	-	(291)
Reversal of provision for bad and doubtful loans and advances / lease losses - specific - net	(11,357)	(7,700)
Return on bank balances	(424)	(1,535)
Dividend income	(780,000)	(997,950)
	<u>(634,797)</u>	<u>(865,668)</u>
	(46,619)	(63,171)
Changes in working capital		
Decrease / (increase) in current assets		
Deposits, payments and other receivables	(793)	(1,070)
long term deposits	(30)	2,725
(Decrease) / increase in current liabilities		
Trade and other payables	4,207	14,898
	<u>3,384</u>	<u>16,553</u>
	(43,235)	(46,618)
Net recovery from loans and advances	11,357	7,700
Tax paid	(48)	(2,332)
Net cash used in operating activities	<u>(31,926)</u>	<u>(41,250)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(19)	-
Proceeds on sale of fixed assets	-	372
Purchase of Investments	-	(832,023)
Dividend received	780,000	997,950
Profit / return received	424	1,535
Net cash generated from investing activities	<u>780,405</u>	<u>167,834</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(427,248)	(431,558)
Long term loan repayment	(150,000)	(150,000)
Financial charges paid	(167,728)	(93,170)
Net cash used in financing activities	<u>(744,976)</u>	<u>(674,728)</u>
Net (decrease) / increase in cash and cash equivalents	<u>3,503</u>	<u>(548,144)</u>
Cash and cash equivalents at beginning of the period	(1,109,800)	(402,633)
Cash and cash equivalents at end of the period	<u><u>(1,106,297)</u></u>	<u><u>(950,777)</u></u>

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The annexed notes from 1 to 19 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements

1 STATUS AND NATURE OF BUSINESS

- 1.1 IGI Holdings Limited ("the Company"), a Packages Group Company, was incorporated as a public limited company in 1953 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 7th floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The objects of the Company include to act as an investment holding company and for that purpose invest, acquire, sell and hold the securities and financial instruments subject to compliance by relevant laws prevailing in Pakistan from time to time.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2019.

- 2.3 These condensed interim unconsolidated financial statements are unaudited and are being submitted to shareholders in accordance with the Pakistan Stock Exchange Limited Regulations and section 237 of the Companies Act, 2017.

2.4 Accounting Convention

These condensed interim unconsolidated financial statements of the Company have been prepared under the historical cost convention, except that certain investments have been marked to market and are carried at fair value.

- 2.5 **Standards, interpretations and amendments to published accounting and reporting standards that are effective in current period:**

There are certain new standards and interpretations that are mandatory for the Company's accounting year beginning on or after January 1, 2020 but are not considered to be relevant or do not have any significant effect on the Company's operations and, therefore, have not been detailed in these condensed interim unconsolidated financial statements.

- 2.6 **Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:**

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim unconsolidated financial statements in conformity with the accounting and reporting standards applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim unconsolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended December 31, 2019.

5 FINANCIAL RISK MANAGEMENT

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

	Note	(Un-audited) September 30, 2020	(Audited) December 31, 2019
		----- Rupees in 000 -----	
6	FIXED ASSETS		
	Furniture, fixtures and office equipment	25	29
	Leasehold improvements	91	191
	Motor vehicles- owned	1,055	1,164
	6.1	<u>1,171</u>	<u>1,384</u>

6.1 Movement in fixed assets

Opening written down value	1,384	2,044
Add:		
Additions during the period / year	19	-
	<u>1,403</u>	<u>2,044</u>
Less :		
Net book value of assets disposed of / transferred during the period / year	-	87
Depreciation for the period / year	232	573
	<u>232</u>	<u>660</u>
Closing written down value	<u>1,171</u>	<u>1,384</u>

7 INVESTMENTS

- Investments in subsidiaries	7.1	15,736,333	15,736,333
- Investments at fair value through other comprehensive income	7.2	<u>9,279</u>	<u>8,305</u>
		<u>15,745,612</u>	<u>15,744,638</u>

7.1 Investments in subsidiaries

	-----Un-audited-----				-----Audited-----			
	September 30, 2020				December 31, 2019			
	Number of shares	Cost	Impairment / provision (note 7.1.1)	Carrying amount	Number of shares	Cost	Impairment / provision (note 7.1.1)	Carrying amount
	-----Rupees in 000-----				-----Rupees in 000-----			
Quoted								
IGI Life Insurance Limited (note 7.1.2)	141,048,278	1,690,854	-	1,690,854	141,048,278	1,690,854	-	1,690,854
Unquoted								
IGI Finex Securities Limited (note 7.1.3)	52,000,000	441,883	(196,883)	245,000	52,000,000	441,883	(196,883)	245,000
IGI General Insurance Limited (note 7.1.4)	191,838,400	1,918,384	-	1,918,384	191,838,400	1,918,384	-	1,918,384
IGI Investments (Pvt.) Limited (note 7.1.5)	118,820,950	11,882,095	-	11,882,095	118,820,950	11,882,095	-	11,882,095
Total		15,933,216	(196,883)	15,736,333		15,933,216	(196,883)	15,736,333

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements

	(Un-audited) September 30, 2020	(Audited) December 31, 2019
	----- Rupees in 000 -----	
7.1.1 Movement in provision		
Opening balance	196,883	289,603
Charge / (reversal) for the period / year	-	(92,720)
Closing balance	<u>196,883</u>	<u>196,883</u>

7.1.2 This represents 82.694% (December 31, 2019: 82.694%) holding in IGI Life Insurance Limited having market value as at September 30, 2020 of Rs 44.73 (December 31, 2019: Rs 26.98) per share.

During the years ended December 31, 2016 and December 31, 2017, the Company received 8,607,205 and 8,252,424 shares respectively as a result of a bonus issue made by IGI Life Insurance Limited. Out of these 1,274,743 shares were withheld by IGI Life Insurance Limited as issuance of bonus shares has been made taxable through the Finance Act, 2014.

The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 (the Ordinance). As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. In accordance with the requirements of the Ordinance these shares shall only be released if the Company deposits tax equivalent to 5% of the value of the bonus shares issued. The value of tax is computed on the basis of day-end price on the first day of book closure. In this regard, a suit was filed by the Company in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by the Company and a stay order was granted by the High Court of Sindh in favour of the Company.

During the year ended December 31, 2019, the above suit was dismissed by the single bench of the Honorable High Court of Sindh on account of decisions made by the single bench in similar cases earlier and vacated the stay order earlier granted by the Court.

The Company filed an appeal on June 27, 2019 before divisional bench of the Honorable High Court of Sindh against the above judgment issued by the single bench and has also obtained a stay order against initiation of any recovery proceedings on the basis of judgment made by the single bench of the Honorable High Court of Sindh.

The Company has included these shares in its portfolio, as the management believes that the decision of the divisional bench will be in favour of the Company.

7.1.3 This represents 100% (December 31, 2019: 100%) holding in IGI Finex Securities Limited. The break - up value of these shares on the basis of latest available audited financial statements for the year ended December 31, 2019 was Rs 5.38 per share.

7.1.4 This represents 100% (December 31, 2019: 100%) holding in IGI General Insurance Limited having break - up value of Rs 13.09 (December 31, 2019: Rs 12.83) per share on the basis of unaudited condensed interim unconsolidated financial statements for the nine months ended September 30, 2020.

7.1.5 This represents 100% (December 31, 2019: 100%) holding in IGI Investments (Pvt.) Ltd having break - up value of Rs 325.58 (December 31, 2019: 369.12) per share on the basis of unaudited condensed interim financial statements for the nine months ended September 30, 2020.

	Note	(Un-audited) September 30, 2020	(Audited) December 31, 2019
		----- Rupees in 000 -----	
7.2 Investments at fair value through other comprehensive income			
Debt instrument - term finance certificates	7.2.1	-	-
Equity instruments	7.2.2	<u>9,279</u>	<u>8,305</u>
		<u>9,279</u>	<u>8,305</u>

7.2.1 These term finance certificates have been fully impaired.

for the Nine Months ended September 30, 2020 (un-audited)

7.2.2 Equity instruments

	September 30, 2020				December 31, 2019			
	Number of shares	Cost	Impairment / provision	Market / carrying value	Number of shares	Cost	Impairment / provision	Market / carrying value
	-----Rupees in 000-----				-----Rupees in 000-----			
Quoted								
Agritech Limited	1,352,992	17,156	(10,459)	6,697	1,352,992	17,156	(11,433)	5,723
Unquoted								
DHA Cogen Limited	7,600,000	-	-	-	7,600,000	-	-	-
Techlogix International Limited	1,067,152	2,582	-	2,582	1,067,152	2,582	-	2,582
		2,582	-	2,582		2,582	-	2,582
		<u>19,738</u>	<u>(10,459)</u>	<u>9,279</u>		<u>19,738</u>	<u>(11,433)</u>	<u>8,305</u>

	Note	(Un-audited) September 30, 2020	(Audited) December 31, 2019
		----- Rupees in 000 -----	
8 OTHER RECEIVABLES			
Net investment in finance lease	8.1	212,955	212,955
Withholding tax on bonus shares	8.2	6,530	6,530
		<u>219,485</u>	<u>219,485</u>

8.1 This also includes residual values relating to net investment in finance lease.

8.2 This represents 50% of the amount paid by the Company to revenue authority in relation to the charge and collection of income tax on issuance of bonus shares by IGI Life Insurance Limited (as more fully explained in note 7.1.2 to these condensed interim unconsolidated financial statements). Constitutional petition has already been filed by the Company on this matter and the management believes that the decision of the constitutional petition will be in favour of the Company.

