

Adamjee Insurance has a legacy of providing protection and security to our customers, securing their futures so that they have the confidence to make the most of the present





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VISION & MISSION

Our will is to **Explore, Innovate** and **Differentiate**.

Our passion is to provide **leadership** to the insurance industry.



A modern office lounge area with a wooden ceiling, large windows, and indoor plants. The space features several green armchairs, a white armchair, and a small white table. The foreground is filled with lush green plants.

CORE VALUES

- **Integrity** - Transparency and honesty without compromise
- **Humility** - Empathy, self-esteem and respect in all relationships
- **Fun at Workplace** - Work-life balance
- **Corporate Social Responsibility** - Service to humanity

Company Information

BOARD OF DIRECTORS

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

ADVISOR

Mian Muhammad Mansha

AUDIT COMMITTEE

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

ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

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

INVESTMENT COMMITTEE

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

COMPANY SECRETARY

Tameez ul Haque, FCA

CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi, FCA

EXECUTIVE MANAGEMENT TEAM

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

AUDITORS

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

SHARIAH ADVISOR

Mufti Muhammad Hassan Kaleem

SHARE REGISTRAR

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

BANKERS

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

REGISTERED OFFICE

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

Directors' Report

to the Members on Unconsolidated Financial Statements

For the quarter ended 31 March 2021

On behalf of the Board, we are pleased to present the unaudited unconsolidated condensed interim financial information of the Company for the first quarter ended 31 March 2021.

Financial Highlights:

The highlights for the period under review are as follows:

	(Unaudited)	
	31 March 2021	31 March 2020
	Rupees in thousand	
Gross Premium	5,113,246	4,580,310
Net Premium	2,898,305	3,743,793
Underwriting results	208,239	167,464
Investment Income	996,624	410,111
Profit before tax	1,274,221	673,951
Profit after tax	909,105	471,702
	(Unaudited)	
	31 March 2021	31 March 2020
	Rupees	
Earnings per share	2.60	1.35

Performance Review:

The Gross Premium of the Company increased by 12% and the Net Premium decreased by 23%. There was an improvement in profitability as underwriting profit increased by 24% from the last year. The investment income also increased by 143% in the first quarter of 2021 as compared to the corresponding figures in the last year due to higher dividends received from banking portfolio of equities as dividend payment by banking sector was restricted by the State Bank of Pakistan in the year 2020. Consequently, the profit before tax & profit after tax increased by 89% and 93% respectively.

Window Takaful Operations:

The written contribution and deficit of Participants' Takaful Fund is Rs. 399,113 thousands (2020: Rs. 500,052 thousands) and Rs. 6,740 thousands (2020: Surplus of Rs. 47,715 thousands), respectively. Most of the growth in contribution written came from Motor and Marine, Aviation & Transport line of businesses which contributed 69% and 4% to the total contribution written in first quarter of 2021. Window Takaful Operations profit before tax decreased by 6% amounting to Rs. 33,750 thousands for the quarter ended 31 March 2021 (2020: Rs. 35,776 thousands).

Future Outlook:

The State Bank of Pakistan (SBP) has raised GDP growth forecast to 3% for FY21 from earlier estimate of 2% expecting growth mainly driven from manufacturing sector. SBP policy rate has also been maintained at 7% to fuel the sustained economic growth. However, recent third wave of COVID-19 virus is posing a serious challenge to these growth forecasts as the authorities are again considering to impose lockdowns as COVID-19 cases surge across the Country. Despite availability of new vaccines, Government faces supply challenges and vaccine hesitance making it difficult for the Government to vaccinate the masses.

Acknowledgements:

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

For and on behalf of the Board



Ibrahim Shamsi
Director



Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

غیرمجمع مختصر عبوری مالیاتی معلومات (غیر آڈٹ شدہ) پر ممبران کوڈائزٹریکٹرز کا جائزہ بابت سہ ماہی ختمہ 31 مارچ 2021ء

بورڈ کی جانب سے 31 مارچ 2021ء کو ختم ہونے والی پہلی سہ ماہی کیلئے کمپنی کے غیر آڈٹ شدہ غیرمجمع عبوری مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

مالیاتی جھلکیاں

زیر جائزہ مدت کی جھلکیاں درج ذیل ہیں:

31 مارچ 2020ء	31 مارچ 2021ء
ہزار روپے میں	ہزار روپے میں
(غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
4,580,310	5,113,246
3,743,793	2,898,305
167,464	208,239
410,111	996,624
673,951	1,274,221
471,702	909,105
1.35	2.60

مجموعی پریمیئم
خالص پریمیئم
زیر تحریک نتائج
سرمایہ کاری سے آمدنی
منافع قبل از ٹیکس
منافع بعد از ٹیکس
آمدنی فی شیئر (روپے)

کارکردگی کا جائزہ

کمپنی کی مجموعی اقساط (گراس پریمیئم) میں 12% اضافہ ہوا اور خالص اقساط (نیٹ پریمیئم) میں 23% تک کی کمی واقع ہوئی۔ منافع جات میں بہتری رہی کیونکہ انڈر رائٹنگ منافع پچھلے سال سے 24% تک بڑھ گیا۔ پچھلے سال کے اسی عرصے کے اعداد و شمار کے مقابلے میں سال 2021ء کی پہلی سہ ماہی میں سرمایہ کاری آمدن بھی 143% تک بڑھ گئی جس کی وجہ سے سال 2020ء میں اسٹیٹ بینک آف پاکستان کی جانب سے بینکاری شعبے پر ایکویٹیز کے بینکنگ پورٹ فولیو سے ادائیگی منافع کے طور پر لگائی گئی پابندی سے حاصل کردہ منافع جات بہت زیادہ رہے۔ نتیجتاً منافع قبل از ٹیکس اور منافع بعد از ٹیکس علی الترتیب 89% اور 93% کا اضافہ ہوا ہے۔

وڈنگ و کال آپریشنز

تحریر شدہ کنٹری بیوشن اور پلانٹیشنس کا کال فونڈ کا خسارہ علی الترتیب -399,113 ہزار روپے (2020ء میں -500,052 ہزار روپے) اور -6,740 ہزار روپے (2020ء میں -47,715 ہزار روپے کا سرپلس) تھا۔ تحریر شدہ کنٹری بیوشن میں زیادہ تر اضافہ موٹر اور میرین، ایوی ایشن اور ٹرانسپورٹ لائن آف بزنسز سے ہوا جس نے 2021ء کی پہلی سہ ماہی میں کل تحریر شدہ کنٹری بیوشن میں 69% اور 4% کا حصہ ڈالا۔ وڈنگ و کال آپریشنز کا منافع قبل از ٹیکس 31 مارچ 2021ء کو ختم شدہ سہ ماہی کیلئے 6% تک کم ہو کر -33,750 ہزار روپے ہو گیا (2020ء میں -35,776 ہزار روپے)۔

توقعات مستقبل

اسٹیٹ بینک آف پاکستان (ایس بی پی) نے مینوفیکچرنگ شعبے سے زیادہ تر متحرک پہلے تخمینہ لگائے گئے 2% کے متوقع اضافے سے مالی سال 2021ء کیلئے جی ڈی پی اضافے کی پیش گوئی کو 3% تک بڑھا دیا ہے۔ ایس بی پی پالیسی ریٹ بھی 7% پر برقرار رکھا گیا ہے تاکہ پائیدار معاشی نمو کو بڑھا دیا جائے۔ لیکن کووڈ-19 وائرس کی تیسری حالیہ لہر معاشی نمو کی ان پیش گوئیوں کو تنجیدگی سے چیلنج کر رہی ہے جیسا کہ حکام ایک بار پھر لاک ڈاؤن عائد کرنے کے بارے میں سوچ رہے ہیں کیونکہ ملک بھر میں کووڈ-19 کے کیسز میں اضافہ ہو گیا ہے۔ نئی ویکسینز کی دستیابی کے باوجود، حکومت کو سپلائی کے چیلنجز کا سامنا ہے اور ویکسین چیکاپاٹ حکومت کیلئے عوام الناس کو ٹیکے لگانے کیلئے مشکلات پیدا کر رہی ہے۔

اعتراف

ہم اپنے شیئر ہولڈرز، معزز صارفین، ملازمین اور ترقیاتی عملے کا ان کی مستقل معاونت پر تہہ دل سے شکریہ ادا کرتے ہیں جنہوں نے آدھی انشورنس کو پاکستان کی بڑی اور نمایاں انشورنس کمپنی بننے میں مدد کی۔ ہم سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی مستقل کی معاونت اور فراہم کردہ رہنمائی کو بھی سراہتے ہیں۔

مخانب و برائے بورڈ



محمد علی زیب

چنگ ڈائریکٹر اینڈ چیف ایگزیکٹو آفیسر



ابراہیم شمس

ڈائریکٹر

لاہور: 27 اپریل 2021ء

UNCONSOLIDATED FINANCIAL STATEMENTS

FIRST QUARTER ENDED MARCH 31, 2021



Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Statement of Financial Position
As at 31 March 2021

		31 March 2021	31 December 2020
	Note	----- (Rupees in thousand) ----- (Unaudited)	(Audited)
ASSETS			
Property and equipment	8	4,459,183	4,467,919
Intangible assets	9	86,834	88,187
Investment properties	10	401,896	401,896
Investment in Subsidiary	11	1,097,900	1,097,900
<i>Investments</i>			
Equity securities	12	19,148,255	19,194,460
Debt securities	13	476,113	374,331
Term deposits	14	5,723,735	5,929,062
Loans and other receivable	15	631,534	582,896
Insurance / reinsurance receivables	16	4,674,272	4,759,151
Reinsurance recoveries against outstanding claims		5,612,345	5,922,296
Salvage recoveries accrued		286,127	270,275
Deferred commission expense / acquisition cost		867,149	731,319
Taxation - payment less provisions		214,009	376,484
Prepayments	17	2,864,878	3,422,781
Cash and bank	18	2,479,328	1,312,044
		49,023,558	48,931,001
Total assets of Window Takaful Operations - Operator's Fund	19	624,229	589,148
Total Assets		49,647,787	49,520,149
EQUITY AND LIABILITIES			
Capital and reserves attributable to the Company's equity holders			
Ordinary share capital		3,500,000	3,500,000
Reserves	20	4,266,224	4,486,946
Unappropriated Profit		15,157,018	14,247,913
Total Equity		22,923,242	22,234,859
LIABILITIES			
Underwriting provisions			
Outstanding claims including IBNR		10,242,473	10,768,040
Unearned premium reserves		8,518,774	8,366,434
Unearned reinsurance commission		205,766	245,318
Retirement benefit obligation		204,279	197,232
Deferred taxation		1,325,383	1,375,394
Borrowings		147,356	166,367
Deferred grant income		12,658	14,767
Premium received in advance		457,279	399,494
Insurance / reinsurance payables		2,890,161	3,030,884
Other creditors and accruals	21	1,814,128	1,806,196
Deposits and other liabilities		652,751	672,367
		26,471,008	27,042,493
Total liabilities of Window Takaful Operations - Operator's Fund	19	253,537	242,797
Total Equity and Liabilities		49,647,787	49,520,149
Contingencies and commitments	22		

The annexed notes 1 to 33 form an integral part of these unconsolidated financial statements.

Chairman

Director

Director

Chief Financial
Officer

Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

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

For the Quarter Ended 31 March 2021

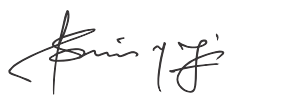
	Note	Quarter Ended	
		31 March 2021	31 March 2020
		Rupees in thousand	
Net Insurance Premium	23	2,898,305	3,743,793
Net Insurance Claims	24	(1,580,017)	(2,343,117)
Net Commission and other acquisition costs	25	(358,264)	(515,379)
Insurance claims and acquisition expenses		(1,938,281)	(2,858,496)
Management expenses		(751,785)	(717,833)
Underwriting results		208,239	167,464
Investment income	26	996,624	410,111
Rental income		29,568	20,112
Other income		22,812	60,011
Other expenses		(11,566)	(17,868)
Results of operating activities		1,245,677	639,830
Finance cost		(5,206)	(1,655)
Profit from window takaful operations		33,750	35,776
Profit before tax		1,274,221	673,951
Income tax expense		(365,116)	(202,249)
Profit after tax		909,105	471,702
		------(Rupees)-----	
Earnings (after tax) per share	27	2.60	1.35

The annexed notes 1 to 33 form an integral part of these unconsolidated financial statements.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

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

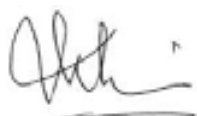
For the Quarter Ended 31 March 2021

	Quarter Ended	
	31 March 2021	31 March 2020
	Rupees in thousand	
Profit after tax for the period	909,105	471,702
<u>Other comprehensive income</u>		
<i>Items that may be reclassified subsequently to profit and loss:</i>		
Unrealized (loss) on 'available-for-sale' investments - net of tax	(136,237)	(3,214,208)
Reclassification adjustment relating to 'available for sale' investments disposed of during the period - net of tax	-	2,644
Other comprehensive income from window takaful operations net of tax	378	684
Effect of translation of investment in foreign branches - net	(84,863)	111,707
Total comprehensive income for the period	<u>688,383</u>	<u>(2,627,471)</u>

The annexed notes 1 to 33 form an integral part of these unconsolidated financial statements.




Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)
For the Quarter Ended 31 March 2021

	Quarter Ended 31 March 2021	Quarter Ended 31 March 2020
	------(Rupees in thousand)-----	
<u>Cash flows from operating activities</u>		
Underwriting activities		
Insurance premiums received	5,062,708	5,161,818
Reinsurance premiums paid	(1,420,774)	(1,052,823)
Claims paid	(2,506,306)	(3,077,562)
Surrenders paid	(13,353)	(14,058)
Reinsurance and other recoveries received	989,036	1,023,973
Commissions paid	(640,614)	(629,277)
Commissions received	93,090	86,377
Other underwriting payments	(650,331)	(516,791)
Net cash inflow from underwriting activities	913,456	981,657
Other operating activities		
Income tax paid	(187,218)	(59,341)
Other operating payments	(89,960)	(19,848)
Loans advanced	(16,216)	(11,312)
Loans repayments received	12,774	17,138
Other operating receipts	6,169	13,869
Net cash outflow from other operating activities	(274,451)	(59,494)
Total cash inflow from all operating activities	639,005	922,163
<u>Cash flows from investing activities</u>		
Profit / return received on bank deposits	38,606	142,330
Income received from Pakistan Investment Bonds	4,500	3,462
Income from Treasury Bills	-	6,450
Dividends received	843,480	317,163
Rentals received	31,093	21,450
Payments for investments	(4,090,646)	(4,970,107)
Proceeds from disposal of investments	3,799,211	3,802,845
Fixed capital expenditure - operating assets	(71,991)	(202,105)
Fixed capital expenditure - intangible assets	(4,481)	(3,157)
Proceeds from disposal of operating fixed assets	2,166	8,269
Total cash inflow / (outflow) from investing activities	551,938	(873,400)
<u>Cash flows from financing activities</u>		
Dividends paid	(885)	(2,588)
Loan principal payment made	(22,326)	-
Interest expense against loan paid	(448)	-
Net cash outflow from financing activities	(23,659)	(2,588)
Net cash inflow from all activities	1,167,284	46,175
Cash and cash equivalent at the beginning of the period	1,312,044	1,176,685
Cash and cash equivalent at the end of the period	2,479,328	1,222,860

Quarter Ended 31 March 2021	Quarter Ended 31 March 2020
------(Rupees in thousand)-----	

Reconciliation to profit and loss account

Operating cash flows	639,005	922,163
Depreciation expense	(57,723)	(67,092)
Provision for retirement benefit obligations	(10,165)	(12,593)
Finance cost	(5,206)	(1,655)
Other income - bank & term deposits	46,210	85,641
Gain on disposal of operating assets	1,693	2,721
Rental income	29,718	26,755
Decrease in assets other than cash	(841,119)	(1,130,392)
Decrease / (increase) in liabilities	440,761	(610,308)
Gain on disposal of investments	-	3,724
Amortization expense	(6,388)	(5,368)
(Increase) / decrease in unearned premium	(152,340)	1,006,897
Increase / (decrease) in loans	3,442	(5,826)
Income taxes paid	187,218	59,341
Increase in tax liabilities	(365,116)	(202,249)
Dividend and other income	955,317	350,981
Income from treasury bills	5,688	10,911
Income from Pakistan Investment Bonds	2,250	2,275
Income against deferred grant	2,110	-
Profit for the period from Window Takaful Operations	33,750	35,776

Profit after tax

909,105	471,702
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Quarter Ended 31 March 2021	Quarter Ended 31 March 2020
------(Rupees in thousand)-----	

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

Cash and other equivalents	7,345	7,749
Current and other accounts	2,471,983	1,215,111


Total cash and cash equivalents

2,479,328	1,222,860
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The annexed notes 1 to 33 form an integral part of these unconsolidated financial statements.



