



LIFE

# POWER THROUGH

ANNUAL REPORT 2020



# Resilient









This year brought a wind of change in our lives, transforming the way we do things while truly putting our resolve to test. With every challenge, EFU Life emerged resilient, powering through the year with great strength, perseverance and, endurance. With all hands on deck, our commitment, teamwork, and determination shielded us from the obstacles that befell on our path, like a shell that protects the life inside by encasing it securely within itself.



**EFU LIFE ASSURANCE LTD.**

ISO 9001: 2015 Certified | Rated AA + by VIS

[www.efulife.com](http://www.efulife.com)

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# VISION & MISSION

## VISION

Our Vision is to make EFU Life one of the most respected and successful financial services organisation in the world. Our strategy to achieve our vision is: build our core capabilities, serve our clients beyond their expectations, adhere to our core values and be a good corporate citizen.

## MISSION

*We shall together build EFU Life into a dynamic and financially sound institution by:*

Working together as a team  
Continually improving our client services  
Creating an empowered and self-fulfilling culture  
Developing innovative products  
Adopting leading technology



# Foresight

We believe wisdom is in acting with prudence and taking decisions proactively and strategically. Where the world finds it difficult to see ahead, our vision and mission enable us to navigate with resilience and confidence.



# STRATEGIC OBJECTIVES

## LEAD THE INDUSTRY

Be the leading provider of insurance and financial planning solutions by achieving growth in existing and new markets.

## VALUE OF SHAREHOLDERS

Achieve a sustainable level of profitability and continuously create value for shareholders.

## BRAND EQUITY

Enhance our brand equity through continuous investments in communication channels and market education.

## INNOVATIVE SOLUTIONS

Continually innovate and deliver a comprehensive range of insurance and savings products meeting the needs of all market segments.

## DISTRIBUTION FOOTPRINT

Strengthen and expand our distribution footprint by connecting to all segments of the market where there is a need for financial planning and protection.

## CUSTOMER OBSESSION

Build a customer-centric culture by not only excelling in caring for our customers and delivering on our promises but also delighting them at every step of the way.

## EMBRACE TECHNOLOGY

Adopt leading technology, deeply entwined with business functions to create optimisation across the organisation.

## Purpose

Stars light up the sky and help us navigate towards our destination. Our strategic objectives pave our way and direct us to move forward confidently and steadily towards achieving our goals.

# CORE VALUES

## **CHARACTER**

Our business principles for achieving exceptional success are a belief that our corporate conduct should be based on uncompromising integrity, ethics and honesty.

## **PRIDE**

We believe that people want to excel and that extraordinary results can be achieved if given the right support and work climate.

## **SERVICE**

Our clients are the reason for being in business. We shall deliver to them the highest quality of flawless service to win and keep their loyalty.

## **COMMITMENT**

We nurture and develop our people to be good human beings, work together as a team to achieve our organisational objectives and obligations, while at the same time fulfill their aspirations.

## **CULTURE**

Embed a high performance culture that points the organisation towards the common good and intense passion for achievement at all levels.

# Commitment

Our values bind us and enable us to swim together through rough waters with a common purpose. No matter the challenge, our values steer us to serve our stakeholders with commitment and integrity.



# KEY FINANCIAL HIGHLIGHTS

**Rs. 6.2 Billion**

SHAREHOLDER EQUITY

**Rs. 3.21 Billion**

Total Claims Paid

**150%**

Cash Dividend

**28.9%**

Return on equity

**Rs. 17.84**

Earnings Per Share

**Rs. 1784 Million**

PROFIT AFTER TAX

**Rs. 138 Billion**

Funds Under Management

GROSS PREMIUM

**Rs. 32.5  
Billion**

Strong Asset Base

**Rs. 154 Billion**

## Stability

Our financial discipline gives us stability and enables us to move forward. Just as the mountain terrain keeps the earth stable and balanced, our business acumen and transparency in our business practices keep us anchored to our success and drive our future hopes, dreams, and progress.

# TECHNOLOGICAL PROGRESS

## Advancement

In today's fast changing world, the only way to stand out and make a difference is by breaking the mould. Much like a firefly, that produces light through its own innovative process, our products and services uniquely place us ahead of others in the modern world.





# DISTRIBUTION FOOTPRINT

## Growth

With each passing year, our roots strengthen, and we spread our network to reach out to more and more people with our financial planning solutions. We band together much like the interlocked roots of a tree that grow steadily and flourish to provide shade to many.

# CSR INITIATIVES

## Prosperity

Going forward in life is linked with giving back to life. We drive our strength and purpose from nurturing our society and serving the community for collective prosperity.

# PRODUCTS & SOLUTIONS



## Passion

When it comes to our products and solutions, we go above and beyond to give you the best. Just as the lotus flower grows gracefully and magically in murky waters, it's our passion that drives our efforts to serve you, no matter the challenges and hurdles that come our way.

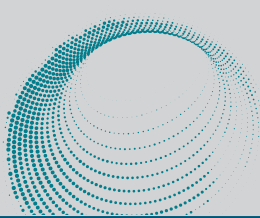


# OUR TEAM



## Harmony

Together we soar high in the sky, leaving the hurdles behind. Our people are driven by their commitment and ownership towards a common goal, flying against all odds to ensure progress and prosperity.



# Director's Profile



**Rafique R. Bhimjee**

Mr. Rafique R. Bhimjee has a B.Sc (Hons) in Management Science from the University of Warwick and an M.B.A in Finance from City University, London. He is also a "Certified Director" from Pakistan Institute of Corporate Governance.

He has worked overseas in Merrill Lynch Asset Management, New York and Abu Dhabi Investment Authority.

Mr. Rafique R. Bhimjee was the Chairman of EFU General Insurance Ltd. from February 1999 to July 2011 and became Chairman of EFU Life Assurance Ltd. in July 2011. He is also Director of Allianz EFU Health Insurance Ltd., EFU Services (Pvt.) Ltd., Executive Director of International Foundation and Garments (Pak) (Pvt.) Limited and Director in EFU General Insurance Ltd.



**Taher G. Sachak**

Mr. Taher G. Sachak has studied in the UK and is a graduate in Business Studies from Bournemouth University, and also has a post-graduate Diploma in Management Studies from Liverpool University. Following his studies, he joined the British Civil Service and after 5 years decided to pursue a career in life assurance. He held executive positions in major UK Life Assurance Companies, Allied Dunbar, Trident Life and finally Century Life before coming to Pakistan in 1994 to join EFU Life.

He is also a Director of EFU General Insurance and Vice Chairman of Allianz EFU Health and on the Executive Committee of Pakistan Insurance Institute and a "Certified Director" from Pakistan Institute of Corporate Governance.



**Saifuddin N. Zoomkawala**

Mr. Saifuddin N. Zoomkawala has been associated with EFU Group since 1964. He served as Managing Director of EFU General Insurance Ltd from 1990 till 2011 when he was elected Chairman of the Company. He is also the Chairman of Allianz EFU Health Insurance Ltd. He was also Chairman of EFU Life Assurance Ltd. from 1999 to 2011.

He is on the Board of Governors of Shaukat Khanum Memorial Trust; SIUT; Burhani Hospital; and Fakhr-e-Imdad Foundation and on the Board of German Pakistan Chamber of Commerce & Industry.



**Hasanali Abdullah**

Mr. Hasanali Abdullah is Chartered Accountant and "Certified Director" from PICG. He is associated with EFU General Insurance Ltd. since 1979 and is its Managing Director & Chief Executive from 2011. He is Director of Allianz EFU Health Insurance Ltd., EFU Services (Private) Ltd., Tourism Promotion Services (Pakistan) Ltd. (owners of Serena Hotels), Hon. Treasurer of Aga Khan Hospital & Medical College Foundation and Member of National Committee of Pakistan Branch of Aga Khan University Foundation Geneva, Director of Institute of Financial Markets of Pakistan.

He has served on the Boards, Council and Committees of various Aga Khan Development Network institutions from 1976 to 2002. He has been Director of PICG in 2011, Chairman of Insurance Association of Pakistan for the year 2008, 2010 - 11 and 2016 - 2017, Executive Committee Member of Federation of Pakistan Chambers of Commerce & Industries in 2011 & 2017, Chairman of Pakistan Insurance Institute from January 2020 to July, 2020 and 2014-15.



**Ali Raza Siddiqui**

Mr. Ali Raza Siddiqui is a Partner at JS Private Equity. From 2005-2010, he was an Executive Director at JS Investments Limited. Prior to joining JS Group he was Assistant Vice President at AIM Investments in Houston, a wholly owned subsidiary of INVESCO (formerly known as AMVESCAP PLC). At AIM, Mr. Siddiqui was part of a team responsible for the management of over USD 60 billion in fixed income assets.

Mr. Siddiqui serves on the Boards of EFU Life Assurance, Pakistan International Bulk Terminals Limited, Jahangir Siddiqui & Co. Ltd., the Mahvash & Jahangir Siddiqui Foundation, and Fakhr-e-Imdad Foundation. He is additionally a trustee for Manzil Pakistan and the Organization for Social Development Initiatives. He holds a Bachelor's Degree from Cornell University with double majors in Economics and Government.



**Daanish Bhimjee**

Mr. Daanish Bhimjee has been working in the financial services sector for over 15 years. His most recent position was with Standard Chartered Bank, where he was a Managing Director in charge of Financial Institutions Investment Banking for Africa and Middle East. Prior to that he was with Barclays Investment Bank and Rothschild in the UK.

Mr. Daanish has advised insurance, bank and government clients on a wide variety of M&A, strategic advisory and capital raising projects across Europe, Middle East and Africa. He has worked on projects in over 20 countries and advised on transactions with aggregate valuations in excess of \$150 billion. Mr. Daanish is a chartered accountant from the Institute of Chartered Accountants of England and Wales. He has a degree in Economics from the University of Cambridge.



**Ruhail Muhammad**

Mr. Ruhail Muhammad career spans over 30 years in General Management, Business Development, Strategy, Financial Planning and People Development. He has held various C-suite positions in companies focused on a diverse range of activities from Chemicals to Energy.

He is currently the CEO of Hub Power Holdings Ltd, a subsidiary of HUBCO, Pakistan's largest IPP. He is responsible for managing the growth portfolio of HUBCO, including existing coal-based power plants. In addition, he is serving as a Director on the Boards of Hub Power Holdings Limited, ThalNova Power Thar Limited, Laraib Energy Limited, China Power Hub Generation Company and K- Electric. Previously, he was the CEO of Engro Fertilizers from 2012-2018. He has served on the Boards of Engro Corp and various Engro subsidiaries including as Chairman of Engro Vopak and Engro LNG Terminal. In addition, he has also served on the Boards of Pakistan Institute of Corporate Governance, British Overseas School, KP Energy Board (PEDO) and as Chairman of Pakistan Mercantile Exchange Limited.

He is a CFA Charter Holder and holds an MBA degree from Institute of Business Administration, Pakistan. He has attended the Advance Management Program at INSEAD as well as a Agri-Business certification from the Harvard Business School.



**Rukhsana Shah**

Rukhsana Shah retired as Federal Secretary, Ministry of Textile Industry after 35 years in government service. In 2015, she set up the Autism Welfare Trust in Lahore, with an office in Karachi, to create awareness about Autism, ADHD and Learning Disabilities in Pakistan, and to train parents and teachers of special and mainstream schools in the management of these disabilities.

From January 2016, she served as a nominee director of the Ministry of Finance on the Board of First Women Bank Limited for three years. At present, she is an independent director of Suzuki Motor Company in Pakistan. She completed her Directors' Training Programme in December 2017 from LUMS.

Rukhsana Shah also writes for Dawn on social and human rights issues.



**Syed Salman Rashid**

Mr. Syed Salman Rashid has done B.Sc. (Hons) from Karachi University and is a "Certified Director" from Pakistan Institute of Corporate Governance.

He started his career with EFU General Insurance Limited and has been associated with the company for over three decades and serves as Deputy Managing Director in the company.

He has attended international seminars, meetings and conferences in several countries of the world. Parallel to his professional services, he has also served on the Board of JS Investment Bank Limited and is presently on the Board of Power Cement Limited.



**Ahsen Ahmed**

Mr. Ahsen Ahmed has been working in the textile sector for over 15 years. He has developed new components for textile auxiliaries in Pakistan and in Europe. He has also contributed in the export-oriented textile sector by setting up a buying house for denim garments for the purpose of export.

He has a degree in Economics from Denison University, Granville, Ohio. Currently, he holds directorship in Abid Industries and Sind Industries since 2003.

He has served on the board of JS Global Capital Ltd. from 2006 to 2012 and JSIL from 2013 to 2019.



**Mustafa Hussain Ali**  
National Sales Director  
Sales Force

**Zain Ibrahim**  
Chief Operations Officer &  
Executive Director

**Taher G. Sachak**  
Managing Director &  
Chief Executive

**S. Ali Raza Zaidi**  
Executive Director  
Group Benefits

**Husein Sachak**  
Head of Bancassurance

**M. Ali Ahmed**  
Chief Strategy Officer &  
Executive Director

**S. Shahid Abbas**  
Chief Financial Officer &  
Executive Director





# Journey Through The Year



**Certificate of Excellence by Management Association of Pakistan**  
Honored with 'Certificate of Excellence' by Management Association of Pakistan in the insurance sector for the 10th consecutive time. EFU Life has been recognized for demonstrating exemplary standard in management practices.

## Best Corporate Report Award 2019

EFU Life Assurance's Annual Report 2019, 'The Art of Evolution' ranked 2nd in the Best Corporate Report (BCR) Award 2019 in the Insurance Category, including Life, Non-Life and Takaful Companies, by Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost & Management Accountants of Pakistan (ICMAP) for best presented accounts.



## SAFA Award

'Certificate of Merit' by South Asian Federation of Accountants (SAFA) for Best Presented Accounts 2019 in the insurance sector, within South Asian countries.

## Brand of the Year award 2019

'Brand of the Year Award' in the category of best life insurance company by the Federation of Pakistan Chambers of Commerce & Industry (FPCCI).



## Digital Campaign 'Humrahi' Wins At MAA Globes 2019

Recognized at the 33rd Marketing Agencies Association Worldwide Awards Ceremony for its 'Humrahi' Webseries. EFU Life won against campaigns from Hong Kong and Russia for the top spot in the Best Use of Media Category.

## Won Gold At Effie Awards For Its Digital Web-Series 'Humrahi'

Awarded 'Gold' at Effie Awards Pakistan in the category of Branded Content. Branded content category is contested across all industries and is not limited to a specific marketing medium.



## 'Best Insurance Tech of the Year' at Pakistan Digi Awards

Awarded the 'Best tech for the year 2020' for BLISS – a biometrically enabled, entirely digital, instant savings-cum-protection policy acquisition system. It is the 3rd consecutive year where EFU Life has been recognized by Pakistan Digi Awards for its revolutionary and innovative approach towards providing better services.

## 'Health & Safety Award' at International Environment Health & Safety Award

Awarded in the category of 'responsibility for health and safety' at the 6th International environment health and safety awards organized by The professional network and ethical business update (EBU).



## CSR Award 2020

'CSR Award 2019' in the category of Social Impact by The Professionals Network and Ethical Business Update (EBU) in recognition of the company's efforts in areas of health, education and environment.



## Serving the people of Pakistan during Covid-19

Keeping up with its gesture of solidarity with the country during these challenging times, EFU Life introduced 'COVID 19 Care' - Pakistan's first complimentary benefit for all individual life clients of the Company with the aim of providing financial assistance for COVID-19. Amidst these times, the Company had also announced the extension in premium payments from standard 30 days to 75 days for all its customers. Additionally, EFU Life had introduced 'COVID 19 Protect', a protection plan designed to cover reimbursement of diagnostic test, daily hospitalization cash assistance and death benefit, at a premium amount starting from as low as Rs. 699.



## EFU Life partners with leading banks for the introduction of new products

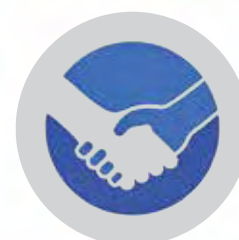
EFU Life joined hands with Bank Alfalah, Soneri Bank, One Link, Tez Financial Services and Oraan for the distribution of its Financial solutions. This collaboration will help in meeting various needs of the customers for their medium to long-term financial planning.

## Giving back to the community

EFU Life, with its deep rooted ideology of giving back to the society, has been contributing towards various welfare activities. The Company has partnered with more than 20 different NGO's in areas of Health, Education and Environment for a sustainable and prosperous community.

## Join Hands for a Life – Ramadan Social Media Campaign

Leveraging on its strong social media presence, EFU Life launched Join Hands #ForALife campaign by partnering with four leading NGO's to spread awareness about their social cause, and made a donation on every like, share and comment on the official EFU Life and the NGO's social media pages.



## Developing Future Leaders of Pakistan

For ensuring an Inclusive Society where quality education and literacy are accessible to everyone, without any prejudice, EFU Life has a longstanding partnership with TCF whereby we donate Rs. 50 on the sale of every education policy.



## Sponsoring the Talent at NOWPDP

To empower persons with disabilities and helping them in developing their desired skill set, the Company has sponsored 20 differently-abled individuals at NOWPDP to help them establish their livelihood so that they could enjoy a comfortable and sustainable lifestyle.



## Give Blood, Give Life

EFU Life continues to support Afzaal Memorial Thalassemia Foundation in its mission to eradicate Thalassemia from Pakistan by supporting their blood bank and ongoing blood drives, thus creating a positive difference in the lives of patients.



## Distribution of Ration Bags to COVID-19 affected families

EFU Life had collaborated with Shahid Afridi foundation and FESF for the distribution of ration bags for the families which had been financially affected by the Pandemic.





# Sustainability & Corporate Social Responsibility

For us CSR is more than philanthropy, it is about developing sustainable projects for community development in areas of education, health and environment. Our employees volunteer regularly and we are continuously exploring avenues to empower individuals to become successful members of the society.

As a company, we have an ongoing collaboration with 20 plus NGO's.



## Education for the underprivileged

A long standing partnership with TCF has been in place whereby we donate Rs. 50 on every education policy sold through our distribution channels along with regular donations. Furthermore, we work with SOS Children's village, AAS Trust, Anjuman e Kaushan E Naunihaal and Asghari memorial high school throughout the year.

## Developing future thought leaders

Sponsoring the annual tuition fee of children of Family Educational Services Foundation, Deaf Reach initiative. Various campaigns are undertaken with them to promote education for the hearing impaired.

## Awareness and Eradication of Thalassemia

EFU Life is fighting the cause against Thalassemia by sponsoring the blood banks of Afzal Memorial Thalassemia Foundation (AMTF) and Umair Sana Foundation along with regular Blood donation drives in partnership with Hussaini Blood Bank.

## Join Hands #ForALife

Yearly CSR campaigns during Ramadan to spread awareness about the NGO's. Join Hands #ForALife campaign supported four NGO's in the year, SIUT, LRBT, Shahid Afridi Foundation, and FESF. The Company donated Rs.10 on every engagement received on the posts and videos of the NGO during the month.

## Promoting an inclusive society

EFU Life collaborated with NOWPDP by sponsoring the vocational training of 20 people with disabilities. These trainings have helped enhance their innate capabilities so that they could become part of the inclusive society. We also have an ongoing support program with Darul Sukun where we regularly donate for the mental and physical well being of their inhabitants

## Helping households amidst crisis

The company was at the front end to bring relief to the families hit by the Pandemic. The Company contributed to Government of Sindh's COVID Emergency fund alongside a collaboration with Shahid Afridi Foundation for the distribution of Rations bags to Affected families.

## Provision of PPE's to Hospitals

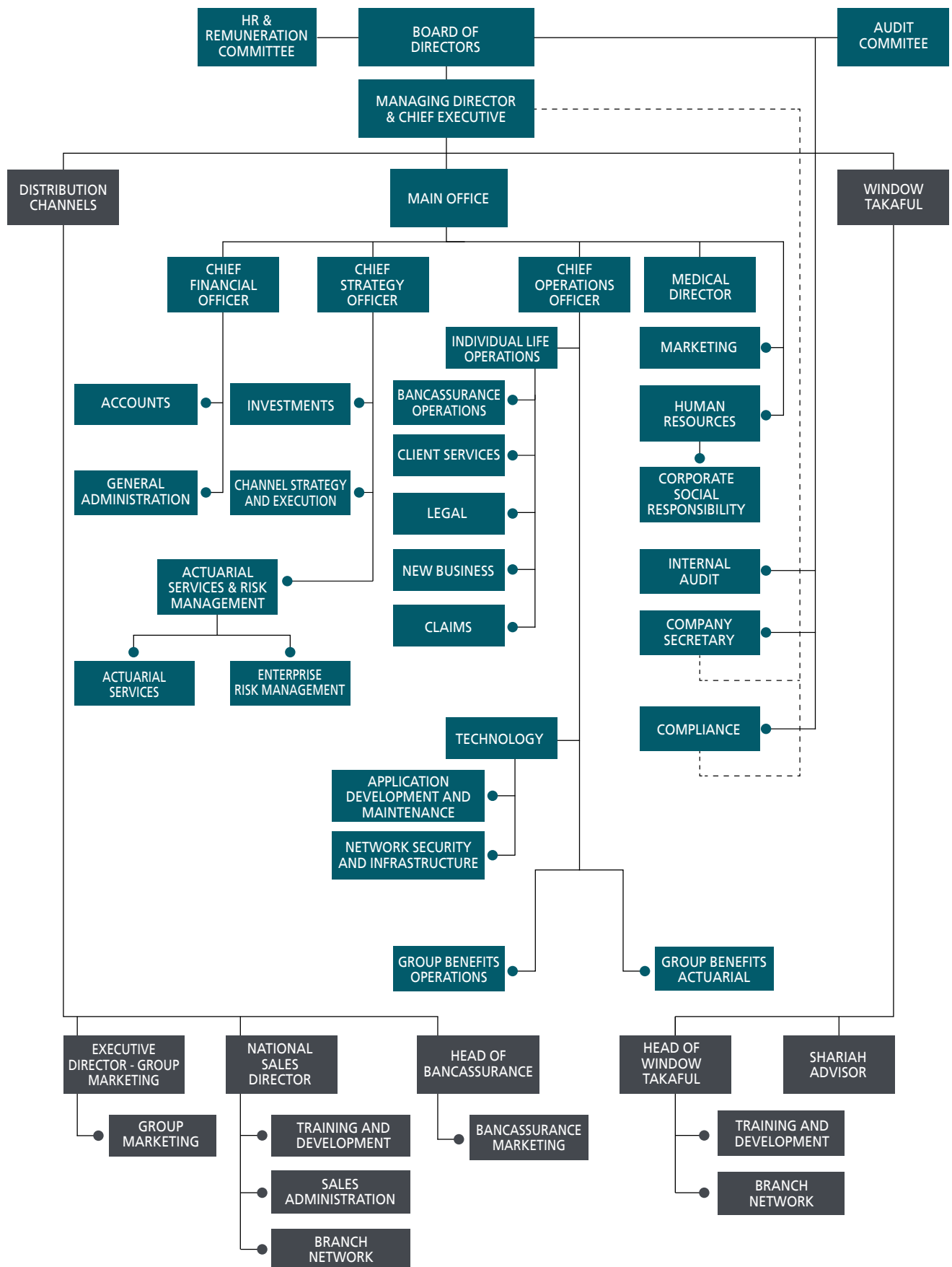
Donation to Transparent Hands – a crowdfunding organization for the provision of PPE's to selected welfare hospitals across Pakistan.

## Certifications acquired for CSR Practices

EFU Life has been honored with the CSR award for the 6th consecutive time by The Professionals Network and Ethical Business Update (EBU) for its efforts in areas of health, education and environment.



# Organogram





## Managing Director & Chief Executive

Taher G. Sachak

## Executive Directors

Mohammed Ali Ahmed  
Syed Shahid Abbas  
Zain Ibrahim

## General Managers

Ali Qureshi  
Arshad Iqbal  
Ashfaque Ahmed  
Mohammad Asim Khan

## Deputy General Manager

Raza Hasan

## Assistant General Managers

Aman Hussain  
Jalal Habib Curmally  
Mohammad Faisal  
Muhammad Abbas  
Muhammad Fawad Habib  
Muhammad Hasan Sheikh  
Muhammad Rehan Siddiqui  
Naseeruddin Ahmed  
Nilofer Sohail  
Sajjad Hussain Khan  
Syed Muhammad Raza Rizvi  
Syed Muhammed Owais  
Syed Rizwan Ali Bukhari  
Zahny Amlany

## Medical Director

Dr. Tajuddin A. Manji,  
F.R.C.P., M.R.C.P.

## Chief Managers

Dr. Asadul Hadi Siddiqui  
Evelyn D. Abrogena  
Irfan Junejo  
Syed Abdul Mujeeb  
Syed Muhammad Athar  
Zia-ur- Rehman Khan

## Senior Managers

Abbas Hussain  
Ammar Qamar  
Asim Maqbool  
Burhan Zahid Chughtai  
Dr. Ammara Moazzum  
Farah Mushtaq

Farrukh Hasan  
Jibran Masood Khan  
Mariam Ahmed  
Nasir Feroz Khan  
Syed Ahmar Hasan Jafri  
Syed Muhammad Amer

## Managers

Adnan Ali Gul  
Adnan Wali  
Akbar Husain Qazilbash  
Ambreen Azmat  
Ameer Abbas Mir Muhammadi  
Anila Hasan  
Asif Abdul Ali  
Asif Akhtar  
Azfar Hammad Khan  
Danyal Ansari  
Dr. Hayaul Batool Abbasi  
Dr. Muhammad Hassan  
Faisal Zaheer  
Farhan Baksh Qadri  
Furqan Ahmed  
Hassan Jivani  
Imran Mehdi  
Irfan Abbas Hameer  
Irfan Bashir  
Irfan Qadir Malik  
Jamal Haider Zaidi  
Javed Ameen  
M. Ammar Zaheer  
M. Masood Sheraz Khan  
Majid Aziz  
Malik Muhammad Rafi Awan  
Mohammad Abbas Zaidi  
Moiz Ahmed Khan  
Mubashar Ahmed  
Muhammad Adnan Qadeer  
Muhammad Faisal  
Muhammad Hassan  
Muhammad Jawaaid Mughal  
Muhammad Naveed Hasan  
Nafees ul Haq  
Nazia Alam  
Nazish Hasan  
Ramesh Kumar  
Riaz Ahmed  
Saeed-ul- Haq  
Sajid Mahmood Butt  
Shahan Khan  
Shahzad Ahmed  
Shahzad Ghous  
Shakir Sher Ali  
Shayan Rizwan

Sheikh Irfan Zafar  
Syed Afsar Raza  
Syed Muneer Ali  
Talat Zehra Shirazi  
Tasleem Iqbal  
Tassawur Zubair  
Waleed Jawaaid  
Yousuf Hussain Ali  
Zohaibullah Ansari

## Distribution Channels

### Sales Force

Mustafa Hussain Ali  
National Sales Director

### Takaful Operations

Mohammad Ali Ameen  
Head of Window Takaful Operations

### Bancassurance

Husein Sachak  
Head of Bancassurance

### Group Benefits

Syed Ali Raza Zaidi  
Executive Director

## Board Committees

### Audit Committee

Ruhail Muhammad  
Saifuddin N. Zoomkawala  
Hasanali Abdullah  
Ali Raza Siddique  
Rukhsana Shah  
Daanish Bhimjee

### Ethics, HR & Remuneration Committee

Rukhsana Shah  
Rafique R. Bhimjee  
Saifuddin N. Zoomkawala  
Taher G. Sachak

### Investment Committee

Rafique R. Bhimjee  
Saifuddin N. Zoomkawala  
Taher G. Sachak  
Hasanali Abdullah  
Daanish Bhimjee  
Omer Morshed - Appointed Actuary  
S. Shahid Abbas - Management Executive  
Mohammed Ali Ahmed - Management Executive

## Management Committees

### Underwriting Committee

Taher G. Sachak  
Dr. Tajuddin Manji  
Zain Ibrahim  
Hasan Sheikh  
Dr. Asad- ul- Hadi

### Claim Settlement Committee

Taher G. Sachak  
Arshad Iqbal  
Dr. Ammara Moazzam  
Sajjad Hussain

### Reinsurance Committee

Taher G. Sachak  
Mohammad Ali Ahmed  
Zain Ibrahim  
Ali Qureshi  
Raza Hasan

### Risk Management & Compliance Committee

Taher G. Sachak  
Mohammed Ali Ahmed  
S. Shahid Abbas  
Zain Ibrahim  
Ali Qureshi  
Abbas Hussain  
S. Abdul Mujeeb

### IT Steering Committee

Zain Ibrahim  
S. Shahid Abbas  
Ashfaq Ahmed

## Chairman

Rafique R. Bhimjee

## Managing Director & Chief Executive

Taher G. Sachak

## Directors

Saifuddin N. Zoomkawala

Hasanali Abdullah

Syed Salman Rashid

Rukhsana Shah

Ali Raza Siddiqui

Daanish Bhimjee

Ruhail Muhammad

Ahsen Ahmed

## Company Secretary & Compliance Officer

Abbas Hussain

## Appointed Actuary

Omer Morshed, F.C.A., F.P.S.A., F.I.A.

## Legal Advisor

Mohammad Ali Sayeed, M.A.B.L.

## Auditors

KPMG Taseer Hadi & Co.

Chartered Accountants, Karachi

## Rating

Rating Agency: VIS

Insurer Financial Strength Rating: AA+

Outlook: Stable

## Registrar

CDC Share Registrar Services Ltd.

99-B, Block B, S.M.C.H.S

Main Shahra - e - Faisal

Karachi 74400 - Pakistan

(92-21) 111-111-500

## Website:

[www.efulife.com](http://www.efulife.com)

## Registered Office

Al-Malik Centre

70 W, F-7/G-7

Jinnah Avenue, (Blue Area)

Islamabad

## Main Office

EFU Life House,

Plot No.112, 8th East Street

Phase 1, DHA, Karachi

## Shariah Advisor

Mufti Muhammad Ibrahim Essa





# Access to Reports and Enquiries

## Annual Report

Annual report can be downloaded from the Company's website: [www.efulife.com](http://www.efulife.com); or printed copies obtained by writing to:

The Company Secretary  
EFU Life Assurance Ltd.  
EFU Life House,  
Plot No.112, 8th East Street  
Phase 1, DHA, Karachi, Pakistan

## Quarterly Reports

The company publishes interim reports at the end of first, second and third quarters of the financial year. The interim reports can be accessed at website: [www.efulife.com](http://www.efulife.com); or printed copies can be obtained from the company secretary.

## Shareholder's Enquiries

Shareholders' enquiries about their holding, dividends or share certificates can be directed to share registrar at the following address:

CDC Share Registrar Services Ltd.  
99-B, Block B, S.M.C.H.S  
Main Shahra - e - Faisal  
Karachi 74400 - Pakistan

## Stock Exchange Listing

The shares of the company are listed on Pakistan Stock Exchange. The symbol code is EFUL.

EFU is the largest insurer group in the country. The group structure comprises of EFU Life Assurance Limited, EFU General Insurance Limited and Allianz EFU Health Insurance Limited.

The EFU Brand has a rich history of over 88 years, starting in 1932 in Calcutta. By 1961, EFU had become the flag bearer of Pakistan's insurance industry on the world stage, and the largest life company in Afro-Asian countries (excluding Japan). It remained so until 1972 when Life insurance business in Pakistan was nationalized. From then onwards EFU operated solely as a General Insurance Company.

In 1992, the Government of Pakistan opened up life insurance to the private sector and EFU Life Assurance Ltd. was incorporated as the first private sector life insurance company. Over a span of 28 years EFU Life has established itself as a trusted brand name in providing all types of financial planning solutions. The Company markets its business through three main distribution channels - Sales Force, Bancassurance and Group Benefits. A comprehensive range of retail products are available targeting low-income persons up to high net worth individuals, details can be viewed on our website [www.efulife.com](http://www.efulife.com). In addition, tailor made solutions are offered to the corporate sector through group life schemes.

The Company also has the distinction of being the first Window Family Takaful Operator to be licensed by the SECP and to start window takaful operations. A complete Shariah compliant suite of financial planning products is available through all distribution channels.



# Performance Evaluation of the Board & CEO

## Performance Evaluation of the Board

Board of Directors act as governing trustees of EFU on behalf of the regulator, shareholders and Policy holders of the Company. For this purpose the Board has placed a mechanism to reevaluate its performance annually as required by the Code of Corporate Governance. The mechanism devised is based on emerging and leading trends on the functioning of Board and improving its effectiveness. The placement and functioning of evaluation mechanism is outsource. Also, each member of the Board carried out a self-assessment of his own effectiveness as an individual as well as effectiveness of the Board as a team for the year. Furthermore, the Company is abiding by the Code of Conduct which is formulated by the Board.

The Board set following evaluation criteria to judge its performance.

- Ensures that compliance mechanism is in place and followed diligently.
- Proper risk management tools are in place which supports for company's performance and growth.
- Compliance with all relevant regulatory laws and regulations by management of the company.
- Review of the long term strategic business plans and goals and its achievement.
- Ensuring adequate internal control system within the company and its regular assessment through self-assessment and audit committee.
- Ensuring required quorum of Board meeting is available in order to have detailed deliberation and quality decision on matters of significance.
- Ensures the training of Board member particularly the new members are fully aware of their roles and responsibilities.

## Performance Evaluation of the Chief Executive Officer

The performance of the Company is intricately linked to the CEO's performance and inevitably, the CEO's performance is measured against the Company's performance. The Chief Executive Officer (CEO) is responsible for leading the development and execution of the Company's long term strategy with a view to creating value for its shareholder. The CEO's leadership role also entails being ultimately responsible for all day-to-day management decisions and for implementing the company's long and short term plans.

The performance of CEO is assessed through performance and target given by the Board. The following constitute the benchmarks against which the evaluation takes place:

- Development of future Strategy
- Customer insight and sales leadership
- Financial analysis and management
- Effective deployment of information systems



# Role of the Chairman and the CEO

The roles of the Chairman and the Chief Executive are separate and complementary, with responsibilities clearly set out.

## Chairman

The Chairman is responsible for leadership of the Board. In particular, he will:

- Ensure effective operation of the Board and its committees in conformity with the highest standards of corporate governance.
- Ensure effective communication with shareholders, and other relevant stakeholders and that the views of these groups are understood by the Board.
- Set an agenda which is primarily focused on strategy, performance, value creation and accountability, and ensure that issues relevant to those areas are considered by the Board.
- Ensure that the Board determines the nature and extent of the significant risks the Company is willing to embrace in the implementation of its strategy, and that the Board reviews on an ongoing basis the effectiveness of risk management and internal control systems.
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making.
- Manage the Board to ensure that adequate time is allowed for discussion of all agenda items (in particular strategic issues) and to ensure that complex or contentious issues are dealt with effectively, making sure in particular that non-executive Directors have sufficient time to consider them.
- Ensure that Board members receive accurate, timely and clear information, in particular about the Company's performance.


## Chief Executive

The Chief Executive is responsible for leadership of the life insurance business, managing it within the authorities delegated by the Board and the development and implementation of strategy. In particular, he will:

- Develop strategy proposals for recommendation to the Board and ensure that agreed corporate strategy actions are reflected in the business.
- Be responsible to the Board for the performance of the business consistent with agreed business plans, corporate strategies and policies and keep the Board as a whole updated on progress made against such agreed plans, corporate strategies and policies.
- Facilitate the operating businesses of the Company in developing their own strategic plans for the future ensuring that they are properly evaluated and that they are built into the overall corporate strategy.
- Plan human resourcing to ensure that the Company has the capabilities and resources required to achieve its business plans.
- Develop an organizational structure and establish processes and systems to ensure the efficient organization of resources.
- Lead the Committees, including the development of performance targets and appraisals for the Executive Committees and senior management. Ensure that business is conducted in accordance with the Business Principles.
- Ensure that the flow of information to the Board is accurate, timely and clear. Ensure that reporting lines within the Company are clearly established and are effective.
- Ensure that management puts procedures in place to ensure compliance with all relevant legislation and regulation.
- Develop and maintain an effective framework of internal controls including risk management in relation to all business activities.
- Ensure that the Company has a suitable system and policy for the timely and accurate disclosure of information in accordance with regulatory requirements.
- Keep the Chairman promptly informed on all matters that may be of importance to the Board or of which the Board should be aware.

The Chairman and Chief Executive will meet regularly to review issues, opportunities and problems.





# Stakeholder Engagement / Quality Assurance

## Policy and Procedures for Stakeholder Engagement

### Institutional Investors

The Company convenes Annual General Meeting in accordance with the Companies Ordinance, 1984. The Company's financial reports are published every quarter and are also placed on Company's website for the shareholders and potential investors.

In compliance with the Code of Corporate Governance under the listing regulations of the stock exchange, the Company notifies information to the stock exchange from time to time. This helps the shareholders remain connected with the Company. The dates of the Board of Directors Meetings and financial results are notified to the stock exchange.

### Customers

We believe in customer trust and satisfaction being our strength over the years. To help improve customer service and meet their needs and expectations, feedback from customers are sought.

### Banks

We understand the importance of these stakeholders and ensure continuous interactions with them and manage our relationships.

### Media

We engage with media through press briefing and regular press releases on key achievements, periodical results, and other strategic events.

### Regulators

To maintain compliance with applicable laws and regulations, the applicable statutory returns and forms are filed with various regulatory bodies and federal and provisional taxation authorities

## Procedures Adopted for Quality Assurance of Products / Services

EFU Life believes that meeting customer expectations comes from consistently meeting standards and delivering consistent results is at the core of quality assurance procedures.

It is our responsibility to ensure that every employee understands the quality definitions and how he / she is to make certain those standards are met. Measuring the quality that is delivered is critical for consistent results. Department / Branch Heads monitor work processes and maintain quality standards.

As per ISO 9001:2015 standards, EFU Life has established procedures for quality assurance of services by continually improving the effectiveness of the quality management system through the use of:

- the quality policy,
- quality objectives,
- audit results,
- analysis of data,
- corrective and preventive actions,
- regular management reviews,
- trainings,
- customer feedback system and
- monitoring / measurement activities.

The old expression, "There is always room for improvement," rings true when it comes to quality assurance. To keep our business on the cutting edge, we always ask the question". How can we make this better? By tweaking the process where required or by raising standards each year, we will see our overall business quality improve to levels higher than ever before.



# Significant Plans / Forward looking Statement

## Significant plans and decisions such as corporate restructuring, business expansion and discontinuance of operations etc.

The Company's continues to expand business by focusing on increasing the outreach of its distribution channels offering products for all the socio-economic segments of the population and using technology as a key enabler. The significant plans and decisions are as follows:

For sales force: Identify and expand geographically in Pakistan, enhance productivity of existing sales operations by focusing on branch productivity, case average and persistency, launch new products based on needs of the various population segments. For Takaful line of business, the Company, over the last 6 years, has set up a dedicated sales force and new branches, and the expansion activity will continue in the next few years for further penetration.

For Bancassurance: Proactively manage partnerships and relationships with all banks (large, medium, small) to fulfill business growth objectives, expand Referral and Direct Sales models, launch new products to penetrate in all customer segments, focus on branch productivity, case average and persistency.

For Group Benefits: Enhance presence in all profitable segments of the corporate sector, offer tailored solutions as per need of the clients, focus on inclusive and mass-market insurance with an aim to increase the number of lives under the insurance social protection net.

The corporate as well as sales management structures in all channels are regularly evaluated for their effectiveness in meeting the business growth objectives, and where required, structural changes are done.

The Company does not plan to discontinue any operations.

## Significant changes in objectives and strategies from prior years.

There are no significant changes in objectives and strategies from prior years.

## Forward looking Statement

EFU Life has a positive outlook on the next 5 years of the life insurance and family takaful industry. The sector has continued to perform well vis-à-vis other sectors in the financial arena, and the Company expects this growth momentum to continue for the medium term. Distribution channels and their effective utilization will continue to be the primary driving force resulting in an increased insurance penetration and expansion of the financial protection safety net. At the same time, alternative mass market channels focusing on including a larger number of lives under the insurance net will continue to be explored by the companies. With the expansion of the distribution channels, the Company expects the industry players to focus more on improving the productivity.

With the opening up of window takaful operations during 2015, and several window takaful operators having started operations, the Company expects takaful outreach to expand and contribute positively in increasing the size of the insurance pie. Investment on Information Technology will continue, especially adopting new trends in technology, and will be one of the key aspects of the industry's strategy. The Company expects investments in enhancing the technology base for back-end operations and for front end sales and services to clients.



# Stakeholders' Engagement Process

The Company believes in active engagement with the regulator, business partners, associates and investors. The process and frequency varies according to the nature and type of the engagement:

**Customers:** Due to the long term nature of individual life products, the Company is heavily focused on the customer journey, right from the pre-acquisition stage to claim. Regular interaction with customers is done via the sales staff, email, sms, phone calls, letters and social media. This interaction helps to understand and fulfill customer needs in a better way, improves persistency, creates sales leads, helps in upselling and repeat sales. For Bancassurance, the sales management and coordination teams interact on a daily basis with staff in bank branches, regional levels and head office levels to further our business objectives. For corporate clients, the marketing team engages regularly to manage the relationships and offer tailored solutions.

**Media:** The Company has been a trendsetter in launching innovative media campaigns focusing on awareness creation, offering products for various needs as well as enhancing Brand value. The campaigns are on a 360 degree horizon focusing on all mainstream platforms such as TV, radio, print, digital, social media, as well as on-ground engagement and activation. During the course of these campaigns the Company is closely engaged with the media in terms of planning and execution.

**Regulators:** The Company considers an active and healthy engagement with the regulators as a cornerstone of its strategy. This includes SECP, SBP, FBR, provincial tax authorities and any other regulator in the country that has an influence or impact on the Company's business. The nature of such interaction is in one-to-one meetings, group or industry level meetings, workshops, conferences and seminars. The frequency can be as per need of the regulator or the Company and at times is very frequent.

**Banks:** The Company works with all major banks of the country for various objectives. Bancassurance relationships have been covered in the section above. In addition, the Company uses banks for all its banking needs, including investments. The frequency of interaction is on a needs basis and the nature of service. In addition, senior level engagement is ongoing to deepen the relationships which fulfill business objectives.

**Analysts:** The Company has planned its annual corporate briefing on 31 March 2021. In addition, on a needs basis, the Company meets with analysts of various entities to apprise them of the Company's business and operations.

**Institutional Investors:** On a needs basis, institutional investors are engaged to provide updates on the Company's performance.

Stakeholders engagement policy and steps Board has taken to solicit and understand the views of the stakeholders through corporate briefing programs and through investor road show etc. and disclosure of brief summary of analysis and shareholders briefings conducted during the year.





# Whistle Blowing Policy

## 1. INTRODUCTION

From time to time, a member of staff might discover information which he or she believes constitutes wrongdoing or malpractice within the organization. This policy aims to:

- a) Create an avenue for such information to be disclosed without fear of reprisal to persons within the organization.
- b) Provide various channels for reporting actual or suspected wrongdoings committed by any staff, agent, manager, supplier, service provider, contractor or other stakeholders dealing with the Company for investigation and appropriate action.
- c) Provide the security necessary so that the staff making the report (“Whistle-blower”) is protected from identification, reprisals, retaliation, or any adverse treatment. For the purposes of this Policy, a Whistle-blower is defined as a person who raises an alert on a possible unlawful activity contrary to Company Policy.

## 2. POLICY STATEMENT

EFU Life Assurance Ltd. (the Company) is committed to the highest standards of honesty, openness, and accountability. It aims to ensure that it operates in a manner consistent with the highest standards of ethical and legal responsibility and professional standards. All employees of the Company accordingly have a key role in ensuring this fact. It is important that staff with knowledge of any wrongdoing should come forward and do so feeling safe and secure that the Company will ensure confidentiality and their anonymity.

The purpose of this Policy is therefore to assist and enable staff members to raise concerns or to disclose information which they believe, in good faith, may indicate malpractice, illegality or a breach of company policy and rules and to do so in a manner free of any fear of personal disclosure or reprisals.

## 3. SCOPE

This Policy extends protection to any Whistle-blower who may be an employee, agent, service provider, supplier, contractor or intermediary. The policy and procedures are concerned with alleged malpractice, impropriety or wrongdoing might include, but not be limited to, one or more of the below actions:

- Financial malpractice or impropriety that includes but is not limited to premium pocketing, money laundering or actions contrary to AML controls, embezzlement etc.
- Conflicts of Interest.
- Theft of Company property.
- Fraud or deception.
- Forgery or alteration of financial records or documentation
- Improper conduct or unethical behavior including any offence of Bribery.
- Failure to comply with a legal obligation.
- Failure to comply with the Company Code of Conduct and any rules and regulations that may be prescribed by the Company from time to time.
- Suspected criminal activity.
- Disclosure of Company information.
- Violation of Company Information Security Rules.
- Sexual harassment, harassment and/or misconduct.
- Discrimination of any kind.

- Attempts to conceal any of the above.
- Others as may be defined from time to time in this policy.

#### 4. MAKING A DISCLOSURE

Anyone wishing to make a report may disclose their identity or make reports anonymously at their discretions. All reports will be treated with utmost confidentiality and will be acted upon. There is no limit to how many allegations a Whistleblower can make or how many times they can make them.

Concerns may be raised verbally, by email, or via the ESS [My Navigator]. As it is essential for the Company to have all critical information to effectively evaluate and investigate a complaint, the report made should provide as much detail and be as specific as possible and include the following:

- The misconduct the Whistle-blower wishes to report on.
- Details of the parties concerned.
- When (dates/time) and where (Company/department) the activities took place.
- Proof (evidence substantiating the misconduct, where available).
- Contact details (only if the person reporting so chooses) in case further information is required.

The Reports can be made via email or in person to any of the following persons:

- Chief Executive Officer (CEO)
- Head of Human Resources, Human Resource Department
- Head of Internal Audit

Whistleblowing reports can also be sent directly to the CEO through the prescribed email address.

Complaints raised to other parties within the Company should be directed to any of the above persons for the purpose of maintaining a centralized repository of all reported cases and ensuring that issues raised are properly followed-up, investigated and addressed.

Keeping in mind the fact that the anonymity and confidentiality of the Whistleblower is key to the success of the policy, the Company also allows for the submission of Whistleblowing reports to be made in the following manner

- Submitted in writing, or printed on blank paper, to any of the below
  - o The CEO
  - o The Head of Human Resources
- Whistleblowing reports submitted this way may not require the Whistleblower's identification such as, name, employee code, department etc. Whistleblowers are encouraged to at least provide an anonymous email address through which they could be contacted, if required. This way, if the Company requires any additional information during the course of its investigations, the whistleblower can be contacted while ensuring anonymity is maintained.
- Whistleblowing reports submitted this way should include, to the extent possible, hardcopy evidences as may be safely compiled by the Whistleblower
- Whistleblowing reports submitted this way should be in a properly sealed envelope to remove any suspicion of tampering with the contents
- The Whistleblowing report must be properly labelled with the intended recipient's name.

Confidentiality of the Whistleblower is to be ensured at all stages. Violators of Whistleblower confidentiality are subject to disciplinary action.

## 5. INVESTIGATING A DISCLOSURE

The CEO will be informed of all Whistleblowing complaints brought to light. An investigation committee will be constituted reporting directly to the CEO that could comprise of any or all the following officers:

- i. The Head of Internal Audit
- ii. The Head of Human Resources
- iii. One independent member from the Senior Management / Leadership of the Company selected by the CEO

The Committee is empowered under this policy to meet, access people and data, interrogate and investigate as is necessary and report their findings and recommendations to the CEO.

All matters reported will be reviewed within a reasonable timeframe and after due consideration and inquiry, a decision will be taken by the CEO on appropriate action to be taken.

The Company may in appropriate cases, particularly if the report pertains to criminal activity, forward such report to external bodies like the Police etc.

A record of all Whistleblowing complaints, Committee meetings, recommendations, decisions, and actions taken will be maintained by the Head of Internal Audit/ CEO's office.

## 6. WHISTLEBLOWER SAFEGUARDS

The Company prohibits discrimination, retaliation, or harassment of any kind against a Whistle-blower who submits a complaint or report in good faith. This is done through the following measures.

### 6.1. Confidentiality

The identity of the individual making an allegation will remain confidential, unless otherwise agreed with that individual.

### 6.2. Protection

The Policy offers protection against dismissal, harassment at place of work, work withholding or overloading or any other punitive action to those individuals who make reports in accordance with this Policy.

## 7. UNSUBSTANTIATED ALLEGATIONS

No action will be taken against an individual who makes an allegation in good faith even if it is not confirmed by subsequent investigations. If, however, in the determination of the Investigation Committee, an individual has made allegations that are found to be malicious, fictitious, trouble making and/or for personal gain, appropriate action may be taken.

## 8. COOPERATION

Anyone who fails to cooperate in an investigation, or who deliberately provides false information or withholds information during an investigation, shall be subject to disciplinary action up to, and including, dismissal.

If, at the conclusion of an investigation, the Company determines that a violation has occurred or the allegations are substantiated, effective remedial action commensurate with the severity of the offence will be taken.





# Decisions taken at the last AGM

## Annual General Meeting held on March 27, 2020

No Significant issues were raised by the shareholders during the meeting. The following matters taken up in the meeting as per Agenda were approved unanimously and the decisions taken were implemented in due course:

1. Approval of the minutes of the 27th Annual General Meeting held on April 23, 2019.
2. Approval the Audited Financial Statements for the year ended December 31, 2019 together with the Chairman's review, Directors' and Auditors' reports thereon.
3. Approval of Final Cash Dividend at the rate of Rs.10.50 per share i.e.105% as recommended by the Board of Directors and also approve the Interim cash dividend of Rs.4.50 per share i.e. 45% already paid to shareholders, thus making a total of Rs.15.00 per share i.e. 150% for the year ended December 31, 2019.
4. Appoint Auditors for the year 2020 and fix their remuneration.
5. Resolve that transmission of financial statements, auditors report and directors report etc. to members of the company at registered address in soft form i.e. CD/DVD/USB.

## B. SPECIAL BUSINESS:

1. Approval of following resolutions.

"Resolved that the transactions carried out by the Company in the normal course of business with EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd. (related parties) in 2019 be and are hereby ratified, approved and confirmed."

"Further Resolved that the Managing Director & Chief Executive be and is hereby authorized to approve all the transactions carried out in the normal course of business with EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd. till the next Annual General Meeting."

"Further Resolved that the Managing Director & Chief Executive and the Company Secretary of the Company be and are hereby authorized to give effect to this resolution and to do or cause to do all acts, deeds and things that may be necessary or required and to sign such documents and take such steps from time to time, as and when necessary for the purposes of implementing this resolution."

## Statement of Ethics

All Directors and Staff are required to:

- Act with integrity, dignity and in an ethical manner when dealing with the public, clients and peers.
- Protect and ensure the confidentiality, integrity and availability of client information at all times except where required by law to disclose it.
- Protect and ensure the confidentiality, integrity and availability of information relating to the Company both during the course of Directorship or employment (as the case may be) and after its termination (regardless of reason).
- Obtain written permission from the Company's Compliance Officer (or the Chief Executive Officer in the event that the Compliance Officer is unavailable) to hold any position (paid or unpaid) with any outside party, firm or organization. For clarity, positions covered include but are not limited to consultant, employee, Director, representative and agent. Furthermore, all staff must disclose in writing to the Company, any such positions they currently hold at the time of signing this statement. Directors are exempt from this requirement.
- Maintain accurate records of business transactions related to the Company or its clients.
- Report any business or professional activities or any beneficial interests that may result in a conflict with or be competitive with the interests of the Company.
- Report any person or activity to the Compliance Officer or CEO that in their opinion is in violation of this statement.
- Disclose their shareholding in the Company's Securities upon signing this agreement and any changes in shareholding within 24 hours of any such change.
- Act diligently and with vigilance to prevent EFU Life products and services from being used for money laundering and terrorist financing.
- Read, understand and act in accordance with EFU Life's Anti Money Laundering Policy
- Adopt appropriate procedures in accordance with EFU Life's policy to gain an understanding of the business and background of our prospective clients and business partners to determine origin and destination of their funds
- Read, understand and act in accordance with EFU Life's Information Security Policy
- Report to the Compliance Officer any suspicious transaction or incident.

## Statement of Business Practices

- Uncompromising integrity. Our business is founded on trust and we manage it ethically, lawfully and fairly.
- Clients first. Nothing we do is more important than protecting and preserving our clients' interests. We hold responsibilities towards our clients in the highest regard.
- Entrepreneur-ship. We work hard every day to hire the best people, motivate them, reward them and encourage them to innovate. We are a meritocracy and an equal opportunity employer.
- Passion for performance. We contribute towards our Company's financial goals and concentrate on achieving superior results.

- A culture of excellence. We measure our performance on every task we undertake not just by the results but also by the quality of our work.
- A culture of inclusion and respect. We work hard to ensure for all our employees a workplace free of gender, class, belief, disability or any other discriminations and to ensure that we treat each other with dignity and respect.
- A tradition of success. While we are fair and ethical at all times, we compete aggressively by providing excellent service to our clients.

**Certification Statement**

I certify that I have read and understood the foregoing Statement of Ethics & Business Practices. I agree to conduct my duties in accordance with these statements. I certify to the best of my knowledge, information, and belief that I have not engaged in any behavior, which violates these statements.

Signature \_\_\_\_\_

Name \_\_\_\_\_

Designation \_\_\_\_\_

Department/ Location \_\_\_\_\_





# Internal Control Framework

The Company's Internal Control framework consists of various inter-related components including the Control Environment, Risk Assessment, Control Activities, Information & Communication and Monitoring. These components work to establish and implement sound internal control system through directed leadership, risk management function, internal audit and compliance. The Board of Directors is responsible to establish an Internal Control System to maintain an adequate and effective Internal Control Environment. An Internal Control System is a set of systems and processes designed to identify and mitigate the risk of failure and achieve the overall business objectives of the organization by providing reasonable assurance of:

1. Effectiveness and efficiency of controls of operation
2. Reliability of financial information
3. A prudent approach to business
4. Compliance with applicable laws and regulations

## Role of Internal Audit

The Internal Audit is instrumental in assisting the Board of Directors and the management to evaluate the effectiveness and efficiency of internal control framework. The Internal Audit annual plan is discussed with management to ensure complete coverage of evaluation of all significant risks to which the Company is exposed, which thereafter is approved by the Board Audit Committee. The significant findings are discussed with management on ongoing basis and reported to Audit Committee in quarterly meetings to ensure that corrective actions are taken on timely basis to minimize the recurrence of discrepancies to ensure strengthening of the control environment.

## Role of Risk Management

Being an insurance company, we deal with risks that arise from internal as well as external events while the landscape is constantly changing. Risk management function plays a key role in the management of uncertain situations in line with the strategic objectives of the Company.

Our risk management function operates through the Enterprise Risk Management (ERM) function, providing a unified framework that identifies, quantifies and manages major categories of risks that might have material effect on Company's values by using both quantitative and qualitative assessments. ERM function is integrated with key functions of the Company.

## Role of Compliance

Compliance function is responsible for the compliances with applicable laws and regulations and reviewing the updates / promulgation of laws and regulations. The Compliance function works in liaison with other departments to ensure strict compliances of relevant laws and regulations. Quarterly meetings are held where compliance status with all applicable statutory regulations updates are provided to the risk management and compliance committee.

## Results

First Quarter ended 31 March	Announced on	25-Apr-20
Half year ended 30 June	Announced on	20-Aug-20
Third quarter ended 30 September	Announced on	21-Oct-20
Year ended 31 December	Announced on	24-Feb-21

## Dividend

1st Interim 2020	Announced On	25-Apr-20
	Amount	15%
	Entitlement date	11-May-20
	Paid On	19-May-20
	Statutory limit upto which payable	2-Jun-20
2nd Interim 2020	Announced On	20-Aug-20
	Amount	15%
	Entitlement date	7-Sep-20
	Paid On	15-Sep-20
	Statutory limit upto which payable	29-Sep-20
3rd Interim 2020	Announced On	21-Oct-20
	Amount	15%
	Entitlement date	4-Nov-20
	Paid On	12-Nov-20
	Statutory limit upto which payable	26-Nov-20
Final Cash 2020	Announced On	24-Feb-21
	Amount	105%
	Entitlement date	24-Mar-21
	Statutory limit upto which payable	21-Apr-21
1st Interim 2019	Announced On	27-Apr-19
	Amount	15%
	Entitlement date	14-May-19
	Paid On	20-May-19
	Statutory limit upto which payable	5-Jun-19
2nd Interim 2019	Announced On	23-Aug-19
	Amount	15%
	Entitlement date	8-Sep-19
	Paid On	18-Sep-19
	Statutory limit upto which payable	30-Sep-19
3rd Interim 2019	Announced On	25-Oct-19
	Amount	15%
	Entitlement date	10-Nov-19
	Paid On	18-Nov-19
	Statutory limit upto which payable	2-Dec-19
Final Cash 2019	Announced On	7-Feb-20
	Amount	105.0%
	Entitlement date	20-Mar-20
	Statutory limit upto which payable	17-Apr-20

Issuance of Annual Report	8-Mar-21
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29th Annual General Meeting	31-Mar-21
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# Notice of Meeting

Notice is hereby given that the 29th Annual General Meeting of the Shareholders of EFU Life Assurance Ltd. will be held at Kamran Centre, 1st Floor, 85 East, Jinnah Avenue, Blue Area, Islamabad on Wednesday March 31, 2021 at 11.30 a.m. to:

## A. ORDINARY BUSINESS:

1. confirm the minutes of the 28th Annual General Meeting held on March 27, 2020.
2. confirm the minutes of the Extra-Ordinary General Meeting held on July 08, 2020.
3. receive, consider and approve the Audited Financial Statements for the year ended December 31, 2020 together with the Chairman's review, Directors' and Auditors' reports thereon.
4. consider and if thought fit to approve the payment of Final Cash Dividend at the rate of Rs.10.50 per share i.e. 105% as recommended by the Board of Directors and also approve the Interim cash dividend of Rs. 4.50 per share i.e. 45% already paid to shareholders for the year ended December 31, 2020.
5. appoint statutory Auditors for the year 2021 and fix their remuneration. The Audit Committee and the Board of Directors have recommended KPMG Taseer Hadi & Co., Chartered Accountant for re-appointment as statutory auditors.

## B. SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass the following resolutions with or without modification(s)  
"Resolved that the transactions carried out by the Company in the normal course of business with EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd. (related parties) in 2020 be and are hereby ratified, approved and confirmed."  
"Further Resolved that the Managing Director & Chief Executive be and is hereby authorized to approve all the transactions carried out in the normal course of business with EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd. till the next Annual General Meeting."
7. Transact any other matter with the permission of the chair.

Attached to this notice of meeting being sent to the members is a statement under Section 134(3)(b) of the Companies Act, 2017 setting forth:

- a. All material facts concerning the resolutions contained in item 6 of the notice.

By Order of the Board

Abbas Hussain  
Company Secretary

Karachi: 24 February 2021



## NOTES

### 1. PARTICIPATION IN AGM THROUGH ELECTRONIC MEANS:

In view of the prevailing situation of Pandemic Covid-19, particularly in the wake of its second wave and concerning the well-being of the participants of the AGM, this General Meeting is being conducted as per guidelines circulated by SECP vide its Circular No. 4 of 2021 dated 15th February 2021. Accordingly, the following arrangements have been made by the Company to facilitate the participation of the shareholders in the AGM through online video conference, either in-person or through appointed proxies:

The shareholders are requested to please provide below information to our Company Secretary at e-mail address: [abbashussain@efulife.com](mailto:abbashussain@efulife.com), at least 24 hours before the time of AGM i.e. latest by 11:30 am on March 30, 2021.

Folio / CDC Account No.	Name	CNIC No.	Cell No.	Email Address

Upon receipt of the above information from shareholders, the Company will send login details to their email address, which will enable them to join the said AGM through video conference on Wednesday March 31, 2021 at 11:30AM.

- A member entitled to attend and vote at the General Meeting is entitled to appoint another member as a proxy to attend and vote in respect of his/her behalf. Form of proxy must be deposited at the Company's Registered Office not later than 48 hours before the time appointed for the meeting.
- CDC Account holders are advised to follow the following guidelines of the Securities and Exchange Commission of Pakistan.

#### A. For attending the meeting:

- In case of individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

#### B. For appointing proxies:

- In case of individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

- (iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.
  - (v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
4. The Share Transfer Books of the Company will be closed from March 25, 2021 to March 31, 2021 (both days inclusive). Transfers received in order by our Share Registrar, CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 before the close of business on March 24, 2021 will be considered in time to attend and vote at the meeting and for the entitlement of Dividend.
5. Members are requested to notify/submit the following, in case of book entry securities in CDC to respective CDC participants and in case of physical shares, to the Company's Share Registrar, if not earlier provided/ notified:
- a. Change in their addresses;
  - b. Valid and legible photocopies of Computerized National Identity Card (CNIC) for Individuals and National Tax Number (NTN) both for individual & corporate entities.

## **6. ELECTRONIC TRANSMISSION OF ANNUAL FINANCIAL STATEMENTS AND NOTICES**

Pursuant to Notification vide SRO 787(I)/2014 dated September 08, 2014, the Securities and Exchange Commission of Pakistan (SECP) has directed all companies to facilitate their members receiving annual financial statements and notices of annual general meeting through electronic mail system (E-mail). EFU Life Assurance Ltd., is pleased to offer this facility to our valued members who desire to receive annual financial statements and notices through email in future.

In this regards, those members who wish to avail this facility are hereby requested to convey their consent via email on a standard request form which is available at the Company's website.

Please ensure that your email account has sufficient rights and space available to receive such email which may be greater than 1MB in size. Further, it is the responsibility of member(s) to timely update the share registrar of any change in his (her / its / their) registered email address at the address of Company's registrar.

## **7. ELECTRONIC DIVIDEND MANDATE**

Under the section 242 of Companies Act, 2017 it is mandatory for all listed Company to pay cash dividend to its shareholders through electronic mode directly in to the bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested (if not already provided) to fill in Bank Mandate Form for Electronic Credit of Cash Dividend available in the Annual Report and also on the Company's website and send it duly signed along with a copy of CNIC to the Share Registrar of the Company, CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S, Main Shahra-e-Faisal, Karachi-74400, in case of physical shares.

In case of shares are held in CDC then electronic dividend mandate form must be directly submitted to shareholder's brokers / participant / CDC account services as the case may be.

In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to shareholders.

## 8. SUBMISSION OF VALID CNIC (MANDATORY)

As per SECP directives the dividend warrants of the shareholders whose valid CNICs, are not available with the Share Registrar could be withheld. All shareholders having physical shareholding are therefore advised to submit a photocopy of their valid CNICs immediately, if already not provided, to the Company's Share Registrar at the following address, CDC Share Registrar Services Limited, CDC House, 99- B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 without any further delay.

## 9. DEDUCTION OF WITHHOLDING TAX ON THE AMOUNT OF DIVIDEND

Pursuant to SECP directives vide Circular No.19/2014 dated October 24, 2014, SECP has directed all companies to inform shareholders about changes made in the section 150 of the Income Tax Ordinance, we hereby advise shareholders as under;

- (i) The Government of Pakistan through Finance Act, 2019 has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:
  - a. for filers of income tax returns: 15%
  - b. for non-filers of income tax returns: 30%

To enable the Company to make tax deduction on the amount of cash dividend @15% instead of 30%, all the shareholders whose names are not entered into the Active Tax Payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of the cash dividend otherwise tax on their cash dividend will be deducted @ 30% instead of @ 15%.

- (ii) In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax be deducted by the Company on the basis of shareholding of each joint-holder as may be notified to the Company in writing. The joint-holders are, therefore, requested to submit their shareholdings otherwise each joint-holder shall be presumed to have an equal number of shares.
- (iii) For any query/ problem /information, the investors may contact the Company and / or the Share Registrar at the following phone numbers & email address. The contact number of Company Secretary is 021-111-338-111 (Ext: 558) & email: [abbashussain@efulife.com](mailto:abbashussain@efulife.com) and the contact numbers of Share Registrar, CDC Share Registrar Services Limited is 021- 111-111-500 & email: [info@cdcsrsl.com](mailto:info@cdcsrsl.com)
- (iv) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company or its Share Registrar, CDC Share Registrar Services Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

## 10. CONSENT FOR VIDEO CONFERENCING FACILITY

Pursuant to the provision to the Companies Act, 2017 members can also avail the video call facility, in this regard please fill the following and submit to registered address of the Company at-least 10 days before the holding of Annual general meeting. If the Company receives consent from members holding aggregate 10% or more shareholding residing at the geographical location to participate in the meeting,

the Company will arrange video conference facility in the city subject to availability of such facility in that city.

I / We \_\_\_\_\_, of \_\_\_\_\_, being a member of EFU Life Assurance Ltd. holder of \_\_\_\_\_ ordinary share(s) as per registered Folio No. \_\_\_\_\_ hereby opt for video conferencing facility.

#### **11. UNCLAIMED DIVIDEND**

As per the provision of section 244 of the Companies Act 2017, any shares issued or dividend declared by the Company which have remained unclaimed / unpaid for a period of three years from the date on which it was due and payable are required to be deposited with commission for the credit of Federal Government after issuance of notices to the shareholders to file their claim. The details of the shares issued and dividend declared by the Company which have remained due for more than three years was sent to shareholders, uploaded on Company website and Final notice was also issued in newspaper. In case, no claim is lodged with the Company in the given time, deposit the unclaimed / unpaid amount and shares with the Federal Government pursuant to the provision of Section 244 (2) of Companies Act 2017.

#### **12. DEMAND A POLL**

Members can exercise their right to demand a poll subject to meeting requirements of Sections 143 and 144 of the Companies Act, 2017 and applicable clauses of the Companies (Postal Ballot) Regulations, 2018.

#### **13. TRANSMISSION OF THE ANNUAL AUDITED FINANCIAL STATEMENTS THROUGH CD / DVD:**

The company has circulated financial statements to its member through CD at their registered address, printed copy of above referred statements can be provided to members upon request.

#### **14. AVAILABILITY OF AUDITED FINANCIAL STATEMENT ON COMPANY'S WEBSITE:**

The audited financial statement of the Company for the year ended December 31, 2020 have been made available on the Company's website [www.efulife.com](http://www.efulife.com)

#### **15. DEPOSIT OF PHYSICAL SHARES INTO CDC ACCOUNT**

As per Section 72 of the Companies Act, 2017, every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the said Act.

The shareholders having shares in physical form are advised to open CDC sub-account with any of the brokers or Investor Account directly with the CDC to place their shares in scrip-less form, this will facilitate them in many ways including safe custody and sale of shares at any time they want, as the trading of physical shares is not permitted as per existing regulations of Pakistan Stock Exchange Limited.

#### **STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017:**

This statement sets out the material facts pertaining to the Special Business to be transacted at the Annual General Meeting of the Company to be held on March 31, 2021.

##### **1. Item No. 6 of the Notice**

Transactions carried out with related parties during the year ended December 31, 2020 to be passed as a Special Resolution.