	Note	(Un-audited) September 30, 2020	(Audited) December 31, 2019
		----- Rupees in 000 -----	
9 LONG TERM LOANS - SECURED			
Long term loan		750,000	900,000
Current maturity of long term loan		(300,000)	(300,000)
	9.1	<u>450,000</u>	<u>600,000</u>

9.1 The Company obtained a long term finance facility amounting to Rs. 1,500 million from Habib Bank Limited during 2017 for the purpose of injecting equity in its subsidiary IGI General Insurance Limited. The loan carries markup rate at 6 month KIBOR + 0.03% per annum. Principal repayment is to be made in 10 equal semi-annual installments starting from the 6th month after the disbursement and subsequently, every six months thereafter. The facility is secured against pledge of certain shares held by IGI Investment (Pvt) Limited (one of the subsidiary of the Company against a commission). During the period, the Company has made principal repayment of Rs 150 million.

	Note	(Un-audited) September 30, 2020	(Audited) December 31, 2019
		----- Rupees in 000 -----	
10 TRADE AND OTHER PAYABLES			
Certificates of deposit	10.1	594	594
Deposits under lease contracts	10.2	193,965	193,965
Accrued expenses		47,779	50,162
Others		19,030	23,416
		<u>261,368</u>	<u>268,137</u>

10.1 This represents certificates of deposit acquired by the Company as part of the amalgamation of IGI Investment Bank Limited (the Investment Bank) with and into IGI Insurance Limited as at December 31, 2016 that has subsequently been retained by the Company as part of the Scheme of Arrangement.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements

- 10.2** This represents security deposits under lease contracts acquired as part of the amalgamation of IGI Investment Bank Limited with and into IGI Insurance Limited with effect from December 31, 2016 that have subsequently been retained by the Company as part of the Scheme of Arrangement, against which an equivalent amount of residual value is receivable.

11 CONTINGENCIES AND COMMITMENTS

There is no material change in the status of contingencies and commitments as disclosed in the annual audited financial statements of the Company for the year ended December 31, 2019 except for the following:

The Company had filed the constitutional petitions in relation to tax year 2017, 2018 and 2019 challenging the levy of Super Tax under section 4B of the Income Tax Ordinance, 2001. During to the period, the Honorable High Court of Sindh has passed its judgment in the various constitutional petitions filed by various parties including the Company on the matter of levy of Super Tax. The Honorable High Court, while dismissing the petitions has held that the Super Tax has been validly levied under the constitution.

The Company has challenged the decision of Honorable Sindh High Court in the Supreme Court of Pakistan jointly with the other petitioners. The Company has already recognised the provision of super tax in previous years' financial statements.

		(Un-audited)	
		Nine months ended	
		September 30, 2020	September 30, 2019
		----- Rupees in 000 -----	
12	DIVIDEND INCOME		
	Subsidiary companies	12.1	780,000
	Others	12.2	-
			997,453
			497
			997,950
12.1	Subsidiary companies		
	- IGI General Insurance Limited		340,000
	- IGI Investments (Pvt.) Limited		440,000
			997,453
12.2	Others		
	- Unquoted shares		
	Techlogix International Limited		497
			497
		(Un-audited)	(Audited)
		September	December
		30, 2020	31, 2019
		----- Rupees in 000 -----	
13	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	29,732	11,363
	Short term loan	(1,136,029)	(1,121,163)
		(1,106,297)	(1,109,800)

14 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiaries, associates, related group companies, directors of the Company, key management personnel, major shareholders, post employment benefit plans and other related parties. The Company in the normal course of business carries out transactions with various related parties at agreed / commercial terms and conditions. Amounts due to / from and other significant transactions, other than those disclosed elsewhere in these condensed interim unconsolidated financial statements, are as follows:

for the Nine Months ended September 30, 2020 (un-audited)

(Un-audited)							
For the nine months ended							
Subsidiaries		Associates		Key management personnel (including directors)		Other related parties	
30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19
(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		(Rupees in '000)	

Transactions

Commission expense / paid	7,544	4,999	-	-	-	-	-
Dividend income	780,000	997,453	-	-	-	-	-
Dividend received	780,000	997,453	-	-	-	-	-
Purchase of shares	-	832,023	-	-	-	-	-
Key Management Personnel compensation	-	-	-	-	2,200	1,400	-
Insurance premium paid	19	-	-	-	-	-	-
Receipts against Group Shared Services	3,394	10,274	-	-	-	-	-
Payment against Group Shared Services	11,727	11,205	11,020	24,022	-	-	14

(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
As at							
Subsidiaries		Associates		Key management personnel (including directors)		Other related parties	
30-Sep-20	31-Dec-19	30-Sep-20	31-Dec-19	30-Sep-20	31-Dec-19	30-Sep-20	31-Dec-19
(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		(Rupees in '000)	

Balances

Investment in shares	15,736,333	15,736,333	-	-	-	-	-
Group shared service payable	5,171	9,930	-	-	-	-	-

15 EARNINGS PER SHARE

(Un-audited)		(Un-audited)	
Nine months ended		Quarter ended	
September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
--- (Rupees in '000) ---		--- (Rupees in '000) ---	

Basic / diluted earnings per share

Profit for the period	585,592	829,989	136,848	114,213
----- Number of shares -----				
Weighted average number of ordinary shares	142,630,500	142,630,500	142,630,500	142,630,500
----- Rupees -----				
Earnings per share	4.11	5.82	0.96	0.80

16 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). The Company has no items to report in this level.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements

As at September 30, 2020 and December 31, 2019, the Company held the following financial instruments measured at fair value:

Assets carried at fair value through other comprehensive income

Investments

(Un-audited)		
As at September 30, 2020		
Level 1	Level 2	Level 3
Rupees in '000		

6,697	2,582	-
-------	-------	---

Assets carried at fair value through other comprehensive income

Investments

(Audited)		
As at December 31, 2019		
Level 1	Level 2	Level 3
Rupees in '000		

5,723	2,582	-
-------	-------	---

17 GENERAL

17.1 Rounding off

Figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest thousand of rupees.

17.2 Effects of COVID-19 pandemic

On March 11, 2020, the World Health Organisation made an assessment that the outbreak of a coronavirus (COVID-19) can be characterised as a pandemic. As a result, businesses have subsequently been affected amongst others with temporary suspension of travel and closure of recreation public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the Government of Pakistan, the Central Bank of Pakistan and the SECP have taken measures and issued directives to support businesses, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the market.

The Company has made an assessment in order to evaluate the impact of COVID-19 pandemic on the business, operations and profitability of the Company as well as on the going concern assessment of the Company. The Company is a holding company with key strategic investments in its subsidiaries. The investment portfolio is subject to risks of impairment and non-payment of dividend in case the COVID-19 pandemic impacts operations, profitability and liquidity profile of these subsidiaries. The management continuously monitors these investments. As a result of a high level assessment, the management has not identified any material adverse impact on the continuity of these subsidiaries due to the COVID-19 pandemic situation and the operations of these Companies are stable. The review and monitoring policies of the Company's investments in these strategic subsidiaries continue to remain robust and the Company is reviewing its portfolio regularly in-line with the emerging risks.

18 CORRESPONDING FIGURES

Comparative information has been rearranged and reclassified wherever necessary. There has been no significant reclassification during the current period.

19 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue on October 28, 2020 by the Board of Directors of the Company.



Chief Executive Officer



Chief Financial Officer



Director

Directors' Report to the Shareholders on Consolidated Condensed Interim Financial Statements

The Directors of your Company take pleasure in presenting report for the nine months' period ended September 30, 2020 alongwith the consolidated condensed interim financial statements (un-audited).

Group performance review

	---- Rupees in thousands ---	
	Nine months' period ended September 30, 2020	Nine months' period ended September 30, 2019
Profit before tax	1,321,892	883,148
Taxation	(308,247)	(187,578)
Profit after tax	1,013,645	695,570
Earnings per share (in rupees)	7.11	4.88

During this period, the group achieved profit after tax of Rs 1,014 million compared to that of Rs 696 million earned during corresponding period of 2019 reflecting an increase of 46%.

The group achieved earnings per share of Rs 7.11 compared to Rs 4.88 earned during corresponding period of 2019.

Financial Highlights of the subsidiaries are hereunder:

IGI GENERAL INSURANCE LIMITED

During the current period, the Company achieved gross written premium of Rs 5,001 million as compared to Rs 4,711 million during the corresponding period of last year, posting an increase of 6%.

The net premium declined to Rs 1,728 million from Rs 1,809 million during the corresponding period of last year. Net claims for the period improved from Rs 914 million in the corresponding period to Rs 844 million. Accordingly, the underwriting profits were Rs 219 million as compared to Rs 186 million in the corresponding period. The Company also recorded investment income of Rs 277 million during the current period as compared to Rs 254 million in the corresponding period of last year.

The Company earned Rs 17.7 million from its Window Takaful operation during the current period as compared to Rs 39.8 million in the corresponding period. The decline in the current period is mainly due to allocation of expenses to takaful business based on the time spent by the management on operating the window takaful business.