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Statement of Changes in Equity
For the Quarter Ended 31 March 2021

	Share capital	Capital reserve				Revenue reserve		
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	General reserve	Unappropriated Profit	Total
	----- (Rupees in thousand) -----							
Balance as at 31 December 2019 - (Audited)	3,500,000	22,859	3,764	674,936	2,917,432	936,500	13,325,001	21,380,492
Profit for the period 01 January 2020 to 31 March 2020	-	-	-	-	-	-	471,702	471,702
Other comprehensive income for the period 01 January 2020 to 31 March 2020	-	-	-	111,707	(3,210,880)	-	-	(3,099,173)
Total comprehensive income for the period	-	-	-	111,707	(3,210,880)	-	471,702	(2,627,471)
Balance as at 31 March 2020 - (Unaudited)	3,500,000	22,859	3,764	786,643	(293,448)	936,500	13,796,703	18,753,021
Profit for the period 01 April 2020 to 31 December 2020	-	-	-	-	-	-	1,403,804	1,403,804
Other comprehensive income for the period 01 April 2020 to 31 December 2020	-	-	-	(108,205)	3,138,833	-	9,906	3,040,534
Total comprehensive income for the period	-	-	-	(108,205)	3,138,833	-	1,413,710	4,444,338
Transactions with owners of the Company								
Final dividend for the year ended 31 December 2019 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	(525,000)	(525,000)
Interim dividend for the half year ended 30 June 2020 @ 12.5% (Rupee 1.25/- per share)	-	-	-	-	-	-	(437,500)	(437,500)
	-	-	-	-	-	-	(962,500)	(962,500)
Balance as at 31 December 2020 - (Audited)	3,500,000	22,859	3,764	678,438	2,845,385	936,500	14,247,913	22,234,859
Profit for the period 01 January 2021 to 31 March 2021	-	-	-	-	-	-	909,105	909,105
Other comprehensive income for the period 01 January 2021 to 31 March 2021	-	-	-	(84,863)	(135,859)	-	-	(220,722)
Total comprehensive income for the period	-	-	-	(84,863)	(135,859)	-	909,105	688,383
Balance as at 31 March 2021 - (Unaudited)	3,500,000	22,859	3,764	593,575	2,709,526	936,500	15,157,018	22,923,242

The annexed notes 1 to 33 form an integral part of these unconsolidated financial statements.

Chairman

Director

Director

Chief Financial Officer

Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

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

For the Quarter Ended 31 March 2021

1 Legal status and nature of business

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

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

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

2 Basis of preparation and statement of compliance

This unconsolidated condensed interim financial information of the Company for the quarter ended 31 March 2021 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:

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

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

In terms of the requirements of the Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator Fund of the Window Takaful operations of the Company have been presented as a single line item in the statement of financial position and profit and loss account of the Company respectively. A separate set of condensed interim financial information of the Window Takaful operations has been annexed to this financial information as per the requirements of the Takaful Rules, 2012 and Takaful Accounting Regulations, 2019.

This unconsolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2020. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2020, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Company for the quarter ended 31 March 2020.

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

3 Basis of measurement

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

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the unconsolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2020.

4.1 Standards, amendments or interpretations

The new and revised relevant IFRSs effective in the current period had no significant impact on the amounts reported and disclosures in this condensed interim financial information.

IFRS 9

IFRS 9 " Financial Instruments" has become applicable , however as insurance company , the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given below:

The 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

March 31, 2021				
Fail the SPPI test		Pass the SPPI test		
Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----				
Financial assets				
Cash and Bank*	2,479,328	-	-	-
Investment in subsidiary*	1,097,900	-	-	-
Investments in equity securities - available-for-sale	19,148,255	(191,882)	-	-
Investment in debt securities - held-to-maturity	-	476,113	-	-
Term deposits*	-	5,723,735	-	-
Loans and other receivables*	627,881	3,653	-	-
Total	23,353,364	(191,882)	6,203,501	-

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

5 Use of estimates and judgments

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

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

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31 December 2020.

6 Functional and presentation currency

This unconsolidated condensed interim financial information is presented in Pakistani Rupees, which is also the Company's functional currency.

7 Insurance and Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the unconsolidated annual financial statements for the year ended 31 December 2020.

	(Unaudited)	(Audited)
	31 March	31 December
	2021	2020
Note	---- (Rupees in thousand) ----	

8 Property and equipment

Opening balance - net book value	4,456,749	4,168,110
Additions during the period / year	8.1 61,924	573,993
Book value of disposals during the period / year	8.2 (473)	(29,190)
Depreciation charged during the period / year	(57,723)	(263,522)
Exchange differences and other adjustments	(20,299)	7,358
	(78,495)	(285,354)
	4,440,178	4,456,749
Capital work in progress	8.3 19,005	11,170
	4,459,183	4,467,919

8.1 Additions during the period / year:

Land and buildings	20,014	254,005
Furniture and fixtures	42	98,177
Motor vehicles	25,583	26,596
Machinery and equipment	15,278	108,615
Computer and related accessories	1,007	45,645
Right of use asset	-	40,955
	61,924	573,993

8.2 Written down values of property and equipment disposed off during the period / year

Land and buildings	-	592
Furniture and fixtures	-	172
Motor vehicles	458	26,779
Machinery and equipment	-	277
Computer and related accessories	15	1,370
	473	29,190

8.3 Capital work in progress

Capital work in progress as of 31 March 2021 includes advances to different contractors, suppliers and vendors amounting to Rs. 19,005 thousands (31 December 2020: Rs. 11,170 thousands).

(Unaudited)	(Audited)
31 March	31 December
2021	2020
---- (Rupees in thousand) ----	

9 Intangible assets

Opening balance - net book value	88,187	68,927
Additions during the period / year	6,714	40,886
Book value of disposals during the period / year	-	-
Amortization charged during the period / year	(6,388)	(23,296)
Exchange differences and other adjustments	(1,679)	1,670
	(8,067)	(21,626)
	86,834	88,187

10 Investment Properties

Opening balance - net book value	401,896	401,896
Additions and capital improvements	-	-
Unrealized fair value gain	-	-
	401,896	401,896

11 Investment in subsidiary

Adamjee Life Assurance Company Limited - At cost	1,097,900	1,097,900
--------------------------------------------------	------------------	-----------

12 Investment in equity securities

Available-for-sale

	31 March 2021 (Unaudited)			31 December 2020 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
	----- Rupees in thousands -----					
Related parties						
Listed shares	8,463,665	-	8,463,665	8,318,076	-	8,318,076
Unlisted shared	924,333	-	924,333	924,333	-	924,333
	9,387,998	-	9,387,998	9,242,409	-	9,242,409
Unrealized gain			960,402			1,307,313
			10,348,400			10,549,722
Others						
Listed shares	7,135,270	(2,163,210)	4,972,060	7,135,270	(2,163,210)	4,972,060
Unlisted shared	925,360	-	925,360	925,360	-	925,360
Mutual Funds	48,218	-	48,218	48,130	-	48,130
NIT Units	161	-	161	161	-	161
	8,109,009	(2,163,210)	5,945,799	8,108,921	(2,163,210)	5,945,711
Unrealized gain			2,854,056			2,699,027
			8,799,855			8,644,738
Total	17,497,007	(2,163,210)	19,148,255	17,351,330	(2,163,210)	19,194,460

- 12.1 3,716,710 (2020: 3,716,710) shares of MCB Bank Limited and 3,582,000 (2020: 3,582,000) shares of Fauji Fertilizer Company Limited have been pledged against Standby Letter of Credit (SBL) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company.

13 Investment in debt securities

Held-to-maturity

	(Unaudited)	(Audited)
	31 March 2021	31 December 2020
	----- (Rupees in thousand) -----	
Others		
Treasury Bills	379,663	275,631
Pakistan Investment Bonds	96,450	98,700
	476,113	374,331

14 Investments in Term Deposits

Held to maturity

Deposits maturing within 12 months

Inside Pakistan

- related parties
- others

6,811	6,811
175,066	175,066
181,877	181,877

Outside Pakistan

- related parties
- others

1,247,637	1,305,429
4,217,033	4,364,568
5,464,670	5,669,997
5,646,547	5,851,874

Deposits maturing after 12 months

Inside Pakistan

- related parties
- others

2,000	2,000
75,188	75,188
77,188	77,188

14.1

5,723,735	5,929,062
-----------	-----------

- 14.1 These include fixed deposits amounting to Rs. 4,782,609 thousands (AED 115,000 thousands) [2020: Rs. 4,904,014 thousands (AED 112,699 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 259,065 thousands (2020: Rs. 259,065 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company, bid bond guarantees and guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party.

		(Unaudited) 31 March 2021	(Audited) 31 December 2020
	Note	----- (Rupees in thousand) -----	
15 Loans and other receivables			
Considered good			
Rent receivable		6,401	7,776
Receivable from related parties	15.1	55,412	43,135
Accrued income		248,802	129,361
Security deposits		47,439	46,713
Advances to employees and suppliers		159,223	237,051
Advance agent commission		5,436	4,478
Loans to employees		48,396	45,336
Other receivables		60,425	69,046
		631,534	582,896

15.1 This represents receivable from Adamjee Life Assurance Company Limited, subsidiary of the Company, in respect of cash value of life policies obtained for key management personnel of the Company. Company is the beneficiary in respect of policies obtained for the employees.

16 Insurance / reinsurance receivables - unsecured and considered good

Due from insurance contract holders	4,760,435	4,723,214
Provision for impairment of receivables from insurance contract holders	(901,678)	(932,384)
	3,858,757	3,790,830
Due from other insurers / other reinsurers	1,016,817	1,169,623
Provision for impairment of due from other insurers / reinsurers	(201,302)	(201,302)
	815,515	968,321
	4,674,272	4,759,151

16.1 Due from insurance contact holders include an amount of Rs. 186,924 thousands (2020: Rs. 192,060 thousands) held with related parties.

17 Prepayments

Prepaid reinsurance premium ceded	2,651,227	3,307,863
Prepaid miscellaneous expenses	213,651	114,918
	2,864,878	3,422,781

18 Cash and Bank

Cash and cash equivalents

Inside Pakistan

Cash in hand	642	438
Policy & revenue stamps, bond papers	6,122	4,703
	6,764	5,141

Outside Pakistan

Cash in hand	581	-
Policy & revenue stamps, bond papers	-	-
	581	-
	7,345	5,141

Cash at bank

Inside Pakistan

Current accounts	825,917	237,821
Saving accounts	1,041,045	931,898
	1,866,962	1,169,719

Outside Pakistan

Current accounts	604,188	136,313
Savings accounts	833	871
	605,021	137,184
	2,471,983	1,306,903
	2,479,328	1,312,044

18.1 Cash at bank includes an amount of Rs. 927,865 thousands (31 December 2020: Rs. 368,010 thousands) held with MCB Bank Limited, a related party of the Company.

18.2 Lien of Rs. 440,000 thousands (2020: Rs. 440,000 thousands) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company.

19 Window takaful operations - operator's fund

Assets

	(Unaudited) 31 March 2021	(Audited) 31 December 2020
Cash and bank deposits	233,693	209,446
Qard-e-Hasna to Participant Takaful Fund	146,460	146,460
Investments	36,406	35,873
Intangible assets	11,272	12,421
Property and equipment	23,386	20,793
Current assets - others	173,012	164,155
Total Assets	624,229	589,148

Total liabilities

	(Unaudited) 31 March 2021	(Unaudited) 31 March 2020
Wakala Fee	100,828	96,323
Commission expense	(32,086)	(28,468)
Management expense	(39,315)	(35,534)
Other Income	3,774	2,557
Mudarib's share of PTF investment income	549	898
Profit before taxation	33,750	35,776
Taxation	(9,787)	(10,422)
Profit after taxation	23,963	25,354

Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial information for the quarter ended 31 March 2021.

20 Reserves

Capital reserves

Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	593,575	678,438
Fair value reserve	2,709,526	2,845,385
	3,329,724	3,550,446

Revenue reserves

General reserves	936,500	936,500
	4,266,224	4,486,946

21 Other creditors and accruals

Agents commission payable	557,630	554,372
Federal Excise Duty / Sales Tax / VAT	23,064	94,242
Federal Insurance Fee	37,541	29,854
Workers' welfare fund	76,485	76,485
Tax deducted at source	80,452	92,945
Accrued expenses	128,514	204,872
Unpaid and Unclaimed Dividend	160,868	161,753
Payable to Employees' Provident Fund	170	143
Sundry creditors	749,404	591,530
	1,814,128	1,806,196

22 Contingencies and commitments

22.1 Contingencies

There has been no significant change in the status of contingencies as reported in the preceding published unconsolidated annual financial statements of the Company for the year ended 31 December 2020 except for the following.

- The Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,209,000 thousands (2020: Rs. 1,209,000 thousands).
- The Company has issued letter of guarantees amounting to AED 450,250 amounting to Rs.18,725 thousands (2020: AED 251,500 amounting to Rs.10,944 thousands) relating to UAE branch.

23 Net Insurance Premium

	Quarter Ended	
	31 March 2021	31 March 2020
	Rupees in thousand	
Written Gross Premium	5,113,246	4,580,310
Unearned premium reserve opening	8,366,434	10,242,348
Unearned premium reserve closing	(8,518,774)	(9,235,451)
Currency translation effect	(128,409)	294,959
Premium earned	4,832,497	5,882,166
Reinsurance premium ceded	(1,280,051)	(1,076,659)
Prepaid reinsurance premium opening	(3,307,863)	(3,500,512)
Prepaid reinsurance premium closing	2,651,227	2,445,880
Currency translation effect	2,495	(7,082)
Reinsurance expense	(1,934,192)	(2,138,373)
	2,898,305	3,743,793

23.1 Net Insurance Premium - Business underwritten inside Pakistan

Written Gross Premium	3,256,720	2,833,839
Unearned premium reserve opening	6,021,464	6,197,501
Unearned premium reserve closing	(5,626,861)	(5,111,264)
Premium earned	3,651,323	3,920,076
Reinsurance premium ceded	(1,213,562)	(1,022,427)
Prepaid reinsurance premium opening	(3,260,277)	(3,425,355)
Prepaid reinsurance premium closing	2,595,479	2,344,222
Reinsurance expense	(1,878,360)	(2,103,560)
	1,772,963	1,816,516

23.2 Net Insurance Premium - Business underwritten outside Pakistan

Written Gross Premium	1,856,526	1,746,471
Unearned premium reserve opening	2,344,970	4,044,847
Unearned premium reserve closing	(2,891,913)	(4,124,187)
Currency translation effect	(128,409)	294,959
Premium earned	1,181,174	1,962,090
Reinsurance premium ceded	(66,489)	(54,232)
Prepaid reinsurance premium opening	(47,586)	(75,157)
Prepaid reinsurance premium closing	55,748	101,658
Currency translation effect	2,495	(7,082)
Reinsurance expense	(55,832)	(34,813)
	1,125,342	1,927,277

24 Net Insurance Claims Expense

Claim paid	2,506,306	3,077,562
Outstanding claims including IBNR - closing	10,242,473	11,191,266
Outstanding claims including IBNR - opening	(10,768,040)	(10,367,347)
Currency translation effect	255,220	(473,500)
Claim expense	2,235,959	3,427,981
Reinsurance and other recoveries received	(836,230)	(1,038,143)
Reinsurance and other recoveries in respect of outstanding claims - closing	(5,898,472)	(6,523,405)
Reinsurance and other recoveries in respect of outstanding claims - opening	6,192,571	6,233,348
Currency translation effect	(113,811)	243,336
Reinsurance and other recoveries revenue	(655,942)	(1,084,864)
	1,580,017	2,343,117

		Quarter Ended	
		31 March 2021	31 March 2020
		Rupees in thousand	
24.1	Net Insurance Claims Expense - Business underwritten inside Pakistan		
	Claim paid	1,515,663	1,138,384
	Outstanding claims including IBNR - closing	4,750,466	4,507,781
	Outstanding claims including IBNR - opening	(4,920,475)	(4,398,967)
	Claim expense	1,345,654	1,247,198
	Reinsurance and other recoveries received	(503,245)	(144,400)
	Reinsurance and other recoveries in respect of outstanding claims - closing	(3,462,096)	(3,114,792)
	Reinsurance and other recoveries in respect of outstanding claims - opening	3,526,278	2,948,471
	Reinsurance and other recoveries revenue	(439,063)	(310,721)
		906,591	936,477
24.2	Net Insurance Claims Expense - Business underwritten outside Pakistan		
	Claim paid	990,643	1,939,178
	Outstanding claims including IBNR - closing	5,492,007	6,683,485
	Outstanding claims including IBNR - opening	(5,847,565)	(5,968,380)
	Currency translation effect	255,220	(473,500)
	Claim expense	890,305	2,180,783
	Reinsurance and other recoveries received	(332,985)	(893,743)
	Reinsurance and other recoveries in respect of outstanding claims - closing	(2,436,376)	(3,408,613)
	Reinsurance and other recoveries in respect of outstanding claims - opening	2,666,293	3,284,877
	Currency translation effect	(113,811)	243,336
	Reinsurance and other recoveries revenue	(216,879)	(774,143)
		673,426	1,406,640
25	Net commission and other acquisition costs		
	Commission Paid or payable	652,599	581,734
	Deferred Commission expense opening	731,319	1,190,146
	Deferred Commission expense closing	(867,149)	(1,197,363)
	Currency translation effect	(26,056)	64,137
	Net Commission	490,713	638,654
	Commission received or recoverable	(93,090)	(86,377)
	Unearned reinsurance commission opening	(245,318)	(237,751)
	Unearned reinsurance commission closing	205,766	201,121
	Currency translation effect	193	(268)
	Commission from reinsurance	(132,449)	(123,275)
		358,264	515,379
25.1	Net commission and other acquisition costs Business underwritten Inside Pakistan		
	Commission Paid or payable	238,925	200,764
	Deferred Commission expense opening	285,324	352,673
	Deferred Commission expense closing	(273,882)	(295,578)
	Net Commission	250,367	257,859
	Commission received or recoverable	(91,847)	(83,830)
	Unearned reinsurance commission opening	(240,971)	(236,381)
	Unearned reinsurance commission closing	201,575	197,095
	Commission from reinsurance	(131,243)	(123,116)
		119,124	134,743
25.2	Net commission and other acquisition costs Business underwritten Outside Pakistan		
	Commission Paid or payable	413,674	380,970
	Deferred Commission expense opening	445,995	837,473
	Deferred Commission expense closing	(593,267)	(901,785)
	Currency translation effect	(26,056)	64,137
	Net Commission	240,346	380,795
	Commission received or recoverable	(1,243)	(2,547)
	Unearned reinsurance commission opening	(4,347)	(1,370)
	Unearned reinsurance commission closing	4,191	4,026
	Currency translation effect	193	(268)
	Commission from reinsurance	(1,206)	(159)
		239,140	380,636