The transactions carried out in normal course of business with associated companies (related parties) are approved by the Board as recommended by the Audit Committee on quarterly basis. In the case of EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd., a majority of the Directors were interested and in accordance with the provisions of Section 208 of the Companies Act, 2017, such transactions, therefore, are being placed before the shareholders for approval through special resolution proposed to be passed in the annual general meeting.

In view of the above, the normal business transactions conducted during the year 2020 with EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd. as per following details are being placed before the shareholders for their consideration and approval/ratification.

		Amount in PKR 000'
EFU General Insurance Ltd.	Premium Written	12,043
EFU General Insurance Ltd.	Premium paid	28,445
EFU General Insurance Ltd.	Claims paid	8,121
EFU General Insurance Ltd.	Claim received	1,058
EFU General Insurance Ltd.	Dividend received	46,810
EFU General Insurance Ltd.	Dividend paid	659,994
Allianz EFU Health Insurance Ltd.	Premium written	1,052
Allianz EFU Health Insurance Ltd.	Premium paid	15,359

The names of Directors with interest as director in EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd.

- i. Mr. Saifuddin N. Zoomkawala, Director of the Company is also a director in EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd.
- ii. Mr. Rafique R Bhimjee, Director of the Company is also a director in in EFU General Insurance Ltd and Allianz EFU Health Insurance Ltd.
- iii. Mr. Hasanali Abdullah, Director of the Company is also a director in EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd.
- iv. Mr. Taher G Sachak, Director of the Company is also a director in EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd.
- v. Mr. Ali Raza Siddiqui, Director of the Company is also a director in EFU General Insurance Ltd.

**Authorization to the Chief Executive for the approval of transactions carried out and to be carried out with EFU General Insurance Ltd. & Allianz EFU Health Insurance Ltd. (related party) till the next Annual General Meeting to be passed as a Special Resolution**

The Company would be conducting transactions with EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd. in the normal course of business. The majority of Directors are interested in these transactions due to their common Directorship and shareholding in EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd. as detailed herein above. Therefore, in order to comply with the provisions of clause 15 under Listed Companies (Code of Corporate Governance) Regulations, 2019, the shareholders may authorize the Managing Director & Chief Executive to approve transactions carried out and to be carried out in the normal course of business with EFU General Insurance Ltd. and Allianz EFU Health Insurance Ltd. till the next Annual General Meeting.

The names of Directors and nature and extent of their interest in the proposed resolution is the same as mentioned above.



# Liquidity Management Strategy

## Liquidity risk:

- Liquidity risk for insurers:
  - Risk of an actual or perceived shortfall of liquid assets to pay claims or operating expenses.
  - Risk of low investment yield related to liquidity issues, e.g.
    - Investing too safely; maximizes liquidity but hurts performance.
    - Having to get out of a position at an inopportune time and realize a loss (significant research on “cost of distress” issues).

## Impacts of liquidity issues

- Inability to pay claims on a timely basis can produce “run on bank” mentality
- Rating agencies rate willingness and ability to pay - Money invested in illiquid assets is heavily discounted in the rating process. Downgrade=death.
- Poor investment performance related to liquidity issues can contribute to further problems (particularly distressed selling)

## Unique attributes of insurance industry:

Majority of cash obligations are estimates - not known in nominal or present value

- Analysis that reflects the uncertainty of obligations suggests a different position than a static analysis would
- Liquidity management becomes important

## Liabilities are sensitive to inflation

- Simultaneous impacts on assets and liabilities should be understood
- Forces that could result in increase of liabilities and decrease of assets at the same time impair operating flexibility and can force a liquidity crunch

## Underwriting cycle can produce fluctuating operating cash position

- Changing levels of internally generated cash may alter investment strategy and concerns about liquidity
- Less concern when internally generated cash is readily available

## Catastrophe exposure

- Must account for potential need for significant liquidity

## Regulatory constraints on investing “creativity” (concern for policyholder welfare)

- Strategy must incorporate constraints by external parties
- Practically speaking, this results in a need to keep a safe liquidity posture

Asset management has established conventional wisdoms and risks of deviations

- Departures from traditional approaches often must be supported by strong evidence

## Sometimes poorly institutionalized links between asset and liability side

- More dynamic links can be created

## Enterprise Risk Management and Investment Philosophy

**Asset Allocation Policy** is the primary driver of total investment portfolio return variability and performance over time

**Liquidity Metrics** must be incorporated with other total return measures

**Active Risk Policy** drives relative portfolio performance and significantly enhances performance over time

**Manager Structure** integrates asset allocation policy and active risk policy to avoid uncompensated risks and capture active manager skill to enhance returns.

**Active Manager Skill** adds value over time.

**An Enterprise Risk Management Approach** is essential to enhance overall corporate financial performance.



# Management Objectives & Strategies

Management Objective	Strategies to meet the objectives	Relationship between EFU Result and Objectives
Sustained profitability	Venture into long term profitable business segments	Healthy Profit after tax, declared cash dividend of 150%
Financial Efficiency	Effective financial management	Healthy financial statement, with total assets of Rs. 155 billion
Increase customer retention	Dedicated focus on customer retention, part of all KPIs for distribution channels	Achieved overall persistency of 82%
Increase outreach and acquire new customers	Robust distribution setup; multiple channels such as agency sales force, bancassurance, corporate sector, telecommunication companies, branchless banks	Insurer over 500,000 individual life clients and 3.5 million under the group life business, providing savings and protection solution for all segments of the population
Introduce new products	Customer segmentation and solutions according to the needs of the target population	Diverse range of products available from pure protection to savings, focusing on short and long term needs of all customer segments, from micro to high networth customers.
Social impact	Products which provide valuable life insurance coverage for financial support of the insured individuals and families	Claims (death and disability) of Rs. 3.9 billion paid during the year
Employ professions who create value for customers	Significant focus through strategic HR policies on employee recruitment and selection to fulfil the organization's human capital needs	A professional and seasoned management team
To develop leadership abilities and potential for our team	Provide opportunities for skill enhancement and leadership traits through identifying development needs and organization's future requirements; professional qualifications are encouraged and supported	High caliber individuals are employed in various technical functions supported by the organization for their continuous professional development.



# Key performance indicator

EFU Life has always been a stable player in life insurance sector. Challenging political environment in country meant heavy losses on investments made in Equity within Pakistan accompanied with high level competition and economic uncertainties. Despite these challenging conditions, performance of EFU Life remained excellent.

The KPI during 2020 were as follows:

- Growth in premium for each line of business.
- Number of lives insured
- Persistency of individual life business by distribution channel.
- Claims to premium ratio
- Acquisition cost to gross premium
- Growth in the distribution network

Management Objective	KPI	Why is it important
Revenue per policy holder	Servicing Cost	A low value of this KPI could be due to poor agency contracts, sub par customer service or lack of sound investment policy
Average cost per claim	Cost per claim	It is important to categorize by type of claims
Average time to settle claim	Total days taken to settle claim / total claims	It is important to retain current and potential customer
Return on surplus	Premium per policy	This KPI measures companies performance
Renewal / Retention	This measures the customer who continue coverage after initial term has expired	Retention is important for profitability
New Business	Issuance of new policies	It is important indicator of operational performance & can be instrumental in strategy development
Strike Rate	It measures the quality of new business brought in by agents	Underwriting acceptance rate
Average Policy Size	Value of total policies sold / number of policies sold	It helps in evaluating weather the company is achieving the product risk that matches company strategy
Underwriting Process	Time consumed per policy	Process of approval is important for customer satisfaction.



# Business Continuity Plan / Disaster Recovery Plan

## Business Continuity Plan (BCP)

Unforeseen circumstances or factors outside your control can hit any business when you least expect it, but you can still plan for the worst with the Business Continuation Plan (BCP) Like EFU Life does. The impact can be devastating but acting fast and seeking desire counter measures can often be the key to resolving the situation as effectively as possible. It is important to analyze the threats and get to the bottom of what can be happened and why, to find out whether any of your employee, business operations, customers or suppliers are going to be affected. The more you understand about the situation, the better placed you are to assess the damage to your business. EFU Life value its importance and consider the risks in the immediate and longer terms, as the full effects may not unfold for some time. We assure that no matter how difficult the circumstances, our team is capable to find the solution that works best for counter any threats to business.



## Disaster Recovery Plan (DRP)

Every business should always prepare for the worst, and ensure the proper technology is in place to protect operations when disaster strikes. The objective of Disaster Recovery plan (DRP) is to achieve the highest level of readiness and business continuity for the EFU Life services in case of emergencies.

EFU Life disaster recovery planning and execution is to ensure the provisions of making the availability of policyholder related services as quickly as possible with the highest standards of efficiency in case of a disaster, God forbid.

Since EFU Life is a technology-oriented company, therefore we cannot bear any downtime or data loss due to disaster. So we have designed and deployed Disaster Recovery site to protect the organization in the event of Disaster for following critical services,

- Database services & Client data
- Business Application
- Corporate communication services including emails
- Partners Integrations
- Call center and Nationwide Telephony services

Goals and Objectives of Disaster Recovery Plan are,

1. Threat Analysis and Reduce Overall Risk
2. Manage access controls and security
3. Frequently Test our Disaster Recovery Plan
4. Ensure to safeguard policy holders information
5. Backup and Restore Day-to-Day Operations
6. Comply with Regulations
7. Swift Response and Assessment of Impact





# Investor Grievance Policy / Human Resource Development / Avoiding Conflict of Interest

## Investors Greivance Policy

EFU Life Assurance Ltd. believes that relations with investors are vital for the financial life line and substantial growth of the organization. Relations with investors also reflect on the goodwill of the organization. It is therefore, imperative to place an efficient and effective mechanism in the organization for providing services to the investors and to address their grievances in accordance with law.

The Company has accordingly provided on its website the necessary information about the Company, the directors, auditors, share registrars, the financial data for the current period and for the last six years and daily stock update showing daily rates of the Company's shares quoted at the Karachi Stock Exchange.

The Chief Financial Officer and Corporate Secretary of the Company is the primary contact on behalf of the Company to whom the investors can contact to re-dress their grievances and resolve their issues.

The management endeavors to investigate and resolve all the complaints and queries of the investors to their utmost satisfaction. An investor who is not satisfied can also approach the Securities & Exchange Commission of Pakistan (SECP) complaint cell through interactive link provided on our website. Our investor grievance policy is broadly based on the following principles:

- Investors calling us in person, telephone, fax or email are received and their complaints are dealt in timely manner.
- Each and every investor is treated fairly at all the times.
- Prompt, efficient and fair treatment is given to all the complaints and queries of the investors.

## Human Resource Development:

We believe that our employees are our most important asset and that the organization's success and quality happens through people. We ensure that all our employees have the opportunity to develop to their full potential and use their skills and knowledge for the continuous improvement of the company. We create a work environment in which employees feel satisfied, empowered and recognized. We promote teamwork, trust and open communications to enhance productivity. We release the energies and talents of our people through a consistent performance management system and a commitment in our style, practices and culture.

Our organization is shaped by exceptional people who are dynamic, emotionally mature team players, and who have the will, leadership qualities, motivation and vision to succeed in a high performance culture.

## Avoiding Actual and Perceived Conflict of Interest

The Company is committed to the transparent disclosure, management and monitoring of existing and potential conflicts of interest. The Company's Board is also cognizant of its obligations as required under the the listed companies (Code of Corporate Governance) Regulation, 2019 & Code of Corporate Governance for insurers, 2016 to ensure that Directors avoid conflicts of interest between their responsibilities and their other interests. All Board members have a duty to avoid actual or perceived conflicts of interest. Every director of the Company who is in any way interested in any contract or arrangement to be entered by the Company is required to disclose the nature of his concern or interest to the Board and shall not take part in the discussion or vote on the matter. Every year in conformity with the section 153 of Companies Act, 2017, COCG and Insurance Companies (Sound and Prudent Management) Regulations, 2012, the Directors of the Company are required to provide a signed Statement of Compliance. The statement requires all the Directors to disclose the names of the companies, firms and businesses where they are associated and that they comply with all legal requirements to hold the position as Directors.

Our key resources

Our strongest resources consist on excellent human resources, investment in technology, client network, strong relation with partner banks and strong market reputation / presence throughout the country. These resources add great value to the entity. We continually developed our human capital through training and development.

Liquidity and financing arrangement

Our liquidity is very proactively by our finance department which is also responsible for working capital management. The insurance line of business does not require financing arrangements

Capital structure

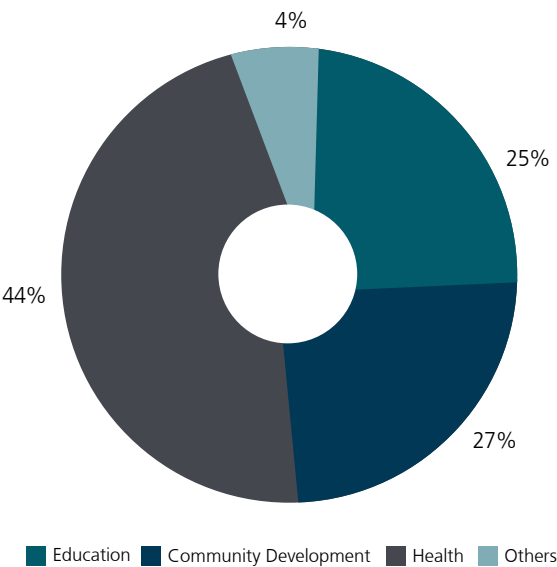
	Rupees in '000'
Capital	1,000,000
General reserve	2,000,000
Accumulated surplus	1,163,442

Above capital structure shows strong capital of the Company and do not reflect any capital inadequacies

Significant changes in financial position

- Total assets increased by almost 19.48%
- Solvency margin increased by 387 million to 2.87 billion from 2.49 billion
- Company paid 150% dividend

Donations



## Sustainability

### Energy Conservation

Keeping in view the energy crisis in the country, the company has over time taken steps to reduce its consumption of electricity in its premises by taking the following measures:

- Gradual replacement of all lighting emitting sources with energy savers
- Replacement of all LCD based computer monitors with energy efficient LED screens
- Continue Thin Clients implementation in others department to cut down electricity costs and heat emissions.

### Occupational Safety and Health

The company believes that proving a safe and pleasant working environment to its staff is one of its core responsibilities as an employer. We have taken various steps to ensure that the employees are provided a safe working environment and have the access to opportunities to develop a healthy lifestyle.

- All permanent employees are covered by a comprehensive Health insurance scheme, Group Life and pay continuation cover
- The office is secured by armed security personnel
- CCTV cameras are set up at key locations within the office premises
- Smoke alarms are installed on the premises along with fire extinguishing facilities
- The Company adheres to strict no smoking policy in its offices for both employees and visitors.

### Environmental protection measures:

EFU Life is using state of the art Enterprise Content Management technology from IBM Filenet to digitalize paper documents and automate its business processes and operational workflows (BPM). In 2017, the technology was further implemented in Finance & Accounts, Agency Administration and Group Benefits departments.

ECM is the standard way to manage and organize not only paper document but all forms of organizational content stored in diversified formats. Organizations working in the ECM environment carry out most of their operations using digital documents, stored electronically. Managing organizational content in this way requires specific strategies, methods and tools.

The company has deployed Thin Clients, replacing Desktops machine to achieve the benefits of Data Protection & Security, centralized software management, huge cost saving in power and better control and users management.

EFU Life is using Human Resource Management System to manage employees and their matters related to Organization and Policies. HR Department effectively manages Hiring & Separation, Time Office and Leave Management, Training and Development and Employee Self Portal in a digital way through HRMS.

EFU Life is always ahead of implementing new technology to facilitate its Business Process. Keeping this strategy in line EFU LIFE has deployed Mobile APP to facilitate Sales Force and clients to achieve huge cost saving and minimize Call center Query Load.

EFU Life has Access Control Management System on Building level to manage security and video logs of all areas. By having a proper control room to manage whole building sensitive areas, all challenges managed through a centralized location.

EFU Life is using Enterprise Software of Budgeting to manage Budget on Company level which can expand its monitoring at N-Level to calculate Capital, Expense, Profit & Loss etc. The benefit of having Industrial practice budgeting system is to achieve financial milestones in Organization level.

Automating content through the use of Business Process Management is a key enabling factor in improving process efficiency, business agility, continuous process improvement, process quality and eventually customer satisfaction.

EFU Life has a keen eye for ensuring that the environment in which we are working stays green. We have minimized the usage of filing cabinets, shelves, physical space, paper documents and files which eventually cause paper-pollution and deforestation; thus creating a positive impact on greenhouse environment which exacerbates global warming. Additionally, in line with this objective, we have focused on centralized printers which are more energy efficient and environmentally compliant.



## Policy for safety of records of the company:

In addition to having a data center which is equipped with the latest technologies like virtualization, robotic tapes, Flex Technology, blade servers and SAN storage devices, we have a Disaster recovery plan in place and also a paperless ECM solution to digitally store our physical records. The company has two DR sites, and data back-ups are taken on a daily basis. All of these measures help us ensure the safety of records.

The company has procedures to maintain the integrity and availability of data/records and backup & recovery of all mission-critical application and electronic data. As a first step company has also maintained Cold Disaster Recovery site for critical business data. IT functions with ensuring continuous business operation in case of system or enterprise disaster or failure is in place.

The company has installed latest state of the art Fire Suppression and Detection System to protect its data center. Additionally, we have strengthened our DR Plan with use of Data Guard and Online Transfer of Data to DR Site using Fiber Optic Technology.

## Disclosure of IT Governance Policy

EFU LIFE had moved forward to develop a better and more comprehensive service management structure. All IT strategies are closely aligned with the business requirements of the company drilling down to departmental objectives. EFU Life is committed to ensuring the integrity, reliability, availability and confidentiality of its data and computer systems.

To this aim, the IT Steering Committee has empowered the Information Security to evaluate, establish, maintain and ensure compliance of control measures to protect the EFU Life's information resources from unauthorized or accidental modification, destruction or disclosure. The Information Security Head will advise the IT Steering Committee on standards, policies, and practices related to the security, risk assessment and compliance of rules and regulations used in support of Information Security Policies and Procedures.

## Data Center

Data centers are central elements of today's businesses, as its host data and services required to deliver customer value. Ensuring the uptime for the data center directly contributes to customer satisfaction and business profitability by preventing loss of sensitive information, service unavailability or compliance problems.

This year EFU LIFE maintain uptime is 99.67%.

## Smart Branch Infrastructure

In the year 2020, we have upgraded our branch network infrastructure in 108 locations to Smart Branch Infrastructure with centrally managed services to enhance user performance and to provide better services. Moreover, for critical branches, we have deployed redundant fiber connectivity to increase their uptime and manage their auto fail-over.

## VOIP

We have replaced traditional PBX with digital IP Telephony. VOIP is a technology that allows telephone calls to be made over computer networks like the internet. It is scalable to a large extent and provides a lot of features. The service allows more employees to be provided with Direct Dialing and call receiving capabilities that allow the company to bridge the gap between customers and the internal departments. Therefore, this service aims at meeting the customers' satisfaction, improves business efficiency and productivity, helps increase the number of customers and thus boosts the business growth. Additionally, the cost of using a VoIP telephone is much cheaper than using a conventional phone and calling between Head office and the branches are totally free.

## Access Control System

EFU LIFE implement Access Control system for restricting access to a building or designated area, like a restricted room. It may include doors into a building, access to certain areas within a building, or even access to outside gates.

Access Control System keeps track of who's coming and who's going, logging every entry and exit of each individual. With an Access Control System, a business is able to track who comes and goes and what time they arrive and leave.

The company's strategy revolves around the following areas:

#### **Lead the industry:**

The Company is a key player within the life insurance industry and plays a pivotal role in terms of driving the direction of the industry. The strategy to maintain and enhance our position includes healthy engagement with the regulator, robust product range for all market segments, expansive distribution channels, investment in technology, focus on customer journey, employ individuals who create value for the organization and be a good corporate social citizen.

#### **Value to Shareholders:**

Strategies in all functions of the Company are designed and implemented with the high-level objective of creating and enhancing value for shareholders.

#### **Innovative Solutions:**

The Company has a robust range of products to fulfill savings and insurance protection needs of various customer segments; individual and corporate, conventional and takaful. As part of the strategy, ongoing review of products' suitability for the segments, penetration and uptake, and profitability is carried out to ensure long term sustainability of the product range.

#### **Distribution Footprint:**

The Company manages three strong distribution channels which provide it the outreach into all parts of Pakistan. Strategies for business growth have been defined and are being executed. For retail channels, the focus is on enhancing geographical outreach (by opening new sales force branches and utilizing bank partners' branch setup), improving productivity, and retention of clients resulting in high persistency levels. For Corporate clients, presence in all profitable segments continues.

#### **Customer Obsession:**

The Company offers medium to long term savings products for its retail customers. Focus is on all aspects of the customer journey, right from the customer acquisition to post sales and claims. Responsiveness to customers needs is an essential part of the strategy to retain customers for the long term. In addition, lead generation from existing customer base, upselling on their current products and repeat sales is a focal point for enhancing the outreach and business. Customer engagement via distribution channels is an ongoing process, while utilizing digital and social media channels is an evolving part of the strategy.

#### **Embrace Technology:**

The Company considers technology to be a key enabler in all aspects of its business, be it the front-end support to distribution channels or back-end process efficiency. As part of our strategy, technology is positioned as a means to an end, helping the company achieve more, efficiently. Strategically, the Company has invested heavily in all aspects of technology, software and hardware, to make all functions future-ready. In addition, the company is harnessing the power of data to set its future direction.



# Audit Committee - Terms of Reference

The Board Audit Committee comprises of six members, two of them are independent directors including the Chairman and four are non-executive Directors. The Committee oversees the effectiveness of internal controls, internal audit function, compliance with laws and regulations and carry out other responsibilities as assigned by the Board of Directors.

The terms of reference of the Audit Committee as laid down by the Board of Directors are as follows:

1. Determine appropriate measures to safeguard the assets of the company.
2. Review of preliminary announcements of results prior to publication.
3. Review quarterly, half yearly and annual financial statements before they are approved by the Board of Directors, focusing on major judgmental areas, significant adjustments resulting from the audit, the going concern assumptions, any changes in accounting policies and practices, compliance with applicable accounting standards and compliance with statutory and regulatory requirements.
4. Review of related party transactions entered into during the year and recommending approval of the Board of Directors thereon;
5. Facilitate external audit and discuss audit observations with the external auditors arising from interim and final audits and any matter that they may wish to highlight (in the absence of management, where necessary).
6. Review management letter issued by external auditor as well as the response of management to the letter.
7. Ensure that proper coordination takes place between external and internal auditors.
8. Review the scope and extent of the internal audit department within the company and ensure that internal audit department has sufficient resources to carry out their tasks effectively and that the department is appropriately placed within the company.
9. Consideration of major findings of the internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto.
10. Ascertain that the adequate and effective internal control system including financial and operational controls, accounting system and reporting structure are in place within the company.
11. Review the Company's statement on the internal control systems prior to endorsement by the Board of Directors.
12. Institute special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and consider communicating any matter to the external auditors or to any other external body.
13. Ensure that the company complies with all the rules and regulations and statutory requirements.
14. Monitor compliance with the best practices of Code of Corporate Governance and identification of any significant violations thereof.
15. Recommend to the Board of Directors the appointment and audit fees of external auditors and consider any question pertaining to the resignation or removal of external auditors.
16. Consideration of any other issue or matter as may be assigned by the Board of Directors.

Sr. No	Name of Directors	Number of Meetings attended	Status
1	Mr. Ruhail Muhammad	2 out of 2 meetings attended*	Independent Director
2	Ms. Rukhsana Shah	4 out of 4 meetings attended	Independent Director
3	Mr. Saifuddin N Zoomkawala	4 out of 4 meetings attended	Non-Executive Director
4	Mr. Hasanali Abdullah	4 out of 4 meetings attended	Non-Executive Director
5	Mr. Daanish Bhimjee	2 out of 2 meetings attended*	Non-Executive Director
6	Mr. Ali Raza Siddiqui	4 out of 4 meetings attended	Non-Executive Director
7	Mr. Muneer R Bhimjee	2 out of 2 meetings attended**	Non-Executive Director

\*Became Members of the Board Audit Committee after election of the Board of Directors dated 8th July 2020

\*\*Mr. Muneer R Bhimjee was member of the Board Audit Committee before election of Board of Directors dated 8th July 2020



# Report of the Audit Committee

The Audit Committee comprises of two independent and four non-executive directors. The Chief Executive Officer (CEO), Chief Financial Officer (CFO) and the external auditors attend Committee meetings by invitation. The Chief Internal Auditor (CIA) attends Committee meetings as Audit Committee Secretary. Four meetings of the Committee were held during the year 2020. Based on the reviews and discussions in these meetings, the Committee reports that:

1. The Committee reviewed and approved the quarterly, half yearly and annual financial statements of the Company and recommended them for approval of the Board of Directors.
2. The Company issued a Statement of Compliance with the Code of Corporate Governance which has also been reviewed by the external auditors of the Company.
3. The Chief Executive Officer and the Chief Financial Officer have endorsed the financial statements of the Company and the Directors' Report. They acknowledge their responsibility for true and fair presentation of the financial statements and compliance with regulations and applicable accounting standards.
4. The financial statements have been prepared in accordance with the approved accounting standards which comprise of such International Financial Reporting Standards (IFRS) as applicable in Pakistan.
5. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment. The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
6. Proper books of accounts have been maintained by the Company.
7. The Committee reviewed and approved all related party transactions and recommended them for approval of the Board of Directors.
8. The Company's system of internal control is sound in design and is continually evaluated for effectiveness and adequacy.
9. For appraisal of internal controls and monitoring compliance, the Company has in place and appropriately staffed, Internal Audit department. The Committee reviewed the resources of the Internal Audit department to ensure that they were adequate for the planned scope of the Internal Audit function.
10. The role of Internal Audit is to review the adequacy of control activities as well as to ensure implementation of and compliance with the defined policies and procedures. The department also ensures timely follow-ups on audit findings to ensure that corrective actions are taken in a timely manner.
11. The Committee on the basis of the internal audit reports reviewed the adequacy of controls and compliance shortcomings in areas audited and discussed corrective actions in the light of management responses. This has ensured the continual evaluation of controls and improved compliance.
12. The Internal auditor has full access to the Chairman of the Board Audit Committee. Further, the internal auditor meets senior management to discuss internal audit reports and is fully independent to access the management at any time to discuss audit issues in order to make the audit process transparent and effective.



13. The external auditors KPMG Taseer Hadi & Co., Chartered Accountants had direct access to the Committee and necessary coordination with internal auditors was ensured. Major findings arising from audits were also discussed.
14. The Committee reviewed the covering Letter issued by the external auditors and the management response thereto.
15. Appointment of external auditors and fixing of their audit fee was reviewed. Since the Listed Companies (Code of Corporate Governance) Regulations, 2019 requires that all inter-related companies/ institutions, engaged in business of providing financial services shall appoint the same firm of auditors to conduct the audit of their accounts.

To comply with the above requirements, the Company sought clearance from SECP for the reappointment of our existing statutory auditors KPMG Taseer Hadi & Co. Chartered Accountants as external auditors for the year ending 31st December 2021 by extending the approval provided vide letter dated 11th February 2020. Since KPMG Taseer Hadi & Co. Chartered Accountants will be completing their five years term as statutory auditors of our Holding Company, EFU General Insurance Limited after finalization of audit of the financial statements for the year ending 31st December 2021.

SECP vide letter dated 12th February 2021 granted an extension in approval provided earlier for the reappointment of KPMG Taseer Hadi & Co. Chartered Accountants as external auditors and Shariah auditors for the year ending 31st December 2021.



# Pandemic Recovery Plan

## Pandemic Recovery Plan and measures taken during the year

2020 was an unprecedented year for the entire world due to the impact of COVID-19 and Pakistan was no different. The pandemic impacted all sectors of the economy resulting in the Country's GDP contracting for the first time in nearly six decades.

EFU Life adopted a proactive approach and developed its COVID-19 Response strategy at an early stage of the pandemic. This strategy was successfully executed during the year. The key components of the strategy were focused on well-being of employees, caring for the customers, launching COVID-19 specific products, reaching out to masses, digitalization of processes, and effective communication with all internal and external stakeholders.

## Pillars of EFU Life's COVID-19 Strategy



For employees, work-from-home protocol was initiated enabling smooth business functioning during the lock down period. For clients, EFU Life introduced "COVID19 CARE", a complimentary insurance cover of Rs. 100,000 on all existing and new policyholders in addition to the contractual policy benefits and extended the grace period for premium payments to 75 days (instead of the usual 30 days).

The Securities and Exchange Commission of Pakistan also proactively guided the life insurance industry in terms of facilitation measures for customers, such as promoting online premium and claims payments, ease in non-essential documentation for claims, using electronic mediums for customer communication and delivery of documents and extension of grace period for premium payments. EFU Life has complied with all these measures.

Since the onset of the pandemic, EFU Life has continued to closely monitor the impact of COVID-19 on its key business indicators such as new business, renewal premium and persistency, claims as well as expenses. Business planning processes considered various scenarios such as the possibility of COVID-19 subsiding for the remaining part of the year, as well as the probability of a second wave of the pandemic. The management team and all relevant head office departments, as well as distribution channels were fully equipped to manage their functions effectively in these uncertain times and this was reflected in the recovery witnessed in various key performance indicators during the third and fourth quarter of the year.



# Chairman's Review 2020

I am pleased to present to you the Twenty Ninth Annual Report of the Company for the year ended 31 December 2020.

## Economic review:

While the stabilization policies implemented in 2019 had begun to address macroeconomic concerns such as external account imbalances, sentiments about economic growth heading into 2020 remained subdued. This was further exacerbated by the Covid-19 pandemic, which affected global economic growth as countries began to impose lockdowns. Pakistan was not spared either - Pakistan's GDP contracted for the first time in more than six decades, and the industrial sector was the worst affected by the strict measures adopted by the government.

Nonetheless, preventive measures balanced with timely policy actions (reduction of policy rate by 6.25%, subsidized loans through TERF, construction industry package, among others) led to a moderate recovery. Moreover, the pandemic also had a positive impact on the External Account as imports shrank and remittances grew substantially (partly due to policy initiatives).

The stock market mirrored the economy as KSE-100 touched a low of 27,267 points in the immediate aftermath of lockdowns. However, the index recovered and by year-end had surpassed pre-Covid levels at the beginning of the year.

## Insurance Opportunity:

Our country continues to provide exciting growth opportunities for life insurance business. The uncertainty created by the Covid-19 pandemic has further highlighted life insurance needs and brought them at the forefront of a family's long term financial planning program. Pakistan is blessed with a young population; 60% of the 215 million individuals are under the age of 25 years, and this is our future workforce that will play a pivotal role in the economic growth and prosperity of the country. At the same time we have a sizable and growing middle class which is increasingly becoming aware of the general sphere of financial services, predominantly including banking and insurance. These two factors alone point towards the massive opportunities for fulfilling new and evolving insurance needs and thus creating an environment conducive for growth of the life insurance sector. Pakistan's life insurance penetration rate of 0.5% (gross premiums as % of GDP) continues to rate amongst the lowest in the region and the world, highlighting the sizable potential for current and future growth. The Government of Pakistan has been on the path of expanding the financial inclusion agenda since 2015, and along with banking, payment platforms and digital enablement, insurance is already acting as a compulsory pillar of this strategy thus expanding the life insurance cover to a larger proportion of the population.

## Insurance and Takaful industry:

The life insurance and family takaful industry of the country comprises of nine players. Your Company, over the last 28 years, has been at the forefront of the industry and is one of the leading players. In 2020, due to Covid-19 lockdowns, general stress on the economy and an air of uncertainty, the life insurance industry growth remained a challenge, and for most part of the year saw contraction in the top line. During the third and fourth quarters, the industry witnessed a partial recovery. The life insurance industry gross premium is in excess of Rs. 200 Billion mark and for the reasons mentioned above in terms of the various opportunities, the future outlook is positive.

The regulatory environment for life insurance remained conducive to growth, with the Securities and Exchange Commission of Pakistan taking a lead on many fronts in engaging with the industry and strengthening the regulatory regime in various areas.

### Company's performance:

Your Company's gross premium (including Takaful business) was Rs. 32.55 billion. Despite the challenges created by Covid-19, all distribution channels have contributed to this performance. The Net Income of the Company is Rs. 52.55 Billion (after including investment income and net gains on financial assets). The Net Insurance Benefits and Total Expenses amount to Rs. 50.03 Billion, thus resulting in a profit before tax of Rs. 2.52 Billion.

Your Company made an after tax profit of Rs. 1.78 billion which translates to an EPS of Rs. 17.84.

The Board has developed a vision and mission statement, overall corporate strategy and significant policies of the Company. These are aimed at providing the management of the Company a strategic direction and a long-term vision for the business.

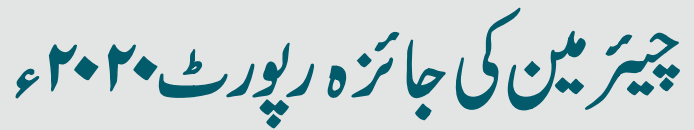
The direction given by the Board played an important role in helping the Company navigate its course during the Covid-19 pandemic. Despite the continuity of the Covid-19 pandemic, uncertain economic times, the growth prospects of the overall insurance industry are positive for the medium to long term. The Board will continue to play its role in steering the strategic direction of the Company to ensure that it remains amongst the leading life insurance companies and solidifies its market position in the years to come.

On behalf of the Company, I would like to record my appreciation for the tremendous contribution made by the able and eminent officers, staff and distribution channels of the Company towards its development and growth. My gratitude is also due to EFU General Insurance Ltd. for their continuous support and guidance, which has enabled the Company to establish a strong presence in the market.

Rafique R. Bhimjee







سوامی جی پاتیل

الشعر ریس کے مواقع

والشهداء هم الذين جادلوا في سري

بارہ دن کی ایسے رنگ و بیری، مائل و مشرق و مغرب کی طرف مائل، پورے میں سکھ و ریواؤں کے ساتھ کھانے پانے کی محالوں کے ساتھ اس طرح کی کھانے پانے کی محالوں میں رنگ و بیری کے تمام نقش و نگار کرتے ہیں۔

# Report of the Directors to the Members

The Directors of your Company are pleased to present to you the Twenty Ninth Annual Report of the Company for the year ended 31 December 2020.

## Navigating through COVID-19

2020 was an unprecedented year for the entire world due to the impact of COVID-19 and Pakistan was no different. The pandemic impacted all sectors of the economy resulting in the Country's GDP contracting for the first time in nearly six decades.

Your Company adopted a proactive approach and developed its COVID-19 Response strategy at an early stage of the pandemic. This strategy was successfully executed in the second quarter of the year and various parts were implemented during the year. The key components of the strategy were focused on well-being of employees, caring for the customers, launching COVID-19 specific products, reaching out to masses, digitalization of processes, and effective communication with all internal and external stakeholders.

For employees, work-from-home protocol was initiated enabling smooth business functioning during the lock down period. For clients, the Company introduced "COVID19 CARE", a complimentary insurance cover of Rs. 100,000 on all existing and new policyholders in addition to the contractual policy benefits and extended the grace period for premium payments to 75 days (instead of the usual 30 days).

The Securities and Exchange Commission of Pakistan also proactively guided the life insurance industry in terms of facilitation measures for customers, such as promoting online premium and claims payments, ease in non-essential documentation for claims, using electronic mediums for customer communication and delivery of documents and extension of grace period for premium payments. Your Company has complied with all these measures.

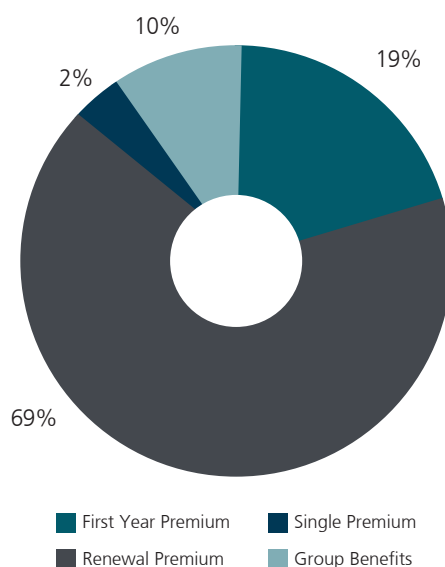
Since the onset of the pandemic, your Company has continued to closely monitor the impact of COVID-19 on its key business indicators such as new business, renewal premium and persistency, claims as well as expenses. Business planning processes considered various scenarios such as the possibility of COVID-19 subsiding for the remaining part of the year, as well as the probability of a second wave of the pandemic. The management team and all relevant head office departments, as well as

distribution channels were fully equipped to manage their functions effectively in these uncertain times and this was reflected in the recovery witnessed in various key performance indicators during the third and fourth quarter of the year.

## Business Performance:

Your Company achieved a gross premium (including Takaful contributions) of Rs. 32.55 billion (2019: 31.75 billion), a slight growth of 2.5%. The gross premium composition was as follows:

### GROSS PREMIUM COMPOSITION



Individual Life regular premiums (including Takaful contributions) grew by 4.6%, achieving a total premium of Rs.28.72 billion (2019: Rs. 27.45 billion).

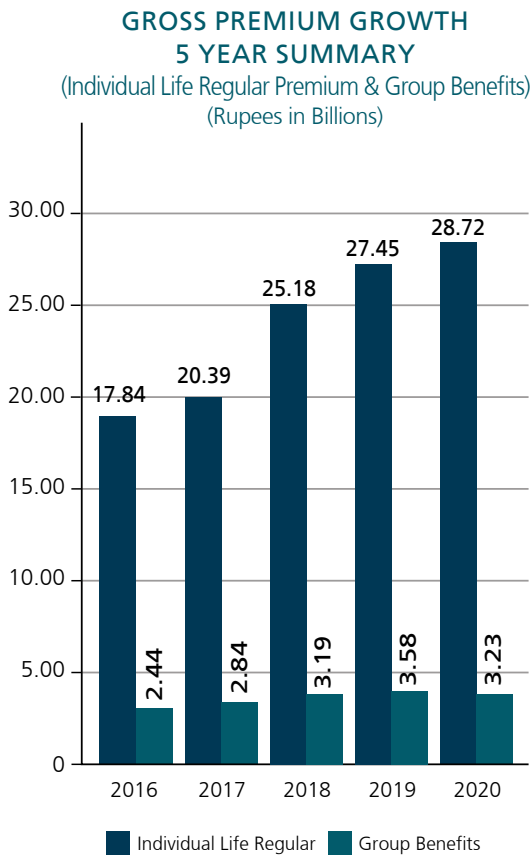
Individual life New Business was impacted by COVID-19 lockdowns during which our distribution channels were unable to reach out to retail clients. The new business premium contracted to Rs. 6.21 billion (2019: 6.99 billion). Bancassurance was impacted to a greater degree due to limited banking activities during the second and third quarter of the year, while the Agency Sales force was able to make a positive recovery towards the end of the year.

Renewal premium is a critical indicator of customer satisfaction and grew to Rs. 22.5 billion (2019: Rs. 20.45 billion), a modest increase of 10%. Persistency is in the DNA of the Company and client retention activities

continued throughout the year in parallel to the pandemic when various segments of clients found it to challenging to continue their policies. These retention activities, for both Sale Force and Bancassurance, yielded positive results and both channels, towards end of the year, were able to improve their respective persistency levels.

Group Benefits gross premium, including Takaful contributions, contracted to Rs. 3.23 billion (2019: Rs 3.58 billion).

Over the last 5 years, the Gross Premium growth trend is as follows (including Takaful contributions):



Single Premium was Rs. 620 million (2019: 950.8 million).

The Window Takaful Operations of the Company, Hemayah, are in their sixth year of operations and have continued to show good growth. The increase in demand for Islamic financial products over the years has also benefited the Company's takaful line of business. During 2020, the Company achieved a gross takaful contribution of Rs. 5.42 billion (2019: Rs. 4.21 Billion), registering an impressive growth of 29%. The Individual Family takaful new business was Rs. 2.04 billion (2019: 1.77 billion), a growth of 15%. Renewal contribution was Rs. 2.83 Billion (2019: Rs. 1.94

Billion), recording a high growth of 46%. For Group Family Takaful, the Company achieved a business of Rs. 309 million. (2019: 326 million). Overall the Company expects its Takaful line of business to continue its growth trajectory during 2021.

### Claim payments:

Timely and efficient claims settlement is at the heart of the Company's business. In 2020, the Company settled total death and disability claims of Rs. 3.86 billion (2019: 3.14 billion), an increase of 23%. Out of this, Individual Life claims were Rs. 1.32 Billion and Group Life claims amounted to Rs. 2.54 billion. Both lines of business have been impacted by death claims due to COVID-19, however the incremental claims are within the mortality fluctuation tolerance levels set by the Company. The Company has appropriate and adequate reinsurance arrangements in place to mitigate the impact of these additional pandemic related claims.



### Investment Performance:

The Company repositioned its debt and equity portfolio during the year to optimize investment returns based on the investment climate. Exposure to equity was increased during the year to take advantage of the PSX drop in March 2020 immediately after the onset of the COVID19 pandemic.

The net asset value of all unit linked funds under management increased to Rs. 138 Billion (2019: Rs. 114 Billion) , a growth of 20%. At the same time, Net Investment Income was significantly higher at Rs. 21.19 Billion (2019: 7.09 Billion).

This net asset value of funds under management continues to place your Company amongst the leading asset managers in Pakistan. The Company offers the following funds to its clients, varying by the investment strategy and risk appetite of the clients:

For Conventional unit linked business:

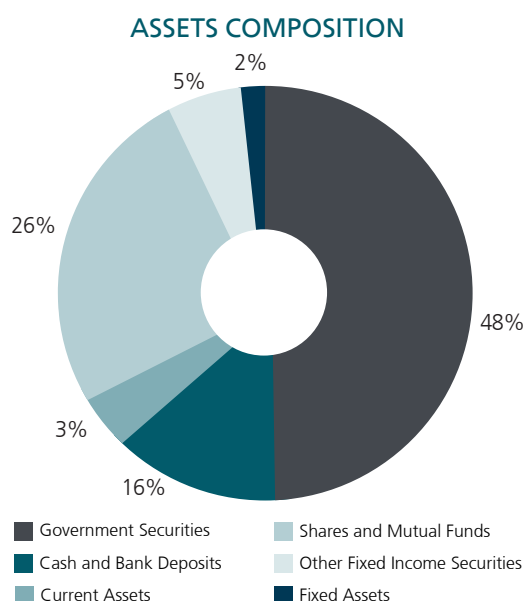
Managed Growth Fund, established: 1994  
Guaranteed Growth Fund, established: 2009  
Aitemad Growth Fund, established: 2008  
Aggressive Fund, established: 2017

For Takaful unit linked business:

Takaful Growth Fund, established: 2015  
Takaful Aggressive Fund, established: 2017  
Takaful Conservative Fund, established: 2019

The returns mentioned above are annualized and net of the Investment Management Charge.

The Company has a strong balance sheet size with total assets of Rs. 154.48 billion (2019: Rs. 129.29 Billion), a growth of 19%. The composition of assets is as follows:



### Profitability and Earnings Per Share:

During the year, the Company's Net Income (including Net Premium, Investment Income and Net gain on financial assets) was Rs. 52.55 Billion, while the Net Insurance Benefits and Total Expenses amount to Rs. 50.03 Billion, thus resulting in a profit before tax of Rs. 2.52 Billion.

Your Company made an after tax profit of Rs. 1.78 billion (2019: 1.55 Billion), an increase of 15%.

### Earnings Per Share

The earnings per share for the year was Rs. 17.84 (2019: Rs. 15.49)

### Appropriation and Dividend:

Your Directors have pleasure in recommending a dividend of Rs. 10.50 (105%) per share to the Shareholders of the Company whose names appear in the Share Register of the Company at the close of business on 24 March 2021. This cash dividend is in addition to interim cash dividend of Rs. 4.50 per share (45.00%) declared during the year.

	Rupees '000
The amount available for appropriation is	
Amount brought forward	
from previous year	78,434
Profit after tax for the year	1,549,264
Capital Contribution-	
Window Family Takaful	(106,503)
Retained Earnings on Account	
of Ledger D-Solvency Margin	55,225
Amount available for appropriation	1,576,420
Interim Dividend for 2019	
@ 45% (2018: 37.5%)	(450,000)
Final cash dividend for 2019	
@ 105% (2018: 112.5%)	(1,050,000)
	<u>(1,500,000)</u>
Unappropriated profit	
Carried forward	76,420
Profit after tax for the year	1,784,150
Capital Contribution -	
Window Family Takaful	(26,109)
Retained Earnings on Account	
of Ledger D - Solvency Margin	(221,019)
Available for appropriation	1,613,442
The Directors recommend that	
this amount to be appropriated	
in the following manner	
Interim Dividend for 2020	
@ 45% (2019: 45%)	(450,000)
Proposed Final Dividend	(1,050,000)
Proposed Transfer to	
General Reserve	<u>(100,000)</u>
	<u>(1,600,000)</u>
	<u>13,442</u>

## Market Share

Based on the figures compiled by the Insurance Association of Pakistan as of 30 September 2020 the Company has a market share of 28.7% in the private life insurance sector companies based on the gross premium and contribution income.

## Audit Report

The statutory Auditors of the Company, KPMG Taseer Hadi & Co., Chartered Accountants, Karachi, have issued a clean opinion in their audit report. However, there was an emphasis of matter as discussed in Note 23 to the financial statements in respect of scope and applicability of Punjab Sales Tax (PST) and Sindh Sales Tax (SST) on Life Insurance services.

### Emphasis of matter paragraph

Statutory Auditors, without modifying the audit opinion, have also added an emphasis of matter paragraph in the audit report in respect of the following issue:

### Sales tax on Life Insurance Premium

During 2019, Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated 8 May 2019 extended the exemption on life insurance till 30 June 2019. Subsequent to it, life insurance was made taxable from 1 July 2019 at the rate of 3% and group life insurance at the rate of 13%. Further, SRB extended exemption on health insurance till 30 June 2020. With effect from 1 November 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). The Company collectively through the forum of Insurance Association of Pakistan ("IAP") had filed constitutional petitions in the Lahore High Court (LHC) and in the High Court of Sindh at Karachi on 28 September 2019 and 28 November 2019 against PRA and SRB respectively.

According to the grounds of the petition and legal opinion obtained by the Company the Insurance premium does not fall under the definition of service rather an insurance policy is a financial arrangement, which is in the nature of a contingent contract, and not a service upon which sales tax can be levied (and that an insurance company is not rendering a service). The legal opinion covered question of constitutionality arose on the levy of provincial sales tax on life insurance, which in their view, is a Federal Subject

The opinion also mentions that vast majority of premium received from a policyholder, during the life of the policy, is in fact channeled it to the policyholder's investment account and as such this is critically important in exposing the legal fallacies embodied in the Rules.

Further subsequent to filing petition, all the provincial tax authorities i.e. SRB, PRA and BRA called a meeting of the industry representatives on 11 January 2020 in Karachi to discuss the matters relating to sales tax on premium. The matter was discussed in details and it was agreed to form a joint committee of the industry representatives as well as from all the provincial tax authorities. Further the committee formed met on 5 February 2020 in Lahore at PRA office to work out the way forward. Thereafter, due to the COVID 19 situation and consequential lockdown, further meetings of the Joint committee have not being held.

### Increasing outreach:

Pakistan provides a vast range of growth opportunities for life insurance business. The uncertainty created by the Covid-19 pandemic has further highlighted life insurance needs and brought them at the forefront of a family's long term financial planning program. Pakistan is blessed with a young population; 60% of the 215 million individuals are under the age of 25 years, and this is the future workforce that will play a pivotal role in the economic growth and prosperity of the country. At the same time we have a sizable and growing middle class which is increasingly becoming aware of the general sphere of financial services, predominantly including banking and insurance. These two factors alone point towards the massive opportunities for fulfilling new and evolving insurance needs and thus creating an environment conducive for growth of the life insurance sector. Pakistan's life insurance penetration rate of 0.5% (gross premiums as % of GDP) is lowest in the region and the world. Thus there is sizable potential for current and future growth. The Government of Pakistan has been on the path of expanding the financial inclusion agenda since 2015, and along with banking, payment

platforms and digital enablement, insurance is already acting as a compulsory pillar of this strategy thus expanding the life insurance cover to a larger proportion of the population.



The Company has a robust product range covering key financial planning needs and focusing on the main segments of the society - ranging from micro segment up to the high net worth segment. The Company's product range offers conventional and takaful products which focus on the needs of savings and wealth accumulation, child education and marriage, retirement planning, as well as protection. For the micro insurance segment, the company focuses on protection solutions such as term life, personal accident and hospital cash.

The Company continues to consolidate its product range by enhancing the existing menu offered through the Sales Force as well as Bancassurance partners. COVID-19 specific products were launched during the year for sales force, bancassurance as well as micro banks and digital platforms. The Company continued to strengthened its presence in the mass market and inclusive insurance segments, and launched innovative financial solutions and distribution models with telecommunication companies, branchless banks, microfinance institutions and technology platforms, providing micro and nano insurance cover during the year to an additional 1 million lives.

The Company has various distribution channels for its two main lines of businesses - Individual Life and Group Life. For its Individual Life business, the Company utilizes the Agency Sales Force and Bancassurance channels. As part of the Agency Sales Force, the Company also has a dedicated team for Takaful.

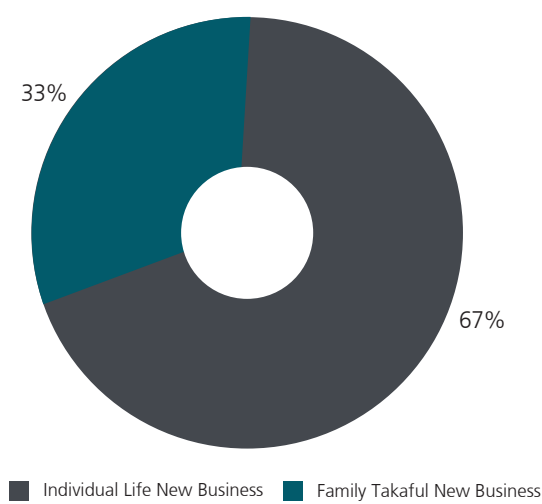
For its Group Lifeline of business, the Company utilizes its dedicated marketing team, commercial banks, and other intermediaries such as mobile network operators, Branchless Banks, MFIs and MFBs, fintech/insurtech platforms as well as digital and payment platforms.

The Company has an individual life branch network of over 250 locations across the country, including dedicated branches for Takaful. For Bancassurance, the Company has partnership with 15 banks. For the mass market and inclusive insurance segments, the Company has a partnership with 30 partners.

**Family Takaful:**

The Company's Window Takaful Operations, Hemayah, continued to expand in 2020 offering a full range of takaful products, being distributed through individual life and takaful sales force, bank partners and group benefits setup.

During 2020, the new business contribution of takaful in the total Individual Life/Family takaful segment was as follows:



The Company is positive about the future growth and potential of Takaful business and expects this line of business to contribute positively to the top line as well as bottom line.

**Critical performance measures:**

The Company evaluates its performance on the following key performance indicators:

- Growth in premium for each line of business
- Number of lives insured
- Persistency of individual life business by distribution channel
- Mortality and morbidity experience
- Loss ratio analysis for short term business
- Expense ratios and trends
- Growth in profitability for each line of business

The Company expects these parameters to be relevant for future as well and will continue its internal performance measurement based on these criteria.

**Insurer Financial Strength Rating:**

The Company has an IFS rating of AA+ (Outlook: Stable) by VIS Credit Rating Agency. The rating takes into account the Company's strong capitalization level vis-à-vis the nature of risks underwritten and the very high capacity to meet policyholders' obligations. The rating confirms that the Company is on a strong financial footing and is one of the leading life insurers in terms of long-term sustainable

business strategies, innovative products, superior systems and IT infrastructure, satisfied clients and prudent investment policies resulting in good medium to long term returns to our clients.

### Awards and Achievements:

Your Company's was conferred with various awards to recognize the performance and market leadership by various independent entities during the year. The Company received the following prestigious awards during 2020:

- "Certificate of Excellence" by Management Association of Pakistan for the 10th consecutive time
- "Best Corporate Report Award 2019" in the Insurance Category, including Life, Non-Life and Takaful Companies, by Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost & Management Accountants of Pakistan (ICMAP).
- SAFA Award, 'Certificate of Merit' by South Asian Federation of Accountants (SAFA) for Best Presented Accounts 2019 in the insurance sector, within South Asian countries.
- "Brand of the Year award 2019" in the category of Best Life Insurance Company by the Federation of Pakistan Chambers of Commerce & Industry (FPCCI)
- 'Best Insurance Tech of the Year' at Pakistan Digi Awards
- Digital Campaign 'Humrahi' won at MAA Globes 2019, recognized at the 33rd Marketing Agencies Association Worldwide Awards Ceremony for the 'Humrahi' Webseries for the best use of media, winning against campaigns from Hong Kong and Russia.
- Won Gold at Effie Awards For Its Digital Web-Series 'Humrahi' in the category of Branded Content, contesting across all industries
- "CSR Award 2020" in the category of Social Impact in recognition of the Company's efforts in areas of health, education and environment.
- "Health & Safety Award" at International Environment Health & Safety Awards

### Operational Efficiency and Technology:

COVID-19 created an opportunity for your Company to enhance its operational efficiencies using technology as an enabler. Some key developments during 2020 were as follows:

#### Work from Home operations:

Your Company took proactive measures to enhance its

capabilities to provide smooth operations during the COVID-19 lockdowns. As a part of business continuity planning, a secured VPN was established along with increased internet bandwidth connected with the data center. Over 400 head office employees were enabled to work from home in a span of few days.

#### Customer app

Your Company launched a new version of "Planit", an app for its customers. The app features a user friendly journey which includes online premium payments, initiation of various service requests, company and product information as well as initiating claims. The app also has a built-in QR based loyalty program for its PRIMUS priority brand customers allowing them to avail hundreds of deals and discounts at various merchants without the use of a physical plastic card.

#### Automation

With the help of IBM Robotic Process Automation tools, various areas of back-end operations have been automated to provide better services to clients with least manual activities. Automation has been done in processes for new policy issuance, reinstatement, surrender, KYC verifications, renewals, and maturity activities.

#### Smart Branch infrastructure

The Branch infrastructure continued to be upgraded during 2020 and more branches were added in the Smart Branch category with centrally managed services to enhance user performance and to provide better services. Moreover, critical branches have been deployed with redundant fiber connectivity to increase their uptime and manage their auto fail-over.

#### Cyber security

Your Company has implemented upgraded technology tools to monitor cyber security risks. The tools help to

analyze network traffic and take proactive actions against any malicious activities. With the help of these implementations your Company has maintained 99% security successfully during the year.

#### Enabling 1Link for premium payments

Your Company enabled 1Link bill payment option and now premium payment facility is available at various touch points of more than 20 banks. Clients can pay premium

from any ATM, Mobile Banking, Internet Banking and Over the Counter at bank branches.

### **Improvement in network connectivity**

The website and digital presence of the Company were upgraded with backup servers using high availability connectivity and auto DNS failover. This technology helps to switch from primary site to secondary automatically without any downtime.

### **Digitalization of Group Benefits processes**

During the year, your Company converted all physical documentation in Group Benefits function to a digital standard, and successfully transposed all client communication to electronic medium. The initiative has contributed greatly towards a paperless environment, improved efficiency and service turnaround time, cost effectiveness - Time, stationery, mail/courier cost and superior service competence amongst competitors.

### **Human Resource Management:**

The economic and health challenge presented by the COVID-19 pandemic was significant and its impact on our employees and the work environment was profound. In 2020, your Company rose to meet challenges in these areas of significant focus.

### **Ensuring Employee Safety**

Ensuring employee safety was at the forefront of people strategies in 2020 and is expected to remain so while the pandemic continues. As we emerged from the Lockdown and work resumed your Company put into place extensive workplace procedures and controls to ensure social distancing whilst on office premises, temperature checks and enforced the use of masks in the office. Your Company also put into place agreements and arrangements with reputed Laboratories across Pakistan to provide COVID testing for our employees supported by 24-hour employee facilitation.

### **Developing & Implementing People Development Strategies**

Your Company has proactively put into place new people development and management strategies based upon the rapid changes to our usual norms of operations. Emphasis was placed upon building capacity and ensuring the

presence of skills within your Company needed to manage remote teams and a hybridized workforce. It is expected that these skills will continue to serve us well and place Your Company in a privileged position in terms of people management strategies as new work norms become more common place post pandemic.

During the pandemic, the Company continued to focus on the career development of its professional life insurance management team. Our staff includes experienced insurance sales personnel, accountants, IT professionals, underwriters, medical doctors, lawyers, business management graduates and actuaries, to name a few.

The Company actively supports its staff to acquire relevant professional qualifications and has in place career programs linked to international professional bodies in the field of actuarial science, finance, accounting, underwriting and claims management.

The Company is conducting employee engagement activities throughout the year to ensure that our team remained motivated, productive, and engaged with the Company during the Lockdown and during the pandemic. Additionally, our employee wellness programs were expanded to include initiatives on the physical, mental, and emotional wellness and wellbeing of our employees.

The core HR system upgradation process began in 2020. A comprehensive system of task capture and monitoring was implemented that has seen efficiency rises in various areas across the organization. This has been coupled with the adoption of an employee recognition system that as a result has also raised morale and productivity across the board. Additional further technology upgradations in the coming year are expected to support key performance management and career development initiatives.

### **Environment**

The Company has consciously invested in technology to reduce the usage of paper in its offices. The Enterprise Content Management technology from IBM FileNet has over time expanded into key functions of the Company, to digitalize paper documents and automate business processes and operational workflows (BPM). The Company has a keen eye on ensuring that the work environment stays green. Due to this system, the Company has minimized the usage of filing cabinets, shelves, physical space, paper

documents and files which eventually cause paper-pollution and deforestation; thus, creating a positive impact on the green house environment which exacerbates global warming.

### Capital Management and Liquidity

The Company has adequate capital to support its existing operations. The Company's paid up capital of Rs. 1 billion is the highest in the private life insurance sector.

The Company's liquidity position also remained very strong with cash and cash equivalents at the end of 2020 of Rs. 24.39 billion (2019: Rs. 25.3 billion).

### Related Party Transaction

At each Board meeting the Board of Directors approve the Company's transactions made with Associated Companies and Related Parties. All such transactions are executed on arm's length basis.

### Internal Audit function

The Board is responsible for effective implementation of a sound internal control system including compliance with control procedures. The Audit Committee is assisted by the Internal Auditor in reviewing the adequacy of operational controls and in monitoring and managing risks to provide reasonable assurance that such system continues to operate satisfactorily and effectively in the Company and to add value and improve the Company's operations by providing independent and objective assurance. The principal responsibility of the Internal Auditor is to conduct periodic audits and to ensure adequacy in operational controls, consistency in application of policies and procedures, compliance with laws and regulations.

As part of Corporate Governance, your Company has Underwriting Committee, Claims Settlement Committee, Reinsurance Committee, Risk Management and Compliance Committee.

### Risks to business:

Business risks and mitigation factors are described in detail on page-167 of this Annual Report.

### CSR Initiatives

In 2020, the pandemic provided various opportunities for your Company to extend its aid and support to our most

vulnerable employees, healthcare providers and to communities at large. Our focus for CSR remained fixed on four core areas of development - education, health, empowerment and environment, though for obvious reasons, health activities took precedence over all others.

### Supporting communities during the pandemic

#### Charity Begins At Home

An extensive information campaign was co-conducted by the CSR Department, the Human Resources Department and inhouse Company doctors, to inform and update employees on personal hygiene and Covid care whilst the pandemic was still in its early stages. The Company also aided employees and their family members in getting themselves tested.

#### Supporting COVID Response In Local Communities

With Lockdowns in effect and national and provincial governments beginning to come to grips with the significant challenges ahead, your Company was at the forefront and provided financial support to government in funding COVID-19 response in local communities. In addition, your Company has been a frequent collaborator with Transparent Hands, to ensure that Personal Protective Equipment (PPE) was provided to front line healthcare providers and hospitals across the country and to help keep our doctors and nurses safe. With the second wave of COVID-19 ongoing, employees are still continuously contributing towards providing PPE.

#### Medical Camps

Your Company supported Medical Camps organized by Transparent Hands in Kasur where most of the population has no access to basic medical necessities. The camps provided various free services such as consultation, medicines, Hepatitis B & C Screening, BSR & Blood Pressure Test, and Medical & Surgical Cases Treatment.

#### 'Join hands for a life' social media campaign

Your Company has been running a Social Media Campaign for over six years to create awareness and raise funds for various NGOs. Your Company donated Rs. 10 for every Like, Comment and Share on its social media pages. The campaign in 2020 supported the Sindh Institute of Urology & Transplantation, the Layton Rehmatullah Benevolent Trust and the Family Educational Services Foundation. This

year, to provide food support to underprivileged families affected during the pandemic, the Company also supported the Shahid Afridi Foundation to provide food and ration packs to affected communities. In addition, employees also donated generously to these organizations.

### **Education for the underprivileged**

Your Company has a long-standing partnership with The Citizens Foundation (TCF) and donates Rs.50 for every Education Plan sold in all its distribution channels, an arrangement in place since 2012. Other educational organizations supported include Asghari Memorial High School, Hasani Academy, IBP School of Special Education, SOS Children's Villages of Sindh, The Halai Trust, and Hunar Foundation.

### **The Red Bus**

Your Company continued to support organizations in the eradication of thalassemia with Omair Sana Foundation and Afzaal Memorial Thalassaemia Foundation. The Company supported the "Red Bus" (a mobile blood donation, consultation, and laboratory facility) of the Afzaal Memorial Thalassaemia Foundation. The first of its kind in the region providing free of cost quality care to the thalassemic sufferers nationwide.

### **Blood donation drive for employees**

Arranging blood donors in an emergency can be challenging. Your Company maintains a Blood Donation

Account with Husaini Blood Bank for its employees to call upon in need either for themselves or their family members. In collaboration with Husaini Blood Bank, an awareness session and blood donation drive were conducted in the earlier parts of the year before the lockdown.

### **World sight day**

World Sight Day is regularly celebrated at your Company. In 2020, World Sight Day was marked by an awareness raising campaign on social media. Employees also purchased Sight Saviour Bands to contribute to the Layton Rahmatullah Benevolent Trust (LRBT) to support the free treatment of blindness and eye disease.

### **Emergency food drive for Darul-ul-Sukun**

Your Company supports Dar-ul-Sukun, a safe haven for

abandoned children with disabilities. Dar-ul-Sukun provides care and rehabilitation of marginalized abandoned children and people with disabilities. In addition to the financial support, the Company had an Emergency Food Drive for the children of Dar-ul-Sukun where employees donated cash and food items generously for the children of Dar-ul-Sukun.

### **Training the different abled at NOWPDP**

Your Company strives to empower people that are differently abled to become economically empowered. Your company supports disability inclusion initiatives like NOWPDP to facilitate their inclusion in the economy by funding training programs aimed at building employable skills for the differently abled.

### **Business Ethics, Consumer Protection and anti-corruption measures**

The Board has adopted the statement of ethics and business practices. All employees are informed of this statement and are required to observe these rules of conduct in relation to business and regulations. Statement of Ethics and business practices are based on integrity, dignity, culture of excellence and ethical dealing with clients, peers and the public.

### **Relationship with other Stakeholders**

Your Company strives to maintain good relationship with:

- Its employees by providing a positive work environment
- Its clients through building trust and providing quality service
- The business community through honest and fair dealing
- The Government through promoting free enterprise along with competitive market system and complying with all applicable laws; and
- Society in general through providing safe and healthy workplace and provide employees the opportunity to improve their skills

### **Contribution to National Exchequer**

Your Company contributes substantially to the national economy in terms of taxes and duties and the contribution is increasing as the company grows. This year the Company contributed Rs. 469 million to the national exchequer in the form of Income Tax, Federal Excise Duty, Sales Tax, stamp duty etc.



## Directors' Remuneration Policy

In order to comply with Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulations, 2019 and Articles of Association of the Company, the Company has policy with respect to the remuneration of Chairman, Chief Executive, Non-Executive, Executive and Independent Directors.

### Salient Features of Directors' Remuneration Policy

- The Directors' Remuneration Policy is transparent for fixing the remuneration of all the directors including the Chairman, Chief Executive, Executive Directors, non-Executive, Independent Directors and Directors of the Board Committees
- The policy is prepared keeping in view the requirements of section 170 of Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Articles of Association of the Company.
- The Remuneration of Directors including the Chairman, Chief executive, executive director will be fixed by the board.
- The Remuneration of Directors shall be as per Law and as the Board may fix for each meeting of the Board of Directors and board committees.
- A Director shall also be entitled to be paid reasonable travelling expenses, hotel charges and other expenses incurred by him for attending meetings if he is residing abroad

### Compliance with Code of Corporate Governance

The requirements of the Code of Corporate Governance set out by the regulatory authorities have been duly complied with. A statement to this effect is annexed with the report.

The Directors of your Company were elected at the Extra Ordinary General Meeting held on July 08, 2020 for a term of three years expiring on July 09, 2023.

The number of meeting attended by each Director is given hereunder:

Sr. No	Name of Directors	Number of meetings attended
1.	Rafique R. Bhimjee	5 out of 5
2.	Saifuddin N. Zoomkawala	5 out of 5
3.	Taher G. Sachak	5 out of 5
4.	Hasanali Abdullah	5 out of 5
5.	Salman Rashid	5 out of 5
6.	Ali Raza Siddiqui	5 out of 5
7.	Rukhsana Shah	5 out of 5

8.	Daanish Bhimjee	3 out of 3
9.	Ruhail Muhammad	3 out of 3
10.	Ahsen Ahmed	2 out of 3
11.	Muneer Bhimjee	2 out of 2
12.	Heinz Walter Dollberg	2 out of 2

### Board Committees

Your Company maintains the following three Board Committees.