The Company has earned profit after tax of Rs 377 million during the current period compared to Rs 367 million in the corresponding period of last year.

During the period, IGI General has formed a wholly owned local subsidiary named IGI FSI (Private) Limited, which will be engaged in providing technology led business solutions including training services in the market. IGI General has subscribed paid-up share capital amounting to Rs 5 million of IGI FSI during this period.

IGI INVESTMENTS (PRIVATE) LIMITED

Income stream of IGI Investments is primarily based on dividend income from its investment portfolio, accordingly, its income pattern follows dividend distribution pattern of its investments. During the current period, IGI Investments has earned dividend income of Rs 916 million compared to Rs 1,156 million in the corresponding period of 2019. IGI Investments has earned profit after tax of Rs 579 million compared to Rs 789 million in the corresponding period of 2019.

IGI LIFE INSURANCE LIMITED

During this period, IGI Life wrote net premium of Rs 4,326 million compared to Rs 3,479 million in the corresponding period of 2019. IGI Life has reported loss after tax of Rs 70 million as compared to Rs 176 million in the corresponding period of 2019.

IGI FINEX SECURITIES LIMITED

During this period, IGI Securities has generated operating revenues of Rs 133 million compared to Rs 52 million in the corresponding period of 2019. IGI Securities has reported profit after tax of Rs 29 million during the period as compared to loss after tax of Rs 12 million during the corresponding period of 2019.

We value the support and patronage extended by our business partners and all stakeholders.

For and on behalf of the Board



Shamim Ahmad Khan
Director



Tahir Masaud
Chief Executive Officer

Lahore: October 28, 2020

Consolidated
Condensed Interim
Financial Statements
for the Nine Months Ended
September 30, 2020

Consolidated Condensed Interim Statement of Financial Position (Un-audited)

as at September 30, 2020

	Note	UN-AUDITED September 30, 2020	AUDITED December 31, 2019
----- Rupees in '000 -----			
ASSETS			
Non-current assets			
Fixed assets			
- Property and equipment	4	898,282	785,718
- Intangible assets		523,409	539,985
Investments	5	61,633,318	68,097,751
Long-term deposits		17,198	17,168
		63,072,207	69,440,622
Current assets			
Insurance / takaful / reinsurance / retakaful receivables		2,434,982	1,885,290
Reinsurance recoveries against outstanding claims		2,599,013	1,012,984
Current maturity of investments	5	8,079,937	6,795,657
Loans secured against life insurance policies		167,771	167,965
Deferred commission expense		253,041	193,780
Accrued income		81,739	478,341
Deposits, prepayments, loans, advances and other receivables	6	2,984,819	2,244,322
Wakalah fees receivable		186,383	119,261
Taxation recoverable		803,177	675,964
Cash and bank balances		929,439	660,289
Non-current asset held for sale		9,110	9,110
		18,529,411	14,242,963
Total assets		81,601,618	83,683,585
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
200,000,000 (2019: 200,000,000) ordinary shares of Rs. 10 each		2,000,000	2,000,000
Issued, subscribed and paid up capital		1,426,305	1,426,305
Reserves		35,337,305	42,020,412
Unappropriated profit		10,502,381	9,904,587
Equity attributable to the equity holders of the parent		47,265,991	53,351,304
Non-controlling interest		346,290	363,600
Total equity		47,612,281	53,714,904
Non-current liabilities			
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	7	17,905,792	16,597,270
Long term loans		450,000	766,665
Liabilities against right-of-use assets		214,204	158,546
Retirement benefit obligation		46,704	43,471
Deferred taxation - net		984,521	1,260,947
		19,601,221	18,826,899
Current liabilities			
Provision for outstanding claims (including IBNR)		3,596,036	2,096,866
Provision for unearned premium		2,303,678	1,860,409
Premium deficiency reserve		21,111	21,111
Commission income unearned		234,496	174,561
Amounts due to other insurers / reinsurers		2,058,660	1,379,652
Unearned Wakalah fee		65,265	42,468
Premium received in advance		111,852	65,851
Short term loan		2,689,288	2,614,278
Current portion of long term loans and liabilities against right-of-use assets		702,880	702,805
Unclaimed dividend		31,238	30,611
Trade and other payables	8	2,573,612	2,153,170
		14,388,116	11,141,782
TOTAL LIABILITIES		33,989,337	29,968,681
TOTAL EQUITY AND LIABILITIES		81,601,618	83,683,585
CONTINGENCIES AND COMMITMENTS			
	9		

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Consolidated Condensed Interim Statement of Profit or Loss (Un-audited) for the Nine Months and Quarter Ended September 30, 2020

	Note	Nine months ended September 30,		Quarter ended September 30,	
		2020	2019	2020	2019
		----- Rupees in '000 -----		----- Rupees in '000 -----	
Operating revenue	10	8,601,510	7,282,705	3,603,483	2,519,043
Operating expenses	11	(6,422,699)	(6,546,957)	(2,341,583)	(1,998,051)
		<u>2,178,811</u>	<u>735,748</u>	<u>1,261,900</u>	<u>520,992</u>
Other income	12	241,389	291,291	64,816	88,797
General and administrative expenses		(249,316)	(229,789)	(95,445)	(73,988)
Other expenses		(345,484)	(327,311)	(84,945)	(131,898)
		<u>1,825,400</u>	<u>469,939</u>	<u>1,146,326</u>	<u>403,903</u>
Change in insurance liabilities (other than outstanding claims)		(1,171,938)	128,486	(709,890)	7,648
Share of profit from associates - net		<u>668,430</u>	<u>284,723</u>	<u>383,169</u>	<u>148,665</u>
Profit before taxation		<u>1,321,892</u>	<u>883,148</u>	<u>819,605</u>	<u>560,216</u>
Taxation		(308,247)	(187,578)	(158,894)	(103,284)
Profit after taxation		<u>1,013,645</u>	<u>695,570</u>	<u>660,711</u>	<u>456,932</u>
Profit attributable to:					
Equity holders of the parent		1,025,686	726,057	664,574	454,432
Non-controlling interest		(12,041)	(30,487)	(3,863)	2,500
		<u>1,013,645</u>	<u>695,570</u>	<u>660,711</u>	<u>456,932</u>
		-----Rupees-----		-----Rupees-----	
Earnings per share - basic and diluted	13	<u>7.11</u>	<u>4.88</u>	<u>4.63</u>	<u>3.20</u>

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Consolidated Condensed Interim Statement of Profit or Loss and other Comprehensive Income (Un-audited) for the Nine Months and Quarter Ended September 30, 2020

	Nine months ended September 30,		Quarter Ended September 30,	
	2020	2019	2020	2019
	--- (Rupees in '000) ---		--- (Rupees in '000) ---	
Profit after taxation	1,013,645	695,570	660,711	456,932
Other comprehensive income / (loss) - reclassifiable to statement of profit or loss				
- Surplus / (deficit) on revaluation of available for sale investments - net of tax	(120,484)	(15,836,644)	(197,801)	(4,973,661)
- Change in insurance liabilities - net	90,036	131,222	211,521	(35,866)
- Share of other comprehensive loss of associate - net of tax	(1,343,233)	(3,167,167)	(120,349)	(1,004,689)
	(1,373,681)	(18,872,589)	(106,629)	(6,014,216)
Other comprehensive income / (loss) - not reclassifiable to statement of profit or loss				
- Unrealised loss on remeasurement of financial assets classified as 'fair value through other comprehensive income'	(5,314,695)	-	186,965	-
- Share of other comprehensive loss of associate - net of tax	-	-	-	-
- Remeasurement of retirement benefits liability - net of tax	-	-	-	-
	(5,314,695)	-	186,965	-
Total comprehensive income / (loss)	(5,674,731)	(18,177,019)	741,047	(5,557,284)
Total comprehensive income / (loss) attributable to:				
Equity holders of the parent	(5,657,421)	(18,153,546)	742,536	(5,563,088)
Non-controlling interest	(17,310)	(23,473)	(1,489)	5,804
	(5,674,731)	(18,177,019)	741,047	(5,557,284)

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Consolidated Condensed Interim Statement of Changes in Equity (Un-audited) for the Nine Months Ended September 30, 2020