26 Investment Income

Business underwritten Inside Pakistan

Available-for-sale

Income from equity securities

Dividend income

- associated undertakings
- others

743,040	239,136
212,208	111,791
955,248	350,927

Income from debt securities - Held to maturity

Return on Pakistan Investment Bonds

Profit on Treasury Bills

2,250	2,275
5,688	10,911
7,938	13,186

Net realized gains on investments

Realized gains on

- associated undertakings
- others

-	-
-	3,533
-	3,533
963,186	367,646

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

-	-
963,186	367,646

Business underwritten Outside Pakistan

Available-for-sale

Income from equity securities

Dividend income

- associated undertakings
- others

-	-
69	54
69	54

Net realized gains on investments

Realized gains on

- associated undertakings
- others

-	-
-	191
-	191

Income from term deposits

- associated undertakings
- others

5,906	8,737
27,463	33,483
33,369	42,220
33,438	42,465

Net investment income

996,624	410,111
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27 Earnings (after tax) per share - basic and diluted

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

Profit after tax for the period attributable to ordinary shareholders

909,105	471,702
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----- Number of shares -----

Weighted average number of ordinary shares

350,000,000	350,000,000
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----- (Rupees) -----

Earnings (after tax) per share - basic and diluted

2.60	1.35
-------------	------

28 Transactions with related parties

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

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

	(Unaudited) 31 March 2021	(Unaudited) 31 March 2020
	---- (Rupees in thousand) ----	
i) Transactions		
Subsidiary company		
Premiums underwritten	22,513	17,881
Premiums received	1,339	18,229
Claims paid	1,331	1,369
Claims received	3,000	3,000
Premium paid	14,806	14,813
Rent paid / payable	3,825	-
Rent / service charges / expenses received	17,190	-
Other related parties		
Premiums underwritten	320,630	315,174
Premiums received	347,405	407,632
Claims paid	155,173	193,391
Commission Paid	10,431	14,776
Rent paid	1,173	3,456
Rent received	9,550	7,776
Dividends received	609,798	203,266
Loan repaid	22,326	
Income on bank deposits	10,013	36,839
Investments made	145,589	50,000
Fee / service charges paid	2,914	4,050
Fee / service charges / expenses received / receivable	10,108	711
Charge in respect of gratuity expense	7,874	9,032
Contribution to Employees' Provident Fund	9,228	8,102
Compensation paid to Key management personnel	353,649	299,917
	(Unaudited) 31 March 2021	(Audited) 31 December 2020
	---- (Rupees in thousand) ----	
ii) Period end balances		
Subsidiary company		
Balances receivable	79,039	48,364
Balances payable	7,148	5,684
Other related parties		
Balances receivable	175,060	206,040
Balances payable	467,097	313,285
Cash and bank balances including term deposits	2,184,313	1,682,250
Payable to Staff Gratuity Fund	140,748	132,874

Quarter Ended 31 March 2021

Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	

Rupees in thousand

Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	1,337,382	7,443	319,386	8,622	930,143	1,886,663	705,483	45,127	349,529	1,301	3,641,923	1,949,156	5,591,079
Less: Federal excise duty / VAT	(166,544)	(505)	(36,458)	(49)	(110,802)	(89,841)	(6,710)	(2,149)	(32,257)	(62)	(352,771)	(92,606)	(445,377)
Federal insurance fee	(11,469)	(20)	(2,837)	(4)	(8,203)	-	(6,919)	-	(3,004)	-	(32,432)	(24)	(32,456)
	1,159,369	6,918	280,091	8,569	811,138	1,796,822	691,854	42,978	314,268	1,239	3,256,720	1,856,526	5,113,246
Gross written premium (inclusive of administrative surcharge)	1,159,369	6,918	280,091	8,569	811,138	1,796,822	691,854	42,978	314,268	1,239	3,256,720	1,856,526	5,113,246
Gross direct premium	1,138,631	6,901	272,918	8,569	781,344	1,796,070	691,299	42,978	312,033	1,236	3,196,225	1,855,754	5,051,979
Facultative inward premium	16,885	-	-	-	-	-	-	-	-	-	16,885	-	16,885
Administrative surcharge	3,853	17	7,173	-	29,794	752	555	-	2,235	3	43,610	772	44,382
	1,159,369	6,918	280,091	8,569	811,138	1,796,822	691,854	42,978	314,268	1,239	3,256,720	1,856,526	5,113,246
Insurance premium earned	1,909,602	5,579	259,014	6,337	692,842	1,142,399	462,730	24,490	327,135	2,369	3,651,323	1,181,174	4,832,497
Insurance premium ceded to reinsurers	(1,677,054)	(3,410)	(48,856)	-	(15,890)	(36,104)	-	(15,353)	(136,560)	(965)	(1,878,360)	(55,832)	(1,934,192)
Net insurance premium	232,548	2,169	210,158	6,337	676,952	1,106,295	462,730	9,137	190,575	1,404	1,772,963	1,125,342	2,898,305
Commission income	109,538	907	184	-	966	-	-	-	20,555	299	131,243	1,206	132,449
Net underwriting income	342,086	3,076	210,342	6,337	677,918	1,106,295	462,730	9,137	211,130	1,703	1,904,206	1,126,548	3,030,754
Insurance claims	(368,344)	65,095	(53,134)	-	(364,224)	(930,115)	(347,489)	(25,697)	(212,463)	412	(1,345,654)	(890,305)	(2,235,959)
Insurance claim recoveries from reinsurer	320,351	(55,330)	(37,741)	-	8,060	254,221	-	17,988	148,393	-	439,063	216,879	655,942
Net claims	(47,993)	9,765	(90,875)	-	(356,164)	(675,894)	(347,489)	(7,709)	(64,070)	412	(906,591)	(673,426)	(1,580,017)
Commission expense	(110,175)	(714)	(39,171)	(1,568)	(56,319)	(236,343)	(13,339)	(1,571)	(31,363)	(150)	(250,367)	(240,346)	(490,713)
Management expense	(100,572)	(211)	(99,127)	(1,847)	(239,204)	(211,865)	(35,951)	(6,380)	(56,576)	(52)	(531,430)	(220,355)	(751,785)
Net insurance claims and expenses	(258,740)	8,840	(229,173)	(3,415)	(651,687)	(1,124,102)	(396,779)	(15,660)	(152,009)	210	(1,688,388)	(1,134,127)	(2,822,515)
Underwriting result	83,346	11,916	(18,831)	2,922	26,231	(17,807)	65,951	(6,523)	59,121	1,913	215,818	(7,579)	208,239
Net investment income											963,186	33,438	996,624
Rental income											29,136	432	29,568
Other income											9,840	12,972	22,812
Other expenses											(8,251)	(3,315)	(11,566)
Finance cost											(4,442)	(764)	(5,206)
Profit from Window Takaful Operations											33,750	-	33,750
Profit before tax											1,239,037	35,184	1,274,221

31 March 2021

Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	

Rupees in thousand

Segment Assets	5,402,538	27,172	507,143	7,764	1,199,472	4,120,949	761,736	100,666	1,946,889	16,793	9,817,778	4,273,344	14,091,122
Unallocated assets											28,668,195	6,888,470	35,556,665
											38,485,973	11,161,814	49,647,787
Segment Liabilities	6,115,279	32,291	751,311	24,043	2,631,402	8,404,521	1,880,082	143,174	2,313,618	18,732	13,691,692	8,622,761	22,314,453
Unallocated Liabilities											3,739,112	670,980	4,410,092
											17,430,804	9,293,741	26,724,545

29.1 Segment Information

Quarter ended 31 March 2020													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	1,208,872	7,614	211,185	4,934	816,255	1,801,325	611,251	13,897	317,801	5,868	3,165,364	1,833,638	4,999,002
Less: Federal excise duty / VAT	(149,873)	(363)	(22,427)	(38)	(97,487)	(85,777)	(7,219)	(662)	(25,840)	(317)	(302,846)	(87,157)	(390,003)
Federal insurance fee	(10,187)	-	(1,869)	(5)	(7,209)	-	(5,956)	-	(3,458)	(5)	(28,679)	(10)	(28,689)
	1,048,812	7,251	186,889	4,891	711,559	1,715,548	598,076	13,235	288,503	5,546	2,833,839	1,746,471	4,580,310
Gross written premium (inclusive of administrative surcharge)	1,048,812	7,251	186,889	4,891	711,559	1,715,548	598,076	13,235	288,503	5,546	2,833,839	1,746,471	4,580,310
Gross direct premium	1,043,462	7,220	181,385	4,891	685,190	1,713,622	597,690	13,235	285,847	5,541	2,793,574	1,744,509	4,538,083
Facultative inward premium	1,463	-	-	-	-	-	-	-	-	-	1,463	-	1,463
Administrative surcharge	3,887	31	5,504	-	26,369	1,926	386	-	2,656	5	38,802	1,962	40,764
	1,048,812	7,251	186,889	4,891	711,559	1,715,548	598,076	13,235	288,503	5,546	2,833,839	1,746,471	4,580,310
Insurance premium earned	1,986,504	8,455	195,260	5,273	695,522	1,942,414	478,634	2,387	564,156	3,561	3,920,076	1,962,090	5,882,166
Insurance premium ceded to reinsurers	(1,776,336)	(6,145)	(27,860)	12	(12,896)	(21,295)	-	(5,477)	(286,468)	(1,908)	(2,103,560)	(34,813)	(2,138,373)
Net insurance premium	210,168	2,310	167,400	5,285	682,626	1,921,119	478,634	(3,090)	277,688	1,653	1,816,516	1,927,277	3,743,793
Commission income	108,503	238	80	-	1,142	-	-	-	13,391	(79)	123,116	159	123,275
Net underwriting income	318,671	2,548	167,480	5,285	683,768	1,921,119	478,634	(3,090)	291,079	1,574	1,939,632	1,927,436	3,867,068
Insurance claims	(64,019)	(84,498)	(225,562)	583	(285,548)	(2,089,207)	(376,123)	(7,856)	(295,946)	195	(1,247,198)	(2,180,783)	(3,427,981)
Insurance claim recoveries from reinsurer	1,826	20,197	91,465	-	(4,222)	747,797	-	6,201	221,652	(52)	310,721	774,143	1,084,864
Net claims	(62,193)	(64,301)	(134,097)	583	(289,770)	(1,341,410)	(376,123)	(1,655)	(74,294)	143	(936,477)	(1,406,640)	(2,343,117)
Commission expense	(123,008)	(366)	(35,026)	(305)	(49,604)	(379,566)	(12,972)	(327)	(37,249)	(231)	(257,859)	(380,795)	(638,654)
Management expense	(73,168)	(315)	(75,230)	(2,057)	(243,820)	(224,883)	(28,945)	(2,967)	(66,225)	(223)	(487,388)	(230,445)	(717,833)
Net insurance claims and expenses	(258,369)	(64,982)	(244,353)	(1,779)	(583,194)	(1,945,859)	(418,040)	(4,949)	(177,768)	(311)	(1,681,724)	(2,017,880)	(3,699,604)
Underwriting result	60,302	(62,434)	(76,873)	3,506	100,574	(24,740)	60,594	(8,039)	113,311	1,263	257,908	(90,444)	167,464
Net investment income											367,646	42,465	410,111
Rental income											19,634	478	20,112
Other income											43,586	16,425	60,011
Other expenses											(14,996)	(2,872)	(17,868)
Finance cost											(624)	(1,031)	(1,655)
Profit from Window Takaful Operations											35,776	-	35,776
Profit before tax											708,930	(34,979)	673,951
31 December 2020													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment Assets	6,767,220	84,504	498,520	7,214	1,111,411	4,087,762	503,065	99,727	1,812,432	19,049	10,692,648	4,298,256	14,990,904
Unallocated assets											27,934,697	6,594,548	34,529,245
											38,627,345	10,892,804	49,520,149
Segment Liabilities	7,633,997	99,635	736,427	22,678	2,397,597	8,116,777	1,433,789	141,733	2,206,070	21,468	14,407,880	8,402,291	22,810,171
Unallocated Liabilities											3,833,873	641,246	4,475,119
											18,241,753	9,043,537	27,285,290

30 Fair value measurement of financial instruments

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

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

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

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

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

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

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

		31 March 2021 (Unaudited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- Rupees in thousand -----									
<u>Financial assets - measured at fair value</u>											
Investments											
	12	15,664,045	-	-	-	-	15,664,045	15,664,045	-	-	15,664,045
	12	3,484,210	-	-	-	-	3,484,210	-	-	3,484,210	3,484,210
	13	-	476,113	-	-	-	476,113	-	476,113	-	476,113
Investments of Window Takaful Operations - Operator's Fund											
	19	36,406	-	-	-	-	36,406	36,406	-	-	36,406
<u>Financial assets - not measured at fair value</u>											
Loans and other receivables *											
	15	-	-	631,534	-	-	631,534	-	-	-	-
Investment - Term deposits *											
	14	-	5,723,735	-	-	-	5,723,735	-	-	-	-
Investment in subsidiary*											
	11	-	-	1,097,900	-	-	1,097,900	-	-	-	-
Insurance / reinsurance receivables											
	16	-	-	4,674,272	-	-	4,674,272	-	-	-	-
- unsecured and considered good *											
	16	-	-	5,612,345	-	-	5,612,345	-	-	-	-
Reinsurance recoveries against outstanding claims *											
		-	-	286,127	-	-	286,127	-	-	-	-
Salvage recoveries accrued *											
	17	-	-	2,864,878	-	-	2,864,878	-	-	-	-
Prepayments *											
	18	-	-	-	2,479,328	-	2,479,328	-	-	-	-
Cash and bank *											
	18	-	-	-	2,479,328	-	2,479,328	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund											
	19	-	-	319,472	233,693	-	553,165	-	-	-	-
		19,184,661	6,199,848	15,486,528	2,713,021	-	43,584,058	15,700,451	476,113	3,484,210	19,660,774
<u>Financial liabilities - not measured at fair value</u>											
<u>Underwriting provisions:</u>											
Borrowings*											
	24	-	-	-	-	147,356	147,356	-	-	-	-
Outstanding claims (including IBNR)*											
	24	-	-	-	-	10,242,473	10,242,473	-	-	-	-
Insurance / reinsurance payables *											
		-	-	-	-	2,890,161	2,890,161	-	-	-	-
Other creditors and accruals*											
		-	-	-	-	2,242,966	2,242,966	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*											
	19	-	-	-	-	253,537	253,537	-	-	-	-
		-	-	-	-	15,776,493	15,776,493	-	-	-	-

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

30.1 Fair value measurement of financial instruments

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

		31 December 2020									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- Rupees in thousand -----									
<u>Financial assets - measured at fair value</u>											
<i>Investment</i>											
Equity securities- quoted	12	15,710,251	-	-	-	-	15,710,251	15,710,251	-	-	15,710,251
Equity securities- unquoted	12	3,484,209	-	-	-	-	3,484,209	-	-	3,484,209	3,484,209
Debt securities	13	-	374,331	-	-	-	374,331	-	374,331	-	374,331
Investments of Window Takaful Operations - Operator's Fund	19	35,873	-	-	-	-	35,873	35,873	-	-	35,873
<u>Financial assets - not measured at fair value</u>											
Loans and other receivables *	15	-	-	582,896	-	-	582,896	-	-	-	-
Investment - Term deposits*	14	-	5,929,062	-	-	-	5,929,062	-	-	-	-
Investment in subsidiary*	11	-	-	1,097,900	-	-	1,097,900	-	-	-	-
Insurance / reinsurance receivables											
- unsecured and considered good *	16	-	-	4,759,151	-	-	4,759,151	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	5,922,296	-	-	5,922,296	-	-	-	-
Salvage recoveries accrued *		-	-	270,275	-	-	270,275	-	-	-	-
Prepayments *	17	-	-	3,422,781	-	-	3,422,781	-	-	-	-
Cash and bank *	18	-	-	-	1,312,044	-	1,312,044	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*	19	-	-	310,615	209,446	-	520,061	-	-	-	-
		19,230,333	6,303,393	16,365,914	1,521,490	-	43,421,130	15,746,124	374,331	3,484,209	19,604,664
<u>Financial liabilities - not measured at fair value</u>											
<i>Underwriting provisions:</i>											
Borrowings*		-	-	-	-	166,367	166,367	-	-	-	-
Outstanding claims (including IBNR)*	24	-	-	-	-	10,768,040	10,768,040	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	3,030,884	3,030,884	-	-	-	-
Other creditors and accruals*		-	-	-	-	2,176,391	2,176,391	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	19	-	-	-	-	242,797	242,797	-	-	-	-
		-	-	-	-	16,384,479	16,384,479	-	-	-	-

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

31 Date of authorization for issue

This unconsolidated condensed interim financial information was authorized for issue on 27 April 2021 by the Board of Directors of the Company.

32 Non-adjusting events after balance sheet date

32.1 The Board of Directors of the Company in their meeting held on February 23, 2021 proposed final cash dividend for the year ended 31 December 2020 @ 12.5% i.e. Rs. 1.25/- per share which has been approved by the members in the Annual General Meeting held on 27 April 2021. This unconsolidated condensed interim financial information for the quarter ended 31 March 2021 does not include the effect of this appropriation which will be accounted for in the unconsolidated condensed interim financial information for the half year ending 30 June 2021.