#### Audit Committee:

The Board is responsible for effective implementation of a sound internal control system including compliance with control procedures. The Audit Committee is assisted by the Internal Auditor in reviewing the adequacy of operational controls and in monitoring and managing risks to provide reasonable assurance that such system continues to operate satisfactorily and effectively in the Company and to add value and improve the Company's operations by providing independent and objective assurance. The principal responsibility of the Internal Auditor is to conduct periodic audit to ensure adequacy in operational controls, consistency in application of policies and procedures, compliance with the laws and regulations. The Committee comprises of the following members:

1. Ruhail Muhammad (Chairman)
2. Hasanali Abdullah
3. Saifuddin N. Zoomkawala
4. Rukhsana Shah
5. Daanish Bhimjee
6. Ali Raza Siddiqui

#### Investment Committee

The Company has a Board level Investment Committee that meets on by-monthly basis to review the investment portfolio. The Committee is also responsible for developing the investment policy for the various funds managed by the Company. The Committee comprises of the following members:

1. Rafique R. Bhimjee (Chairman)
2. Saifuddin N. Zoomkawala
3. Taher G. Sachak
4. Hasanali Abdullah
5. Daanish Bhimjee
6. Omer Morshed - Appointed Actuary
7. S. Shahid Abbas - Management Executive
8. Mohammed Ali Ahmed - Management Executive

### Ethics, HR & Remuneration Committee

The Committee is responsible for recommending to the Board resource management policies of the Company as well as selection, evaluation and compensation of the key officers of the Company. The Committee comprises of the following members:

1. Rukhsana Shah (Chairperson)
2. Rafique R. Bhimjee
3. Saifuddin N. Zoomkawala
4. Taher G. Sachak

### Management Committees:

As part of Corporate Governance, your Company maintains following four Management Committees which meet at least once every quarter:

- Underwriting Committee
- Claim Settlement Committee
- Reinsurance Committee
- Risk Management and Compliance Committee

### Corporate and Financial Reporting Frame Work

- a) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flow and changes in equity.
- b) Proper books of accounts have been maintained by the Company.
- c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) The International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- e) System of internal control is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon the Company's ability to continue as a going concern.
- g) There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- h) The key operating and financial data for the last six years is annexed.
- i) The value of investments of provident and pension funds based on their un-audited accounts as on December 31, 2020 were the following.

Provident Fund	Rs. 577 Million
Pension Fund	Rs. 436 Million

The value of investments includes accrued interest.

- j) Trading of Shares by Chief Executive, Directors, Chief Financial Officer, Company Secretary, their spouses and minor children:

1ST OCTOBER 2020 TO 31ST DECEMBER 2020

<u>PURCHASE OS SHARES</u>	<u>No. Of Shares</u>
NIL	NIL
<u>SALE OS SHARES</u>	<u>No. Of Shares</u>
NIL	NIL

- k) The statement of shareholding in the Company as at 31 December 2020 is included with the Report.

Our statutory Auditors' KPMG Taseer Hadi & Co. Chartered Accountants completed their tenure of five years as of 31st December 2018 which is the maximum period allowed as per CCG for Insurers. Yearly extension was obtained for the year 2019 and 2020 from SECP to have same auditor, KPMG Taseer Hadi & Co. Chartered Accountants as of our holding company, EFU General Insurance Limited in pursuance to the requirement of CCG that all inter-related companies/ institutions, engaged in business of providing financial services shall appoint the same firm of auditors to conduct the audit of their accounts.

Due to the same reason, the Board has recommended the appointment of KPMG Taseer Hadi & Co. Chartered Accountants for the year ended December 31st, 2021 because they are the statutory Auditor of EFU General Insurance Limited for which approval of SECP has been obtained.

### Future Outlook of the industry:

During 2020, the COVID-19 pandemic impacted the growth and expansion plans of the industry. The pandemic also tested the capacity of the industry to handle unexpected shocks and adapt its business dynamics to stay on course in terms of medium to long term strategy. For the detailed reasons mentioned earlier in the report, despite the effects of the pandemic, which could last and recur over the years, we are positive about the life insurance industry's prospects for the future and we continue to maintain an optimistic outlook for the next 5 years.

Financial inclusion will remain the focus of the industry as well as Government. Expansion of the insurance safety net to a larger population through creating efficiencies in the existing distribution channels as well as exploring new channels and market segments will occupy a significant

role in the industry's efforts in the future. Investment in front-end and back-end automation as well as using technology as an enabler in various business functions will continue. Product innovation to cater to evolving customer needs will also be at the forefront of the industry's initiatives. Enterprise Risk Management and Compliance will have additional focus over the next few years.

The Company is also optimistic about the growth of Takaful business and expects takaful outreach to expand and contribute positively in increasing the size of the insurance pie.

**Acknowledgements:**

The Directors wish to record their appreciation for the tremendous contribution made by the able and eminent officers, staff and field force of the Company towards its development and growth. Their continuous commitment to high ethical standards, client service and hard work has helped your Company emerge and maintain its position as a leading player amongst the private sector life insurers.

We also wish to recognize and place on record our appreciation of the contribution made by our Appointed Actuary Mr. Omer Morshed for his invaluable advice on the overall strategy of the Company.

We would also like to record our appreciation and gratitude to Munich Re who are your Company's main reinsurers and who continue to provide full support to your Company.

Our gratitude is also due to EFU General Insurance Ltd. for their continuous support and guidance, which has enabled the Company to establish a strong presence in the market.

Finally, we would like to thank our clients for the confidence expressed in us and also to the Insurance Division of the Securities and Exchange Commission of Pakistan for their guidance, co-operation and understanding extended to us throughout the year.

TAHER G. SACHAK  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Director

HASANALI ABDULLAH  
Director

RAFIQUE R. BHIMJEE  
Chairman

Karachi February 24, 2021

پوری محال اور ایک ایذا تو دشمن میں سر ہائیجوری کے ساتھ چین لوبی کا استعمال مختلف کاروباری امور کیلئے مفید ثابت ہوگا۔ چونکہ کثرت میں جدت سے سفارتوں کی ضرورت پوری کرنے کے ساتھ صنعت کے اقدامات کو اپنا کر کیا جاسکے گا اس طرح انکار تک جیت اور کیا اس سے آئندہ ہندوستانوں تک انسانی توبہ کے حال میں گے۔

کبھی کبھی کاروبار کے فروغ کے بارے میں بھی بڑا کام ہے اور توقع ہے کہ کبھی کبھی کاروبار کا مزید بڑھنے کا اور مثبت طور پر برسر کی صنعت کا ختم یا جانے میں اپنا کردار ادا کرے گا۔

اکھار سنگھ

کبھی کے نام اور اور قابل آفیسرز، محکمے اور فیلڈ فورس کی طرف سے، کبھی کی نشوونما اور فروغ کیلئے، ان کی قابل قدر اور زبردست شراکت کیلئے، کبھی کے انڈیکسز پر نظر پڑے تھیں، تاہم نہ گرتا پایا جس سے۔ ان کی اعلیٰ اخلاقی اقدار سے مسلسل وابستگی، مصارف کو دی جانے والی خدمات اور جانکاری اور محنت سے کام کرنے کے باعث آپ کی کبھی کو اجر کر

ماننے آئے ہیں۔ مدد دی اور ان کی شہید کے سر وازوں کے درمیان ایک شگفتہ مارگٹ لینڈ کی شہرت سے ان کو برقرار رکھا۔

کبھی کی ہمدردی کبھی پر اپنے قابل قدر عطیہ سے آپ کے اور ان کے کردار کیلئے ہم اپنے متور کر دیا کبھی کی جناب فرزند کے بھی متور و ممنون ہیں۔

ہم سیدنا سے آف برقی کے بھی ممنون اور شکر گزار ہیں جو آپ کی کبھی کے اصل رہی اور رہیں اور جنہوں نے آپ کی کبھی کو عملی حمایت فراہم کرنا جاری رکھا۔

امی ایف جی جرنل انٹرنیشنل ایڈیٹر کے حقدار ہیں جنہوں نے کبھی کو مسلسل اپنی حمایت اور رہنمائی فراہم کی، جس باعث کبھی کو مارگٹ میں ایک مستحکم مقام حاصل کرنے کا موقع میسر آیا۔

قدر میں، ہم اپنے سفارتوں کو شکر ادا کرتے ہیں جنہوں نے ہم پر اپنے بھروسے کا اظہار کیا اور سیکرٹریز ایڈیٹر کیلئے آف پاکستان کے انٹرنیشنل اور ان کے بھی شکر گزار ہیں جنہوں نے پورے سال میں مناسب رہنمائی اور تعاون فراہم کیا۔

رفیق آرمیمینی  
ڈائریکٹر

حسن علی عبداللہ  
ڈائریکٹر

سیف الدین امین راولو مکاوالا  
ڈائریکٹر

ملاہری ساجک  
ڈائریکٹر چیف ایگزیکٹو

آپ کی ۲۲ فروری ۲۰۲۱ء

آجھکس ایجوکیشن ریسورس اور ایجوکیشن میسج

یہ سبھی بودا کی تعلیم کی ایک دوسری شاخ تھی۔ یہاں سے مہادیو مت بھی نکلا۔ یہاں سے ان کی کچھ گروہی کا بھی آغاز ہوا جسے جہاں شاستہ کہتے تھے جہاں سے اس کی تعلیمیں پھیل گئیں۔

1. درختان شاه (خضر چمن)
2. افسان آء بحیرہ
3. حیات البرزخین - ترمک ۱۱۱
4. طہری - مائیک

مجموعہ سائنسی

کاربردیت جو اس سے متعلق ہونے کی وجہ سے آپ کی نگاہیں اس کی طرف مبذول  
کیئیں گی۔ تاہم اس کی پہلی جہ جہ سے ہی ہم کو ایک عروج پر لے آتی ہیں۔

- اندر دڙو کڻي
- کچھ سڀا کڻي
- ري انٽر لڳ کچھ کڻي
- ڊمڪ ڇڻي اڏي کڻي

کاد چہرہ اور مالیاتی رچہ رنگ کا فریم ورک

۱) پہلی کی اصلاحی سیر کے پیار کرو۔ ہالیوڈی بیانات اہل کے امور کو، ان کے  
آپ بھرتی کے دعا کی نقد و ترمیم کے یہاں ان کے لیے جس تبدیلیوں، واضح طور پر  
قرآن کریم کے ہیں۔

(سید) کھائی شے ختم نہ کرکھاتے تھے بلکہ وہ پر مرتبہ کرتے تھے۔  
(ج) بالائی بیابان کی چٹانی میں منسوب امام جنگ دہلیسوں کا محفل اقامت کیا گیا۔ امام امام جنگ کہتے منسوب امام جنگ دہلیسوں کی چٹانی

(۲) کہنے والا تو اسی اکابر و جنگ استیلاؤں کا ہے جسے ان کا اطلاق باستان میں ہے۔  
والی اوقات کے حوالوں میں ان پر عمل کیا گیا ہے اور اگر کسی باعث تک ان  
سے انکشاف ہوا ہے تو اس کو سب طور پر میاں کر دیا گیا ہے۔

(۲) عالمی کھیل کا سہم اپنے اہلکار کے اقتدار سے کالی حوالہ دینے سے اور سہم  
 بطور براہِ علاقہ شدہ اور نہ ہی گمراہ ہے۔

(۳) کھیل کو بگاڑنا اور جاری رکھنے کیلئے اس کی تالیف سے متعلق کوئی واضح شکوکہ

شہادت بھیجی ہے۔  
 کام پورے کرنا جس کے بہترین طریقے ہائے کار سے، جن کی تحصیل کے لئے یہ ضرور  
 میں نے کی ہے، انہیں بھی کوئی مادی افتادہ نہیں کیا گیا ہے۔

(۱) دیکھئے چورس اعلان کا ٹکڑہ دی تہہ رنگ اور لالہ یا فی سوا متعلق ہے۔  
(۲) ۱۶ دسمبر ۱۹۵۷ء کو دیے گئے آؤت شدہ اعلانوں کی بنیاد پر ہر پیرہ کی قیمت اور پیش کردہ کی سرانجام دہی کی تعداد اور اس کی اہلیہ۔

۵۷۷ میں ہے  
۴۳۶ میں ہے

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577 مین م پ  
438 لیس م پ

پیشکش کنندہ

ہمدردی کی اس قدر میں ان رتھ میں جلا ملی ہوئے والا اور شامل ہے۔

۴) چیف ایگزیکٹو، ڈائریکٹر، چیف فنانس افسر، جی سی آر مینیجر، ان کے ذریعہ اور اعلیٰ اہل کاپا سب سے مضامین کی جوابدہ:

کلی آواز ۱۰۲۰ سے ۱۱ دیکھو ۱۰۲۰ تک

مجلس کی غرض  
مجلس کی اہمیت

حصہ کی فراہمیت      حصہ کی فراہمیت

میر میر

۱۳۱ نومبر ۲۰۲۰ء کو کھلی میں شیئر: ۱۰ لاکھ ۸۰ ہزار ۸۰۰ روپے شامل ہے۔

دوسرے ایلیگزینڈری آؤٹ ریزنگ کے فی المہمبی تاخیر ہادی وڈ سٹی پارٹر اکاؤنٹس نے  
۲۰۱۸ دسمبر ۲۰۱۸ ہادی پانچ سالہ مکمل کر لی تھی جو اسٹور ڈائیسٹری کی ہے مطابق  
سرحد پر یاد سے زیادہ مدت ہے۔ ایئر لائی ہی تی سے سال ۲۰۱۹ اور ۲۰۲۰ کے لئے  
اپنی آؤٹ ریزنگ یعنی کے فی المہمبی تاخیر ہادی وڈ سٹی پارٹر اکاؤنٹس کی جاری  
اور تک پہنچنے کے طور پر سالانہ توسیع کی اجازت حاصل کی گئی۔ اکی ایف یو جنرل  
اسٹورز لینڈ می سی جی کی شرائط کے مطابق عمل کرتی ہے کہ تمام منسلک کمپنیاں اسٹی  
یکھو، جو مالیاتی سرپرستی خریدیں گا کاروبار گرہی ہیں ایسے اکاؤنٹس کے نوٹ کے  
لئے آؤٹ ریزنگ ہی فرم کا مقصد رکھ رہی گی۔

اسی وجہ سے ہمارے گئے بی ایم سی جامعہ ہادی ایچہ سہنی، چاندروز الکا محسوس کی ۳۱ دسمبر ۲۰۲۱ کو خوش ہونے والے سال کے لئے تقرری کی سلامتی کی سے کیونکہ یہ ایسی ایک بہترین انشورس کمپنی کے کوئی ۲۰ عہدہ ہیں جس کیلئے ایس ای سی بی کی مہارت سے حاصل کر رہی تھی ہے۔

اعلا مشرعی کے مستقبل پر غور

۲۰۲۱ء کے دوران COVID-19 (کورونا وائرس) کی وبا نے صحت کے خدشوں اور  
 توسیعی منصوبوں کو شدید حد تک ٹھیکہ کر دیا۔ اذیت کے سبب غیر اتم جوہر انوں سے ٹھیکہ اور دھما  
 کر میں دھاتی صحت ملی کے سلسلہ میں کاروباری طریقہ کار سے کرنے کے کوائف سے بھی  
 صحت کی چابی اور آواز کی دھاتی فصل اسباب بے پرواہ میں پیلے دھاتی کے ہاتھ پیر  
 دھاتی صحت کے اثرات سے آواز دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر  
 دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر  
 دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر دھاتی کے ہاتھ پیر

برہماتے ہیں انسانی صنعت نیز حکمت کی توجہ کا مرکز ہے گا۔ وسیع تر آبادی کیلئے  
 ہاتھوں کی پہنچنے کی حد تک جو سامان و خدمتیں پیش کی جاسکتی ہیں ان کے لئے اور  
 نئے مینولز تلاش کرنے کی سب سے زیادہ اہمیت ہے۔ ہاتھوں کی پہنچنے والے سامان کے  
 ذریعے ہے۔ ان کیلئے صنعتی مینولز کی کوششیں ایک نمایاں کردار کی حامل رہیں گی۔









چنانکہ یہ گولڈ مارننگ میں شہت پیدا کرتی ہے چنانچہ اس طرح سے کھنٹی لے سہ ہر  
ماحول کیلئے ایک مثبت تاثر پیدا کیا ہے۔

کیمیا میں پیچیدگی اور کلمہ یاری

تمہنی کے پاس اپنے سوجھ بوجھ اور چلانے پھیلنے کا کافی سرمایہ موجود ہے۔ تمہنی کا بیڑا اب سرمایہ چھوڑ کر بیچیں ۱۱۱ ہے اور اسے ان کی کسٹمی شیپ میں رکھ دیا جائے۔

تکلیف کی گہرائی صورت حال بھی بہت محکم ہے جس میں فقہاء و اہل کے مساوی رقوم کا مجموعہ ۲۰۲۰ء کے اعداد پر 39.24 ملین روپے تھا (۲۰۱۸ء 25.3 ملین روپے)۔

جرم اور اسٹینک میں بورہ آف انڈیز میں جنم لیں اور انھوں نے پارلیمنٹ سے نکلے گئے  
 لیکن وہیں کی حکومتی دے رہے ہیں۔ ایسے تمام نئی دین آرمز ہیڈنگ کی بنیاد پر جمل میں لائے  
 جاتے ہیں۔

والغلی آؤشلا قائل

[illegible]

مادر مرہوت، جو تیس کے ایک نوے کے عوارض آپ کی کمپنی کی یہ کہیں ہیں جیسے الزہرا منگل  
سبیلی، کیمو سہلوت، کیمو، سی انشورنس، سبیلی اور ملک جنکٹ اینڈ کنبلس سبیلی۔

کار و بار کو لاحق ممکن خطرات

167 = تفصیلی سے بیان کئے گئے ہیں۔

کارپوریشن کی سماجی ذمہ داری

COVID-19 (کورونا وائرس) کی دوا دینے آئیے کی کھینچی گواہیے ایجائی

مقامی طبقات میں COVID-19 (کورونا وائرس) کی پھیلیں کے مسئلے میں معاونت

انکے ذہن کے لئے اور اخلاقی و معاشی حکمتوں کی جانب سے ان کی معروضات کے احاطہ  
کے ساتھ ہی آپ کی کمپنی بھی سرگرم ہو گئی اور تہیہ و تیاری کے لئے COVID-19  
(کورونا وائرس) کی خطرہ کے سلسلے میں حکومت کو مالی امداد فراہم کی۔ اس کے علاوہ  
آپ کی کمپنی مختلف ممالک کے ساتھ ایک مستقل شراکت بنا رہی ہے تاکہ مرض کو فوری سطح پر  
کام کرنے والے طبی امداد فراہم کرنا اور پستانوں کو ٹیکہ بھر میں پیش ہر ایک کو بچاتے (پہلی پلے  
ای) فراہم کئے جائیں اور اپنے ڈاکٹروں اور نرسوں کو محفوظ رکھنے میں مددگار۔ ساتھ ساتھ  
فراہم کی۔ COVID-19 (کورونا وائرس) کی بیماری دوسری بار کے ساتھ ساتھ  
صحتی بنیادی کی فراہمی کے ضمن میں مستقل طور پر شراکت کر رہے ہیں۔

میتھ کیلکولیٹس

آپ کی کائنات سے قصور و عثر میں فرما سیر غفرت و رحمتہ کی جانب سے دعا ہے کہ اسے سیدہ یحییٰ کیس میں جلد سے فراموش ہو کر آپ کی فراموشی میں رہے۔

سوشل میڈیا باہم "ایک زندگی بچانے کیلئے ہاتھ ملائی"

آپ کی پہلی تکلیف ایسی ہی اور ایسے ہی گذشتہ کرنے اور تمام احوال میں شہور پیدا کرنے کی طرف سے گزشتہ سالوں سے مشغول ہو گیا ہے ایک مہم چلا رہی ہے۔ آپ کی پہلی تکلیف اپنے مشغول ہو گیا ہے کہ کلمات پر ایک لکھ کھنڈے اور پھر کے لئے ۱۹۱۵ء کے پچھلے مہینے سے ۲۰۲۰ء میں ان مہم کے ساتھ انسانی توحید آف ہر دور کی ایڈریس کیا پیشکش، اس کی اہمیت

اور انکی ہی سیوا اور اس کی تعلیم اور اعلیٰ سولہ بنے جس کا سیلاب ہو رہی تھی۔ یہاں تک کہ  
میں بھی اپنے لیے ایک موبائل بینک نکال کر میرے چیک بک اور بینک اکاؤنٹ میں کافی رقم  
پر جمع کر لی اور اچھے گھر بنائے ہیں۔

غیت اور گے راہیوں میں بہتری

کشمیری کی، وہیپ سائنس اور بائیوٹیکنالوجی میں جو کہی دستیابی کے حامل رہا وہاں اور خود کار  
ای آئی این ایس ٹیکنالوجی کے استعمال سے بیک آپ سرور کے ساتھ آپ گریڈ کیا گیا ہے۔  
جیسا کہ وہی سائنس کے وقت ضائع کے بغیر پراگرتی سائنس سے سیکھنے والی تھیں خود کار نظام  
کے تحت مشکل میں داخل۔

گروپ جنی فیس سے امداد کی درخواستیں

حالی کے دوران آپ کی کھیتی نے گروپ پی فٹنس کے سوسائٹیز میں دلچسپی لیں، دوسرا پی ایچ ایم کاؤنسلنگل سسٹم شروع کر دیا اور کاسیائی کے ساتھ تمام کلاسز کے ساتھ والدین کو ایجنٹر تک طرح طرح کے مشن کیلئے اس اقدام سے کسی کاغذی کارروائی کے، انوں کا ختم کرنے کا کاروبار کی بہتر بنانے اور سروس کیلئے ہیرو وکٹوری فرام کرنے کے والے کام کرنے کے وقت۔ اس پیش رفتی، ایک ایکم بڑے کے انفراسٹرکچر کی بجائے سمیت صحتی اداروں کے درمیان سروس بچھار اور بعد از محاسبے میں مدد ملی۔

ہجرت میں رسول اللہ صلی اللہ علیہ وسلم

COVID-19 (گورڈا وائرس) کی وبا کے سب سے معاشی اور صحت کے بحران کا بڑا  
 حد تک سامنا رہا اور اس کے اثرات کے علاوہ ملین ۲۰ کروڑ کم کے حصول پر بھی تشویش کا  
 ایک مرتبہ ہے۔ ۲۰۲۰ء میں آپ کی کھیتی نے قیامت خیز کے ساتھ بحران کے عوامل پر  
 قابو پایا۔

علماء و محققین کا شیخی و تلمذ

۲۰۲۰ء میں ملازمین کے تحفظ کو یقینی بنانے کا مکمل حوالی تحریک مملوکوں میں سرخرو مست رہا تھا اور اس بات کی بھی توقع تھی کہ اس کو خیر و برکت ہو گا کیونکہ گورنر کی ٹیم پر دستور پابندی تھی جیسے کہ ہم پر بھی۔ لاکھ ملازمین کے اثبات پر جسے اور آپ کی سبھی نے کام کے مقامات پر سخت حفاظتی انتظامات کو یقینی بنایا اور آفس عہدہ میں ملنے والی مسائل، سپریم کورٹ کی پیشکش اور ہمارے کے استعمال کو یقینی بنانے کے ممکن ثابت رہا۔ آپ کی سبھی نے ۱۶ مارچ سے دستیابی کی سہولت کے ساتھ اپنے ملازمین کو COVID-19 (گرم ۲۰۲۰) اور اس کے لئے کے نمیت کی فراہمی کے لئے پاکستان عمر میں مشہور معروضات لیبارٹریوں کے ساتھ معاہدے اور انتظامات بھی کئے۔

عوامی بہتری کی حکمت عملیوں کا قرونچ اوان پرنفا

آپ کی کھلی ہوئی فوٹیج بھرتی کی سکت گئیاں تھیں۔ یہ امر ان پر معلوم ہوا کہ  
یہ مہتر طبع سرگرم عمل رہی۔ یہ سکت گئیاں انہوں نے قومی معیارات اور آپ کی شہرت  
قومی تہذیب پر بھی نہیں۔ آپ کی کھلی ہوئی فوٹیج کے اندر اعلیٰ و اوسط طبقہ اور سب سے زیادہ

اور مہارت کی موجودگی کو یقینی بنانے کے لیے باہر انکوائری کے طور پر تحقیق کیے اور اس کے بعد انہوں کو انکم کرنے پر آمادہ کیا۔ یہ توقع کی جاتی ہے کہ ان صلاحیتوں پر ان مہارتوں کو انکم بہتر وقت اور مقام پر استعمال کر سکیں گے۔ آپ کی کچھ مہارتوں کو انکم کے لیے بہتر طریقوں کے ضمن میں ایک لمبائی پر پڑائیں پر ہے کہ انکم کو انکم کرنے کے لیے صلاحیتوں اور مہارتوں کے بحال کے لحاظ سے ہمدردی بہتر طور پر انکو چاہیے گے۔

بائی صوفیوں کے دوران آپ کی کھنٹی نے اپنی عیش و روانہ ایک مشورے جس میں ہم کے  
کیمبر کے فروغ پر خصوصی توجہ کا سلسلہ جاری رکھا۔ ہمارے اوقات میں توجہ کا  
مشورے سے بھرپور، انکا ویکس آئی ٹی پر مشتمل، المار وائٹرز، میڈیکل (اکمز)، ملائیں  
والا نگہ داری انکا سے حاصل کرنا شروع کیا اور اب بھی یہ قابل ہے۔

تکلفی متعلقہ پیشہ وارانہ قابلیت کے حصول کے لئے اپنے اساتذہ کی بھرپور معاونت کیا اور انکی بریل سائنس، ریاضی، انگریزی، اردو، برائیلنگ اور فکھر شجاعت کے شعبوں میں تبحر اور توانائی پیشہ وارانہ اور اس سے منسلک دیگر کیریئر پر دیگر اجراء کا آغاز کیا۔

تجربہ نے مجھے اس معاملہ میں کوشش و کوشاں کرنے کی سرگرمیوں، احتجاج اور جی تو گمان اور  
کو جتنی دیکھا ہے کہ ہماری قوم محترمہ، فعال اور باطنی صورتحال کے اور باطن اور لاکھ  
ڈالان میں کتنی کے ساتھ سرگرمیوں میں رہے۔ حالانکہ میں خود بھی کتنی سے علاقہ کشین کو خوشحال  
اور علاقہ کشوں کے پر وگرام کو کہہ سکتا ہوں کہ ان میں ہمارے علاقہ کشین کی محبت و تہمتی،  
وفاقی اور جہاد باطنی، تعاون اور اطمینان کے اقدامات شامل کیے گئے۔

۲۰۲۰ء میں بنیادی ایچ آء سسٹم اپ گریڈیشن کے عمل کو آگاہ کر دیا گیا۔ انتخابات کے حصول اور گورنری کا عہدہ جامعہ الاسلام کو کیا گیا جس کے تحت پورے ادارے کے مختلف شعبوں میں فعالیت اور ترقی کا رجحان دیکھنے میں آیا اس کے ساتھ ملازمین کی کارکردگی کے احوال اور اسے تسخیم کرنے کا سسٹم اپ گریڈ کیا گیا جس کے نتیجے میں پورے ادارے کے اندر الحاقی اقدار کارکردگی میں بہتری پیدا ہوئی۔ مزید برآں کئے جانے والے سال میں مزید تیکنیکی اپ گریڈیشن کی توقعات ہیں جس سے کارکردگی کے کھیلنے کی امکانات اور کیمپس کے فروغ کے اقدار میں اضافہ ہو گا۔

ماحول

[illegible]



[illegible]

مستطیر

آپ کی کمپنی نے اپنے صارفین کے لئے ایک ایپ "پرائموس" کا نیا ورژن جاری کر دیا۔ یہ ایپ روزمرہ زندگی (استعمال کرنے والوں کے لئے) آسان اور خصوصیت کا حامل ہے جس میں آپنا لائن پر بیٹھ کر دیگر لوگوں کی مختلف درخواستوں کا جواب دینا اور پرواز کی معلومات سمیت کچھ شروع کرنے کے بارے میں تفصیلات شامل ہیں۔ ایپ اپنے (PRIMUS) خوشنویس براؤزر صارفین کے لئے کچھ آپریٹنگ خصوصیات بھی فراہم کر رہی ہے جو کہ قریب پانچ لاکھ کارڈ کے استعمال کے بغیر مختلف سرگوشیاں اور اسٹور پر معاملات اور رعایت کی تیکڑا دیاں آپ کو استعمال کی اجازت دے گی۔

• ترجمت الہدی النبی آلہ علیہ السلام کی جانب سے انٹرنیشنل مکتبہ میں مسلسل ۱۰۱۰ مریضوں کی طبیعت آف اسٹیشن۔

[illegible]

● پاکستان کی ایوانوں میں "بیٹا شاہ" کی ایک آف دی ایئر۔

● جہانگشاہ کی کچھری میں تمام مصلحتوں سے متنبہ کرتے ہوئے اپنی ذہنی تحلیل و سیر حاصل کی۔

● املہ کے لئے ارمضہ، ہیلو اور سلیٹی ایوارڈ میں "ہیلو" اور "سلیٹی ایوارڈ"۔

تھیں نا لہجی اور اس پر غصہ نہ آد کی مہارتیں

گھر سے کام کرنے کی سہولت

آپ کی کھجی نے COVID-19 (کورونا وائرس) کے لیے آپ کے جسم کے دروازے

آلومین

اسمارت برائے انٹر انٹرنیٹ

ہمارے بچے روٹی

یہ عظیم کی ادائیگی کیسے دن ٹنک سہولت

آپ نے کہنی 20 سے زائد چیزوں کے مختلف ٹیچ پر انٹرنس میں دستیاب کیا تاکہ فری کی









اخراجیات کو 50.03 بلین روپے، بائیس کے نیچے میں 2.52 بلین روپے کا مزاحمتی اخراج  
لیکس حاصل کیا گیا۔

آپ کی کمپنی نے 1.78 بلین روپے کا منافع بعد از ٹیکس حاصل کیا (۲۰۱۹-۲۰۲۰) ۱.55 بلین  
روپے اور 15% کا اضافہ ہیں۔

### فی شخص آمدن

ہر سال کمپنی فی شخص آمدن 17.84 روپے (۲۰۱۹-۲۰۲۰) 15.49 روپے کے

مقابلہ میں اضافہ ہو گیا ہے۔

آپ کے ڈائریکٹرز، کمپنی کے حصص کشیدگان کیلئے جن کے ۲۳ مارچ ۲۰۲۱ کو  
کاروبار کے اختتام پر کمپنی کے حصص رجسٹر میں موجود ہیں 1050 روپے (105 لاکھ روپے) فی  
حصص کی تجویز پیش کرتے ہیں جس سے سروسز کمپنی کے ۱۱ سال کے دوران  
چشمہ کے 4.50 روپے فی شیئر (45 لاکھ روپے) کے مجموعی نقد وینڈ کے علاوہ ہے۔

معاوضہ کیلئے دستیاب رقم

۷۸,434

۱,549,264

(106,503)

55,225

1,576,420

۱,۵۰۰,۰۰۰

76,420

1,784,150

(25,100)

(221,019)

1,613,442

1,600,000

13,442

تمام پوز سے منسلک نقد ڈی اصل اور نقد ۲۰۱۹ میں 138 بلین روپے (۲۰۱۹-  
۲۰۲۰) 114 بلین روپے (۲۰۱۹-۲۰۲۰) میں سے 20 لاکھ روپے کے ساتھ مزاحمتی کاروباری مالیاتیں  
آپ کی کمپنی اس طور پر بنانے کے 21.19 بلین روپے ہو گئی (۲۰۱۹-۲۰۲۰) 7.09 بلین روپے کے۔

آپ کے قرضوں کے اس حجم نے آپ کی کمپنی کو پاکستان میں ایجنڈہ عملی کے فی شیئر  
میں نمایاں اضافہ پیدا کیا ہے۔ آپ کے قرضوں کا حجم کم ہے۔ کمپنی اپنے صارفین کو جو سارا لکس کی  
سرمایہ کاری کی حکمت عملی اور خطرے کے اندیشے کے مطابق ان کے اہلیت سے مختلف ہیں۔  
ان کی آمدنی اور نقد ڈی کے ساتھ ساتھ آپ کے پاس کے۔

۱۹۹۳ کو قرضوں کے ساتھ ساتھ ۱۹۹۳

۲۰۰۵ کو قرضوں کے ساتھ ساتھ ۲۰۰۵

۲۰۰۸ کو قرضوں کے ساتھ ساتھ ۲۰۰۸

۲۰۱۱ کو قرضوں کے ساتھ ساتھ ۲۰۱۱

۲۰۱۴ کو قرضوں کے ساتھ ساتھ ۲۰۱۴

۲۰۱۷ کو قرضوں کے ساتھ ساتھ ۲۰۱۷

۲۰۲۰ کو قرضوں کے ساتھ ساتھ ۲۰۲۰

۲۰۲۳ کو قرضوں کے ساتھ ساتھ ۲۰۲۳

۲۰۲۶ کو قرضوں کے ساتھ ساتھ ۲۰۲۶

۲۰۲۹ کو قرضوں کے ساتھ ساتھ ۲۰۲۹

۲۰۳۲ کو قرضوں کے ساتھ ساتھ ۲۰۳۲

۲۰۳۵ کو قرضوں کے ساتھ ساتھ ۲۰۳۵

۲۰۳۸ کو قرضوں کے ساتھ ساتھ ۲۰۳۸

۲۰۴۱ کو قرضوں کے ساتھ ساتھ ۲۰۴۱

۲۰۴۴ کو قرضوں کے ساتھ ساتھ ۲۰۴۴

۲۰۴۷ کو قرضوں کے ساتھ ساتھ ۲۰۴۷

۲۰۵۰ کو قرضوں کے ساتھ ساتھ ۲۰۵۰

۲۰۵۳ کو قرضوں کے ساتھ ساتھ ۲۰۵۳

۲۰۵۶ کو قرضوں کے ساتھ ساتھ ۲۰۵۶

۲۰۵۹ کو قرضوں کے ساتھ ساتھ ۲۰۵۹

۲۰۶۲ کو قرضوں کے ساتھ ساتھ ۲۰۶۲

۲۰۶۵ کو قرضوں کے ساتھ ساتھ ۲۰۶۵

۲۰۶۸ کو قرضوں کے ساتھ ساتھ ۲۰۶۸

۲۰۷۱ کو قرضوں کے ساتھ ساتھ ۲۰۷۱

۲۰۷۴ کو قرضوں کے ساتھ ساتھ ۲۰۷۴

۲۰۷۷ کو قرضوں کے ساتھ ساتھ ۲۰۷۷

۲۰۸۰ کو قرضوں کے ساتھ ساتھ ۲۰۸۰

۲۰۸۳ کو قرضوں کے ساتھ ساتھ ۲۰۸۳

۲۰۹۰ کو قرضوں کے ساتھ ساتھ ۲۰۹۰

۲۰۹۳ کو قرضوں کے ساتھ ساتھ ۲۰۹۳

۲۰۹۶ کو قرضوں کے ساتھ ساتھ ۲۰۹۶

۲۰۹۹ کو قرضوں کے ساتھ ساتھ ۲۰۹۹

۲۱۰۲ کو قرضوں کے ساتھ ساتھ ۲۱۰۲

۲۱۰۵ کو قرضوں کے ساتھ ساتھ ۲۱۰۵

۲۱۰۸ کو قرضوں کے ساتھ ساتھ ۲۱۰۸

۲۱۱۱ کو قرضوں کے ساتھ ساتھ ۲۱۱۱

۲۱۱۴ کو قرضوں کے ساتھ ساتھ ۲۱۱۴

۲۱۱۷ کو قرضوں کے ساتھ ساتھ ۲۱۱۷

۲۱۲۰ کو قرضوں کے ساتھ ساتھ ۲۱۲۰

۲۱۲۳ کو قرضوں کے ساتھ ساتھ ۲۱۲۳

۲۱۲۶ کو قرضوں کے ساتھ ساتھ ۲۱۲۶

۲۱۲۹ کو قرضوں کے ساتھ ساتھ ۲۱۲۹

۲۱۳۲ کو قرضوں کے ساتھ ساتھ ۲۱۳۲

۲۱۳۵ کو قرضوں کے ساتھ ساتھ ۲۱۳۵

۲۱۳۸ کو قرضوں کے ساتھ ساتھ ۲۱۳۸

۲۱۴۱ کو قرضوں کے ساتھ ساتھ ۲۱۴۱

۲۱۴۴ کو قرضوں کے ساتھ ساتھ ۲۱۴۴

۲۱۴۷ کو قرضوں کے ساتھ ساتھ ۲۱۴۷

۲۱۵۰ کو قرضوں کے ساتھ ساتھ ۲۱۵۰

۲۱۵۳ کو قرضوں کے ساتھ ساتھ ۲۱۵۳

۲۱۵۶ کو قرضوں کے ساتھ ساتھ ۲۱۵۶

۲۱۵۹ کو قرضوں کے ساتھ ساتھ ۲۱۵۹

۲۱۶۲ کو قرضوں کے ساتھ ساتھ ۲۱۶۲

۲۱۶۵ کو قرضوں کے ساتھ ساتھ ۲۱۶۵

۲۱۶۸ کو قرضوں کے ساتھ ساتھ ۲۱۶۸

۲۱۷۱ کو قرضوں کے ساتھ ساتھ ۲۱۷۱

۲۱۷۴ کو قرضوں کے ساتھ ساتھ ۲۱۷۴

۲۱۷۷ کو قرضوں کے ساتھ ساتھ ۲۱۷۷

۲۱۸۰ کو قرضوں کے ساتھ ساتھ ۲۱۸۰

۲۱۸۳ کو قرضوں کے ساتھ ساتھ ۲۱۸۳

۲۱۸۶ کو قرضوں کے ساتھ ساتھ ۲۱۸۶

۲۱۸۹ کو قرضوں کے ساتھ ساتھ ۲۱۸۹

۲۱۹۲ کو قرضوں کے ساتھ ساتھ ۲۱۹۲

۲۱۹۵ کو قرضوں کے ساتھ ساتھ ۲۱۹۵

۲۱۹۸ کو قرضوں کے ساتھ ساتھ ۲۱۹۸

۲۲۰۱ کو قرضوں کے ساتھ ساتھ ۲۲۰۱

۲۲۰۴ کو قرضوں کے ساتھ ساتھ ۲۲۰۴

۲۲۰۷ کو قرضوں کے ساتھ ساتھ ۲۲۰۷

۲۲۱۰ کو قرضوں کے ساتھ ساتھ ۲۲۱۰

۲۲۱۳ کو قرضوں کے ساتھ ساتھ ۲۲۱۳

۲۲۱۶ کو قرضوں کے ساتھ ساتھ ۲۲۱۶

۲۲۱۹ کو قرضوں کے ساتھ ساتھ ۲۲۱۹

۲۲۲۲ کو قرضوں کے ساتھ ساتھ ۲۲۲۲

۲۲۲۵ کو قرضوں کے ساتھ ساتھ ۲۲۲۵

۲۲۲۸ کو قرضوں کے ساتھ ساتھ ۲۲۲۸

۲۲۳۱ کو قرضوں کے ساتھ ساتھ ۲۲۳۱

۲۲۳۴ کو قرضوں کے ساتھ ساتھ ۲۲۳۴

۲۲۳۷ کو قرضوں کے ساتھ ساتھ ۲۲۳۷

۲۲۴۰ کو قرضوں کے ساتھ ساتھ ۲۲۴۰

۲۲۴۳ کو قرضوں کے ساتھ ساتھ ۲۲۴۳

۲۲۴۶ کو قرضوں کے ساتھ ساتھ ۲۲۴۶

۲۲۴۹ کو قرضوں کے ساتھ ساتھ ۲۲۴۹

۲۲۵۲ کو قرضوں کے ساتھ ساتھ ۲۲۵۲

۲۲۵۵ کو قرضوں کے ساتھ ساتھ ۲۲۵۵

۲۲۵۸ کو قرضوں کے ساتھ ساتھ ۲۲۵۸

۲۲۶۱ کو قرضوں کے ساتھ ساتھ ۲۲۶۱

۲۲۶۴ کو قرضوں کے ساتھ ساتھ ۲۲۶۴

۲۲۶۷ کو قرضوں کے ساتھ ساتھ ۲۲۶۷

۲۲۷۰ کو قرضوں کے ساتھ ساتھ ۲۲۷۰

۲۲۷۳ کو قرضوں کے ساتھ ساتھ ۲۲۷۳

۲۲۷۶ کو قرضوں کے ساتھ ساتھ ۲۲۷۶

۲۲۷۹ کو قرضوں کے ساتھ ساتھ ۲۲۷۹

۲۲۸۲ کو قرضوں کے ساتھ ساتھ ۲۲۸۲

۲۲۸۵ کو قرضوں کے ساتھ ساتھ ۲۲۸۵

۲۲۸۸ کو قرضوں کے ساتھ ساتھ ۲۲۸۸

۲۲۹۱ کو قرضوں کے ساتھ ساتھ ۲۲۹۱

۲۲۹۴ کو قرضوں کے ساتھ ساتھ ۲۲۹۴

۲۲۹۷ کو قرضوں کے ساتھ ساتھ ۲۲۹۷

۲۳۰۰ کو قرضوں کے ساتھ ساتھ ۲۳۰۰

۲۳۰۳ کو قرضوں کے ساتھ ساتھ ۲۳۰۳

۲۳۰۶ کو قرضوں کے ساتھ ساتھ ۲۳۰۶

۲۳۰۹ کو قرضوں کے ساتھ ساتھ ۲۳۰۹

۲۳۱۲ کو قرضوں کے ساتھ ساتھ ۲۳۱۲

۲۳۱۵ کو قرضوں کے ساتھ ساتھ ۲۳۱۵

۲۳۱۸ کو قرضوں کے ساتھ ساتھ ۲۳۱۸

۲۳۲۱ کو قرضوں کے ساتھ ساتھ ۲۳۲۱

۲۳۲۴ کو قرضوں کے ساتھ ساتھ ۲۳۲۴

۲۳۲۷ کو قرضوں کے ساتھ ساتھ ۲۳۲۷

۲۳۳۰ کو قرضوں کے ساتھ ساتھ ۲۳۳۰

۲۳۳۳ کو قرضوں کے ساتھ ساتھ ۲۳۳۳

۲۳۳۶ کو قرضوں کے ساتھ ساتھ ۲۳۳۶

۲۳۳۹ کو قرضوں کے ساتھ ساتھ ۲۳۳۹

۲۳۴۲ کو قرضوں کے ساتھ ساتھ ۲۳۴۲

۲۳۴۵ کو قرضوں کے ساتھ ساتھ ۲۳۴۵

۲۳۴۸ کو قرضوں کے ساتھ ساتھ ۲۳۴۸

۲۳۵۱ کو قرضوں کے ساتھ ساتھ ۲۳۵۱

۲۳۵۴ کو قرضوں کے ساتھ ساتھ ۲۳۵۴

۲۳۵۷ کو قرضوں کے ساتھ ساتھ ۲۳۵۷

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۲۳۷۲ کو قرضوں کے ساتھ ساتھ ۲۳۷۲

۲۳۷۵ کو قرضوں کے ساتھ ساتھ ۲۳۷۵

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۲۳۹۰ کو قرضوں کے ساتھ ساتھ ۲۳۹۰

۲۳۹۳ کو قرضوں کے ساتھ ساتھ ۲۳۹۳

۲۳۹۶ کو قرضوں کے ساتھ ساتھ ۲۳۹۶

۲۳۹۹ کو قرضوں کے ساتھ ساتھ ۲۳۹۹

۲۴۰۲ کو قرضوں کے ساتھ ساتھ ۲۴۰۲

۲۴۰۵ کو قرضوں کے ساتھ ساتھ ۲۴۰۵

۲۴۰۸ کو قرضوں کے ساتھ ساتھ ۲۴۰۸

۲۴۱۱ کو قرضوں کے ساتھ ساتھ ۲۴۱۱

۲۴۱۴ کو قرضوں کے ساتھ ساتھ ۲۴۱۴

۲۴۱۷ کو قرضوں کے ساتھ ساتھ ۲۴۱۷

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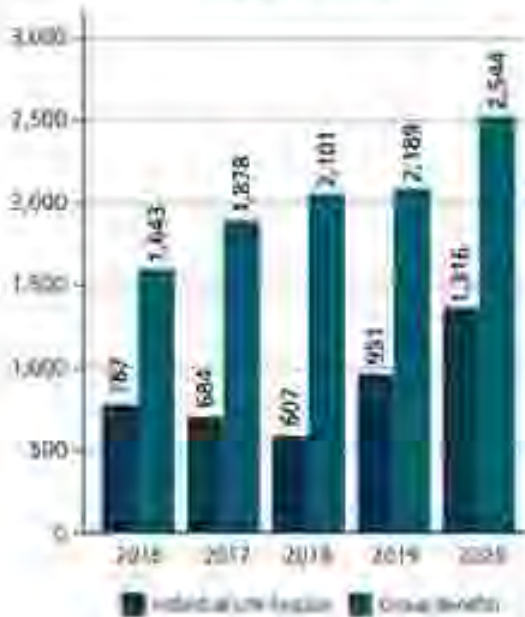
۲۵۳۷ کو قرضوں کے ساتھ ساتھ ۲۵۳۷</

شرح کو رٹائر کی گئی۔ گروپ فیملی کا کل کیتے کھیتی نے 309 ملین روپے کا بزنس حاصل کیا (۲۰۱۹ء 328 ملین روپے)۔ مجموعی طور پر کھیتی کو اپنے خفا کل کاروبار سے امید ہے کہ ۲۰۲۱ء کے دوران یہ ترقی کے راستے پر گامزن رہے گا۔

### کھیم کی ادائیگیاں

کھیم کی بروقت ادائیگیوں پر فخر کھیتی کے کاروبار کا پیمانہ اصول ہے۔ ۲۰۲۰ء میں کھیتی نے ادائیگات اور معذرتی کے ضمن میں 3.86 ملین روپے کے کھیموں کے (۲۰۱۹ء 3.14 ملین روپے) اور اس طرح 23 فیصد اضافہ کیا۔ اس میں سے انفرادی ادائیگات کھیموں کا مجموعہ ۱.32 ملین روپے اور گروپ ادائیگات کھیموں کی ادائیگات 2.54 ملین روپے رہی۔ COVID-19 (کوویڈ-۱۹) کے باعث ادائیگات کے کھیموں کے ذریعے کاروبار کے دوران کھیموں پر اثرات پرست ہم انگریز کھیتی کی جانب سے شرح ادائیگات کے لئے کاروبار کے باعث متروک کے انداز سے۔ کھیتی نے ان انسانی ادائیگات کے اثرات کا کم کرنے کیلئے کمزور اور درست رہی انشورنس انتظامات کئے تھے۔

GROSS DEATH & DISABILITY CLAIMS 5 YEAR SUMMARY (Rupees in Millions)



### سرمایہ کاری کی کارکردگی

کھیتی نے سرمایہ کاری کے ماحول پر مضمون پر سرمایہ کاری کے منافع کے ضمن میں سال کے دوران اپنے اثبات اور کھیتی کی بدست فائدہ کوئی کاروبار سال کے دوران کھیتی کی کارکردگی میں اضافے سے فی ایس ایس کو حاصل ہوئے (۱۱ لاکھ COVID-19 (کوویڈ-۱۹) کی ادائیگیوں کے لئے فوری طور پر ۳۰۰ ملین روپے کی رقم کی۔

کھیتی کی مختلف خدمات کو بھی اپنی پالیسیاں جاری رکھنے میں کھیتی کو سامنا ہوا تھا۔ کھیتی کو برقرار رکھنے کی سرگرمیاں کل نوٹس اور بینک انشورنس کو بزنس کی جانب سے انجام دی گئیں جن کے تحت کاروبار کو آگے بڑھنے اور نوٹس کو نوٹس سال کے اختتام پر اپنے مستحق رقم کو بزنس کے ساتھ گامیاب رہے۔

گروپ فیملی کھیموں پر کھیموں کا کل کیتے کھیتی نے 3.23 ملین روپے پر کیا (۲۰۱۹ء 3.58 ملین روپے)۔

گروپ 5 سالوں کے دوران مجموعی پر کھیموں میں اضافے کا رجحان اور ذیل سے حفاظتی برقرار رکھا (۲۰۱۹ء 3.23 ملین روپے)۔

GROSS PREMIUM GROWTH 5 YEAR SUMMARY (Rupees in Millions)



وامہ پر کھیم 620 ملین روپے کا (۲۰۱۹ء 950.8 ملین روپے)۔

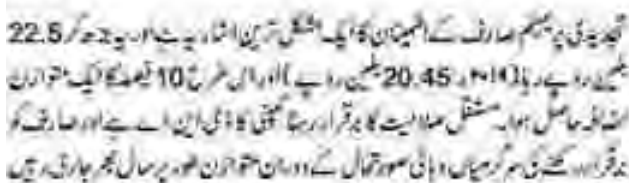
کھیتی کا وٹا مکمل آپ بکھڑا ہوا ہے آج کل کے پچھلے سال میں واقع ہو چکا ہے اور مستقل طور پر انجی کارکردگی کا مظاہرہ کر رہا ہے۔ گزشتہ سالوں میں انسانی مادیاتی پر نوٹس کی حسب میں اضافے سے کھیتی کے کاروبار میں خاصہ فائدہ پہنچا۔ سال ۲۰۲۰ء کے دوران کھیتی نے 5.42 ملین روپے کا مجموعی خفا کل کو بزنس حاصل کیا (۲۰۱۹ء ۱۱.21 ملین روپے) اور 29 فیصد کی ایک حد تک شرح نمو حاصل ہوئی۔ انفرادی فیملی کھیموں کے لئے کاروبار نے 2.04 ملین روپے کی آمدنی حاصل کی (۲۰۱۹ء ۱.77 ملین روپے) اور اس طرح 15 فیصد کی شرح نمو حاصل ہوئی۔ مجموعی کھیموں نے 2.83 ملین روپے (۲۰۱۹ء ۶.94 ملین روپے) اور 46 فیصد کی بلند





کاروباری نگار کردگی

#### GROSS PREMIUM COMPOSITION



COVID-19 (کورونا وائرس) کے ذریعے پھیلنے والے اثرات

[illegible]



Managing risks lies at the core of our business. Our Risk Management efforts focuses on ensuring sound and sustainable growth while protecting the unique combination of our tangible and intangible assets.

For effective implementation of the risk management framework, our dedicated ERM function, which operates independently from other business units, support functions as well as the Internal Audit, is responsible for ensuring a sound risk culture with the support of CEO. Additionally, Risk Management committee meetings are held on a quarterly basis to discuss key risk issues and ensure that risk management efforts continue to be in line with our target risk profile.

The following are overall objectives of risk management activities at EFU Life:

- Individuals who take or manage risks clearly understand them and are in a better position to proactively identify emerging risks
- Risk-taking decisions are in line with the corporate goals set by the Board
- Risk management approach remains aligned with the regulatory requirements as well as best industry practices

Sources of major risks and mitigating strategies

The Company considers following to be important risks:

Category of risk	Sources	Plans and strategies for mitigating these risks
Operational Risk	Regulatory Changes	The Company believes in having a transparent and open relationship with the regulator. Company representatives often take part in discussions with the regulator for potential changes to existing regulation.
	Human Resources	The Company provides a professional working environment, market competitive remuneration and career enrichment opportunities. Succession planning is in place for key employees. Additionally, Company also has whistleblowing policy in place to enable employees to report any deliberate policy violations confidentially.
	Technology	Technology risk contains strategic, financial, operational, regulatory, and reputational dimensions. The board and senior management is fully cognizant of IT landscape. IT steering committee meets regularly to discuss emerging technology risks and is mandated to propose new technological innovations. A robust Disaster Recovery Plan is in place to mitigate the impacts of loss of data, technology failure and security breaches.
	Internal Processes	ERM team engages with business and support units frequently, to timely identify potential risks that our processes may pose. Business units, with the support of ERM, ensure effective implementation of controls to curtail any unwanted risks. Covid-19 had posed significant challenges where Company had to reengineer various processes to ensure uninterrupted services. ERM department revisited the risk registers to identify any new risks and reassess the effectiveness of controls considering recent developments.
Market Risk	Adverse movements in: - Equity prices - Interest rates - Credit spreads - Inflation	Market risk is overseen by Investment committee supported by team of professionals. The framework to manage market risks includes determining risk limits and setting minimum standards to ensure risk exposure remains within the appetite set by the board. The Investment monitoring setup ensures a diversified portfolio of securities with continuous monitoring of the economy, as well as equity, debt and money markets.

Category of risk	Sources	Plans and strategies for mitigating these risks
Credit risk	Default of reinsurer on its obligations, or its exit from Pakistan	Use of internationally regulated reinsurers with high credit ratings and maintaining a diversified portfolio of reinsurers.
	Default in debt instruments	Prudent exposure limits are set with regular monitoring as well as investment in high credit rated securities.
Insurance Risk	<ul style="list-style-type: none"> <li>- Underwriting risk</li> <li>- Pricing risk</li> <li>- Claims risk</li> <li>- Retention risk</li> </ul>	<p>A primary goal in managing our insurance operations is to achieve an acceptable risk-adjusted return on equity. To achieve this goal, Company follows a disciplined approach in risk selection, premium adequacy, and appropriate terms and conditions to cover the accepted risks.</p> <p>Company has a team of professional actuaries and regularly engages with appointed actuary, who independently validates sufficiency of our pricing and reserves.</p>
Commercial Risk	Increased competition from existing and new players in the industry	The Company focuses on its brand equity and financial strength, as well as pricing, product features and customer services to always gain a competitive edge.
Reputational Risk	Events or acts impacting the Company's reputation	The Company maintains a strong and open relationships with all stakeholders. Internal governance and control procedures are in place to aid good governance.

### Opportunities:

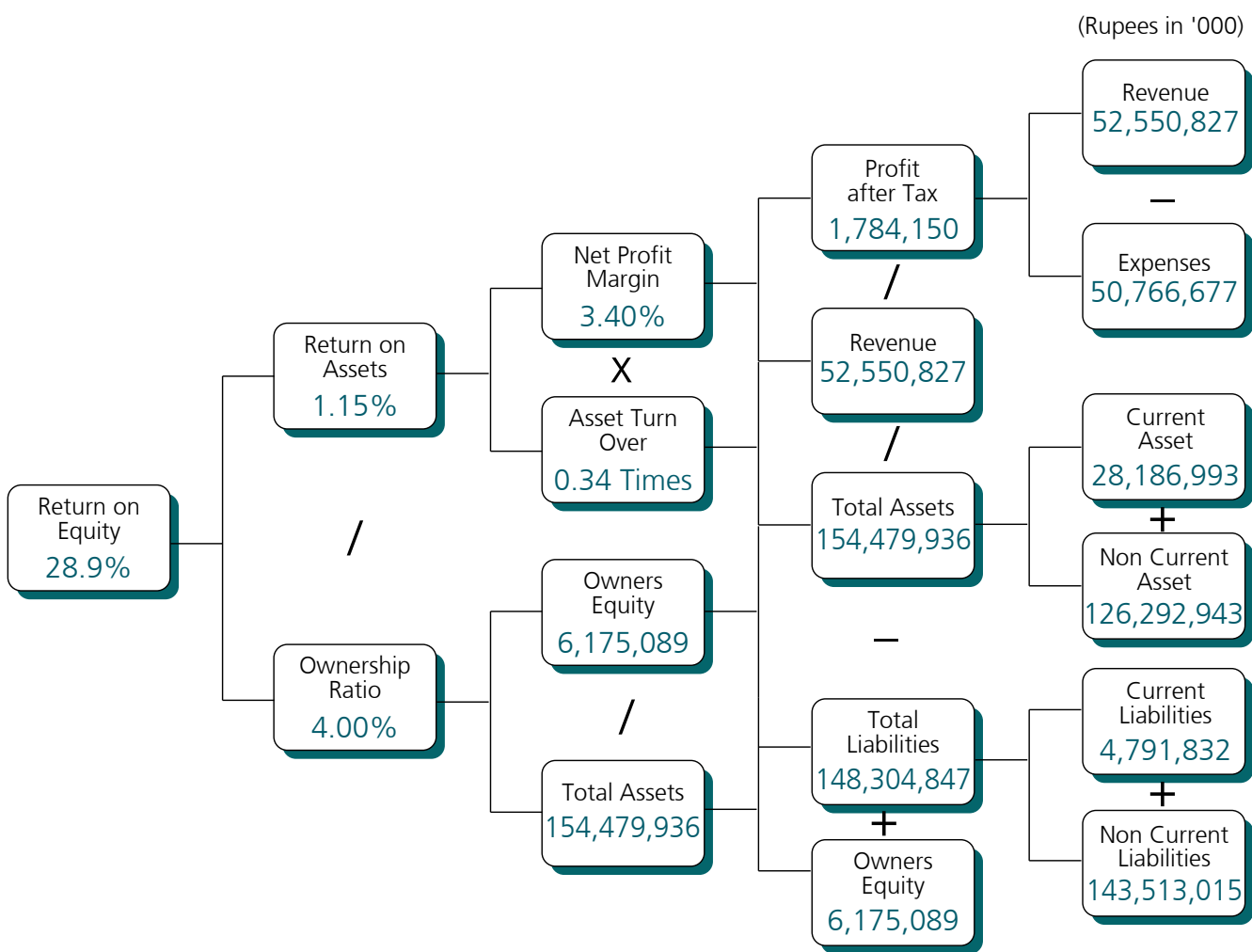
Pakistan's life insurance penetration rate (gross premium as a % of GDP), over the years has been between 0.5% to 0.6%, one of the lowest in the world. The extent of a large uninsured population, with various financial needs, provides a significant opportunity to the Company in the following areas:

- Increasing reach to all parts of the country through expanding distribution network, and identification and utilization of emerging and unconventional channels.
- Focus on insurance awareness through continuous investments in communication channels and market education
- Focus on "Inclusive Insurance" approach by offering affordable financial planning solutions for the micro and mass customer segments
- Offer takaful solutions through window operations
- With increasing mobile penetration amongst the masses, utilize such platforms for customer interaction, awareness, marketing and sales.
- Utilize technology solutions as enablers and support to all business functions, increasing efficiency in processes and providing outreach, with a close focus on the entire customer journey.

### Key sources of uncertainty:

The Key sources of uncertainty in estimation of future benefit payments and premium receipts are as follows:

- Adverse Mortality and Morbidity experience
- Unexpected changes in Lapses and Surrenders
- Expense overruns
- Interest rate movements



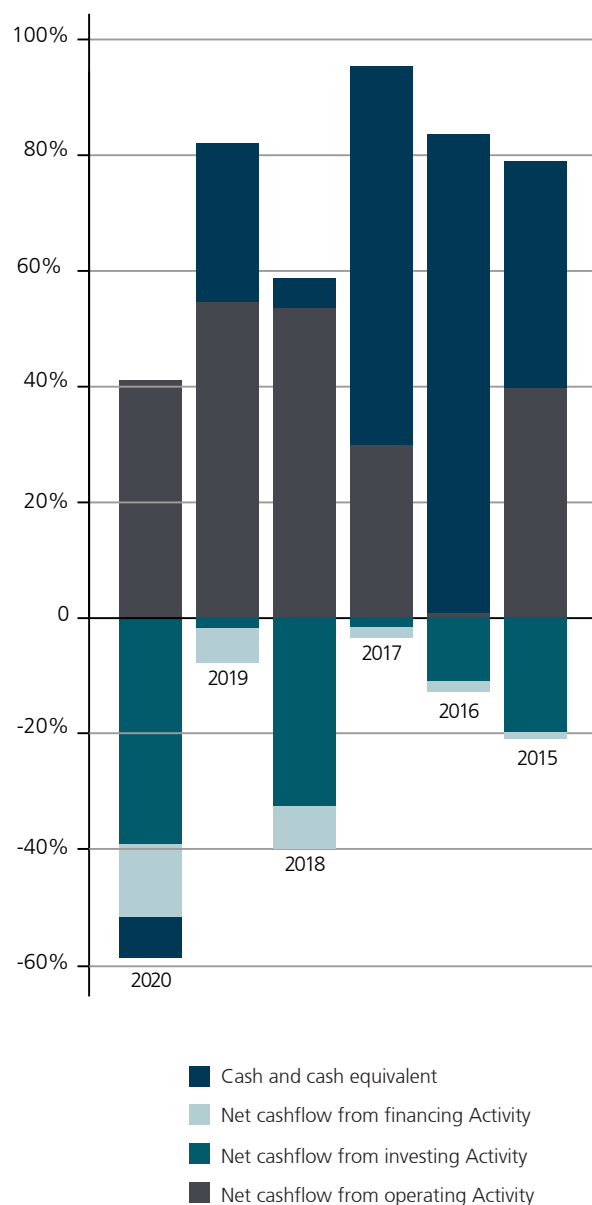


# Summary of Cash Flow

## Summary of cashflow statement for the year ended 31 December 2020

(Rupees in '000)

Cashflow	2020	2019	2018	2017	2016	2015
Net cashflow from operating Activity	5 819 758	7 711 193	7 835 807	7 299 968	212 450	15 860 606
Net cashflow from investing Activity	( 5 140 734 )	( 599 108 )	( 4 997 258 )	376 356	( 1 223 448 )	( 8 220 388 )
Net cashflow from financing Activity	( 1 654 480 )	( 1 575 000 )	( 1 500 000 )	( 1 575 000 )	( 1 000 000 )	( 900 000 )
Cash and cash equivalent	( 975 456 )	5 537 085	1 338 549	18 496 913	12 395 589	14 406 587



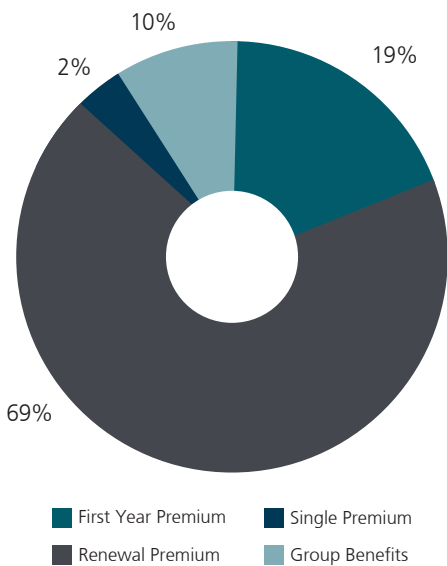




# Segment - Wise Review

Your Company achieved a gross premium (including Takaful contributions) of Rs. 32.55 billion (2019: 31.75 billion), a slight growth of 2.5%. The gross premium composition was as follows:

GROSS PREMIUM COMPOSITION



Individual Life regular premiums (including Takaful contributions) grew by 4.6%, achieving a total premium of Rs.28.72 billion (2019: Rs. 27.45 billion).

Individual life New Business was impacted by COVID-19 lockdowns during which our distribution channels were unable to reach out to retail clients. The new business premium contracted to Rs. 6.21 billion (2019: 6.99 billion). Bancassurance was impacted to a greater degree due to limited banking activities during the second and third quarter of the year, while the Agency Sales force was able to make a positive recovery towards the end of the year.

Renewal premium is a critical indicator of customer satisfaction and grew to Rs. 22.5 billion (2019: Rs. 20.45 billion), a modest increase of 10%. Persistency is in the DNA of the Company and client retention activities continued throughout the year in parallel to the pandemic when various segments of clients found it to challenging to continue their policies. These retention activities, for both Sale Force and Bancassurance, yielded positive results and both channels, towards end of the year, were able to improve their respective persistency levels.

Group Benefits gross premium, including Takaful contributions, contracted to Rs. 3.23 billion (2019: Rs 3.58 billion).