Issued, subscribed and paid-up share capital	Proposed shares to be issued on amalgamation	Reserves						Equity attributable to equity holders of the parent	Non-controlling interest	Total	
		Capital reserves		Revenue reserve	Surplus on revaluation of available-for-sale investments - net	Surplus / (deficit) on remeasurement of financial assets at fair value through other comprehensive income	Unappropriated profit				
		Premium on issue of shares	Other capital reserve								General reserve
(Rupees in '000)											
1,426,305	-	434,051	33,267	7,297,545	5,079,201	34,180,053	9,636,628	58,087,050	215,642	58,302,692	
-	-	-	-	-	-	-	726,057	726,057	(30,487)	695,570	
-	-	-	-	-	(15,820,003)	-	-	(15,820,003)	(16,641)	(15,836,644)	
-	-	-	-	-	107,567	-	-	107,567	23,655	131,222	
-	-	-	-	-	(3,167,167)	-	-	(3,167,167)	-	(3,167,167)	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	(18,879,603)	-	726,057	(18,153,546)	(23,473)	(18,177,019)	
-	-	-	-	-	-	-	(427,892)	(427,892)	-	(427,892)	
-	-	-	-	-	-	-	(427,892)	(427,892)	-	(427,892)	
-	-	-	-	-	-	-	-	-	170,848	170,848	
-	-	-	-	-	-	-	-	-	170,848	170,848	
1,426,305	-	434,051	33,267	7,297,545	(13,800,402)	34,180,053	9,934,793	39,505,612	363,017	39,868,629	
-	-	-	-	-	-	-	(41,745)	(41,745)	(3,501)	(45,246)	
-	-	-	-	-	16,303,821	-	-	16,303,821	116,555	16,420,376	
-	-	-	-	-	(545,186)	-	-	(545,186)	(113,785)	(658,971)	
-	-	-	-	-	1,964,956	-	-	1,964,956	-	1,964,956	
-	-	-	-	-	-	(3,847,693)	-	(3,847,693)	-	(3,847,693)	
-	-	-	-	-	-	-	11,539	11,539	1,314	12,853	
-	-	-	-	-	17,723,591	(3,847,693)	(30,206)	13,845,692	583	13,846,275	
1,426,305	-	434,051	33,267	7,297,545	3,923,189	30,332,360	9,904,587	53,351,304	363,600	53,714,904	
-	-	-	-	-	-	-	1,025,686	1,025,686	(12,041)	1,013,645	
-	-	-	-	-	(99,633)	-	-	(99,633)	(20,851)	(120,484)	
-	-	-	-	-	74,454	-	-	74,454	15,582	90,036	
-	-	-	-	-	(1,343,233)	-	-	(1,343,233)	-	(1,343,233)	
-	-	-	-	-	-	(5,314,695)	-	(5,314,695)	-	(5,314,695)	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	(1,368,412)	(5,314,695)	1,025,686	(5,657,421)	(17,310)	(5,674,731)	
-	-	-	-	-	-	-	(427,892)	(427,892)	-	(427,892)	
-	-	-	-	-	-	-	(427,892)	(427,892)	-	(427,892)	
1,426,305	-	434,051	33,267	7,297,545	2,554,777	25,017,665	10,502,381	47,265,991	346,290	47,612,281	

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Consolidated Condensed Interim Statement of Cash Flows (Un-audited)

for the Nine Months Ended September 30, 2020

Note	Nine months ended September 30,	
	2020	2019
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,321,892	883,148
Adjustments for :		
Depreciation and amortisation	195,911	145,346
Financial charges	345,484	327,311
(Gain) / loss on disposal of assets	(4,928)	1,285
Reversal of provision / provision for bad and doubtful loans and advances / lease losses - specific - net	(11,357)	(7,700)
Profit on savings accounts and term deposits	(187,770)	(234,379)
Return on government and debt securities	(1,383,337)	(1,150,545)
Change in insurance liabilities	1,171,938	(128,486)
Share of profit from associate	(668,430)	(284,723)
(Gain) / loss on sale of available for sale investments - net	(241,288)	9,442
Unrealized loss on revaluation of investments	8,828	8,414
Dividend income	(695,366)	(755,654)
	<u>(1,470,315)</u>	<u>(2,069,689)</u>
	(148,423)	(1,186,541)
Changes in working capital		
(Increase) / decrease in current assets		
Deposit, loans, advances and other receivables	(3,961,643)	(851,485)
Increase / (decrease) in current liabilities		
Trade and other payables	4,373,501	1,471,621
	<u>263,435</u>	<u>(566,405)</u>
Net recovery from long term loans and advances	11,357	7,700
Income tax paid	(460,085)	(377,521)
Net cash used in operating activities	<u>(185,293)</u>	<u>(936,226)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(266,980)	(266,976)
Proceeds on disposal of assets	10,978	18,245
Profit received on government and debt securities	1,383,337	1,150,545
Long-term deposits	(30)	3,300
Investments - net	(2,024,133)	(1,597,228)
Dividend received	1,023,346	791,293
Profits / return received	566,155	246,416
Net cash generated from investing activities	<u>692,673</u>	<u>345,595</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(427,265)	(431,558)
Loan repayments	(316,665)	(316,666)
Financial charges paid	(385,470)	(254,463)
Repayment / (addition) of liability against right-of-use assets	(15,447)	(32,943)
Net cash used in financing activities	<u>(1,144,847)</u>	<u>(1,035,630)</u>
Cash and cash equivalent at beginning of the period	(101,382)	1,660,065
Cash and cash equivalents at end of the period	<u><u>(738,849)</u></u>	<u><u>33,804</u></u>

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Notes to and forming part of the Consolidated Condensed Interim Financial Statements

1 STATUS AND NATURE OF BUSINESS

1.1 The "Group" consists of:

Holding company

- IGI Holdings Limited

Subsidiary companies:

- IGI Life Insurance Limited
- IGI Finex Securities Limited
- IGI General Insurance Limited
- IGI Investments (Pvt.) Limited
- IGI FSI (Private) Limited

Percentage shareholding

- 82.69%
- 100%
- 100%
- 100%
- 100%

1.2 Holding company

IGI Holdings Limited ("Holding Company"), a Packages Group Company, was incorporated as a public limited company in 1953 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange Limited. The registered office of the Holding Company is situated at 7th floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The objects of the Holding Company include to act as an investment holding company and to invest, acquire, sell and hold the securities and financial instruments subject to compliance by relevant laws prevailing in Pakistan from time to time.

1.3 Subsidiary companies

1.3.1 IGI Life Insurance Limited ("IGI Life") was incorporated in Pakistan on October 9, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. IGI Life commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. IGI Life is engaged in life insurance, carrying on both participating and non-participating business. IGI Life is also engaged in providing Shariah Compliant family takaful products as an approved Window Takaful Operator.

1.3.2 IGI Finex Securities Limited ("IGI Finex") was incorporated in Pakistan on June 28, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of IGI Finex is situated at Suite No. 701-713, 7th Floor, the Forum, G-20, Khayaban-e-Jami, Block-9, Clifton, Karachi. IGI Finex has a Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited and is a corporate member of Pakistan Mercantile Exchange Limited. The principal activities of IGI Finex include shares and commodities brokerage, money market and foreign exchange brokerage and advisory and consulting services.

1.3.3 IGI General Insurance Limited ("IGI General"), was incorporated as a public limited company on November 18, 2016 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The objects of IGI General include providing general insurance services (mainly Fire, Marine, Motor, Health and Miscellaneous) and general takaful services (mainly Fire, Marine, Motor, Health and Miscellaneous).

1.3.4 IGI Investments (Pvt.) Limited ("IGI Investments"), was incorporated as a private limited company on October 31, 2016 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The objects of IGI Investments include investing, acquiring, selling and holding of debt / equity securities.

1.3.5 IGI FSI (Private) Limited ("IGI FSI") is a wholly owned subsidiary of IGI General and was incorporated as a private limited company on July 6, 2020 under the Companies Act, 2017. The registered office of IGI FSI is situated at 7th floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The objects of IGI FSI include providing technology led business solutions including training services in the market.

1.4 The Holding Company has three associates namely Packages Limited, Dane Foods Limited and Packages Real Estate (Private) Limited. The details of these companies are given in note 5.1 to these consolidated condensed interim financial statements.

for the Nine Months Ended September 30, 2020 (un-audited)

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2019.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

	Note	(Un-audited) September 30, 2020	(Audited) December 31, 2019
		-----Rupees in '000-----	
4 PROPERTY AND EQUIPMENT			
Operating assets	4.1	840,777	756,137
Capital work in progress		57,505	29,581
		<u>898,282</u>	<u>785,718</u>
4.1 Operating assets			
Furniture, fixtures, computer and office equipments		187,633	148,119
Buildings / leasehold improvements		313,310	333,695
Motor vehicles- owned		39,451	32,580
Right-of-use asset - Premises		42,062	44,323
Right-of-use asset - Vehicles		258,321	197,420
		<u>840,777</u>	<u>756,137</u>

Notes to and forming part of the Consolidated Condensed Interim Financial Statements

	Note	(Un-audited) September 30, 2020 ----- (Rupees in '000) -----	(Audited) December 31, 2019
5 INVESTMENTS			
The investments comprise of the following:			
Investments in associates	5.1	14,729,426	15,969,256
Fair value through profit or loss			
- Mutual funds		466,914	497,621
- Government securities		2,633,442	1,837,655
- Debt securities		50,000	194,025
		3,150,356	2,529,301
Fair value through other comprehensive income			
- Quoted equity securities		32,892,468	38,196,583
- Unquoted equity securities		204,611	204,611
		33,097,079	38,401,194
Held to maturity			
- Government securities		-	322,219
- Term deposit receipts		1,021,000	1,852,607
		1,021,000	2,174,826
Available for sale			
- Equity securities		35,162	86,130
- Mutual funds		3,085,546	3,027,759
- Government securities		14,369,686	12,247,588
- Debt securities		225,000	457,354
		17,715,394	15,818,831
		69,713,255	74,893,408
Less: current maturity of investments	5.2	(8,079,937)	(6,795,657)
		<u>61,633,318</u>	<u>68,097,751</u>
5.1 Investments in associates			
- Quoted			
Packages Limited			
26,707,201 (2019: 26,707,201) fully paid ordinary shares of Rs. 10 each		13,983,957	15,133,399
Equity held 29.88% (2019: 29.88%)			
Market value at September 30, 2020: Rs. 502.33 per share (2019: Rs. 398.74 per share)			
- Unquoted			
Dane Foods Limited			
2,643,161 (2019: 2,643,161) fully paid ordinary shares of Rs. 10 each			
Equity held 30.62% (2019: 30.62%)			
Cost		26,432	26,432
Provision for diminution in value of investment		(26,432)	(26,432)
		-	-
Packages Real Estate (Private) Limited			
100,000,000 (2019: 100,000,000) fully paid ordinary shares of Rs. 10 each		745,469	835,857
Equity held 24.84% (2019: 24.84%)			
		<u>14,729,426</u>	<u>15,969,256</u>
5.2 Current maturity of investments			
Government securities		6,783,937	4,516,671
Debt securities		275,000	426,379
Term deposit receipts		1,021,000	1,852,607
		<u>8,079,937</u>	<u>6,795,657</u>

for the Nine Months Ended September 30, 2020 (un-audited)