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

33 General

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

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



Chairman



Director



Director



**Chief Financial
Officer**



**Managing Director & Chief
Executive Officer**



CONSOLIDATED FINANCIAL STATEMENTS

FIRST QUARTER ENDED MARCH 31, 2021

Directors' Report to the Members on Consolidated Condensed Interim Financial Information

For the Quarter Ended 31 March 2021


On behalf of the Board, We are pleased to present the consolidated condensed interim financial information of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited for the three months ended 31 March 2021.

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

	31 March 2021 Rupees in thousand (Unaudited)	31 March 2020 (Unaudited)
Profit before tax	1,358,725	703,081
Taxation	<u>(384,494)</u>	<u>(209,710)</u>
Profit after tax	974,231	493,371
Less: Profit attributable to non-controlling interest	<u>-</u>	<u>(2,786)</u>
Profit attributable to ordinary shares	974,231	490,585
Unappropriated profit brought forward	14,650,455	13,610,534
Acquisition of non-controlling interest	-	(57,794)
Share issuance cost	<u>(2,825)</u>	<u>-</u>
Profit available for appropriation	<u><u>15,621,861</u></u>	<u><u>14,043,325</u></u>

	31 March 2021 Rupees	31 March 2020
Earnings per share - Basic and diluted	<u><u>2.78</u></u>	<u><u>1.40</u></u>

Lahore: 27 April 2021



Ibrahim Shamsi
Director



Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

For and on behalf of the Board

Adamjee Insurance Company Limited
Consolidated Condensed Interim Statement of Financial Position
As at 31 March 2021

	Note	31 March 2021	31 December 2020
		----- (Rupees in thousand) ----- (Unaudited)	(Audited)
Assets			
Property and equipment	7	4,737,929	4,758,982
Intangible assets	8	120,103	127,381
Investment properties	9	1,225,026	1,183,026
Investments			
Equity securities	10	34,994,764	34,863,749
Debt securities	11	14,152,277	15,290,166
Term deposits	12	17,868,735	13,891,062
Loan secured against life insurance policies		37,872	29,912
Loans and other receivables	13	956,000	985,744
Insurance / reinsurance receivables	14	4,871,816	4,991,328
Reinsurance recoveries against outstanding claims		5,612,345	5,922,296
Salvage recoveries accrued		286,127	270,275
Deferred commission expense / acquisition cost		867,149	731,319
Taxation - payment less provisions		568,011	691,558
Prepayments	15	2,929,067	3,468,952
Cash and bank	16	11,438,125	11,267,096
		100,665,346	98,472,846
Total assets of Window Takaful Operations - Operator's Fund (Parent Company)	17	624,229	589,148
Total Assets		101,289,575	99,061,994
Equity And Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		3,500,000	3,500,000
Reserves	18	4,263,680	4,487,307
Unappropriated Profit		15,621,861	14,650,455
Equity attributable to equity holders of the parent		23,385,541	22,637,762
Non-controlling interest		-	-
Total Equity		23,385,541	22,637,762
Liabilities			
Insurance liabilities		49,295,765	46,990,343
Underwriting provisions:			
Outstanding claims including IBNR		10,242,473	10,768,040
Unearned premium reserve		8,518,774	8,366,434
Unearned reinsurance commission		205,766	245,318
Retirement benefits obligations		220,057	309,581
Deferred taxation		1,550,014	1,581,977
Borrowings		290,307	330,849
Deferred grant income		26,465	28,574
Premium received in advance		863,299	724,448
Insurance / reinsurance payables		3,011,864	3,161,519
Other creditors and accruals	19	2,651,994	2,892,994
Deposits and other liabilities		773,719	781,358
		28,354,732	29,191,092
Total liabilities of Window Takaful Operations - Operator's Fund (Parent Company)	17	253,537	242,797
Total Equity and Liabilities		101,289,575	99,061,994
Contingencies and commitments	20		

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

Chairman

Director

Director

Chief Financial
Officer

Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Consolidated Condensed Interim Profit and Loss Account (Un-audited)
For the Quarter Ended 31 March 2021

		Quarter Ended	
		31 March	31 March
	Note	2021	2020
Rupees in thousand			
Net insurance premium	21	7,690,106	7,216,399
Net insurance claims	22	(3,732,867)	(3,872,600)
Net commission and other acquisition costs	23	(1,124,549)	(1,174,240)
Insurance claims and acquisition expenses		(4,857,416)	(5,046,840)
Management expenses		(952,108)	(951,975)
Net change in insurance liabilities (other than outstanding claims)		(2,389,412)	1,886,273
Underwriting results		(508,830)	3,103,857
Investment income	24	2,002,514	1,202,518
Net fair value loss on financial assets at fair value through profit or loss		(307,090)	(3,780,955)
Net unrealized gain on investment property		42,000	-
Rental income		17,845	10,297
Other income		104,624	159,801
Other expenses		(20,435)	(22,271)
Results of operating activities		1,330,628	673,247
Finance costs		(5,653)	(5,942)
Profit from Window Takaful Operations	17	33,750	35,776
Profit before tax		1,358,725	703,081
Income tax expense		(384,494)	(209,710)
Profit after tax		974,231	493,371
Profit attributable to:			
Equity holders of the parent		974,231	490,585
Non-controlling interest		-	2,786
		974,231	493,371
		Rupees	
Earnings (after tax) per share - Rupees	25	2.78	1.40

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



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)
For the Quarter Ended 31 March 2021

	Quarter Ended	
	31 March 2021	31 March 2020
	Rupees in thousand	
Profit after tax	974,231	493,371
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss:		
Unrealized loss on 'available-for-sale' investments - net of tax	(139,142)	(3,209,807)
Reclassification adjustment relating to 'available for sale' investments disposed off during the period - net of tax	-	2,644
Other comprehensive income from window takaful operations net of tax	378	684
Effect of translation of investment in foreign branches - net	(84,863)	111,707
Total comprehensive income for the period	750,604	(2,601,401)
Total comprehensive income attributable to:		
Equity holders of the parent	750,604	(2,604,884)
Non-controlling interest	-	3,483
	750,604	(2,601,401)

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



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Consolidated Condensed Interim Cash Flow Statement (Un-audited)
For the Quarter Ended 31 March 2021

	Quarter Ended	
	31 March 2021	31 March 2020
	Rupees in thousand	
Cash flows from operating activities		
Underwriting activities		
Insurance premium received	10,095,778	8,712,094
Reinsurance premiums paid	(1,461,283)	(1,198,403)
Claims paid	(4,834,879)	(4,795,954)
Reinsurance and other recoveries received	989,036	1,023,973
Commissions paid	(1,503,867)	(1,343,973)
Commissions received	93,090	86,377
Other underwriting payments	(1,166,394)	(1,852,218)
Net cashflow from underwriting activities	2,211,481	631,896
Other operating activities		
Income tax paid	(243,930)	(78,174)
Other operating payments	(89,960)	(19,848)
Loans advanced	(16,216)	(11,312)
Loans repayments received	12,774	17,138
Other operating receipts	6,169	13,869
Net cashflow from other operating activities	(331,163)	(78,327)
Total cashflow from operating activities	1,880,318	553,569
Cash flows from investing activities		
Profit / return received on bank deposits	427,691	1,380,692
Income received from Debt Securities	4,500	9,912
Dividends received	962,693	355,788
Rentals received	31,843	22,950
Payment for investments/ investment properties	(42,965,483)	(64,676,208)
Loan to policy holder	3,720	1,874
Proceeds from disposal of investments	44,113,556	56,036,974
Fixed capital expenditure - operating assets	(78,835)	(206,562)
Fixed capital expenditure - intangible assets	(4,481)	(3,157)
Proceeds from disposal of operating fixed assets	2,166	8,269
Total cashflow for investing activities	2,497,370	(7,069,468)
Cash flows from financing activities		
Dividends paid	(885)	(2,588)
Loan principal payment made	(22,326)	-
Interest expense against loan paid	(448)	-
Total cashflow for financing activities	(23,659)	(2,588)
Net cash outflow for all activities	4,354,029	(6,518,487)
Cash and cash equivalents at beginning of period	19,229,096	18,022,245
Cash and cash equivalents at end of the period	23,583,125	11,503,758

Quarter Ended	
31 March 2021	31 March 2020
Rupees in thousand	

Reconciliation to profit and loss account

Operating cash flows
Depreciation and amortization expense
Provision for retirement benefit obligations
Finance cost
Other income - bank and term deposits
Gain on disposal of property and equipment
Rental income
Decrease in assets other than cash
Increase in liabilities
Gain on disposal of investments
(Increase)/decrease in unearned premium
Increase/(decrease) in loans
Income taxes paid
Increase in tax liabilities
Dividend and other investment income
Revaluation of investment
Profit for the year from Window Takaful Operations

1,880,318	553,569
(95,784)	(97,368)
(10,165)	(12,593)
(7,127)	(15,803)
46,210	85,641
1,693	2,836
17,995	28,255
(1,193,265)	(852,122)
(1,158,671)	2,427,999
328,050	3,724
(152,340)	1,006,897
3,442	(5,826)
187,218	59,341
(365,116)	(202,249)
1,765,113	(2,529,107)
(307,090)	4,401
33,750	35,776
974,231	493,371

Profit after taxation

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

Cash and other equivalents
Current and other accounts
Term deposit maturing within three months

18,830	12,624
11,419,295	7,256,134
12,145,000	4,235,000
23,583,125	11,503,758

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




Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)
For the Quarter Ended 31 March 2021

	Share capital	Capital reserves				Revenue reserves		Equity attributable to equity holders of the parent	Non-controlling interest	Total Equity
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	General reserve	Retained earnings			
	(Rupees in thousand)									
Balance as at 31 December 2019 - (Audited)	3,500,000	22,859	3,764	674,936	2,914,787	936,500	13,610,534	21,663,380	341,508	22,004,888
Profit for the period 01 January 2020 to 31 March 2020	-	-	-	-	-	-	490,585	490,585	2,786	493,371
Other comprehensive income for the period 01 January 2020 to 31 March 2020	-	-	-	111,707	(3,207,176)	-	-	(3,095,469)	697	(3,094,772)
Total comprehensive income for the period	-	-	-	111,707	(3,207,176)	-	490,585	(2,604,884)	3,483	(2,601,401)
Transactions with owners of the Company										
Acquisition of Non-controlling interest	-	-	-	-	(220)	-	(57,794)	(58,014)	(344,991)	(403,005)
	-	-	-	-	(220)	-	(57,794)	(58,014)	(344,991)	(403,005)
Balance as at 31 March 2020 - (Unaudited)	3,500,000	22,859	3,764	786,643	(292,609)	936,500	14,043,325	19,000,482	-	19,000,482
Profit for the period 01 April 2020 to 31 December 2020	-	-	-	-	-	-	1,583,337	1,583,337	-	1,583,337
Other comprehensive income for the period 01 April 2020 to 31 December 2020	-	-	-	(108,205)	3,138,355	-	(13,707)	3,016,443	-	3,016,443
Total comprehensive income for the period	-	-	-	(108,205)	3,138,355	-	1,569,630	4,599,780	-	4,599,780
Transactions with owners of the Company										
Final cash dividend at Rs. 1.5 per share - December 31, 2019	-	-	-	-	-	-	(525,000)	(525,000)	-	(525,000)
Interim cash dividend at Rs. 1.25 per share - June 30, 2020	-	-	-	-	-	-	(437,500)	(437,500)	-	(437,500)
	-	-	-	-	-	-	(962,500)	(962,500)	-	(962,500)
Balance as at 31 December 2020 - (Audited)	3,500,000	22,859	3,764	678,438	2,845,746	936,500	14,650,455	22,637,762	-	22,637,762
Profit for the period 01 January 2021 to 31 March 2021	-	-	-	-	-	-	974,231	974,231	-	974,231
Other comprehensive income for the period 01 January 2021 to 31 March 2021	-	-	-	(84,863)	(138,764)	-	-	(223,627)	-	(223,627)
Total comprehensive income for the period	-	-	-	(84,863)	(138,764)	-	974,231	750,604	-	750,604
Transactions with owners of the Company										
Share issuance cost	-	-	-	-	-	-	(2,825)	(2,825)	-	(2,825)
	-	-	-	-	-	-	(2,825)	(2,825)	-	(2,825)
Balance as at 31 March 2021 - (Unaudited)	<u>3,500,000</u>	<u>22,859</u>	<u>3,764</u>	<u>593,575</u>	<u>2,706,982</u>	<u>936,500</u>	<u>15,621,861</u>	<u>23,385,541</u>	<u>-</u>	<u>23,385,541</u>

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

Chairman

Director

Director

Chief Financial Officer

Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Notes to the Consolidated Condensed Interim Financial Information (Un-audited)
For the Quarter Ended 31 March 2021

1 The group and its operations:

1.1 The group comprises of:

	2021	2020
	(Holding percentage)	
Parent Company		
Adamjee Insurance Company Limited	100%	100%
Subsidiary Company		
Adamjee Life Assurance Company Limited	100%	100%

Adamjee Insurance Company Limited (Parent Company)

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

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

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

Adamjee Life Assurance Company Limited (Subsidiary Company)

The Subsidiary Company was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017. The Subsidiary Company started its operations from April 24, 2009. Registered office of the Subsidiary Company is at 1st floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi.

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

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

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

2 Basis of preparation and statement of compliance

This consolidated condensed interim financial information of the Group for the quarter ended 31 March 2021 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

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

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

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

This consolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Group for the year ended 31 December 2020. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2020, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Group for the quarter ended 31 March 2020.

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

3 Basis of measurement

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

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the consolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2020.

4.1 Standards, amendments or interpretations

The new and revised relevant IFRSs effective in the current period had no significant impact on the amounts reported and disclosed in this condensed interim financial information.

IFRS 9

IFRS 9 "Financial Instruments" has become applicable, however as insurance company, the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given below:

The 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

	March 31, 2021				
	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
Financial assets					
	---- (Rupees in thousand) ----				
Cash and Bank*	11,438,125	-	-	-	-
Investments in equity securities - available-for-sale	19,165,884	(193,666)	-	-	-
Investment in debt securities	-	-	14,152,277	-	-
Term deposits*	-	-	17,868,735	-	-
Loan secured against life insurance policies					
Loans and other receivables*	952,347	-	3,653	-	-
Total	31,556,356	(193,666)	32,024,665	-	-

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

5 Use of estimates and judgments

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

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

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Group for the year ended 31 December 2020.

6 Insurance and Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial statements for the year ended 31 December 2020.

	(Unaudited)	(Audited)
	31 March	31 December
	2021	2020
Note	Rupees in thousand	
	4,730,866	4,560,942
7.1	68,768	640,465
7.2	(473)	(49,386)
	(76,884)	(319,338)
	-	(109,176)
	(20,299)	7,359
	(97,656)	(470,541)
	4,701,978	4,730,866
7.3	35,951	28,116
	4,737,929	4,758,982

7 Property and equipment

Opening balance - net book value
Additions during the period / year
Book value of disposals during the period
Depreciation charged during the period / year
Adjustments in Agency branches
Exchange differences and other adjustments

Capital work in progress

7.1 Additions during the period

Building - Freehold	20,014	254,005
Furniture and fixtures	2,419	107,479
Motor vehicles	25,583	26,596
Machinery and equipment	16,419	116,307
Computer equipment	2,715	52,313
Leasehold Improvements	1,618	5,651
Right of use asset	-	78,114
	68,768	640,465

7.2 Written down values of property and equipment disposed off during the period / year

Building - Freehold	-	592
Furniture and fixtures	-	5,364
Motor vehicles	458	27,477
Machinery and equipment	-	2,683
Computer equipment	15	1,370
Leasehold Improvements	-	11,900
	473	49,386

7.3 Capital work in progress

Capital work in progress as of 31 March 2021 includes advances to different contractors, suppliers and vendors amounting to Rs. 35,951 thousands (31 December 2020: Rs. 28,116 thousands).

(Unaudited)	(Audited)
31 March	31 December
2021	2020
Rupees in thousand	

8 Intangible assets

Opening balance - net book value	127,381	131,236
Additions during the period	6,714	42,296
Book value of disposals during the period	-	-
Amortization charged during the period	(12,313)	(47,821)
Exchange differences and other adjustments	(1,679)	1,670
	(13,992)	(46,151)
	120,103	127,381

9 Investment Properties

Opening balance - net book value	1,183,026	1,204,026
Additions and capital improvements	-	-
Unrealized fair value (loss) / gain	42,000	(21,000)
	1,225,026	1,183,026

10 Investment in equity securities

	31 March 2021 (Unaudited)				31 December 2020 (Audited)			
	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value
Rupees in thousands								
Available-for-sale								
Related parties								
Listed shares	9,250,363	(265,237)	829,668	9,814,794	9,104,774	(265,237)	1,187,635	10,027,172
Unlisted shares	924,333	-	258,807	1,183,140	924,333	-	258,807	1,183,140
	10,174,696	(265,237)	1,088,475	10,997,934	10,029,107	(265,237)	1,446,442	11,210,312
Others								
Listed shares	6,369,165	(1,897,973)	1,347,361	5,818,553	6,369,165	(1,897,973)	1,184,151	5,655,343
Unlisted shared	925,360	-	1,375,709	2,301,069	925,360	-	1,375,709	2,301,069
Mutual Funds	48,218	-	(778)	47,440	48,130	-	(1,851)	46,279
NIT Units	161	-	727	888	161	-	709	870
	7,342,904	(1,897,973)	2,723,019	8,167,950	7,342,816	(1,897,973)	2,558,718	8,003,561
Total - available for sale	17,517,600	(2,163,210)	3,811,494	19,165,884	17,371,923	(2,163,210)	4,005,160	19,213,873
Fair value through profit and loss								
Related parties								
Listed shares	1,140,912	-	-	1,140,912	1,289,216	-	-	1,289,216
Mutual Funds	6,058,515	-	-	6,058,515	6,174,140	-	-	6,174,140
	7,199,427	-	-	7,199,427	7,463,356	-	-	7,463,356
Others								
Listed shares	6,236,109	-	-	6,236,109	5,763,671	-	-	5,763,671
Mutual Funds	2,393,344	-	-	2,393,344	2,422,849	-	-	2,422,849
	8,629,453	-	-	8,629,453	8,186,520	-	-	8,186,520
Total - fair value through profit and loss	15,828,880	-	-	15,828,880	15,649,876	-	-	15,649,876
	33,346,480	(2,163,210)	3,811,494	34,994,764	33,021,799	(2,163,210)	4,005,160	34,863,749

10.1 3,716,710 (2020: 3,716,710) shares of MCB Bank Limited and 3,582,000 (2020: 3,582,000) shares of Fauji Fertilizer Company Limited have been pledged against Standby Letter of Credit (SBLC) issued in favour of Meezan Bank Limited by Parent Company on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group.