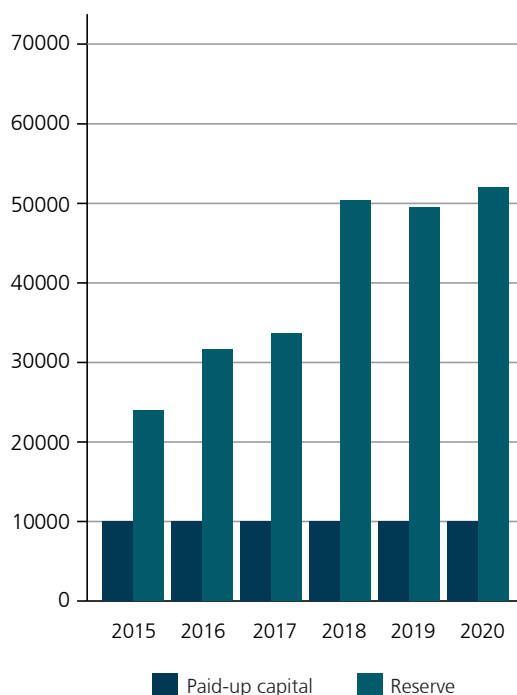
Over the last 5 years, the Gross Premium growth trend is as follows (including Takaful contributions):



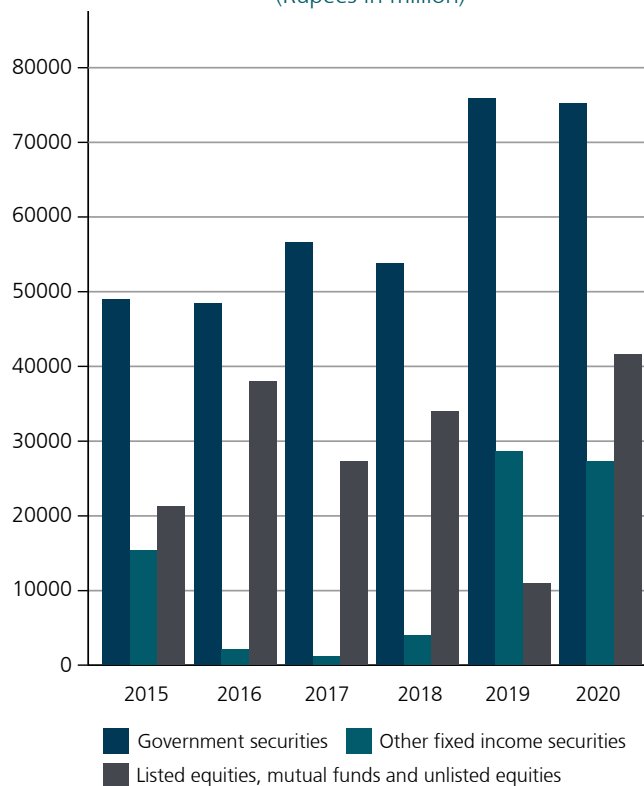
# Performance at a Glance

## Graphical Presentation

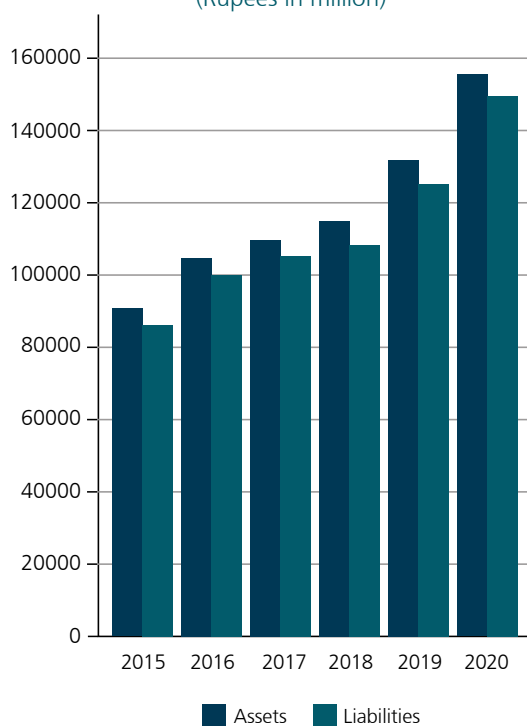
**SHARE HOLDER'S EQUITY**  
(Rupees in million)



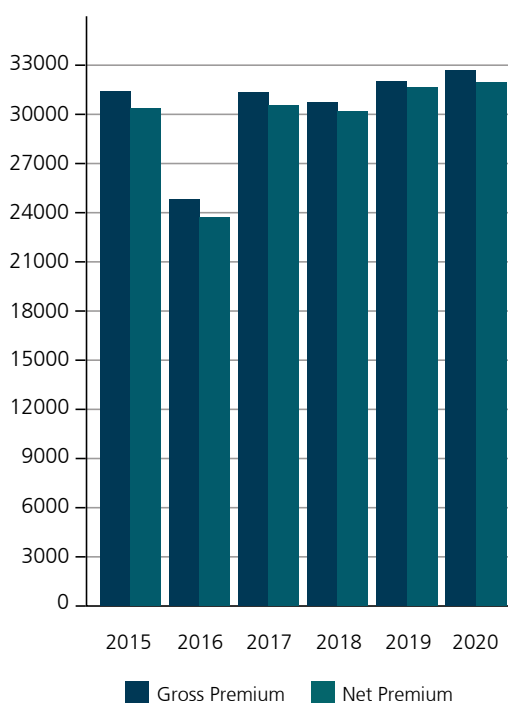
**INVESTMENTS**  
(Rupees in million)



**ASSETS & LIABILITIES**  
(Rupees in million)

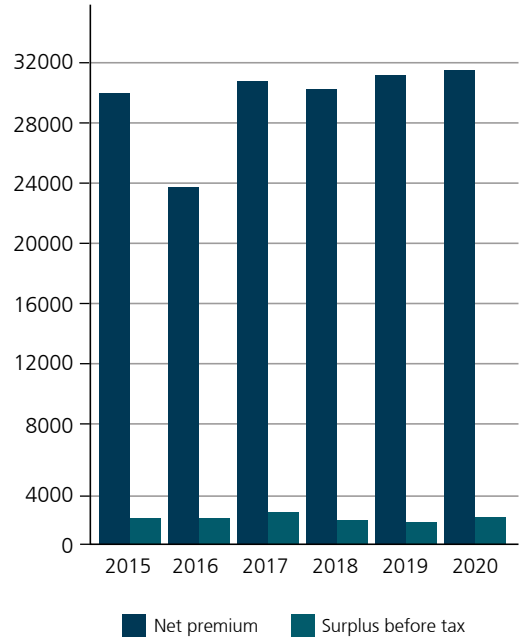


**GROSS / NET PREMIUM**  
(Rupees in million)

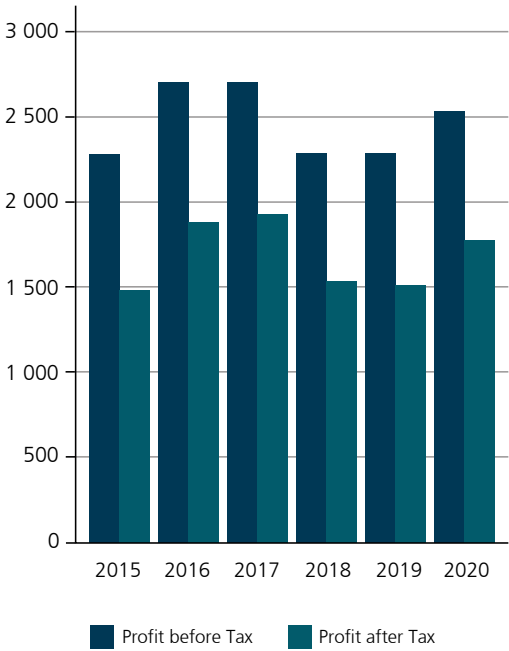


**NET PREMIUM & SURPLUS BEFORE TAX  
(REVENUE ACCOUNT)**

(Rupees in million)

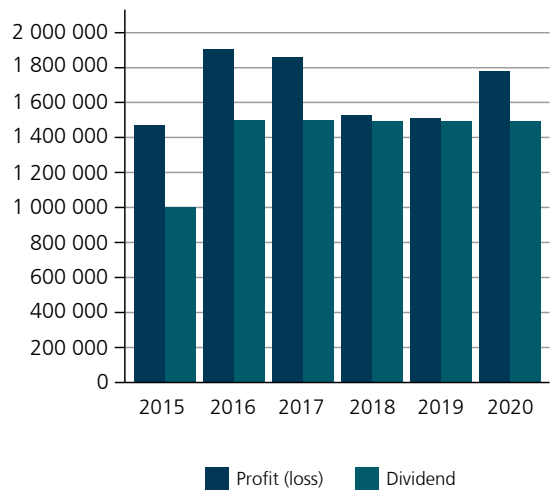


**PROFITABILITY**  
(Rupees in million)

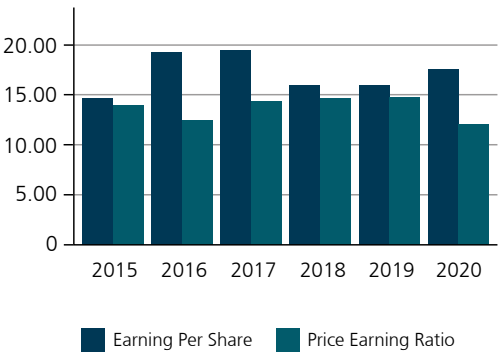


**PROFIT (LOSS) AFTER  
TAX & DIVIDENDS/BONUS**

(Rupees in million)



**EARNING PER SHARE &  
PRICE EARNING RATIO**



## Share Price Sensitivity Analysis

**Earnings** - News on earnings, profits and future positive cashflows develop interest of investors in the shares of the company.

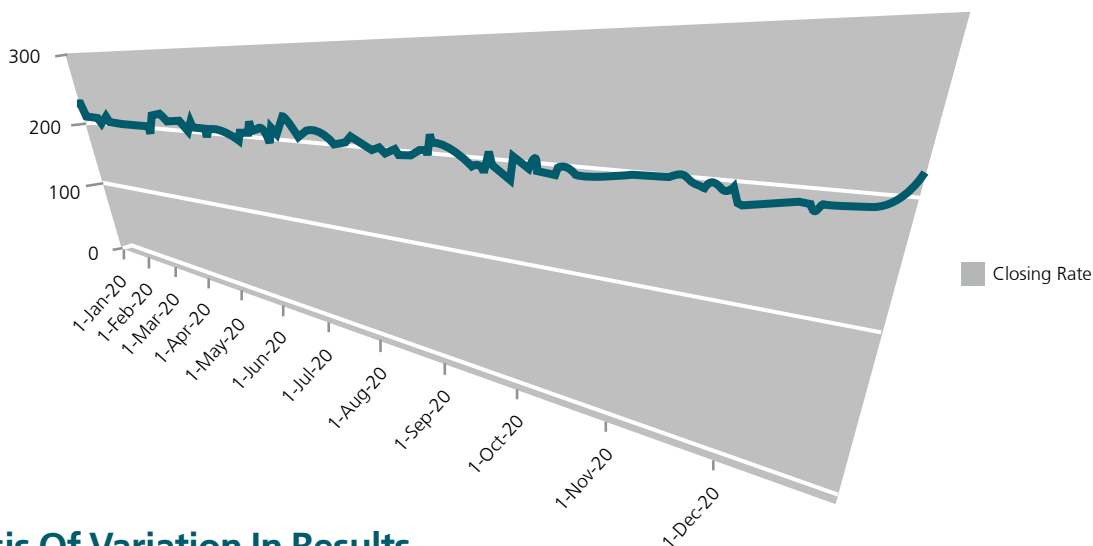
**Introduction of new Products** - this could lead to positive earnings growth which in return affects share prices.

**Government Policies** - Government's policies could be perceived as positive or negative for business the policies may lead to change in Inflation and interest rates, which may affect stock prices.

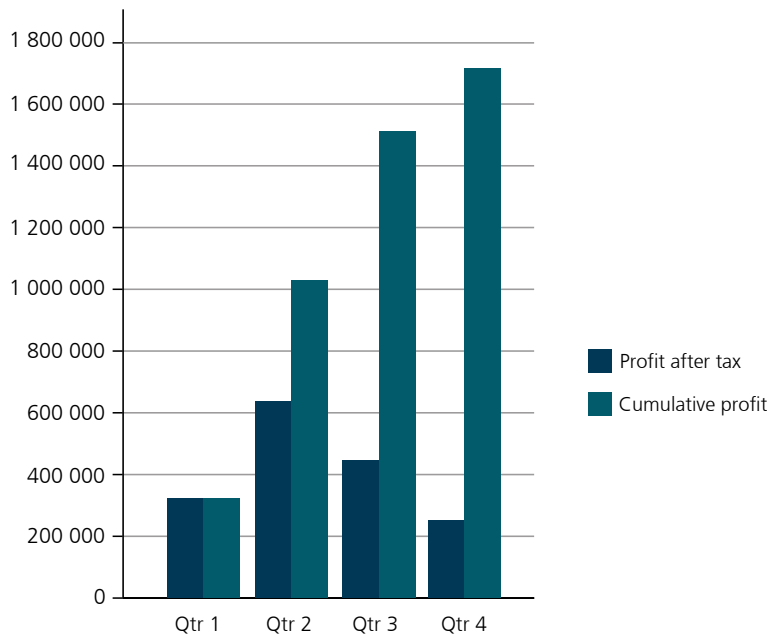
**Industry specific performance** - any changes in Govt policies toward Insurance industry may result in movement of stock prices.

**Investor sentiments / confidence** - Positive economic reforms can attract investors.

**Announcement of Dividends** - Expected distribution from earnings could increase in share prices in expectations of realization of profits on investments.



## Analysis Of Variation In Results Reported In Quarterly Accounts





(Rupees ‘000)

	2020	2019	2018	2017	2016	2015
Gross Premium	32 545 748	31 750 084	30 790 407	31 420 835	24 676 452	31 033 830
<b>REVENUE ACCOUNT</b>						
Premium-net of reinsurance	31 653 339	31 141 634	30 164 268	30 813 133	23 861 851	30 351 972
Interest and other Income	15 353 448	3 845 724	3 266 274	9 438 197	8 128 626	8 117 383
	47 006 787	34 987 358	33 430 542	40 251 330	31 990 477	38 469 355
Claims less reinsurance	17 851 338	15 677 433	13 094 451	14 237 934	17 764 439	8 941 518
Commission and Expense	8 547 852	8 983 369	8 374 022	6 887 965	5 535 953	5 415 109
Provision for Appreciation / (depreciation) on investments	5 547 971	3 079 994	( 3 051 196 )	( 13 086 775 )	7 763 528	748 228
Write back / (Provision) for doubtful debts on available for sale fixed income securities						( 6 559 )
Provision for Impairment for available for sale Equity Investments	( 3 931 )	( 5 427 )	( 7 101 )	( 7 509 )	200 407	( 22 201 )
Capital contribution from Shareholders' fund					89 256	
Changes in statutory Funds	23 624 404	11 046 950	6 577 382	3 236 906	13 945 180	22 606 826
Profit / (Loss) before tax	2 527 233	2 354 173	2 326 390	2 794 241	2 798 096	2 225 370
Provision for Taxation	( 743 083 )	( 804 909 )	( 745 057 )	( 884 279 )	( 925 200 )	( 749 900 )
Profit / (Loss) after tax	1 784 150	1 549 264	1 581 333	1 909 962	1 872 896	1 475 470
<b>BALANCE SHEET</b>						
Investments	142 432 034	116 065 289	105 820 637	85 388 521	88 831 183	71 941 323
Cash & Bank balances	5 335 091	5 713 548	4 786 362	18 496 913	12 395 589	14 406 587
Other Assets	3 789 902	4 602 382	3 698 947	4 143 723	2 920 367	3 249 775
Fixed Assets	2 922 909	2 908 420	2 458 665	2 208 842	2 154 392	1 667 694
	154 479 936	129 289 639	116 764 611	110 237 999	106 301 531	91 265 379
Issued Subscribed and paid-up capital	1 000 000	1 000 000	1 000 000	1 000 000	1 000 000	1 000 000
Accumulated surplus / (Loss)	3 175 089	2 907 940	2 877 596	1 440 648	1 543 383	1 459 743
General Reserve	2 000 000	2 000 000	2 150 000	1 900 000	1 650 000	950 000
Balance of Statutory Funds	143 513 015	119 153 655	107 603 537	101 233 038	97 782 063	83 836 320
Other liabilities	4 791 832	4 228 044	3 133 478	4 664 313	4 326 085	4 019 316
	154 479 936	129 289 639	116 764 611	110 237 999	106 301 531	91 265 379



# Key Operating and Financial Data

Six years summary  
Financial Ratios

## Profitability Ratios

		2020	2019	2018	2017	2016	2015
Profit / (Loss) Before Tax / Gross Premium	%	7.8%	7.4%	7.6%	8.5%	11%	7%
Profit / (Loss) Before Tax / Net Premium	%	8.0%	7.6%	7.7%	8.7%	12%	7%
Profit / (Loss) After Tax / Gross Premium	%	5.5%	4.9%	5.1%	5.8%	8%	5%
Profit / (Loss) After Tax / Net Premium	%	5.6%	5.0%	5.2%	5.9%	8%	5%
Gross Yield on Earning Assets	%	7.8%	9.8%	6.3%	6.3%	6%	7%
Net Claims / Net Premium	%	56.4%	50.3%	43.4%	46.1%	74%	29%
Commission / Net premium	%	18.0%	20.1%	14.3%	11.7%	12%	10%
Acquisition Cost / Net premium	%	20.9%	23.5%	22.4%	17.7%	18%	14%
Administration Expenses / Net premium	%	5.9%	5.7%	5.4%	5.3%	5%	3%
Change in PHL / Net Inflow	%	74.6%	35.2%	21.7%	11.9%	35%	57%
Net investment income / Net Premium	%	64.2%	21.8%	0.7%	-11.7%	66%	29%
Return On Capital Employed	%	16.9%	16.1%	17.7%	20.7%	23%	22%
Return on Equity	%	28.9%	26.2%	26.2%	41.8%	45%	43%

## Liquidity Ratio

Current Ratio		7.07	8.60	7.51	4.85	3.54	4.39
Quick Ratio		7.07	8.60	7.51	4.85	3.54	4.39
Cash to Current Liability	%	612%	728%	633%	397%	287%	358%

## Investment / Market Ratio

Breakup Value Per Share	Rupees	61.75	59.08	60.28	43.41	41.93	34.10
Earnings / (loss) per share (pre tax) Diluted	Rupees	25.27	23.54	23.26	26.81	27.98	22.25
Earnings / (loss) per share (after tax) Diluted	Rupees	17.84	15.49	15.81	18.12	18.73	14.75
Price Earning Ratio -PAT	Times	12.16	14.95	14.41	13.99	11.50	13.49
Mkt price per share at end of the year	Rupees	217.00	231.57	227.92	253.49	215.47	199
Mkt price per share - Highest during the year	Rupees	228.00	244.4	311.48	329.95	247	260
Mkt price per share - Lowest during the year	Rupees	181.05	223.5	195.66	209.00	162	140
Cash Dividend per Share	Rupees	15	15	15	15	15	10
Price to book ratio		0.14	0.18	0.20	0.23	0.20	0.22
Cash Dividend %	%	150%	150%	150%	150%	150%	100%
Dividend Yield	%	7%	6%	7%	6%	7%	5%
Dividend Payout	%	84.07%	96.82%	94.86%	82.76%	80.09%	67.78%
Dividend Cover	Times	1.19	1.03	1.05	1.21	1.25	1.48
Stock Dividend per share	Times	—	—	—	—	—	—
Bonus %	%	—	—	—	—	—	—

## Capital Structure Ratio

Return on Asset	%	1.15%	1.20%	2.0%	2.4%	3%	2.4%
Earning Asset to total asset	%	94.89%	91%	91%	92%	95%	94%
Total Liabilities / Equity	Times	24.02	20.88	18.37	24.40	24.35	25.77
Paid-up Capital / Total Asset	%	0.65%	0.77%	0.86%	0.91%	0.94%	1.10%
Equity/ total Asset	%	4.00%	4.57%	5.2%	3.9%	4%	4%

## Comments:

### Profitability Ratios:

Net profit after tax have increased from 1.549 billion to 1.784 billion. The Company has managed to underwrite Rs. 32.876 billions of business (new and subsequent) in 2020.

### Liquidity Ratio

EFU Life's liquidity position had always been very strong. Strong in liquidity ratios is mainly due to effective workig capital management.

### Investment / Market Ratio

Despite Pandemic, the Company managed to underwrite a profitable business which resulted in around 15% increase in our EPS to Rs. 17.84 from 15.49 . The Company's good performance was supported by better performance of PSX. The company has announced Rs. 10.50 final dividend in addition to Rs. 4.45 Interim dividend (which sums up to 150% total dividend), reflecting robust and strong foot print in Industry.

### Capital Structure Ratio

EFU Life's paid up capital is 1 Billion which is the largest in the life insurance industry in Pakistan. Total assets of the company has increased from 129.289 Billion to 154.479 Billion making an increase of almost 19.48%.

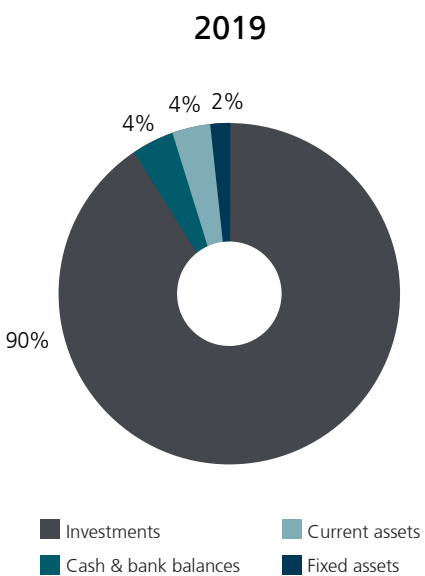
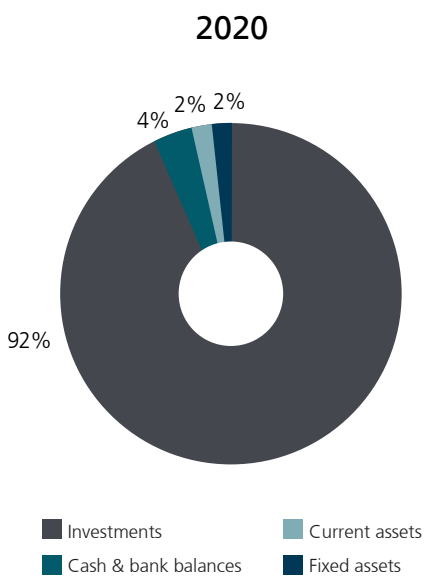
In addition to this, company has maintained Rs. 2.65 billion in ledger account D, along with 3.2 billion in accumulated surplus and reserves.



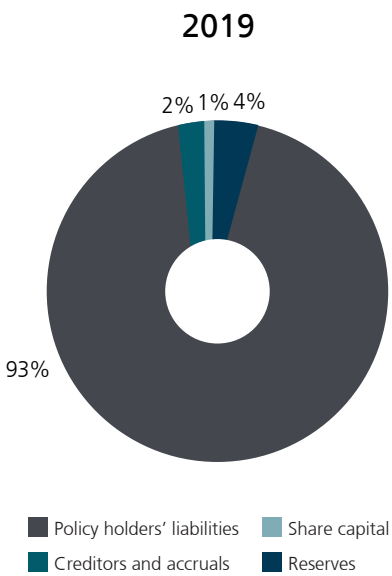
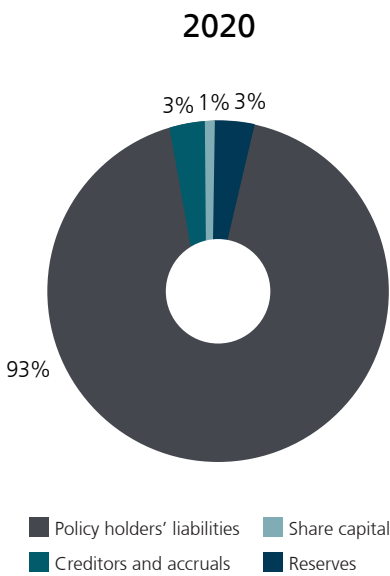
# Graphical Analysis

## Balance Sheet

### ASSETS

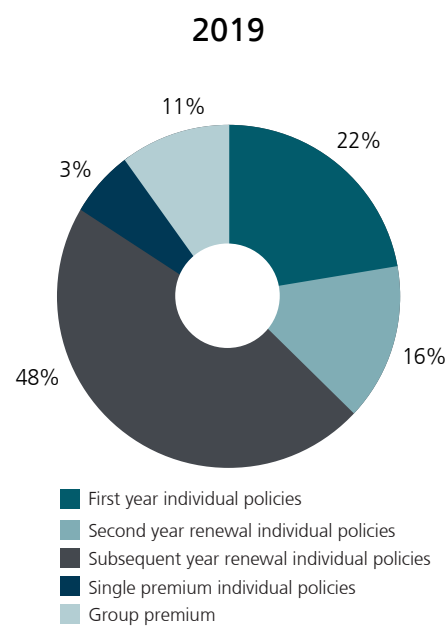
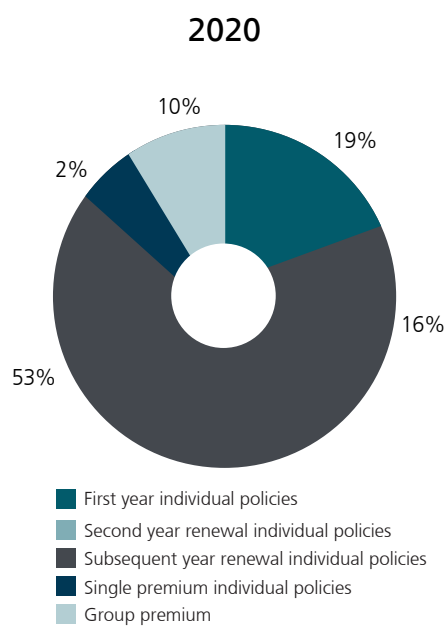


### SHARE CAPITAL & RESERVES AND LIABILITIES

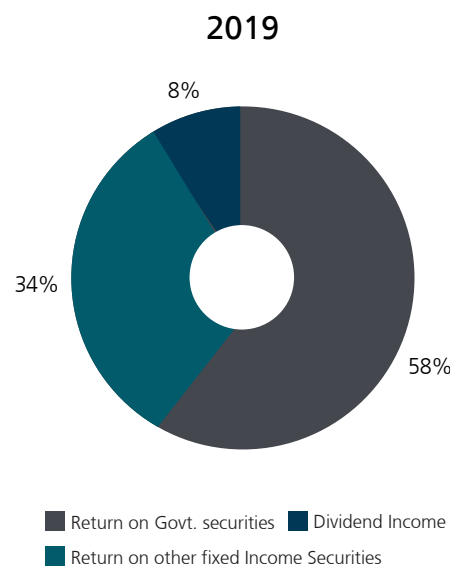
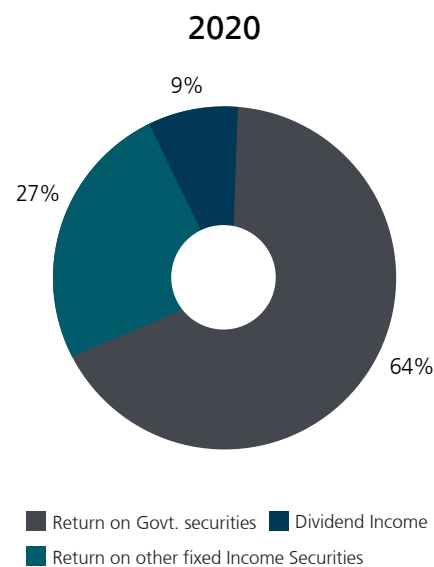


Profit & Loss / Revenue Account

GROSS PREMIUM



INVESTMENT INCOME

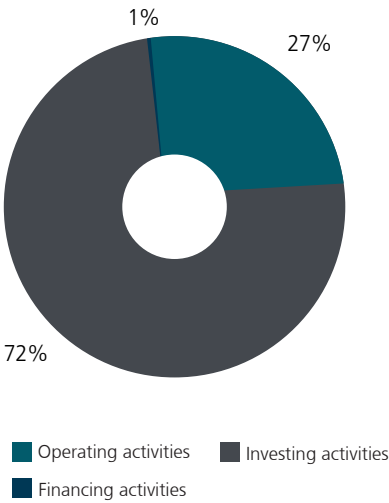




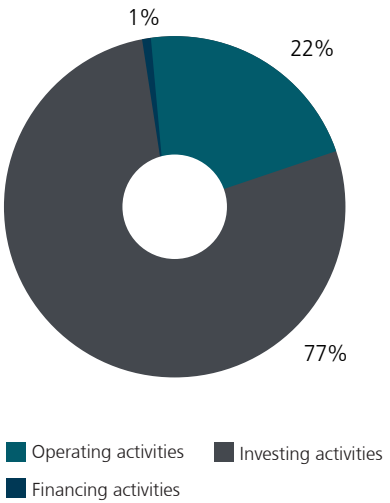
Cash Flow

CASH GENERATED / UTILIZED

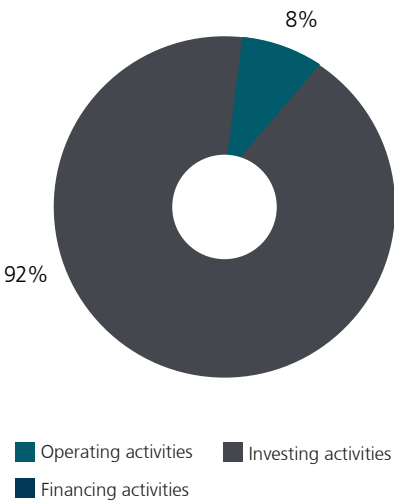
Cash Generated 2020



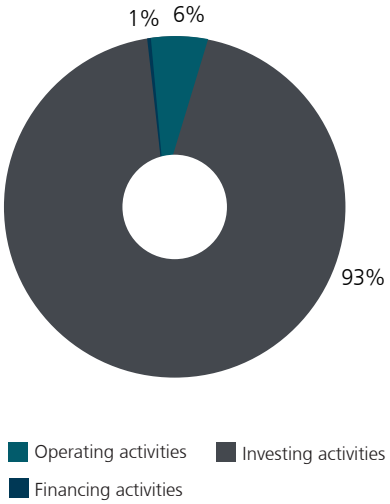
Cash Consumed 2020



Cash Generated 2019



Cash Consumed 2019





# Vertical / Horizontal Analysis

## Vertical Analysis

### Balance Sheet

	2020		2019	
	Rupees in '000	%	Rupees in '000	%
Net Equity	6 175 089	4.00	5 907 940	4.57
Statutory Fund	144 317 247	93.42	119 896 834	92.73
Current Liabilities	3 987 600	2.58	3 484 865	2.70
Total Equity & Liabilities	154 479 936	100	129 289 639	100
Total non-current Assets	2 922 909	1.89	2 908 420	2.25
Investments	142 432 034	92.20	116 065 289	89.77
Current Assets	9 124 993	5.91	10 315 930	7.98
	154 479 936	100	129 289 639	100

### Revenue & Profit & Loss Account

Net Income	52 550 827	100.00	38 061 925	100.00
Claims Expenditures and Policy-holders Liabilities	(49 780 792 )	( 94.73 )	( 35 656 474 )	( 93.68 )
Solvency Margin	( 242 802 )	( 0.46 )	( 51 278 )	( 0.13 )
Profit / Loss before Tax	2 527 233	4.81	2 354 173	6.19
Income Tax expense	( 743 083 )	( 1.41 )	( 804 909 )	( 2.11 )
Profit / Loss after Tax	1 784 150	3.40	1 549 264	4.07

## Horizontal Analysis

### Balance Sheet

	2020	2019	2018	2017
	Rupees in '000	Rupees in '000	Rupees in '000	Rupees in '000
Net Equity	6 175 089	5 907 940	6 027 596	5 962 671
Statutory Fund	144 317 247	119 896 834	105 685 537	99 108 155
Current Liabilities	3 987 600	3 484 865	5 051 478	4 474 358
Total Equity & Liabilities	154 479 936	129 289 639	116 764 611	109 545 184
Total non-current Assets	2 922 909	2 908 420	2 458 665	2 208 842
Investments	142 432 034	116 065 289	105 820 637	97 959 122
Current Assets	9 124 993	10 315 930	8 485 309	9 377 220
	154 479 936	129 289 639	116 764 611	109 545 184


### Revenue & Profit & Loss Account

Net Income	52 550 827	38 061 925	30 372 245	27 157 046
Claims Expenditures and Policy-holders Liabilities	( 49 780 792 )	( 35 656 474 )	( 27 827 308 )	( 24 159 229 )
Solvency Margin	( 242 802 )	( 51 278 )	( 218 547 )	( 203 576 )
Profit / Loss before Tax	2 527 233	2 354 173	2 326 390	2 794 241
Income Tax expense	( 743 083 )	( 804 909 )	( 745 057 )	( 884 279 )
Profit / Loss after Tax	1 784 150	1 549 264	1 581 333	1 909 962

2018		2017		2016		2015	
Rupees in '000	%	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%
6 027 596	5.16	5 962 671	5.45	4 193 383	3.94	3 409 743	3.74
105 685 537	90.51	99 108 155	90.47	97 782 063	91.99	83 836 320	91.86
5 051 478	4.33	4 474 358	4.08	4 326 085	4.07	4 019 316	4.40
116 764 611	100	109 545 184	100	106 301 531	100	91 265 379	100
2 458 665	2.10	2 208 842	2.02	2 246 304	2.11	1 667 694	1.82
105 820 637	90.63	97 959 122	89.42	88 831 183	83.57	71 941 323	78.83
8 485 309	7.27	9 377 220	8.56	15 224 044	14.32	17 656 362	19.35
116 764 611	100	109 545 184	100	106 301 531	100	91 265 379	100
30 372 245	100.00	27 157 046	100	39 952 080	100	39 188 823	100
( 27 827 308 )	( 91.62 )	( 24 159 229 )	( 88.96 )	( 36 892 682 )	( 92.34 )	( 36 618 738 )	( 93.44 )
( 218 547 )	( 0.72 )	( 203 576 )	( 0.75 )	( 261 302 )	( 0.65 )	( 344 715 )	( 0.88 )
2 326 390	7.66	2 794 241	10.29	2 798 096	7.00	2 225 370	5.68
( 745 057 )	( 2.45 )	( 884 279 )	( 3.26 )	( 925 200 )	( 2.32 )	( 749 900 )	( 1.91 )
1 581 333	5.21	1 909 962	7.03	1 872 896	4.69	1 475 470	3.77

% increase / (decrease) over preceding year

2016	2015	2020	2019	2018	2017	2016	2015
Rupees in '000	Rupees in '000						
4 193 383	3 409 743	4.52	( 1.99 )	1.09	42.19	22.98	20.30
97 782 063	83 836 320	20.37	13.45	6.64	1.36	16.63	36.94
4 326 085	4 019 316	14.43	( 31.01 )	12.90	3.43	7.63	26.72
106 301 531	91 265 379	19.48	10.73	6.59	3.05	16.48	35.75
2 246 304	1 667 694	0.50	18.29	11.31	( 1.67 )	34.70	53.90
88 831 183	71 941 323	22.72	9.68	8.03	10.28	23.48	29.54
15 224 044	17 656 362	( 11.54 )	21.57	( 9.51 )	( 38.41 )	( 13.78 )	66.41
106 301 531	91 265 379	19.48	10.73	6.59	3.05	16.48	35.75
39 952 080	39 188 823	38.07	25.32	11.84	( 32.03 )	1.95	37.48
( 36 892 682 )	( 36 618 738 )	39.61	28.13	15.18	( 34.51 )	0.75	38.06
( 261 302 )	( 344 715 )	373.50	( 76.54 )	7.35	( 22.09 )	( 24.20 )	( 38.28 )
2 798 096	2 225 370	7.35	1.19	( 16.74 )	( 0.14 )	25.74	56.34
( 925 200 )	( 749 900 )	( 7.68 )	8.03	( 15.74 )	( 4.42 )	23.38	58.72
1 872 896	1 475 470	15.16	( 2.03 )	( 17.21 )	( 1.98 )	26.94	55.17



# Revenue Application

( Rupees in '000 )

## Premium

Investment  
Other

## Cost

Acquisition Cost  
Employee Benefits  
Other

## Policy Holders

Claims and surrenders  
Policy Holders Movements

## Government

Income & other Taxes  
WWF

## Shareholders

Dividend  
Bonus

## Society

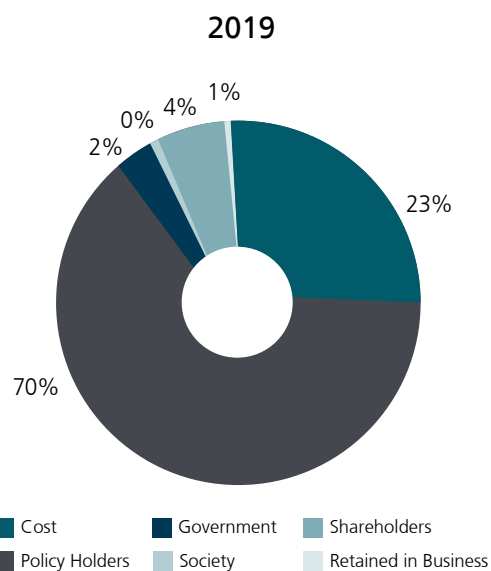
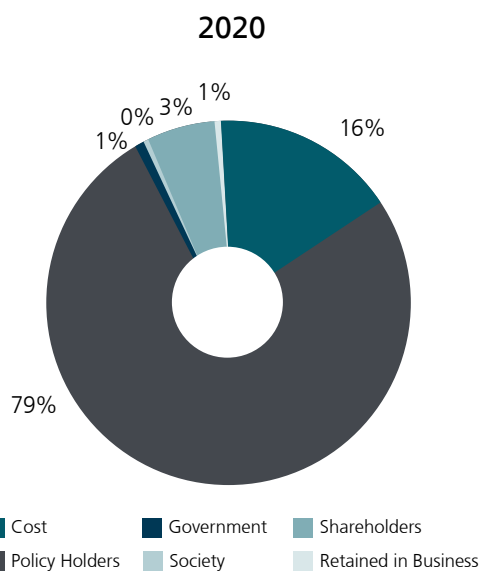
Donations

## Retained in Business

Reserve unappropriated profit  
Capital Contribution  
Depreciation / Amortization  
Statutory Reserves - Solvency Margin

## Revenue

2020	2019
31 653 339	31 141 634
20 836 629	6 855 766
60 859	64 525
52 550 827	38 061 925
6 628 177	7 322 986
884 452	758 156
833 253	862 450
8 345 882	8 943 592
17 851 338	15 669 051
23 624 404	11 046 950
41 475 742	26 716 001
743 083	804 909
	( 127 426 )
743 083	677 483
1 500 000	1 500 000
1 500 000	1 500 000
17 402	9 024
17 402	9 024
284 149	49 264
–	–
184 568	166 561
–	–
468 717	215 825
52 550 826	38 061 925





# Statement of Compliance with the Shariah Principles

The financial arrangements, contracts and transactions, entered into by EFU Life Assurance Limited-Window Takaful Operations ('the Company') for the period from 1 January 2020 to 31 December 2020 are in compliance with the takaful rules, 2012.

Further we confirmed that:

- The Company has developed and implemented all the policies and procedures in accordance with takaful rules, 2012 and rulings of the Shariah Advisor along with a comprehensive mechanism to ensure compliance with such ruling and takaful rules, 2012 in their overall operations with zero tolerance. Further, the governance arrangements including the reporting of events and status to those charged with relevant responsibilities, such as the audit Committee / Shariah Advisor and the Board of Directors have been implemented;
- The Company has imparted training / orientations and ensured availability of all manuals / arrangements approved by Shariah advisor / Board of Directors to maintain the adequate level of awareness, capacity and sensitization of the staff, management;
- All the products and policies have been approved by the shariah Advisor and the financial arrangements including investments made, policies, contracts and transactions, entered into by Window takaful Operations are in accordance with the policies approved by Shariah Advisor, and
- The assets and liabilities of window takaful Operations (Participants takaful fund and Operator's Sub fund) are segregated from its other assets and liabilities, at all times in accordance with the provisions of the takaful rules, 2012.

This has been duly confirmed by the Shariah Advisor of the Company.

Dated: February 24, 2021

Managing Director  
(Chief Executive Officer)





# Shariah Advisory Report to the Board of Director

**MUFTI MUHAMMAD IBRAHIM ESSA**

Graduate from Jamiah Darul Uloom Karachi, Pakistan  
Shariah Advisor - Islamic Finance and Takaful/Retakaful

Email: mibrahimesa@yahoo.com

Phone: +92-322-2671867

المفتي ابراهيم عيسى  
خريج الجامعة دار العلوم كراتشي  
المشير الشرعي للامور المالية الاسلامية

## Annual Shari'ah Review Report For the year ended December 31, 2020

الحمد لله رب العالمين والعاقبة للمتقين والصلاة والسلام على اشرف الانبياء والمرسلين وعلى آله  
 واصحابه اجمعين. اما بعد

EFU Life Assurance Ltd started its Window Takaful Operations on 6th February 2015. By the grace of Allah, the year under review was the sixth successful year of Family Takaful in EFU Life. In this year, the Management, Distribution Channels and Board of Directors demonstrated their sincere efforts for the promotion of Takaful and underwritten good numbers in Takaful.

### Progress of the Year 2020:

During the year under review; EFU Life Window Takaful Operations (EFU Life-WTO) has achieved significant successes, details of which are as follow:

1. Under the guidance of the undersigned EFU Life-WTO developed different Takaful Products especially in Banca Takaful segment focusing on the need of Savings, protection and investment based plans.
2. All the distribution channels of EFU Life-WTO including Banca Takaful, Individual and Group Family Takaful segments performed very well and underwritten good figures in Takaful.
3. Number of Religious Institutions (Madaris) continued their fatawa in favor of Takaful Products of EFU Life-WTO. Their Fatawa can be viewed on the website and Takaful booklet of the Company.

### Shariah Compliance:

As Shari'ah Advisor of EFU Life-WTO and based on my review; I confirm that:

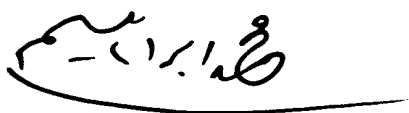
- I have carefully reviewed all the product documents of EFU Life-WTO including Takaful Policies, Brochures, Marketing materials, Agreements of Banca Takaful and Group Takaful etc. and Alhamdulillah I have found them in accordance with Shariah Principles.
- Before launching of any Takaful Product, EFU Life-WTO took guidance and advice of Shari'ah from the undersigned and developed the Takaful Products in accordance with the guidelines provided by me as Shariah Advisor.
- Segregation of Window Takaful Operations is the essential part of valid Takaful contracts. I am pleased to state that EFU Life has realized criticalities of this issue and from the day one, Alhamdulillah, all the Takaful Funds, Investments, Bank Accounts, Systems and other related issues are kept separate from its conventional insurance business, as per requirement of Shariah.

- Conducting Training and Development is an imperative for understanding the principles of Takaful and its practical outline. For this purpose EFU Life-WTO arranged classroom training sessions for its Distribution Channels working in their respective fields. I personally felt that participants gained significantly from these training sessions. I hope EFU Life-WTO will continue this practice in the future
- Few cases which were required to be consulted from the Shariah perspective were discussed with the management and duly resolved.

Generally, the Board of Directors and Management of EFU Life-WTO have shown their sincerity to comply with Shariah Rulings, therefore, I am of the view, that overall operations of Takaful in EFU Life are Shariah Compliant up to the best of my knowledge

In the end; I pray to Allah Almighty to grant us success and help us at every step, keep us away from every hindrance and difficulty, and give financial success to EFU Life Window Takaful Operations.

والسلام عليكم ورحمة الله وبركاته



Muhammad Ibrahim Essa  
Shariah Advisor  
EFU Life Assurance Limited-Window Takaful Operations  
16th February, 2021

## Profile of Shariah Advisor

Sharih Advisor of Efu Life- WTO Mufti Muhammad Ibrahim Essa is a well-known recognized Shariah Scholar in the field of Islamic Banking and Takaful. He has completed his Darse Nizami (Masters in Quran and Sunnah) and Takhassus fil Ifta (Specialization in Islamic Jurisprudence) from Jamiah Darul Uloom Karachi. Currently he is working as teacher and Member of Darul Ifta Jamiah Darul Uloom Karachi.

Mufti Ibrahim Essa is also associated as Chairman Shariah Board-Zarai Taraqiyati Bank Limited and he is a Member of Shariah Board at Habib Metropolitan Bank Limited and The Bank of Khyber. He was associated with Ernst & Young Ford Rhides Sidat Heder & Co as Shariah Advisor from 2007 to 2015. He is also the Shariah Advisor of number of Islamic Financial Institutions National and International including Atrium Syndicate-Lloyds of London, EFU General Insurance Ltd, Allianz EFU Health Insurance Limited, Ethica Institute of Islamic Finance USA, Jana Capital-Brunei Darussalam, Master Trainer of AAOIFI Bahrain etc. Mufti Ibrahim has also written more than four thousand Fatawas on different topics.



# Independent Reasonable Assurance Report to the Board of Directors on the Statement of Management's Assessment of Compliance with the Shariah Principles

Independent Reasonable Assurance Report to the Board of Directors on the Statement of Management's Assessment of Compliance with the Shariah Principles

We were engaged by the Board of Directors of EFU Life Assurance Limited ("the Company") to report on the management's assessment of compliance of the Window Takaful Operations ("Takaful Operations") of the Company, as set out in the annexed statement prepared by the management for the year ended 31 December 2020, with the Takaful Rules, 2012, in the form of an independent reasonable assurance conclusion about whether the annexed statement presents fairly the status of compliance of the Operations with the Takaful Rules, 2012, in all material respects.

## Applicable Criteria

The criteria against which the subject matter information (the Statement) is assessed comprise of the provisions of Takaful Rules, 2012.

## Responsibilities of the Management

The Board of Directors / management of the Company are responsible for designing, implementing and maintaining internal controls relevant to the preparation of the annexed statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Takaful Operations with the Takaful Rules, 2012.

The Board of Directors / management of the Company are also responsible for preventing and detecting fraud and for identifying and ensuring that the Takaful Operations comply with laws and regulations applicable to its activities. They are also responsible for ensuring that the management, where appropriate, those charged with governance, and personnel involved with the Takaful Operations compliance with the Takaful Rules, 2012 are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

## Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Our responsibilities

Our responsibility is to examine the annexed statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement presents fairly the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

The procedures selected depend on our judgment, including the assessment of the risks of material non-compliances with the Takaful Rules, 2012, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Takaful Operations compliance with the Takaful Rules, 2012, in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's internal control over the Takaful Operations' compliance with the Takaful Rules, 2012. Reasonable assurance is less than absolute assurance.

A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with Takaful Rules, 2012, and consequently cannot provide absolute assurance that the objective of compliance with Takaful Rules, 2012, will be met. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

The procedures performed included:

- Evaluate the systems, procedures and practices in place with respect to the Takaful operations against the Takaful Rules, 2012 and Shariah advisor's guidelines;
- Evaluating the governance arrangements including the reporting of events and status to those charged with relevant responsibilities, such as the Audit Committee! Shari'ah Advisor and the board of directors;
- Test for a sample of transactions relating to Takaful operations to ensure that these are carried out in accordance with the laid down procedures and practices including the regulations relating to Takaful operations as laid down in Takaful Rules, 2012; and
- Review the statement of management's assessment of compliance of the Takaful transactions for the year ended 31 December 2020 with the Takaful Rules, 2012.

## Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the annexed statement, for the year ended 31 December 2020, presents fairly the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

Date: 26 February 2021  
Karachi

KPMG Taseer Hadi & Co.  
Chartered Accountants



## Statement of Compliance with the Code of Corporate Governance for Insurers, 2016 & Listed Companies (Code of Corporate Governance) Regulations, 2019, For the year ended 31 December 2020

This statement is being presented in compliance with the Code of Corporate Governance for Insurers, 2016 (the Code) and Listed Companies (Code of Corporate Governance) Regulations, 2019 for the purpose of establishing a framework of good governance, whereby an insurer is managed in compliance with the best practices of Corporate Governance.

The Company, being an insurer, has applied the principles contained in the said Codes in the following manner:

1. The total number of directors are Ten as per the following, -
  - a. Male: Nine
  - b. Female: One
2. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

<u>Category</u>	<u>Name</u>
Independent Director	Mrs. Rukhsana Shah
Independent Director	Mr. Ruhail Muhammad
Independent Director	Mr. Ahsen Ahmed
Executive Director	Mr. Taher G. Sachak
Non-Executive Director	Mr. Rafique R. Bhimjee
Non-Executive Director	Mr. Saifuddin N. Zoomkawala
Non-Executive Director	Mr. Hasanali Abdullah
Non-Executive Director	Mr. S. Salman Rashid
Non-Executive Director	Mr. Ali Raza Siddiqui
Non-Executive Director	Mr. Daanish Bhimjee

The independent directors meet the criteria of independence under the Code.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies including this company.
4. All the resident directors of the company have confirmed that they are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of stock exchange, has been declared as a defaulter by a stock exchange.
5. No casual vacancy occurred during the year. Election of directors were held on July 08, 2020 to elect 10 Directors for a period of three years commencing from July 10, 2020.
6. The Company has prepared a Code of Conduct, which has been disseminated among all the directors and employees of the Company.
7. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
8. All powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, other executive directors and the key officers, have been taken by the Board.
9. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven (7) days before the meeting. The minutes of the meeting were appropriately recorded and circulated.
10. The Board has established a system of sound internal control, which is effectively implemented at all levels within the Company. The Company has adopted and complied with all the necessary aspects of internal controls given in the Code.



11. The Board arranged an orientation course for all its directors in the form of booklet which was submitted to the Board of Directors during the year to 'apprise them of their duties and responsibilities and also about changes in laws and regulations.
12. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
13. There was no change of Chief Financial Officer, Head of Internal Audit and Company Secretary. The Board has approved the remuneration of CFO & Company Secretary and the Head of Internal Audit Department.
14. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and the Listed Companies (CCG) Regulations, 2019 and fully describes the salient matters required to be disclosed.
15. The financial statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.
16. The Directors, Chief Executive Officer and other executives do not hold any interest in the shares of the Company other than disclosed in the pattern of shareholding.
17. The Company has complied with all the corporate and financial reporting requirements of the Code and Listed Companies (CCG) Regulations, 2019.
18. The Board has formed the following Management Committees under the Code:

#### Underwriting Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Taher G. Sachak	Chairman (Chief Executive Officer)
Dr. Tajuddin A. Manji	Member
Mr. Zain Ibrahim	Member
Mr. Hasan Sheikh	Member
Dr. Asadul Hadi Siddiqui	Member

#### Claim Settlement Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Taher G. Sachak	Chairman (Chief Executive Officer)
Mr. Arshad Iqbal	Member
Dr. Ammara Moazzum	Member
Mr. Sajjad Hussain	Member

#### Reinsurance & Co-insurance Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Taher G. Sachak	Chairman (Chief Executive Officer)
Mr. Mohammad Ali Ahmed	Member
Mr. Zain Ibrahim	Member
Mr. Raza Hasan	Member
Mr. Ali Qureshi	Member

#### Risk Management & Compliance Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Taher G. Sachak	Chairman (Chief Executive Officer)
Mr. Mohammed Ali Ahmed	Member
Mr. S. Shahid Abbas	Member
Mr. Zain Ibrahim	Member
Mr. Ali Qureshi	Member
Mr. Abbas Hussain	Member
Mr. Abdul Mujeeb	Member

19. The Board has formed the following Board Committees.

#### Ethics, Human Resource & Remuneration Committee:

<u>Name of the Member</u>	<u>Category</u>
Mrs. Rukhsana Shah	Chairperson (Independent Director)
Mr. Rafique R. Bhimjee	Member (Non-Executive Director)
Mr. Saifuddin N. Zoomkawala	Member (Non-Executive Director)
Mr. Taher G. Sachak	Member (Chief Executive Officer)

#### Investment Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Rafique R. Bhimjee	Chairman (Non-Executive Director)
Mr. Saifuddin N. Zoomkawala	Member (Non-Executive Director)
Mr. Taher G. Sachak	Member (Chief Executive Officer)
Mr. Hasanali Abdullah	Member (Non-Executive Director)
Mr. Daanish Bhimjee	Member (Non-Executive Director)
Mr. Omer Morshed	Member
Mr. S. Shahid Abbas	Member (Chief Financial Officer)
Mr. Mohammed Ali Ahmed	Member (Actuary)

20. The Board has formed an Audit Committee. It comprises of six members, of whom two are independent directors and four are non-executive directors. The chairman of the Committee is an independent director. The composition of the Audit Committee is as follows:

#### Audit Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Ruhail Muhammad	Chairman (Independent Director)
Mrs. Rukhsana Shah	Member (Independent Director)
Mr. Saifuddin N. Zoomkawala	Member (Non-Executive Director)
Mr. Hasanali Abdullah	Member (Non-Executive Director)
Mr. Ali Raza Siddiqui	Member (Non-Executive Director)
Mr. Daanish Bhimjee	Member (Non-Executive Director)

21. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
22. The meetings of the Committees, except Ethics, Human Resource and Remuneration Committee, were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. Ethics, Human Resource and Remuneration Committee meeting was held once during the year.
23. The Board has set up an effective internal audit department which comprises of suitably qualified and experienced staff for the purpose and are conversant with the policies and procedures of the Company and are involved in the internal audit function on a regular basis.

24. The Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Head of Internal Audit possess such qualification and experience as is required under the Code. The Appointed Actuary of the Company also meets the conditions as laid down in the said Code. Moreover, the persons heading the underwriting, claim, reinsurance, risk management and grievance functions / departments possess qualification and experience of direct relevance to their respective functions, as required under section 12 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000):

<u>Name of the Person</u>	<u>Designation</u>
Mr. Taher G. Sachak	Chief Executive Officer
Mr. S. Shahid Abbas	Chief Financial Officer
Mr. Abbas Husain	Company Secretary & Compliance Officer
Mr. Mohammed Ali Ahmed	Actuary
Mr. Mohammad Abbas	Head of Internal Audit
Mr. Zain Ibrahim	Head of Underwriting
Dr. Ammara Moazzum	Head of Claims
Mr. Ali Qureshi	Head of Reinsurance & Head of Risk Management
Mr. Arshad Iqbal	Head of Grievance Dept.

25. The statutory auditors of the Company have been appointed from the panel of auditors approved by the Commission in terms of section 48 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000). The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the insurer and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.
26. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
27. The Appointed Actuary of the Company has confirmed that he or his spouse and minor children do not hold shares of the Company.
28. The Board ensures that the Appointed Actuary complies with the requirements set out for him in the Code.
29. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provisions of the Code.
30. The Board ensures that the risk management system of the Company is in place as per the requirement of the Code.
31. The Company has set up a risk management function / department, which carries out its tasks as covered under the Code.
32. The Board ensures that as part of the risk management system, the Company gets rated from VIS credit rating agency which is being used by its risk management function / department and the respective Committee as a risk monitoring tool. The rating assigned by the said rating agency on 21 August 2020 is AA+ with stable outlook.
33. The Board has set up a grievance department / function, which fully complies with the requirements of the Code.
34. All directors are either already certified or exempt from the said requirement under Code.
35. The Company has not obtained any exemption from the Securities and Exchange Commission of Pakistan in respect of the requirements of the Code.
36. We confirm that all other material principles contained in the Code of Corporate Governance for Insurers, 2016 have been complied with.

37. We confirm that all requirements no. 3, 6, 7, 8, 27, 32, 33 and 36 of the Listed Companies (CCG) Regulations, 2019 have been complied with.

Regulation 6: The Board of the Company comprises of ten elected directors and one-third works out to be 3.33. Presently, three (3) independent directors were elected by the shareholders in terms of Section 166 of the Companies Act, 2017, which have requisite competencies, skills, knowledge, and experience to discharge and execute their duties competently as per laws and regulations under which, hereby, fulfill the requirements; not warrant the appointment of a forth independent director.

Regulation 33: External auditors' KPMG Taseer Hadi & Co. Chartered Accountants completed their tenure of five years. The company has obtained the extension from SECP to have the same auditor, KPMG Taseer Hadi & Co. Chartered Accountants as of our holding company, EFU General Insurance Limited in pursuance to the requirement of CCG that all inter-related companies / institutions, engaged in business of providing financial services shall appoint the same firm of auditors to conduct the audit of their accounts.

TAHER G. SACHAK  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Director

HASANALI ABDULLAH  
Director

RAFIQUE R. BHIMJEE  
Chairman

Karachi February 24, 2021



## Independent Auditor's Review Report on the Statement of Compliance contained in the Code of Corporate Governance for Insurers, 2016 and Listed Companies (Code of Corporate Governance) Regulations, 2019

Review Report on the Statement of Compliance with the Code of Corporate Governance for Insurers, 2016 and the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Code of Corporate Governance for Insurers, 2016 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (combined called 'the Code') prepared by the Board of Directors of EFU Life Assurance Limited ('the Company') for the year ended 31 December 2020 in accordance with the requirements of the Code.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Code as applicable to the Company for the year ended 31 December 2020.

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KPMG Taseer Hadi & Co.  
Chartered Accountants

Karachi March 01, 2021





# Independent Auditor's Report

To the members of EFU Life Assurance Limited

Report on the Audit of the Financial Statements

## Opinion

We have audited the annexed financial statements of EFU Life Assurance Limited ("the Company"), which comprise the statement of financial position as at 31 December 2020, the statement of profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement together with the notes forming part thereof, conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of Company's affairs as at 31 December 2020 and of the profit, total comprehensive income, the changes in equity and its cash flows for the year then ended.

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matter

We draw attention to note 23 to the financial statements, which describes that the Company has challenged the scope and applicability of the provincial sales tax on services on the premium from life insurance business in the provincial High Courts.

Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S.No.	Key audit matters	How the matters were addressed in our audit
1	<p><b>Insurance Liabilities</b></p> <p>Refer to note 19 to financial statements relating to insurance liabilities.</p> <p>The Company's insurance liabilities represent 97% of its total liabilities. Approximately 96% of these liabilities are for unit linked business. Valuation of insurance / takaful contract liabilities involve significant judgment, actuarial assumptions such as; mortality, persistency, morbidity, investment returns, expense levels and inflation, and the use of methods adopted for actuarial valuations.</p>	<p>Our procedures in respect of this matter included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, assessed the design and tested the operating effectiveness of controls established for unit linked business for allocation and surrender of units and calculation of bid value per unit;</li> <li>• Assessed the adequacy of the reserve for bid value of allocated units of unit linked business, by applying the bid value to the total number of units extracted from the system;</li> <li>• Assessed the adequacy of reserving of various components of Insurance liabilities, other than bid value reserves including reserves of non-linked businesses, by testing calculations on the relevant data obtained from system generated reports;</li> <li>• Obtained an understanding, evaluated the design and tested the controls related to reinsurance arrangements;</li> <li>• Obtained understanding of the work performed by the appointed actuary; and</li> <li>• Used an external actuarial specialist to assist us in challenging the general principles, actuarial assumptions and methods adopted for actuarial valuations by the appointed actuary of the Company.</li> </ul>
2	<p><b>Insurance Benefits</b></p> <p>Refer to note 29 to financial statements for insurance benefits.</p> <p>The total claims expense net of reinsurances and related expenses for the year in respect of death, non-death, maturity, surrenders and partial surrender claims amounted to Rs. 17.86 billion.</p> <p>Claim expenses are recognized on intimation of the insured event except for individual life businesses where the same are recognized at the earlier of the maturity of contract and intimation of insured event.</p> <p>The recognition of insurance benefits involves judgment and a risk that claims may not be recognized in the appropriate period.</p>	<p>Our procedures in respect of this matter included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, evaluated the design and tested the controls over the process of capturing, processing and recording of information related to the claims;</li> <li>• For a risk-based sample of claims outstanding at the year-end, other than for unit linked business, compared the liability recorded with the terms of the policy; and</li> <li>• For a risk-based sample of claims reported near to year end and subsequent to year end, evaluated that these are recorded in the appropriate period.</li> </ul>

S.No.	Key audit matters	How the matters were addressed in our audit
3	<p><b>Revenue Recognition</b></p> <p>Refer to note 24 to financial statements for Insurance Premiums / Contributions Revenue and 25 for investment income.</p> <p>The Company receives its revenue primarily from two main sources namely; premiums / contributions and investments income.</p> <p>We identified revenue recognition as a key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not be recognized in the appropriate period.</p>	<p>Our procedures in respect of this matter included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, evaluated the design and tested the controls over the process of capturing, processing and recording of information related to premiums and investment income;</li> <li>• For a risk-based sample of policies of non-unit linked business where premium is outstanding at the year end, compared receivable recorded with the terms of policy;</li> <li>• For a risk-based sample of policies of which premium / contribution was received / due near to period end and subsequent to period end, evaluated that these were recorded in the appropriate period; and</li> <li>• For a sample of investment income transactions, tested that investment income is recorded based on the effective interest method or where right to receive the dividend is established.</li> </ul>
4	<p><b>Classification, valuation and impairment of investments</b></p> <p>Refer to note 7 to 11 to financial statements and the accounting policies in notes 3.11 for investments.</p> <p>The Company's investment portfolio comprises of government debt securities, equity securities, other fixed income securities and Term deposits.</p> <p>Investments carried at Fair Value through Profit or loss represent 81% of the total investments while investments classified as Available-for-sale and Held to Maturity represent 19% of total investments.</p> <p>We identified the classification, valuation and impairment of investments as key audit matter because of the significance of investments and management's judgment involved in classification and impairment.</p>	<p>Our procedures in respect of this matter included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, evaluated the design and tested the operating effectiveness of controls designed for classifications and valuation of all investments and for impairment of investments classified as available for sale;</li> <li>• Tested on a sample basis, specific purchases and sale transactions recorded during the year with underlying documentation;</li> <li>• Evaluated designation of securities, recording of investments purchased among the statutory funds by testing the individual transactions on a sample basis;</li> <li>• For a sample of investments we tested the valuation by agreeing the prices with quoted marked yields obtained from Reuters for Government securities, prices quoted on Pakistan Stock Exchange for equity securities and prices quoted by Mutual Funds Association of Pakistan for other debt securities; and</li> <li>• We assessed the appropriateness of impairment in the value of available for sale securities in accordance with the requirements of accounting and reporting standards.</li> </ul>

## Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other Information. The other information comprises of the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Insurance Ordinance, 2000 and, Companies Act, 2017 (XIX of 2017), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit, in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000, the Companies Act, 2017 (XXI of 2017), and are in agreement with the books of account;
- c) the apportionment of assets, liabilities, revenue and expenses between two or more funds has been performed in accordance with the advice of the appointed actuary;
- d) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- e) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Zeeshan Rashid.

Date: March 01, 2021  
Karachi

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**KPMG Taseer Hadi & Co.**  
Chartered Accountants





# Statement of Financial Position

## As At 31 December 2020

(Rupees '000)

	Note	31 December 2020	31 December 2019
<b>Assets</b>			
Properties and equipments	5	2 443 398	2 505 661
Right of use asset		440 811	378 026
Intangible assets	6	38 700	24 733
Investments			
Equity securities	7	39 239 825	10 472 542
Government securities	8	74 461 100	76 203 542
Debt securities	9	7 983 738	9 319 491
Term deposits	10	19 062 000	19 659 000
Open-ended mutual funds	11	1 685 371	410 714
Insurance / reinsurance receivables	12	200 586	253 999
Other loans and receivables	13	2 652 996	3 235 945
Taxation - payments less provision		854 654	1 061 222
Prepayments	15	81 666	51 216
Cash & Bank	16	5 335 091	5 713 548
<b>Total Assets</b>		<b>154 479 936</b>	<b>129 289 639</b>
<b>Equity and Liabilities</b>			
Authorised share capital			
150 000 000 ordinary shares (2019: 150 000 000) of Rs.10 each]		1 500 000	1 500 000
Ordinary share capital:100 000 000(2019:100 000 000) ordinary shares of Rs.10 each		1 000 000	1 000 000
Retained earnings arising from business other than participating business			
attributable to shareholders (Ledger account D)	17.3	1 973 336	1 730 534
Reserves	18	2 000 000	2 000 000
Surplus on revaluation of available for sale investment-net of tax		38 311	50 986
Unappropriated profit		1 163 442	1 126 420
<b>Total Equity</b>		<b>6 175 089</b>	<b>5 907 940</b>
<b>Liabilities</b>			
Insurance Liabilities	19	143 513 015	119 153 655
Deferred taxation	14	804 232	743 179
Premium received in advance		1 220 106	969 354
Insurance / reinsurance payables	20	183 440	258 031
Lease Liability		503 513	415 108
Other creditors and accruals	21	2 080 541	1 842 372
		4 791 832	4 228 044
<b>Total Liabilities</b>		<b>148 304 847</b>	<b>123 381 699</b>
<b>Total Equity and Liabilities</b>		<b>154 479 936</b>	<b>129 289 639</b>
<b>Contingency(ies) and commitment(s)</b>	23		

The annexed notes 1 to 46 form an integral part of these condensed interim financial statements.

TAHER G. SACHAK  
Managing Director &  
Chief Executive

SYED SHAHID ABBAS  
Chief Financial  
Officer

SAIFUDDIN N. ZOOMKAWALA  
Director

HASANALI ABDULLAH  
Director

RAFIQUE R. BHIMJEE  
Chairman

Karachi February 24, 2021



# Statement of Profit and Loss Account

## For The Year Ended 31 December 2020

		(Rupees '000)	
	Note	31 December 2020	31 December 2019
Premium / contribution revenue		32 545 748	31 750 084
Premium / retakaful ceded to reinsurers		( 892 409 )	( 608 450 )
<b>Net premium / contribution revenue</b>	24	<b>31 653 339</b>	<b>31 141 634</b>
Investment income	25	11 468 634	11 589 124
Net realised fair value gains / (losses) on financial assets	26	3 823 955	(7 807 925 )
Net fair value gains / (losses) on financial assets at fair value through profit or loss	27	5 544 040	3 074 567
Other income	28	60 859	64 525
		<b>20 897 488</b>	<b>6 920 291</b>
<b>Net income</b>		<b>52 550 827</b>	<b>38 061 925</b>
Insurance benefits		18 587 039	16 115 441
Recoveries from reinsurers		( 735 701 )	( 446 390 )
Claims related expenses		9 354	8 382
<b>Net insurance benefits</b>	29	<b>17 860 692</b>	<b>15 677 433</b>
Net change in insurance liabilities (other than outstanding claims)		23 624 404	11 046 950
Acquisition expenses	30	6 628 177	7 322 986
Marketing and administration expenses	31	1 878 788	1 761 327
Other expenses	32	31 533	26 482
Reversal of WWF		–	( 127 426 )
<b>Total expenses</b>		<b>32 162 902</b>	<b>20 030 319</b>
<b>Profit before tax (Refer note below)</b>		<b>2 527 233</b>	<b>2 354 173</b>
Income tax expense	33	( 743 083 )	( 804 909 )
<b>Profit after tax for the year</b>		<b>1 784 150</b>	<b>1 549 264</b>
<b>Earnings per share - Rupees</b>	34	<b>17.84</b>	<b>15.49</b>

The annexed notes 1 to 46 form an integral part of these condensed interim financial statements.

### Note:

Profit before tax is inclusive of the amount of the profit before tax of the Shareholders' Fund, the Surplus Transfer from the Revenue Account of the Statutory Funds to the Shareholders' Fund based on the advice of the Appointed Actuary, and the undistributed surplus in the Revenue Account of the Statutory Funds which also includes the solvency margins maintained in accordance with the Insurance Rules, 2017. For details of the Surplus Transfer from the Revenue Account of the Statutory Funds to the Shareholders' Fund aggregating to Rs. 2,058 million (2019: Rs. 1,985 million), please refer to note 37, relating to segmental information - Revenue Account by Statutory Fund.

TAHER G. SACHAK  
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Director

RAFIQUE R. BHIMJEE  
Chairman

Karachi February 24, 2021



# Statement of Comprehensive Income

## For The Year Ended 31 December 2020

(Rupees '000)

	31 December 2020	31 December 2019
Profit after tax for the year - as per Profit and Loss Account	1 784 150	1 549 264
<b>Other Comprehensive Income:</b>		
<b>Items that may be reclassified to profit and loss in subsequent periods:</b>		
Change in unrealised losses on available-for-sale financial assets	( 23 716 )	( 48 054 )
Reclassification adjustment relating to available-for-sale investments sold during the period	4 010	13 227
	( 19 706 )	( 34 827 )
Related deferred tax	7 031	10 100
Other comprehensive loss for the year- net of tax	( 12 675 )	( 24 727 )
<b>Total comprehensive income for the year</b>	<b>1 771 475</b>	<b>1 524 537</b>

The annexed notes 1 to 46 form an integral part of these condensed interim financial statements.

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# Cash Flow Statement

## For The Year Ended 31 December 2020

		(Rupees '000)	
	Note	31 December 2020	31 December 2019
<b>Operating cash flows</b>			
<b>a) Underwriting activities</b>			
Insurance premium / contribution received		32 876 109	31 691 979
Reinsurance premium / Retakaful contribution paid		( 968 067 )	( 553 589 )
Claims paid		( 17 881 536 )	( 15 465 938 )
Reinsurance and other recoveries received		735 699	446 390
Commission paid		( 4 259 441 )	( 4 681 691 )
Marketing and administrative expenses paid		( 1 878 788 )	( 1 761 327 )
Other acquisition cost paid		( 2 169 076 )	( 2 252 359 )
Net cash flow from underwriting activities		6 454 900	7 423 465
<b>b) Other operating activities</b>			
Income tax paid		( 468 430 )	( 1 456 494 )
Other operating (payments) / receipts		( 124 873 )	1 930 662
Loans advanced		( 134 500 )	( 159 777 )
Loans repayments received		92 661	111 844
Net cash flow from other operating activities		( 635 142 )	426 235
<b>Total cash flow from all operating activities</b>		5 819 758	7 849 700
<b>Investment activities</b>			
Profit / Return received		11 147 525	9 052 766
Dividends received		991 537	916 082
Payments for investments		( 96 170 772 )	( 399 998 142 )
Proceed from disposal of investments		79 185 920	389 808 828
Fixed capital expenditure		( 344 132 )	( 464 115 )
Proceeds from sale of property and equipment		49 188	85 473
<b>Total cash flow from investing activities</b>		( 5 140 734 )	( 599 108 )
<b>Financing activities</b>			
Dividends paid		( 1 500 000 )	( 1 575 000 )
Payment against lease liability		( 154 480 )	( 138 507 )
<b>Total cash flow from financing activities</b>		( 1 654 480 )	( 1 713 507 )
<b>Net cash flow from all activities</b>		( 975 456 )	5 537 085
Cash and cash equivalents at beginning of the year		25 372 547	19 835 462
Cash and cash equivalents at end of the year	16.2	24 397 091	25 372 547
<b>Reconciliation to profit and loss account</b>			
Operating cash flows		5 819 758	7 849 700
Depreciation expense		( 340 807 )	( 327 610 )
Depreciation on Right-of-use-assets		( 136 048 )	( 131 214 )
Amortization expense		( 22 553 )	( 12 871 )
Profit on disposal of property and equipment		20 119	33 569
Other revenue		18 620	21 032
Profit on lease termination		9 666	-
Finance cost on lease liabilities		( 53 717 )	( 44 374 )
Profit/(Loss) on disposal of investments		3 823 955	( 7 807 925 )
Dividend income		979 006	904 029
Other investment income		10 384 948	10 919 144
Appreciation in market value of investments		6 121 623	3 274 840
Reversal of impairment in the value of available for sale equity investments		53 020	13 350
(Decrease) in assets other than cash		( 710 489 )	( 289 541 )
Increase in liabilities		( 24 182 951 )	( 12 852 865 )
<b>Profit after tax for the year</b>		1 784 150	1 549 264

The annexed notes 1 to 46 form an integral part of these condensed interim financial statements.