		(Un-audited) September 30, 2020	(Audited) December 31, 2019
	Note	----- (Rupees in '000) -----	
6	DEPOSITS, PREPAYMENTS, LOANS, ADVANCES AND OTHER RECEIVABLES		
	Advances		
	Advances - unsecured considered good	14,524	13,108
	Advances / loans to agents - unsecured considered good	278	278
	Advances to employees against expenses - unsecured considered good - executives	-	1,659
	Other receivables		
	Sales tax recoverable	73,122	57,389
	Salvage recoverable	119,813	59,885
	Receivable against claim administration services - unsecured considered good	155,098	186,758
	Net investment in finance lease - secured considered good	212,955	212,955
	Receivable from clients against purchase of marketable securities and commodity contracts - secured considered good	188,816	122,997
	Qard-e-hasan to Participant Takaful Fund	60,000	60,000
	Mudarib fee	5,226	5,110
	Experience refund receivable - unsecured considered good	29,275	32,165
	Deposits and prepayments		
	Security deposits and prepayments	343,675	254,456
	Prepaid reinsurance premium ceded	1,262,172	972,374
	Exposure deposit with National Clearing Company of Pakistan Limited / Pakistan Stock Exchange Limited	180,351	126,901
	Others	339,514	138,287
		<u>2,984,819</u>	<u>2,244,322</u>

6.1 This also includes residual values relating to net investment in finance lease.

7 LONG TERM LOANS

Long term loan - secured	7.1	1,083,334	1,399,999
Less: current maturity of long term loans		(633,334)	(633,334)
		<u>450,000</u>	<u>766,665</u>

7.1 This includes long term loan amounting to Rs. 1,500 million obtained from Habib Bank Limited during 2017 for the purpose of injecting equity in IGI General. The loan carries markup rate at 6 month KIBOR + 0.03% per annum (2019: 6 month KIBOR + 0.03% per annum). Principal repayment is to be made in 10 equal semi-annual installments starting from the 6th month after the disbursement and subsequently, every six months thereafter. The facility is secured against pledge of shares held by IGI Investments.

This also includes long term finance facility amounting to Rs. 1,000 million obtained from Allied Bank Limited used for the purpose of participation in equity investment in Packages Real Estate (Private) Limited i.e. Packages Mall project. The loan carries markup rate at 6 month KIBOR + 0.3% per annum. Principal repayment is to be made in 6 equal semi-annual installments starting from the 30th month after the disbursement of loan and subsequently, every six months thereafter. This facility is secured against pledge of shares held by IGI Investments.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements

		(Un-audited) September 30, 2020	(Audited) December 31, 2019
	Note	----- (Rupees in '000) -----	
8	TRADE AND OTHER PAYABLES		
		42,588	39,871
		2,825	5,554
		383,550	276,461
		269,454	286,116
	8.1	594	594
	8.2	193,965	193,965
		664,465	469,469
		8,956	2,863
		362,020	410,402
		163,402	56,933
		-	32,000
		39,193	98,106
		442,600	280,836
		<u>2,573,612</u>	<u>2,153,170</u>

8.1 This represents certificates of deposit acquired by the Holding Company as part of the amalgamation of IGI Investment Bank Limited (the Investment Bank) with and into IGI Insurance Limited (now IGI Holdings Limited) as at December 31, 2016 that have been retained by the Holding Company as part of the Scheme of Arrangement.

8.2 This represents security deposits under lease contracts acquired by the Holding Company as part of the amalgamation of IGI Investment Bank Limited with and into IGI Insurance Limited (now IGI Holdings) with effect from December 31, 2016 that have subsequently been retained by the Holding Company as part of the Scheme of Arrangement, against which an equivalent amount of residual value is receivable.

9 CONTINGENCIES AND COMMITMENTS

There are no material changes in contingencies and commitments as disclosed in the consolidated financial statements for the year ended December 31, 2019 except for the following:

9.1 Holding Company

The Holding Company had filed the constitutional petitions in relation to tax year 2017, 2018 and 2019 challenging the levy of Super Tax under section 4B of the Income Tax Ordinance, 2001. During the period, the Honorable High Court of Sindh has passed its judgment in the various constitutional petitions filed by various parties including the Holding Company on the matter of levy of Super Tax. The Honorable High Court, while dismissing the petitions has held that the Super Tax has been validly levied under the constitution.

The Holding Company has challenged the decision of Honorable Sindh High Court in the Supreme Court of Pakistan jointly with the other petitioners. The Group has already recognised the provision of super tax in previous years' consolidated financial statements.

9.2 IGI Life

With effect from November 1, 2018, the Punjab Revenue Authority (PRA), withdrew the exemption on both, life and health insurance, and subjected the same to the levy of Punjab Sales Tax (PST). Previously, the Sindh Revenue Board (SRB) had withdrawn similar exemptions granted in Sindh. However, during 2019, the Sindh Revenue Board, vide notification no. SRB-3-4/5/2019 dated May 8, 2019, restored the exemption on both, life and health insurance business upto June 30, 2019.

With effect from July 1, 2019, in Sindh, the SRB, vide its notifications SRB-3-4/16/2019 and SRB-3-4/14/2020, extended the exemption to health insurance upto June 30, 2021. For individual life insurance, the SRB prescribed a reduced rate of 3% on gross premium written. The exemption to Group Life insurance lapsed on June 30, 2019. Hence, Group Life Insurance was made taxable at the full rate of 13%. The SRB, however, vide its notification SRB-3-4/13/2020 dated June 22, 2020, provided exemptions to Individual Life and Group Life Insurance subject to e-deposit of sales tax payable thereon, as were provided or rendered during the period from July 1, 2019 till June 30, 2020. IGI Life, however, has not availed this exemption.

for the Nine Months Ended September 30, 2020 (un-audited)

With effect from April 2, 2020, in Punjab, the Government of the Punjab (Finance department), as part of COVID relief, amended Second Schedule to the Punjab Sales Tax on Services Act, 2012 and changed sales tax rates on health and life insurance to 0% without input tax adjustment for the period from notification's effective date till June 30, 2020. This tax exemption is however retained only in case of Individual Health Insurance through Punjab Finance Act, 2020 which is effective from July 1, 2020.

The Insurance Association of Pakistan (IAP) had taken up the matter extensively with PRA and SRB for restoration of the exemptions that were withdrawn, besides seeking legal advice. The legal advisors of the IAP/IGI Life have confirmed the contention of IGI Life that insurance is not a service, but infact, in sum and substance, a contingent contract under which payment is made on the occurrence of an event, specified in the terms of contract or policy, and is thus a financial arrangement. Superior courts in foreign jurisdictions have held that insurance is not a service.

The legal advisors have also raised the important question of constitutionality of the levy of provincial sales tax on life insurance, which is a Federal subject, and have expressed the view that under Article 142 of the Constitution of Pakistan, only those matters which are not enumerated in the Federal Legislative List, may be legislated upon by the provinces. In their view, since the Federation has retained a legislative mandate over all laws relating to insurance, therefore, only the Federation is entitled to levy any tax in relation to insurance business.

Without prejudice to the main contentions as stated above, even otherwise, the legal advisors have expressed in their opinions a further flaw in the context of the manner in which the entire premium payment, i.e. Gross Written Premium (GWP) is being charged to the levy of provincial sales tax. This is despite the fact that there are two distinct elements of GWP (i) the amount allocated towards the policy holders' investment, which belongs to them and (ii) the difference between the GWP charged and the investment amount allocated. Thus, in their view, if the entire GWP is subjected to provincial sales tax, then this is akin to a direct tax on policy holders, in the nature of income tax, wealth tax, or capital value tax, all of which fall exclusively within the domain of Federal Legislature.

Based on the above contentions, IGI Life and other life insurance / health insurance companies challenged the levy of PST on life and health insurance in the Punjab through a writ petition in the Hon'ble Lahore High Court (LHC) in September 2019. Subsequent to the filing of the petition, in October 2019, the PRA issued a show cause notice to the Company and other life insurance companies, attempting to levy PST on the Pan Pakistan GWP, i.e. beyond their jurisdiction, and for the entire calendar year 2018, besides other inaccuracies. IGI Life and other life insurance companies have filed further Writ Petitions in the Honourable Lahore High Court against the same. The petition is pending adjudication.

In Sindh, extensive discussions were held at the collective level of IAP with the SRB for the restoration of exemption on life insurance, which remained inconclusive. In November 2019, IGI Life, and other life insurance companies received show cause notices from the SRB, requiring the companies to deposit the SST on life insurance. Based on the same contentions as PST, IGI Life and other life insurance companies, have filed a Petition in the Hon'ble Sindh High Court (SHC) in November 2019, challenging the levy of SST. The Hon'ble SHC, in their interim order dated December 2, 2019, directed that the request of the petitioners, seeking exemption in terms of Section 10 of the SST Act, 2011, shall be considered by the SRB in accordance with the law. The Petition is pending adjudication.

In January 2020, the SRB, PRA and BRA invited the IAP and insurance industry to hold a dialogue for an amicable settlement of the matter. IGI Life, along with the IAP and other insurance companies participated in the meeting convened by Chairman SRB, and will continue its efforts to convince the provincial revenue authorities about the merits of the case.

The SRB has also issued show cause notices to life insurance companies compelling them for mandatory registration under SST Act, 2011. IGI Life had filed a stay petition with the SHC against the coercive action taken by SRB for compelling IGI Life for mandatory registration which was granted by SHC on September 22, 2020.

The legal advisors, in their opinion, have expressed the view that IGI Life has a reasonably strong case on the merits of the Petitions filed in both, the Hon'ble LHC and Hon'ble SHC, against the imposition of the provincial sales taxes on life and health insurance in the Punjab and on life insurance in Sindh.

Had the sales tax liability on life insurance and health insurance premium been recorded, the profit after tax and earnings per share would have been lower by Rs. 207.778 million and Rs. 1.46 respectively while sales tax liability as at September 30, 2020 would have been higher by Rs. 292.644 million.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements

		(Unaudited)	
		Nine months ended	
		September 30,	September 30,
		2020	2019
		----- Rupees in '000 -----	
10	OPERATING REVENUE		
	Net premium income	6,048,274	5,264,181
	Dividend income	695,366	755,654
	Return on government and debt securities	1,383,337	1,150,545
	Fee, commission and brokerage	142,514	56,126
	Wakalah fee income	99,559	74,055
	Unrealised loss on investments	(8,828)	(8,414)
	Gain / (loss) on sale of investments	241,288	(9,442)
		<u>8,601,510</u>	<u>7,282,705</u>
11	OPERATING EXPENSES		
	Net claims	4,073,502	4,499,554
	Commission expense - net	1,088,596	607,478
	Management expenses	1,260,601	1,439,925
		<u>6,422,699</u>	<u>6,546,957</u>
12	OTHER INCOME		
	From financial assets		
	Profit on savings accounts and term deposits	187,770	227,389
	Recoveries against doubtful receivables	-	8
	Reversal of provision for bad and doubtful loans and advances / lease losses - specific	11,357	7,700
		<u>199,127</u>	<u>235,097</u>
	From non-financial assets		
	Gain / (loss) on disposal of assets	4,928	(1,285)
	Other	37,334	57,479
		<u>42,262</u>	<u>56,194</u>
		<u>241,389</u>	<u>291,291</u>
		(Unaudited)	(Unaudited)
		Nine months ended	Quarter ended
		September 30, 2020	September 30, 2019
		----- Rupees in '000 -----	----- Rupees in '000 -----
13	EARNINGS PER SHARE - BASIC AND DILUTED		
13.1	Basic / diluted earnings per share		
	Profit for the period	<u>1,013,645</u>	<u>695,570</u>
		<u>660,711</u>	<u>456,932</u>
		(Number of shares)	(Number of shares)
	Weighted average number of ordinary shares	<u>142,630,550</u>	<u>142,630,550</u>
		(Rupees)	(Rupees)
	Earnings per share	<u>7.11</u>	<u>4.88</u>
		<u>4.63</u>	<u>3.20</u>

for the Nine Months Ended September 30, 2020 (un-audited)

14 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, other related group companies, directors of the Group, key management personnel, major shareholders and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties at agreed / commercial terms and conditions. Amounts due to / from and other significant transactions, other than those disclosed else where in these consolidated condensed interim financial statements, are as follows:

	Associates		Post employment benefit plans		Key Management personnel (Including directors)		Other related parties	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19
	(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		(Rupees in '000)	
Transactions								
Premium underwritten	152,454	168,770	-	-	80	117	264,865	213,052
Premium collected	168,818	158,591	-	-	38	117	221,979	230,193
Claims expense	19,313	19,723	-	-	46	-	96,633	10,421
Commission expense	-	-	-	-	-	-	-	1,261
Commission paid	-	-	-	-	-	-	-	2,199
Other income	-	-	-	-	-	-	2,306	-
Markup Income	-	-	-	-	38	-	-	-
Dividend received	327,986	400,608	-	-	-	-	-	15,002
Charge in respect of gratuity fund	-	-	23,340	17,943	-	-	-	-
Charge in respect of provident fund	-	-	20,898	23,190	-	-	-	-
Contribution to gratuity fund	-	-	24,867	9,665	-	-	-	-
Contribution to provident fund	-	-	21,868	8,311	-	-	-	-
Key Management Personnel compensation	-	-	-	-	2,200	1,400	-	-

	Associates		Post employment benefit plans		Key Management personnel (Including directors)		Other related parties	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	30-Sep-20	31-Dec-19	30-Sep-20	31-Dec-19	30-Sep-20	31-Dec-19	30-Sep-20	31-Dec-19
	(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		(Rupees in '000)	
Balances								
Premium receivable	8,971	2,140	-	-	14	-	22,362	16,986
Investment in shares	14,729,426	15,969,256	-	-	-	-	632,995	315,710
Other receivable	1,130	-	-	-	5,905	-	2,330	-
Payable to employee gratuity fund	-	-	(19,363)	(19,363)	-	-	-	-
Receivable / (payable) to employee provider	-	-	970	(2,811)	-	-	-	-

15 OPERATING SEGMENT

15.1 The Group's business is organised and managed separately according to the nature of services provided with the following segments:

- Non-life Insurance
- Life Insurance
- Brokerage business
- Investment business

Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of gross premium written by the segments.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements

15.2 Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of gross premium written by the segments.

(Un-audited)																			
September 30, 2020																			
Non-life Insurance					Life Insurance										Investment Business	Brokerage Business	Aggregate Total		
Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Life participating	Life non-participating		Investment linked business	Accident and health		Pension business fund	Takaful window							
						Individual	Group		Individual	Group		Individual family	Individual/accident/and health	Group family				Group health	
(Rupees in thousand)																			
Segment assets	2,064,979	335,832	639,109	194,765	1,027,499	2,129,560	6,792,877	573,157	6,496,638	28,425	530,506	158,689	2,501,869	140	20,582	13,872	40,752,496	1,207,395	65,468,390
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,133,228
Consolidated total assets																			81,601,618
Segment liabilities	2,136,410	445,491	1,278,985	524,426	1,158,270	2,129,560	6,792,877	573,157	6,496,638	28,425	530,506	158,689	2,501,869	140	20,582	13,872	2,051,796	894,969	27,734,662
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,254,675
Consolidated total liabilities																			33,989,337

(Audited)																			
December 31, 2019																			
Non-life Insurance					Life Insurance										Investment Business	Brokerage Business	Aggregate Total		
Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Life participating	Life non-participating		Investment linked business	Accident and health		Pension business fund	Takaful window							
						Individual	Group		Individual	Group		Individual family	Individual/accidental and health	Group family				Group health	
(Rupees in thousand)																			
Segment assets	1,686,029	354,835	602,623	103,967	841,032	1,985,066	6,651,618	476,296	6,063,115	34,632	423,452	154,271	2,248,967	-	39,250	55,584	46,063,518	854,876	68,639,131
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,044,454
Consolidated total assets																			83,683,585
Segment liabilities	1,782,434	458,270	1,300,780	335,926	990,930	1,985,066	6,651,618	476,296	6,063,115	34,632	423,452	154,271	2,248,967	-	39,250	55,584	2,204,304	575,200	25,780,095
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,188,586
Consolidated total liabilities																			29,968,681

15.3 Segment-wise operating results of the Group are presented below:

(Un-audited)																								
September 30, 2020																								
Non-life Insurance										Life Insurance										Investment Business	Brokerage business	Aggregate Total		
Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Window Takaful Operations					Life participating	Life non-participating		Investment linked business	Accident and health		Pension business fund	Takaful window							
					Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous		Individual	Group		Individual	Group		Individual family	Individual accident and health	Group family				Group health	
(Rupees in thousand)																								
Premium	152,104	196,560	954,772	289,519	131,058	-	-	-	-	20,385	316,907	468,235	1,519,713	5,650	878,825	1,268	1,038,192	206	15,320	25,012	-	-	6,014,726	
Net claims	(88,213)	(78,698)	(427,364)	(214,813)	(34,488)	-	-	-	-	(89,123)	(707,980)	(295,812)	(1,051,723)	(313)	(637,176)	(9,483)	(363,811)	-	(28,067)	(46,425)	-	-	(4,073,502)	
Fee, commission and brokerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	133,426	133,426	
Net commission	57,760	20,028	(100,575)	(9,526)	(1,576)	(7,845)	(3,277)	(25,401)	(5,413)	(1,511)	-	-	-	-	-	-	-	-	-	-	-	-	(77,436)	
Wakalah fee income	-	-	-	-	-	16,660	8,836	51,272	20,387	2,404	-	-	-	-	-	-	-	-	-	-	-	-	99,559	
Net investment income	-	-	-	-	-	-	-	-	-	210,644	670,570	1,158	385,624	(47)	(1,418)	13,005	(21,757)	-	(81)	(212)	588,461	-	1,855,947	
Expenses	(234,689)	(73,693)	(154,527)	(55,138)	(113,549)	(6,597)	(2,726)	(20,332)	(10,596)	(6,734)	(124,901)	(70,135)	(545,359)	(18,432)	(179,155)	-	(803,935)	(77)	(11,715)	(23,142)	(34,408)	(122,247)	(2,416,035)	
Other income - net	-	-	-	-	-	-	-	-	-	5,843	8,389	3,148	11,518	47	18,072	7	75,355	1	755	3,497	-	-	126,633	
Share of profit from associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	668,430	-	668,430	
Add: Policyholders' liabilities at the beginning of year	-	-	-	-	-	-	-	-	-	1,558,517	6,063,433	99,126	5,394,041	14,841	352,032	146,962	2,238,892	-	19,872	(2,877)	-	-	16,454,939	
Less: Policyholders' liabilities at the end of the year	-	-	-	-	-	-	-	-	-	(1,600,039)	(6,109,772)	(249,354)	(6,400,938)	(13,876)	(411,869)	(150,454)	(2,524,871)	(111)	(341)	24,377	-	-	(17,437,248)	
(Surplus) / deficit taken to statutory fund	(113,038)	64,197	272,306	10,042	(18,655)	2,218	2,833	2,539	4,378	(365)	99,593	146,933	(43,834)	(137,124)	(12,130)	19,311	1,305	(160,934)	19	(4,257)	(19,770)	1,222,483	11,179	1,348,439
Unallocated operating income																							317,897	
Financial charges																							(345,484)	
Profit before taxation																							1,321,892	

for the Nine Months Ended September 30, 2020 (un-audited)

(Un-audited)

September 30, 2019

	September 30, 2019																							Investment Business	Brokerage business	Aggregate Total
	Non-life Insurance										Life Insurance															
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Window Takaful Operations					Life participating	Life non-participating		Investment linked business	Accident and health		Pension business fund	Takaful window								
						Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous		Individual	Group		Individual	Group		Individual family	Individual accident and health	Group family	Group health					
(Rupees in thousand)																										
Premium	130,624	193,744	1,057,490	289,409	152,518	-	-	-	-	-	27,775	369,692	297,084	795,903	6,132	1,073,998	29,745	880,670	-	19,350	159,141	-	-	5,284,181		
Net claims	(32,582)	(53,710)	(530,656)	(245,665)	(50,887)	-	-	-	-	-	(107,818)	(733,751)	(170,186)	(1,410,782)	(196)	(748,690)	(1,468)	(269,227)	-	(142)	(144,104)	-	-	(4,500,944)		
Fee, commission and brokerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51,701	51,701		
Net commission	42,298	24,429	(123,054)	(11,800)	(3,880)	(8,354)	(1,820)	(17,302)	(3,740)	(900)	(280)	(29,893)	(29,583)	(177,175)	(4,989)	(74,294)	-	(173,173)	-	(8,697)	(5,857)	-	-	(807,478)		
Wakalah fee income	-	-	-	-	-	14,057	5,021	34,363	18,382	1,222	-	-	-	-	-	-	-	-	-	-	-	-	-	74,955		
Net investment income	-	-	-	-	-	-	-	-	-	-	144,773	541,982	9,548	283,481	915	(1,038)	8,399	(104,264)	-	820	229	754,956	-	1,819,601		
Expenses	(244,784)	(73,670)	(175,870)	(40,580)	(94,429)	(1,304)	(370)	(4,072)	(3,004)	(136)	(4,911)	(45,189)	(51,264)	(361,832)	(13,125)	(148,240)	-	(150,478)	-	(2,979)	(20,935)	(23,772)	(85,269)	(1,554,216)		
Other income - net	-	-	-	-	-	-	-	-	-	-	6,382	15,906	3,313	15,014	1,413	17,240	1,516	67,137	-	2,405	4,802	-	-	134,828		
Share of profit from associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	284,723	-	284,723		
Add: Policyholders' liabilities at the beginning of year	-	-	-	-	-	-	-	-	-	-	1,589,083	6,075,027	98,109	6,219,006	10,020	320,285	108,582	1,721,067	-	7,529	39,077	-	-	18,180,539		
Less: Policyholders' liabilities at the end of the year	-	-	-	-	-	-	-	-	-	-	(1,589,187)	(6,072,567)	(148,212)	(5,555,540)	(7,918)	(455,945)	(140,280)	(1,874,819)	-	(15,150)	(84,463)	-	-	(15,825,899)		
(Surplus) / deficit taken to statutory fund	-	-	-	-	-	-	-	-	-	-	(42,425)	-	-	-	-	-	-	-	-	-	-	-	-	(42,425)		
	(104,488)	90,793	227,859	(98,719)	3,541	4,399	2,729	12,969	12,699	586	192	121,407	10,801	(211,925)	(7,729)	(16,782)	1,514	(92,887)	-	(3,072)	(38,310)	1,015,907	(33,566)	959,886		
Unallocated operating income																								250,783		
Financial charges																								(327,311)		
Profit before taxation																								683,148		

16 CORRESPONDING FIGURES

Comparative information has been reclassified, rearranged or additionally incorporated in these consolidated condensed interim financial statements for the purpose of better presentation.

17 GENERAL

Figures in these consolidated condensed interim financial statements have been rounded off to the nearest thousand of rupees.

18 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 28, 2020 by the Board of Directors of the Holding Company.



Chief Executive Officer



Chief Financial Officer



Director

Shareholders' Information

as at September 30, 2020

Shareholders Category	No. of Shareholder	No. of Shares Held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children	24	42,795,755	30.00
Associated Companies, Undertakings and Related Parties	6	54,544,217	38.24
Banks, Development Financial Institutions, Non Banking Financial Institutions	12	5,969,690	4.19
Insurance Companies	7	2,099,959	1.47
Modarabas and Mutual Funds	18	2,032,376	1.43
Share holders holding 10% or more	7	81,592,830	57.21
General Public :			
a. local	3,273	25,556,535	17.92
b .Foreign	-	-	-
Others	140	9,632,018	6.75
Total (excluding : shareholders holding 10% or more)	3,480	142,630,550	100

Pattern of Shareholding

as at September 30, 2020

Number of Shareholders	No. of Shareholdings		Total Shares
	From	To	
1,742	1	100	43,362
567	101	500	139,269
242	501	1,000	175,783
449	1,001	5,000	1,085,270
159	5,001	10,000	1,170,387
81	10,001	15,000	951,899
26	15,001	20,000	459,463
23	20,001	25,000	521,369
18	25,001	30,000	492,543
20	30,001	35,000	661,544
7	35,001	40,000	262,423
9	40,001	45,000	385,109
7	45,001	50,000	338,885
12	50,001	55,000	626,848
4	55,001	60,000	229,894
7	60,001	65,000	435,566
3	65,001	70,000	200,806
2	70,001	75,000	147,475
3	75,001	80,000	233,876
4	80,001	85,000	333,910
2	85,001	90,000	175,447
1	90,001	95,000	92,525
5	95,001	100,000	490,694
1	100,001	105,000	101,890
6	110,001	115,000	686,600
4	115,001	120,000	473,530
2	125,001	130,000	254,331
2	130,001	135,000	267,232
4	135,001	140,000	547,998
2	140,001	145,000	282,174
2	150,001	155,000	307,470
1	155,001	160,000	158,269
2	160,001	165,000	325,069
3	170,001	175,000	519,669
1	180,001	185,000	183,000
2	190,001	195,000	385,321
2	195,001	200,000	391,254
1	200,001	205,000	202,974
1	205,001	210,000	206,000
1	225,001	230,000	230,000
2	250,001	255,000	506,994
2	255,001	260,000	517,006
1	260,001	265,000	260,170
1	265,001	270,000	269,900
1	280,001	285,000	282,785
1	285,001	290,000	288,500
1	290,001	295,000	292,425
1	305,001	310,000	305,250
1	320,001	325,000	323,200
1	325,001	330,000	328,312
1	330,001	335,000	331,670
2	335,001	340,000	678,360
2	345,001	350,000	696,977
1	360,001	365,000	360,412
1	375,001	380,000	376,565
1	405,001	410,000	407,600
1	455,001	460,000	460,000
1	490,001	495,000	493,655
1	550,001	555,000	554,675
1	665,001	670,000	667,202
1	670,001	675,000	673,275
1	690,001	695,000	692,500
2	715,001	720,000	1,437,495
1	765,001	770,000	767,383
1	825,001	830,000	826,505
1	850,001	855,000	854,375
1	870,001	875,000	872,850
1	1,110,001	1,115,000	1,110,927
1	1,155,001	1,160,000	1,157,825
1	1,220,001	1,225,000	1,222,688
1	1,310,001	1,315,000	1,313,875
2	1,340,001	1,345,000	2,684,602
1	1,405,001	1,410,000	1,409,902
1	1,500,001	1,505,000	1,500,528
1	2,235,001	2,240,000	2,238,318
1	2,375,001	2,380,000	2,379,693
1	4,485,001	4,490,000	4,489,830
1	5,255,001	5,260,000	5,255,247
1	5,570,001	5,575,000	5,573,737
1	7,160,001	7,165,000	7,164,636
1	9,415,001	9,420,000	9,419,494
1	14,975,001	14,980,000	14,975,406
1	23,980,001	23,985,000	23,982,060
1	27,045,001	27,050,000	27,048,613
3,480			142,630,550

کھپنی نے موجودہ مدت کے دوران اپنے ونڈونکافل آپریشن سے 17.7 ملین روپے آمدنی حاصل کی جبکہ گزشتہ سال اسی مدت میں 39.8 ملین روپے تھی۔ اس کمی کی بنیادی وجہ نکافل کاروبار کو اخراجات مختص کرنے کی وجہ ہے، جس کی بنیاد ونڈونکافل کاروبار کو چلانے میں صرف ہونے والا وقت ہے۔

کھپنی نے موجودہ مدت کے دوران 377 ملین روپے بعد از ٹیکس منافع حاصل کیا ہے جبکہ گزشتہ سال اسی مدت میں 367 ملین روپے تھا۔

اس عرصے کے دوران، آئی جی آئی جنرل نے آئی جی آئی ایف ایس آئی (پرائیویٹ) لمیٹڈ کے نام سے ایک مکمل ملکیتی مقامی ماتحت ادارہ تشکیل دیا ہے، جو مارکیٹ میں تربیت کی خدمات سمیت ٹیکنالوجی کی مدد سے کاروباری حل فراہم کرنے میں مصروف ہوگا۔ آئی جی آئی جنرل نے اس عرصے کے دوران آئی جی آئی ایف ایس آئی کے 5 ملین روپے کی ادائیگی والے حصص کی پچھل کو خریدا ہے۔

آئی جی آئی انویسٹمنٹ (پرائیویٹ) لمیٹڈ

آئی جی آئی انویسٹمنٹ آمدنی بنیادی طور پر اس کے انویسٹمنٹ پورٹ فولیو سے حاصل ہونے والے منافع کی آمدنی پر مبنی ہے، اس کے مطابق اس کی آمدنی کا انداز اس کی سرمایہ کاری کے منافع تقسیم کے نمونے کی پیروی کرتا ہے۔ موجودہ مدت کے دوران، آئی جی آئی انویسٹمنٹ نے گزشتہ سال 2019 کی اسی مدت میں 1,156 ملین روپے کے مقابلے میں 916 ملین روپے کی منافع کی آمدنی حاصل کی ہے۔ آئی جی آئی انویسٹمنٹ نے 2019 کی اسی مدت میں 789 ملین روپے کے مقابلے میں 579 ملین روپے بعد از ٹیکس منافع حاصل کیا۔

آئی جی آئی لائف انشورنس لمیٹڈ

موجودہ مدت کے دوران، آئی جی آئی لائف نے 2019 کے اسی عرصے میں 3,479 ملین روپے کے مقابلے میں 4,326 ملین روپے کا خالص پریمیم ریکارڈ کیا گیا۔ آئی جی آئی لائف نے سال 2019 کے اسی مدت میں 176 ملین روپے کے مقابلے میں 70 ملین روپے بعد از ٹیکس نقصان ریکارڈ کیا۔

آئی جی آئی فائیکس سکیورٹیز لمیٹڈ

موجودہ مدت کے دوران، آئی جی آئی سکیورٹیز نے 2019 کے اسی عرصے میں 52 ملین روپے کے مقابلے میں 133 ملین روپے کی انتظامی آمدنی حاصل کی ہے۔ اس مدت کے دوران آئی جی آئی سکیورٹیز نے 29 ملین روپے بعد از ٹیکس منافع ریکارڈ کیا ہے جبکہ اس کے مقابلے میں 2019 کے اسی عرصے میں 12 ملین روپے ٹیکس وصول ہوا۔

ہم اپنے کاروباری شراکت داروں اور تمام اسٹیک ہولڈرز کی جانب سے توسیع کی حمایت اور سرپرستی کی قدر کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز



طاہر مسعود
چیف ایگزیکٹو آفیسر

Saukhan

شیم احمد خان
ڈائریکٹر

لاہور، 28 اکتوبر، 2020

ڈائریکٹرز کی رپورٹ بنام ممبران

آپ کی کمپنی کے ڈائریکٹرز مورخہ 30 ستمبر 2020ء کو اختتام پذیر ہونے والی نو ماہی کے لئے کمپنی کی رپورٹ (غیر آڈٹ شدہ) بشمول مستحکم مجموعی عبوری مالیاتی گوشوارے پیش کرتے ہوئے انتہائی مسرت محسوس کر رہے ہیں۔

گروپ کارکردگی جائزہ:

----- (روپے ہزار میں) -----		
نواماہی مختتمہ 30 ستمبر 2019ء	نواماہی مختتمہ 30 ستمبر 2020ء	
883,148	1,321,892	منافع قبل از ٹیکس
(187,578)	(308,247)	ٹیکس کاری
695,570	1,013,645	منافع بعد از ٹیکس
4.88	7.11	آمدنی فی حصص (روپے)

2020 کے نو ماہ کی اس مدت کے دوران گروپ نے 1,014 ملین روپے بعد از ٹیکس منافع حاصل کیا جبکہ 2019 کی اسی مدت میں 696 ملین روپے کی آمدنی حاصل کی تھی، جو کہ 46 فیصد اضافے کی عکاسی کرتا ہے۔

گروپ نے سال 2019 کی اسی مدت کے دوران حاصل کردہ 4.88 روپے کے مقابلے میں 7.11 روپے فی حصص کی آمدنی حاصل کی۔

ماتحت اداروں کی مالیاتی جھلکیاں حسب ذیل ہیں:

آئی جی آئی جنرل انشورنس لمیٹڈ

موجودہ مدت کے دوران، کمپنی نے گزشتہ سال کی اسی مدت کے دوران 4,711 ملین روپے کے مقابلے میں 5,001 ملین روپے کا مجموعی تحریری پریمیم حاصل کیا، جس میں 6 فیصد کا اضافہ ہوا۔

گزشتہ سال کی اسی مدت میں خالص پریمیم 1,809 ملین روپے سے کم ہو کر 1,728 ملین روپے رہ گیا۔

اسی مدت میں خالص کلیمز 914 ملین سے کم ہو کر 844 ملین رہے۔ اس کے مطابق، اسی مدت میں 186 ملین روپے کے مقابلے میں انڈر رائٹنگ منافع 219 ملین روپے تھا۔ کمپنی نے موجودہ مدت کے دوران 277 ملین روپے کی سرمایہ کاری میں آمدنی ریکارڈ کی ہے جبکہ گزشتہ سال کی اسی مدت کی آمدنی 254 ملین روپے تھی۔

ڈائریکٹرز کی رپورٹ بنام ممبران

آپ کی کمپنی کے ڈائریکٹرز مورخہ 30 ستمبر 2020ء کو اختتام پذیر ہونے والی نو ماہی کے لئے کمپنی کی رپورٹ (غیر آڈٹ شدہ) بشمول غیر مستحکم مجموعی عبوری مالیاتی گوشوارے پیش کرتے ہوئے انتہائی مسرت محسوس کر رہے ہیں۔

کمپنی کی کارکردگی کا جائزہ

----- روپے ہزاروں میں -----

نوامبر 30 ستمبر 2019ء	نوامبر 30 ستمبر 2020ء	
997,950	780,000	تقسیم شدہ منافع آمدنی
802,497	588,178	منافع قبل از ٹیکس
27,492	(2,586)	ٹیکس کاری (محصولات)
829,989	585,592	منافع بعد از ٹیکس
5.82	4.11	آمدنی فی حصص (روپے)

کمپنی نے اس مدت کے دوران 780 ملین روپے کی تقسیم شدہ منافع آمدنی حاصل کی ہے جو کہ گزشتہ سال کی اسی مدت کے دوران 998 ملین روپے تھی اور اس نے 2019 کی اسی مدت کے دوران 830 ملین کے مقابلے میں 586 ملین روپے منافع بعد از ٹیکس حاصل کیا۔

فی حصص کی آمدنی 2019 کی اسی مدت کے 5.82 روپے کے مقابلے میں 4.11 روپے رہی۔ منافع میں کمی کا دارومدار ماتحت اداروں یعنی آئی جی آئی جنرل انشورنس لمیٹڈ اور آئی جی آئی انوسٹمنٹ (پرائیویٹ) لمیٹڈ کی طرف سے تقسیم شدہ منافع آمدنی میں کمی کا سبب ہے۔

آئی جی آئی ہولڈنگز ایک ہولڈنگ کمپنی کی حیثیت سے کام کر رہی ہے، اس کی کارکردگی کا تعین اس کے ماتحت اداروں کی مالی کارکردگی سے کیا جاتا ہے، اور اس کے نتائج میں عمومی اقتصادی ماحول اور سرمایہ کار کمپنیوں کی کارکردگی پر بھی منحصر ہیں۔

ہم اپنے کاروباری شراکت داروں اور تمام اسٹیک ہولڈرز سے حاصل کردہ حمایت اور سرپرستی کی قدر کرتے ہیں۔

برائے اور منجانب بورڈ



طاہر مسعود
چیف ایگزیکٹو آفیسر

Saukhan

شمیم احمد خان
ڈائریکٹر

لاہور، 28 اکتوبر، 2020



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