		(Unaudited)	(Audited)
		31 March	31 December
		2021	2020
Note		Rupees in thousand	
11	Investments in debt securities		
	Held to maturity		
	Treasury Bills	379,663	275,631
	Pakistan Investment Bonds	96,450	98,700
		476,113	374,331
	Available for sale		
	Treasury Bills	615,494	688,532
	Pakistan Investment Bonds	100,970	101,736
		716,464	790,268
	Fair value through profit and loss		
	Term Finance Certificate	1,422,174	1,125,156
	Advance against purchase of term finance certificate	-	100,000
	Corporate sukuks	1,677,721	2,155,587
	Ijarah sukuks	423,610	464,354
	Treasury Bills	4,243,399	6,371,663
	Pakistan Investment Bonds	5,192,796	3,908,807
		12,959,700	14,125,567
		14,152,277	15,290,166
		(Unaudited)	(Audited)
		31 March	31 December
		2021	2020
		Rupees in thousand	
12	Investments in Term Deposits		
	Held to maturity		
	Deposits maturing within 12 months		
	Inside Pakistan		
	- related parties	221,811	448,811
	- others	12,105,066	7,695,066
		12,326,877	8,143,877
	Outside Pakistan		
	- related parties	1,247,637	1,305,429
	- others	4,217,033	4,364,568
		5,464,670	5,669,997
	Deposits maturing after 12 months	17,791,547	13,813,874
	Inside Pakistan		
	- related parties	2,000	2,000
	- others	75,188	75,188
		77,188	77,188
12.1		17,868,735	13,891,062

- 12.1** These include fixed deposits amounting to Rs. 4,782,609 thousands (AED 115,000 thousands) [2020: Rs. 4,904,014 thousands (AED 112,699 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches of the Parent Company for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 259,065 thousands (2020: Rs. 259,065 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Parent Company for claims under litigation filed against the Parent Company, bid bond guarantees and guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party.

		(Unaudited)	(Audited)
		31 March	31 December
		2021	2020
Note		Rupees in thousand	
13	Loans and other receivables - considered good		
	Rent receivable	6,401	7,776
	Accrued investment income	484,047	251,749
	Security deposits	113,990	102,938
	Advances to employees and suppliers	169,249	237,051
	Advance agent commission	5,436	4,478
	Loans to employees	48,396	52,335
	Receivable against the sale of investment	-	233,958
	Receivable from related parties	-	16,694
	Other receivables	128,481	78,765
		<u>956,000</u>	<u>985,744</u>

14 Insurance / reinsurance receivables - unsecured and considered good

Due from insurance contract holders	14.1	4,769,531	4,753,304
Provision for impairment of receivables from insurance contract holders		(905,584)	(936,290)
		3,863,947	3,817,014
Due from other insurers / reinsurers		1,209,171	1,375,616
Provision for impairment of due from other insurers / reinsurers		(201,302)	(201,302)
		1,007,869	1,174,314
		<u>4,871,816</u>	<u>4,991,328</u>

14.1 Due from insurance contact holders include an amount Rs. 195,095 thousands (2020: Rs. 201,453 thousands) held with related parties.

		(Unaudited)	(Audited)
		31 March	31 December
		2021	2020
Note		Rupees in thousand	
15	Prepayments		
	Prepaid reinsurance premium ceded	2,651,227	3,307,863
	Prepaid miscellaneous expenses	277,840	161,089
		<u>2,929,067</u>	<u>3,468,952</u>
16	Cash and bank		
	Cash and cash equivalents		
	Inside Pakistan		
	Cash in hand	628	580
	Policy and revenue stamps, bond papers	17,621	10,499
		18,249	11,079
	Outside Pakistan	581	-
		<u>18,830</u>	<u>11,079</u>
	Cash at bank		
	Inside Pakistan		
	Current accounts	878,111	331,680
	Savings accounts	9,936,163	10,787,153
		10,814,274	11,118,833
	Outside Pakistan		
	Current accounts	604,188	136,313
	Savings accounts	833	871
		605,021	137,184
		<u>11,419,295</u>	<u>11,256,017</u>
		<u>11,438,125</u>	<u>11,267,096</u>

- 16.1** Cash at bank includes an amount of Rs. 2,535,978 thousands (2020: Rs. 3,674,945 thousands) held with MCB Bank Limited and MCB Islamic Bank Limited, related parties of the Group.
- 16.2** Lien of Rs. 440,000 thousands (2020: Rs. 440,000 thousands) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited by Parent Company on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group.

		(Unaudited) 31 March 2021	(Audited) 31 December 2020
	Note	Rupees in thousand	
17 Window Takaful Operations - Parent Company			
Operator's Fund			
Assets			
Cash and bank deposits		233,693	209,446
Qard-e-Hasna to Participant Takaful Fund		146,460	146,460
Investments		36,406	35,873
Intangible assets		11,272	12,421
Property and equipment		23,386	20,793
Current assets - others		173,012	164,155
Total Assets		624,229	589,148
Total liabilities		253,537	242,797
		(Unaudited) 31 March 2021	(Unaudited) 31 March 2020
	Note	Rupees in thousand	
Profit and loss account			
Wakala Fee		100,828	96,323
Commission expense		(32,086)	(28,468)
Management expense		(39,315)	(35,534)
Other Income		3,774	2,557
Mudarib's share of PTF investment income		549	898
Profit before taxation		33,750	35,776
Taxation		(9,787)	(10,422)
Profit after taxation		23,963	25,354

Details of total assets, total liabilities and segment disclosure of window takaful operations of the Parent Company are stated in the annexed condensed interim financial information for the quarter ended 31 March 2021.

		(Unaudited) 31 March 2021	(Audited) 31 December 2020
		Rupees in thousand	
18 Reserves			
Capital reserves			
Reserves for exceptional losses		22,859	22,859
Investment fluctuation reserves		3,764	3,764
Exchange translation reserves		593,575	678,438
Fair value reserve		2,706,982	2,845,746
		3,327,180	3,550,807
Revenue reserves			
General reserves		936,500	936,500
		4,263,680	4,487,307

		(Unaudited)	(Audited)
		31 March	31 December
		2021	2020
	Note	Rupees in thousand	
19 Other creditors and accruals			
Agents commission payable		818,645	1,077,695
Payable against the purchase of investment		328,615	237,167
Federal Excise Duty / Sales Tax / VAT		23,064	94,242
Federal Insurance Fee		37,541	29,854
Payable to related parties		5,275	4,801
Workers' welfare fund		76,485	76,485
Tax deducted at source		90,556	107,570
Accrued expenses		387,636	510,725
Unpaid and unclaimed dividend		160,868	161,753
Payable to employees' provident fund		170	143
Sundry creditors		723,139	592,559
		2,651,994	2,892,994

20 Contingencies and commitments

Contingencies & Commitments

General Insurance

There has been no significant change in the status of contingencies as reported in the preceding published consolidated annual financial statements of the Group for the year ended 31 December 2020 except for the following:

- The Group has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,209,000 thousands (2020: Rs. 1,209,000 thousands).
- The Group has issued letter of guarantees amounting to AED 450,250 amounting to Rs.18,725 thousands (2020: AED 251,500 amounting to Rs.10,944 thousands) relating to UAE branch.

Life Insurance

In year 2019, Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated May 8, 2019 extended the exemption on life insurance till June 30, 2019. Subsequent to it, life insurance was made taxable from July 1, 2019 at the rate of 3% and group life insurance at the rate of 13%. Further, SRB extended exemption on health insurance till June 30, 2020. With effect from November 1, 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 Subsidiary 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 September 28, 2019 and November 28, 2019 against PRA and SRB respectively.

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

In view of the above the Subsidiary Company has not started billing sales tax to its customers. The amount of sales tax involved is around Rs. 367 million computed on the basis of risk based premium, as per the advice of legal advisor, which nonetheless the Subsidiary Company maintains, based on the legal view, cannot be levied as the insurance is not a service.

Further subsequent to filing petition, all the provincial tax authorities i.e. SRB, PRA and BRA have called a meeting of the industry representatives on January 11, 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 and agreed in the meeting that the sales tax on Life and Health be kept exempt till June 30, 2020 however a formal notification in this regard has not yet been issued. Further, the committee formed met on February 5, 2020 in Lahore at PRA office to work out the way forward.

Based on the legal opinion obtained the Subsidiary Company considers that it has a reasonably strong case on the merits in the constitution petition and the writ petition filed in the High Courts. The petition is still pending for hearing.

Ijarah rentals

	(Unaudited)	(Audited)
	31 March	31 December
	2021	2020
	Rupees in thousand	
Not later than one year	145,859	37,844
Later than one year and not later than five years	185,942	102,066
	331,801	139,910

Commitments represent Ijarah rentals for vehicles payable in future period.

Net Insurance Premium**Parent Company**

	Quarter Ended	
	31 March 2021	31 March 2020
	Rupees in thousand	
Written gross premium	5,090,734	4,562,429
Unearned premium reserve opening	8,366,434	10,242,348
Unearned premium reserve closing	(8,518,774)	(9,235,451)
Currency translation effect	(128,409)	294,959
Premium earned	4,809,985	5,864,285
Reinsurance premium ceded	(1,280,051)	(1,076,659)
Prepaid reinsurance premium opening	(3,307,863)	(3,500,512)
Prepaid reinsurance premium closing	2,651,227	2,445,880
Currency translation effect	2,495	(7,082)
Reinsurance expense	(1,934,192)	(2,138,373)
Net insurance premium - Parent Company	2,875,793	3,725,912

21.1 & 21.2

Subsidiary Company**Regular premium / contributions
individual policies**

- first year	862,637	759,704
- second year renewal	660,697	644,655
- subsequent years renewal	1,479,011	1,191,343
Single premium / contributions individual policies	1,798,072	869,713
Group policies without cash values	165,652	164,108
Less: Experience refund	(2,429)	(601)
Total gross premiums / contributions	4,963,640	3,628,922

21.3

21.3

**Less: reinsurance premiums /
retakaful contributions ceded**

On individual life first year business	(12,351)	(3,292)
On individual life second year business	(8,760)	(3,224)
On individual life subsequent renewal business	(42,197)	(25,702)
On single premium individual policies	(2,208)	(1,791)
On group policies	(91,197)	(104,819)
Profit commission on reinsurance	7,386	393
	(149,327)	(138,435)
Net premiums / contributions - Subsidiary Company	4,814,313	3,490,487
	7,690,106	7,216,399

21.1 Net insurance premium - Business underwritten inside Pakistan

Written gross premium	3,234,208	2,815,958
Unearned premium reserve opening	6,021,464	6,197,501
Unearned premium reserve closing	(5,626,861)	(5,111,264)
Premium earned	3,628,811	3,902,195
Reinsurance premium ceded	(1,213,562)	(1,022,427)
Prepaid reinsurance premium opening	(3,260,277)	(3,425,355)
Prepaid reinsurance premium closing	2,595,479	2,344,222
Reinsurance expense	(1,878,360)	(2,103,560)
	1,750,451	1,798,635

21.2 Net insurance premium - Business underwritten outside Pakistan

Written gross premium	1,856,526	1,746,471
Unearned premium reserve opening	2,344,970	4,044,847
Unearned premium reserve closing	(2,891,913)	(4,124,187)
Currency translation effect	(128,409)	294,959
Premium earned	1,181,174	1,962,090
Reinsurance premium ceded	(66,489)	(54,232)
Prepaid reinsurance premium opening	(47,586)	(75,157)
Prepaid reinsurance premium closing	55,748	101,658
Currency translation effect	2,495	(7,082)
Reinsurance expense	(55,832)	(34,813)
	1,125,342	1,927,277

21.3 Individual policies are those underwritten on an individual basis.

		Quarter Ended	
		31 March 2021	31 March 2020
		Rupees in thousand	
22	Net insurance claims expense		
	Parent Company		
	Claims paid	2,506,306	3,077,562
	Outstanding claims including IBNR closing	10,242,473	11,191,266
	Outstanding claims including IBNR opening	(10,768,040)	(10,367,347)
	Currency translation effect	255,220	(473,500)
	Claims expense	2,235,959	3,427,981
	Reinsurance and other recoveries received	(836,230)	(1,038,143)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(5,898,472)	(6,523,405)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	6,192,571	6,233,348
	Reinsurance and other recoveries revenue	(113,811)	243,336
	Reinsurance and other recoveries revenue	(655,942)	(1,084,864)
	Net insurance claims expense	1,580,017	2,343,117
	Subsidiary Company		
	Gross claims		
	Claims under individual policies		
	- by death	170,309	122,015
	- by insured event other than death	1,625	700
	- by maturity	206,461	167,575
	- by surrender	1,746,651	1,234,725
	Total gross individual policy claims	2,125,046	1,525,015
	Claims under group policies		
	- by death	128,581	112,387
	- by insured event other than death	847	4,969
	Total gross group policy claims	129,428	117,356
	Claim related expenses	2,487	1,775
	Total gross claims	2,256,961	1,644,146
	Less: Reinsurance recoveries		
	- on individual claims	15,799	34,145
	- on group claims	88,312	80,518
		104,111	114,663
	Net claims - Subsidiary Company	2,152,850	1,529,483
		3,732,867	3,872,600
22.1	Net insurance claims expense - Business underwritten inside Pakistan		
	Claim Paid	1,515,663	1,138,384
	Outstanding claims including IBNR closing	4,750,466	4,507,781
	Outstanding claims including IBNR opening	(4,920,475)	(4,398,967)
	Claim expense	1,345,654	1,247,198
	Reinsurance and other recoveries received	(503,245)	(144,400)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(3,462,096)	(3,114,792)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	3,526,278	2,948,471
	Reinsurance and other recoveries revenue	(439,063)	(310,721)
		906,591	936,477
22.2	Net insurance claims expense - Business underwritten outside Pakistan		
	Claim Paid	990,643	1,939,178
	Outstanding claims including IBNR closing	5,492,007	6,683,485
	Outstanding claims including IBNR opening	(5,847,565)	(5,968,380)
	Currency translation effect	255,220	(473,500)
	Claim expense	890,305	2,180,783
	Reinsurance and other recoveries received	(332,985)	(893,743)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(2,436,376)	(3,408,613)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	2,666,293	3,284,877
	Currency translation effect	(113,811)	243,336
	Reinsurance and other recoveries revenue	(216,879)	(774,143)
		673,426	1,406,640

Note

22.1 & 22.2

Net commission expense / acquisition costs**Parent Company**

	Quarter Ended	
	31 March	31 March
	2021	2020
	Rupees in thousand	
Commission paid or payable	652,599	581,734
Deferred commission expense opening	731,319	1,190,146
Deferred commission expense closing	(867,149)	(1,197,363)
Currency translation effect	(26,056)	64,137
Net commission	490,713	638,654
Commission received or recoverable	(93,090)	(86,377)
Unearned reinsurance commission opening	(245,318)	(237,751)
Unearned reinsurance commission closing	205,766	201,121
Currency translation effect	193	(268)
Commission from reinsurance	(132,449)	(123,275)
Net commission expense / acquisition costs - Parent Company	358,264	515,379

23.1 & 23.2

Subsidiary Company

Remuneration to insurance / takaful intermediaries on individual policies:

- Commission on first year contribution / premium	368,019	338,496
- Commission on second year contribution / premium	38,089	34,407
- Commission on subsequent years renewal contribution / premium	34,864	27,916
- Commission on single contribution / premium	38,769	18,263
- Other benefits to insurance intermediaries	85,005	96,500
	564,746	515,582

Remuneration to insurance intermediaries on group policies:

- Commission	10,533	20,674
- Other benefits to insurance intermediaries	807	478
	11,340	21,152
Other acquisition costs	190,199	122,127
	766,285	658,861
	1,124,549	1,174,240

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

Commission paid or payable	238,925	200,764
Deferred commission expense opening	285,324	352,673
Deferred commission expense closing	(273,882)	(295,578)
Net commission	250,367	257,859
Commission received or recoverable	(91,847)	(83,830)
Unearned reinsurance commission opening	(240,971)	(236,381)
Unearned reinsurance commission closing	201,575	197,095
Commission from reinsurance	(131,243)	(123,116)
	119,124	134,743

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

Commission paid or payable	413,674	380,970
Deferred commission expense opening	445,995	837,473
Deferred commission expense closing	(593,267)	(901,785)
Currency translation effect	(26,056)	64,137
Net commission	240,346	380,795
Commission received or recoverable	(1,243)	(2,547)
Unearned reinsurance commission opening	(4,347)	(1,370)
Unearned reinsurance commission closing	4,191	4,026
Currency translation effect	193	(268)
Commission from reinsurance	(1,206)	(159)
	239,140	380,636

24 Investment income
Business underwritten Inside Pakistan

Income from equity securities

Dividend Income

- Available for sale
- Fair value through profit or loss

955,623	351,092
168,846	78,704
1,124,469	429,796

Income from debt securities

Return on debt securities

- Fair value through profit or loss
- Held to maturity

69,191	120,909
-	-
69,191	120,909

Return on government securities

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

9,310	12,995
355,929	432,857
7,938	13,186
373,177	459,038

Income from term deposit receipts

- Held to maturity

91,828	146,672
91,828	146,672

Tax on dividend under final tax regime

(17,639)	(10)
(17,639)	(10)