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Chairman

Karachi February 24, 2021



# Statement of Changes in Equity

## For The Year Ended 31 December 2020

(Rupees '000)

	Attributable to the equity holders' of the Company					
	Share Capital	General Reserve	Retained earnings arising from business other than participating business attributable to shareholders (ledger account D)-net of tax*	Surplus on revaluation of available for sale investment net of tax	Unappropriated Profit	Total
Balance as at 1 January 2019 (as reported)	1 000 000	2 150 000	1 748 449	75 713	1 053 434	6 027 596
Adjustment due to change in accounting policy	–	–	( 69 193 )	–	–	( 69 193 )
Balance as at 1 January 2019 re-stated	1 000 000	2 150 000	1 679 256	75 713	1 053 434	5 958 403
<b>Comprehensive Income for the year ended 31 December 2019</b>						
Income for the year ended 31 December 2019	–	–	( 55 225 )	–	1 604 489	1 549 264
Other Comprehensive loss	–	–	–	( 24 727 )	–	( 24 727 )
Total income for the year ended 31 December 2019	–	–	( 55 225 )	( 24 727 )	1 604 489	1 524 537
Contribution to increase solvency margin	–	–	106 503	–	( 106 503 )	–
Transfer from General Reserve	–	( 150 000 )	–	–	150 000	–
<b>Transactions with shareholders</b>						
Dividend for the year ended 31 December 2018	–	–	–	–	( 1 125 000 )	( 1 125 000 )
Interim Dividend-1st Quarter 2019	–	–	–	–	( 150 000 )	( 150 000 )
Interim Dividend-2nd Quarter 2019	–	–	–	–	( 150 000 )	( 150 000 )
Interim Dividend-3rd Quarter 2019	–	–	–	–	( 150 000 )	( 150 000 )
	–	–	–	–	( 1 575 000 )	( 1 575 000 )
Balance as at 31 December 2019	1 000 000	2 000 000	1 730 534	50 986	1 126 420	5 907 940
Balance as at 1 January 2020	1 000 000	2 000 000	1 730 534	50 986	1 126 420	5 907 940
<b>Comprehensive Income for the year ended 31 December 2020</b>						
Income for the period ended 31 December 2020	–	–	221 019	–	1 563 131	1 784 150
Capital contribution transferred to policyholder liability	–	–	( 4 326 )	–	–	( 4 326 )
Other Comprehensive loss	–	–	–	( 12 675 )	–	( 12 675 )
	–	–	216 693	( 12 675 )	1 563 131	1 767 149
Contribution to increase solvency margin	–	–	26 109	–	( 26 109 )	–
<b>Transactions with shareholders</b>						
Dividend for the year ended 31 December 2019	–	–	–	–	( 1 050 000 )	( 1 050 000 )
Interim Dividend-1st Quarter 2020	–	–	–	–	( 150 000 )	( 150 000 )
Interim Dividend-2nd Quarter 2020	–	–	–	–	( 150 000 )	( 150 000 )
Interim Dividend-3rd Quarter 2020	–	–	–	–	( 150 000 )	( 150 000 )
	–	–	–	–	( 1 500 000 )	( 1 500 000 )
Balance as at 31 December 2020	1 000 000	2 000 000	1 973 336	38 311	1 163 442	6 175 089

\*This include balances maintained in accordance with the requirements of section 35 of the Insurance Ordinance ,2000 read with rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for the carrying on of the life insurance business.

The annexed notes 1 to 46 form an integral part of these condensed interim financial statements.

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Karachi February 24, 2021





# Notes to and forming part of the Financial Statements For The Year Ended 31 December 2020

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 EFU Life Assurance Limited (the Company) was incorporated in Pakistan on 09 August 1992 as a public limited company under the Repealed Companies Ordinance, 1984 (now Companies Act, 2017) and started its operation from 18 November 1992. The shares of the Company are quoted on Pakistan Stock Exchange. The Registered office of the Company is located at Al-Malik Centre, 70W, F-7/G-7 Jinnah Avenue, Islamabad while principal place of business is located at EFU Life House Plot No.112, 8th East street, Phase 1, DHA, Karachi.
- 1.2 The Company is a subsidiary of EFU General Insurance Limited on the basis of its ability to control the composition of the Board of Directors of EFU Life Assurance Limited effective 31 March 2018.
- 1.3 The Company is engaged in life insurance business including ordinary life business, pension fund business and accident and health business and has established following statutory funds, as required by the Insurance Ordinance, 2000:
- Investment Linked business (includes individual life business)
  - Conventional business (includes group life and individual life businesses)
  - Pension business (unit linked)\*
  - Accident and health business
  - Family Takaful Investment Linked Business (Refer note 1.4)
  - Family Takaful Protection Business (Refer note 1.4)
- \* The Company had discontinued pension business and accordingly no new business has been written under this fund.
- 1.4 The Company was granted authorisation on 19 January 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Takaful Window Operation in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on 6 February 2015 under the brand name "Hemayah". For the purpose of carrying on takaful business, the Company has formed a Waqf namely EFU Life - Window Family Takaful Limited Waqf (here-in-after referred to as the Participant Takaful Fund (PTF)) was formed on 6 February 2015 under a Waqf deed executed by the Company with a cede amount of Rs. 2 million. The cede 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 Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Company.

## 2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

- 2.1 These financial statements have been prepared on the format of financial statements issued by the Securities and Exchange Commission of Pakistan (SECP) through the Insurance Rules, 2017 vide its S.R.O. 89(1) / 2017 dated 09 February 2017.
- 2.2 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:
- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Takaful Rules, 2012 and Insurance Accounting Regulations, 2017; and
  - Islamic Financial Accounting Standards (IFAS) (as a lease) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017.

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

## 2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the available for sale investments which are stated at their fair values.

## 2.4 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded to the nearest thousands.

## 2.5 Standards, Interpretations and Amendments effective in 2020

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after 01 January 2020 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these financial statements, except those disclosed in note 5 and note 2.5.1.

## 2.6 Application of IFRS 9 and IFRS 17

IFRS 9 'Financial Instruments' is effective for reporting year ended 31 December 2019. It replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Amendment to IFRS 4 'Insurance Contracts' - Applying IFRS 9 'Financial Instruments' with IFRS 4 addresses issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from 1 July 2018 onwards to remove from profit or loss the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied.

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

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

IFRS 9 defines the terms "principal" as being the fair value of the financial asset at initial recognition, and the "interest" as being compensation for (i) the time value of money, and (ii) the credit risk associated with the principal amount outstanding during a particular period of time.

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

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

## Financial assets

(Rupees '000)

	31 December 2020			
	Fail the SPPI test		Pass the SPPI test	
	Fair value	Change in unrealized gain or loss during the year	Fair Value	Change in unrealized gain or loss during the year
Cash and bank *	-	-	5 335 091	-
Investments in equity securities	39 239 824	4 361 417	-	-
Investments in debt securities	-	-	82 444 838	1 128 686
Term Deposits	-	-	19 062 000	-
Mutual Funds	1 685 371	-	-	-
	<u>40 925 195</u>	<u>4 361 417</u>	<u>106 841 929</u>	<u>1 128 686</u>

(Rupees '000)

	31 December 2020											
	Gross carrying amounts of debt instruments that pass the SPPI test											
	AA+	A+	A	AA	AA-	AAA	A-1	A-	BBB+	A-1+	A-2	Unrated
Cash and bank *	-	-	19 039	-	-	-	1 449 017	-	-	3 861 548	562	4 925
Investments in equity securities	-	-	-	-	-	-	-	-	-	-	-	-
Investments in debt securities	357 870	759 874	-	4 228 966	197 577	2 176 670	-	7 141	37 086	-	-	74 469 654
Term Deposits / Certificate of investment		1 000 000	-	-	-	-	-	3 967 000	-	14 095 000	-	210 000
Total gross carrying amounts of financial assets that pass the SPPI test	<u>357 870</u>	<u>1 759 874</u>	<u>19 039</u>	<u>4 228 966</u>	<u>197 577</u>	<u>2 176 670</u>	<u>1 449 017</u>	<u>3 974 141</u>	<u>37 086</u>	<u>17 956 548</u>	<u>562</u>	<u>74 684 579</u>

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

## 2.7 Standards, Interpretations and amendments not effective at year end

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2021:

- COVID-19-Related Rent Concessions (Amendment to IFRS 16) – the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
  - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
  - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
  - there is no substantive change to the other terms and conditions of the lease.

- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met. The amendments are not likely to affect the financial statements of the Company.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarify what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application. The amendments are not likely to affect the financial statements of the Company.

- Annual Improvements to IFRS standards 2018-2020:

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. The amendments are not likely to affect the financial statements of the Company.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented. The amendments are not likely to affect the financial statements of the Company.
- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.

- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year.

#### 3.1 Property and Equipment

These are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation is calculated so as to write off the depreciable amount of the assets over their expected useful lives at the rates specified in note 5.1 to the financial statements, after taking into account residual value, if any. The useful lives, residual values and depreciation methods are reviewed and adjusted, if appropriate, at each balance sheet date.

Depreciation on additions is charged from the quarter in which an asset is available for use while no depreciation is charged for the quarter in which asset is disposed off.

Subsequent cost are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is possible that the future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. Revenue expenditures are charged to profit and loss account.

An item of fixed asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gain and losses on disposal, if any, of assets are included in statement of profit and loss account.

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable. If any such indications exist and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

#### 3.2 Leases

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Company mainly lease properties for its operations and recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method from the commencement date to the earlier of end of the useful life of the right-of-use asset or end of lease term. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate of the Company. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term and low value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term. The right-of-use assets are presented in the same line item as it presents underlying assets for the same nature it owns.



### 3.3 Intangible assets

These are stated at cost less accumulated amortization and any impairment in value. Amortization on intangible fixed assets is charged to profit and loss account applying the straight line method at the rates specified in note 7 to the financial statements after taking into account residual value, if any.

Amortization is charged from the quarter the assets are available for use and no amortization is charged for the quarter in which the asset is disposed off. The useful life and amortization method is reviewed, and adjusted if appropriate, at each balance sheet date.

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable, if any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

### 3.4 Insurance Contracts

#### Classification

The Company currently issues contracts that are classified as insurance and takaful contracts as they transfer significant insurance risk (against death, disability and sickness) from the policyholder to the Company. All contracts which include an investment element are unit-linked contracts linked to unit linked funds.

The Company classifies its business into Individual Life and Group Life businesses, in both cases the form of contract consisting of main plans and supplementary riders (which are generally optional).

Individual life business mainly consists of unit-linked products and conventional protection products, in both cases with optional supplementary riders which generally provide protection only. Group Life business consists primarily of protection products and a relatively small number of unit-linked policies.

### 3.5 Contract details and measurement

The insurance contracts offered by the Company are described below:

#### Individual Life Policies

These consist of the following types of policies:

#### (a) Unit-Linked Products

These are medium to long term unit-linked plans designed to address a variety of future policyholder needs, such as retirement planning, education planning for children, marriage planning for children, life protection and investments and savings for future. Premiums received from policyholders and after deduction of specified charges including risk charges, are invested in internal unit funds of the Company. The basic plan contains life cover over and above the unit value, with additional protection (for death, disability and sickness) being provided through the addition of optional riders.

#### (b) Conventional Protection Products

Two types of products are offered under Individual life conventional business, these being medium to long term contracts with level premiums being paid over the policy period. The Company offers a standard term life assurance product that offers protection in event of death as well as a decreasing term life assurance policy that covers outstanding loan balances.

#### (c) Family Takaful Investment linked Products

These are medium to long term unit-linked plans operated through Window Takaful Operations of EFU Life Assurance Limited.

The Company offers Unit-Linked Takaful Plans which provide shariah compliant financial protection and investment vehicle to individual participants. These plans carry cash value, and offer investment choices to the participants to direct their investment related contributions based on their risk / return objectives. The investment risk is borne by the participants.

#### **(d) Accident and Health Products**

These consist of long term and short term Accident and Health products providing cover against accidental death, disability, sickness and critical illness, offered both as long term as well as yearly renewable plans.

#### **(e) Other Supplementary Benefits**

The Company also offers a variety of supplementary benefits attached with main plans including additional term life assurance, income benefits, critical illness, sickness and accidental death and disability related benefits.

Group Life and Group Family Takaful Protection Policies

#### **(a) Nature of Contracts:**

The Company's group life and group takaful business consists of one year term life contracts which provide coverage, in the event of death or disability, to:

- employees of a common employer, benefits payable under these contracts being either fixed, in case of death, or linked to the extent of loss incurred by the policyholder, in case of disability;
- customers of financial institutions, the contracts being issued to financial institutions to protect their customers' outstanding loan balances, such as on personal loan, mortgages and credit cards.

Unit Linked Group Life policies are similar in nature to Individual Life Unit linked Products.

### **3.6 Policyholders' Liability**

Policyholders' liabilities are stated at a value determined by the appointed actuary through an actuarial valuation carried out as at each balance sheet date. In determining the value, both acquired policy values (which forms the bulk of policyholders' liabilities) as well as estimated values which will be payable against risks which the Company underwrites are taken into account. The bases used are applied consistently from year to year.

The basic liability consists of the estimated actuarial liability against each contract which is in force. To this are added:

- a) The cash value of policies which have lapsed over the last two years and where the liability would be reinstated in case of the policy being revived; and
- b) A reserve for potential losses on a policy by policy basis.

### **3.7 Reinsurance contracts held**

The Company has entered into reinsurance / retakaful (hereinafter referred to as "reinsurance") arrangements, for both its individual and group businesses, in order to manage risks associated with the frequency and severity of claims. These arrangements include cover under treaties as well as on a facultative basis. The terms of reinsurance treaties vary by type of business, the objective being to maintain a reasonable risk profile suiting the risk appetite and overall exposure to adverse movements in mortality or morbidity.

Primarily, reinsurance assets are amounts due from reinsurers with respect to recoveries under claims and profit commission. Reinsurance recoveries are measured according to the terms and conditions of the reinsurance contracts.

Reinsurance liabilities consist of amounts due to reinsurers on account of reinsurance premiums due which are measured according to the terms of the arrangements.

### **3.8 Receivables and payables related to insurance contracts**

Receivables and payables are recognised when due. These include amount due to and from agents and policyholders.

### **3.9 Operating Segments**

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting using the classes or sub classes of business (statutory funds) as specified under the Insurance Ordinance, 2000 and Insurance Rules, 2017 under regulatory accounts.

Based on its classification of Insurance contracts issued, the Company has six business segments for reporting purposes namely investment linked business, conventional business, pension business, accident and health business, Family takaful investment linked business and Family takaful protection business.

### 3.10 Cash and Cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents include the following:

- Cash at bank in current and saving accounts;
- Policy stamps in hand; and
- Term Deposits Receipts with original maturity upto three months.

### 3.11 Revenue recognition

- First year individual life premiums / contributions are recognized once the related policies have been issued and the premium is received. Renewal premiums are recognized upon receipt of premium provided the policy is still in force. Single premiums are recognized once the related policies are issued against the receipts of premium.
- Group life premiums are recognized when due. A provision for unearned premiums is included in the policyholders' liabilities.
- Interest / profit income on bank deposits is recognized on a time proportion basis using effective interest rate method.
- Fixed income securities are recorded on a time proportion basis using effective interest rate method.
- Dividend income is recognized when right to receive such dividend is established.

3.11.1 Experience refund of premium payable to Policyholders except for individual life unit linked is included in outstanding claims.

3.11.2 Reinsurance expense is recognized as a liability in accordance with the treaty arrangement of reinsurers.

### 3.12 Investments

All investments are initially recognized at cost, being the fair value of the consideration given and include transaction costs. All purchase and sale of investments that require delivery within the required time frame established by regulations or market convention are accounted for at the trade date. Trade date is the date when the Company commits to purchase or sell the investments. Subsequently the investments are classified as follows:

- **In equity securities**

#### **Fair Value through profit and loss**

Investments in equity securities relating to units assigned to policies of investment linked business, pension business and Family takaful investment linked business are subsequently measured at their fair values and the difference is charged to profit or loss account under the heading 'Fair value through Profit and loss Account'.

#### **Available for sale**

Investment related to non-unit linked fund subsequently measured at fair value and the difference is charged to Other comprehensive income under the heading 'Available for sale'.

- **In debt securities**

#### **Held-to-maturity**

Investment classified as held-to-maturity are subsequently measured at amortised cost less impairment, if any, taking into account any discount and premium on acquisition, using the effective rate of interest method.

#### **Fair value through profit and loss account**

Investments in debt securities relating to units assigned to policies of investment linked business, pension business and Family takaful investment linked business and investment related to non-unit linked funds are subsequently measured at their fair values and the difference is charged to profit and loss account.

- **In term deposits**

It represents investment in term deposits with banks held for short term usually less than 12 months.

- In mutual funds

#### **Fair Value through profit and loss**

Investments in mutual funds relating to units assigned to policies of investment linked business, pension business and Family takaful investment linked business are subsequently measured at their fair values and the difference taken in fair value through profit and loss account.

#### **Available for sale**

Investment related to non - unit linked fund subsequently measured at fair value and the difference is charged to Other comprehensive income under the heading 'Available for sale'.

- Fair / market value measurements

For investments in Government securities, fair / market value is determined by reference to quotations obtained from Reuters page (PKRV) where applicable. For investments in quoted marketable securities, other than Term Finance Certificates, fair / market value is determined by reference to Stock Exchange quoted market price at the close of business on balance sheet date. The fair market value of Term Finance Certificates is as per the rates issued by the Mutual Funds Association of Pakistan (MUFAP).

### **3.13 Off - setting of financial assets and liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set off and the Company intends either to settle the assets and liabilities on a net basis or to realize the asset and settle the liability simultaneously.

### **3.14 Provisions**

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event, and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

### **3.15 Taxation**

#### **Current**

Provision of current tax is based on the taxable income for the year determined in accordance with the Income Tax Ordinance, 2001. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments finalized during the current year for such years.

#### **Deferred**

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences at the balance sheet date between the tax bases and carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account and other comprehensive income.

### **3.16 Employees' retirement benefits - defined contribution plans**

- 3.16.1 The Company operates a contributory provident fund for all eligible employees to which equal monthly contributions at the rate of 8.33% of basic salary are made by both the Company and the employees. The contributions are recognized as employee benefit expense when they are due.
- 3.16.2 The Company also operate an approved funded contributory pension scheme for all eligible employees, whereby, fixed monthly contributions at the rate of 10% of the basic salary are made by the Company and the employees also have an option to contribute in the fund at the rate of 5%. At the time of cessation of employment / retirement,

employees are paid in full for their contribution, whereas, Company's contribution accumulated in the fund is paid to employees over the period of time in accordance with the rules of the fund.

### **3.17 Impairment of assets**

The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or group of assets. If such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss account.

### **3.18 Dividends and other appropriations**

Cash dividend to shareholders is recognized as liability in the period in which it is approved. Similarly all other appropriations other than those required by law including reserve for issue of bonus shares are recognized in the period in which they are approved.

### **3.19 Reinsurance assets**

Reinsurance contracts entered into by the Company with reinsurers for compensation of losses suffered on insurance contracts issued. Claim recoveries receivable from the reinsurers are recognized at the same time as the claim which give rise to the right of recovery and are measured at the amount expected to be recovered.

Reinsurance assets represent balances due from reinsurance companies which are stated on the basis of amounts receivable under the respective contract after considering any impairment in the value of such assets.

### **3.20 Statutory funds**

The Company maintains statutory funds for all classes of life insurance business. Assets, liabilities, revenues and expenses are recorded in respective funds, if referable or, on the basis of actuarial advice if not referable. Other assets, liabilities, revenues and expenses are allocated to shareholders' fund. Policyholders' liabilities have been included in statutory funds on the basis of the actuarial valuation carried out by the appointed actuary of the Company on the balance sheet date as required by Section 50 of the Insurance Ordinance, 2000. A capital transfer provided to statutory funds by the shareholders' fund is recorded as a reduction in the shareholders' equity. Changes in the amount of capital contributed to statutory funds is recorded by the shareholders' funds directly in equity.

### **3.21 Provision for outstanding claims**

A liability for outstanding claims is recognized in respect of all claims incurred up to the balance sheet date, except for accident and health claims which are recognized as soon as reliable estimates of the claim amount can be made. Claims where intimation of the event giving rise to the claim is received or in respect of investment linked business when the policy ceases to participate in the earnings of the statutory fund are reported as claims in the revenue account. The liability for claims incurred but not reported at the year end is determined by the Appointed Actuary and are included in the policyholders' liabilities. Experience refund of premium calculated by appointed actuary is included in outstanding claims. Experience refund of premium receivable from reinsurers is included in the reinsurance recoveries of claim.

### **3.22 Acquisition costs**

These are costs incurred in acquiring insurance policies, maintaining such policies, and include without limitation all forms of remuneration paid to insurance agents.

Commissions and other expenses are recognized as an expense in the earlier of the financial year in which they are paid and financial year in which they become due and payable, except that commission and other expenses which are directly referable to the acquisition or renewal of specific contracts are recognized not later than the period in which the premium to which they refer is recognized as revenue.



### 3.23 Foreign currency transactions

#### 3.23.1 Foreign currency translations

Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the balance sheet date. Gain and losses on translation are taken into profit & loss account currently. Non monetary - items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non - monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

#### 3.23.2 Financial Instruments

Financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual right to future cash flows from the asset expire or is transferred along with the risk and reward of the ownership of the asset. Financial liabilities are derecognized when obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial asset and liabilities is recognized in the profit and loss account of the current year.

### 3.24 Significant Accounting Policies - Window Family Takaful Operations

#### 3.24.1 Takaful Contracts

The takaful contracts are based on the principles of Wakala Waqf Model. Takaful is a program based on Shariah compliant, approved concept founded on the principles of mutual cooperation, solidarity and brotherhood.

The obligation of Waqf for Waqf participants' liabilities is limited to the amount available in the Waqf fund. In the event where there is insufficient funds in Waqf to meet their current payments less receipts, the deficit is funded by way of an interest free loan (Qard-e-Hasna) from the Operator sub fund to participant takaful fund and group family takaful. The amount of Qard-e-Hasna is refundable to the Operator sub fund.

Technical reserves are stated at a value determined by the appointed actuary through an actuarial valuation carried out as at each balance sheet date, in accordance with section 50 of the Insurance Ordinance, 2000.

#### 3.24.2 Group Takaful

The group family takaful contracts are issued typically on yearly renewable term basis. The Company offers group term life and group credit plans to its participants.

#### 3.24.3 Individual Takaful Contracts Unit - Linked

The Company offers unit-linked Takaful plans which provide Shariah compliant financial protection and investment vehicle to individual participants contribution received from policyholders, after deducting specific charges and takaful donations, are invested in internal unit funds of the Company.

The basic plan contains family takaful cover over and above the unit value with additional protection.

#### 3.24.4 Retakaful

These contracts are entered into by the Company with retakaful operator under which the retakaful operator cedes the takaful risk assumed during normal course of its business and according to which the Waqf is compensated for losses on contract issued by it are classified as retakaful contracts held.

##### Retakaful Contribution

Retakaful contribution is recorded at the time the retakaful is ceded.

##### Retakaful Expenses

Retakaful expenses are recognized as a liability in accordance with the pattern of recognition of related contribution.

##### Retakaful assets and liabilities

Retakaful assets represent balances due from retakaful operators. Recoverable amounts are estimated in a manner consistent with the associated retakaful treaties.

Retakaful liabilities represent balances due to retakaful operators. Amounts payable are calculated in a manner consistent with the associated retakaful treaties.

Retakaful assets are not offset against related retakaful liabilities. Income or expenses from retakaful contract are not offset against expenses or income from related retakaful contracts as required by Insurance Ordinance, 2000.

Retakaful assets and liabilities are derecognized when the contractual rights are extinguished or expired.

### 3.24.5 Business Segment - Window Family Takaful Operation

The Company has two primary business segment for reporting purposes; Family Takaful Investment Linked Business and Family Takaful Protection Business.

- a) The Family Takaful Investment Linked Business segments provides family takaful coverage to individuals under unit -linked policies issued by the PTF.
- b) The Family Takaful Protection Business segment provides family takaful coverage to member of business enterprises, corporate entities and common interest groups under group family takaful scheme operated by the Company.

### 3.24.6 Takaful operator's fee

The shareholders of the Company manage the family takaful operations for the participants and act as Wakeel of the Waqf fund. The Company is entitled for the wakala fee for the management of takaful operation under Waqf fund to meet its general and administrative expenses.

The window takaful operator is also entitled for Wakalt-ul-Istismar fee as it manages Participant Investment Fund.

### 3.24.7 Revenue recognition

Individual first year contribution are recognized once the related policies have been issued and the contribution received. Renewal contribution are recognized upon receipt of contribution provided the policy is still in force. Individual single contribution are recognized once the related policies are issued against the receipts of contribution.

Group contribution are recognized when due. A provision for unearned contribution is included in the policyholders' liabilities.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires 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 historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and any future periods affected.

The outbreak of coronavirus in late 2019 has been officially announced as a global pandemic on 11 March 2020 by the World Health Organisation. However, Pakistan witnessed its first case amidst February 2020, which subsequently increased exponentially throughout the country countered by several measures by both the Federal and Provincial governments including the imposition of lockdowns and restricting economic activities.

Although insurance industry has its impact on multiple fronts as a claim payer, as an employer and as investment manager, but for the Company the operational disruption, as indicated by outstanding claim inventories and development triangles, has been minimal. However, the significant uncertainty requires changes to methodologies and assumptions have been made to provide additional margins in the Policyholder Liabilities.

Following are the changes in valuation principles, methodologies and assumptions including the changes in response to COVID-19:

### Change in assumptions and additional provisions

#### - Investment Linked Business

Due to the pandemic, the IBNR claims reserve for the current year for individual life policies has been increased to provide an additional margin.

- **Conventional Business**

Expected Loss Ratio (ELR) assumptions being used for conventional group life business IBNR claim reserve have been revised to provide for possible increase in incidence and delay in reporting of claims due to COVID-19. The methodology for third last event quarter has been moved from ELR to Chain Ladder (CL) basis.

The methodology used to assess the need for Premium Deficiency Reserve (PDR) is same as used for valuation as at 31 December 2019. No PDR was required as at the previous valuation date but as at 31 December 2020, a PDR is required and have been set aside for conventional group business.

- **Family Takaful Investment Linked Business**

Since the individual family takaful fund has become sizeable an Incurred But Not Reported (IBNR) claims reserve has been set aside. This reserve has been determined using the CL method subject to a minimum flooring net of reinsurance.

- **Family Takaful Protection Business**

Similar to conventional group life business, the methodology and assumptions for group family takaful IBNR reserve has also been reviewed.

The methodology used to assess the need for Contribution Deficiency Reserve (CDR) is same as used for valuation as at 31 December 2019. No CDR was required as at the previous valuation date but as at 31 December 2020, a CDR is required and have been set aside for takaful group business.

Furthermore, an additional Mortality Fluctuation Reserve (MFR) has been set aside to provide for increased uncertainty due to COVID-19.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

	<u>Note</u>
Policyholders' liabilities and underlying actuarial assumptions	3.6, 19
Provision for outstanding claims	3.21, 19, 29.1
Classification and impairment of investments	3.12, 7, 8, 9, 10, 11, 25, 26, 27
Taxation and deferred taxation	3.15, 33
Determining the residual value and useful lives of fixed assets	3.1, 3.2, 3.3, 5, 6

## 5. PROPERTY AND EQUIPMENT

(Rupees '000)

	Note	31 December 2020	31 December 2019
Operating assets	5.1	2 443 398	2 505 661
Right of use assets	5.2	440 811	378 026
		<u>2 884 209</u>	<u>2 883 687</u>

## 5.1 Operating assets

(Rupees '000)

31 December 2020									
	Cost			Depreciation				Written down value 31 Dec 2020	Depreciation Rate %
	As at 01 Jan 2020	Additions	Disposals	As at 31 Dec 2020	As at 01 Jan 2020	Charge for the year	On Disposal	As at 31 Dec 2020	
Leasehold land	126 505	–	–	126 505	–	–	–	–	–
Building	1 354 118	12 701	–	1 366 819	202 542	58 055	–	260 597	5
Office equipment	350 929	12 960	( 406 )	363 483	112 955	24 702	( 225 )	137 432	10
Computers	301 970	63 294	( 1 056 )	364 208	169 363	53 405	( 949 )	221 819	30
Furniture and fixture	247 772	38 455	–	286 227	91 682	18 869	–	110 551	10
Leasehold improvement	342 462	34 075	( 13 998 )	362 539	176 717	64 811	( 9 878 )	231 650	10
Vehicles	813 132	146 127	( 67 251 )	892 008	277 968	120 964	( 42 590 )	356 342	20
Total	3 536 888	307 612	( 82 711 )	3 761 789	1 031 227	340 806	( 53 642 )	1 318 391	2 443 398

(Rupees '000)

31 December 2019									
	Cost			Depreciation				Written down value 31 Dec 2019	Depreciation Rate %
	As at 01 Jan 2019	Additions	Disposals	As at 31 Dec 2019	As at 01 Jan 2019	Charge for the year	On Disposal	As at 31 Dec 2019	
Leaseholder land	126 505	–	–	126 505	–	–	–	–	–
Building	1 333 700	20 418	–	1 354 118	142 739	59 803	–	202 542	5
Office equipment	331 068	25 589	( 5 728 )	350 929	89 654	25 360	( 2 059 )	112 955	10
Computers	199 985	103 967	( 1 982 )	301 970	128 034	43 171	( 1 842 )	169 363	30
Furniture and fixture	208 282	39 490	–	247 772	75 405	16 277	–	91 682	10
Leasehold improvement	288 127	71 319	( 16 984 )	342 462	126 161	62 356	( 11 800 )	176 717	10
Vehicles	731 604	192 766	( 111 238 )	813 132	225 651	120 857	( 68 540 )	277 968	20
Total	3 219 271	453 549	( 135 932 )	3 536 888	787 644	327 824	( 84 241 )	1 031 227	2 505 661

5.1.2 The market value of land and building is estimated at Rs. 3,811 million as at 31 December 2020. The valuations have been carried out by independent valuer.

### 5.1.3 Disposal of fixed assets

(Rupees '000)

	Original Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss) on Sale	Mode of Disposal	Particulars of Buyer	
Vehicles	683	493	190	450	260	Negotiation	Mr. Adnan Yousaf	Employee
Vehicles	1 029	771	258	857	599	Negotiation	Mr. Iqbal Ahmed Sami	External
Vehicles	1 271	915	356	1 000	644	Negotiation	Ms. Mahwish Fayyaz	Employee
Vehicles	693	499	194	450	256	Negotiation	Aziz Ud Din Ahmed	Employee
Vehicles	688	496	192	500	308	Negotiation	Ms. Maria Ejaz	Employee
Vehicles	1 271	896	375	1 100	725	Negotiation	Mr. Haq Nawaz	External
Vehicles	1 332	917	415	1 100	685	Negotiation	Ms. Bushra Khan	Employee
Vehicles	1 054	743	311	700	389	Negotiation	Khaleeq Uz Zaman	Employee
Vehicles	688	485	203	470	267	Negotiation	Ms. Saba Saeed	Employee
Vehicles	688	496	192	475	283	Negotiation	Mr. Falak Sher	Employee
Vehicles	688	485	203	475	272	Negotiation	Mr. Shahbaz Ahmed	Employee
Vehicles	688	496	192	450	258	Negotiation	Mr. Tariq Mehmood	Employee
Vehicles	688	485	203	500	297	Negotiation	Ms. Shazina Khan	Employee
Vehicles	688	472	216	475	259	Negotiation	Mr. Mahesh Kumar	Employee
Vehicles	688	484	204	400	196	Negotiation	Mr. Fazal Ghani Khatak	Employee
Vehicles	688	472	216	475	259	Negotiation	Mr. Rafiq Masih	Employee

(Rupees '000)

	Original Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss) on Sale	Mode of Disposal	Particulars of Buyer	
Vehicles	688	484	204	475	271	Negotiation	Mr. Saeed Ul Haq	Employee
Vehicles	2 301	1 580	721	1 835	1 114	Negotiation	Mr. Muhammad Arshad	External
Vehicles	688	484	204	560	356	Negotiation	Ms. Syeda Uzma Irtaza	External
Vehicles	688	472	216	480	264	Negotiation	Mr. Kamran	Employee
Vehicles	688	484	204	475	271	Negotiation	Mr. Mubashir Hassan	Employee
Vehicles	688	484	204	500	296	Negotiation	Mr. Azfar Hammad	Employee
Vehicles	688	484	204	450	246	Negotiation	Mr. Tahir Mehmood	Employee
Vehicles	688	472	216	475	259	Negotiation	Ms. Noreen Najeeb	Employee
Vehicles	688	472	216	470	254	Negotiation	Muhammad Ali	External
Vehicles	707	600	107	400	293	Negotiation	Mr. Khalid Maqsood	Employee
Vehicles	562	467	95	280	185	Negotiation	Mr. Mazhar Mahmood	Employee
Vehicles	1 131	917	214	725	511	Negotiation	Mr. Ashfaq Mughal	Employee
Vehicles	632	519	113	375	262	Negotiation	Mr. Hassan Nasim	Employee
Vehicles	632	506	126	405	279	Negotiation	Mr. Kashif Aslam	Employee
Vehicles	2 447	2 011	436	1 500	1 064	Negotiation	Dr. Mirza Naqi Zafar	External
Vehicles	652	536	116	360	244	Negotiation	Mr. Aziz Ahmed	Employee
Vehicles	1 010	796	214	625	411	Negotiation	Mr. Tafazzal Mukkarram	Employee
Vehicles	657	511	146	450	304	Negotiation	Mr. Siraj Ahmed	External
Vehicles	1 562	1 193	369	1 516	1 147	Negotiation	Mr. Jamshaid Iqbal	External
Vehicles	683	522	161	510	349	Negotiation	Hafiz Muhammad Bilal	External
Vehicles	683	531	152	375	223	Negotiation	Mr. Jawaid Patrick	Employee
Vehicles	683	522	161	473	312	Negotiation	Mr. Muhammad Farhan Ali	Employee
Vehicles	683	513	170	425	255	Negotiation	Mr. Zaheer Hussain	Employee
Vehicles	683	522	161	450	289	Negotiation	Ms. Asma Younus	Employee
Vehicles	2 479	1 861	618	1 900	1 282	Negotiation	Mr. Ali Haider	Employee
Vehicles	683	513	170	400	230	Negotiation	Mr. Shafqat Ali Rao	Employee
Vehicles	1 054	724	330	810	480	Negotiation	Mr. Nazir Ahmed Solangi	Employee
Vehicles	688	472	216	450	234	Negotiation	Mr. Irfan Qadir Malik	Employee
Vehicles	688	460	228	500	272	Negotiation	Mr. Jamshaid Zafar	Employee
Vehicles	1 271	873	398	1 100	702	Negotiation	Mr. Kashif Khan	Employee
Vehicles	1 753	1 203	550	500	(50)	Negotiation	Mr. Shahid Iqbal Bhatti	Employee
Vehicles	1 054	705	349	500	151	Negotiation	Mr. Muhammad Sajid	Employee
Vehicles	1 054	644	410	742	332	Negotiation	Mr. Muhammad Kashif	Employee
Vehicles	693	437	256	540	284	Negotiation	Mr. Tasawwar Ali	Employee
Vehicles	693	437	256	510	254	Negotiation	Mr. Ejaz Ahmed	Employee
Vehicles	693	422	271	510	239	Negotiation	Mr. Ghulam Abu Talib	Employee
Vehicles	693	358	335	540	205	Negotiation	Mr. Farrukh Ayoub	Employee
Vehicles	693	406	287	500	213	Negotiation	Mr. Gul Hassan	Employee
Vehicles	2 513	1 355	1 158	2 270	1 112	Negotiation	Mr. Abbas Hussain	Employee
Vehicles	703	378	325	653	328	Negotiation	Mrs. Shumaila Akhter	Employee
Vehicles	703	359	344	607	263	Negotiation	Mr. Zahoor Ahmed	Employee
Vehicles	703	340	363	600	237	Negotiation	Ms. Saba Manzoor	Employee
Vehicles	703	302	401	500	99	Negotiation	Mr. Anwar Ahmed	External
Vehicles	1 597	772	825	1 725	900	Negotiation	Mr. Arshad Iqbal	Employee
Vehicles	1 597	772	825	1 725	900	Negotiation	Mr. Rehan Siddiqui	Employee
Vehicles	860	129	731	868	137	Claim	EFU General Ins Ltd	Insurance Claim
Vehicles	742	288	454	225	(229)	Negotiation	Mr. Fahad Amjad	External
Vehicles	1 906	804	1 102	1 481	379	Negotiation	Mr. Prince Khurram	Employee
Vehicles	1 906	804	1 102	1 374	272	Negotiation	Mr. Yousaf Javed	Employee
Vehicles	767	187	580	700	120	Negotiation	Mr. Arshad Magsi	Employee
Vehicles	762	268	494	680	186	Negotiation	Ms. Lubna Riaz	Employee
Vehicles	1 571	384	1 187	500	(687)	Negotiation	Mr. Anwar Ahmed	External
Vehicles	1 295	246	1 049	600	(449)	Negotiation	Mr. Muhammad Zubair	Employee



Office Equipment	317	203	114	82	(32)
Leasehold Improvement	13 997	9 878	4 119	550	(3 569)

#### Assets having written down value less than Rs.50 000

Office Equipment	88	22	66	30	(36)	Various
Computer	1 055	949	106	50	(56)	Various
2020	<u>82 711</u>	<u>53 642</u>	<u>29 069</u>	<u>49 188</u>	<u>20 119</u>	
2019	<u>135 932</u>	<u>84 028</u>	<u>51 904</u>	<u>85 473</u>	<u>33 569</u>	

## 5.2 Right of use Asset

(Rupees '000)

31 December 2020								
	Cost			Depreciation				Written down value 31 Dec 2020
	As at 01 Jan 2020	Additions	Disposals	As at 31 Dec 2020	As at 01 Jan 2020	Charge for the year	On Disposals	As at 31 Dec 2020
Right of use asset	509 239	242 205	( 55 227 )	696 217	131 214	136 048	( 11 856 )	255 406
								440 811

31 December 2019								
	Cost			Depreciation				Written down value 31 Dec 2019
	As at 01 Jan 2019	Additions	Disposals	As at 31 Dec 2019	As at 01 Jan 2019	Charge for the year	On Disposal	As at 31 Dec 2019
Right of use asset	421 509	87 731	–	509 240	–	131 214	–	131 214
								378 026

## 6. INTANGIBLE ASSETS

(Rupees '000)

31 December 2020									
	Cost			Accumulated Amortization				Written down value 31 Dec 2020	Amortization Rate %
	As at 01 Jan 2020	Additions	Disposals	As at 31 Dec 2020	As at 01 Jan 2020	Charge for the year	On Disposals	As at 31 Dec 2020	
Computer software	118 280	36 520	–	154 800	93 547	22 553	–	116 100	33

31 December 2019									
	Cost			Accumulated Amortization				Written down value 31 Dec 2019	Amortization Rate %
	As at 01 Jan 2019	Additions/ Disposal	Disposals	As at 31 Dec 2019	As at 01 Jan 2019	Charge for the year	On Disposal	As at 31 Dec 2019	
Computer software	107 714	10 566	–	118 280	80 676	12 871	–	93 547	33

## 6.1 Fully amortised intangible assets

Type	Cost	Depreci- ation 2017	Depreci- ation 2018	Depreci- ation 2019	Depreci- ation 2020	Total Depreciation	Book value
Intangible Asset	1 917	340	639	639	299	1 917	–

## 7. INVESTMENT IN EQUITY SECURITIES

(Rupees '000)

	Note	31 December 2020	31 December 2019
Available for Sale	7.1	280 659	250 880
At fair value through profit or loss (Designated - upon initial recognition)	7.2	38 959 166	10 221 662
		<u>39 239 825</u>	<u>10 472 542</u>

### 7.1 Available for sale

(Rupees in '000)

	Note	31 December 2020			31 December 2019		
		Cost	Impairment / (Provision)	Carrying Value	Cost	Impairment / (Provision)	Carrying Value
<b>Related Party</b>							
Listed Shares	7.3	306 470	( 201 047 )	105 423	306 470	( 254 266 )	52 204
<b>Others</b>							
Listed Shares		138 111	( 18 857 )	119 254	140 317	( 18 212 )	122 105
Unlisted Shares	7.4 & 7.5	16 008	–	508	16 008	–	508
Surplus on revaluation		–	–	55 474	–	–	76 063
		<u>460 589</u>	<u>( 219 904 )</u>	<u>280 659</u>	<u>462 795</u>	<u>( 272 478 )</u>	<u>250 880</u>

### 7.2 Fair Value through Profit and Loss (Designated - upon initial recognition)

<b>Related Parties</b>							
Listed Shares		476 653	–	764 432	476 653	–	587 286
Unlisted Shares		–	–	–	–	–	–
<b>Others</b>							
Listed Shares		33 977 498	–	38 194 734	9 514 742	–	9 634 376
		<u>34 454 151</u>	<u>–</u>	<u>38 959 166</u>	<u>9 991 395</u>	<u>–</u>	<u>10 221 662</u>
		<u>34 914 740</u>	<u>( 219 904 )</u>	<u>39 239 825</u>	<u>10 454 190</u>	<u>( 272 478 )</u>	<u>10 472 542</u>

(Rupees '000)

	31 December 2020	31 December 2019
<b>Reconciliation of provision for impairment</b>		
Balance at the beginning of the year	272 478	286 748
(Reversal ) for impairment on available for sale investments	( 52 574 )	( 14 270 )
Balance at the end of the year	<u>219 904</u>	<u>272 478</u>

- 7.3 Listed equities include investment in EFU General Insurance Limited (the Holding Company) at carrying value of Rs. 561.72 million on behalf of Policyholders (2019: Rs. 516.31 million) representing 2.34% (2019: 2.34 %) of the issued capital of the EFU General Insurance Limited.
- 7.4 This represents investment in ordinary shares of Security General Insurance Company Limited. The breakup value of each ordinary share of Rs.10 is Rs 219.18 based on the latest audited annual financial statements available for the year ended December 31 2019. The Company's holding as at the year end is 0.67% (number of shares: 457,038) [(2018: 0.67%) (number of shares: 457,038)]. The Chief Executive Officer of Security General Insurance Company Limited is Mr. Farrukh Aleem.
- 7.5 This represents investment in ordinary shares of Planet- N (Private) Limited. The breakup value of each ordinary share of Rs.10 is Rs 0.59 based on the latest audited financial statements available for the period ended 30 June 2020. The Company's holding as at the year end is 0.28% (number of shares: 50,191) [(2019: 0.28%) (number of shares: 50,191)]. The Chief Executive Officer of PLANET-N (Private) Limited is Mr. Nadeem Hussain.

## 8. GOVERNMENT SECURITIES

(Rupees '000)

	Note	31 December 2020	31 December 2019
Held to Maturity	8.1	7 447 581	5 350 047
Fair value through profit and loss (designated - upon initial recognition)	8.2	67 013 519	70 853 495
		<u>74 461 100</u>	<u>76 203 542</u>

### 8.1 Held to Maturity

(Rupees in '000)

	31 December 2020				
	Maturity Year	Effective Yield	Amortised Cost	Principal Repayment	Carrying Value
03 Years Pakistan Investment Bond	2022	7.12	49 818	50 000	49 818
03 Years Pakistan Investment Bond	2021	7.25	67 567	70 000	67 567
03 Years Pakistan Investment Bond	2022	9	3 747 285	3 835 000	3 747 285
03 Years Pakistan Investment Bond	2023	7.12	47 212	47 500	47 212
10 Years Pakistan Investment Bond	2028	8.75	12 100	15 000	12 100
20 Years Pakistan Investment Bond	2024	10	54 079	53 700	54 079
3 Months Treasury Bills	2021	7.12	2 091 667	2 102 500	2 091 667
12 Months Treasury Bills	2022	8.95	489 021	500 000	489 021
03 Years Government Ijara	2023	6.27	241 186	241 078	241 186
10 Years Pakistan Energy Sukuk I	2029	8.05	194 947	197 160	194 947
10 Years Pakistan Energy Sukuk II	2030	7.25	452 699	452 700	452 699
			<u>7 447 581</u>	<u>7 564 638</u>	<u>7 447 581</u>

### 8.2 Fair Value through profit and loss (Designated - upon initial recognition)

03 Years Pakistan Investment Bond	2021	7.25	10 465 010	10 723 500	10 726 566
03 Years Pakistan Investment Bond	2022	9	25 796 658	26 156 500	26 612 251
03 Years Pakistan Investment Bond	2023	7.12	6 419 203	6 452 500	6 403 856
05 Years Pakistan Investment Bond	2021	7.75	552 939	560 000	560 867
05 Years Pakistan Investment Bond	2023	8	1 157 352	1 206 000	1 200 553
10 Years Pakistan Investment Bond	2022	12	2 115 038	2 100 000	2 228 313
10 Years Pakistan Investment Bond	2024	12	101 553	100 000	109 846
10 Years Pakistan Investment Bond	2029	10	116 161	125 000	125 546
20 Years Pakistan Investment Bond	2024	10	388 836	392 000	408 102
3 Months Treasury Bills	2021	7.16	59 027	60 000	59 850
6 Months Treasury Bills	2021	7.1	14 156 171	14 625 000	14 526 589
12 Months Treasury Bills	2021	7.69	2 688 904	2 850 000	2 785 600
03 Years Government Ijara	2023	5.95	237 059	236 710	233 987
08 Years Pakistan Water And Power Development Authority	2021	9.04	136 406	571 099	134 030
10 Years Pakistan Energy Sukuk I	2029	8.05	952 291	963 159	847 263
Pakistan Energy Sukuk II	2030	7.25	50 300	50 300	50 300
			<u>65 392 908</u>	<u>67 171 768</u>	<u>67 013 519</u>

- 8.3 Market value of government securities carried at amortised cost amounted to Rs. 7,954 million (2019: Rs. 5,340 million).
- 8.4 Government securities include Rs.115 million (2019: Rs. 115 million) placed with the state Bank of Pakistan, in accordance with Section 29 of the insurance ordinance, 2000.

## 9. INVESTMENT IN DEBT SECURITIES

(Rupees in '000)

	Note	31 December 2020			31 December 2019		
		Cost	Impairment / (Provision)	Carrying Value	Cost	Impairment / (Provision)	Carrying Value
Term Finance Certificates	9.1	3 905 652	-	3 905 652	3 696 562	-	3 696 562
Corporate Sukuks	9.2	3 859 532	-	3 859 532	4 777 570	-	4 777 570
Commercial papers	9.3	8 554	-	8 554	635 359	-	635 359
Certificates of investment	9.4	210 000	-	210 000	210 000	-	210 000
		<u>7 983 738</u>	<u>-</u>	<u>7 983 738</u>	<u>9 319 491</u>	<u>-</u>	<u>9 319 491</u>

### 9.1 Term Finance Certificates

#### Fair Value through Profit and Loss

(Rupees in '000)

	Yield	Maturity	No. of Certificates		Face Value	Carrying Amount	
			31 Dec 2020	31 Dec 2019		31 Dec 2020	31 Dec 2019
Bank Alfalah Limited	15.33	2020	-	23 063	-	-	115 015
Al Baraka Bank Limited	8.54	2021	50	10 000	4	7 141	14 866
Bank Alfalah Limited	9.03	2021	5 000	-	100	500 000	-
Byco Petroleum Pakistan Limited	8.34	2022	1 000	20 000	5	41 514	73 781
Bank Al Habib Limited	8.03	2026	80 100	80 100	5	360 909	400 000
Bank Al Habib Limited	8.35	2028	20 000	20 000	5	97 048	99 960
Bank Al Habib Limited	8.85	Perpetual	40 000	80 000	5	200 000	392 940
United Bank Limited	8.85	Perpetual	250 000	250 000	5	1 250 000	1 250 000
Soneri Bank Limited	9.35	Perpetual	10 000	10 000	5	50 000	50 000
Habib Bank Limited	8.90	Perpetual	2 000	2 000	100	200 000	200 000
JS Bank Limited	9.60	Perpetual	5 000	5 000	100	500 000	500 000
Bank Alfalah Limited	8.79	Perpetual	20 000	20 000	5	100 000	100 000
Askari Bank Limited	8.49	Perpetual	100	-	1 000	99 040	-
Askari Bank Limited	8.45	Perpetual	450	450	1 000	450 000	450 000
						<u>3 855 652</u>	<u>3 646 562</u>
<b>Held To Maturity</b>							
Askari Bank Ltd.	8.45	Perpetual	50	50	1 000	50 000	50 000
						<u>50 000</u>	<u>50 000</u>
						<u>3 905 652</u>	<u>3 696 562</u>

### 9.2 Corporate Sukuks

#### Fair Value through Profit and Loss

HUB Power Company Limited	14.99	2020	-	5 000	5	-	200 000
International Brands Limited	7.79	2021	1 000	1 000	100	42 258	72 510
Fatima Fertilizer Company Limited	8.45	2021	9 807	9 807	3	9 874	19 768
Hascol Petroleum Limited	8.75	2022	30 000	30 000	3	37 086	68 006
K Electric Limited	8.29	2022	352 233	352 233	5	533 685	885 786
Dawood Hercules-Sukuk	8.30	2022	6 431	6 431	200	455 838	441 810
Dawood Hercules-Sukuk	8.30	2023	5 819	5 819	100	352 965	599 407
HUB Co-Sukuk	9.19	2023	3 500	3 500	100	357 870	350 000
Pakistan Services Limited	8.30	2024	250	250	1 000	197 577	249 990
Engro Polymer Limited	8.20	2026	2 050	2 050	100	209 408	207 818
Neelum Jhelum Hydropower Company Limited	9.1	2026	12 500	12 500	100	885 156	1 039 975
Meezan Bank Limited	9.10	Perpetual	500	500	1 000	500 000	500 000
Dubai Islamic Bank Pakistan Limited	7.9	Perpetual	20 000	20 000	5	100 000	100 000
BankIslami Pakistan Limited	8.22	Perpetual	28 063	-	5	140 315	-
						<u>3 822 032</u>	<u>4 735 070</u>
<b>Held To Maturity</b>							
Dawood Hercules Sukuk	8.3	2022	250	250	100	17 500	22 500
Engro Polymer	8.2	2026	200	200	100	20 000	20 000
						<u>37 500</u>	<u>42 500</u>
						<u>3 859 532</u>	<u>4 777 570</u>

### 9.3 Commercial Paper

(Rupees in '000)

	Yield	Maturity	No. of Certificates		Face Value	Carrying Amount	
			31 Dec 2020	31 Dec 2019		31 Dec 2020	31 Dec 2019
KEL Islamic Commercial Paper			—	1	100 000	—	96 975
KEL Islamic Commercial Paper			—	1	500 000	—	488 660
TPL Corp	9.2	2021	—	1	25 000	8 554	49 724
						8 554	635 359

### 9.4 Certificate of Investment

First Habib Modarba	7.10	2021	—	1	210 000	210 000	210 000
						7 983 738	9 319 491

## 10. INVESTMENTS IN TERM DEPOSITS

(Rupees '000)

	31 December 2020	31 December 2019
Deposit maturing within 12 months	19 062 000	19 659 000

These have tenure of one to three months (2019: one to three month) and carry mark-up at the rate 6.25% to 13.45 % (2019: 11.75% to 13.8 %) per annum and includes term deposit receipts of Rs. 5.72 billion (2019: Rs. 5.40 billion) held with JS Bank Limited (a related party) which carries mark-up at the rate 13.45 % (2019: 13.45 %).

## 11. INVESTMENT IN MUTUAL FUNDS

(Rupees '000)

	Note	31 December 2020	31 December 2019
At fair value through profit or loss (Designated - upon initial recognition)	11.1	1 558 312	265 847
Available for Sale	11.2	127 059	144 867
		1 685 371	410 714

	31 December 2020			31 December 2019		
	Cost	Impairment / (Provision)	Carrying Value	Cost	Impairment / (Provision)	Carrying Value
<b>11.1 At fair value through profit or loss (Designated - upon initial recognition)</b>						
<b>Related Parties</b>						
Mutual Funds	596	—	1 174	547	—	1 033
<b>Others</b>						
Mutual Funds	1 410 788	—	1 557 138	253 068	—	264 814
	1 411 384	—	1 558 312	253 615	—	265 847
<b>11.2 Available for Sale</b>						
<b>Related Parties</b>						
Mutual Funds (Available for sale)	523	—	523	26 717	—	26 717
<b>Others</b>						
Mutual Funds (Available for sale)	123 307	( 10 754 )	112 553	116 235	( 11 200 )	105 035
Surplus on revaluation	—	—	13 983	—	—	13 115
	123 830	( 10 754 )	127 059	142 952	( 11 200 )	144 867
	1 535 214	( 10 754 )	1 685 371	396 567	( 11 200 )	410 714



		(Rupees '000)	
	Note	31 December 2020	31 December 2019
<b>Reconciliation of provision for impairment</b>			
Balance at the beginning of the year		11 200	10 280
(Reversal) for impairment on available for sale investments		( 446 )	920
Balance at the end of the year		10 754	11 200
<b>12. INSURANCE / REINSURANCE RECEIVABLES</b>			
Due from insurance contract holders		176 105	230 585
Due from reinsurers		24 481	23 414
		200 586	253 999
<b>13. OTHER LOANS AND RECEIVABLES</b>			
Accrued investment income		2 003 629	2 760 117
Security deposits		126 281	54 367
Advance to supplier		86 369	39 081
Loans to agents	13.1	114 062	89 744
Loans to employees	13.1	87 012	82 799
Other receivables		235 643	209 837
		2 652 996	3 235 945
<b>13.1</b> This represent housing, vehicle and domestic purpose loans to employees and agents at the interest rate ranging between 6 % to 10% (2019: 8% to 12.5%) per annum. These loans are recoverable over a period of one to ten years (2019: one to ten years) and are secured against retirement benefit payable to respective employees and security documents of property / vehicle.			
<b>14. DEFERRED TAXATION</b>		(Rupees '000)	
	Note	31 December 2020	31 December 2019
Deferred credits arising due to:			
– Fixed assets		114 177	135 662
– Surplus on revaluation of available for sale investment		15 648	22 679
– Retained earning ledger Account D	17.3	674 407	584 838
		804 232	743 179
<b>15. PREPAYMENTS</b>			
Prepaid rent		24 699	25 643
Prepaid Miscellaneous expenses		56 967	25 573
		81 666	51 216
<b>16. CASH AND BANK</b>			
Cash and Cash Equivalent			
Cash in hand		25	41
Policy & Revenue stamps		4 900	13 400
Cash at bank			
Current account		1 376 808	1 892 503
Saving account		3 953 358	3 807 604
		5 335 091	5 713 548
<b>16.1</b> These carry mark-up ranging from 5.5% to 7.5% (2019: 9% to 12%) per annum and include balance of Rs. 330.91 million (2019: Rs. 204.76 million) held with JS Bank Limited (a related party).			

**16.2** Cash and cash equivalents for cash flow purpose comprise of the following:

(Rupees '000)

	31 December 2020	31 December 2019
Cash and others	4 925	13 441
Cash at bank	5 330 166	5 700 106
Term deposits maturing within three months	19 062 000	19 659 000
	<u>24 397 091</u>	<u>25 372 547</u>

**17. SHARE CAPITAL**

(Rupees '000)

**Authorised Share Capital**

2020	2019		31 December 2020	31 December 2019
(Number of Shares)				
<u>150 000 000</u>	<u>150 000 000</u>	Ordinary shares of Rs 10 each	<u>1 500 000</u>	<u>1 500 000</u>

**Issued, subscribed and paid-up capital**

2020	2019		31 December 2020	31 December 2019
(Number of Shares)				
15 000 000	15 000 000	Issued, subscribed and paid-up		
		Ordinary shares of Rs 10 each fully paid in cash	150 000	150 000
85 000 000	85 000 000	Ordinary shares of Rs 10 each issued as fully paid bonus shares	850 000	850 000
<u>100 000 000</u>	<u>100 000 000</u>		<u>1 000 000</u>	<u>1 000 000</u>

**17.1** As of balance sheet date 44,368,440 (2019: 43,571,840) ordinary shares of Rs. 10/- each were held by the Holding Company.

**17.2 Employees Stock Option Scheme**

The Company's Employees Stock Option Scheme (ESOS) was duly approved by the Company's Shareholders in their Annual General Meeting held on 5 April 2014. Under the ESOS, the Company shall grant share options to the employees selected by the Board's Compensation Committee. The SECP has accordingly approved the ESOS vide its Letter No.SMD/CIW/ESOS/01/2014 dated: 10 February 2017. The scheme is applicable from the year 2018. No options were granted to employees as at 31 December 2020.

(Rupees '000)

**17.3 Retained Earning Ledger Account D**

	31 December 2020	31 December 2019
Opening balance	2 315 372	2 174 946
Contribution to increase solvency margin	26 109	106 503
Change in solvency margin through profit and loss account	306 262	33 923
	<u>2 647 743</u>	<u>2 315 372</u>
Related Deferred Tax Liability on:		
Opening balance	( 584 838 )	( 495 690 )
Reversal / (charge) to profit and loss account	( 89 569 )	( 89 148 )
Closing balance	<u>( 674 407 )</u>	<u>( 584 838 )</u>
Net of tax	<u>1 973 336</u>	<u>1 730 534</u>
<b>18. RESERVES</b>		
General reserve	<u>2 000 000</u>	<u>2 000 000</u>

(Rupees '000)

	Note	31 December 2020	31 December 2019
<b>19. INSURANCE LIABILITIES</b>			
Reported outstanding claims	19.1	3 568 512	2 715 505
Incurred but not reported claims	19.2	769 857	734 895
Investment component of unit-linked and account value policies	19.3	137 565 348	114 383 622
Liabilities under individual conventional insurance contracts	19.4	933 952	763 786
Liabilities under group insurance contracts (other than investment linked)	19.5	447 173	383 053
Participant takaful fund balance	19.6	228 173	172 794
		<u>143 513 015</u>	<u>119 153 655</u>
<b>19.1 Reported Outstanding Claims</b>			
<b>Gross of Reinsurance</b>			
Payable within one year		3 059 539	2 328 910
Payable over a period of time exceeding one year		905 164	648 115
		<u>3 964 703</u>	<u>2 977 025</u>
<b>Recoverable from Reinsurers</b>			
Receivable over a period of time exceeding one year		( 396 191 )	( 261 520 )
		<u>( 396 191 )</u>	<u>( 261 520 )</u>
Net reported outstanding claims		<u>3 568 512</u>	<u>2 715 505</u>
<b>19.2 Incurred But Not Reported Claims</b>			
Gross of reinsurance		957 089	863 010
Reinsurance recoveries		( 187 232 )	( 128 115 )
Net of reinsurance		<u>769 857</u>	<u>734 895</u>
<b>19.3 Investment Component of Unit Linked and Account Value Policies</b>			
Investment component of unit linked policies		137 565 348	114 383 622
Investment component of account value policies		–	–
		<u>137 565 348</u>	<u>114 383 622</u>
<b>19.4 Liabilities under Individual Conventional Insurance Contracts</b>			
Gross of Reinsurance		1 122 415	941 275
Reinsurance Credit		( 188 463 )	( 177 489 )
Net of Reinsurance		<u>933 952</u>	<u>763 786</u>
<b>19.5 Liabilities under Group Insurance Contracts (other than investment linked)</b>			
Gross of Reinsurance		560 405	456 072
Reinsurance Credit		( 113 232 )	( 73 019 )
Net of Reinsurance		<u>447 173</u>	<u>383 053</u>
<b>19.6 Participant Takaful Fund Balance</b>		<u>228 173</u>	<u>172 794</u>

**19.7 Claim Development**

**19.7.1** For investment linked, conventional and accidental and health business, claim experience over the past 5 years indicates that claims reported after the end of the year in which the claim event occurred were less than 10% threshold therefore, the claim development table for all funds is not disclosed.

**19.7.2** For Individual Family Takaful, claim experience over the past 5 years indicates that claims reported after the end of the year in which the claim event occurred were less than 10% threshold therefore the claim development table is not disclosed.

## 20. INSURANCE & REINSURANCE / RETAKAFUL PAYABLES

(Rupees '000)

	31 December 2020	31 December 2019
Due to reinsurers / retakaful	183 440	258 031
<b>21 OTHER CREDITORS AND ACCRUALS</b>		
Amount due to agents	920 352	795 214
Accrued expenses	827 037	751 284
Unpaid Dividend	930	2 897
Unclaimed Dividend	53 052	44 540
Other creditors and accruals	279 170	248 437
	<b>2 080 541</b>	<b>1 842 372</b>

## 22. RETIREMENT BENEFIT OBLIGATIONS

### 22.1 Provident Fund

The following information based on un - audited financial statements of the fund as at 31 December 2020:

(Rupees in '000)

Note	2020	%	2019	%
Size of the fund - total assets	579 856		505 806	
Cost of investments	546 737	94.29	363 213	71.81
Fair value of investments 22.1.1	577 172	99.54	371 139	73.38

22.1.1 The breakup of fair value of investment in Provident Fund is as follows:

(Rupees in '000)

	2020	%	2019	%
Open end mutual fund	115 205	19.96	104 955	28.28
Shares	1 366	0.24	649	0.17
Government securities	460 601	79.80	265 535	71.55
	<b>577 172</b>	<b>100%</b>	<b>371 139</b>	<b>100%</b>

The above investments out of provident fund have been made in accordance with the requirement of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

### 22.2 Pension Fund

(Rupees in '000)

	2020	%	2019	%
Size of the fund - total assets	441 930		357 007	
Cost of investments	412 714	93.39	217 460	60.91
Fair value of investments 22.2.1	436 368	98.74	233 105	65.29

22.2.1 The breakup of fair value of investment in Pension Fund is as follows:

(Rupees in '000)

	2020	%	2019	%
Open end mutual fund	63 043	14.45	57 513	24.67
Shares	553	0.13	193	0.08
Government securities	371 551	85.14	174 177	74.72
Term Finance Certificates	1 221	0.28	1 222	0.53
	<b>436 368</b>	<b>100%</b>	<b>233 105</b>	<b>100%</b>

## 23. CONTINGENCIES AND COMMITMENTS

- 23.1 The Income tax assessment of the Company for tax year 2020 has been deemed finalized. In 2013, Income Tax Department imposed an additional tax demand under section 151(1)(d) on account of non-deduction of withholding tax on surrender and maturity amounting to Rs.13.833 million and Rs.15.014 million for Tax Years 2012 and 2013 respectively. The Company filed an appeal before Commissioner Inland Revenue (Appeals) and the same was dismissed. The Company filed second appeal before the Appellate Tribunal against the order of CIT. The learned Appellate Tribunal Inland revenue had now decided the case in Company's favour. Subsequently to the period, the department has filed review application against the order in Honourable Court of Sindh. The decision is still pending. The Company expects a favourable decision.

In 2015 and 2016, The Searle Company Limited issued bonus shares (76,031 shares and 342,480 shares respectively) after withholding 5 percent of bonus shares (3,802 shares and 17,124 shares respectively) and the IBL Healthcare Ltd. issued bonus shares (46,625 shares and 80,311 shares respectively) after withholding 5 percent of bonus shares (2,331 shares and 4,016 shares respectively). In this regard, a constitutional petition had been filed by the Company in Sindh High Court challenging the applicability of withholding tax provision on bonus shares received by the Company. The honorable high court decided the case against the Company. Subsequently, the Company filed an appeal with a larger bench of the Sindh High Court and in response the Sindh High Court has suspended the earlier judgment until the next date of hearing, which has not yet been decided. The Company is of the view that the case will be decided in its favour and no provision has been made for the aforementioned tax. The amount involved is Rs 3.279 million.

- 23.2 During 2019, Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated 8 May 2019 extended the exemption on life insurance till 30 June 2019. Subsequent to it, life insurance was made taxable from 1 July 2019 at the rate of 3% and group life insurance at the rate of 13%. Further, SRB extended exemption on health insurance till 30 June 2020. With effect from 1 November 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). The Company collectively through the forum of Insurance Association of Pakistan ("IAP") had filed a constitutive petition in the Lahore High Court (LHC) and in the High Court of Sindh at Karachi on 28 September 2019 and 28 November 2019 against PRA and SRB respectively.

According to the grounds of the petition and legal opinion obtained by the Company the Insurance premium does not fall under the definition of service rather an insurance policy is a financial arrangement, which is in the nature of a contingent contract, and not a service upon which sales tax can be levied (and that an insurance company is not rendering a service). The legal opinion covered question of constitutionality arose on the levy of provincial sales tax on life insurance, which in their view, is a Federal subject. The opinion also mentions that vast majority of premium received from a policyholder, during the life of the policy, is in fact channeled it to the policyholder's investment account and as such this is critically important in exposing the legal fallacies embodied in the Rules.

The Hon'ble Lahore and Sindh High Courts have directed that no coercive measures be taken until the next date of hearing.

Further subsequent to filing petition, all the provincial tax authorities i.e. SRB, PRA and BRA called a meeting of the industry representatives on 11 January 2020 in Karachi to discuss the matters relating to sales tax on premium. The matter was discussed in details and it was agreed to form a joint committee of the industry representatives as well as from all the provincial tax authorities. Further the committee formed met on 5 February 2020 in Lahore at PRA office to work out the way forward. Thereafter, due to the COVID 19 situation and consequential lockdown, further meetings of the Joint committee had not being held.

On 2 April 2020, due to the outbreak of COVID-19, the PRA provided a relief to Life Insurance sector through its notification no. SO(TAX) 1-1110/2020 (COVID-19). The PRA reduced the PST rate from 16% to zero percent without input tax adjustment for life insurance from 2 April 2020 till 30 June 2020.



SRB through notification no. SRB-3-4/13/2020 dated 22 June 2020 exempted the life insurance services conditionally from 1 July 2019 to 30 June 2020 subject to e-depositing SST due, on such services for the tax periods from 1 July 2020 onward.