Net realized fair value gains on investments

Available for sale

- Equity securities
- Government securities

-	3,533
-	-
-	3,533

Held for trading

- Equity securities
- Fixed income securities
- Government securities

361,701	(82,187)
6,331	-
(39,982)	82,302
328,050	115

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

-	-
1,969,076	1,160,053

Business underwritten Outside Pakistan

Income from equity securities

Dividend income

- Available for Sale

69	54
69	54

Net realized gains on investments

- Available for Sale

-	191
-	191

Return on term deposits

- Held to maturity

33,369	42,220
33,369	42,220
33,438	42,465
2,002,514	1,202,518

25 Earnings per share - basic and diluted

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

Profit after tax for the period attributable to ordinary shareholders

Weighted average number of ordinary shares outstanding

Earnings per share - basic and diluted

Quarter Ended	
31 March 2021	31 March 2020
Rupees in thousand	
974,231	490,585
Number of shares	
350,000,000	350,000,000
Rupees	
2.78	1.40

26 Transactions with related parties

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

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

Parent Company

i) Transactions

Premiums underwritten	320,630	315,174
Premiums received	347,405	407,632
Claims paid	155,173	193,391
Security deposit received		
Commission Paid	10,431	14,776
Rent paid	1,173	3,456
Rent received	9,550	7,776
Dividends received	609,798	203,266
Loan repaid	22,326	-
Income on bank deposits	10,013	36,839
Investments made	145,589	50,000
Fee / service charges paid	2,914	4,050
Fee / service charges income		
Fee / service charges / expenses received / receivable	10,108	711
Charge in respect of gratuity expense	7,874	12,593
Contribution to Employees' Provident Fund	9,228	8,102
Compensation paid to Key management personnel	353,649	299,917

Quarter Ended	
31 March 2021	31 March 2020
Rupees in thousand	
(Unaudited)	(Audited)
31 March 2021	31 December 2020
Rupees in thousand	

ii) Period end balances

Balances receivable	175,060	206,040
Balances payable	467,097	313,285
Cash and bank balances including term deposits	2,184,313	1,682,250
Payable to Staff Gratuity Fund	140,748	132,874

Subsidiary Company

i) Transactions

Associated undertakings

Premium written	15,662	15,302
Claims expense	185,653	53,072
Commission and other incentives in respect of bancassurance	395,889	235,696
Profit on bank deposits	17,798	51,313
Bank charges	584	582
Investments purchased	1,729,118	2,315,941
Investments sold	1,775,148	617,557
Dividend income	75,543	24,623

Other related parties

Premium written	5,196	4,657
Claims expense	493	1,031
Investment advisor fee	8,069	2,428
Trustee fee	2,555	2,492

(Unaudited)	(Audited)
31 March	31 December
2021	2020
Rupees in thousand	

ii) Period end balances

Associated undertakings

Premium due but unpaid	8,204	9,511
Bank deposits	1,608,113	898
Investments held	7,594,334	3,202,182
Dividend receivables	-	6,316,715
Commission payable	211,419	-
Claims payable	-	184,576
Reinsurance receivable/ (payable)	-	402

Other related parties

Premium due but unpaid	(26)	3,113
Remuneration payable for the management of discretionary investment portfolio	213	(3,178)
Remuneration payable to trustee	1,093	462
Other payable/(receivables)	-	(892)

Staff Retirement Benefit Plan (Gratuity Fund)

Charge for the period	14,882	10,516
(Payable to)/ receivable from Gratuity fund	15,778	47,542

27 Segment Information

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

Quarter Ended 31 March 2021															
General Insurance													Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	1,335,865	7,443	319,386	8,622	929,844	1,886,663	685,346	45,127	348,970	1,301	3,619,411	1,949,156	5,568,567	4,963,640	10,532,207
Federal excise duty / VAT	(166,544)	(505)	(36,458)	(49)	(110,802)	(89,841)	(6,710)	(2,149)	(32,257)	(62)	(352,771)	(92,606)	(445,377)	-	(445,377)
Federal insurance fee	(11,469)	(20)	(2,837)	(4)	(8,203)	-	(6,919)	-	(3,004)	-	(32,432)	(24)	(32,456)	-	(32,456)
	1,157,852	6,918	280,091	8,569	810,839	1,796,822	671,717	42,978	313,709	1,239	3,234,208	1,856,526	5,090,734	4,963,640	10,054,374
Gross written premium (inclusive of administrative surcharge)	1,157,852	6,918	280,091	8,569	810,839	1,796,822	671,717	42,978	313,709	1,239	3,234,208	1,856,526	5,090,734	4,963,640	10,054,374
Gross direct premium	1,137,114	6,901	272,918	8,569	781,045	1,796,070	671,162	42,978	311,474	1,236	3,173,713	1,855,754	5,029,467	4,963,640	9,993,107
Facultative inward premium	16,885	-	-	-	-	-	-	-	-	-	16,885	-	16,885	-	16,885
Administrative surcharge	3,853	17	7,173	-	29,794	752	555	-	2,235	3	43,610	772	44,382	-	44,382
	1,157,852	6,918	280,091	8,569	810,839	1,796,822	671,717	42,978	313,709	1,239	3,234,208	1,856,526	5,090,734	4,963,640	10,054,374
Insurance premium earned	1,908,085	5,579	259,014	6,337	692,543	1,142,399	442,593	24,490	326,576	2,369	3,628,811	1,181,174	4,809,985	4,963,640	9,773,625
Insurance premium ceded to reinsurers	(1,677,054)	(3,410)	(48,856)	-	(15,890)	(36,104)	-	(15,353)	(136,560)	(965)	(1,878,360)	(55,832)	(1,934,192)	(149,327)	(2,083,519)
Net insurance premium	231,031	2,169	210,158	6,337	676,653	1,106,295	442,593	9,137	190,016	1,404	1,750,451	1,125,342	2,875,793	4,814,313	7,690,106
Commission income	109,538	907	184	-	966	-	-	-	20,555	299	131,243	1,206	132,449	-	132,449
Net underwriting income	340,569	3,076	210,342	6,337	677,619	1,106,295	442,593	9,137	210,571	1,703	1,881,694	1,126,548	3,008,242	4,814,313	7,822,555
Insurance claims	(368,344)	65,095	(53,134)	-	(364,224)	(930,115)	(347,489)	(25,697)	(212,463)	412	(1,345,654)	(890,305)	(2,235,959)	(2,256,961)	(4,492,920)
Insurance claim recoveries from reinsurer	320,351	(55,330)	(37,741)	-	8,060	254,221	-	17,988	148,393	-	439,063	216,879	655,942	104,111	760,053
Net claims	(47,993)	9,765	(90,875)	-	(356,164)	(675,894)	(347,489)	(7,709)	(64,070)	412	(906,591)	(673,426)	(1,580,017)	(2,152,850)	(3,732,867)
Commission expense	(110,175)	(714)	(39,171)	(1,568)	(56,319)	(236,343)	(13,339)	(1,571)	(31,363)	(150)	(250,367)	(240,346)	(490,713)	(766,285)	(1,256,998)
Management expense	(100,572)	(211)	(99,127)	(1,847)	(239,204)	(211,865)	(35,951)	(6,380)	(53,860)	(52)	(528,714)	(220,355)	(749,069)	(203,039)	(952,108)
Net insurance claims and expenses	(258,740)	8,840	(229,173)	(3,415)	(651,687)	(1,124,102)	(396,779)	(15,660)	(149,293)	210	(1,685,672)	(1,134,127)	(2,819,799)	(3,122,174)	(5,941,973)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,389,412)	(2,389,412)
Underwriting result	81,829	11,916	(18,831)	2,922	25,932	(17,807)	45,814	(6,523)	61,278	1,913	196,022	(7,579)	188,443	(697,273)	(508,830)
Investment income											963,186	33,438	996,624	1,005,890	2,002,514
Net fair value unrealized gain / (loss) on financial assets at fair value through profit or loss											-	-	-	(307,090)	(307,090)
Net unrealized gains on investment property											-	-	-	42,000	42,000
Rental income		17,413										432	17,845	-	17,845
Other income		9,634										12,972	22,606	82,018	104,624
Other expenses		(8,251)										(3,315)	(11,566)	(8,869)	(20,435)
Results of operating activities											1,178,004	35,948	1,213,952	116,676	1,330,628
Finance cost											(4,309)	(764)	(5,073)	(580)	(5,653)
Profit from Window Takaful Operations - Operators Fund (Parent Company)											33,750	-	33,750	-	33,750
Profit before taxation											1,207,445	35,184	1,242,629	116,096	1,358,725

31 March 2021															
General Insurance													Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	5,402,538	27,172	507,143	7,764	1,199,472	4,120,949	761,736	100,666	1,946,889	16,793	9,817,778	4,273,344	14,091,122	51,826,814	65,917,936
Unallocated assets											27,480,707	6,888,470	34,369,177	1,002,462	35,371,639
											37,298,485	11,161,814	48,460,299	52,829,276	101,289,575
Segment Liabilities	6,115,279	32,291	751,311	24,043	2,631,402	8,404,521	1,880,082	143,174	2,313,618	18,732	13,691,692	8,622,761	22,314,453	50,737,712	73,052,165
Unallocated Liabilities											3,724,189	670,980	4,395,169	456,700	4,851,869
											17,415,881	9,293,741	26,709,622	51,194,412	77,904,034

27.1 Segment Information

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

Quarter Ended 31 March 2020															
General Insurance												Life Insurance	Aggregate		
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total				Aggregate General Insurance	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	1,208,872	7,614	211,185	4,934	816,255	1,801,325	593,370	13,897	317,801	5,868	3,147,483	1,833,638	4,981,121	3,628,922	8,610,043
Federal excise duty / VAT	(149,873)	(363)	(22,427)	(38)	(97,487)	(85,777)	(7,219)	(662)	(25,840)	(317)	(302,846)	(87,157)	(390,003)	-	(390,003)
Federal insurance fee	(10,187)	-	(1,869)	(5)	(7,209)	-	(5,956)	-	(3,458)	(5)	(28,679)	(10)	(28,689)	-	(28,689)
	1,048,812	7,251	186,889	4,891	711,559	1,715,548	580,195	13,235	288,503	5,546	2,815,958	1,746,471	4,562,429	3,628,922	8,191,351
Gross written premium (inclusive of administrative surcharge)	1,048,812	7,251	186,889	4,891	711,559	1,715,548	580,195	13,235	288,503	5,546	2,815,958	1,746,471	4,562,429	3,628,922	8,191,351
Gross direct premium	1,043,462	7,220	181,385	4,891	685,190	1,713,622	579,809	13,235	285,847	5,541	2,775,693	1,744,509	4,520,202	3,628,922	8,149,124
Facultative inward premium	1,463	-	-	-	-	-	-	-	-	-	1,463	-	1,463	-	1,463
Administrative surcharge	3,887	31	5,504	-	26,369	1,926	386	-	2,656	5	38,802	1,962	40,764	-	40,764
	1,048,812	7,251	186,889	4,891	711,559	1,715,548	580,195	13,235	288,503	5,546	2,815,958	1,746,471	4,562,429	3,628,922	8,191,351
Insurance premium earned	1,986,504	8,455	195,260	5,273	695,522	1,942,414	460,753	2,387	564,156	3,561	3,902,195	1,962,090	5,864,285	3,628,922	9,493,207
Insurance premium ceded to reinsurers	(1,776,336)	(6,145)	(27,860)	12	(12,896)	(21,295)	-	(5,477)	(286,468)	(1,908)	(2,103,560)	(34,813)	(2,138,373)	(138,435)	(2,276,808)
Net insurance premium	210,168	2,310	167,400	5,285	682,626	1,921,119	460,753	(3,090)	277,688	1,653	1,798,635	1,927,277	3,725,912	3,490,487	7,216,399
Commission income	108,503	238	80	-	1,142	-	-	-	13,391	(79)	123,116	159	123,275	-	123,275
Net underwriting income	318,671	2,548	167,480	5,285	683,768	1,921,119	460,753	(3,090)	291,079	1,574	1,921,751	1,927,436	3,849,187	3,490,487	7,339,674
Insurance claims	(64,019)	(84,498)	(225,562)	583	(285,548)	(2,089,207)	(376,123)	(7,856)	(295,946)	195	(1,247,198)	(2,180,783)	(3,427,981)	(1,644,146)	(5,072,127)
Insurance claim recoveries from reinsurer	1,826	20,197	91,465	-	(4,222)	747,797	-	6,201	221,652	(52)	310,721	774,143	1,084,864	114,663	1,199,527
Net claims	(62,193)	(64,301)	(134,097)	583	(289,770)	(1,341,410)	(376,123)	(1,655)	(74,294)	143	(936,477)	(1,406,640)	(2,343,117)	(1,529,483)	(3,872,600)
Commission expense	(123,008)	(366)	(35,026)	(305)	(49,604)	(379,566)	(12,972)	(327)	(37,249)	(231)	(257,859)	(380,795)	(638,654)	(658,861)	(1,297,515)
Management expense	(73,168)	(315)	(75,230)	(2,057)	(243,820)	(224,883)	(28,945)	(2,967)	(63,165)	(223)	(484,328)	(230,445)	(714,773)	(237,202)	(951,975)
Net insurance claims and expenses	(258,369)	(64,982)	(244,353)	(1,779)	(583,194)	(1,945,859)	(418,040)	(4,949)	(174,708)	(311)	(1,678,664)	(2,017,880)	(3,696,544)	(2,425,546)	(6,122,090)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	1,886,273	1,886,273
Underwriting result	60,302	(62,434)	(76,873)	3,506	100,574	(24,740)	42,713	(8,039)	116,371	1,263	243,087	(90,444)	152,643	2,951,214	3,103,857
Investment income											367,646	42,465	410,111	792,407	1,202,518
Net fair value unrealized gain / (loss) on financial assets at fair value through profit or loss											-	-	-	(3,780,955)	(3,780,955)
Net unrealized gains on investment property											-	-	-	-	-
Rental income		9,107										478	9,585	712	10,297
Other income		43,586										16,425	60,011	99,790	159,801
Other expenses		(14,996)										(2,872)	(17,868)	(4,403)	(22,271)
Results of operating activities											648,430	(33,948)	614,482	58,765	673,247
Finance cost											(438)	(1,031)	(1,469)	(4,473)	(5,942)
Profit from Window Takaful Operations - Operators Fund (Parent Company)											35,776	-	35,776	-	35,776
Profit before taxation											683,768	(34,979)	648,789	54,292	703,081
31 December 2020															
General Insurance												Life Insurance	Aggregate		
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total				Aggregate General Insurance	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	6,767,220	84,504	498,520	7,214	1,111,411	4,087,762	503,065	99,727	1,812,432	19,049	10,692,648	4,298,256	14,990,904	49,580,853	64,571,757
Unallocated assets											26,777,697	6,594,548	33,372,245	1,117,992	34,490,237
											37,470,345	10,892,804	48,363,149	50,698,845	99,061,994
Segment Liabilities	7,633,997	99,635	736,427	22,678	2,397,597	8,116,777	1,433,789	141,733	2,206,070	21,468	14,407,880	8,402,291	22,810,171	48,555,896	71,366,067
Unallocated Liabilities											3,823,993	641,246	4,465,239	592,926	5,058,165
											18,231,873	9,043,537	27,275,410	49,148,822	76,424,232

28 Fair value measurement of financial instruments

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

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

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

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

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

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

		31 March 2021										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in thousand) -----										
Financial assets - measured at fair value												
Investment												
	10	15,681,675	-	15,828,880	-	-	-	31,510,555	31,510,555	-	-	31,510,555
	10	3,484,209	-	-	-	-	-	3,484,209	-	-	3,484,209	3,484,209
	11	716,464	476,113	12,959,700	-	-	-	14,152,277	-	14,152,277	-	14,152,277
Investments of Window Takaful Operations - Operator's Fund												
	17	36,406	-	-	-	-	-	36,406	36,406	-	-	36,406
Financial assets - not measured at fair value												
Loans and other receivables *												
	13	-	-	-	956,000	-	-	956,000	-	-	-	-
Loan secured against life insurance policies*												
		-	-	-	37,872	-	-	37,872	-	-	-	-
Investment - Term deposits*												
	12	-	17,868,735	-	-	-	-	17,868,735	-	-	-	-
Insurance / reinsurance receivables												
		-	-	-	4,871,816	-	-	4,871,816	-	-	-	-
- unsecured and considered good *												
	14	-	-	-	5,612,345	-	-	5,612,345	-	-	-	-
Reinsurance recoveries against outstanding claims *												
		-	-	-	286,127	-	-	286,127	-	-	-	-
Salvage recoveries accrued *												
		-	-	-	2,929,067	-	-	2,929,067	-	-	-	-
Prepayments *												
	15	-	-	-	-	-	-	-	-	-	-	-
Cash and bank *												
	16	-	-	-	-	11,438,125	-	11,438,125	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*												
	17	-	-	-	319,472	233,693	-	553,165	-	-	-	-
		19,918,754	18,344,848	28,788,580	15,012,699	11,671,818	-	93,736,699	31,546,961	14,152,277	3,484,209	49,183,447
Financial liabilities - not measured at fair value												
Underwriting provisions:												
Outstanding claims (including IBNR)*												
		-	-	-	-	-	10,242,473	10,242,473	-	-	-	-
Insurance / reinsurance payables *												
		-	-	-	-	-	3,011,864	3,011,864	-	-	-	-
Borrowing*												
		-	-	-	-	-	290,307	290,307	-	-	-	-
Other creditors and accruals*												
	19	-	-	-	-	-	2,990,276	2,990,276	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*												
	17	-	-	-	-	-	253,537	253,537	-	-	-	-
		-	-	-	-	-	16,788,457	16,788,457	-	-	-	-

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

28.1 Fair value measurement of financial instruments

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

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

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

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

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

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

		31 December 2020										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		-(Rupees in thousand)-										
Financial assets - measured at fair value												
Investment												
Equity securities- quoted	10	15,729,664	-	15,649,876	-	-	-	31,379,540	31,379,540	-	-	31,379,540
Equity securities- unquoted	10	3,484,209	-	-	-	-	-	3,484,209	-	-	3,484,209	3,484,209
Debt securities	11	790,268	374,331	14,125,567	-	-	-	15,290,166	-	15,290,166	-	15,290,166
Investments of Window Takaful Operations - Operator's Fund	17	35,873	-	-	-	-	-	35,873	35,873	-	-	35,873
Financial assets - not measured at fair value												
Loans and other receivables *	13	-	-	-	985,744	-	-	985,744	-	-	-	-
Loan secured against life insurance policies*		-	-	-	29,912	-	-	29,912	-	-	-	-
Investment - Term deposits*	12	-	13,891,062	-	-	-	-	13,891,062	-	-	-	-
Insurance / reinsurance receivables												
- unsecured and considered good *	14	-	-	-	4,991,328	-	-	4,991,328	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	-	5,922,296	-	-	5,922,296	-	-	-	-
Salvage recoveries accrued *		-	-	-	270,275	-	-	270,275	-	-	-	-
Prepayments *	15	-	-	-	3,468,952	-	-	3,468,952	-	-	-	-
Cash and bank *	16	-	-	-	-	11,267,096	-	11,267,096	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*	17	-	-	-	310,615	209,446	-	520,061	-	-	-	-
		20,040,014	14,265,393	29,775,443	15,979,122	11,476,542	-	91,536,514	31,415,413	15,290,166	3,484,209	50,189,788
Financial liabilities - not measured at fair value												
Underwriting provisions:												
Outstanding claims (including IBNR)*		-	-	-	-	-	10,768,040	10,768,040	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	-	3,161,519	3,161,519	-	-	-	-
Borrowing*		-	-	-	-	-	330,849	330,849	-	-	-	-
Other creditors and accruals*	19	-	-	-	-	-	3,155,619	3,155,619	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	17	-	-	-	-	-	242,797	242,797	-	-	-	-
		-	-	-	-	-	17,658,824	17,658,824	-	-	-	-

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

29 Date of authorization for issue

This consolidated condensed interim financial information was authorized for issue on 27 April 2021 by the Board of Directors of the Parent Company.

30 Non - adjusting events after balance sheet date

The Board of Directors of the Parent Company in their meeting held on February 23, 2021 proposed final cash dividend for the year ended 31 December 2020 @ 12.5% i.e. Rs. 1.25/- per share which has been approved by the members in the Annual General Meeting held on 27 April 2021. This consolidated condensed interim financial information for the quarter ended 31 March 2021 does not include the effect of this appropriation which will be accounted for in the consolidated condensed interim financial information for the half year ending 30 June 2021.

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

31 General

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

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



Chairman



Director



Director



**Chief Financial
Officer**



**Managing Director & Chief
Executive Officer**

WINDOW TAKAFUL OPERATIONS

FIRST QUARTER ENDED MARCH 31, 2021



Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Financial Position (Unaudited)
As at March 31, 2021

	Note	Operator's Takaful Fund		Participants' Takaful Fund	
		March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
		Rupees in thousand		Rupees in thousand	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS					
Qard-e-Hasna to Participants' Takaful Fund		146,460	146,460	-	-
Property and equipment	7	23,386	20,793	-	-
Intangible assets	8	11,272	12,421	-	-
Investments					
Equity securities	9	36,406	35,873	51,350	50,614
Debt securities	10	-	-	125,000	125,000
Loans and other receivables	11	5,260	7,411	39,583	27,650
Takaful / re - takaful receivables	12	-	-	494,933	384,445
Re - takaful recoveries against outstanding claims		-	-	157,704	279,132
Salvage recoveries accrued		-	-	34,353	35,986
Wakala and mudarib fee receivable		123,009	116,783	-	-
Deferred commission expense	21	33,585	39,961	-	-
Prepayments	13	11,158	-	106,993	104,047
Cash and bank	14	233,693	209,446	388,444	552,900
		477,769	442,688	1,398,360	1,559,774
TOTAL ASSETS		624,229	589,148	1,398,360	1,559,774
FUNDS AND LIABILITIES					
Funds attributable to Operator's and Participants'					
Operator's Takaful Fund					
Statutory fund		50,000	50,000	-	-
Reserves		1,261	883	-	-
Unappropriated profit		319,431	295,468	-	-
		370,692	346,351	-	-
Waqf / Participants' Takaful Fund					
Ceded money		-	-	500	500
Reserves		-	-	959	436
Accumulated surplus		-	-	165,840	172,580
		-	-	167,299	173,516
Qard-e-Hasna from Operator's Takaful Fund		-	-	146,460	146,460
Liabilities					
Underwriting provisions					
Outstanding claims including IBNR	20	-	-	392,679	558,082
Unearned contribution reserve	18	-	-	452,395	421,449
Unearned retakaful rebate	19	-	-	17,710	17,183
Contribution deficiency reserve		-	-	-	-
Retirement benefit obligations		3,878	3,878	-	-
Deferred taxation		674	527	391	178
Contribution received in advance		-	-	15,863	11,037
Takaful / re - takaful payables	15	-	-	42,830	79,436
Wakala and mudarib fee payable		-	-	123,009	116,783
Unearned wakala fee	22	200,692	178,766	-	-
Other creditors and accruals	16	33,648	54,168	39,724	35,650
Taxation - provision less payments		14,645	5,458	-	-
Total Liabilities		253,537	242,797	1,084,601	1,239,798
TOTAL FUNDS AND LIABILITIES		624,229	589,148	1,398,360	1,559,774
Contingencies and commitments		17			

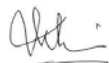
Contingencies and commitments

17

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



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Profit and Loss Account (Unaudited)
For the Three Months Period Ended March 31, 2021


	Note	For three months period ended	
		March 31, 2021	March 31, 2020
		Rupees in thousand	
PARTICIPANTS' TAKAFUL FUND - REVENUE ACCOUNT			
Contributions earned		245,413	255,840
Contributions ceded to retakaful		(82,193)	(70,944)
Net contribution revenue	18	163,220	184,896
Retakaful rebate earned	19	14,314	12,458
Net underwriting income		177,534	197,354
Net takaful claims - reported / settled	20	(175,468)	(148,617)
Reversal / (charge) of contribution deficiency reserve		-	-
		(175,468)	(148,617)
Other direct expenses		(17,531)	(16,095)
(Deficit) / surplus before investment income		(15,465)	32,642
Investment income	24	2,745	4,489
Other income	25	6,529	11,482
Mudarib's share of investment income		(549)	(898)
(Deficit) / Surplus transferred to accumulated surplus		(6,740)	47,715
OPERATOR'S TAKAFUL FUND - REVENUE ACCOUNT			
Wakala fee	22	100,828	96,323
Commission expense	21	(32,086)	(28,468)
General, administrative and management expenses	23	(38,545)	(34,764)
		30,197	33,091
Other income	25	3,774	2,557
Mudarib's share of PTF investment income		549	898
Direct expenses		(770)	(770)
Profit before taxation		33,750	35,776
Provision for taxation		(9,787)	(10,422)
Profit after taxation		23,963	25,354

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


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the Three Months Period Ended March 31, 2021

For three months period ended	
March 31, 2021	March 31, 2020
Rupees in thousand	

PARTICIPANTS' TAKAFUL FUND

(Deficit) / Surplus for the period	(6,740)	47,715
Other comprehensive income for the period	-	-
Total comprehensive income for the period	(6,740)	47,715

OPERATOR'S TAKAFUL FUND

Profit after taxation	23,963	25,354
Unrealized gains on available-for-sale investment- Net of tax	378	684
Total comprehensive income for the period	24,341	26,038

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



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Changes in Funds (Unaudited)
As at March 31, 2021

	Operator's Takaful Fund		
	Statutory fund	Unappropriated profit	Fair value reserve
	Rupees in thousand		
Balance as at December 31, 2019 - (Audited)	50,000	179,063	1,356
Profit after tax for the period January 01, 2020 to March 31, 2020	-	25,354	-
Other comprehensive income for the period January 01, 2020 to March 31, 2020	-	-	684
Total comprehensive income for the period	-	25,354	684
Balance as at March 31, 2020 - (Unaudited)	50,000	204,417	2,040
Profit after tax for the period April 01, 2020 to December 31, 2020	-	91,051	-
Other comprehensive income for the period April 01, 2020 to December 31, 2020	-	-	(1,157)
Total comprehensive income for the period	-	91,051	(1,157)
Balance as at December 31, 2020 - (Audited)	50,000	295,468	883
Profit after tax for the period January 01, 2021 to March 31, 2021	-	23,963	-
Other comprehensive income / (loss) for the period January 01, 2021 to March 31, 2021	-	-	378
Total comprehensive income for the period	-	23,963	378
Balance as at March 31, 2021 - (Unaudited)	50,000	319,431	1,261

	Participants' Takaful Fund		
	Ceded money	Accumulated surplus / (deficit)	Fair value reserve
	Rupees in thousand		
Balance as at December 31, 2019 - (Audited)	500	80,786	-
Surplus after tax for the period January 01, 2020 to March 31, 2020	-	47,715	-
Other comprehensive income for the period January 01, 2020 to March 31, 2020	-	-	-
Total comprehensive income for the period	-	47,715	-
Balance as at March 31, 2020 - (Unaudited)	500	128,501	-
Surplus after tax for the period April 01, 2020 to December 31, 2020	-	44,079	-
Other comprehensive income for the period April 01, 2020 to December 31, 2020	-	-	436
Total comprehensive income for the period	-	44,079	436
Balance as at December 31, 2020 - (Audited)	500	172,580	436
Deficit after tax for the period January 01, 2021 to March 31, 2021	-	(6,740)	-
Other comprehensive income for the period January 01, 2021 to March 31, 2021	-	-	523
Total comprehensive income for the period	-	(6,740)	523
Balance as at March 31, 2021 - (Unaudited)	500	165,840	959

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



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Cash Flow Statement (Unaudited)
For the Three Months Period Ended March 31, 2021

Operating cash flows

(a) Takaful activities

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

Operator's Takaful Fund		Participants' Takaful Fund	
March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Rupees in thousand		Rupees in thousand	

-	-	396,091	301,207
117,077	70,932	(117,077)	(70,931)
-	-	(91,051)	(101,901)
-	-	(348,972)	(184,554)
-	-	-	13,591
(36,788)	(19,764)	-	-
-	-	14,841	11,987
(55,637)	(36,796)	-	-
-	-	(17,045)	(7,525)
24,652	14,372	(163,213)	(38,126)

(b) Other operating activities

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

(608)	(491)	-	-
-	-	(11,150)	14,249
(608)	(491)	(11,150)	14,249

Total cash inflows / (outflows) from operating activities

24,044	13,881	(174,363)	(23,877)
--------	--------	-----------	----------

(c) Investment activities

Profit received on bank deposits and investments
Qard-e-Hasna paid to Participants' Takaful Fund
Fixed capital expenditures

3,700	3,106	9,907	14,630
-	-	-	-
(3,497)	(1,882)	-	-

Total cash inflows from investing activities

203	1,224	9,907	14,630
-----	-------	-------	--------

(d) Financing activities

Contribution to Operator's fund
Qard-e-Hasna paid from Operator's Fund
Ceded money

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

Total cash inflows from financing activities

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

Net Cash inflows / (outflows) from all activities

24,247	15,105	(164,456)	(9,247)
--------	--------	-----------	---------

Cash and cash equivalent at the beginning of the period

209,446	91,895	552,900	434,658
---------	--------	---------	---------

Cash and cash equivalent at the end of the period

233,693	107,000	388,444	425,411
---------	---------	---------	---------

Reconciliation to profit and loss account

Operating cash flows
Depreciation expense
Amortization expense
(Decrease) / Increase in assets other than cash
(Increase) / Decrease in liabilities other than cash
Investment income
Return on bank deposits

24,044	13,881	(174,363)	(23,877)
(864)	(646)	-	-
(1,189)	(1,301)	-	-
8,784	65,831	(1,886)	221,958
(10,586)	(54,968)	160,235	(166,337)
-	-	2,745	4,489
3,774	2,557	6,529	11,482

Net profit / (deficit) / surplus for the period

23,963	25,354	(6,740)	47,715
--------	--------	---------	--------

Definition of cash

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

Attributed to

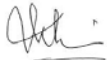
Operator's Takaful Fund
Participants' Takaful Fund

Operator's Fund		Participants' Takaful Fund	
March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Rupees in thousand		Rupees in thousand	
23,963	25,354	-	-
-	-	(6,740)	47,715
23,963	25,354	(6,740)	47,715

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



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Window Takaful Operations

Notes to the Condensed Interim Financial Statements (Unaudited)

For the Three Months Period Ended March 31, 2021

1 Legal status and nature of business

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

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

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

2 Basis of preparation and statement of compliance

This condensed interim financial information for the three months period ended March 31, 2021 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator's for the year ended December 31, 2020. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of December 31, 2020, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in funds and interim cash flow statement and related notes are extracted from condensed interim financial information of the Operator's for the three months period ended March 31, 2020.

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

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

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

3 Basis of measurement

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

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended December 31, 2020.

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

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

5 Use of estimates and judgments

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

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

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Operator for the year ended December 31, 2020.

6 Takaful and Financial risk management

The Operator's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2020.

	Note	Operator's Takaful Fund	
		March 31, 2021	December 31, 2020
		Rupees in thousand	
		(Unaudited)	(Audited)
7 Property and equipment			
Opening balance - net book value		18,793	16,433
Additions during the period	7.1	3,457	5,728
Book value of disposals during the period		-	-
Depreciation charged during the period		(864)	(3,368)
		(864)	(3,368)
Closing balance - net book value		21,386	18,793
Capital work - in - progress	7.2	2,000	2,000
		23,386	20,793
7.1 Additions during the period			
Furniture and fixture		-	-
Motor vehicles		3,457	4,982
Office equipment		-	298
Computer and related accessories		-	448
		3,457	5,728
7.2 Capital work in progress			
Opening balance		2,000	1,300
Additions during the year		-	700
Transfer to property and equipment		-	-
Transfer to intangibles		-	-
Closing balance		2,000	2,000

This represent amount advanced to Analytics (Private) Limited. for development of Web portal for Takaful Operations.

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Statements (Unaudited)
For the Three Months Period Ended March 31, 2021

8 Intangible assets

Opening balance - net book value
Transfer from Capital work-in-progress
Addition during the period

Book value of disposal during the period
Amortization charged during the period

Closing balance

Operator's Takaful Fund	
March 31, 2021	December 31, 2020
Rupees in thousand	
(Unaudited)	(Audited)
12,421	17,650
-	-
40	1,060
-	(1,312)
(1,189)	(4,977)
(1,189)	(6,289)
11,272	12,421

March 31, 2021			December 31, 2020		
Cost	Impairment/ provision	Carrying value	Cost	Impairment/ provision	Carrying value
Rupees in thousand			Rupees in thousand		
(Unaudited)			(Audited)		

9 Investments in equity securities

Operator's Takaful Fund

Available for sale

Mutual fund

Meezan Islamic Income Fund
[604,139 units (2019: 604,139 units)]

Unrealized gain on revaluation

34,628	-	34,628	34,628	-	34,628
		1,778			1,245
		36,406			35,873

Participants' Takaful Fund

Available for sale

Mutual fund

Al Hamra Islamic Income Fund
[481,118 units (2019: Nil units)]

Unrealized gain on revaluation

50,000	-	50,000	50,000	-	50,000
		1,350			614
		51,350			50,614

Participants' Takaful Fund				
No. of Certificates		Face Value	Value of Certificates	
March 31, 2021	December 31, 2020		March 31, 2021	December 31, 2020
Rupees in thousand				
(Unaudited)			(Audited)	

10 Investments in debt securities

Held - to - maturity

Sukuk certificates

Engro Polymer & Chemicals Limited
The Hub Power Company Limited (HUBCO)

500	500	100,000	50,000	50,000
750	750	100,000	75,000	75,000
			125,000	125,000

11 Loans and other receivables - Considered good

Sales tax recoverable
Federal excise duty
Accrued income
Loan to employees
Security deposits
Bid money for tenders
Advances

Operator's Takaful Fund		Participants' Takaful Fund	
March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Rupees in thousand		Rupees in thousand	
(Unaudited)	(Audited)	(Unaudited)	(Audited)
1,289	14	-	-
-	-	27,053	14,770
1,413	1,339	2,915	3,548
2,078	1,160	-	-
366	366	-	-
-	-	9,615	9,332
114	4,532	-	-
5,260	7,411	39,583	27,650

12 Takaful / Re - takaful receivables - Unsecured and considered good

Due from takaful participants' holders
Less: provision for impairment of
takaful participants' holder

Due from other takaful / re - takaful operator's
Less: provision for impairment of due from other
takaful / re - takaful operator's

Participants' Takaful Fund	
March 31, 2021	December 31, 2020
Rupees in thousand	
(Unaudited)	(Audited)
312,068	304,220
-	-
312,068	304,220
182,865	80,225
-	-
182,865	80,225
494,933	384,445

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Statements (Unaudited)
For the Three Months Period Ended March 31, 2021

13 Prepayments

Prepaid re - takaful contribution ceded
Prepaid monitoring charges (Tracking device)
Prepaid Expense