Further in Sindh, on June 29, 2020 SRB through another notification No SRB-3-4/18/2020 has amended the responsibility of withholding agent rules requiring a Company also to withheld SST on Services of Life Insurance.

The Company with other life insurance companies has filed another petition in this regard in the Hon'ble Sindh High Court. The Hon'ble SHC has directed that no coercive measures be taken until the next date of hearing.

Based on the legal opinion obtained, the Company considers that it has a reasonably strong case on the merits in the Constitutionally Petition and the writ petition filed in the High Courts. In view of the above the Company has not started billing or withholding sales tax to its customers. The amount of sales tax involved is around Rs. 1,199.15 million computed on the basis of risk based premium. As per the advice of legal advisor, in case the administrative efforts fail, the amount will be charged to the policyholders.

- 23.3 Bank guarantees amounting to Rs. 66.369 million has been given in respect of Group Life coverage. These bank guarantees will expire by 30 December 2023.
- 23.4 There were no capital commitments at the year end.

		(Rupees '000)	
		Aggregate	
		31 December 2020	31 December 2019
<b>24. NET INSURANCE PREMIUM / CONTRIBUTION REVENUE</b>			
<b>Gross premium / contribution</b>			
<b>Regular premium / contribution individual policies</b>			
First year	6 213 833	6 999 756	
Second year renewal	5 122 892	5 084 034	
Subsequent year renewal	17 388 214	15 369 434	
<b>Single premium / contribution individual policies</b>	620 023	950 813	
Group policies with cash values	40 686	54 046	
Group policies without cash values	3 185 228	3 530 594	
Reversal/(Provision) Experience refund	( 25 128 )	( 238 593 )	
<b>Total gross premium / contribution</b>	32 545 748	31 750 084	
<b>Less: Reinsurance premium / retakaful contribution ceded</b>			
On individual life first year business	55 264	27 073	
On individual life second year business	40 718	27 024	
On individual life renewal business	238 257	154 994	
On group policies	577 922	500 631	
Less: Experince refund from reinsurers	161	( 90 651 )	
Less: Reinsurance commission on risk premium	( 19 913 )	( 10 621 )	
<b>Total reinsurance premium / retakaful contribution ceded</b>	892 409	608 450	
<b>Net premium / contribution</b>	31 653 339	31 141 634	

(Rupees '000)

Aggregate

	31 December 2020	31 December 2019
<b>25. INVESTMENT INCOME</b>		
Income from equity securities		
At fair value through profit and loss (Designated upon initial recognition)		
Dividend income	972 032	895 686
Available for Sale		
Dividend income	19 505	20 396
Income from debt securities		
At fair value through profit and loss (Designated upon initial recognition)		
Return on debt securities	1 606 500	1 915 258
On government securities	6 814 312	6 237 695
Held to maturity		
On government securities	542 582	485 416
Income from term deposits		
Return on term deposits	1 513 703	2 034 673
	<u>11 468 634</u>	<u>11 589 124</u>
<b>26. NET REALISED FAIR VALUE GAINS (LOSSES) ON FINANCIAL ASSETS</b>		
Available for sale		
Realised gains on:		
– Equity securities	1 195 035	29 565
– Government securities	2 691 286	–
Realised losses on:		
– Equity securities	( 62 366 )	( 7 835 917 )
– Government securities	–	( 1 573 )
	<u>3 823 955</u>	<u>( 7 807 925 )</u>
<b>27. NET FAIR VALUE GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - UNREALISED</b>		
Net unrealised gain on investments in financial assets - Government securities and Debt Securities (fair value through profit and loss designated upon initial recognition)	1 128 686	511 196
Net unrealised gains on investments at fair value through profit or loss (designated upon initial recognition) - Equity Securities	4 361 417	2 531 842
Total investment income	5 490 103	3 043 038
Exchange Gain	4 848	23 606
Reversal of Impairment in value of available for sale securities	53 020	13 350
Less: Investment related expenses	( 3 931 )	( 5 427 )
	<u>5 544 040</u>	<u>3 074 567</u>
<b>28. OTHER INCOME</b>		
Gain on sale of fixed assets	20 119	33 569
Return on loans to employees	18 620	21 032
Gain on early termination of lease contracts	9 666	–
Fees charged to Policyholders	12 454	9 924
	<u>60 859</u>	<u>64 525</u>

(Rupees '000)

Aggregate

**29. NET INSURANCE BENEFITS****Gross claims**

Claims under individual policies

by death

by insured event other than death

by maturity

by surrender

**Total gross individual policy claims**

Claims under group policies

by death

by insured event other than death

by maturity

by surrender

**Total gross group claims****Total gross claims****Less: Reinsurance / retakaful recoveries**

On individual life claims

On group life claims

**Total reinsurance / retakaful recoveries**

Add: Claims related expenses

**Net insurance benefit expense**

	31 December 2020	31 December 2019
	1 301 822	930 204
	13 904	21 269
	2 120 792	1 225 700
	12 556 339	11 712 081
	15 992 857	13 889 254
	2 464 786	2 116 325
	78 861	72 227
	528	399
	50 005	37 236
	2 594 180	2 226 187
	18 587 037	16 115 441
	208 904	148 050
	526 795	298 340
	735 699	446 390
	9 354	8 382
	17 860 692	15 677 433

**29.1 Statement of Age wise Break up of Unclaimed Insurance Benefits as on 31 December 2020**

This represents outstanding claims in respect of which cheques have been issued by the Company for claim settlement. However, the same have not been encashed by the claimant. Following is the aging as required by the SECP Circular no.11 of 2014 dated 19 May 2014:

(Rupees '000)

Particulars	Total Amount	1 to 6 months	7 to 12 months	13 to 24 months	25 to 35 months	Beyond 36 months
Unclaimed Maturity Benefits	493 683	281 937	130 289	54 223	23 022	4 212
Unclaimed Death Benefits	—	—	—	—	—	—
Unclaimed Disability Benefits	—	—	—	—	—	—
Claims not encashed	27 512	10 213	7 775	—	3 710	5 814
Other Unclaimed benefits	—	—	—	—	—	—
<b>Total</b>	<b>521 195</b>	<b>292 150</b>	<b>138 064</b>	<b>54 223</b>	<b>26 732</b>	<b>10 026</b>

(Rupees '000)

Aggregate

	Note	31 December 2020	31 December 2019
<b>30. ACQUISITION EXPENSES</b>			
Remuneration to insurance intermediaries on individual policies:			
- Commission to agent on first year premiums / contributions		2 485 023	2 773 833
- Commission to agent on second year premiums / contributions		492 296	520 408
- Commission to agent on subsequent renewal premiums / contributions		478 600	426 603
- Commission to agent on single premiums / contributions		17 552	26 025
- Override commission to supervisors		561 459	599 520
- Other benefits to insurance intermediaries salaries, allowances and other benefits		1 327 380	1 521 678
Remuneration to insurance intermediaries on group policies:			
- Commission		349 649	404 258
- Other benefits to insurance intermediaries		75 653	86 710
Other acquisition costs			
- Traveling expenses (including cost of contests, conventions etc.)		46 906	141 903
- Printing and stationery		37 625	26 820
- Depreciation		314 874	305 134
- Rent, rates and taxes		5 614	6 311
- Electricity, gas and water		45 975	51 075
- Entertainment		42 570	45 200
- Vehicle running expenses		11 731	20 764
- Office repairs & maintenance		20 856	19 784
- Postages, telegrams and telephone		42 447	51 773
- Medical fees		16 358	20 500
- Finance Cost		53 317	42 888
- Others		105 792	127 537
- Policy stamps		96 500	104 262
		<u>6 628 177</u>	<u>7 322 986</u>
<b>31. MARKETING AND ADMINISTRATION EXPENSES</b>			
Employee benefit cost	31.1	884 452	758 156
Traveling expenses		31 436	38 114
Advertisements and sales promotion		99 063	116 255
Printing and stationery		65 422	59 683
Depreciation		162 015	153 690
Amortisation		22 553	12 871
Rent, rates and taxes		12 618	22 743
Legal and Professional charges - business related		71 196	104 726
Electricity, gas and water		41 457	36 629
Entertainment		40 963	50 258
Vehicle running expenses		3 791	5 871
Office repair and maintenance		98 967	85 719
Appointed actuary fees		16 951	13 009
Bank charges		21 449	17 158
Postage, internet and telephone		91 633	87 937
Fees and subscription		49 952	33 462
Annual supervision fee SECP		50 000	50 000
Miscellaneous		114 870	115 046
		<u>1 878 788</u>	<u>1 761 327</u>

(Rupees '000)

Aggregate

	Note	31 December 2020	31 December 2019
<b>31.1 Employee Benefit Cost</b>			
Salaries, allowances and other benefits		835 397	712 587
Charges for post employment benefit		49 055	45 569
		<u>884 452</u>	<u>758 156</u>
<b>32. OTHER EXPENSES</b>			
Printing and Stationery		–	1 264
Advertisements and publicity		–	4 088
Travelling		–	666
Auditor's remuneration	32.1	9 291	8 940
Directors' fee		4 300	1 900
Donation	32.2	17 402	9 024
Fees and Subscription		540	600
		<u>31 533</u>	<u>26 482</u>
<b>32.1 Auditor's remuneration</b>			
Annual audit fee		1 900	1 800
Half yearly review		368	250
Review of code of corporate governance		289	275
Other certifications		6 029	5 756
Out-of-pocket expenses		705	859
		<u>9 291</u>	<u>8 940</u>

(Rupees '000)

		31 December 2020	31 December 2019
<b>32.2 Donations</b>			
Donations include the following in whom the directors are interested:			
<b>Name of Directors</b>	<b>Interest in donee</b>	<b>Name and Address of donee</b>	
Saifuddin N.Zomkawala	Board Member	Sindh Institute of Urology and Transplantation, Civil Hospital Karachi	2 216
		Shaukat Khanum Memorial Trust	500
Syed Salman Rashid	Spouse (Trustee)	Anjuman Kashana -E-Atfal-O-Naunihal	100
Rukhsana Shah	Board Member	Future trust	1 000
<b>32.3 Donations to a single party exceeding Rs.500,000</b>			
		The Citizen Foundation	1 541
		Family Educational Services Foundation	2 008
		Dar Ul Sukun	950
		Afzaal Memorial Thalassemia Foundation	1 000
		Layton Rahmatullah Benevolent Trust	2 356
		Government of Sindh Coronavirus Emergency Fund (CEF)	1 000
		Network of Organizations Working with Persons with Disabilities	1 000
		Shahid Afridi Foundation	773



(Rupees '000)

**33. TAXATION****For the year**Current  
Deferred**For the prior years**

Current

31 December 2020	31 December 2019
675 000	668 367
68 083	71 909
–	64 633
743 083	804 909

**33.1 Relationship between tax expenses and accounting profit**

Tax at applicable rate 29% (2019: 29%)  
Tax effect of income subject to lower tax rates  
Prior year adjustment  
Others  
Tax charge for the year

31 December 2020	31 December 2019
Effective tax rate %	
29.00	29.00
–	–
–	2.75
0.40	2.45
29.40	34.20

(Rupees '000)

**34. EARNINGS PER SHARE**

Profit (after tax) for the year

Weighted average number of ordinary shares

Earnings per share – basic and diluted

31 December 2020	31 December 2019
1 784 150	1 549 264
(Number in '000)	
100 000	100 000
(Rupees)	
17.84	15.49

**35. REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES**

	31 December 2020			31 December 2019		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
Fees	–	4 300	–	–	1 900	–
Managerial remuneration	30 894	–	472 977	28 794	–	445 376
Bonus	6 446	–	32 736	7 171	–	37 279
Retirement benefits	5 071	–	30 760	4 726	–	27 475
Utilities	742	–	1 705	779	–	987
Medical expenses	776	–	8 081	336	–	7 545
Leave passage	347	–	–	554	–	1 098
	44 276	4 300	546 259	42 360	1 900	519 760
Number of persons	1	7	72	1	6	62

The Chief Executive is provided with Company maintained cars, furnished accommodation and medical insurance cover. The Executives are provided with Company maintained cars, Medical insurance cover and in certain cases, household items and furniture in accordance with their terms of employment. The chairman is provided with free use of Company car, and residential utilities.

- 35.1 The Non Executive Directors were paid meeting fee of Rs. 4.3 million (2019: Rs. 1.9 million). No other remuneration were paid to Non Executive Directors.

### 36. RELATED PARTY TRANSACTIONS

The related parties comprise of holding company, directors, key management personnel, associated companies / associated undertakings, and entities with common directors and retirement benefit fund. Compensation of key management personnel are on employment terms. Contribution to the provident fund is in accordance with the service rules. Change to the defined contribution is in accordance with the actuarial advice. Other transactions are at agreed rates. Details of transactions with related parties during the period, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

	(Rupees '000)	
	31 December 2020	31 December 2019
<b>Transactions</b>		
<b>Holding company</b>		
Premium written	12 043	18 355
Premium paid	28 445	46 637
Claims paid	8 121	6 774
Claims received	1 058	11 177
Dividend paid	659 994	684 717
Dividend received	46 810	50 320
<b>Associated companies / Related Parties</b>		
Premium written	103 722	95 493
Premium paid	15 359	23 304
Claims paid	62 491	23 222
Commission paid	217 288	215 203
Travelling expenses	1 986	2 685
Donation paid	4 316	1 989
Dividend paid	639 593	670 389
Interest / profit received	1 011 827	847 178
Purchase of Vehicles (Pak Suzuki Motors)	102 288	19 988
Investment purchased	393 830	500 000
Payment to K-Electric	7 645	–
Placement of TDR	500 00	500 000
TDR matured / Investment sold of related party	100 000	25 558
<b>Key management personnel</b>		
Premium written	3 357	1 544
Loan to key employees	15 584	6 000
Loan recovered	4 801	4 400
Dividend paid	10 132	10 639
<b>Employees' funds</b>		
Contribution to provident fund	40 031	36 479
Contribution to pension fund	31 711	29 787
<b>Balances</b>		
Bank balances	1 656 528	1 156 756
Bank deposits	6 721 000	6 000 000
Premium received in advance	1 201	1 459
Premium receivable	4 577	101
Investment in EFU General Insurance Limited-from designated unit fund	561 715	516 310
Investment in related party	1 869 533	653 525
Claims outstanding - Holding company	4 527	–
Claims outstanding - Related party	23 429	17 592
Loan receivable from key employees	35 926	25 144

## 37. SEGMENTAL INFORMATION

### 37.1 Revenue Account by Statutory Fund

(Rupees '000)

	31 December 20						(Rupees 000)
	Statutory Funds						Aggregate
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Family Takaful Investment Linked Business	Family Takaful Protection Business	31 December 2020
Income							
Premium / Contribution less reinsurance / retakaful	24 015 768	2 339 344	577	668	5 031 087	243 826	31 631 270
Policy transfer from other statutory funds	–	22 069	–	–	22 069	–	22 069
Bonus units transfer to statutory fund	–	–	–	–	53 773	–	53 773
Net investment income / wakala income	19 304 683	249 323	3 183	112	1 529 312	108 061	21 194 674
Total net income	43 320 451	2 588 667	3 760	780	6 636 241	351 887	52 901 786
Insurance Benefits and Expenditures							
Claims net of reinsurance recoveries	15 182 804	1 854 217	1 233	616	628 158	162 241	17 829 269
Policy transfer from other statutory funds	22 069	–	–	–	–	–	22 069
Bonus units transfer to statutory fund	–	–	–	–	53 773	–	53 773
Management expenses less recoveries	5 689 880	585 438	890	432	2 529 743	188 125	8 994 508
Total Insurance Benefits and Expenditures	20 894 753	2 439 655	2 123	1 048	3 211 674	350 366	26 899 619
Excess of income over Insurance Benefits and Expenditures	22 425 698	149 012	1 637	(268)	3 424 567	1 521	26 002 167
Net Change in Insurance Liabilities (Other than outstanding Claims)	(20 168 737)	(57 888)	75	288	(3 336 033)	(11 057)	(23 573 352)
Surplus / (deficit) before tax	2 256 961	91 124	1 712	20	88 534	(9 536)	2 428 815
Movement in policyholders' liabilities	20 168 737	57 888	(75)	(288)	3 336 033	11 057	23 573 352
Transfer to and from Shareholder's Fund							
Transfer of (surplus) / deficit to shareholders' fund	(1 948 570)	(99 197)	(1 695)	(83)	–	(8 012)	(2 057 557)
Capital contribution from share holders' fund	–	–	–	–	16 487	–	16 487
Net Transfer to / from shareholders' fund	(1 948 570)	(99 197)	(1 695)	(83)	16 487	(8 012)	(2 041 070)
Balance of statutory funds at beginning of the year	112 260 529	1 565 489	22 274	1 278	5 153 137	135 414	119 138 121
Balance of statutory funds at end of the year	132 737 657	1 615 304	22 216	927	8 594 191	128 923	143 099 218

	31 December 19						(Rupees '000)
	Statutory Funds						Aggregate
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Family Takaful Investment Linked Business	Family Takaful Protection Business	31 December 2019
<b>Income</b>							<b>(Restated)</b>
Premium / Contribution less reinsurance / retakaful	24 404 187	2 601 542	661	721	3 848 668	274 608	31 130 387
Policy transfer from other statutory funds	–	–	–	–	11 247	–	11 247
Bonus units transfer to statutory fund	–	–	–	–	50 297	–	50 297
Net investment income	6 149 458	261 367	1 334	149	538 581	148 472	7 099 361
Total net income	30 553 645	2 862 909	1 995	870	4 448 793	423 080	38 291 292
<b>Insurance Benefits and Expenditures</b>							
Claims net of reinsurance recoveries	13 025 794	1 782 399	3 783	201	741 955	103 672	15 657 804
Policy transfer from other statutory funds	11 247	–	–	–	–	–	11 247
Bonus units transferred to statutory fund	–	–	–	–	50 297	–	50 297
Management expenses less recoveries	6 430 319	686 325	226	358	2 156 373	219 756	9 493 357
Total Insurance Benefits and Expenditures	19 467 360	2 468 724	4 009	559	2 948 625	323 428	25 212 705
Excess of income over Insurance Benefits and Expenditures	11 086 285	394 185	(2 014)	311	1 500 168	99 652	13 078 587
Net Change in Insurance Liabilities (Other than outstanding Claims)	(9 300 837)	(144 331)	2 135	167	(1 510 853)	(12 695)	(10 966 414)
Surplus / (Deficit) before tax	1 785 448	249 854	121	478	(10 685)	86 957	2 112 173
Movement in policyholders' liabilities	9 300 837	144 331	(2 135)	(167)	1 510 853	12 695	10 966 414
<b>Transfer to and from Shareholder's Fund</b>							
Transfer of (surplus) / deficit to shareholders' fund	(1 660 570)	(251 598)	(171)	(510)	–	(71 602)	(1 984 451)
Capital contribution from share holders' fund	–	–	–	–	93 241	–	93 241
Net Transfer to / from shareholders' fund	(1 660 570)	(251 598)	(171)	(510)	93 241	(71 602)	(1 891 210)
Balance of statutory funds at beginning of the year	102 834 817	1 422 896	24 457	1 480	3 559 726	107 368	107 950 744
Balance of statutory funds at end of the year	112 260 532	1 565 483	22 272	1 281	5 153 135	135 418	119 138 121

\* The corresponding Revenue Account of 2019 has been restated to reflect the restatements in Regulatory Return due to application of exemption on IFRS 16.

## 37.2 Segmental Results By Line Of Business

	Statutory Funds			Statutory Funds		
	Conventional			Conventional		
	Individual Life Direct sales force	Individual Life Bancassurance	Total 2020	Individual Life Direct sales force	Individual Life Bancassurance	Total 2019
<b>Income</b>						
Gross Premiums						
- First Year Individual Regular Premiums	2 370 847	1 801 823	4 172 670	2 410 036	2 816 055	5 226 091
- Individual Renewal Premiums	10 298 449	9 381 599	19 680 048	9 792 954	8 719 623	18 512 577
- Individual Single Premiums	282 642	101 688	384 330	370 075	407 410	777 485
- Group Premiums	—	—	—	—	—	—
Total Gross Premiums	12 951 938	11 285 110	24 237 048	12 573 065	11 943 088	24 516 153
Reinsurance Premiums						
- Individual	229 379	45 930	275 309	154 100	29 456	183 556
- Group	—	—	—	—	—	—
Total Reinsurance Premiums	229 379	45 930	275 309	154 100	29 456	183 556
<b>Net Premium Revenues</b>	12 722 559	11 239 180	23 961 739	12 418 965	11 913 632	24 332 597
Policy Transfers from Other Statutory Funds	22 069	—	22 069	11 247	—	11 247
Net Investment Income	11 460 443	7 842 528	19 302 971	3 661 407	2 471 753	6 133 160
	11 482 512	7 842 528	19 325 040	3 672 654	2 471 753	6 144 407
<b>Total Net Income</b>	24 205 071	19 081 708	43 286 779	16 091 619	14 385 385	30 477 004
<b>Insurance benefits and Expenditures</b>						
Insurance benefits, including bonuses, net of reinsurance	7 696 846	7 438 152	15 134 998	6 035 550	6 990 244	13 025 794
Policy Transfers to Other Statutory Funds	22 069	—	22 069	11 247	—	11 247
Management Expenses less Recoveries	3 432 789	2 294 568	5 727 357	3 535 758	2 913 102	6 448 860
<b>Total Insurance benefits and Expenditures</b>	11 151 704	9 732 720	20 884 424	9 582 555	9 903 346	19 485 901
<b>Excess of Income over Insurance benefits and Expenditure</b>	13 053 367	9 348 988	22 402 355	6 509 064	4 482 039	10 991 103
Add: Policyholder Liabilities at Beginning of Year	65 836 420	44 750 427	110 586 847	60 243 382	41 054 078	101 297 460
Less: Policyholder Liabilities at End of Year	77 646 450	53 117 238	130 763 688	65 839 307	44 750 427	110 589 734
<b>Surplus Before Tax</b>	1 243 337	982 177	2 225 514	913 139	785 690	1 698 829

### 37.3 Segment statement of financial position

(Rupees '000)

	As at 31 December 2020			As at 31 December 2019		
	Statutory Funds	Shareholder's Funds	Total	Statutory Funds	Shareholder's Funds	Total
Property and equipment	1 232 728	1 651 481	2 884 209	1 278 082	1 605 605	2 883 687
Intangible assets	–	38 700	38 700	–	24 733	24 733
Investments	140 557 370	1 874 663	142 432 033	115 103 349	961 940	116 065 289
Insurance / reinsurance receivables	200 586	–	200 586	253 999	–	253 999
Other loans and receivables	2 376 503	276 496	2 652 999	3 000 983	234 962	3 235 945
Taxation - payments less provision	6	854 646	854 652	6 334	1 054 887	1 061 221
Prepayments	81 666	–	81 666	51 216	–	51 216
Cash and Bank	5 284 869	50 222	5 335 091	5 669 245	44 304	5 713 549
<b>Total Assets</b>	<b>149 733 728</b>	<b>4 746 208</b>	<b>154 479 936</b>	<b>125 363 208</b>	<b>3 926 431</b>	<b>129 289 639</b>
Insurance Liabilities net of reinsurance recoveries	143 513 015	–	143 513 015	119 153 655	–	119 153 655
Deferred taxation	–	804 232	804 232	–	743 179	743 179
Premium / Contribution received in advance	1 220 107	–	1 220 107	969 354	–	969 354
Insurance / reinsurance payables	183 440	–	183 440	258 031	–	258 031
Other creditors and accruals	2 467 825	116 228	2 584 053	1 763 075	494 405	2 257 480
<b>Total Liabilities</b>	<b>147 384 387</b>	<b>920 460</b>	<b>148 304 847</b>	<b>122 144 115</b>	<b>1 237 584</b>	<b>123 381 699</b>

### 38. MOVEMENT IN INVESTMENTS

(Rupees '000)

	Held to maturity	Available for Sale	Fair value through profit & loss account	Deposit maturing within 12 months	Total
<b>At beginning of previous year</b>	3 740 698	446 794	86 584 045	15 049 100	105 820 637
Additions	13 050 623	6 647 402	380 300 117	163 450 000	563 448 142
Disposals (sale and redemptions)	( 13 358 000 )	( 5 250 000 )	( 379 008 661 )	( 158 840 100 )	( 556 456 761 )
Fair value net gains / (losses) (excluding net realised gains)	–	( 34 827 )	3 274 748	–	3 239 921
Impairment losses	–	13 350	–	–	13 350
<b>At beginning of current year</b>	3 433 321	1 822 719	91 150 249	19 659 000	116 065 289
Additions	7 169 094	33 014 125	55 987 553	79 458 159	175 628 931
Disposals (sale and redemptions)	( 5 432 775 )	( 30 878 425 )	( 39 059 755 )	( 80 055 159 )	( 155 426 114 )
Fair value net gains / (losses) (excluding net realised gains)	–	( 19 706 )	6 130 614	–	6 110 908
Designated at fair value through profit or loss upon initial recognition	–	–	–	–	–
Impairment gain	–	53 020	–	–	53 020
<b>At end of current year</b>	<b>5 169 640</b>	<b>3 991 733</b>	<b>114 208 661</b>	<b>19 062 000</b>	<b>142 432 034</b>

### 39. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK

#### 39.1 Insurance Risk

##### 39.1.1 Insurance Contracts and Takaful Contracts

##### 39.1.1.1 Classification

The company currently issues contracts that are classified as insurance and takaful contracts as they transfer significant insurance risk (against death, disability and sickness) from the policyholder to the company. In the past the company has issued contracts where the insurance risk transferred is insignificant, these therefore being classified as investment contracts. All contracts which include an investment element being unit-linked contracts linked to internal mutual funds.



The company classifies its business into Individual Life and Group Life businesses, in both cases the form of contract consisting of main plans and supplementary riders (which are generally optional).

Individual life business mainly consists of unit linked products and conventional protection products, in both cases with optional supplementary riders which generally provide protection only. Group Life business consists primarily of protection products and a relatively small number of unit-linked policies.

### 39.1.1.2 Contract details and measurement

The insurance contracts offered by the Company are described below:

#### 39.1.1.2.1 Individual Life Policies

These consist of the following types of policies:

##### (a) Unit - Linked Products:

These are medium to long term unit-linked plans designed to address a variety of future policyholder needs, such as retirement planning, education planning for children, marriage planning for children, life protection and investments and savings for future. Premiums received from policyholders and after deduction of specified charges including risk charges, are invested in internal unit funds of the company. The basic plan contains life cover over and above the unit value, with additional protection (for death, disability and sickness) being provided through the addition of optional riders.

Policyholder Liabilities for these plans (excluding attached riders) are measured as the sum of the fair value of units attached and the unearned part of any risk premiums charged.

##### (b) Conventional Protection Products:

Two types of products are offered under Individual life conventional business, these being medium to long term contracts with level premiums being paid over the policy period. The company offers a standard term life assurance product that offers protection in event of death as well as a decreasing term life assurance policy that covers outstanding loan balances.

Policyholder liabilities for both products are determined on a net premium basis by determining the present value of benefits less the present value of future net premiums, a theoretical net premium being calculated using conservative assumptions for mortality and the discount rate.

##### (c) Family Takaful Investment linked Products:

These are medium to long term unit-linked plans operated through Window Takaful Operations of EFU Life Assurance.

The Member liabilities are divided into two broad categories, unit reserves and non-unit reserves. The unit reserve comprises of the total units allocated to the Membership in the Participants' Investment Fund (PIF). The value of these units, at the bid price prevailing on the valuation date, forms the unit reserve. The non-unit reserve is the actuarial reserve in the Participants' Takaful Fund (PTF). The net non-unit reserve is calculated as the unearned mortality reserve which is calculated as the unexpired portion of the net mortality charges (Net of Wakala Fee and Retakaful Contribution) deposited into the PTF. The gross non unit reserve is calculated as the net reserve plus the unearned retakaful contribution paid.

##### (d) Accident and Health Products:

These consist of long term and short term Accident and Health products providing cover against accidental death, disability, sickness and critical illness, offered both as long term as well as yearly renewable plans.

"Policyholder Liabilities for short term contracts are evaluated using the unearned premium reserve method, taking into account the unexpired future period of risk, with a premium deficiency reserve being provided for where the company's management perceives that the premium being charged is not adequate. For the critical illness long-term contracts, liabilities are evaluated using a net premium method i.e. expected present value of benefits payable less expected present value of net premiums receivable.

##### (e) Other Supplementary Benefits:

"The company also offers a variety of supplementary benefits attached with main plans including additional term life assurance, income benefits, critical illness, sickness and accidental death and disability related benefits.

The methods used to determine policyholder liabilities differ with the nature and terms of these benefits. Most supplementary benefits related to death and critical illness, are identical to some main plans offered in individual life business, the valuation methods used for these being consistent with their related main plans. Measurement of liabilities for benefits related to accident disability, accidental death and sickness are based on unearned premium method.

##### (f) Reserve for Outstanding Losses (Individual life)

The company records reported losses as payable upon intimation of any claim. Unpaid claims are assessed from time to time and the liability measured in accordance with management's estimates of whether claims are payable or not.

Claims payable over a duration of more than one year are measured at the discounted value of expected payments.

The company also provides, as part of policyholder liabilities, a reserve for incurred but not reported claims (IBNR). The general lag approach, using chain-ladder method for IBNR is applied. Since the individual family takaful fund has become sizeable, an IBNR claims reserve has been set aside been determined using the Chain Ladder (CL) method subject to a minimum flooring net of reinsurance reserve.

### 39.1.1.2.2 Group Life and Group Family Takaful Protection Policies

#### **Nature of Contracts:**

The company's group life and group takaful business consists of one year term life contracts which provide coverage, in the event of death or disability, to:

- 1) Employees of a common employer, benefits payable under these contracts being either fixed, in case of death, or linked to the extent of loss incurred by the policyholder, in case of disability;
- 2) Customers of financial institutions, the contracts being issued to financial institutions to protect their customers' outstanding loan balances, such as on personal loan, mortgages and credit cards.

Unit-Linked Group Life policies are similar in nature to Individual-Life unit-linked products

#### **Policyholder Liabilities:**

"Policyholder liabilities consist of the following components:

##### **Net Unearned Premium Reserve**

The unearned premium reserve is the portion of premium that had been booked in the current period but pertains to a period that extends beyond the valuation date. The fraction of premium that is to be consumed in the succeeding period is considered to be unearned. The unearned premium is the aggregate for both posted and fluctuations in the unearned premium.

The unearned premium reserve is computed both gross and net of reinsurance, the methodology used for both being similar.

##### **Unit - Linked Group Life Policies**

Policyholder Liabilities for these policies are measured as the sum of the fair value of units attached and the unearned part of any risk premiums charged.

##### **Profit Commission Reserve (Accrued for Policyholders)**

This is the total accrued profit commission that is payable to policy holders at a future date. Profit commission for any policy normally becomes payable at the end of three policy years. However, accrued profit commission is calculated at the end of each policy year to account for the liability that has been created for that year. The sum of all such accrued profit commissions for all schemes is the Profit Commission reserve.

##### **Profit Commission Reserve (Accrued from Reinsurer)**

This is the total profit commission due from re-insurer on all reinsured schemes. Profit commission rates are applied on insured groups, based on their size. The total profit commission accrued from re-insurer is the sum of profit commissions for each group.

##### **Premium Deficiency Reserve / Contribution Deficiency Reserve**

The need for premium deficiency reserve / contribution deficiency reserve arises when the company expects to incur claims in excess of reserves set aside using conventional methods. The company analyzed its current portfolio of group contracts and evaluated loss ratios of group business, therefore a premium deficiency reserve / contribution deficiency reserve is held at the excess of expected claims and expenses over the net unearned premium /net unearned contribution reserve.

##### **Incurred But Not Reported (IBNR) Reserve**

The IBNR (incurred but not reported) reserve is an estimate of those claims that might have occurred but not yet reported. It is calculated using the IBNR triangulation methodology using last 5 years' claims development data and a combination of Chain Ladder (CL) and Expected Loss Ratio (ELR) methods.

### Reserve for Outstanding Losses (Group life)

The company records reported losses as payable upon intimation of any claim. Unpaid claims are assessed from time to time and the liability measured in accordance with management's estimates of whether claims are payable or not.

Claims payable over a duration of more than one year are measured at the discounted value of expected payments.

### Other Supplementary Benefits

The methods used to determine policyholder liabilities differ with the nature and terms of these benefits.

#### 39.1.1.3 Liability Adequacy Test

Liability adequacy test is applied to all long term contracts where necessary. The test is carried out using current best estimates of assumptions and future net cash flows, including premiums receivable and benefits payable.

To determine the adequacy of liabilities, assumptions must be based on realistic best estimates. At the moment, the company does not have sufficient mortality data for comparison with assumed life table EFU (61-66). The company compares efu(61-66) with recent mortality studies for similar groups. The comparison suggests that current actual mortality experience is better than the experience reflected in efu(61-66). Thus the company uses a modified version of efu(61-66) as a best estimate of mortality for liability adequacy test.

The investment return currently assumed for valuation is 3.75% p.a. This assumption reflects a long-term conservative return that the company expects to earn on assets backing these liabilities. On a more realistic view of current financial markets, the company estimates that a long term return on these assets of 6% is reasonable. Liabilities are re-evaluated at investment return assumption of 6% for Liability Adequacy Test.

The table below compares total policyholder liabilities under existing valuation basis with policyholder liabilities calculated using best estimate assumptions:

(Rupees in '000)

Assumption	Policyholder liabilities on existing valuation basis	Policyholder liabilities using best estimate assumptions
Mortality	140 223 302	139 979 207
Investment returns	140 223 302	140 210 947

The liabilities evaluated under these assumptions suggest that recognized liabilities are adequate and no further provision is required.

#### 39.1.2 Reinsurance / Retakaful contracts held:

The company has entered into reinsurance/retakaful (hereinafter referred to as "reinsurance") arrangements, for both its individual and group businesses, in order to manage risks associated with the frequency and severity of claims. These arrangements include cover under treaties as well as on a facultative basis. The terms of reinsurance treaties vary by type of business, the objective being to maintain a reasonable risk profile suiting the risk appetite and overall exposure to adverse movements in mortality or morbidity.

Primarily, reinsurance assets are amounts due from reinsurers with respect to recoveries under claims and profit commission. Reinsurance recoveries are measured according to the terms and conditions of the reinsurance contracts.

Reinsurance liabilities consist of amounts due to reinsurers on account of reinsurance premiums due which are measured according to the terms of the arrangements.

The details related to reinsurance assets and liabilities are shown below:

(Rupees in '000)

Reinsurer rating	Amounts due from reinsurers	Amounts due to reinsurers
'A' or above	24 481	183 440

The company assesses impairment on its reinsurance assets on a regular basis to identify any losses in recoveries. As of now, company's all reinsurance assets are due from reinsurers with a credit rating of "A or Above". The reinsurers maintain a sound credit history and hence no impairment provision is required for now.

### 39.1.3 Accounting estimates and judgments

The company makes several estimates of assumptions to evaluate its assets and liabilities reported in its financial statements. On the liability side, there are a number of factors that have a direct impact on policyholder liabilities. Assumptions are continually evaluated using internal analysis and monitoring processes to test validity of these assumptions.

#### 39.1.3.1 Mortality, Disability and Critical Illness

Mortality and disability rates are basic assumptions used in valuation of policyholder liabilities. For mortality, life table efu(61-66) is being currently used. The life table was published more than 40 years ago and may not reflect mortality improvements. For reserving purposes, a 10% mortality loading is used over efu (61-66) rates to build in conservatism.

An analysis of past mortality experience, reveals that 10% mortality loading for reserving purposes is appropriate to ensure prudence.

Sudden adverse experience in mortality might occur due to epidemics, causing deaths on a mass scale due to incurable contagious illnesses. Mortality may also deteriorate over a period of time, due to wide-scale changes in living life styles, eating and health habits.

Sensitivity test with respect to mortality is carried out and impact on policyholder liabilities is observed. When mortality rates increase by 10%, policyholder liabilities increase by 0.049%. Likewise, when mortality rates decrease by 10%, policyholder liabilities decrease by -0.049%.

In absence of credible disability and critical illness incidence rates, the company uses reinsurance rates for actuarial liability valuation of disability and critical illness benefits.

#### 39.1.3.2 Investment income

Investment income is an important assumption for valuation of long-term conventional plans. This is the rate at which future expected benefits and expected premiums are discounted. Currently, the valuation assumption used for investment income is 3.75% p.a.

"Sensitivity test with respect to investment income is carried out and its impact on policyholder liabilities observed. When investment rate is increased by 10%, policyholder liabilities decrease by 0.002%. Likewise, when investment income rate is decreased by 10%, policyholder liabilities increase by 0.002%."

#### 39.1.4 Frequency and Severity of claims

Frequency and severity can have a significant impact on total claims paid out by the company. High frequency of claims could occur due to adverse experience of mortality or disability. Adverse mortality experience, in short-term, could be due to a wide-range spread of fatal contagious disease, an epidemic. Over a longer term, overall health practices, eating and living habits could potentially have an adverse effect on mortality.

About 90% of company's business is concentrated in the provinces of Sindh and Punjab. This concentration is largely in line with the population of these provinces relative to country's total population. The company's diversified portfolio of contracts helps limit the frequency and severity of claims. However, in event of large number of deaths or disabilities, company does face the risk of paying out excessive claims. To manage and mitigate this exposure, arrangements in form of reinsurance and catastrophe cover are in place.

In Group life business, frequency and severity of claims can be affected by concentration of business in a specifically risky class of industry. Claim frequency can rise substantially from businesses in industries that are more prone to accidents due to the nature of work they perform. Likewise, severity of claims can also be associated with business concentration in a specific class of industry. The company continually monitors its concentration risk and takes measures to keep its business portfolio well diversified.

Contracts in group life, are mainly one year term life contracts, where premium rates are generally guaranteed for one year only. The company retains the right of changing premium rates by incorporating the claim experience of a group insured, thereby allowing the company to charge a specific group in line with its claim experience.

The company regularly carries out an exercise to monitor time lags between intimation and settlement claim dates. The study reveals that a significant portion of claims are settled within twelve months of claim intimation.

39.1.5 Sources of uncertainty in estimation of future benefit payments and premium receipts

The uncertainty with respect to future premiums and benefits may arise due to unexpected changes in mortality or disability experience. Adverse mortality experience will result in excess benefit payments, and reduced future premium income.

Likewise, unexpected changes in surrenders and lapses could also have a significant impact on future realized premiums. Estimates of lapses and surrenders are based on internal experience studies carried out annually. Factors that could affect policyholder behavior include market factors such as interest rates, policyholder preferences in terms of the monetary value that a policyholder relates with the insurance policy, the frequency of premium payments and the age of the individual.

39.1.6 Process used to decide on assumptions

Assumptions used to determine policyholder liabilities include, mortality/disability/critical illness rates, investment returns for conventional business, investment returns for investment linked business, expenses and mortality loading.

Mortality assumptions should in principle reflect adequate conservatism in liabilities. The Company considers efu(61-66) life table to be appropriate for actuarial valuation of policyholder liabilities.

Disability and Critical illness rates used for liability valuation are the reinsurance rates provided by the reinsurer. Due to lack of sufficient claim experience for these disabilities and critical illnesses, the company considers this as the best estimate available.

The company uses an investment return assumption of 3.75% per annum to evaluate actuarial liabilities of its conventional plans. Liabilities of conventional products should in principle reflect a long term conservative interest rate, to reflect adequate conservatism. An investment return of 3.75% per annum is hence considered appropriate.

For Unit Linked products where the death benefit is paid in form of annuity, the company uses a discount rate of 6% to evaluate present value of future stream of cash flows. In principle, the interest rate assumption set to discount cash flows should reflect the expected returns on assets backing these liabilities. The company expects to earn at least a 6% return on assets backing these unit-linked liabilities.

In valuation of unearned premium reserve for unit-linked plans a loading of 10% is applied on rates from efu(61-66). In opinion of company’s management and appointed actuary this assumption is prudent.

Since from Annual 2014 onwards the Company shall maintain 100% retention on its books on account of Solvency Margin, the Company will no longer keep an extra reserve on account of mortality fluctuation. It is the opinion of Company’s management and appointed actuary that this assumption is prudent.

The company reserves for any increase in actuarial liability resulting from the possible reinstatement of lapsed policies. The current liability valuation also takes into account cash value of units pertaining to policies lapsed in last 2 years. A unit-linked policy lapses when the second annual premium of policy is not received. In principle, cash value of a lapsed policy is not surrenderable, as per provisions and conditions, unless the second premium is paid and policy is reinstated. However, the company recognizes the possibility of these lapsed policies to be reinstated and hence carries out periodic studies to determine expected renewals. In opinion of the company’s management and appointed actuary assumptions used to set aside a liability against these lapsed policies is prudent.

For the purpose of liability adequacy tests the company makes assumptions relating to expenses. For this purpose regular expense analyses are carried out based on actual expenses and transaction volumes.

39.1.7 Sensitivity Analysis

The basic assumptions used in valuation of liabilities are mortality, disability, critical illness rates and investment returns assumed in discounting future cash flows. The table below presents sensitivity results with respect to above mentioned factors, with their impact observed on policyholder liabilities:

Sensitivity variable	% change in sensitivity variable	% change in policyholder liabilities
Worsening of mortality and critical illness rates	10%	0.049%
Improvement in mortality and critical illness rates	10%	-0.049%
Increase in investment returns	10%	-0.002%
Decrease in investment returns	10%	0.002%

39.1.8 Management of insurance, financial and other risks

39.1.8.1 Insurance Risk

The risk that company faces is due to randomness in occurrence of insured events. In principle, the company faces the risk that total claims exceed the reserves set aside at any point in time.

The occurrence of any single claim and amount paid on a single claim is a random event. However, as the number of contracts and independent lives increase, the estimated claim amounts and the number of claims get closer to the actual figures. This phenomenon is observed when pool of contracts is large enough and lives are independent. To manage this risk, company monitors its concentration risk, on several parameters, and maintains diversity in its portfolio of insurance contracts.

In order to maintain this diversification, the company takes a number of steps to manage the overall insurance risk of its portfolio of insurance contracts. The risk of an individual life is broadly assessed in light of its: medical condition, which include living habits, physical health and medical history; occupational condition, which assesses an individual's job profile and whether any characteristics of the job could have a significant impact on that individuals mortality; financial condition, which determines the individuals ability and affordability to purchase and maintain an insurance contract over the long-term.

The company identifies and defines parameters in its underwriting strategy to clearly identify individuals (sub-standard lives) which could potentially increase the overall risk of insurance portfolio. Based on certain parameters, such individuals pay an extra charge called Extra Mortality Premium, in order to compensate for extra risk added to existing pool of insured individuals. These measures allow the company to charge an individual life in line with the risk contributed to its insurance portfolio. These underwriting measures also discourage accumulation of sub-standard lives in the insured pool, thereby managing the overall insurance risk of company in the long-term.

The company also manages its geographical concentration of risk. Currently the company's geographical concentration of risk for its Individual Life sales force business is as follows:

Individual Conventional Business	Diversification of Risk Portfolio	
	Before Resinsurance	After Reinsurance
Azad Kashmir	2.14%	2.68%
Baluchistan	5.07%	6.04%
Gilgit Baltistan	1.63%	2.28%
Khyber Pakhtunkhwa	1.80%	2.12%
Punjab	39.95%	40.21%
Sindh	49.42%	46.67%
Individual Family Takaful business	Diversification of Risk Portfolio	
	Before Resinsurance	After Reinsurance
Azad Kashmir	2.30%	3.45%
Baluchistan	0.45%	0.45%
Gilgit Baltistan	0.00%	0.00%
Khyber Pakhtunkhwa	3.01%	4.47%
Punjab	49.08%	50.28%
Sindh	45.16%	41.35%

For Group Life business, the Company's geographical concentration of risk is as follows:

Conventional business:

	Diversification of Risk Portfolio	
	Before Resinsurance	After Reinsurance
Sindh	67.23%	64.72%
Punjab	32.77%	35.28%

Group Family Takaful business:

Sindh	87.99%	87.73%
Punjab	12.01%	12.27%



The company also has reinsurance arrangements with its reinsurance partners, to whom the company passes any excess insurance risk beyond its retention levels. Limits are continually monitored and kept in line with the overall risk tolerance. This allows the company to retain the risk according to its risk capacity and minimizes excessive claim payouts. Currently, the total risk retained on individual life products is Rs. 2,000,000 per life for the death risk, Rs. 1,000,000 for individual takaful policies and Rs. 1,000,000 for risks associated with critical illness plans. For Group Life, the company currently retains Rs. 2,000,000 of total life risk on each life and Rs. 1,000,000 for Group Family Takaful business. For critical life cover, 50% of the sum covered is retained for both, Group Life and Group Family Takaful business.

The company also has arrangements for claims in event of a catastrophic scenario under an Excess of Loss Catastrophe cover which is triggered in event of excessive claims, limiting total amount of claims paid out if such an event occurs.

#### 39.1.8.2 Other risks

The company faces a number of financial risks in its assets and liabilities, apart from insurance risk. These risks can be broadly categorized as expense risk, lapse risk, market risk, credit risk and liquidity risk. This section describes these risks on the company level and identifies and describes the processes and strategy of management to manage these risks.

#### 39.1.8.3 Expense risk

The risk that the Company faces is that future expenses may be higher than those used in pricing of products causing an expense overrun. The company mitigates this risk by incorporating a certain level of acceptable conservatism in building future policy expense factors in pricing and expects to maintain its actual expenses within these limits. Regular monitoring of expenses allows the Company to adjust its pricing in time to account for higher than expected expenses.

The Company closely monitors its expenses by regularly carrying out an expense analysis for its business. The assumptions for future policy expense levels are determined from the Company's most recent annual expense analysis, with an extra margin built-in to account for variability in future expenses. A review of product pricing is carried out each year based on the latest available expense factors. Constant monitoring of expenses enables the Company to take corrective actions in time.

Based on the results of expense analysis, the company apportions its management expenses to different lines of business.

#### 39.1.8.4 Lapse risk

The risk the Company faces is that future persistency rates may be lower than assumed in pricing, thus impacting the emergence of profit from its portfolio of individual life policies. The Company however is confident that this risk is insignificant as the company places tremendous emphasis on quality customer services and retention of clients by making persistency standard an integral part of the sales force culture. The Company has been consistently maintaining good levels of persistency and will continue a similar trend in future.

The Company has robust systems in place to regularly monitor the lapse experience. Regular focus on persistency is embedded in the Company culture and is an integral part of the monitoring of the sales force performance and remuneration.

#### 39.1.8.5 Market risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company is exposed to market risk in relation to its investments with respect to products other than unit linked products (in unit linked products, investment risk is borne by the policyholder). The Company limits market risk by maintaining a diversified portfolio and by continuously monitoring developments in government securities, equity and term finance certificates. The company, along with minimizing market risk by careful diversification in assets, also periodically carries out an Asset Liability management exercise, to match its duration of assets and liabilities.

#### 39.1.8.6 Credit risk and concentration of credit risk

Credit risk arises when one party fails to discharge its obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counter parties have similar types of business activities. As a result, any change in economic, political or other conditions would affect their ability to meet their contractual obligations. The Company is exposed to credit risk on premiums receivable from group clients, commission and claims recoverable from insurers and investment in term finance certificates. The management monitors exposure to credit risk through regular review of credit exposure, assessing credit worthiness of counter parties and prudent estimates of provision for doubtful debts. The Company believes it is not exposed to any major concentration of credit risk.

#### 39.1.8.7 Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its funding requirements, without incurring a material loss in disposing off its illiquid assets. To guard against this risk, the company maintains a healthy balance of cash and cash equivalents and readily marketable securities. Liquidity is monitored regularly and assets are frequently rebalanced to

maintain a certain level of liquidity at all times. Going forward, the company also plans to set up a contingency plan, whereby alternate sources of liquidity will be identified and assets would be analyzed and ranked in their liquidity order, to determine which assets would need to be disposed off first in case of a liquidity crisis.

The expected payouts in liabilities along with maturity profile of assets and liabilities are monitored to ensure that adequate liquidity is maintained within the company, to avoid the need of liquidating assets below their actual market value.

The following extract, classifies the assets and liabilities of the Company by type of product in each Statutory Fund as at 31 December 2020. The table below also presents details of assets under Shareholder's Fund.

(Rupees '000)

2020	Investment Linked Products (All unit main linked plans)	Conventional Products (Individual, Group Life, Riders)	Shareholders' Fund	Total
Available for sale:				
- Government Securities	70 315 265	–	–	70 315 265
- Other fixed income securities	7 944 738	–	–	7 944 738
Held to maturity:				
- Government Securities	–	2 565 215	1 580 620	4 145 835
- Other fixed income securities	–	29 000	10 000	39 000
Available for sale:				
- Listed equities	39 059 654	16 037	163 625	39 239 316
- mutual funds	1 565 461	–	119 910	1 685 371
- Unlisted equities and mutual funds	–	–	508	508
Loans and receivables	–	–	214 382	214 382
- Insurance receivables	–	176 105	–	176 105
Reinsurance assets	–	24 481	–	24 481
TDR and Bank Balances	23 764 952	581 917	50 222	24 397 091
Cash and stamps	4 901	24	–	4 925
Investment income accrued	1 942 190	49 325	12 114	2 003 629
Advances and deposits	223 666	65 444	–	289 110
Income tax asset	3	3	854 646	854 652
Prepayments	77 599	4 067	–	81 666
Sundry receivables	88 679	2 274	50 000	140 953
Fixed assets	1 232 728	–	1 690 181	2 922 909
<b>Total assets</b>	<b>146 219 836</b>	<b>3 513 892</b>	<b>4 746 208</b>	<b>154 479 936</b>

(Rupees '000)

	Investment Linked Products (All unit main linked plans)	Conventional Products (Individual, Group Life, Riders)	Shareholders' Fund	Total
<b>Long-term insurance contracts and investment contracts:</b>				
Fixed term	84 421 891	334 713	–	84 756 604
Whole of life	54 000 352	–	–	54 000 352
Short-term insurance contracts	–	1 175 214	–	1 175 214
Riders	–	291 132	–	291 132
Equity	–	–	4 201 750	4 201 750
Other liabilities	7 797 593	1 712 833	544 458	10 054 884
<b>Total liabilities</b>	<b>146 219 836</b>	<b>3 513 892</b>	<b>4 746 208</b>	<b>154 479 936</b>

## 40. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### 40.1 Financial risk management objectives and policies

The Company is exposed to a variety of financial risks: market risk (Comprising currency risk, interest rate risk, and other price risk), liquidity risk and credit risk in relation to the financial statements on its balance sheet.

The Company's overall risk management seeks to minimize potential adverse effects on the Company's financial performance of such risk.

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. There are Board Committees and Management Committees for developing risk management policies and its monitoring.

#### 40.1.1 Market Risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company is exposed to market risk with respect to its investments and with respect to products other than unit linked products (Where the investment risk is passed on to policyholders). The Company limits market risk by maintaining a diversified portfolio and by continuously monitoring developments in government securities, equity and term finance certificates. The Company, along with minimizing market risk by careful diversification in assets, also periodically carries out an Asset Liability management exercise, to match its duration of assets and liabilities.

##### 40.1.1.1 Interest Rate Risk Exposure

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company invests in securities and has bank balances and deposits that are subject to interest / mark-up rate risk. The Company limits interest / mark-up rate risk by monitoring changes in interest / mark-up rates in the currencies in which its cash and investments are denominated.

The information about Company's exposure to interest rate risk (other than relating to policyholders' liabilities) based on contractual reprising or maturity dates as of 31 December 2020, whichever is earlier, is as follows:

(Rupees '000)

On balance sheet financial instruments	31 December 2020						
	Interest / Markup Bearing			Non Interest / Non Markup Bearing			Total
	Maturity Up to 1 Year	Maturity after 1 Year	Sub Total	Maturity Up to 1 Year	Maturity after 1 Year	Sub Total	
<b>Assets</b>							
Investments	39 224 728	62 282 110	101 506 838	40 925 196	–	40 925 196	142 432 034
Loans and Other Receivables	17 645	236 052	253 697	2 399 299	–	2 399 299	2 652 996
Insurance Receivables	–	–	–	200 586	–	200 586	200 586
Cash and bank	5 330 191	–	5 330 191	4 900	–	4 900	5 335 091
	<u>44 572 564</u>	<u>62 518 162</u>	<u>107 090 726</u>	<u>43 529 981</u>	<u>–</u>	<u>43 529 981</u>	<u>150 620 707</u>
<b>Liability</b>							
Premium received in advance	–	–	–	1 220 106	–	1 220 106	1 220 106
Insurance / reinsurance payables	–	–	–	183 440	–	183 440	183 440
Other creditors and accruals	–	–	–	2 080 541	–	2 080 541	2 080 541
	<u>–</u>	<u>–</u>	<u>–</u>	<u>3 484 087</u>	<u>–</u>	<u>3 484 087</u>	<u>3 484 087</u>
Interest risk sensitivity gap	<u>44 572 564</u>	<u>62 518 162</u>	<u>107 090 726</u>	<u>40 045 894</u>	<u>–</u>	<u>40 045 894</u>	<u>147 136 620</u>
Cumulative interest risk sensitivity gap	<u>44 572 564</u>	<u>107 090 726</u>					

(Rupees '000)

	31 December 2019						
	Interest / Markup Bearing			Non Interest / Non Markup Bearing			
On balance sheet financial instruments	Maturity Up to 1 Year	Maturity after 1 Year	Sub Total	Maturity Up to 1 Year	Maturity after 1 Year	Sub Total	Total
<b>Assets</b>							
Investments	28 203 756	76 978 277	105 182 033	10 883 256	–	10 883 256	116 065 289
Loans and Other Receivables	24 932	194 529	219 461	3 016 484	–	3 016 484	3 235 945
Insurance Receivables	–	–	–	253 999	–	253 999	253 999
Cash and bank	5 700 148	–	5 700 148	13 400	–	13 400	5 713 548
	<u>33 928 836</u>	<u>77 172 806</u>	<u>111 101 642</u>	<u>14 167 139</u>	<u>–</u>	<u>14 167 139</u>	<u>125 268 781</u>
<b>Liability</b>							
Premium received in advance	–	–	–	969 354	–	969 354	969 354
Insurance / reinsurance payables	–	–	–	258 031	–	258 031	258 031
Other creditors and accruals	–	–	–	2 257 480	–	2 257 480	2 257 480
	<u>–</u>	<u>–</u>	<u>–</u>	<u>3 484 865</u>	<u>–</u>	<u>3 484 865</u>	<u>3 484 865</u>
Interest risk sensitivity gap	<u>33 928 836</u>	<u>77 172 806</u>	<u>111 101 642</u>	<u>10 682 274</u>	<u>–</u>	<u>10 682 274</u>	<u>121 783 916</u>
Cumulative interest risk sensitivity gap	33 928 836	111 101 642					

The effective interest rate range (per annum) for the financial assets is as follows:

	2020	2019
Saving and other accounts	5.5% to 7.5%	9% to 12%
Deposits	6.25% to 13.45%	11.75% to 13.8%
Loans and advances	6% to 10%	8% to 12.5%
Investments	7.10% to 12.30%	12.74% to 13.74%

#### 40.1.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Company, at present is not materially exposed to currency risk as majority of the transactions are carried out in Pak Rupees.

#### 40.1.1.3 Other Price Risk

Other price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

#### 40.1.1.4 Equity Price Risk

The Company's listed securities are susceptible to market price risk arising from uncertainties about the future value of investment securities. The Company limits market risk by maintaining a diversified portfolio. In addition, the Company actively monitors the key factors that affect stock market. In the equity portfolio, the top three sectors by exposure are Oil and Gas, Banks and Chemicals.

#### 40.1.2 Credit Risk

Credit risk arises when one party fails to discharge its obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counter parties have similar types of business activities. As a result, any change in economic, political or other conditions would affect their ability to meet their contractual obligations. The Company is exposed to credit risk on premiums receivable from group clients, commission and claims recoverable from insurers and investment in term finance certificates. The management monitors exposure to credit risk through regular review of credit exposure, assessing credit worthiness of counter parties and prudent estimates of provision for doubtful debts. The Company believes it is not exposed to any major concentration of credit risk.

The credit quality of Company's bank balances (including Term Deposit Receipts) can be assessed with reference to external credit ratings as follows:

(Rupees '000)		
Rating of Banks*	2020	2019
A	19 039	1 729 068
A+	1 000 000	5 463 338
AA	–	2 657 700
A-	3 967 000	5 400 000
AA-	–	100 000
AA+	–	2 798 000
AAA	–	7 211 000
A-1+	17 956 548	–
A-1	1 449 017	–
A-2	562	–
	<u>24 392 166</u>	<u>25 359 106</u>

\*Rating of banks performed by PACRA and VIS.

The credit quality of Company's exposure on TFCs can be assessed with reference to rating issued by rating agency as follows:

(Rupees '000)				
Issuer of TFC	Rating	Rating Agency	2020	2019
Bank Al Habib ADT 1	AA	PACRA	360 909	400 000
Bank Al Habib ADT 2	AA	PACRA	97 048	99 960
Bank Al Habib TFC	AA	PACRA	200 000	392 940
Al Baraka Bank	A-	PACRA	7 141	14 866
Byco Oil Pakistan	AAA	PACRA	41 514	73 781
Bank Al-Falah Ltd	AA	PACRA	–	115 015
United Bank Ltd.	AAA	VIS	1 250 000	1 250 000
Soneri Bank Tier II Perpetual TFC	A+	PACRA	50 000	50 000
Askari Bank Ltd. TIER I	AA	PACRA	500 000	500 000
HBL	A1+	VIS	200 000	200 000
JS Bank Limited	A	PACRA	500 000	500 000
Bank Alfalah Perpetual TFC	AA	PACRA	100 000	100 000
Askari Bank	AA	PACRA	99 040	–
Bank Alfalah	AA	PACRA	500 000	–
			<u>3 905 652</u>	<u>3 696 562</u>

Investment in Government securities are not exposed to any credit risk.

The management monitors exposure to credit risk in premium receivable from group clients through regular review of credit exposure and prudent estimates of provision for doubtful debts. As of 31 December 2020, there was no provision for doubtful premiums as all the premiums receivable were considered good.

#### 40.1.3 Capital risk managements

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses. The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

Currently the Company has a paid up capital of Rs. 1 billion against the minimum required paid-up capital of Rs. 500 million set by the SECP for the life insurance Companies for the year ended 31 December 2019.

In addition, the Company is also required to maintain minimum solvency in accordance with the rules and regulations set by the SECP, which are fully met by the Company.

#### 41. FAIR VALUE

Investments on the balance sheet are carried at fair value except for investments in unquoted investments which are stated at cost. The Company is of the view that the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short term in nature.

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

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

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

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

(Rupees '000)

31 December 2020												
On balance sheet financial instruments	Fair value through profit and loss designated upon initial recognition	Available for sale	Held to maturity	Loans and Receivables	Other financial assets	Other financial liabilities	Total	Fair value				Total
								Level 1	Level 2	Level 3		
Financial assets measured at fair value												
- Investments												
Government Securities (T-bills + PIBs + Sukuks)	67 013 519	-	-	-	-	-	67 013 519	-	67 013 519	-	67 013 519	
Sukuk Bonds (other than government)	3 859 532	-	-	-	-	-	3 859 532	-	3 859 532	-	3 859 532	
Listed equity securities	38 958 658	280 659	-	-	-	-	39 239 317	39 239 317	-	-	39 239 317	
Unlisted equity securities	-	508	-	-	-	-	508	-	-	508	508	
Units of mutual funds	1 558 312	127 059	-	-	-	-	1 685 371	-	1 685 371	-	1 685 371	
Debt securities (Listed TFCs)	3 914 206	-	-	-	-	-	3 914 206	3 914 206	-	-	3 914 206	
Financial assets not measured at fair value												
- Government Securities (T-bills + PIBs + Sukuks)	-	-	7 447 581	-	-	-	7 447 581	-	7 954 646	-	7 954 646	
- Balances with banks *	24 397 091	-	-	-	-	-	24 397 091	-	-	-	-	
- Certificate of Investment	210 000	-	-	-	-	-	210 000	-	-	-	-	
- Advances	-	-	-	214 382	-	-	214 382	-	-	-	-	
- Investment income accrued	-	-	-	-	2 003 629	-	2 003 629	-	-	-	-	
- Other loans and receivables (excluding markup accrued)*	-	-	-	-	2 438 614	-	2 438 614	-	-	-	-	
	139 911 318	408 226	7 447 581	214 382	4 442 243	-	152 423 750	-	-	-	-	
Financial liabilities not measured at fair value												
Deferred taxation	-	-	-	-	-	804 232	804 232	-	-	-	-	
Premium received in advance	-	-	-	-	-	1 220 106	1 220 106	-	-	-	-	
Insurance / reinsurance payables	-	-	-	-	-	183 440	183 440	-	-	-	-	
Other creditors and accruals	-	-	-	-	-	2 080 541	2 080 541	-	-	-	-	
	-	-	-	-	-	4 288 319	4 288 319	-	-	-	-	
	139 911 318	408 226	7 447 581	214 382	4 442 243	(4 288 319)	148 135 431	-	-	-	-	



(Rupees '000)

31 December 2019

On balance sheet financial instruments	Fair value through profit and loss designated upon initial recognition	Available for sale	Held to maturity	Loans and Receivables	Other financial assets	Other financial liabilities	Total	Fair value				Total
								Level 1	Level 2	Level 3		
Financial assets measured at fair value												
- Investments												
Government Securities (T-bills + PIBs + Sukuks)	70 853 495	-	-	-	-	-	70 853 495	-	70 853 495	-	-	70 853 495
Sukuk Bonds (other than government)	4 677 570	-	-	-	-	-	4 677 570	-	4 677 570	-	-	4 677 570
Listed equity securities	10 297 217	174 817	-	-	-	-	10 472 034	10 472 034	-	-	-	10 472 034
Unlisted equity securities	508	-	-	-	-	-	508	-	-	508	-	508
Units of mutual funds	265 847	144 867	-	-	-	-	410 714	-	410 714	-	-	410 714
Debt securities (Listed TFCs)	4 431 921	-	-	-	-	-	4 431 921	4 431 921	-	-	-	4 431 921
Financial assets not measured at fair value												
- Government Securities (T-bills + PIBs + Sukuks)	-	-	5 350 047	-	-	-	5 350 047	-	5 340 466	-	-	5 340 466
- Balances with banks*	25 372 548	-	-	-	-	-	25 372 548	-	-	-	-	-
- Certificate of Investment	210 000	-	-	-	-	-	210 000	-	-	-	-	-
- Advances	-	-	-	172 543	-	-	172 543	-	-	-	-	-
- Investment income accrued	-	-	-	-	2 760 117	-	2 760 117	-	-	-	-	-
- Other loans and receivables (excluding markup accrued)*	-	-	-	-	3 063 402	-	3 063 402	-	-	-	-	-
	116 109 106	319 684	5 350 047	172 543	5 823 519	-	127 774 899	-	-	-	-	-
Financial liabilities not measured at fair value												
Deferred taxation	-	-	-	-	-	743 179	743 179	-	-	-	-	-
Premium received in advance	-	-	-	-	-	969 354	969 354	-	-	-	-	-
Insurance / reinsurance payables	-	-	-	-	-	258 031	258 031	-	-	-	-	-
Other creditors and accruals	-	-	-	-	-	2 257 480	2 257 480	-	-	-	-	-
	-	-	-	-	-	4 228 044	4 228 044	-	-	-	-	-
	116 109 106	319 684	5 350 047	172 543	5 823 519	( 4 228 044 )	123 546 855	-	-	-	-	-

\*The Company has not disclosed the fair values for these financial assets and liabilities, as these are for short term or repriced over short term. Therefore their carrying amounts are reasonable approximation of fair value.

## 42. STATEMENT OF SOLVENCY

(Rupees '000)

	Shareholders' Fund	Statutory Funds						Aggregate 31 December 2020
		Investment Linked Business	Conventional Business	Pension Business	Accident & Health Business	Individual Family Takaful	Group Family Takaful	
<b>Assets</b>	1 210 670	1 232 728	-	-	-	-	-	2 443 398
Property and Equipment	38 700	-	-	-	-	-	-	38 700
Intangible assets	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-
Investment in subsidiaries and associates	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Equity Securities	284 043	38 117 274	16 037	4 758	-	2 503 083	-	40 925 195
Government securities	1 580 620	68 998 350	2 282 764	12 055	2 473	1 304 860	279 978	74 461 100
Debt securities	10 000	6 791 372	14 000	-	-	1 153 366	15 000	7 983 738
Term deposits	-	16 098 000	60 000	10 000	-	2 894 000	-	19 062 000
Others	-	-	-	-	-	-	-	-
Loans secured against life insurance policies	-	-	-	-	-	-	-	-
Insurance / reinsurance receivables	-	-	183 517	-	-	-	17 069	200 586
Other loans and receivables	481 601	2 553 374	102 623	208	40	228 646	14 380	3 380 872
Deferred taxation	854 647	-	-	-	-	3	3	854 653
Prepayments	-	71 738	4 058	-	9	5 861	-	81 666
Cash & Banks	50 222	3 078 428	485 265	9	1 300	1 684 516	35 352	5 335 092
<b>Total Assets (A)</b>	<b>4 510 503</b>	<b>136 941 264</b>	<b>3 148 264</b>	<b>27 030</b>	<b>3 822</b>	<b>9 774 335</b>	<b>361 782</b>	<b>154 767 000</b>
<b>In-admissible assets as per following clauses of section 32(2)</b>								
32 (2) (o) interfund	( 169 342 )	-	-	-	-	-	-	( 169 342 )
32 (2) (u) Fixed Asset	( 1 210 670 )	-	-	-	-	-	-	( 1 210 670 )
32 (2) (i) Intangible	( 38 700 )	-	-	-	-	-	-	( 38 700 )
32 (2) (b) Tax	-	-	-	-	-	-	-	-
32 (2) (d) Unsecured Loan	( 69 464 )	-	-	-	-	-	-	( 69 464 )
32 (2) (f) Secured Loan	( 51 210 )	-	-	-	-	-	-	( 51 210 )
32 (2) (h) Premium due	-	-	( 64 383 )	-	-	-	( 4 920 )	( 69 303 )
34 (2) (b) Bank Balance	-	-	-	-	-	-	-	-
34 (2) (l) Bank Guarantee	-	( 66 370 )	-	-	-	-	-	( 66 370 )
34 (2) (a) Money Market	( 4 124 )	( 710 )	( 9 )	-	-	( 19 815 )	( 2 712 )	( 27 370 )
<b>Total In-admissible Assets (B)</b>	<b>( 1 543 510 )</b>	<b>( 67 080 )</b>	<b>( 64 392 )</b>	<b>-</b>	<b>-</b>	<b>( 19 815 )</b>	<b>( 7 632 )</b>	<b>( 1 702 429 )</b>
<b>Total Admissible Assets (C=A+B)</b>	<b>2 966 993</b>	<b>136 874 184</b>	<b>3 083 872</b>	<b>27 030</b>	<b>3 822</b>	<b>9 754 520</b>	<b>354 150</b>	<b>153 064 571</b>
<b>Total Liabilities</b>								
Insurance Liabilities net of Reinsurance Recoveries	-	-	-	-	-	-	-	-
Retirement benefit Obligation	-	-	-	-	-	-	-	-
Deferred taxation	166 966	-	-	-	-	-	-	166 966
Borrowings	-	-	-	-	-	-	-	-
Premium received in advance	-	988 302	72 579	-	-	149 971	9 255	1 220 107
Insurance / reinsurance payables	-	83 724	59 257	-	-	5 291	35 168	183 440
Other creditors and accruals	116 228	3 131 580	1 401 124	4 813	2 895	977 316	188 433	5 822 389
Taxation - provision less payments	-	-	-	-	-	-	-	-
<b>Total Liabilities (D)</b>	<b>283 194</b>	<b>4 203 606</b>	<b>1 532 960</b>	<b>4 813</b>	<b>2 895</b>	<b>1 132 578</b>	<b>232 856</b>	<b>7 392 902</b>
<b>Total Net Admissible Assets (E= C-D)</b>	<b>2 683 799</b>	<b>132 670 578</b>	<b>1 550 912</b>	<b>22 217</b>	<b>927</b>	<b>8 621 942</b>	<b>121 294</b>	<b>145 671 669</b>
<b>Minimum Solvency Requirement</b>								
Shareholder's Fund	165 000	-	-	-	-	-	-	165 000
Policyholders Liability	-	130 736 437	1 097 520	21 855	776	8 284 627	82 088	140 223 303
Solvency Margin	-	1 934 141	453 392	362	151	81 391	39 206	2 508 643
<b>Excess / (Deficit) in Net Admissible Assets over minimum requirement</b>	<b>2 518 799</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>255 924</b>	<b>-</b>	

#### 43. NUMBER OF EMPLOYEES

	31 December 2020	31 December 2019
Number of employees as at 31 December	2660	2561
Average number of employees as at 31 December	2610	2395

#### 44. GENERAL

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

Certain prior year's figures have been rearranged and reclassified, wherever necessary, to facilitate comparisons.

#### 45. SUBSEQUENT EVENTS - NON ADJUSTING

The Board of Directors has proposed a cash dividend of Rs. 10.50 per share (2019: Rs. 10.50 per share) amounting to Rs. 1,050 million (2019: Rs. 1,050 million) at its meeting held on 24 February 2021 for the approval of the members at the Annual General Meeting to be held on 31 March 2021.

#### 46.. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on 24 February 2021.

TAHER G. SACHAK  
Managing Director &  
Chief Executive

SYED SHAHID ABBAS  
Chief Financial  
Officer

SAIFUDDIN N. ZOOMKAWALA  
Director

HASANALI ABDULLAH  
Director

RAFIQUE R. BHIMJEE  
Chairman

Karachi February 24, 2021



LIFE

# POWER THROUGH

EFU Life Window Takaful Operations  
Annual Financial Statements  
Report (Un-audited / Un-reviewed)  
for the year ended 31 December 2020



# Statement of Financial Position (Un-Audited / Un-reviewed)

## As at 31 December 2020

(Rupees '000)

	Note	Operator Sub Fund	Policyholder Sub Fund	31 December 2020	31 December 2019
<b>Assets</b>					
Investments					
Equity securities	5	–	2 503 083	2 503 083	147 634
Government securities	6	354 300	1 230 538	1 584 838	872 969
Debt securities	7	10 000	1 158 366	1 168 366	1 201 589
Term deposits	8	278 000	2 616 000	2 894 000	2 474 000
Takaful / retakaful receivables		–	17 069	17 069	13 276
Other loans and receivables		119 537	619 569	739 106	1 187 063
Deferred tax asset		49 103	–	49 103	54 398
Prepayments		5 861	–	5 861	9 019
Cash & Bank	9	83 788	1 636 080	1 719 868	1 382 351
<b>Total Assets</b>		<b>900 589</b>	<b>9 780 705</b>	<b>10 681 294</b>	<b>7 342 299</b>
<b>Equity and Liabilities</b>					
Cede Money		50 000	–	50 000	50 000
Capital contributed by shareholder's fund		220 795	( 4 326 )	216 469	298 964
Qard-e-Hasna		( 43 535 )	43 535	–	–
Retained Earning arising from business other than participating business		89 024	–	89 024	56 348
attributable to shareholder's (Ledger account D)					
Accumulated losses		( 120 218 )	–	( 120 218 )	( 133 181 )
<b>Total Equity</b>		<b>196 066</b>	<b>39 209</b>	<b>235 275</b>	<b>272 131</b>
<b>Liabilities</b>					
Insurance Liabilities	10	–	8 871 914	8 871 914	5 345 812
Takaful contribution received in advance		–	159 226	159 226	121 412
Takaful / retakaful payables		–	40 459	40 459	72 677
Deferred Tax Liability		–	–	–	–
Other creditors and accruals		704 523	669 897	1 374 420	1 530 267
<b>Total Liabilities</b>		<b>704 523</b>	<b>9 741 496</b>	<b>10 446 019</b>	<b>7 070 168</b>
<b>Total Equity and Liabilities</b>		<b>900 589</b>	<b>9 780 705</b>	<b>10 681 294</b>	<b>7 342 299</b>
<b>Contingency(ies) and commitment(s)</b>	11				

The annexed notes 1 to 23 form an integral part of these financial statements.

TAHER G. SACHAK  
Managing Director &  
Chief Executive

SYED SHAHID ABBAS  
Chief Financial  
Officer

SAIFUDDIN N. ZOOMKAWALA  
Director

HASANALI ABDULLAH  
Director

RAFIQUE R. BHIMJEE  
Chairman

Karachi February 24, 2021



# Statement of Profit and Loss Account (Un-Audited / Un-reviewed) For The Year Ended 31 December 2020

(Rupees '000)

	Note	Operator's Sub Fund		Policyholder's Fund		Aggregate	
		Year ended 31 December		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019	2020	2019
Contribution Revenue		1 635 906	1 433 865	3 782 307	2 780 677	5 418 213	4 214 542
Contribution ceded to reinsurers		–	–	( 121 232 )	( 80 019 )	( 121 232 )	( 80 019 )
<b>Net Contribution revenue</b>	12	1 635 906	1 433 865	3 661 075	2 700 658	5 296 981	4 134 523
Wakalat-ul-Istismar – PIF		333 370	231 145	( 333 370 )	( 231 145 )	–	–
Wakala Fee – PTF		192 553	216 527	( 192 553 )	( 216 527 )	–	–
Investment income	13	54 866	44 310	490 557	376 426	545 423	420 736
Net realised fair value gains / (losses) on financial assets	14	800	( 1 906 )	140 864	( 207 196 )	141 664	( 209 102 )
Net fair value gains / (losses) on financial assets at fair value through profit or loss	15	2 396	253	421 968	27 495	424 364	27 748
		583 985	490 329	527 466	( 250 947 )	1 111 451	239 382
<b>Net income</b>		2 219 891	1 924 194	4 188 541	2 449 711	6 408 432	4 373 905
Takaful benefits		–	–	896 114	882 427	896 114	882 427
Recoveries from retakafuls		–	–	( 105 714 )	( 36 800 )	( 105 714 )	( 36 800 )
Claims related expenses		–	–	–	–	–	–
<b>Net Takaful Benefits</b>	16	–	–	790 400	845 627	790 400	845,627
Net Change in Takaful Liabilities (other than outstanding claims)		–	–	3,398,141	1,604,084	3,398 141	1 604 084
Acquisition expenses	17	1 934 350	1 696 195	–	–	1 934 350	1 696 195
Marketing and administration expenses	18	267 283	245 526	–	–	267 283	245 526
<b>Total Expenses</b>		2 201 633	1 941 721	3 398 141	1 604 084	5 599 774	3 545 805
<b>Profit / (Loss) before tax</b>		18 258	( 17 527 )	–	–	18 258	( 17 527 )
Income tax	19	( 5 295 )	5 083	–	–	( 5 295 )	5 083
<b>Profit / (Loss) for the year</b>		12 963	( 12 444 )	–	–	12 963	( 12 444 )
<b>Earnings per share - Rupees</b>		0.13	( 0.12 )	–	–	0.13	( 0.12 )

The annexed notes 1 to 23 form an integral part of these financial statements.

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Karachi February 24, 2021





# Statement of Comprehensive Income (Un-Audited / Un-reviewed) For The Year Ended 31 December 2020

(Rupees '000)

	Operator's Sub Fund		Policyholder's Fund		Aggregate	
	Year ended 31 December		Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019	2020	2019
Profit / (Loss) for the year - as per Profit and Loss Account	12 963	( 12 444 )	–	–	12 963	( 12 444 )
<b>Other Comprehensive Income:</b>						
<b>Items that may be reclassified to profit and loss in subsequent periods:</b>						
Change in unrealised gains / (losses) on available-for-sale financial assets	–	–	–	–	–	–
Reclassification adjustment relating to available-for-sale investments sold during the period	–	–	–	–	–	–
Related deferred tax	–	–	–	–	–	–
Other comprehensive income for the period- net of tax	–	–	–	–	–	–
<b>Total comprehensive income / (loss) for the year</b>	<b>12 963</b>	<b>( 12 444 )</b>	<b>–</b>	<b>–</b>	<b>12 963</b>	<b>( 12 444 )</b>

The annexed notes 1 to 23 form an integral part of these financial statements.

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# Cash Flow Statement (Un-Audited / Un-reviewed)

## For The Year Ended 31 December 2020

(Rupees '000)

	31 December 2020	31 December 2019
<b>Operating cash flows</b>		
<b>a ) Takaful activities</b>		
Takaful contribution received	5 452 234	4 241 892
Retakaful contribution paid	( 153 450 )	( 73 643 )
Claims paid	( 779 015 )	( 839 326 )
Retakaful and other recoveries received	105 714	36 800
Commission paid	( 1 171 720 )	( 1 052 189 )
Marketing and Administrative expenses paid	( 267 283 )	( 245 526 )
Other acquisition cost paid	( 522 861 )	( 509 090 )
Net cash flow from underwriting activities	2 663 619	1 558 918
<b>b ) Other operating activities</b>		
Other operating payments	( 293 569 )	70 543
Other receipts on operating assets	470 853	( 33 368 )
Net cash flow from other operating activities	177 284	37 175
<b>Total cash flow from all operating activities</b>	<b>2 840 903</b>	<b>1 596 093</b>
<b>Investment activities</b>		
Profit / Return received	499 261	344 453
Dividends received	32 959	26 526
Payments for investments	( 3 198 980 )	( 3 646 409 )
Proceed from disposal of investments	730 913	3 198 248
<b>Total cash flow from investing activities</b>	<b>( 1 935 847 )</b>	<b>( 77 182 )</b>
<b>Financing activities</b>		
Net Capital contributed from shareholder's fund	( 147 539 )	6 252
Surplus appropriated to shareholder's fund		
<b>Total cash flow from financing activities</b>	<b>( 147 539 )</b>	<b>6 252</b>
<b>Net cash flow from all activities</b>	<b>757 517</b>	<b>1 525 163</b>
Cash and cash equivalents at beginning of the year	3 856 351	2 331 188
Cash and cash equivalents at end of the year	4 613 868	3 856 351
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	2 840 903	1 596 093
Depreciation expense	( 99 123 )	( 77 026 )
Amortization expense	( 2 923 )	( 1 668 )
Loss on disposal of investments	141 664	( 209 103 )
Dividend Income	32 959	26 526
Other investment income	533 290	400 527
Appreciation / (Depreciation) in market value of investments	403 537	21 431
(Decrease) / Increase in assets other than cash	( 465 820 )	55 239
Increase in liabilities	( 3 371 524 )	( 1 824 463 )
<b>Profit / (loss) after taxation</b>	<b>12 963</b>	<b>( 12 444 )</b>

The annexed notes 1 to 23 form an integral part of these financial statements.

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# Statement of Changes in Equity (Un-Audited / Un-reviewed)

## For The Year Ended 31 December 2020

(Rupees '000)

	Attributable to the equity holders' of the Company						Total
	Cede Money	Capital Contribution from main Shareholder Fund	General Reserve	Retained earnings arising from business other than participating business attributable to shareholders (ledger account D)-net of tax*	Surplus on revaluation of available for sale investment	Unappropriated Profit	
Balance as at 1 January 2019	50 000	231 392	–	38 974	–	( 120 737 )	199 629
Capital contribution from shareholder's fund	–	106 503	–	–	–	–	106 503
Profit transferred to main shareholder's fund	–	( 21 557 )	–	–	–	–	( 21 557 )
(Loss) for the year ended 31 December 2019	–	–	–	–	–	( 12 444 )	( 12 444 )
Other Comprehensive income/(loss)	–	–	–	–	–	–	–
Total loss for the year ended 31 December 2019		–	–	–	–	( 12 444 )	( 12 444 )
Contribution to increase solvency margin		( 17 374 )	–	17 374	–	–	–
Balance as at 31 December 2019	50 000	298 964	–	56 348	–	( 133 181 )	272 131
Balance as at 1 January 2020	50 000	298 964	–	56 348	–	( 133 181 )	272 131
Capital contribution from shareholder's fund	–	26 109	–	–	–	–	26 109
Profit transferred to main shareholder's fund	–	( 71 602 )	–	–	–	–	( 71 602 )
Income for the year ended 31 December 2020	–	–	–	–	–	12 963	12 963
Other Comprehensive income/(loss)	–	–	–	–	–	–	–
			–	–	–	12 963	12 963
Contribution to increase solvency margin	–	( 32 676 )	–	32 676	–	–	–
Capital contribution transferred to policy holder liability	–	( 4 326 )	–	–	–	–	( 4 326 )
<b>Balance as at 31 December 2020</b>	<b>50 000</b>	<b>216 469</b>	<b>–</b>	<b>89 024</b>	<b>–</b>	<b>( 120 218 )</b>	<b>235 275</b>

\*This include balances maintained in accordance with the requirements of section 35 of the Insurance Ordinance ,2000 read with rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for the carrying on of the life insurance business.

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Karachi February 24, 2021



# Notes to and forming part of the Financial Statements For The Year Ended 31 December 2020

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 EFU Life Assurance Limited (the Company) was incorporated in Pakistan on 09 August 1992 as a public limited company under the Repealed Companies Ordinance, 1984 (now Companies Act, 2017) and started its operation from 18 November 1992. The shares of the Company are quoted on Pakistan Stock Exchange. The Registered office of the Company is located at Al-Malik Centre, 70W, F-7/G-7 Jinnah Avenue, Islamabad while principal place of business is located at EFU Life House Plot No.112, 8th East street, Phase 1, DHA, Karachi.
- 1.2 The Company is a subsidiary of EFU General Insurance Limited on the basis of its ability to control the composition of the Board of Directors of EFU Life Assurance Limited effective 31 March 2018.
- 1.3 The Company is engaged in life insurance business including ordinary life business, pension fund business and accident and health business and has established following statutory funds, as required by the Insurance Ordinance, 2000:
  - Family Takaful Investment Linked Business (Refer note 1.4)
  - Family Takaful Protection Business (Refer note 1.4)
- 1.4 The Company was granted authorisation on 19 January 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Takaful Window Operation in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on 6 February 2015 under the brand name "Hemayah". For the purpose of carrying on takaful business, the Company has formed a Waqf namely EFU Life - Window Family Takaful Limited Waqf (here-in-after referred to as the Participant Takaful Fund (PTF)) was formed on 6 February 2015 under a Waqf deed executed by the Company with a cede amount of Rs. 2 million. The cede 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 Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Company.

## 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

- 2.1 These financial statements have been prepared on the format of financial statements issued by the Securities and Exchange Commission of Pakistan (SECP) through the Insurance Rules, 2017 vide its S.R.O. 89(1) / 2017 dated 09 February 2017.
- 2.2 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:
  - International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Takaful Rules, 2012 and Insurance Accounting Regulations, 2017; and
  - Islamic Financial Accounting Standards (IFAS) (as a lease) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017.

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

### 2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the available for sale investments which are stated at their fair values.

### 2.4 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded to the nearest thousands.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation adopted in the preparation of the financial information are consistent with those followed in the preparation of the annual financial statements of the Company for the year ended 31 December 2019.

### 3.1 Significant Accounting Policies - Window Family Takaful Operations

#### 3.1.1 Takaful Contracts

The takaful contracts are based on the principles of Wakala Waqf Model. Takaful is a program based on Shariah compliant, approved concept founded on the principles of mutual cooperation, solidarity and brotherhood.

The obligation of Waqf for Waqf participants' liabilities is limited to the amount available in the Waqf fund. In the event where there is insufficient funds in Waqf to meet their current payments less receipts, the deficit is funded by way of an interest free loan (Qard-e-Hasna) from the Operator sub fund to participant takaful fund and group family takaful. The amount of Qard-e-Hasna is refundable to the Operator sub fund.

Technical reserves are stated at a value determined by the appointed actuary through an actuarial valuation carried out as at each balance sheet date, in accordance with section 50 of the Insurance Ordinance, 2000.

#### 3.1.2 Group Takaful

The group family takaful contracts are issued typically on yearly renewable term basis. The Company offers group term life and group credit plans to its participants.

#### 3.1.3 Individual Takaful Contracts Unit - Linked

The Company offers unit-linked Takaful plans which provide Shariah compliant financial protection and investment vehicle to individual participants contribution received from policyholders, after deducting specific charges and takaful donations, are invested in internal unit funds of the Company.

The basic plan contains family takaful cover over and above the unit value with additional protection.

#### 3.1.4 Retakaful

These contracts are entered into by the Company with retakaful operator under which the retakaful operator cedes the takaful risk assumed during normal course of its business and according to which the Waqf is compensated for losses on contract issued by it are classified as retakaful contracts held.

##### Retakaful Contribution

Retakaful contribution is recorded at the time the retakaful is ceded. Surplus from retakaful operator is recognized in the revenue account.

##### Retakaful Expenses

Retakaful expenses are recognized as a liability in accordance with the pattern of recognition of related contribution.

##### Retakaful assets and liabilities

Retakaful assets represent balances due from retakaful operators. Recoverable amounts are estimated in a manner consistent with the associated retakaful treaties.

Retakaful liabilities represent balances due to retakaful operators. Amounts payable are calculated in a manner consistent with the associated retakaful treaties.

Retakaful assets are not offset against related retakaful liabilities. Income or expenses from retakaful contract are not offset against expenses or income from related retakaful contracts as required by Insurance Ordinance, 2000.

Retakaful assets and liabilities are derecognized when the contractual rights are extinguished or expired.

#### 3.1.5 Business Segment - Window Family Takaful Operation

The Company has two primary business segment for reporting purposes; Family Takaful Investment Linked Business and Family Takaful Protection Business.

- a) The Family Takaful Investment Linked Business segments provides family takaful coverage to individuals under unit -linked policies issued by the PTF.
- b) The Family Takaful Protection Business segment provides family takaful coverage to member of business enterprises, corporate entities and common interest groups under group family takaful scheme operated by the Company.

#### 3.1.6 Takaful operator's fee

The shareholders of the Company manage the family takaful operations for the participants and act as Wakeel of the Waqf fund. The Company is entitled for the wakala fee for the management of takaful operation under Waqf fund to meet its general and administrative expenses.

The window takaful operator is also entitled for Wakalt-ul-Istismar fee as it manages Participant Investment Fund.

### 3.1.7 Revenue recognition

Individual first year contribution are recognized once the related policies have been issued and the contribution received. Renewal contribution are recognized upon receipt of contribution provided the policy is still in force. Individual single contribution are recognized once the related policies are issued against the receipts of contribution.

Group contribution are recognized when due. A provision for unearned contribution is included in the policyholders' liabilities.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires 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 historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and any future periods affected.

## 5. INVESTMENTS IN EQUITY SECURITIES

(Rupees '000)

	Note	31 December 2020	31 December 2019
Available for Sale	5.1	–	–
At Fair value through profit or loss (Designated - upon initial recognition)	5.2	2 503 083	147 634
		<u>2 503 083</u>	<u>147 634</u>

### 5.1 Available for Sale

(Rupees in '000)

	31 December 2020			31 December 2019		
	Cost	Impairment / Provision	Carrying Value	Cost	Impairment / Provision	Carrying Value
<b>5.2 Fair Value through Profit and Loss (Designated - upon initial recognition)</b>						
<b>Related Parties</b>						
Listed Shares	–	–	–	–	–	–
<b>Others</b>						
Listed Shares	2 015 337	–	2 503 083	122 789	–	147 634
	<u>2 015 337</u>	<u>–</u>	<u>2 503 083</u>	<u>122 789</u>	<u>–</u>	<u>147 634</u>

## 6. GOVERNMENT SECURITIES

(Rupees '000)

	Note	31 December 2020	31 December 2019
Held to Maturity	6.1	846 753	16 931
Fair value through profit or loss (Designated - upon initial recognition)	6.2	738 085	856 038
		<u>1 584 838</u>	<u>872 969</u>

### 6.1 Held to Maturity

(Rupees in '000)

	31 December 2020				
	Maturity Year	Effective Yield	Amortised Cost	Principal Repayment	Carrying Value
03 Years Government Ijara	2023	6.27%	199 107	199 089	199 107
10 Years Pakistan Energy Sukuk 1	2029	8.05%	194 947	197 160	194 947
10 Years Pakistan Energy Sukuk 11	2030	7.25%	452 699	452 700	452 699
			<u>846 753</u>	<u>848 949</u>	<u>846 753</u>



## 6.2 Fair Value through Profit and Loss (Designated - upon initial recognition)

(Rupees in '000)

	31 December 2020				
	Maturity Year	Effective Yield	Amortised Cost	Principal Repayment	Carrying Value
03 Years Government Ijara	2023	5.95	148 930	148 825	147 185
10 Years Pakistan Energy Sukuk 1	2029	8.05	613 357	620 840	540 600
10 Years Pakistan Energy Sukuk 11	2030	7.25	50 300	50 300	50 300
			<u>812 587</u>	<u>819 965</u>	<u>738 085</u>

- 6.3 Market value of government securities carried at amortized cost amounted to Rs. 5,340 million (2018: Rs. 5,105 million).
- 6.4 Government securities includes Rs.115 million (2018: Rs. 125 million) placed with the State Bank of Pakistan, in accordance with Section 29 of the Insurance Ordinance, 2000.

## 7. INVESTMENT IN DEBT SECURITIES

### Fair Value through Profit and Loss (Designated - upon initial recognition)

(Rupees in '000)

		31 December 2020			31 December 2019		
	Note	Cost	Impairment / (Provision)	Carrying Value	Cost	Impairment / (Provision)	Carrying Value
<b>Others</b>							
Corporate Sukuks	7.1	1 168 366	–	1 168 366	1 103 857	–	1 103 857
Commercial papers	7.3	–	–	–	97 732	–	97 732
		<u>1 168 366</u>	<u>–</u>	<u>1 168 366</u>	<u>1 201 589</u>	<u>–</u>	<u>1 201 589</u>

### 7.1 Corporate Sukuks

(Rupees in '000)

			No. of Certificates			Carrying Amount	
	Yield	Maturity	31 December 2020	31 December 2019	Face Value	31 December 2020	31 December 2019
IBL Sukuk	8.2	2021	250	5 000	20	10 565	207 544
K Electric	8.29	2022	25 000	7 500	10	37 879	62 869
Dawood Hercules	8.30	2022	5 819	2 000	200	127 617	161 488
HUBCO Sukuk	9.19	2023	28 571	7 000	7	204 497	200 000
Engro Polymer & Chemicals Ltd.	8.2	2026	2 050	1 000	202	208 977	17 959
Neelum Jehlum Hydropower	9.1	2026	1 250	12 500	8	88 516	103 997
Meezan Bank Ltd	12.15	Perpetual	50 000	100 000	5	250 000	250 000
DIBL Tier I Sukuk	9.05	Perpetual	20 000	20 000	5	100 000	100 000
BankIslami EHAD Sukuk Tier 1	10.04	Perpetual	28 063	–	–	140 315	–
						<u>1 168 366</u>	<u>1 103 857</u>

### 7.2 Commercial Paper

KEL Islamic Commercial Paper	–	–	–	1	500 000	–	97 732
						<u>–</u>	<u>97 732</u>
						<u>1 168 366</u>	<u>1 201 589</u>

(Rupees '000)

	Note	31 December 2020	31 December 2019
<b>8. INVESTMENTS IN TERM DEPOSITES</b>			
Deposit maturity within 12 months		2 894 000	2 474 000
<b>9. CASH AND BANK</b>			
Cash and Cash Equivalent			
Cash in hand		15	4
Cash at bank			
Current account		523 647	460 104
Saving account		1 196 206	922 243
		1 719 868	1 382 351
<b>9.1 Cash and cash equivalents for cash flow purpose comprise of the following:</b>			
- Cash and others		15	4
- Cash at bank		1 719 853	1 382 347
- Term deposits maturing within three months		2 894 000	2 474 000
		4 613 868	3 856 351
<b>10. TAKAFUL LIABILITIES</b>			
Reported outstanding claims	10.1	246 615	117 932
Incurred but not reported claims	10.2	70 630	31 577
Investment component of unit-linked and account value policies	10.3	8 135 178	4 876 131
Liabilities under individual conventional insurance contracts	10.4	91 633	68 972
Liabilities under group insurance contracts ( other than investment linked )	10.5	52 119	37 377
Other liabilities		47 566	41 029
Participant takaful fund balance	10.6	228 173	172 794
		8 871 914	5 345 812
<b>10.1 Reported Outstanding Claims</b>			
<b>Gross of Retakaful</b>			
Payable within one year		229 463	112 364
Payable over a period of time exceeding one year		45 031	19 362
		274 494	131 726
<b>Recoverable from Retakaful</b>			
Receivable over a period of time exceeding one year		( 27 879 )	( 13 794 )
		( 27 879 )	( 13 794 )
Net reported outstanding claims		246 615	117 932
<b>10.2 Incurred But Not Reported Claims</b>			
Gross of retakaful		127 037	37 942
Retakaful recoveries		( 56 407 )	( 6 365 )
Net of retakaful		70 630	31 577
<b>10.3 Investment Component of Unit Linked and Account Value Policies</b>			
Investment component of unit linked policies		8 135 175	4 876 131
Investment component of account value policies		-	-
		8 135 178	4 876 131
<b>10.4 Liabilities under Individual Conventional takaful Contracts</b>			
Gross of Retakaful		142 445	110 754
Retakaful Credit		( 50 812 )	( 41 782 )
Net of Reinsurance		91 633	68 972
<b>10.5 Liabilities under Group Insurance Contracts ( other than investment linked )</b>			
Gross of Reinsurance		61 386	44 444
Reinsurance Credit		( 9 267 )	( 7 067 )
Net of Reinsurance		52 119	37 377

- 10.6** This comprises of surplus of Individual Family Takaful - Participant Takaful Fund, which relates exclusively to participants of the Individual Family Takaful Fund and is not available for distribution to shareholders. Under the Waqf Deed of Individual Family Takaful Fund read with Rule 21 of Takaful Rules, 2012, the surplus arising in the Participants Sub Fund can only be distributed to the Participants of that Fund based on approval of the Appointed Actuary. The surplus has been classified under insurance liabilities as clarified by SECP.

## 11. CONTINGENCIES AND COMMITMENTS

The contingencies and commitments reported in the main financials of the Company also includes impacts of Window Takaful Operations as at December 31, 2020. Out of the reported amount thereon, an amount of Rs.110.69 million pertains to Window Takaful Operations. There were no other material contingencies and commitments as at December 31, 2020.

(Rupees '000)

	Note	Aggregate	
		31 December 2020	31 December 2019
<b>12. NET CONTRIBUTION REVENUE</b>			
<b>Gross contribution</b>			
Regular contribution individual policies			
First year		2 041 163	1 773 666
Second year renewal		1 215 079	996 070
Subsequent year renewal		1 615 979	944 821
Single contribution individual policies		235 693	173 329
Group policies with cash values		790	960
Group policies without cash values		309 509	325 696
<b>Total gross contribution</b>		<b>5 418 213</b>	<b>4 214 542</b>
<b>Less: Retakaful contribution ceded</b>			
On individual life first year business		18 707	8 503
On individual life second year business		15 118	9 946
On individual life renewal business		29 654	14 095
On group policies		65 683	51 088
Less: Experience refund from reinsurers		( 7 930 )	( 3 613 )
<b>Total reinsurance premium / retakaful contribution ceded</b>		<b>121 232</b>	<b>80 019</b>
<b>Net premium / contribution</b>		<b>5 296 981</b>	<b>4 134 523</b>
<b>13. INVESTMENT INCOME</b>			
<b>Income from equity securities</b>			
<b>At fair value through profit and loss (Designated upon initial recognition)</b>			
Dividend income		32 959	26 526
<b>Available for Sale</b>			
Dividend income		—	—
<b>Income from debt securities</b>			
<b>At fair value through profit and loss (Designated upon initial recognition)</b>			
Return on debt securities		254 329	207 333
On government securities		( 206 137 )	102 981
<b>Held to maturity</b>			
On government securities		282 533	( 106 634 )
<b>Income from term deposits</b>			
Return on term deposits		181 739	190 530
		<b>545 423</b>	<b>420 736</b>

(Rupees '000)

Aggregate

	31 December 2020	31 December 2019
<b>14. NET REALISED FAIR VALUE GAINS (LOSSES) ON FINANCIAL ASSETS</b>		
Available for sale		
Realised gains on:		
– Equity securities	144 733	55 665
– Government securities	–	–
Realised losses on:		
– Equity securities	( 3 069 )	( 264 767 )
	<u>141 664</u>	<u>( 209 102 )</u>
<b>15. NET FAIR VALUE GAINS (LOSSES) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - UNREALISED</b>		
Net unrealised gains / (Losses) on investments at fair value through profit or loss (designated upon initial recognition) - Equity Securities	424 364	27 748
Total investment income	<u>424 364</u>	<u>27 748</u>
	<u>424 364</u>	<u>27 748</u>
<b>16. NET TAKAFUL BENEFITS</b>		
Gross claims		
Claims under individual policies		
by death	91 871	60 191
by insured event other than death	–	–
by maturity	–	–
by surrender	584 959	700 575
Total gross individual policy claims	<u>676 830</u>	<u>760 766</u>
Claims under group policies		
by death	203 688	116 236
by insured event other than death	15 596	5 425
by maturity	–	–
by surrender	–	–
Total gross group claims	<u>219 284</u>	<u>121 661</u>
Total gross claims	<u>896 114</u>	<u>882 427</u>
Less: Retakaful recoveries		
On individual life claims	48 671	18 811
On group life claims	57 043	17 989
Total retakaful recoveries	<u>105 714</u>	<u>36 800</u>
Net takaful benefit expense	<u>790 400</u>	<u>845 627</u>

(Rupees '000)

Aggregate

**17 ACQUISITION EXPENSES**

Remuneration to takaful intermediaries on individual policies:

– Commission to agent on first year contributions	844 981	739 369
– Commission to agent on second year contributions	119 072	99 222
– Commission to agent on subsequent renewal contributions	57 487	32 853
– Commission to agent on single contributions	6 718	4 390
– Override commission to supervisors	155 903	132 596
– Other benefits to takaful intermediaries Salaries, allowances and other benefits	472 806	427 405

Remuneration to takaful intermediaries on group policies:

– Commission	68 856	62 152
– Other benefits to takaful intermediaries	8 206	764

Other acquisition costs

– Traveling expenses	6 468	21 021
– Printing and stationery	8 139	6 104
– Depreciation	77 240	56 991
– Rent, rates and taxes	2 751	2 016
– Electricity, gas and water	16 588	14 512
– Entertainment	10 922	7 982
– Vehicle running expenses	2 158	2 818
– Office repairs & maintenance	6 103	18 580
– Postages, telegrams and telephone	8 213	9 352
– Finance Cost	13 594	11 526
– Others	12 804	15 345
– Medical fees	3 873	2 874
– Policy stamps	31 468	28 323

1 934 350

1 696 195

**18. MARKETING AND ADMINISTRATION EXPENSES**

Employee benefit cost	130 238	113 053
Traveling expenses	6 576	9 643
Advertisements and sales promotion	5 550	7 336
Printing and stationery	11 735	9 465
Depreciation	21 883	20 035
Amortisation	2 923	1 668
Rent, rates and taxes	1 599	1 451
Legal and Professional charges	6 587	8 753
Electricity, gas and water	5 769	4 847
Entertainment	6 418	7 502
Vehicle running expenses	448	732
Office repair and maintenance	12 877	11 218
Appointed actuary fees	2 197	1 686
Bank charges	4 364	2 593
Postage, internet and telephone	14 330	12 703
Fees and subscription	6 455	4 258
Annual supervision fee SECP	8 317	6 585
Miscellaneous	19 017	21 998
	267 283	245 526

(Rupees '000)

**19. TAX FOR THE YEAR**

Aggregate

	31 December 2020	31 December 2019
Current	( 5 295 )	–
Deferred		5 083
	( 5 295 )	5 083

**20. RELATED PARTY TRANSACTIONS**

The related parties comprise of holding company, directors, key management personnel, associated companies/ associated undertakings, and entities with common directors and retirement benefit fund. Compensation of key management personnel are on employment terms. Contribution to the provident fund is in accordance with the service rules. Change to the defined contribution is in accordance with the actuarial advice. Other transactions are at agreed rates. Details of transactions with related parties during the period, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

(Rupees '000)

	31 December 2020	31 December 2019
<b>Transactions</b>		
<b>Associated companies / Related Party</b>		
Premium written	5 849	3 990
Premium paid	3 324	1 596
Claims paid	3 779	500
Commission paid	58 885	65 398
Interest / profit received	130 516	79 249
Investment purchased	150 000	–
Placement of TDR	300 000	500 000
TDR matured	100 000	–
<b>Key Management Personnel Transactions</b>		
Premium written	892	–
<b>Employees' funds</b>		
Contribution to provident fund	2 851	2 520
Contribution to pension fund	882	671
<b>Balances</b>		
Bank balances	1 029 198	825 862
Bank deposits	900 000	600 000
Premium payable	–	569
Premium receivable	1 411	–
Investment in Related Party	140 315	–
Claims outstanding - Related party	–	2 155



## 21. SEGMENTAL INFORMATION

### 21.1 Revenue Account by Statutory Fund

(Rupees '000)

Aggregate

	Family Takaful Investment Linked Business	Family Takaful Protection Business	31 December 2020
<b>Income</b>			
Contribution less retakaful	5 031 087	243 826	5 274 913
Policy transfer from other statutory funds	22 069	–	22 069
Bonus units transfer to statutory fund	53 773	–	53 773
Net investment income / wakala income	1 529 312	108 061	1 637 373
Total net income	6 636 241	351 887	6 988 128
<b>Takaful Benefits and Expenditures</b>			
Claims net of retakaful recoveries	628 158	162 241	790 399
Policy transfer from other statutory funds	–	–	–
Bonus units transfer to statutory fund	53 773	–	53 773
Management expenses less recoveries	2 529 743	188 125	2 717 868
Total takaful Benefits and Expenditures	3 211 674	350 366	3 562 040
Excess of income over takaful Benefits and Expenditures	3 424 567	1 521	3 426 088
<b>Net Change in takaful Liabilities (Other than outstanding Claims)</b>	( 3 336 033 )	( 11 057 )	( 3 347 090 )
<b>Surplus / (Deficit) before tax</b>	88 534	( 9 536 )	78 998
<b>Movement in takaful liabilities</b>	3 336 033	11 057	3 347 090
<b>Transfer to and from Shareholder's Fund</b>			
Transfer of (surplus) / deficit to shareholders' fund	–	( 8 012 )	( 8 012 )
Capital contribution from share holders' fund	16 487	–	16 487
Net Transfer to / from shareholders' fund	16 487	( 8 012 )	8 475
Balance of statutory funds at beginning of the year	5 153 137	135 414	5 288 551
Balance of statutory funds at end of the year	8 594 191	128 923	8 723 114

(Rupees '000)

Aggregate

	Family Takaful Investment Linked Business	Family Takaful Protection Business	31 December 2019
<b>Income</b>			
Contribution less retakaful	3 848 668	274 608	4 123 276
Policy transfer from other statutory funds	11 247	–	11 247
Bonus units transferred to statutory funds	50 297	–	50 297
Net investment income	538 581	148 472	687 053
Total net income	4 448 793	423 080	4 871 873
<b>Takaful Benefits and Expenditures</b>			
Claims net of retakaful recoveries	741 955	103 672	845 627
Policy transfer from other statutory funds	–	–	–
Bonus units transferred to statutory funds	50 297	–	50 297
Management expenses less recoveries	2 156 373	219 756	2 376 129
Total Insurance Benefits and Expenditures	2 948 625	323 428	3 272 053
Excess of income over Takaful Benefits and Expenditures	1 500 168	99 652	1 599 820
<b>Net Change in Takaful Liabilities (Other than outstanding Claims)</b>	( 1 510 853 )	( 12 695 )	( 1 523 548 )
<b>(Deficit) / surplus before tax</b>	( 10 685 )	86 957	76 272
<b>Movement in takaful liabilities</b>	1 510 853	12 695	1 523 548
<b>Transfer to and from Shareholder's Fund</b>			
Transfer of (surplus) / deficit to shareholders' fund	–	(71 602 )	( 71 602 )
Capital contribution from share holders' fund	93 241	–	93 241
Net Transfer to/from shareholders' fund	93 241	(71 602 )	21 639
Balance of statutory funds at beginning of the year	3 559 726	107 368	3 667 094
Balance of statutory funds at end of the year	5 153 135	135 418	5 288 553

## 22. FAIR VALUE

Investments on the balance sheet are carried at fair value except for investments in non unit-linked funds which are stated at lower of cost or market value and unquoted investments which are stated at cost. The Company is of the view that the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short term in nature.

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

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

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

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

(Rupees '000)

31 December 2020											
On balance sheet financial instruments	Fair value through profit and loss designated upon initial recognition	Available for sale	Held to maturity	Loans and Receivables	Other financial assets	Other financial liabilities	Total	Fair value			Total
								Level 1	Level 2	Level 3	
Financial assets measured at fair value											
- Investments											
Government Securities (T-bills + PIBs + Sukuks)	738 085	-	-	-	-	-	738 085	-	738 085	-	738 085
Sukuk Bonds (other than government)	1 168 366	-	-	-	-	-	1 168 366	-	1 168 366	-	1 168 366
Listed equity securities	2 503 083	-	-	-	-	-	2 503 083	2 503 083	-	-	2 503 083
Unlisted equity securities	-	-	-	-	-	-	-	-	-	-	-
Units of mutual funds	-	-	-	-	-	-	-	-	-	-	-
Debt securities (Listed TFCs)	-	-	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value											
- Government Securities (T-bills + PIBs + Sukuks)	-	-	846 753	-	-	-	846 753	-	352 518	-	352 518
- Balances with banks *	4 613 868	-	-	-	-	-	4 613 868				
- Certificate of Investment	-	-	-	-	-	-	-				
- Advances	-	-	-	-	-	-	-				
- Investment income accrued	-	-	-	-	96 381	-	96 381				
- Other loans and receivables (excluding markup accrued)*	-	-	-	-	739 106	-	739 106				
	9 023 402	-	846 753	-	835 487	-	10 705 642				
Financial liabilities not measured at fair value											
Deferred taxation	-	-	-	-	-	-	-				
Premium received in advance	-	-	-	-	-	159 226	159 226				
Insurance / reinsurance payables	-	-	-	-	-	40 459	40 459				
Other creditors and accruals	-	-	-	-	-	1 374 420	1 374 420				
	-	-	-	-	-	1 574 105	1 574 105				
	9 023 402	-	846 753	-	835 487	( 1 574 105 )	9 131 537				

(Rupees '000)

31 December 2019

On balance sheet financial instruments							Fair value				Total
	Fair value through profit and loss designated upon initial recognition	Available for sale	Held to maturity	Loans and Receivables	Other financial assets	Other financial liabilities		Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>											
- Investments											
Government Securities (T-bills + PIBs + Sukuks)	856 038	-	-	-	-	-	856 038	-	872 969	-	872 969
Sukuk Bonds (Other than government)	1 103 857	-	-	-	-	-	1 103 857	-	1 103 857	-	1 103 857
Listed equity securities	147 634	-	-	-	-	-	147 634	147 634	-	-	147 634
Unlisted equity securities	-	-	-	-	-	-	-	-	-	-	-
Units of mutual funds	-	-	-	-	-	-	-	-	-	-	-
Debt securities (Listed TFCs)	97 732	-	-	-	-	-	97 732	97 732	-	-	97 732
<b>Financial assets not measured at fair value</b>											
- Government Securities (T-bills + PIBs + Sukuks)	-	-	16 931	-	-	-	16 931	-	16 931	-	16 931
- Balances with banks *	3 856 351	-	-	-	-	-	3 856 351	-	-	-	-
- Certificate of Investment	-	-	-	-	-	-	-	-	-	-	-
- Advances	-	-	-	-	-	-	-	-	-	-	-
- Investment income accrued	-	-	-	-	83 178	-	83 178	-	-	-	-
- Other loans and receivables (excluding markup accrued)*	-	-	-	-	128 748	-	128 748	-	-	-	-
	6 061 612	-	16 931	-	211 926	-	6 290 469	-	-	-	-
<b>Financial liabilities not measured at fair value</b>											
Deferred taxation	-	-	-	-	-	-	-	-	-	-	-
Premium received in advance	-	-	-	-	-	121 412	121 412	-	-	-	-
Insurance / reinsurance payables	-	-	-	-	-	72 677	72 677	-	-	-	-
Other creditors and accruals	-	-	-	-	-	673 817	673 817	-	-	-	-
	-	-	-	-	-	867 906	867 906	-	-	-	-
	6 061 612	-	16 931	-	211 926	(867 906)	5 422 563	-	-	-	-

\*The Company has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term. Therefore their carrying amounts are reasonable approximation of fair value.

## 23. GENERAL

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

Certain prior year's figures have been rearranged and reclassified, wherever necessary, to facilitate comparisons.

### 23.1 DATE OF AUTHORIZATION FOR ISSUE

These financial statement were authorized for issue by the Board of Directors of the Company in their meeting held on 24 February 2021.

TAHER G. SACHAK  
Managing Director &  
Chief Executive

SYED SHAHID ABBAS  
Chief Financial  
Officer

SAIFUDDIN N. ZOOMKAWALA  
Director

HASANALI ABDULLAH  
Director

RAFIQUE R. BHIMJEE  
Chairman

Karachi February 24, 2021



# Statements under Section 52(2) of Insurance Ordinance 2000

## Statement by Appointed Actuary

I have reviewed the Balance Sheet and Revenue Account and related notes prepared by the Company for the year ending December 31, 2020. In my opinion:

- (a) the policyholder liabilities included in the balance sheet have been determined in accordance with the provisions of the Insurance Ordinance, 2000 ("the Ordinance"); and
- (b) each statutory fund set up by the Company, after accounting for the capital contribution, complies with the solvency requirements of the Ordinance.

OMER MORSHED, FCA, FPSA, FIA  
Appointed Actuary

## Statement by Directors

(As per the requirement of section 46(6) and section 52(2)(c) of the Insurance Ordinance, 2000).

### Section 46(6)

- a. In our opinion the annual statutory account of EFU Life Assurance Ltd. set out in the forms attached to the statement have been drawn up in accordance with the Ordinance and any rules made there under.
- b. EFU Life Assurance Ltd. has at all times in the year complied with the provision of the Ordinance and the rules made there under relating to paid-up capital, solvency and reinsurance arrangements, and
- c. As at December 31, 2020 EFU Life Assurance Ltd, continues to be in compliance with the provisions of the Ordinance and rules made there under relating to paid-up capital, solvency and reinsurance arrangement.

### Section 52(2)(c)

- d. In our opinion each statutory fund of EFU Life Assurance Ltd. complies with the solvency requirement of the Insurance Ordinance, 2000 and the Insurance Rules, 2017.

TAHER G. SACHAK  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Director

HASANALI ABDULLAH  
Director

RAFIQUE R. BHIMJEE  
Chairman

Karachi February 24, 2021



# Pattern of Shareholding

## as at 31 December 2020

Number of Shareholders	Shareholdings		Holding Shareholders
	From	To	
172	1	100	6 760
259	101	500	7 4 270
120	501	1000	9 8 404
295	1001	5000	8 11 453
57	5001	10000	4 14 517
18	10001	15000	2 23 154
15	15001	20000	2 51 712
13	20001	25000	2 98 457
3	25001	30000	8 1 329
5	30001	35000	1 58 405
6	35001	40000	2 30 567
3	40001	45000	1 23 137
6	45001	50000	2 89 915
2	50001	55000	1 03 952
4	55001	60000	2 28 096
3	60001	65000	1 88 411
2	65001	70000	1 35 104
3	75001	80000	2 35 834
3	80001	85000	2 49 656
1	85001	90000	8 6 300
3	95001	100000	3 00 000
1	100001	105000	1 03 997
2	105001	110000	2 14 061
1	120001	125000	1 25 000
1	125001	130000	1 28 469
1	130001	135000	1 31 554
1	165001	170000	1 67 000
1	175001	180000	1 76 063
1	180001	185000	1 82 402
1	185001	190000	1 87 146
1	205001	210000	2 09 400
1	210001	215000	2 11 400
1	215001	220000	2 19 600
1	245001	250000	2 50 000
1	270001	275000	2 70 155
1	280001	285000	2 81 300
1	345001	350000	3 49 865
1	405001	410000	4 06 123
1	440001	445000	4 43 300
1	545001	550000	5 45 971
1	575001	580000	5 76 470
1	585001	590000	5 87 600
3	940001	945000	2 834 000
1	945001	950000	9 48 229
1	950001	955000	9 52 621
1	1185001	1190000	1 189 600
1	1285001	1290000	1 288 835
1	1290001	1295000	1 292 518
1	3480001	3485000	3 482 596
1	3515001	3520000	3 519 981
1	10000001	10005000	10 000 463
1	20045001	20050000	20 047 708
1	44085001	44090000	44 087 140
1028			100 000 000

## Information as required under the Code of Corporate Governance

Categories of Shareholders	Shareholders	Shares held	Percentage
<b>Directors and their spouse(s) and minor children</b>			
Rafique R.Bhimjee	2	3,512,796	3.51
Saifuddin N. Zoomkawala	1	443,300	0.44
Taher Gulamhusein Sachak	2	525,928	0.53
Hasanali Abdullah	1	187,146	0.19
Syed Salman Rashid	1	10,000,463	10.00
Ali Raza Siddiqui	1	500	0.00
Rukhsana Shah	1	500	0.00
Daanish Bhimjee	1	500	0.00
Ruhail Mohammad	1	500	0.00
Ahsen Ahmed	1	500	0.00
Naila Bhimjee	1	1,288,835	1.29
Lulua Saifuddin Zoomkawala	1	55,432	0.06
Rehana Salman	2	222,602	0.22
<b>Associated Companies, undertakings and related parties</b>			
Efu General Insurance Limited	2	44,368,440	44.37
Efu Life Assurance Ltd. Emp. Prov. Fund	2	760	0.00
J S Bank Limited	1	1,189,600	1.19
Jahangir Siddiqui	1	28,000	0.03
Jahangir Siddiqui Securities Services Limited	1	38	0.00
Trustee-JSCL Staff Provident Fund	1	5,700	0.01
Jahangir Siddiqui & Co. Ltd.	1	20,047,708	20.05
Energy Infrastructure Holding (Private) Limited	1	587,600	0.59
Muneer R.Bhimjee	1	3,519,981	3.52
Syed Kamran Rashid	1	545,971	0.55
Abida Hasan Ali	1	14,000	0.01
Hussain Hasan Ali	1	1,204	0.00
Muhammad Ali Ahmed	1	15,458	0.02
Zain Ibrahim	1	1,421	0.00
Syed Shahid Abbas	1	5,164	0.01
Mustafa Hussain	1	132	0.00
Mr. Ali Raza Zaidi	3	130,828	0.13
<b>NIT and ICP</b>	2	1,802	0.00
<b>Banks, Development Finance Institutions, Non-Banking Finance Companies</b>	4	403,991	0.40
<b>Insurance Companies</b>	3	58,600	0.06
<b>Modarabas and Mutual Funds</b>			
CDC - Trustee Atlas Stock Market Fund	1	86,300	0.09
<b>General Public</b>			
a. Local	942	8,366,575	8.37
b. Foreign	1	250,000	0.25
<b>Foreign Companies</b>	5	3,323,340	3.32
<b>Others</b>	33	808,385	0.81
<b>Totals</b>	1,028	100,000,000	100.00
<b>Shareholders holding 10 % or more voting interest</b>			
EFU General Insurance Ltd.		44 368 440	44.37%
Jahangir Siddiqui & Co. Ltd.		20 047 708	20.05%
Syed Salman Rashid		10 000 463	10.00%





# Glossary of Important Terms

<b>Acquisition cost</b>	Expenses incurred by the company for acquisition of Insurance/Takaful business. These mainly include expenses relating to the distribution channels.
<b>Administration Expenses</b>	Expenses of the company other than the acquisition cost.
<b>Authorized Share Capital</b>	The maximum value of shares that a Company can issue.
<b>Balance Sheet</b>	An accounting term referring to a listing of a company's assets, liabilities and surplus as of a specific date.
<b>Cash Value</b>	The cash value of an insurance policy or Takaful contract, also called the cash surrender value or surrender value, is the cash amount offered to the policyholder/participant by the life insurer/Takaful operator upon cancellation/maturity of the insurance policy or Takaful contract.
<b>Claims</b>	The amount payable under a contract of insurance/Takaful arising from occurrence of an insured event.
<b>Commission</b>	Remuneration to an insurance/Takaful intermediary for services such as selling and servicing of insurance/Takaful products
<b>Contribution</b>	Monetary contribution paid as lump sum or periodically by a participant to a Takaful operator for the purpose of obtaining Takaful Benefits
<b>Death Claim</b>	Insurance/Takaful claims paid to beneficiaries when the insured person/participant dies during the period of insurance/Takaful.
<b>Disability Claim</b>	Insurance/Takaful claims paid to the insured person/participant in case of a defined disability during the periods of insurance/Takaful
<b>Dividend Yield</b>	A financial ratio that shows how much a company pays out in dividends each year relative to its share price. In the absence of any capital gains, the dividend yield is the return on investment for a stock.
<b>Earnings per Share</b>	The portion of the company's profit allocated to each outstanding share of common stock. Earnings per share serves as an indicator of a company's profitability.
<b>Gross Contribution</b>	Total contribution of the Operator for all takaful lines of business including Individual Family Takaful new business, Individual Family Takaful renewal contributions, Group Family Takaful business and Single Contribution.
<b>Gross Premium</b>	Total premium of the company for all lines of business including individual life new business, individual life renewal premium, Group business and single premium.
<b>Maturity Claim</b>	Insurance/Takaful claim paid to the insured person/Participant in case of maturity of the insurance policy or Takaful contract.
<b>Net Contribution</b>	Gross contribution less the retakaful contribution ceded.
<b>Net Premium</b>	Gross premium less the reinsurance premiums ceded
<b>Outstanding Claims</b>	Claims incurred and reported but not paid as on the date of the financial statements
<b>Paid-up capital</b>	The amount paid or contributed by shareholders in exchange for shares of a company's stock.
<b>Participants</b>	A person who participates in a Takaful scheme and to whom Takaful Contract is issued
<b>Participants' Investment Fund (PIF)</b>	The unit linked investment fund in which a proportion of the gross contribution is invested.
<b>Participants' Takaful Fund (PTF)/Waqf Fund</b>	A fund which is a risk pool for Takaful participants. It is a sub fund of a statutory fund into which participant's risk related contributions are paid and risk related benefits are paid out.

<b>PAT</b>	Gross profit for the year net of the tax for the year, as mentioned in the Profit and Loss Account.
<b>Policyholders' liabilities</b>	It is the value of the obligation of the insurer to its policyholders. A major portion of this is policyholder reserves, which is the amount representing actual or potential liabilities kept by an insurer to cover policyholders benefits.
<b>Premium</b>	Financial cost of obtaining an insurance cover, paid as a lump sum or in installments during the duration of the policy.
<b>Qard - e - Hasna</b>	In case of a deficit in Waqf Fund, Takaful Operator extends a Qard-e-Hasna (interest free loan) to PTF to cover the deficit. This Qard is repaid to the Takaful Operator from future surpluses in the PTF.
<b>Reinsurance Premium</b>	Reinsurance premiums are premiums paid to other insurance companies pursuant to the reinsurance agreements mainly for the purpose of diversification of risks undertaken by the insurer.
<b>Retakaful Contribution</b>	Retakaful contributions are contributions paid to other Takaful operators pursuant to the retakaful agreements mainly for the purpose of diversification of risks undertaken by the Takaful Operator
<b>Retention</b>	The part of insurance/Takaful risk that the insurer/Takaful Operator retains before passing on the excess to a reinsurer/Retakaful.
<b>Return on Equity</b>	Return on equity measures a company's profitability by revealing how much profit a company generates with the money shareholders have invested. ROE is expressed as a percentage and calculated as: $\text{Return on Equity} = \frac{\text{Net Income}}{\text{Shareholder's Equity}}$
<b>Shareholders' Equity</b>	This is the total of Paid-up capital, accumulated surplus and any general reserves.
<b>Shareholders' Fund</b>	A fund that is established in the records of a life insurance/Takaful Operator and which contains that part of the assets and liabilities of a life insurer/Takaful operator which is attributed to it and is not attributed to any statutory fund maintained by that life insurer/Takaful Operator
<b>Solvency</b>	Having sufficient assets-capital, surplus, reserves-and being able to satisfy financial requirements to be eligible to transact insurance/Takaful business and meet liabilities.
<b>Statutory Fund</b>	A fund that is established in the records of a life insurer/ Takaful Operator and which relates solely to the life insurance/Takaful business of that life insurer/takaful operator or a particular part of that life insurance/Takaful business
<b>Surplus in Waqf Fund</b>	The excess of assets over liabilities in Waqf Fund/Participants' Takaful Fund (PTF). Negative surplus would be named as 'Deficit' in Waqf Fund.
<b>Surrender Claim</b>	Insurance/Takaful claims paid to the insured person/participant in case an insurance policy or Takaful contract is terminated before end of its term
<b>Underwriting</b>	The process of assessing and selecting risks for insurance/Takaful and classifying them according to their degrees of insurability so that and appropriate price may be assigned. The process also includes rejection of those risks that do not qualify.
<b>Net Risk Contribution of PTF</b>	The risk related portion of the Participant's contribution paid into the PTF to avail Takaful cover from the PTF.
<b>Takaful Operators Fund</b>	A Fund setup by a Window Takaful Operator which shall undertake all transactions which the Operator undertakes other than those which pertains to Participants Takaful Fund/Participant Investment Fund setup for the Window Takaful Operations.
<b>Wakalah Fee</b>	The fee that takaful operator charges for the management of Waqf Fund or acting as a Wakeel (Manager of PTF).
<b>Window Takaful Operator</b>	A Registered Insurer authorized under Takaful Rules, 2012 to carry out Window Takaful Operations in addition to Conventional Insurance Business.



# Group Benefits & Bancassurance - Offices

## Group Benefits - Offices

### Karachi

EFU Life House  
Plot No. 112, 8th East Street, Phase-I, DHA, Karachi  
Phone: (021) 111-338-111

Hasan Aamir, Regional Sales Director  
S. Afsar Raza, Group Marketing Manager  
Naveed-ul-Haq Bhatti, Regional Marketing Manager  
Anila Hassan Riaz, Chief Marketing Manager  
Syed Ahmed Ali Jafry, Senior Marketing Executive  
Syed Qaiser Arsalan Zaidi, Marketing Executive

### Lahore

18-C, 4th Floor, Liberty Market,  
Gulberg III, Lahore  
Phone: (042) 38102625

S.A.R. Zaidi, Executive Director  
Fazal Mehmood, Regional Sales Director  
Faisal Masud, Regional Marketing Manager  
Mubashar Ahmed, Group Marketing Manager  
Tasleem Iqbal, Marketing Manager  
Saad Farooqi, Assistant Marketing Manager  
Tahir Mahmood, Senior Marketing Executive

### Islamabad

Office No. 6, 2nd Floor, Yaseen Plaza  
74-W, Jinnah Avenue, Blue Area, Islamabad  
Phone: (051) 8023200-06

Noor-ur-Rehman, Regional Marketing Manager  
Rizwan Bajwa, Marketing Manager  
Rao Asif Khan, Assistant Marketing Manager

### Faisalabad

2nd Floor, Ajmal Centre 289  
Batala Colony, Faisalabad  
Phone: (041) 5253450

Imran Yaqub, Marketing Manager

### Multan

1st Floor, Rajput Commercial Centre  
Tareen Road, Near Gull Tax Showroom, Multan  
Phone: (061) 8026200, (061) 8026209

Zafar Abbas Chughtai, Marketing Manager

## Bancassurance - Offices

### Karachi

37-K, Block 6, PECHS, Karachi  
Phone: (021) 34541740, 38652300-2305, 4304560,  
34304560, 34304514, 34304516-7, 34304565

Husein Sachak, Director - Bancassurance  
Ali Asghar Khandwala, Deputy Head - Bancassurance  
Rashib Shaikh, National Sales Head - Bancassurance  
Farukh Hassan, Head of Marketing & Development - Bancassurance

### Lahore

Plot No. 124, Y Block DHA Phase III,  
Commercial Area, Above National Bank, Lahore  
Phone: (042) 38102600-615

Fayyaz Mehmood Tahir, National Sales Head - Bancassurance  
Zubair Zahid, National Sales Head - Bancassurance  
Hafiz Muhammad Babar Rafique, Regional Head - Bancassurance  
Syed Zamin Ali, Regional Head - Bancassurance  
Shafqat Ali, Regional Head - Bancassurance

### Islamabad

3rd Floor, Al Malik Centre  
70- W, Jinnah Avenue, Blue Area, Islamabad  
Phone: (051) 8023215, 8023222, 8023234

Tahir Sultan, National Sales Head - Bancassurance  
Mariam Mani, National Sales Head - Bancassurance  
Kamran Hassan, Regional Head - Bancassurance

### Faisalabad

Office No. 331/332, 4th Floor Sunrise Mall,  
Near Gatton Wala Chowk, Peoples Colony, Faisalabad  
Phone: (041) 8503370, 71, 72, 73 / 8503338, 39

Ejaz Ahmad Baig, Area Sales Head - Bancassurance

### Peshawar

2nd Floor, NWR Plaza, Khyber Supermarket  
Near Qayyum Stadium, Bara Road, Peshawar Cantt  
Phone: (091) 5252129, 5606002

Fawad Ahmed Farooqui, Regional Head - Bancassurance

### Jhelum

Karim Arcade, Machine Mohalla No.3, Jhelum  
Phone: (0544) 621017

Kashif Mansoor Ali Khan, Regional Head - Bancassurance

### Multan

3rd Floor Ghazi Tower, Near PIA office, Abdali Road Multan  
Phone: (061) 8026530-33

Syed Mehtab Ali, Area Head - Bancassurance

### Gujranwala

2nd Floor Sardar Building, Opposite Lone Palace  
Near Capri Cinema, GT Road Gujranwala  
055-3251021-23

Hafiz Ateeq, Area Sales Head - Bancassurance



# Individual Life - Offices

## Abbottabad Branch

1st Floor, Al-Fateh Shopping Center,  
Opposite Radio Station, Mansehra Road,  
Abbottabad  
099-2341978,099-2403697,099-2334254  
Saqib Hussain  
Assistant Branch Manager

## Ahmed Pur East Branch

Opposite Canal Rest House,  
Katchery Road, Ahmed Pur East.  
062-2273049,062-2273039  
Mazhar Mahmood Khan  
Branch Manager

## Ali Pur Chatha Branch

1st Floor, Haji Shair Muhammad Hight Plaza,  
Near MCB Bank, Gujranwala Road, Alipur  
Chatha.  
055-6821092  
Muhammad Ishfaq, Branch Manager

## Arifwala Branch

EFU Life Assurance M-Block,  
Pakpattan Road Arifwala  
0457-205800  
Ahsaan Talib, Senior Branch Manager

## Asotre Branch

Brigade Road Main Bazar Astore  
0335-5303510  
Munzoom Ali, Senior Unit Manager

## Attock Branch

Sheikh Jaffar Plaza,  
1st Floor Siddiqui Road Attock City  
057-2701957,057-2703338,057-2602067.  
Amjid Hussain Shah  
Branch Manager

## Bagh AK Branch

2nd Floor of Ammar Hospital Near Bagh  
International Hotel, Tehsil District Bagh AK  
058-23445367  
S. M Ahtsham Ul Haq Gillani  
Branch Manager

## Bahawal Nagar Branch

Ground Floor Paradise Hotel  
Opposite Haary Masjid Quraish Chishtian  
Road, Bahawal Nagar.  
063-02279124,125,126,127  
Altaf Hussain, Group Manager

## Bahawalpur Branch

88-A Noor Mahal Road,  
Near Iqbal Hospital, Bahawalpur  
0623-006120-30  
Mian M. Afzal  
Senior Branch Manager

## Bahawalpur Cantt Branch

88-A Noor Mahal Road,  
Near Iqbal Hospital, Bahawalpur  
0623-006120-30  
Junaid Masud  
Senior Regional Manager

## Bahawalpur City Branch

88-A Noor Mahal Road,  
Near Iqbal Hospital, Bahawalpur  
0623-006120-30  
Naeem Akhter Chaudhry  
Group Manager

## Bahawalpur Garden Branch

88-A Noor Mahal Road,  
Near Iqbal Hospital Bahawalpur  
0623-006120-30.  
Muhammad Sajjad  
Branch Manager

## Baltistan Branch

Anchan Plaza, 2nd Floor Hussani Chowk  
Main Bazar Skardu Baltistan  
05815-450941  
Mubashir Hassan  
Senior Branch Manager

## Bhakkar Branch

1st Floor Ubaid Plaza,  
Near MCB Bank Behal Road, Bhakkar  
0453-515074  
Muhammad Naeem Tariq  
Assistant Branch Manager

## Bhalwal City Branch

Plot# 3, Ground Floor, Kuchari Road,  
Tehsil Bhalwal, District Sargodha.  
0301-6949449  
Noman Saeed  
Assistant Branch Manager

## Bhalwal Branch

Upper Story Bata Shoes Liqueate Shaheed  
Road Tehsil Bhalwal District Sargodha  
0300-8700640  
Muhammad Mehran Nadeem  
Senior Unit Manager

## Bhimber Branch

Heaven Palace, Sultan Plaza,  
Meer pur Chowk, Bhimber AK  
053-7575520-22  
M. Rizwan Sadiq  
Assistant Branch Manager

## Bunga Hayat Branch

Near Passco Center, Bunga Hayat Pakpattan.  
0300-8753118  
Muhammad Tahir Ahmed  
Senior Unit Manager

## Burewala Branch

Upper MCB Bank, Main Multan Road,  
Burewala.  
0672-016400  
Rafique Ahmad  
Senior Branch Manager

## Burewala City Branch

Upper MCB Bank, Main Multan Road,  
Burewala  
0672-016400  
M. Abu Bakar, Branch Manager

## Chakwal Branch

1st Floor, Haseeb Market, Opposite Emporium  
Main Talagang Road, Chakwal.  
0303-4401951  
Muhammad Tasier Hussain  
Branch Manager

## Chichawatni Branch

Plot # 901, Block# 5, 1st floor Al Haram  
Center Wali Jutt Chowk, Chichawatni  
0405-487158  
Muddassar Meraj  
Assistant Branch Manager

## Chishtian

13 Gajyani Road Chishtian  
063-2500299, 2508137, 2507334, 2507332  
Muhammad Amin  
Senior Branch Manager

## Choondko Branch

1st Floor on Yaseen Photo State, Opposite  
TCS Office, Taluka Naro P/o Choondiko  
District Khairpur  
0305-3355663  
Zamir Hussain  
Branch Manager

## Chowk Azam Branch

1st Floor Kamboh Plaza, Near Mian Hospital,  
Layyah Road Chowk Azam, Tehsil Choubara  
District Layyah.  
0303-6524975  
Muhammad Noman Arshad  
Senior Unit Manager

## Dadu Royal Branch

Near Circuit House Sui Gas Office Street  
Dadu.  
0302-3627170  
Muhammad Yaseen Mallah  
Assistant Branch Manager

## Dadu Branch

Near Ali Honda Show Room Dadu.  
0300-2564390  
Zulfiqar Ali  
Branch Manager

#### **Daharki Civic Branch**

Near Main GT Road, Daharki District Ghotki  
072-3204160  
Muhammad Nadeem  
Branch Manager

#### **Dahranwala Branch**

Office# 3 Near Awami PSO Petrol Pump  
Chishtian Road Daranwala.  
0305-6330097  
Ghulam Murtaza  
Assistant Branch Manager

#### **Danyore Branch**

2nd Floor Micro finance bank Main Chowck  
Danyore Gilgit.  
0344-5949858  
Sajjad Haider, Branch Manager

#### **Darya Khan Branch**

2nd Floor, Yaadgar Plaza, Hashmi Chowk,  
Darya Khan.  
0300-6014459  
Zaheer Hussain  
Senior Unit Manager

#### **Daulatala Branch**

Office # 21, 1st Floor, Mashallah Plaza main  
Rawalpindi road dolatala, tehsil gujjar khan  
District rawalpindi. 051-8023021  
Muhammad Adeel Hussain  
Senior Unit Manager

#### **Daur Branch**

Near U Bank, Opposite Noor Masjid, Jamali  
Road, Taluka Daur.  
0300-0400451  
Muhammad Zubair  
Assistant Branch Manager

#### **Depalpur Branch**

Supper Market, Okara Road, Depalpur.  
0333-6991991  
Ahmad Kamran Javed  
Unit Manager

#### **Dera Allahyar Branch**

Main Quetta Road Dera Allahyar  
0740-510636  
Saeed Ahmed Shaikh  
Assistant Branch Manager

#### **Dera Ghazi Khan Branch**

Rehmania Street, Faridabad Colony, Block  
No 18, Plot #1264 G Floor Near Dr. Shahkeel  
Lighari Jampur Road Dear Ghazi Khan  
0642-468116, 064-2471056-7  
Mustanser Abbas  
Branch Manager

#### **Dera Ismail Khan Branch**

1st Floor Najeeb Centre, East Circular Road,  
Dera Ismail Khan.  
0966-734001-02,03,04,05,06  
Mujahid Khan  
Branch Manager

#### **Dera Murad Jamali Branch**

Near Usta Muhammad Vegun Stand,  
03468474122 / 03332984575  
Liaquat Ali  
Assistant Branch Manager

#### **Digri Branch**

House # 70 Near Sindh Madical  
Center, Mehran Hospital Road, Digri District  
Mirpurkhas  
Tassawar Ali  
Branch Manager

#### **Dinga Branch**

First Floor, Fazal Plaza, Dhalyan Chowk Dinga,  
Tehsil Kharian, Distt Gujrat  
053-7400338, 053-7402338, 053-7404338.  
Qaisar Abbas  
Group Manager

#### **Dokri Branch**

Near Engro Milk Ice Factory, Ajaz Ali theem  
sb House# 32, Badha Road, Dokri District  
Larkana.  
0333-3208981  
Kashmir Mal Oad  
Branch Manager

#### **Doongi Branch**

2nd Floor Choudhry Plaza, Main City Doongi,  
Opposite Petrol Pump Post Office Doongi  
Tehsil Khairata District Kotli Ak.  
0346-4940633  
Muhammad Kamran Iqbal  
Senior Unit Manager

#### **Faisalabad Central Branch**

2nd Floor, Amir Plaza, Kohinoor City College  
Road, Faisalabad.  
041-5003420-31  
Mohammad Zahid Bashir  
Branch Manager

#### **Faisalabad Chenab Branch**

2nd Floor, Ajmal Centre, 289 Batala Colony,  
Faisalabad.  
041-5253450  
Tajamal Khan  
Group Manager  
Sikander Arshad  
Senior Regional Manager

#### **Faisalabad City Branch**

2nd Floor, Ajmal Centre, 289 Batala Colony,  
Faisalabad.  
041-5253450-1  
Syed Bashrat Ali  
Branch Manager

#### **Faisalabad Ravi Branch**

2nd floor, Ajmal Center, 289 Batala Colony,  
Faisalabad  
041-5253451  
Ali Raza  
Senior Branch Manager

#### **Fateh Pur Branch**

Basement Allied Bank, Karor Road, Fateh Pur  
Tehsil, Karor Lal Esan District Layyah.  
Tehsil - District Layyah  
0606-840848  
Ghulam Abu Talib  
Assistant Branch Manager

#### **Ghotki Branch**

1st Floor Shadani Shopping Center,  
Opposite Police Station, Ghotki  
072-3680352, 072-3680351, 072-3684107,  
072-3682423  
Mahesh Kumar  
Group Manager

#### **Gilgit Baltistan Branch**

1st floor, Dar Plaza, Nabi Bazar, Gilgit  
058-11457717, 058-11459874  
Faiz Ahmed Khan  
Group Manager

#### **Gujranwala Branch**

2nd Floor, miian jee plaza ,Ghala Mandi Main  
G.T road Near MCB and Allied Bank  
Gujranwala  
055-8316100  
Arfan Yousaf  
Senior Branch Manager

#### **Gujrat Branch**

Dhakkar Plaza, Rehman Shaheed Road, Gujrat  
053-20166160  
Ali Rizwan  
Regional Manager

#### **Gujrat City Branch**

Dhakkar Plaza, Rehman Shaheed Road, Gujrat  
053-20166160  
Majid Navid Akhtar  
Senior Branch Manager

#### **Gujrat Fort Branch**

Dhakkar Plaza, Rehman Shaheed Road,  
Gujrat.  
053-20166160  
Muhammad Aamir Sohaib  
Group Manager

#### **Gulshan-e-Hadeed Branch**

1st Floor C-15, Phase# 1, Gulshan-e-Hadeed,  
Bin Qasim, Karachi.  
021-38651700  
Muhammad Akhtar  
Senior Branch Manager

#### **Gwadar Branch**

Ashraf Market, Airport Road, Gwadar  
086-4210244  
Abdul Wahab  
Assistant Branch Manager

### **Hafizabad Branch**

1st Floor upper Al Baraka Bank,  
Ali Pur Road Hafizabad  
054-7525639-524639-523693-  
540639-541639  
Hafiz Muhammad Amjad  
Assistant Branch Manager

### **Hafizabad Star Branch**

1st floor upper Al Baraka Bank, Ali Pur  
Road, Hafizabad.  
Muhammad Rafique  
Assistant Branch Manager

### **Hala Branch**

Plot # 1403/32 GROUND Floor, Opposite  
Boys College, Dargah Road Hala New.  
022-3331390, 91, 93, 400  
Nazia  
Assistant Branch Manager

### **Harappa Branch**

Shalimar Town, Near Latif Hospital, Naiwala  
Bangla Road, Harappa Station, Sahiwal.  
0347-0603531  
Sajjad Hussain  
Branch Manager

### **Haroonabad Branch**

Milad Chowk, Baldia Road Haroonabad  
063-2253592, 063-2253290-1  
Muhammad Kashif  
Zonal Manager

### **Hasilpur Branch**

1st Floor, Club Road Corner Alama Iqbal  
Park, Hasilpur.  
0307-4992099  
Aman Ullah  
Assistant Branch Manager

### **Haveli Lakha Branch**

Kaiser Mahmood  
Assistant Branch Manager

### **Hub Chowki Branch**

Main R.C.D. Road, District Lasbella,  
Hub Chowki  
085-3302115, 085-364098  
Akhtar Ali  
Assistant Branch Manager

### **Hunza Nagar Branch**

1st floor Nazar Shah Plaza Hospital Chok  
Ali Abad Hunza  
058-13455172  
Sher Ullah Baig  
Unit Manager

### **Hyderabad Autobahn Branch**

Commercial Hall, Blue Sky Extension (Breeze  
Tower) Commercial Hall, 2nd Floor,  
Autobahn Hyderabad.  
022-8334260  
Bhesham Kumar  
Zonal Manager

### **Hyderabad Cantt Branch**

1st Floor Plot No. C-10, Railway Cooperative  
Housing Society, Near MC Donald's  
Autobahn, Hyderabad  
0334-2638855  
Muhammad Aulim Solangi  
Group Manager  
Shams Uddin Shaikh  
Senior Regional Manager  
Ghulam Shabbir Mirani  
Zonal Manager

### **Hyderabad City Branch**

1st floor Ploct No. C- 10, Railway Cooperative  
Housing Society Near MC Donald's Autobahn  
Hyderabad.  
022-8334216  
Saeeda Qureshi  
Branch Manager

### **Hyderabad Galaxy Branch**

Commercial Hall, Blue Sky Extension  
(Breeze Tower) Commercial Hall, 2nd Floor,  
Autobahn Hyderabad.  
022-8334260  
Aasma  
Branch Manager

### **Hyderabad Imperial Branch**

1st Floor Ploct No. C-10, Railway Cooperative  
Housing Society Near MC Donald's Autobahn  
Hyderabad.  
022-8334216  
Fazal Kareem  
Branch Manager

### **Hyderabad Model Branch**

B-15/9, RECHS, 2nd floor, Opposite Latifabad  
Unit no 3, the Autobahn Road, Hyderabad.  
022-8334300  
Durdana Khan  
Group Manager

### **Hyderabad New City Branch**

Commercial Hall, Blue Sky Extension (Breeze  
Tower) Commercial Hall, 2nd Floor,  
Autobahn Hyderabad.  
022-8334300  
Syed Sabir  
Senior Branch Manager

### **Hyderabad Prime Branch**

1st floor Ploct No. C- 10, Railway Cooperative  
Housing Society Near MC Donald's  
Autobahn Hyderabad  
022-8334216  
Mohammad Farhan Ali  
Senior Branch Manager

### **Hyderabad Royal Branch**

Commercial Hall, Blue Sky Extension  
(Breeze Tower) Commercial Hall,  
2nd Floor, Autobahn Hyderabad.  
022-8334260  
Ghulam Mustafa Chandio  
Senior Branch Manager

### **Islamabad Branch**

2nd Floor, Al-Malik Centre 70-W Jinnah  
Avenue Blue Area Islamabad  
051-8023250, 051-8023257, 051-8023262  
Muhammad Kashif Khan  
Group Manager  
Younis Butt  
Assistant Sales Director

### **Islamabad Civic Branch**

Al-Malik Center, 2nd Floor, 70-W,  
Jinnah Avenue (Blue Area), Islamabad  
051-8023250  
S. M. Ali Shafaat Bukhari  
Assistant Branch Manager

### **Jacobabad Branch**

Ground Floor Opposite National Saving Bank,  
Quetta Road Jacobabad.  
072-2650156, 072-2651876, 072-2654931  
Faqir Muhammad Shaikh  
Group Manager

### **Jacobabad City Branch**

Ground Floor Opposite National Saving Bank,  
Quetta Road Jacobabad.  
072-2650156, 072-2651876, 072-2654931  
Jan Muhammad  
Senior Branch Manager

### **Jandawala Branch**

Street #12, 1st Floor Near Rawait Hotel Main  
GT Road Jandawala.  
053-7515656, 053-2016350  
Zawar Hussain Hukmrn  
Assistant Branch Manager

### **Jaranwala Branch**

1st Floor Rajput Center Fawara Chowk  
Jaranwala.  
041-5003420-31  
Ali Akhtar  
Assistant Branch Manager

### **Jhang Royal Branch**

1st Floor, Crown Plaza, Near Nawaz Chowk  
Gojra Road Jhang.  
0312-7283505  
Mazhar Saeed  
Assistant Branch Manager

### **Jhang Branch**

1st Floor, Hamza Javeed Plaza, Opposite  
SS CNG Pump, Gojra District Jhang.  
0332-6264025  
Muhammad Aamir Shahzad  
Senior Unit Manager

### **Jhelum Branch**

Karim Arcade M.M. No. 03 Jada Road, Jhelum  
0544-806430  
Nadeem Shakeel  
Branch Manager



#### **Jutial Branch**

EFU Life Office Main Sharah -E- Quaid Azam,  
Near National Bank, Jutial Gilgit.  
0355-5207849  
Kaka Jan  
Senior Unit Manager

#### **Kabirwala Branch**

Nasir Ali  
Senior Unit Manager

#### **Kaladhab AK Branch**

1st Floor, Sub King Plaza, Opposite Sami  
Bakers, Main Bazar, Kaladhab.  
0345-8515056  
Muhammad Usman Shahbaz  
Assistant Branch Manager

#### **Kallar Syedan Branch**

Ghosia shopping center Choa khalsa road  
kallar syedan district rawalpindi.  
051-8023021  
Arslan Sabir  
Branch Manager

#### **Kandhkot Branch**

Shah Mohammad Malik Plaza, Office No #  
3, Opposite Honda Showroom, Mandi Road  
Kandhkot  
072-2214470  
Adnan M. Samejo  
Group Manager

#### **Karachi Cantt Branch**

Nafees Arcade 2nd Floor, Off No. 201,  
Opp. Askari Park University Road, Karachi.  
021-38652537  
Reeta  
Senior Branch Manager

#### **Karachi Capital Branch**

Al-Samad Tower, 604-605, Plot # SB-33,  
Block 13-B, Opposite Bait ul Mukarram  
Masjid Gulshan-e-Iqbal, Main University Road,  
Karachi  
021-38652710-31  
Ghulam Sarwar  
Senior Branch Manager

#### **Karachi Central Branch**

37- K, Block 6, PECHS, Karachi.  
021-38652300-2441  
Syed Arif Raza  
Regional Manager  
Shahjahan  
Assistant Sales Director

#### **Karachi Crescent Branch**

Office "B" 3rd Floor 'J.F' Plaza Plot No D-1,  
Block-D, Five Star Chowrangi, North  
Nazimabad , Karachi Karachi.  
021-38652300  
Faisal Maniar  
Senior Branch Manager

#### **Karachi Faisal Branch**

37-K, Block 6, PECHS, Karachi.  
021-38652401  
Shah Zaman Shaikh  
Senior Branch Manager

#### **Karachi Falcon Branch**

37 - k Block 6 PECHS karachi  
021-38652409-12-18-54-55-57  
Adil Khan Khilji  
Branch Manager

#### **Karachi Galaxy Branch**

Room No. 620, 6th Floor,  
EFU House M.A. Jinnah Road, Karachi.  
021-38652740-49  
Jagdeesh Kumar Pahooja  
Group Manager

#### **Karachi Garden Branch**

Plot No.233/1-A, Amir Tared Center 3rd  
Floor, Office No.307, Block -2, P.E.C.H.S  
Karachi 021-38652760-89  
Shehzad Pyarali  
Group Manager

#### **Karachi Green City Branch**

0334-8847910  
Mahmood Motiwala  
Assistant Branch Manager

#### **Karachi Gulshan Branch**

Nafees Arcade, 3rd Floor, Off No. 301,  
Opp Askari Park, University Road, Karachi.  
021-38652500-37  
Abdul Wahab Shaikh  
Senior Branch Manager

#### **Karachi Imperial Branch**

37- K, Block 6, PECHS Karachi  
021-38652300  
Ikramullah Atique  
Senior Branch Manager

#### **Karachi Indus Branch**

Al-Samad Tower, 604-605, Plot # SB-33,  
Block 13-B, Opposite Bait ul Mukarram  
Masjid Gulshan-e-Iqbal, Main University Road,  
Karachi  
021-38652710 - 31  
S.Shahid Hussain Zaidi  
Group Manager

#### **Karachi Karsaz Branch**

Nafees Arcade 3rd Floor, Off No. 301,  
Opp. Askari Park University Road, Karachi.  
021-38652537  
Zahoor Ahmed Khuhro  
Zonal Manager

#### **Karachi Mehran Branch**

37 - k PECHS block 6 karachi  
021-38652408-19  
S. Samar Raza Zaidi  
Senior Branch Manager

#### **Karachi Merewether Branch**

37- K, Block 6, PECHS, Karachi.  
021-38652420-29  
Rehan Anwar  
Regional Manager

#### **Karachi Metropolitan Branch**

37- K, Block 6, PECHS Karachi  
021-38652430-35  
Khawar Ahmed  
Branch Manager

#### **Karachi Millinium Branch**

Nafees Arcade 2nd Floor, Off No. 201, Opp.  
Askari Park University Road, Karachi.  
021-38652537  
Mohammad Iftikhar Ahmed Khan  
Assistant Branch Manager

#### **Karachi Model Branch**

Office No M1, M2, SC-13 Noor Square Main  
University Road, Opp old Sabzi Mandi  
,Karachi. 021-38652500-2509  
Bheroo Mal  
Assistant Branch Manager

#### **Karachi Paradise Branch**

Plot No.233/1-A, Office No.307  
021-38652760-89  
Karim  
Branch Manager

#### **Karachi Pioneer Branch**

37- K, Block 6, PECHS, Karachi.  
021-38652456  
Nasir Rasheed Bhatti  
Zonal Manager

#### **Karachi Platinum Branch**

37- K, Block 6, PECHS, Karachi  
021-38652420  
Ameena Saleem  
Assistant Branch Manager

#### **Karachi Royal Branch**

Office "B" 3rd Floor 'J.F' Plaza Plot No D-1,  
Block-D. Five Star Chowrangi, North  
Nazimabad, Karachi  
021-38652488-94  
Shahzad hanif  
Senior Branch Manager

#### **Karachi Shaheen Branch**

Office No M1, M2, SC-13 Noor Square Main  
University Road, Opp old Sabzi Mandi  
,Karachi. 021-38652500-2509  
Muzaffar Ahmed Bughio  
Senior Branch Manager

#### **Karachi Star Branch**

37- K, Block 6, PECHS, Karachi  
021-38652478-2486  
Khuram Sultan Ali  
Assistant Branch Manager

### **Karachi West Branch**

37- K, Block 6, PECHS, Karachi  
021-38652478  
Nadeem Alam Ansari  
Senior Branch Manager

### **Karor Lal Eson Branch**

Khan Plaza Opposite Zarai Bank Ltd Railway  
Station Chowk Karor Lal Eason Distt. Layyah  
0606-410185-186  
Muhammad Shafique  
Senior Unit Manager

### **Kashmore Branch**

Old National Saving Center, Near Sindh  
Bank, Main Road Kashmore.  
0333-7233090  
Rashid Iqbal  
Branch Manager

### **Kasur Branch**

2nd Floor, Near Pakistan Model School Jamal  
Super Stor, Noor Mehal Cenema Chowk  
Kasur.  
0305-4327735  
Waqas Ahmad Sadiq  
Branch Manager

### **Khairpur Branch**

Near bank Al Habib Kutchery Road Khairpur  
024-3554016,024-3714336,024-  
3714337,024-3714330  
Jamaluddin  
Group Manager

### **Khairpur Royal Branch**

Near Bank AL Habib Kutchery Road, Khairpur  
0300-3100930  
S. Piyar Hussain Shah  
Branch Manager

### **Khanpur Branch**

House # 697, Model Town B, Near DSP  
Office, Khanpur.  
068-5955808,068-5576809,068-5577809  
Muhammad Nasim Nasir  
Assistant Branch Manager

### **Khaplu Branch**

Near GPO Main Bazar Khaplu.  
05815-450941  
Riaz Yousuf  
Senior Unit Manager

### **Kharian Branch**

Block-6/B, Al Muqet Center, G.T Road,  
Kharian  
053-7600149,7602661,7602662,76022660  
Muhammad Imran  
Branch Manager

### **Kharian City Branch**

Block -6/B, Al Muqet Center, G.T Road,  
Kharian  
053-7400149  
Raja Irfan Qadeer  
Branch Manager

### **Kharmang Branch**

2nd Floor, Wazir Plaza, Near Micro Finance  
Bank, Main Bazar, Mehdi Abad Kharmang.  
0346-0250651  
Muhammad Sajid  
Assistant Branch Manager

### **Khauta Branch**

1st Floor, Raja Daud Plaza, Near Hadi Mani  
CNG, THQ Road Opposite Kips Academy  
Tehsail Khauta District Rawalpindi.  
051-8023021  
Muhammad Shoaib ur Rehman  
Senior Unit Manager

### **Khushab Branch**

NBP Road , ADALAT Manzil, Upper Story,  
The First Micro Finance Bank Ltd, Jaahurabad  
Distt Khushab  
0300-6036810  
Muhammad Rafique  
Assistant Branch Manager

### **Kot Addu Branch**

Mini By Pass Eid Gah Road Near Mian Mohsin  
Wali Gali Kot Addu.  
066-2239122  
Fazal Abbas  
Assistant Branch Manager

### **Kot Ghulam Muhammad Branch**

Opposite Main Boys Qaid-e-Azam Primary  
School, Kot Ghulam Muhammad Distt:  
Mirpur Khas Kot Ghulam Muhammad  
023-3863157-8,9  
Veermoon Mal  
Assistant Branch Manager

### **Kotla A.A. Khan**

Near Fruit Mandi, Bhimber Road, Kotla A.A  
Khan  
053-7575520-21,22  
Muhammad Saeed  
Senior Branch Manager

### **Kotli Branch**

2nd Floor, Rathor Plaza, Opp: Gulistan Hotel,  
Rawalpindi Road, Kotli A.K  
0582-6445621  
Sardar Zakaullah Khan  
Zonal Manager

### **Kotli City Branch**

2nd Floor, Above MCB, Altaf Fazal plaza  
Kotli Azad Kashmir.  
058-26448606  
Gul Nazar  
Senior Branch Manager

### **Kotli Prime Branch**

Syed One Center, 2nd Floor Pindi Road,  
Opposite District Court Kotli AK.  
0582-6449043/0582-6449063  
Adnan Nisar  
Senior Branch Manager

### **Kunjah Branch**

Opposite Admore Filling Station, Near  
Nagrianwala Chungi Kunjah Tehsil, Gujrat.  
0345-6875137  
Muhammad Junaid  
Assistant Branch Manager

### **Lahore Canal Branch**

18-C, 1st Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003550  
Ammar Naeem  
Branch Manager

### **Lahore Cantt Branch**

18-C, 2nd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003100  
Adnan Manzoor  
Senior Branch Manager

### **Lahore Capital Branch**

18-C, 3rd Floor, Commercial Zone,  
Liberty Market, III Floor, Gulberg III, Lahore  
042-232303500  
Iftikhar Hassan  
Senior Branch Manager

### **Lahore Cavalry Branch**

18-C, 1st Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003550  
Khan Zaighum Iqbal  
Senior Branch Manager

### **Lahore Central Branch**

18-C, 3rd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-232303500  
Imran Saleem  
Branch Manager

### **Lahore City Branch**

18-C -3rd Floor Commercial Zone, Liberty  
Market, Gulberg III, Lahore.  
Muhammad Yaqoob Khokhar  
Branch Manager

### **Lahore Civic Branch**

18-C, 2nd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003100  
Mahmood Ahmed  
Group Manager

#### **Lahore Crescent Branch**

18-C, 2nd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003550  
Malik Azhar  
Zonal Manager  
Imtiaz Hussain  
Senior Regional Manager

#### **Lahore Crystal Branch**

18-C, 2nd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003550  
Muhammad Rashid  
Branch Manager

#### **Lahore Defence Branch**

2nd Floor, Garden Heights, Abick Block New  
Garden Town, Lahore  
042-38003150  
Mian Kashif Naseer  
Group Manager

#### **Lahore Fort Branch**

18-C, 1st Floor, Commercial Zone,  
Liberty Market, Liberty Market, III Floor,  
Gulberg III, Lahore  
042-38102650-60  
Moazzam Bashir Kamal  
Group Manager

#### **Lahore Garden Branch**

2nd Floor, Garden Heights Abick Block  
New Garden Town, Lahore  
042-38003150  
Kh. Sohaib Mumtaz  
Branch Manager

#### **Lahore Green Branch**

Now Seraching Location  
0313-6502524  
Abdul Jabbar  
Zonal Manager

#### **Lahore Gulberg Branch**

18-C, 1st Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38102650  
Syed Mehdi Raza Zaidi  
Branch Manager

#### **Lahore Hajveri Branch**

18-C, 2nd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003550  
Amin Ul Ahsan  
Assistant Branch Manager

#### **Lahore Jouhar Branch**

18-C, 1st Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38102650  
Muhammad Amjad  
Branch Manager

#### **Lahore Metropolitan Branch**

18-C, 1st Floor, Commercial Zone,  
Liberty Market, III Floor, Gulberg III, Lahore  
042-38102650  
Zahid Ali Raza  
Zonal Manager

#### **Lahore Model Branch**

18-C, 1st Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38102650  
Shoukat Ali  
Branch Manager

#### **Lahore Pioneer Branch**

18-C, 3rd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-232303500  
Syed Abuzer Gilani  
Branch Manager

#### **Lahore Prime Branch**

18-C -1st, Floor Commercial Zone, Liberty  
Market, Gulberg III, Lahore  
042-38102650  
Ishfaq Hussain Mughal  
Assistant Branch Manager

#### **Lahore Ravi Branch**

18-C, 3rd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-232303500-01  
Tanveer Ahmed Khan  
Zonal Manager

#### **Lahore Royal Branch**

18-C, 2nd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003100  
Muhammad Naeem Butt  
Branch Manager

#### **Lahore Shadman Branch**

18-C, 1st Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38102650-60  
Akbar Ali  
Assistant Branch Manager

#### **Lahore Shahdara Branch**

25 No Stop Begum Court Road,  
Near Bank Alfiah Lahore.  
042-38003550  
Shahbaz Ahmad  
Assistant Branch Manager

#### **Lahore Shaheen Branch**

2nd floor Garden Heights Abick block new  
Garden Town Lahore  
042-38003100  
Shahid Lazir  
Branch Manager

#### **Lahore Star Branch**

18-C, 2nd Floor, Commercial Zone,  
Liberty Market, Gulberg III, Lahore  
042-38003550  
Kashif Hussain Malik  
Group Manager

#### **Lalamusa Branch**

Shayan Center, 1st Floor, G.T Road, Lalamusa.  
053-2016350  
Shahid Naveed  
Senior Branch Manager

#### **Larkana Branch**

1st Floor, Bukhari Shopping Centre,  
Station Road, Larkana  
074-8004102-18  
Shahzado Mal  
Zonal Manager

#### **Larkana Indus Branch**

1st Floor, Bukhari Shopping Center,  
Station Road, Larkana  
074-8004116  
Shahzado Kosar Ali  
Senior Branch Manager

#### **Larkana Royal Branch**

1st Floor, Bukhari Shopping Center,  
Station Road, Larkana  
0313-0391250  
Zeeshan Ahmed  
Assistant Branch Manager

#### **Layyah Branch**

Opposite Byco Petrol Pump, Chobara Road,  
Layyah  
060-6216300,060-6216301  
Shafquat Ali Rao  
Zonal Manager

#### **Layyah City Branch**

Near Dr.Zafar Ahsan Plaza, B Block, Housing  
Colony No.2, Layyah  
0606-410185-186  
Muhammad Hassan  
Assistant Branch Manager

#### **Layyah Indus Branch**

1st Floor, Maghasi Car Showroom, Near  
District School Boys Wings, Bypass Multan  
Road, Layyah-Punjab  
0606-410185-186  
Mohammad Shahid  
Branch Manager

#### **Lodhran Branch**

Ground Floor, Usman Commercial Center,  
Near Supper Chowk ,Bahawalpur Road  
Lodhran.  
Atta Ullah  
Assistant Branch Manager

### **Madeji Branch**

2nd Floor, Sukkur Road, Near Shell Petrol Pump, Madeji.  
0322-3862068  
Abid Hussain  
Assistant Branch Manager

### **Malakwal Branch**

1st Floor, Near Old Ghalla Mandi, Main Bazar, Malakwal.  
0346-6493145  
Mumtaz Ahmed Shakir  
Assistant Branch Manager

### **Mandi Bahauddin Branch**

A-D Plaza, 1st Floor, Near Jamia Masjid Road  
Mandi Bahauddin  
054-6206470-6482  
Abid Mehmood  
Branch Manager

### **Mangowal Gharbi Branch**

1st Floor, Al-Noor Plaza, Opposite UBL Bank  
Mangowal Gharbi Tehsil & District Gujrat.  
0344-0500461  
Shahzada Waqas Ahmed  
Assistant Branch Manager

### **Mansehra Branch**

Rakaposhi Plaza, Near Khayber Bank,  
Abbottabad Road, Mansehra  
0997-300492  
Muhammad Haneef  
Assistant Branch Manager

### **Mehar City Branch**

Near JS Bank, Kasaai Muhallah, Mehar.  
21/10/2015 to 03/02/2017  
0302-3251713  
Ali Raza Baloch  
Assistant Branch Manager

### **Mianwali Branch**

1st Floor, Khan House PAF Road, Near  
Universal System School, Mianwali.  
0300-6085518  
Inayat Ullah Khan  
Branch Manager

### **Mirpur AK Branch**

2nd Floor, Nishat Center Opp. DHQ Hospital  
Mirpur AK  
058-27446477-88,  
Tariq Mehmood  
Zonal Manager

### **Mirpur AK City Branch**

Plot No: 123, Sultan Plaza, 1st Floor, Office  
No 1, Kotli Road ,Sector F-1, Mirpur AK.  
058-27446477-88  
Rawal Javed  
Branch Manager

### **Mirpur Khas City Branch**

APWA House, Opp: Gama Stadium, Main  
Hyderabad Road, Mirpurkhas  
023-3204400  
Muhammad Fawad Faisal  
Group Manager

### **Mirpur Mathelo Branch**

Ground Floor, Trakter Show Room,  
Near Iqbal Petrol Pump, Mirpur Mathelo,  
District Ghotki.  
0723-651041  
Mahesh  
Group Manager

### **Mithi Branch**

1st Floor, Main Shahi Bazar Near Shah Latif  
Library Mithi.  
Hersingh  
Assistant Branch Manager

### **Moro Branch**

Ground Floor, Dadu Road, Moro Distt,  
Naushero Feroze.  
024-2411596, 024-2410062-3  
Ghulam Murtaza  
Senior Branch Manager

### **Multan Cantt Branch**

1st Floor, Rajput Commercial Centre,  
Tareen Road, Multan  
061-4500911  
Mohammad Abid Raza Shah  
Zonal Manager

### **Multan City Branch**

1st Floor, Rajput Commercial Centre,  
Tareen Road, Multan  
061-8026200-01  
Syed Wazir Ali Zaidi  
Group Manager

### **Multan Pioneer Branch**

1st Floor, Rajput Commercial Centre,  
Tareen Road, Multan  
061-8026200  
Kashif Aslam  
Senior Branch Manager

### **Muridke Branch**

Bangla Stop, Near J.S Bank, Main G.T Road  
Muridke.  
042-37166065  
Bilal Iqbal  
Senior Unit Manager

### **Murree Branch**

Office # 4 & 5, 2nd Floor Bilawal Building  
Kuldana Bazaar Murree.  
051-8023021  
Muhammad Yasir Abbasi  
Senior Unit Manager

### **Muzaffarabad Branch**

1st Floor, Allied Bank, Main Branch, Bank  
road Muzaffarabad  
058-22224080-81  
Abdul Basit Kayani  
Branch Manager

### **Muzaffargarh Branch**

Jandeel Plaza, First Floor, Jhang Road,  
Muzaffargarh  
066-2553077  
Shahzad Ahmed  
Senior Branch Manager

### **Nakyal AK Branch**

Manan Ishfaq  
Unit Manager

### **Narowal Branch**

1st Floor, Upper Shahzada Electronic,  
Opposite City Police Station, Narowal.  
0300-8645576  
Syed Adnan Haider  
Senior Branch Manager

### **Naushero Feroze Branch**

DCO Office, Main Road Naushero Feroze  
0242-8004500, 0242-448661  
Sarfraz Ahmed Qureshi  
Group Manager

### **Nawabshah Branch**

Plot C.S No: 223 2nd floor, Near Edhi Chowk  
Masjid Road ward 7A, Nawabshah  
244-8004430  
Ali Ahmed Shah  
Senior Branch Manager

### **Noor Shah Branch**

Main Road, Noor Shah, Near Zaribank  
Muhammad Mazhar Latif  
Assistant Branch Manager

### **Okara Branch**

1st Floor RMZ bulding link MA jinnah road  
Mehar colony Okara.  
044-3052345 - 2510902  
Arslan Haider  
Senior Unit Manager

### **Pakpattan Branch**

Main Market, Shop # 1, Pine Valley PakPattan.  
0333-5231633  
Qamar Abbas  
Branch Manager

### **Panjgur Branch**

Office #1, 1st Floor, Haji Nazir Bulding, Purana  
Police Station Road Opp Bismillah Hotel,  
Chickan Bazar, Panjgur.  
0333-7826399  
Mumtaz Ahmed  
Senior Unit Manager

### **Pano Aqil Branch**

1st Floor, Opn Khushali Bank, Baiji Road,  
Pano Aqil, Taluka Pano Aqil, Dist. Sukkar.  
071-5690291  
Shafi M. Ghoto  
Senior Branch Manager

### **Pattoki Branch**

Near Post Office, Main Bazar,  
Faisal Colony, Pattoki.  
0302-4696449  
Adnan Manzoor  
Senior Branch Manager

### **Peshawar Branch**

Plot # 21-EB, Aman Center 2nd floor,  
University road Peshawar.  
091-7006630  
Syed Jameel Abbas  
Assistant Branch Manager

### **Phalia Branch**

Qanchi Chowk, Al Noor Plaza, 1st Floor,  
Gujrat Road, Phalia, District Mandi Bahuddin.  
0306-6867542  
Muhammad Ishaq  
Senior Unit Manager

### **Qamber City Branch**

1st Floor, Opposite M Khan Shadi Hall,  
Near Hydri Muhalla, Larkana Road, Qamber.  
0332-3444912/0303-3238486  
Imtiaz Ali  
Senior Unit Manager

### **Qila Deedar Singh Branch**

1str Floor, Opposite Manshah Tika Shop,  
Main GT Road, Hafizabad, Qila Deedar Singh.  
055-6821092  
Qaiser Nadeem  
Assistant Branch Manager

### **Quetta Branch**

1st Floor, Near Bank Alfalah M.A. Jinnah  
Road, Quetta  
081-4005141  
Imran Ahmed  
Senior Branch Manager

### **Quetta Chilton Branch**

1st Floor, Shaheen Views, Model Town,  
Hali Road Quetta  
081-4005104  
Suneel Kumar Matree  
Senior Branch Manager

### **Quetta Juniper**

1st Floor, Shaheen Views, Model Town,  
Hali Road, Quetta.  
081-4005100  
Farzand Ali  
Assistant Branch Manager

### **Quetta Model**

1st Floor, Shaheen Views, Model Town,  
Hali Road Quetta  
081-4005104  
Muhammad Javed  
Zonal Manager  
Anand Lal Kataria  
Group Manager

### **Quetta Prime Branch**

1st Floor, Shaheen Views, Model Town Hali  
Road, Quetta  
081-4005104  
Mohammad Hanif Raza  
Branch Manager

### **Quetta Zarghoon Branch**

1st Floor, Near Bank Alfalah, M.A. Jinnah  
Road Quetta  
081-4005164  
Amir Muhammad Jan  
Branch Manager

### **Rahim Yar Khan Branch**

Upper Story, J.S Bank, Near Niaz Clinic City  
Chowk, Rahim Yar Khan  
068-2006371  
Rashid Riaz  
Senior Branch Manager

### **Rahim Yar Khan City Branch**

Upper Story, J.S Bank, Near Cafe Sajawal,  
City Chowk, Model Town, Rahim Yar Khan  
068-2006371  
M. Falak Shair  
Branch Manager

### **Rajanpur Branch**

Ground Floor, National Highway Ranipur,  
District Khairpur.  
024-3204530-48  
Wahid Javed  
Assistant Branch Manager

### **Ranipur Branch**

National Highway Ranipur Opp. Masha Allah  
Petrol Pump Tehsil Sobhodero Dist Khairpur  
024-3204530-48  
Safdar Hussain Qureshi  
Senior Branch Manager

### **Rato Dero Branch**

Gul Haseeb Shoroom, Near TCS Office,  
Rato Dero  
074-4048981  
Vikash Kumar  
Unit Manager

### **Rawalakot Branch**

Shalimar Road, Near New Nadra Office, Abu  
Bakar College, Rawalakot, Azad Kashmir.  
058-23445367  
Tasneem Akhter  
Assistant Branch Manager

### **Rawalpindi Branch**

20-B North Star Plaza, 1st Floor, Main Murree  
Road, Above MIB Bank Rehmanabad Road,  
Rawalpindi.  
051-8023300  
Shahid Mehmood Awan  
Group Manager  
Faisal Tahir  
Senior Regional Manager

### **Rawalpindi Cantt Branch**

128-B, 2nd Floor, Din Plaza, Near Chandni  
Chowk, Main Murree Road, Rawalpindi  
051-8023021-53  
Numan Sabir  
Group Manager

### **Rawalpindi Chaklala Branch**

128- B, 2nd Floor Din Plaza, Near Chandni  
Chowk, Main Murree Road, Rawalpindi  
051-8023021  
Shahid Mehmood Malik  
Senior Branch Manager

### **Rawalpindi Chandni Chowk Branch**

20-B North Star Plaza, 2nd Floor, Main Murree  
Road, Above MIB Bank Rehmanabad Road,  
Rawalpindi.  
051-8023061  
Saad Aslam Cheema  
Senior Branch Manager

### **Rawalpindi Civic Branch**

20-B, 2nd Floor, North Star Plaza,  
Rehmanabad Muree Road, Rawalpindi  
0333-9814394  
Waqar Ahmed  
Assistant Branch Manager

### **Rawalpindi Defence Branch**

128- B, 2nd Floor, Din Plaza, Near Chandni  
Chowk, Main Murree Road, Rawalpindi.  
051-8023021  
Syed Fahad Ali  
Branch Manager

### **Rawalpindi Potohar Branch**

128- B, 2nd Floor, Din Plaza, Near Chandni  
Chowk, Main Murree Road, Rawalpindi  
051-8023021  
Fazal Ghani Khattak  
Assistant Branch Manager

### **Rawalpindi Rawal Branch**

20-B North Star Plaza, 1st Floor, Main Murree  
Road, Above MIB Bank Rehmanabad Road,  
Rawalpindi.  
051-8023300  
Aasma Hanif Khan  
Senior Branch Manager

### Rawalpindi Saddar Branch

20-B North Star Plaza, 2nd Floor, Main Murree Road, Above MIB Bank Rehmanabad Road, Rawalpindi.  
051-8023061  
M. Ashfaq Khan  
Branch Manager

### Rawalpindi Shalimar Branch

128- B, 2nd Floor, Din Plaza, Near Chandni Chowk, Main Murree Road, Rawalpindi  
051-8023021  
Arslan Sabir  
Branch Manager

### Rawalpindi Star Branch

20-B North Star Plaza, 1st Floor, Main Murree Road, Above MIB Bank, Rehmanabad Road Rawalpindi.  
051-8023300  
Zeeshan Asghar Shan  
Assistant Branch Manager

### Sadiqabad Branch

1st Floor Opposite Government MC Girls High School Iqbal Road, Sadiqabad.  
068-5957986  
Khalid Maqsood  
Group Manager

### Sadiqabad City Branch

1st Floor Opposite Government MC Girls High School Iqbal Road, Sadiqabad.  
068-5957986  
Muhammad Ashraf  
Assistant Branch Manager

### Sahiwal Central Branch

1st Floor, Central Plaza High Street, Sahiwal City.  
040-8005731  
Mohammad Saqib Chaudhry  
Assistant Branch Manager

### Sahiwal City Branch

1st Floor Central Plaza High Street, Sahiwal City. Sahiwal  
040-8005731  
Muhammad Rashid Latif  
Regional Manager

### Sahiwal Civic Branch

1st Floor, Fareed Plaza Tufail Shaheed Road, Bahir Wala Ada, Sahiwal  
040-8005770  
Ghulam Jelani  
Group Manager

### Sahiwal Royal Branch

1st Floor, Central Plaza, High Street Sahiwal City.  
040-8005731  
Muhammad Naveed  
Branch Manager

### Sajawal Branch

Plot No R-2030, 1st Floor, Office No 3, Memon Shopping Centre, Main Bathoro Road, Near Qasmi Masjid, Sujawal.  
0321-3481434  
Ubaid Ullah Jamari  
Branch Manager

### Sakrand Branch

Office # 310, Second Floor, Lakyari Appartment, Main Qazi Ahmed Road, Sakrand.  
0302-4480817  
Abdul Razaque  
Assistant Branch Manager

### Sanghar Branch

1st Floor, Faisal Super Mart, Main Nawabshah Road, Sanghar.  
0333-2915046  
Imtiaz Muhammad  
Branch Manager

### Sargodha Branch

1st Floor, 66- Civil Lines, Court Road, Khan Arcade, Sargodha  
048-2005601  
Akhtar Husnain Akhtar  
Group Manager

### Sargodha Eagle Branch

1st Floor, 66- Civil Lines, Court Road, Khan Arcade, Sargodha  
048-2005601  
Muhammad Naseer  
Senior Branch Manager

### Satyana Branch

Near Usman Oil Mills, Jaranwala Road, Satiyana Bangla, Tehsil Jaranwala & District Faisalabad.  
0333-6561200  
Muhammad Khaleeq uz Zaman  
Assistant Branch Manager

### Shahdad Kot Branch

Herabad Mohallah Sajwal Phataq Shahdad Kot.  
074-4012016  
Sajad Ali  
Senior Unit Manager

### Shahpur Chakar Branch

Kamal Shah Colony Malik Abad Main Nawabshah Road Shahpur Chakar District Sanghar.  
0333-2759007  
Ghulam Abbas  
Senior Unit Manager

### Shikarpur Branch

Near Gym Khana, Jahaz Chowk, Shikarpur.  
0726-618005  
Zuhaib Ahmed  
Branch Manager

### Sialkot Branch

2nd Floor, Shareef Plaza, Near Sialkot Chamber of Commerce Building Paris Road, Sialkot.  
052-4264050, 052-4264017  
Syed Adnan Haider  
Senior Branch Manager

### Sibi Branch

1st Floor, Barozi Plaza, Near GPO, Jinnah Road, Sibi.  
0346-8090002  
Bhawal Khan  
Assistant Branch Manager

### Skardu City Branch

1st Floor Alamdar Plaza, Alamdar chowk, Near pehchan Bakers Skardu.  
0346-9589093  
Muhammad Ayaz Ali  
Assistant Branch Manager

### Sukkur Branch

C-433, Ground Floor, Near Qasim Park, Opposite Queen's Road, Sukkur  
071-2004125  
Sher Zaman Khan  
Zonal Manager  
Zaheer Uddin Ghumro  
Senior Regional Manager

### Sukkur City Branch

C-433, Ground Floor, Near Qasim Park Opposite Queen's Road, Sukkur  
071-2004125  
Muhammad Arif Junejo  
Group Manager

### Sukkur Civic Branch

C-433, Ground Floor, Near Qasim Park, Opposite Queen's Road, Sukkur  
071-2004125  
Tariq H. Khosa  
Senior Branch Manager

### Sukkur Prime Branch

C-433, Ground Floor, Near Qasim Park, Opposite Queen's Road, Sukkur  
071-2004125  
Ahmed Hussain  
Assistant Branch Manager

### Sukkur Royal Branch

C-433, Ground Floor, Near Qasim Park, Opposite Queen's Road, Sukkur  
071-2004125  
Ghulam Mustafa Mughal  
Branch Manager

### Sumundari Branch

1st Floor, Rao Tahir Building, Gojra Road Opposite Civil Hospital, Near Care Pharmacy, Samundari.  
041-5003420-31  
Hussnain Raza



Senior Unit Manager

#### **Talagang Branch**

2nd Floor, Awan Plaza, Near Virtual  
University Campos, Sargodha Road, Talagang  
District, Chakwal.  
0307-6091245  
Tauqeer Hussain  
Senior Unit Manager

#### **Thari Mirwah Branch**

1st Floor, Al Murtaza Shadi Hall, Sui Gass  
Road, Thari Mirwah.  
0300-3119479  
Muhammad Kamran  
Senior Unit Manager

#### **Thatta Branch**

Office No. 1, 1st Floor, Survey #. 116,  
Shaheed Abdul Jaili Memon Kanta Sajawal  
Road, Main National Highway, Thatta  
0298-550131, 550237,38  
Abid Hussain  
Group Manager

#### **Thull City Branch**

Near Riaz Chowk Thull, Tehsil Thull, Dist.  
Jacobabad  
0722-611134, 0722-611089  
Anees ur Rehman  
Assistant Branch Manager

#### **Toba Tek Singh Branch**

Upper Storey JS Bank, Farooq Road,  
Toba Tek Singh  
046-2511017-8,9,046-2514615  
Muhammad Salman Zaheer  
Branch Manager

#### **Turbat City Branch**

1st Floor, Allah Wala Market,  
Main Road, Turbat  
0852-411006-8 - 411718  
Ikhlaq Ahmed  
Senior Branch Manager

#### **Ubauro Branch**

Near Shah Medical Center,  
G.T. Road Dist. Ghotki Ghotki  
072-3688764-5,6,  
Adil Mahmood Samejo  
Zonal Manager  
Adnan M. Samejo  
Group Manager

#### **Umerkot Branch**

1st Floor Kamelsh Kumar Market,  
Ward No 313, Near Welcome Medicos Street,  
Allah Wala Chowk, Umerkot.  
0333-2795974  
Kelash  
Senior Unit Manager

#### **Usta Mohammad Branch**

Near UBL - Bank, Jinnah Road Usta  
Mohammad.  
Zahid Hussain  
Branch Manager

#### **Vehari Branch**

Royal Arcade, Ground Floor, 1 KM,  
Luddon Road, Vehari  
067-2006330  
Imran Mehfooz  
Group Manager

#### **Wah Cantt Branch**

Office # B-8, 2nd Floor,  
Din Plaza, Main GT Road, Taxila.  
051-4536154  
Munawar Khan  
Assistant Branch Manager



# EFU Life Window Takaful - Offices

## Takaful Badin Branch

Plot No. 361, 118/B, 1st Floor,  
Opposite Girl High School, Uper UBL Bank,  
Main Quaid-E-Azam Road Badin.  
0297-861180,82  
Ishtiaq Hussain Shah  
Takaful Branch Manager

## Takaful Badin Star Branch

Plot No. 361, 118/B, 1st Floor,  
Opposite Girl High School, Upper UBL Bank,  
Main Quaid-E-Azam Road Badin.  
0297-861180,82  
Essa  
Takaful Branch Manager

## Takaful Bagh AK City Branch

Azeem Plaza, 1st Floor,  
Dhulli Road, Pulli Bagh AJK.  
058-23444450,44451,44452,44453  
Syed Adnan Aftab  
Takaful Regional Manager

## Takaful Bahawalpur Civic Branch

1st Floor, Batool Plaza, Opposite Gate No. 3  
Ghalla Mandi, Model Town B" Bahawalpur"  
062-2886847,2882920,2881920  
Muhammad Amjad Areeb  
Takaful Branch Manager

## Takaful Bajaur Branch

0345-8745254  
Muhammad Yaseen  
Takaful Assistant Branch Manager

## Takaful Charhoi Khurata

1st Floor, Al Harmian Plaza, Near HBL Bank  
Charhoi Khurata District Kotli AJK.  
0342-5891502  
Naveed Mushtaq  
Takaful Assistant Branch Manager

## Takaful Dera Ghazi Khan City Branch

Al Furqan Plaza, 10C, 1st Floor, Near Nadra  
Office, Khyban e Sarwa, Multan Road,  
Dera Ghazi Khan.  
0311-9449494  
Muhammad Saqib  
Takaful Assistant Branch Manager

## Takaful Dhirkot AJK Branch

Ithad Plaza, Opposite A.C Office,  
Bagh Road, Dhirkot AJK  
0355-8010127/0345-5203127  
Rehan Khan  
Takaful Assistant Branch Manager

## Takaful Faisalabad Eagle Branch

Plot #-331-B, 332-B, Peoples Colony # 1,  
Sun Rise Plaza, 4th Floor, Gat On Wala  
Chowk Faisalabad.  
041-5003930  
Ghulam Haider  
Takaful Regional Manager

## Takaful Golarchi Branch

HBL Bank, 1st Floor, Golarchi District Badin.  
0333-2525171  
Sajid Ali  
Takaful Senior Unit Manager

## Takaful Hyderabad Eagles Branch

Plot No. B1 / 54, Mezzanine Floor, Railway  
Employees Cooperative Housing Society  
Latifabad Hyderabad.  
022-8334350  
Muhammad Imran Shafi  
Takaful Assistant Branch Manager

## Takaful Hyderabad Star Branch

Plot No. B1 / 54, Mezzanine Floor, Railway  
Employees Cooperative Housing Society  
Latifabad Hyderabad.  
022-8334350  
Irshad Ali Panhwar  
Takaful Senior Branch Manager

## Takaful Islamabad Capital Branch

Dodhy Plaza, 2nd Floor, East Site Office,  
Jinnah Avenue, Blue Area Islamabad.  
051-8023340  
Sheikh Waheed Ali  
Takaful Senior Regional Manager

## Takaful Jhang Branch

1st Floor, Near Education Complex, Burji  
Chowk, Toba Road, Jhang.  
0477-651007, 502703  
Arbab Sikander Jehangir  
Takaful Branch Manager

## Takaful Jhelum City Branch

1st Floor, Nawab Plaza, Machine Mohallah  
No 2, Opposite Habib Metro Bank,  
Jada Road, Jhelum.  
0300-0000000  
Matloob Hussain  
Takaful Senior Unit Manager

## Takaful Kahuta Branch

Javid Haven Guest House, 1st Floor, Near  
Post Office, Haveli Kahuta Tehsil & District  
Haveli Farward Kahuta AJK.  
0355-6302424  
Mudassar Izhar  
Takaful Unit Manager

## Takaful Karachi East Branch

A-34, 1st Floor, Hafeez Center, KCHSU,  
Shahrah-e-Faisal, Karachi.  
0345-6058570  
Hasham Farooq  
Takaful Branch Manager

## Takaful Karachi Galaxy Branch

A-34, 1st Floor, Hafeez Center, KCHSU,  
Shahrah-e-Faisal  
021-38652860  
M Usama Iqbal Khan  
Takaful Senior Branch Manager

## Takaful Karachi Garden City Branch

A-34, 1st Floor, Hafeez Center, KCHSU,  
Shahrah-e-Faisal  
021-38652860  
Imran Ahmed Khan  
Takaful Senior Branch Manager

## Takaful Karachi Global Branch

A-34, 1st Floor, Hafeez Center, KCHSU,  
Shahrah-e-Faisal, Karachi.  
021-38652860  
Jamil Ahmed  
Takaful Zonal Manager

## Takaful Karachi Green Branch

A-34, 2nd Floor, Hafeez Center, KCHSU,  
Shahrah-e-Faisal.  
021-38652860  
Faraz Jalil Siddiqui  
Takaful Regional Manager

## Takaful Karachi Gulshan Branch

A-34, 3rd Floor, Hafeez Center, KCHSU,  
Shahrah-e-Faisal, Karachi.  
021-38652860  
Muhammad Faizan  
Takaful Zonal Manager

## Takaful Karachi Hatf Branch

A-34, 1st Floor, Hafeez Center, KCHSU,  
Shahrah-e-Faisal, Karachi.  
021-38652810  
Kinan Amin  
Takaful Senior Branch Manager

## Takaful Karachi Indus Branch

Plot # FL-I, (TH-16), Block -5, Scheme 24,  
2nd Floor, Near Bank Alfalah, Gulshan e Iqbal  
Karachi.  
021-36102951  
Salman Saleem Khan  
Takaful Branch Manager

## Takaful Karachi Johar Branch

Plot # FL-I, (TH-16), Block -5, Scheme-24,  
2nd Floor, Near Bank Al Falah, Gulshan-e-  
Iqbal, Karachi.  
021-36102951  
Ehtesham Ali  
Takaful Zonal Manager

## Takaful Karachi Mayfair Branch

Super View Tower, Mezzanine Floor, Plot No  
C-31, Block 10, Federal B Area, Karachi  
021-38651735  
Fasih Uddin Amjad  
Takaful Zonal Manager

## Takaful Karachi Meezan Branch

A-34, 1st Floor, Hafeez Center, KCHSU,  
Shahrah-e-Faisal Karachi.  
021-38652817  
Rehman Fayyaz Khan  
Takaful Senior Regional Manager

**Takaful Karachi North Branch**

Super View Tower, Mezzanine Floor, Plot No C-31, Block 10, Federal B Area, Karachi  
021-38651735  
S. Fasihullah Akber Husaini  
Takaful Assistant Branch Manager

**Takaful Karachi Nursery Branch**

A-34, 1st Floor, Hafeez Center, KCHSU, Shahrah-e-Faisal Karachi.  
021-38652817  
Saif Ur Rehman  
Takaful Branch Manager

**Takaful Karachi Opal Branch**

Super View Tower, Mezzanine Floor, Plot No C-31, Block 10, Federal B Area, Karachi  
021-38651735  
Naveed Khalid Mirza  
Takaful Branch Manager

**Takaful Karachi Progressive Branch**

Plot # FL-I, (TH-16), Block-5, Scheme 24, 2nd Floor, Near Bank Alfalah Gulshan-e-Iqbal Karachi.  
021-36102951  
Babar Mahmood  
Takaful Zonal Manager

**Takaful Karachi Royal City Branch**

Super View Tower, Mezzanine Floor, Plot No C-31, Block 10, Federal B Area, Karachi  
021-38651735  
Noor Baz Khan  
Takaful Regional Manager

**Takaful Khairata Branch**

Upper Floor, JS Bank Ltd, Raja Shareef Plaza, Bypass Road, Khairatta AJK.  
0343-4558767  
Raja Sabahat Siddique  
Takaful Senior Branch Manager

**Takaful Lahore City Branch**

1st Floor, 43-L, M.M. Alam Road, Gulberg III Lahore.  
042-38003660  
Muhammad Akbar Munir  
Takaful Regional Manager

**Takaful Lahore Fort Branch**

18-C -2nd, Floor Commercial Zone, Liberty Market, Gulberg III, Lahore  
042-35832651-7  
M. Amin Siddiqui  
Takaful Senior Branch Manager

**Takaful Lahore Imperial Branch**

1st Floor, Near Bank Zone, Manga Mandi Bypass Multan Road Lahore.  
Mirza Asim Ali  
Takaful Zonal Manager

**Takaful Lahore Pioneer Branch**

18-C -2nd, Floor Commercial Zone, Liberty Market, Gulberg III, Lahore  
042-38003750  
Muhammad Imran  
Takaful Regional Manager

**Takaful Lahore Prime Branch**

1st Floor, 43-L, M.M. Alam Road, Gulberg III, Lahore.  
042-38003660  
Saima Faisal  
Takaful Branch Manager

**Takaful Lahore Shahdara Branch**

1st Floor, Uper Al Fateh Electronic, Jia Moosa Stop, Opposite Grace Palace, Sheikhpura Road, Shahdara Lahore.  
0300-4409676  
Muhammad Akbar Munir  
Takaful Regional Manager

**Takaful Lahore Shahdara Unity Branch**

1st Floor, Uper Al Fateh Electronic, Jia Moosa Stop, Opposite Grace Palace, Sheikhpura Road Shahdara Lahore.  
0324-4175082  
Arshad Ali  
Takaful Branch Manager

**Takaful Lahore Unity Branch**

Office No. 101, 1st Floor, Rehman Business Center, Opposite Firdous Market, Gulberg III, Lahore.  
0305-4390380  
Imran Riaz  
Takaful Senior Branch Manager

**Takaful Larkana City Branch**

1st & 2nd Floor, Building No 1636/2, Barrister Jan Mohammad Road, Near Midtown Shopping Mal, Larkana.  
074-4751714-15-16  
Munawar Ali  
Takaful Senior Branch Manager

**Takaful Larkana Shaheen Branch**

1st & 2nd Floor, Building No 1636/2, Barrister Jan Mohammad Road, Near Midtown Shopping Mal, Larkana.  
0300-2898622  
Muhammad Hassan  
Takaful Branch Manager

**Takaful Malakand Branch**

Now Searching Location  
0300-5711161  
Zulfiqar Ali  
Takaful Assistant Branch Manager

**Takaful Manga Mandi Branch**

3rd Floor, Ghazi Tower, Near PIA Main Office, Abdali Road Multan  
061-8026500  
Maqsood Ali  
Takaful Branch Manager

**Takaful Mardan Branch**

2nd Floor, PRC Plaza, Mardan  
0937-870011, 12, 13  
Irfan Ali  
Takaful Assistant Branch Manager

**Takaful Mian Channu Branch**

First Floor, Allied Bank Near T, Chowk G.T Road, Mian Channu  
065-2660891-5  
Muhammad Ehsan Haider  
Takaful Branch Manager

**Takaful Mirpur AK Branch**

Pilot No # 73, K. K Plaza C-3, Near UBL Bank Fazal Chowk, Mirpur Azad Kashmir  
05827-450116-21  
Abdur Rab Jan  
Takaful Assistant Branch Manager

**Takaful Mirpurkhas Indus Branch**

Hanif Memon Plaza 1st Floor Above Bank AL Habib Islami, Station Road, Mirpurkhas  
0233-872070, 71  
Kashif Wali Ansari  
Takaful Assistant Branch Manager

**Takaful Multan Civic Branch**

3rd Floor, Ghazi Tower, Near PIA Main Office, Abdali Road Multan  
061-8026500  
Muhammad Kashif Riffat  
Takaful Zonal Manager

**Takaful Multan Eagles Branch**

Office # 41- 46, 3rd Floor, Bussiness City Plaza, Busan Road, Multan.  
061-8026250  
Muhammad Ali Khan  
Takaful Senior Branch Manager

**Takaful Multan South Branch**

Office # 41- 46, 3rd Floor, Bussiness City Plaza, Busan Road, Multan.  
061-8026250  
Adeel Waqas  
Takaful Branch Manager

**Takaful Multan Squad Branch**

3rd Floor, Ghazi Tower, Near PIA Main Office, Abdali Road, Multan  
061-8026500  
Bakhtawar Saeed  
Takaful Senior Unit Manager

**Takaful Murree Road Branch**

Dodhy Plaza, 2nd Floor, East Site Office, Jinnah Avenue, Blue Area, Islamabad  
051-8023340  
Muhammad Asim  
Takaful Senior Branch Manager

**Takaful Muzaffarabad City Branch**

3rd Floor, DAM Civic Centre Plaza, Bank Road, Muzaffarabad, Azad Kashmir.  
05822-442729, 30, 32, 38, 39  
Taqdees Awan  
Takaful Zonal Manager

**Takaful Muzaffarabad Royal Branch**

3rd Floor, DAM Civic Centre Plaza,  
Bank Road, Muzaffarabad, Azad Kashmir.  
05822-442729,30,32,38,39  
Nazia Saleem  
Takaful Senior Unit Manager

**Takaful Narowal City Branch**

1st Floor, Main Circular Road, Jassarr By Pass  
Chowk, Narowal.  
0300-3524400  
Muhammad Shahbaz  
Takaful Branch Manager

**Takaful Nawabshah Star Branch**

Plot No.B-599, 1st Floor, Opposite Al Karim  
Hotel, Katchery Road, Nawabshah.  
0244-365033,372807-8  
Zafar Ali  
Takaful Branch Manager

**Takaful Pangrio City Branch**

Ground Floor, Mohajar Mohallah,  
Near Police Station, Pangrio District Badin,  
Tahsil Tando Bago.  
0333-2526368  
Shahnawaz  
Takaful Unit Manager

**Takaful Peshawar Branch**

Jasmine Arcade, 2nd Floor,  
Fakhar-e-Allam Road, Peshawar Cantt  
091-58529213  
Muhammad Anwar Khan  
Takaful Senior Regional Manager

**Takaful Peshawar City Branch**

Jasmine Arcade, 2nd Floor,  
Fakhar-e-Allam Road, Peshawar Cantt  
091-5271212-14, 16  
Zia Ur rehman  
Takaful Assistant Branch Manager

**Takaful Peshawar Khyber Branch**

Jasmine Arcade, 2nd Floor,  
Fakhar-e-Allam Road, Peshawar Cantt  
091-5271212-14, 16  
Naimat Ullah  
Takaful Assistant Branch Manager

**Takaful Potohar Branch**

Plot # 357/A, 1st Floor, Sultan Plaza,  
Chourr Horalp Peshawar Road, Rawalpindi.  
051-8027001  
Mehmoon Hussain  
Takaful Senior Branch Manager

**Takaful Rahim Yar Khan Branch**

Al-Hamra House, 1st Floor, 20-A Model  
Town, Rahim Yar Khan  
068-5877126  
Adnan Ahmad  
Takaful Regional Manager

**Takaful Rawalakot City Branch**

1st Floor, Ravi Restaurant, Bank Road  
Rawalakot AJK  
0333-9054934  
Shaista Jabeen Naz  
Takaful Senior Unit Manager

**Takaful Rawalpindi Branch**

1st Floor, Muhammad Arcade, B-847,  
Satellite Town, Rawalpindi Satellite Town  
Rawalpindi  
051-8023001  
Noubahar Haider Hamdani  
Takaful Zonal Manager

**Takaful Rawalpindi City Branch**

Plot # 357/A, 1st Floor, Sultan Plaza,  
Chourr Horalp Peshawar Road, Rawalpindi.  
051-8027001  
Saqib Shahzad  
Takaful Branch Manager

**Takaful Rawat Branch**

Main Kallar Sayedain Road, Dhok Major Stop  
Rawat, Rawalpindi.  
0311-5528108  
Nauman Tariq  
Takaful Assistant Branch Manager

**Takaful Sahiwal Branch**

1st Floor ,174/27 Civil Line Near,  
District Court Sahiwal  
040-4222150  
Muhammad Javed Ashraf  
Takaful Assistant Branch Manager

**Takaful Sahiwal Pioneer Branch**

1st Floor, 174/27, Civil Line, Near District  
Court, Sahiwal  
040-4510081-040-4222150  
Muhammad Saeed  
Takaful Branch Manager

**Takaful Sakrand Royal Branch**

Shayan Builders, Flat # 01, Opposite Fahad  
Clinic Main Qazi Ahmed Road, Sakrand.  
0244-322488,85,84,87  
Sahiba  
Takaful Assistant Branch Manager

**Takaful Sargodha Cantt Branch**

1st Floor, Obaid Plaza 37-C Satellite Town  
Chowk Sargodha  
048-2005701  
Waqas Ali  
Takaful Senior Branch Manager

**Takaful Sargodha Fort Branch**

1st Floor, 66-Civil Lines, Court Road,  
Khan Arcade, Sargodha  
0313-6000977  
Ghulam Qasim  
Takaful Branch Manager

**Takaful Sargodha Royal Branch**

1st Floor, 66-Civil Lines, Court Road,  
Khan Arcade, Sargodha.  
0321-6082595  
Muhammad Fahd Zaheer  
Takaful Branch Manager

**Takaful Sargodha Shaheen Branch**

1st Floor, Obaid Plaza 37-C Satellite Town  
Chowk Sargodha,  
048-2005701  
M. Abu Bakar Saddique  
Takaful Branch Manager

**Takaful Sargodha Sultan Branch**

1st Floor, 66- Civil Lines, Court Road,  
Khan Arcade, Sargodha.  
0300-6009260  
Mazhar Iqbal  
Takaful Zonal Manager

**Takaful Shorkot City Branch**

1st Floor, Ammad Ashraf, Plaza Uper Story  
Khushali Bank, Jhang Road, Tehsil Shorkot  
District Jhang.  
047-5311088/047-5311099  
Qaisar Abbas  
Takaful Senior Branch Manager

**Takaful Sukkur Prime Branch**

Alpha Tower 1st Floor, Office # 09,  
Minara Road, Opposite Wapda Office, Sukkur.  
071-5622752,53,54  
Syed Waqar Gillani  
Takaful Senior Unit Manager

**Takaful Swat City Branch**

1st Floor, Rehman Plaza, Near Daewoo Adda  
GT Road, Rahimabad, Mingora Swat.  
0946-729620-22  
Muhammad Asim  
Takaful Zonal Manager

**Takaful Taxila Branch**

1st Floor, Nabi Plaza, Near Meezan Bank,  
Main Chowk Taxila.  
0320-8844583  
Shahid Malik  
Takaful Branch Manager

**Takaful Thatta Branch**

Bukera Building, 1st Floor, Bata Shop Opp.  
HBL Bank, Main National High way, Karachi  
Road, Thatta.  
0298-550035  
Ayoob Khan, Takaful Zonal Manager

**Takaful Timergara Branch**

2nd Floor, MB Plaza, Near Gorgore Chowk  
Timergara.  
0945-822370,71,72,73  
Muhammad Yunas  
Takaful Branch Manager

**Takaful Toba Tek Singh Branch**

Upper Floor U.B.L Bank Shorkot Road Toba  
Tek Singh  
0462-514081-85  
Basharat Ali Haidari  
Takaful Branch Manager

**Takaful TwinCity Branch**

Dodhy Plaza, 2nd Floor, East Site Office,  
Jinnah Avenue, Blue Area Islamabad  
051-8023340  
Maria Ejaz  
Takaful Branch Manager



**Form of Proxy**

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a member of EFU LIFE ASSURANCE LTD, hereby appoint  
Mr. \_\_\_\_\_  
of \_\_\_\_\_  
or failing him \_\_\_\_\_  
of \_\_\_\_\_

as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday, March 31, 2021 at 11.30 am and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

**WITNESS:**

1. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC or  
Passport No: \_\_\_\_\_

2. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC or  
Passport No: \_\_\_\_\_

Revenue  
Stamp

Signature of Member(s)

Shareholder's Folio No. \_\_\_\_\_  
and/or CDC  
Participant ID No. \_\_\_\_\_  
and Sub Account No. \_\_\_\_\_

**Important:**

This form of Proxy, duly completed, must be deposited at the Company's Registered Office at Al-Mulk Centre, 70 W, F-7/G-7, Jinnah Avenue (Blue Area), Islamabad not later than 48 hours before the time appointed for the meeting.

CDC Shareholders and their Proxies are each requested to attach attested photocopy of their Computerised National Identity Card (CNIC) or Passport with this proxy form before submission to the Company.

CDC Shareholders or their Proxies are requested to bring with them their Original Computerised National Identity Card or Passport along with the Participant's ID number and their account number at the time of attending the Annual General Meeting in order to facilitate their identification.

AFFIX  
POSTAGE

**EFU LIFE ASSURANCE LTD.**  
The Company Secretary  
Al-Malik Centre,  
70 W, F-7/G-7  
Jinnah Avenue (Blue Area)  
Islamabad.







AFFIX  
POSTAGE

**EFU LIFE ASSURANCE LTD.**  
The Company Secretary  
Al-Malik Centre,  
70 W, F-7/G-7  
Jinnah Avenue (Blue Area)  
Islamabad.





**LIFE**

***Form of E-Voting***

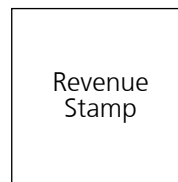
I/We \_\_\_\_\_  
of \_\_\_\_\_ being a member of EFU LIFE ASSURANCE LTD. hereby opt for  
e-voting through intermediary as proxy and will exercise e-voting as per the Companies  
(e-voting) Regulations, 2016 and hereby demand for poll for resolutions at the 29th Annual  
General Meeting of the Company to be held on Wednesday March 31, 2021 at 11:30 a.m. and at  
any adjournment thereof.

My secured email address is \_\_\_\_\_, please send login details,  
password and electronic signature through email.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

WITNESSES:

1. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC Or  
Passport No: \_\_\_\_\_



*Signature of Member(s)*

2. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC Or  
Passport No: \_\_\_\_\_

Shareholder's Folio No. \_\_\_\_\_  
and / or CDC  
Participant I.D.No. \_\_\_\_\_  
and Sub Account No. \_\_\_\_\_

Note:

This form of Proxy, duly completed, must be deposited at Al-Malik Centre, 70 W, F-7/G-7, Jinnah Avenue  
(Blue Area), Islamabad or through email: [abbashussain@efulife.com](mailto:abbashussain@efulife.com).





**LIFE**

**Bank Mandate Form**

Folio / CDS Account No. \_\_\_\_\_

Date \_\_\_\_\_

Name of Shareholder \_\_\_\_\_

S/o, D/o, W/o \_\_\_\_\_

Address \_\_\_\_\_

**Bank Mandate Form For Electronic  
Credit of Cash Dividend**

Dear Shareholder,

This is to inform you that in accordance with the Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Please note that giving bank mandate for dividend payments is **mandatory** and in order to comply with this regulatory requirement and to avail the facility of direct credit of dividend amount in your bank account, you are requested to please provide the following information:

<b>(i) Shareholder's detail</b>	
Name of the Shareholder	
Folio No. / CDC Account No.	
CNIC No.	
Passport No. (in case of foreign shareholder)	
Cell Number of Shareholder	
Landline Number of Shareholder, if any	
E-mail address	

<b>(ii) Shareholder's bank detail</b>	
Title of the Bank Account	
IBAN "24 Digits"	
Bank's Name	
Branch Name and Code No.	
Branch Address	

It is stated that the above mentioned information is correct and in case of any change therein, I/we will immediately intimate Participant / Share Registrar accordingly.

\_\_\_\_\_  
Signature of the Shareholder

You are requested to kindly send this Form duly filled in and signed along with legible photocopy of your valid CNIC to your Broker / CDC Participant / CDC Investor Account Service (in case your shareholding is in Book Entry Form) or in case your shareholding is in physical form to our Share Registrar, **CDC Share Registrar Services Ltd. CDC House, 99-B, Block B, S.M.C.H.S, Main Shahra-e-Faisal, Karachi-74400, Pakistan.**