Operator's Takaful Fund		Participants' Takaful Fund	
March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Rupees in thousand		Rupees in thousand	
(Unaudited)	(Audited)	(Unaudited)	(Audited)
-	-	84,608	83,834
-	-	22,385	20,213
11,158	-	-	-
11,158	-	106,993	104,047

Note

Operator's Takaful Fund		Participants' Takaful Fund	
March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Rupees in thousand		Rupees in thousand	
(Unaudited)	(Audited)	(Unaudited)	(Audited)

14 Cash and bank

Cash and cash equivalents:

Policy stamps in hand
Cash in hand

150 - -
- 150 - -

Current and other accounts:

Profit or loss accounts

14.1

233,543	209,296	388,444	552,900
233,693	209,446	388,444	552,900

14.1 Saving accounts carry expected profit rates ranging from 4% to 7% (2020: 5% to 11).

15 Takaful / re - takaful payables

Due to takaful participants' holders
Due to other takaful / re - takaful operator's

Participants' Takaful Fund	
March 31, 2021	December 31, 2020
Rupees in thousand	
(Unaudited)	(Audited)
8,364	11,059
34,466	68,377
42,830	79,436

Operator's Takaful Fund		Participants' Takaful Fund	
March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Rupees in thousand		Rupees in thousand	
(Unaudited)	(Audited)	(Unaudited)	(Audited)

16 Other creditors and accruals

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

28,220 39,299 - -
- - - -
- - 4,055 3,522
- - - -
1,834 2,066 22,594 21,711
2,426 7,423 - -
1,168 5,380 13,075 10,417
33,648 54,168 39,724 35,650

17 Contingencies and commitments

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

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Statements (Unaudited)
For the Three Months Period Ended March 31, 2021

18 Net contribution revenue

Gross contribution written

Wakala fee

Contribution net of wakala fee

Unearned contribution revenue - opening

Unearned contribution revenue - closing

Contribution earned

Less:

Re - takaful contribution ceded

Prepaid re - takaful contribution ceded - opening

Prepaid re - takaful contribution ceded - closing

Re - takaful expense

Net contribution

For three months period ended	
March 31, 2021	March 31, 2020
Rupees in thousand	
(Unaudited)	(Unaudited)
399,113	500,052
(122,754)	(142,132)
276,359	357,920
421,449	377,586
(452,395)	(479,666)
245,413	255,840

82,967	66,179
83,834	81,686
(84,608)	(76,921)
82,193	70,944
163,220	184,896

19 Re - takaful rebate

Re - takaful rebate received

Unearned re - takaful rebate - opening

Unearned re - takaful rebate - closing

Net re-takaful rebate

For three months period ended	
March 31, 2021	March 31, 2020
Rupees in thousand	
(Unaudited)	(Unaudited)
14,841	11,987
17,183	15,979
(17,710)	(15,508)
14,314	12,458

20 Net Takaful Claims

Claims Paid

Outstanding claims including IBNR - closing

Outstanding claims including IBNR - opening

Claim expense

Less:

Re - takaful and other recoveries received

Re - takaful and other recoveries in respect of outstanding claims net of impairment (if any) - closing

Re - takaful and other recoveries in respect of outstanding claims net of impairment (if any) - opening

Re-takaful and other recoveries revenue

Net claim expense

For three months period ended	
Participants' Takaful Fund	
March 31, 2021	March 31, 2020
Rupees in thousand	
(Unaudited)	(Unaudited)
348,972	184,554
392,679	253,192
(558,082)	(257,810)
183,569	179,936

131,162	45,579
192,057	88,076
(315,118)	(102,336)
8,101	31,319
175,468	148,617

21 Commission Expense

Commission paid or payable

Deferred commission - opening

Deferred commission - closing

Net commission

For three months period ended	
Operator's Fund	
March 31, 2021	March 31, 2020
Rupees in thousand	
(Unaudited)	(Unaudited)
25,710	22,006
39,961	41,931
(33,585)	(35,469)
32,086	28,468

22 Wakala Fee

Gross Wakala fee
 Unearned Wakala fee - Opening
 Unearned Wakala fee - Closing
Net wakala fee

For three months period ended	
Operator's Fund	
March 31, 2021	March 31, 2020
Rupees in thousand	
(Unaudited)	(Unaudited)
122,754	142,132
178,766	139,978
(200,692)	(185,787)
100,828	96,323

23 Management Expenses

Employee benefit cost
 Depreciation
 Amortization
 Advertisement and sales promotion
 Rent, rates and taxes
 Communication
 Travelling and conveyance expenses
 Shared expenses
 Entertainment
 Printing, stationery and postage
 Annual supervision fee SECP
 Bank charges
 Repairs and maintenance
 Others

For three months period ended	
March 31, 2021	March 31, 2020
Rupees in thousand	
(Unaudited)	(Unaudited)
22,717	21,893
864	646
1,189	1,301
2,580	-
1,014	634
437	344
175	823
4,885	4,866
578	495
311	186
484	550
13	10
360	-
2,938	3,016
38,545	34,764

24 Investment income

Participants' Takaful Fund
 Profit on Sukuks

For three months period ended	
March 31, 2021	March 31, 2020
Rupees in thousand	
(Unaudited)	(Unaudited)
2,745	4,489
2,745	4,489

25 Other income

Operator's Takaful Fund
 Profit on bank deposits

For three months period ended	
March 31, 2021	March 31, 2020
Rupees in thousand	
(Unaudited)	(Unaudited)
3,774	2,557
3,774	2,557

Participants' Takaful Fund
 Profit on bank deposits

6,529	11,482
6,529	11,482

26 Transactions with related parties

The Operator has related party relationship with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Balances and transactions with related party are disclosed in relevant notes to this financial statements.

	March 31, 2021	March 31, 2020
	Rupees in thousand	
	(Unaudited)	(Unaudited)
i) Transactions		
Subsidiary Company		
Contribution underwritten	2,653	1,522
Contribution received	408	1,635
Claims paid	352	589
Other related parties		
Contribution underwritten	68,042	65,219
Contribution received	73,081	73,508
Claims paid	28,632	16,047
Income on bank deposits	3,495	5,101
ii) Period end balances		
Subsidiary Company		
Balances payable	181	93
Balances receivable	2,417	-
Other related parties		
Balances receivable	23,577	11,779
Balances payable	26,615	21,672
Cash and bank balances	343,674	227,389
Contribution received in advance	330	301

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27 Segment Information

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

	Participants' Takaful Fund					Total
	March 31,2021 (Unaudited)					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	40,517	16,286	314,171	42,684	39,491	453,149
Less : Federal Excise Duty	(5,302)	(2,101)	(37,989)	(3)	(4,986)	(50,381)
Federal Insurance Fee	(358)	(141)	(2,742)	(423)	(341)	(4,005)
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	34,857	14,044	273,440	42,258	34,164	398,763
Facultative inward contribution	350	-	-	-	-	350
Gross Contribution Written	35,207	14,044	273,440	42,258	34,164	399,113
Wakala fee	(9,890)	(4,924)	(88,868)	(10,531)	(8,541)	(122,754)
Contribution net of wakala fee	25,317	9,120	184,572	31,727	25,623	276,359
Contribution earned	35,074	9,247	132,463	54,187	14,442	245,413
Takaful contribution ceded to retakaful	(39,957)	(11,291)	(13,698)	-	(17,247)	(82,193)
Net takaful contribution	(4,883)	(2,044)	118,765	54,187	(2,805)	163,220
Re-takaful rebate	8,107	2,427	-	-	3,780	14,314
Net underwriting income	3,224	383	118,765	54,187	975	177,534
Takaful claims	(6,183)	(2,442)	(92,312)	(78,655)	(3,977)	(183,569)
Re - takaful and other recoveries	(9,767)	(1,434)	15,723	-	3,579	8,101
Net claims	(15,950)	(3,876)	(76,589)	(78,655)	(398)	(175,468)
Contribution deficiency reserve				-		-
Direct expense	(857)	(135)	(15,815)	(394)	(330)	(17,531)
Net takaful claims and expenses	(16,807)	(4,011)	(92,404)	(79,049)	(728)	(192,999)
(Deficit) / surplus before investment income	(13,583)	(3,628)	26,361	(24,862)	247	(15,465)
Other income						2,745
Investment income						6,529
Mudarib fee						(549)
Deficit transferred to Balance of PTF						(6,740)
Corporate segment assets	227,808	26,297	379,534	52,403	85,556	771,598
Corporate unallocated assets	-	-	-	-	-	626,762
Total assets	227,808	26,297	379,534	52,403	85,556	1,398,360
Corporate segment liabilities	232,549	17,000	570,855	165,437	58,644	1,044,485
Corporate unallocated liabilities	-	-	-	-	-	186,575
Total liabilities	232,549	17,000	570,855	165,437	58,644	1,231,060

	March 31,2020 (Unaudited)					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	Total
	Rupees in thousand					
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	43,322	13,802	226,417	223,647	38,006	545,194
Less : Federal Excise Duty	(5,595)	(1,754)	(27,438)	(884)	(4,901)	(40,572)
Federal Insurance Fee	(373)	(119)	(1,570)	(2,206)	(328)	(4,596)
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	37,354	11,929	197,409	220,557	32,777	500,026
Facultative inward contribution	26	-	-	-	-	26
Gross Contribution Written	37,380	11,929	197,409	220,557	32,777	500,052
Wakala fee	(10,466)	(4,175)	(64,158)	(55,139)	(8,194)	(142,132)
Contribution net of wakala fee	26,914	7,754	133,251	165,418	24,583	357,920
Contribution earned	31,882	8,564	124,173	75,098	16,123	255,840
Re - takaful expense	(35,393)	(10,201)	(8,682)	-	(16,668)	(70,944)
Net contribution revenue	(3,511)	(1,637)	115,491	75,098	(545)	184,896
Net rebate on re - takaful	7,011	2,183	-	-	3,264	12,458
Net underwriting income	3,500	546	115,491	75,098	2,719	197,354
Takaful claims	(10,675)	(1,017)	(120,465)	(48,298)	519	(179,936)
Re - takaful and other recoveries	265	814	30,551	-	(311)	31,319
Net claims	(10,410)	(203)	(89,914)	(48,298)	208	(148,617)
Contribution deficiency reserve	-	-	-	-	-	-
Direct expense	(181)	(43)	(14,941)	(787)	(143)	(16,095)
Net takaful claims and expenses	(10,591)	(246)	(104,855)	(53,379)	65	(164,712)
Surplus / (deficit) before investment income	(7,091)	300	10,636	21,719	2,784	32,642
Investment income						11,482
Other income						4,489
Mudarib fee						(898)
Surplus transferred to Balance of PTF						47,715

	December 31, 2020 (Audited)					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
Rupees in thousand						
Corporate segment assets	363,536	23,880	229,113	115,706	51,162	783,397
Corporate unallocated assets	-	-	-	-	-	776,377
Total assets	363,536	23,880	229,113	115,706	51,162	1,559,774
Corporate segment liabilities	388,928	20,481	501,097	253,059	40,405	1,203,970
Corporate unallocated liabilities	-	-	-	-	-	182,288
Total liabilities	388,928	20,481	501,097	253,059	40,405	1,386,258

	Operator's Takaful Fund					
	March 31, 2021 (Unaudited)					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	Total
	Rupees in thousand					
Wakala fee income	13,686	4,993	59,318	18,017	4,814	100,828
Less : Commission expense	(8,651)	(2,140)	(14,799)	(2,384)	(4,112)	(32,086)
Management expenses	(10,393)	(2,570)	(17,778)	(2,864)	(4,940)	(38,545)
	(5,358)	283	26,741	12,769	(4,238)	30,197
Mudarib's share of PTF investment income						549
Investment income						-
Direct expenses						(770)
Other income						3,774
Profit before tax						33,750
Corporate segment assets	19,245	4,470	105,953	15,614	11,313	156,594
Corporate unallocated assets	-	-	-	-	-	467,635
Total assets	19,245	4,470	105,953	15,614	11,313	624,229
Corporate segment liabilities	19,768	545	152,303	20,749	7,327	200,692
Corporate unallocated liabilities	-	-	-	-	-	52,845
Total liabilities	19,768	545	152,303	20,749	7,327	253,537
	March 31, 2020 (Unaudited)					
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
	Rupees in thousand					
Wakala fee income	12,398	4,612	48,908	25,032	5,373	96,323
Less : Commission expense	(6,676)	(1,895)	(14,520)	(2,859)	(2,518)	(28,468)
Management expenses	(8,153)	(2,314)	(17,731)	(3,491)	(3,075)	(34,764)
	(2,431)	403	16,657	18,682	(220)	33,091
Mudarib's share of PTF investment income						898
Investment income						-
Other expenses						(770)
Other income						2,557
Profit before tax						35,776
	December 31, 2020 (Audited)					
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
	Rupees in thousand					
Corporate segment assets	27,126	4,132	77,960	39,368	8,158	156,744
Corporate unallocated assets	-	-	-	-	-	432,404
Total assets	27,126	4,132	77,960	39,368	8,158	589,148
Corporate segment liabilities	23,564	614	122,753	28,235	3,600	178,766
Corporate unallocated liabilities	-	-	-	-	-	64,031
Total liabilities	23,564	614	122,753	28,235	3,600	242,797

28 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants' at the measurement date. Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

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

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

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

		Participants' Takaful Fund									
		March 31, 2021 (Unaudited)									
		Carrying amount				Fair value					
		Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Note		Rupees in thousand									
Financial assets not measured at fair value											
	Investments - Debt securities	10	125,000	-	-	-	125,000	-	-	-	-
	Investments - Equity securities		51,350	-	-	-	51,350	51,350	-	-	51,350
	Loan and other receivables	11	-	39,583	-	-	39,583	-	-	-	-
	Takaful / re - takaful receivables	12	-	494,933	-	-	494,933	-	-	-	-
	Re - takaful recoveries against outstanding claims		-	157,704	-	-	157,704	-	-	-	-
	Salvage recoveries accrued		-	34,353	-	-	34,353	-	-	-	-
	Cash and bank deposits	14	-	-	388,444	-	388,444	-	-	-	-
			<u>176,350</u>	<u>726,573</u>	<u>388,444</u>	<u>-</u>	<u>1,291,367</u>	<u>51,350</u>	<u>-</u>	<u>-</u>	<u>51,350</u>
Financial liabilities not measured at fair value											
	Outstanding claims including IBNR	20	-	-	-	392,679	392,679	-	-	-	-
	Takaful / re - takaful payables		-	-	-	42,830	42,830	-	-	-	-
	Wakala and mudarib fee payable		-	-	-	123,009	123,009	-	-	-	-
	Other creditors and accruals	16	-	-	-	13,075	13,075	-	-	-	-
			<u>-</u>	<u>-</u>	<u>-</u>	<u>571,593</u>	<u>571,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Participants' Takaful Fund											
December 31, 2020 (Audited)											
		Carrying amount				Fair value					
		Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Note		Rupees in thousand									
Financial assets not measured at fair value											
	Investments - Debt securities	10	125,000	-	-	-	125,000	-	-	-	-
	Investments - Equity securities		50,614	-	-	-	50,614	50,614	-	-	50,614
	Loan and other receivables	11	-	27,650	-	-	27,650	-	-	-	-
	Takaful / re - takaful receivables	12	-	384,445	-	-	384,445	-	-	-	-
	Retakaful recoveries against outstanding claims		-	279,132	-	-	279,132	-	-	-	-
	Salvage recoveries accrued		-	35,986	-	-	35,986	-	-	-	-
	Cash and bank deposits	14	-	-	552,900	-	552,900	-	-	-	-
			<u>175,614</u>	<u>727,213</u>	<u>552,900</u>	<u>-</u>	<u>1,455,727</u>	<u>50,614</u>	<u>-</u>	<u>-</u>	<u>50,614</u>
Financial liabilities not measured at fair value											
	Outstanding claims including IBNR	20	-	-	-	558,082	558,082	-	-	-	-
	Takaful / retakaful payables		-	-	-	79,436	79,436	-	-	-	-
	Wakala and mudarib fee payable		-	-	-	116,783	116,783	-	-	-	-
	Other creditors and accruals	16	-	-	-	10,417	10,417	-	-	-	-
			<u>-</u>	<u>-</u>	<u>-</u>	<u>764,718</u>	<u>764,718</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

		Operator's Takaful Fund								
		March 31, 2021 (Unaudited)								
		Carrying amount				Fair value				
		Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand								
9		36,406	-	-	-	36,406	36,406	-	-	36,406
11		-	3,857	-	-	3,857	-	-	-	-
		-	123,009	-	-	123,009	-	-	-	-
14		-	-	233,693	-	233,693	-	-	-	-
		36,406	126,866	233,693	-	396,965	36,406	-	-	36,406

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	Operator's Takaful Fund	Participants' Takaful Fund	
	Available for sale	Available for sale	Held to Maturity
	Rupees in thousand		
29 Movement in Investment - Available for sale			
At the beginning of previous year	32,958	-	-
Additions	34,627	50,000	125,000
Disposals	(31,048)	-	-
Fair value on gains (excluding net realized gain)	(665)	614	-
At the beginning of current year	35,873	50,614	125,000
Additions	-	-	-
Disposals	-	-	-
Fair value on gains (excluding net realized gain)	533	736	-
At the end of current year	36,406	51,350	125,000

30 Subsequent events - non adjusting event

There are no significant events that need to be disclosed for the three months period ended March 31, 2021.

31 Date of authorization for issue

This condensed interim financial information was authorized for issue on April 27, 2021 by the Board of Directors of the Operator.

32 General

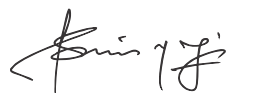
32.1 Corresponding figures have been rearranged and reclassified for better presentation, where considered necessary.

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


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer