



# Century Insurance

A Lakson Group Company



Quarterly Report March 2021  
(Un-audited)



## Century Insurance at a glance

- Century Insurance is a Lakson Group Company.
- Operating since 1989, dealing in all areas of general insurance business.
- One of the premier general insurance companies of Pakistan.
- Rated "AA-" with a stable outlook by VIS Credit Rating Co. Limited, signifying a 'very high capacity to meet policyholders' and contractual obligations'.
- Total equity in excess of Rs. 2.1 billion.
- Twice awarded 'Top 25 Companies Award' by the Karachi Stock Exchange.
- Very strong reinsurance treaty arrangements with highly rated international reinsurers.
- Broad client base consisting of individuals as well as some of the most prestigious local and multinational companies.

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## Our vision

To be an organization known for integrity and ethical behavior and fully dedicated to its Clients, Business Partners, Shareholders and Employees, providing exceptional quality service and committed to achieving excellence in all areas of its operations.

## Our mission

- To become a company of choice for its valued Clients, Stockholders and Employees.
- To ensure continued growth of the financial strength and resilience of the company so that it may be able to withstand any unexpected shocks or cyclical economic downturns.
- The Company culture to be known for Integrity and Ethical behavior.
- The Company to be known as one of the best insurance companies of the country.





# Corporate information

## Board of Directors

Mr. Iqbal Ali Lakhani - Chairman  
Mr. Amin Mohammed Lakhani  
Ms. Anushka Lakhani  
Mr. Aftab Ahmad  
Mr. Sadrudin Ismail Mohamed  
Mr. Akber Dawood Vazir  
Mr. Mohammad Hussain Hirji - Chief Executive

## Advisor

Mr. Sultan Ali Lakhani

## Chief Financial Officer

Mr. Sabza Ali Pirani

## Company Secretary

Mr. Mansoor Ahmed

## Audit Committee

Mr. Sadrudin Ismail Mohamed - Chairman  
Mr. Amin Mohammed Lakhani  
Mr. Aftab Ahmad

## Investment Committee

Mr. Iqbal Ali Lakhani - Chairman  
Mr. Aftab Ahmad  
Mr. Mohammad Hussain Hirji  
Mr. Sabza Ali Pirani

## Ethics, Human Resource & Remuneration Committee

Mr. Sadrudin Ismail Mohamed - Chairman  
Mr. Amin Mohammed Lakhani  
Mr. Akber Dawood Vazir  
Mr. Mohammad Hussain Hirji

## External Auditors

M/s. KPMG Taseer Hadi & Co.  
Chartered Accountants

## Share Registrar

M/s. FAMCO Associates (Pvt) Ltd.  
8-F, Near Hotel Faran, Nursery,  
Block-6, P.E.C.H.S., Shahra-e-Faisal,  
Karachi.  
Tel: (021) 34380101-2  
Fax: (021) 34380106  
Email: [info.shares@famco.com.pk](mailto:info.shares@famco.com.pk)  
Website: [www.famco.com.pk](http://www.famco.com.pk)

## Bankers

Al Baraka Bank (Pakistan) Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
NRSP Microfinance Bank Limited  
Silkbank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Telenor Microfinance Bank Limited  
U Microfinance Bank Limited  
United Bank Limited

## Registered & Corporate Office

Lakson Square, Building No. 2,  
Sarwar Shaheed Road, Karachi-74200.

## Head Office

11<sup>th</sup> Floor, Lakson Square, Building No. 3,  
Sarwar Shaheed Road, Karachi-74200.

Website: [www.cicl.com.pk](http://www.cicl.com.pk)  
UAN: 111-111-717  
NTN: 0710008-6

# Directors' Review

On behalf of the Board of Directors, we are pleased to present to you the unaudited financial statements for the first quarter ended 31 March 2021.

## General Review

The overall operational performance of the Company has improved for the three-month period ended 31 March 2021 as compared to the same period in 2020. Gross written premium (inclusive of takaful contribution) has increased by Rs. 41.6 million (17%) to Rs. 292.7 million whereas net premium has increased by Rs. 9.9 million (5%) to Rs. 220.9 million. Underwriting profit stood at Rs. 53.1 million, up by Rs. 8.5 million (19%). Investment & other income is Rs. 46.9 million.

Earnings per share (EPS) for the first quarter ended 31 March 2021 is Rs. 1.41 as against Rs. 0.74 for the same period last year.

## Operating Results

The comparative financial highlights for the first quarters ended 31 March 2021 and 31 March 2020 are presented below:

Description	Amount in millions (unless otherwise stated)			
	31 March 2021	31 March 2020	Increase / (Decrease)	
				%
Gross Written Premium (including Takaful Contribution)	293	251	42	17
Net Premium	221	211	10	5
Underwriting results	53	45	8	19
Investment & other income	47	3	44	1467
Profit from window takaful operations	4	3	1	33
Profit before tax	100	48	52	109
Profit after tax	71	37	34	91
Earnings per share (Rs.)	1.41	0.74	0.67	91
Total assets	3,340	2,954	386	13
Paid-up capital	503	503	-	-
Total equity	2,114	1,754	360	21

As compared to the first quarter of 2020, the gross written premium (inclusive of takaful contribution) for Marine has increased by Rs. 13.9 million (21%), Motor by Rs. 13.2 million (12%), Accident & Health by Rs. 19.6 million (401%) and Miscellaneous by Rs. 1.3 million (9%). The gross written premium (inclusive of takaful contribution) for Fire class of business has decreased by Rs. 6.3 million (11%).



## Window Takaful Operations

### Participant Takaful Fund (PTF)

The gross written contribution for the first quarter ended 31 March 2021 is Rs. 27.4 million as compared to Rs. 14.0 million for the same period last year. Net contribution revenue is Rs. 9.5 million and the surplus for the first quarter ended 31 March 2021 is Rs. 1.1 million.

### Operator's Fund (OPF)

Gross wakala fee income for the first quarter ended 31 March 2021 Rs. 10.4 million while net wakala fee income is Rs. 11.0 million. Profit before tax is Rs. 4.3 million.

## Future Outlook

The management is making concerted efforts to increase market share and profitability and the business of the Company is expected to continue to grow at a steady pace. We shall continue to strive to identify new and innovative products and distribution channels, expand the branch network to serve clients in new cities and recruit, train and motivate sales staff so as to maintain the momentum of profitable growth. We are hopeful that this will result in improved sustainability and enhanced shareholder equity.

## COVID – 19

The Covid-19 pandemic outbreak has posed lots of challenges at a global level. The company has formed a steering committee in order to ensure compliance with all government directives and SOPs for the safety and health of employees and to ensure uninterrupted services to clients.

## Acknowledgments

On behalf of the directors of the company, we wish to place on record our appreciation of the efforts of all the employees of the company in enabling its growth and success. We are also grateful to our clients for their patronage, to the Securities & Exchange Commission of Pakistan (SECP) for its guidance as regulator of the insurance industry and to our reinsurers and shareholders for their trust and confidence in the company.

Iqbal Ali Lakhani  
Chairman

Mohammad Hussain Hirji  
Director & Chief Executive

Karachi: 28 April 2021

پہلی سہ ماہی 2020ء کے مقابلے میں مجموعی پربہیم (بشمول ٹکا فل کنز بیوشن) برائے بحری بیہ میں 13.9 ملین روپے (21 فیصد) موثر بیہ میں 13.2 ملین روپے (12 فیصد) بیہ حادثہ و صحت میں 19.6 ملین روپے (401 فیصد) اور بیہ متفرق میں 1.3 ملین روپے (9 فیصد) اضافہ ہوا ہے۔ جبکہ مجموعی پربہیم (بشمول ٹکا فل کنز بیوشن) برائے بیہ آتش زدگی 6.3 ملین روپے (11 فیصد) کی کمی ہوئی ہے۔

### دونوں ٹکا فل آپریشنز

شرکت داروں کا ٹکا فل فنڈ  
پہلی سہ ماہی 2021ء میں شرکت داروں کا تحریر شدہ مجموعی کنز بیوشن کا فنڈ 27.4 ملین روپے جبکہ اسی مدت کے دوران گزشتہ سال 14.0 ملین روپے رہا۔ خالص کنزی (بیوشن بشمول وکالہ فیس) 9.5 ملین روپے اور سرپلس فنڈ 1.1 ملین روپے رہا۔

آپریٹر فنڈ  
مجموعی وکالہ فیس برائے پہلی سہ ماہی 2021ء میں 10.4 ملین روپے ہے۔ خالص وکالہ فیس کی آمدنی 11.0 ملین روپے ہے۔ قبل از ٹیکس منافع 4.3 ملین روپے رہا۔

### مستقبل کے خدوخال

کمپنی کی انتظامیہ کاروبار میں منافع اور مارکیٹ شیئر میں اضافے کی مستحکم رفتار کو برقرار رکھنے کے لیے ٹھوس اقدامات کر رہی ہے۔ ہم منافع بخش ترقی کی رفتار کو برقرار رکھنے کے لیے نئی اور جدید مصنوعات کی شناخت، دیگر شہروں میں کلائنٹ کی خدمات کی غرض سے اضافی برانچوں کے قیام اور بیہ فروخت کے عملے کی حوصلہ افزائی اور تربیت کرتے رہیں گے۔ ہم امید کرتے ہیں کہ مندرجہ بالا اقدامات حصص یافتگان کی ایکویٹی میں اضافے اور بہتر پائیداری کا باعث بنیں گے۔

### کوویڈ 19 (COVID-19)

عالمی سطح پر کوویڈ 19 کی وباء کے مرض نے بے شمار نئے چیلنجز اور سیکھنے کے موقع کا باعث بنا ہے۔ کمپنی نے ملازمین کی حفاظت اور صحت کے لئے تمام سرکاری ہدایات اور ایس او پیز کی تعمیل کو یقینی بنانے اور کلائنٹ کو بلا تعطل خدمات کو یقینی بنانے کے لئے ایک اسٹریٹجک کمیٹی تشکیل دی ہے۔

### اعترافات

میں ادارے کی ترقی اور کامیابی کو ممکن بنانے کے لیے تمام ملازمین کی کوششوں پر انہیں کمپنی ڈائریکٹرز کی جانب سے سراہنا چاہتا ہوں۔ ہم اپنے شانہ بشانہ رہنے پر تمام کلائنٹس، انشورنس انڈسٹری میں ریگولیٹر کی حیثیت سے رہنمائی کرنے پر سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور کمپنی پر بھروسہ و اعتماد کرنے پر اپنے ری انشورنس اور شیئر ہولڈرز کے بھی شکر گزار ہیں۔

Mohammad Iqbal Ali

محمد حسین جبرجی  
ڈائریکٹر اور چیف ایگزیکٹو

اقبال علی لاکھانی  
چیئرمین

کراچی : 28 اپریل 2021ء



# ڈائریکٹرز کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم مسرت کے ساتھ 31 مارچ 2021ء کو ختم ہونے والی سہ ماہی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کر رہے ہیں۔

## عمومی جائزہ

31 مارچ 2021ء کو ختم ہونے والی سہ ماہی کی مدت میں ادارے کی انشورنس آپریشن کا رکردگی میں گزشتہ سال 2020ء کی اسی مدت کے مقابلے بہتر آئی ہے۔ مشترکہ مجموعی پریمیسیم (بشمول ٹکافل کنز بیوشن) 41.6 ملین روپے 17 فیصد اضافہ جو کہ 292.7 ملین روپے ہوا۔ مجموعی خالص پریمیسیم 9.9 ملین روپے 5 فیصد اضافہ جو کہ 220.9 ملین روپے ہوا۔ انڈرائٹنگ آمدنی 53.1 ملین روپے رہی ہے جس میں 8.5 ملین روپے کا اضافہ جو کہ 19 فیصد ہے۔ انوسنٹ اور دیگر آمدنی میں 46.9 ملین روپے کا اضافہ ظاہر کیا ہے۔

31 مارچ 2021ء کو ختم ہونے والی سہ ماہی کی مدت میں فی حصص آمدنی 1.41 ملین روپے جو کہ گزشتہ سال اسی مدت میں 0.74 ملین روپے تھی۔

## کاروباری امور کے نتائج

پہلی سہ ماہی کی مدت 31 مارچ 2021 اور 2020ء کی تقابلی مالیاتی جھلکیاں درج ذیل ہیں۔

بیان	31 مارچ 2021ء	31 مارچ 2020ء	(روپے ملین میں علاوہ دیگر بیانیہ) اضافہ/(کمی)	فیصد
(رقم)	(رقم)	(رقم)	(رقم)	
تحریر شدہ مجموعی پریمیسیم (بشمول ٹکافل کنز بیوشن)	293	251	42	17
خالص پریمیسیم	221	211	10	5
انڈرائٹنگ نتائج	53	45	8	19
سرمایہ کاری و دیگر آمدنی	47	3	44	1467
ونڈ ٹکافل آپریشن سے منافع	4	3	1	33
منافع قبل از ٹیکس	100	48	52	109
منافع بعد از ٹیکس	71	37	34	91
آمدنی فی حصص (روپے)	1.41	0.74	0.67	91
کل اثاثہ جات	3,340	2,954	386	13
ادا شدہ سرمایہ	503	503	-	-
کل ایکوئٹی	2,114	1,754	360	21

# Condensed Interim Statement of Financial Position

As at March 31, 2021

		(Un-audited) March 31, 2021	(Audited) December 31, 2020
	Note	-----	-----
<b>Assets</b>			
Property and equipment	9	116,286,881	121,150,269
Investment in associates	10	49,377,524	49,959,574
<b>Investments</b>			
Equity securities	11.1	969,382,765	958,721,992
Debt securities	11.2	481,841,887	524,693,346
Term deposit	12	195,400,000	195,400,000
Loan and other receivable	13	62,081,319	42,262,996
Insurance / reinsurance receivable	14	447,202,719	554,679,355
Reinsurance recoveries against outstanding claims	23	105,318,123	125,342,540
Salvage recoveries accrued		2,775,000	2,775,000
Deferred commission expense	24	23,085,717	25,643,610
Deferred taxation	18	39,970,282	34,941,495
Prepayments	15	158,177,375	209,416,425
Cash and bank	16	579,657,458	454,365,700
Total assets of Window Takaful Operations - Operator's fund	17	109,334,914	103,495,918
<b>Total assets</b>		<b>3,339,891,964</b>	<b>3,402,848,220</b>

  
Iqbal Ali Lakhani  
Chairman

  
Amin Mohammed Lakhani  
Director

  
Aftab Ahmad  
Director

  
Mohammad Hussain Hirji  
Director & Chief Executive

  
Sabza Ali Pirani  
Chief Financial Officer



		(Un-audited) March 31, 2021	(Audited) December 31, 2020
Note		------(Rupees)-----	
<b>Equity and liabilities</b>			
Authorized share capital (70,000,000 Ordinary share of Rs.10 each)		<u>700,000,000</u>	<u>700,000,000</u>
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital		502,968,030	502,968,030
Share premium		254,024,260	254,024,260
Reserves		175,472,557	181,840,187
Unappropriated profit		<u>1,181,183,206</u>	<u>1,110,233,075</u>
<b>Total Equity</b>		<u>2,113,648,053</u>	<u>2,049,065,552</u>
<b>Liabilities</b>			
<b>Underwriting Provisions</b>			
Outstanding claims including IBNR	23	232,077,385	260,105,733
Unearned premium reserve	22	429,253,143	521,370,886
Unearned reinsurance commission	24	37,999,140	46,716,196
Retirement benefits obligation		5,779,142	4,519,519
Premiums received in advance		2,842,284	1,891,673
Insurance / reinsurance payables	19	222,891,571	234,715,482
Other creditors and accruals	20	140,750,178	152,676,442
Taxation - provision less payments		117,623,923	96,880,283
<b>Total Liabilities</b>		<u>1,189,216,766</u>	<u>1,318,876,214</u>
Total liabilities of Window Takaful Operations - Operator's fund	17	37,027,145	34,906,454
<b>Total equity and liabilities</b>		<u>3,339,891,964</u>	<u>3,402,848,220</u>

#### Contingencies and commitments

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

  
Iqbal Ali Lakhani  
Chairman

  
Amin Mohammed Lakhani  
Director

  
Aftab Ahmad  
Director

  
Mohammad Hussain Hirji  
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Chief Financial Officer

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

For the three months period ended March 31, 2021

		(Un-audited)	
		March 31,	
		2021	2020
Note		----- (Rupees) -----	-----
Net insurance premium	22	220,940,193	211,033,007
Net insurance claims	23	(100,131,431)	(83,330,401)
Net commission and other acquisition costs	24	14,672,706	133,800
Insurance claims and acquisition expenses		(85,458,725)	(83,196,601)
Management Expenses		(82,346,735)	(83,186,974)
<b>Underwriting results</b>		<b>53,134,733</b>	<b>44,649,432</b>
Investment income / (loss)	25	37,358,014	(1,703,397)
Other income	26	9,558,650	5,011,746
Other expenses		(2,933,416)	(1,704,413)
<b>Results of operating activities</b>		<b>97,117,981</b>	<b>46,253,368</b>
Finance costs - Lease liabilities		(1,391,917)	(1,651,746)
Share of profit of associates		-	-
Profit from Window Takaful Operations	17	4,292,689	3,193,562
<b>Profit before tax</b>		<b>100,018,753</b>	<b>47,795,184</b>
Income tax expense - current		(31,222,682)	(20,369,609)
- deferred		2,154,060	9,748,588
		(29,068,622)	(10,621,021)
<b>Profit after tax</b>		<b>70,950,131</b>	<b>37,174,163</b>
<b>Earnings per share of Rs.10 each - basic and diluted</b>	27	<b>1.41</b>	<b>0.74</b>


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Sabza Ali Pirani  
Chief Financial Officer

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

For the three months period ended March 31, 2021

	(Un-audited) March 31,	
	2021	2020
	------(Rupees)-----	
Profit after tax	70,950,131	37,174,163
Other comprehensive income		
Item to be reclassified to profit and loss account in subsequent period:		
Unrealised appreciation / (diminution) on 'available for sale' investments - net of tax	2,877,553	(120,212,059)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net of tax	(9,915,679)	-
	(7,038,126)	(120,212,059)
Unrealised appreciation on 'available for sale' investments of Window Takaful Operations - net of tax	670,496	70,528
<b>Total comprehensive income / (loss) for the period</b>	<b>64,582,501</b>	<b>(82,967,368)</b>


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Chief Financial Officer

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

For the three months period ended March 31, 2021

	(Un-audited)	
	March 31, 2021	March 31, 2020
	------(Rupees)-----	
<b>Operating cash flows</b>		
(a) <b>Underwriting activities</b>		
Insurance premium received	347,637,217	224,481,148
Reinsurance premium paid	(102,145,582)	(47,246,136)
Claims paid	(166,086,771)	(124,537,016)
Reinsurance and other recoveries received	94,731,696	28,565,851
Commissions paid	(18,994,227)	(24,630,185)
Commissions received	19,141,720	2,790,511
Management expenses paid	(79,816,685)	(75,566,241)
Net cash inflow / (outflow) from underwriting activities	94,467,368	(16,142,068)
(b) <b>Other operating activities</b>		
Income tax paid	(10,479,042)	(7,948,560)
Other operating payments	(11,762,539)	(3,024,369)
Net cash (outflow) from other operating activities	(22,241,581)	(10,972,929)
<b>Total cash inflow / (outflow) from operating activities</b>	72,225,787	(27,114,997)
<b>Investment activities</b>		
Profit / return received	10,791,504	15,143,889
Dividends received	2,119,932	2,598,304
Payments for investments	(231,104,255)	(726,196,051)
Proceeds from disposal of investments	273,234,600	716,296,051
Fixed capital expenditure	(3,557,746)	(802,729)
Proceeds from sale of property and equipment	1,597,076	767,476
<b>Total cash inflow from investing activities</b>	53,081,111	7,806,940
<b>Financing activities - Dividends paid</b>	(14,984)	-
<b>Net cash inflow / (outflow) from all activities</b>	125,291,914	(19,308,057)
<b>Cash at beginning of the period</b>	453,365,544	266,224,544
<b>Cash at end of the three months period</b>	578,657,458	246,916,487
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	72,225,787	(27,114,997)
Depreciation / amortization expense	(4,042,692)	(3,884,170)
Profit on disposal of fixed assets	412,826	57,662
Profit on disposal of investments	17,841,800	1,028,923
Dividend income	2,560,375	3,550,904
Investment and other income	27,020,881	(686,233)
(Decrease) / Increase in assets other than cash	(176,306,251)	21,759,808
Decrease in liabilities other than running finance	126,944,716	39,268,704
Profit from Window Takaful Operations	4,292,689	3,193,562
Profit after tax	70,950,131	37,174,163

Cash for the purposes of the Statement of Cash Flows consists of:

	(Un-audited)	
	March 31, 2021	March 31, 2020
	------(Rupees) -----	
<b>Cash and bank deposits</b>		
Cash and other equivalents		
- Cash	273,488	290,000
- Policy stamps and bond papers in hand	2,027,962	1,758,204
- Cash deposit with SBP	5,153,258	5,153,258
	<u>7,454,708</u>	<u>7,201,462</u>
Current and other accounts		
- Current accounts *	5,499,227	6,907,767
- Savings accounts	565,703,523	232,807,258
	<u>571,202,750</u>	<u>239,715,025</u>
	<u>578,657,458</u>	<u>246,916,487</u>

\* This does not include local currency account with a lien amounting to Rs. 1 million (March 31, 2020: Rs.0.8 million), with a commercial bank for letters of credit arranged through the bank for securing claims arising outside Pakistan.

## Definition of cash

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


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

  
Iqbal Ali Lakhani  
Chairman

  
Amin Mohammed Lakhani  
Director

  
Aftab Ahmad  
Director

  
Mohammad Hussain Hirji  
Director & Chief Executive

  
Sabza Ali Pirani  
Chief Financial Officer

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

For the three months period ended March 31, 2021

	Attributable to equity holders of the Company					
	Share capital Issued, subscribed and paid-up	Capital reserves Share premium	Revenue reserves			Total
			General reserve	Unrealised appreciation / (diminution) 'available for sale' investments	Retained earnings	
	(Rupees)					
Balance as at January 01, 2020	502,968,030	254,024,260	119,000,000	5,545,934	955,159,703	1,836,697,927
<b>Total comprehensive income</b>						
Profit after tax for the three months period	-	-	-	-	37,174,163	37,174,163
<b>Other comprehensive income</b>						
Net unrealised loss arising during the period on revaluation of available for sale investments net of tax	-	-	-	(120,212,059)	-	(120,212,059)
<b>Total comprehensive loss</b>	-	-	-	(120,212,059)	37,174,163	(83,037,896)
<b>Balance as at March 31, 2020</b>	<b>502,968,030</b>	<b>254,024,260</b>	<b>119,000,000</b>	<b>(114,666,125)</b>	<b>992,333,866</b>	<b>1,753,660,031</b>
Balance as at January 01, 2021	502,968,030	254,024,260	119,000,000	62,840,187	1,110,233,075	2,049,065,552
<b>Total comprehensive income</b>						
Profit after tax for the three months period	-	-	-	-	70,950,131	70,950,131
Net unrealised gain arising during the period on revaluation of available for sale investments (including WTO) net of tax	-	-	-	3,548,049	-	3,548,049
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (Including WTO) net of tax	-	-	-	(9,915,679)	-	(9,915,679)
<b>Total comprehensive (loss)</b>	-	-	-	(6,367,630)	70,950,131	64,582,501
<b>Balance as at March 31, 2021</b>	<b>502,968,030</b>	<b>254,024,260</b>	<b>119,000,000</b>	<b>56,472,557</b>	<b>1,181,183,206</b>	<b>2,113,648,053</b>

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

  
Iqbal Ali Lakhani  
Chairman

  
Amin Mohammed Lakhani  
Director

  
Aftab Ahmad  
Director

  
Mohammad Hussain Hirji  
Director & Chief Executive

  
Sabza Ali Pirani  
Chief Financial Officer





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

For the three months period ended March 31, 2021

## 1. STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on October 10, 1985 under the repealed Companies Ordinance, 1984 (now Companies Act 2017). The Company is listed on the Pakistan Stock Exchange Limited and is engaged in general insurance business. The registered office of the Company is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

The Company was granted authorization on August 07, 2017 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations by Securities and Exchange Commission of Pakistan (SECP) and under Takaful Rules, 2012 to carry on general takaful operations in Pakistan. The Company has formed a Waqf for Participants' Fund ("PTF") by executing the Waqf deed dated August 17, 2017. The Company commenced its activities of Window Takaful Operations on August 18, 2017.

## 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 These condensed interim financial information has been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012, have been followed.

2.2 The condensed interim financial information do not include all the information required in the full annual financial statement. Accordingly, these condensed interim financial information should be read in conjunction with annual financial statement of the Company for the year ended December 31, 2020.

2.3 These condensed interim financial information have been presented in Pakistani Rupees, which is also the functional currency of the Company.

## 3. BASIS OF MEASUREMENT

These condensed interim financial information have been prepared under historical cost except for certain investment which are stated at their fair value.



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

For the three months period ended March 31, 2021

## 4. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in these condensed interim financial information are same as compared with the annual financial statements of the Company as at and for the year ended December 31, 2020.

## 5. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2020.

## 6. INSURANCE AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended December 31, 2020.

## 7. DISCLOSURES RELATED TO TEMPORARY EXEMPTION FROM IFRS 9

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

The debt instruments accounted for fair value through other comprehensive income under IAS 39 are potentially eligible to SPPI test whereas it is not applicable for the debt instruments accounted for fair value through profit and loss.

The tables below set out the fair values on gross basis 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 (Un-audited)

	Fail the SPPI Test		Pass the SPPI Test		
	Fair value	Change in Unrealized gain or (loss) during the period	Carrying value	Cost less impairment	Change in Unrealized gain or (loss) during the period
	(Rupees)				
<b>Financial assets</b>					
Investment in associate	134,351,888	-	-	-	-
Investments					
- Equity securities - Available for Sale	867,711,635	75,789,899	-	-	-
- Equity securities - Held for trading	101,671,130	(435,548)	-	-	-
- Debt securities - Held for trading	-	-	54,782,951	-	(630,884)
- Debt securities - available for sale	-	-	297,764,836	-	2,756,601
- Debt securities - held to maturity	-	-	129,294,100	-	-
Term deposit	-	-	195,400,000	-	-
Insurance / reinsurance receivable*	447,202,719	-	-	-	-
Loan and other receivables*	62,081,319	-	-	-	-
Reinsurance recoveries against outstanding claims*	105,318,123	-	-	-	-
Cash and Bank	579,657,458	-	-	-	-
Total assets of Window Takaful Operations	109,334,914	-	-	-	-
<b>TOTAL</b>	<b>2,407,329,186</b>	<b>75,354,351</b>	<b>677,241,887</b>	<b>-</b>	<b>2,125,717</b>

Gross Carrying amount of debt instruments that pass the SPPI test

	AA	A	Unrated	Total
	(Rupees)			
<b>Investment in debt securities -</b>				
Held for trading	-	-	54,782,951	54,782,951
Available for sale	50,016,366	20,000,000	227,748,470	297,764,836
Held to Maturity	-	-	129,294,100	129,294,100
Term Deposit	-	-	195,400,000	195,400,000
	<b>50,016,366</b>	<b>20,000,000</b>	<b>607,225,521</b>	<b>677,241,887</b>

## 8. PREMIUM DEFICIENCY RESERVE

No provision has been made as the unearned premium reserve for each class of business at period end is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the balance sheet date in respect of policies in force at the reporting date.

## 9. PROPERTY AND EQUIPMENT

		(Un-audited) March 31, 2021	(Audited) December 31, 2020
	Note	(Rupees)	
Operating assets	9.1	76,610,868	70,599,800
Right of use assets	9.2	35,731,792	38,925,248
Capital work in progress	9.3	3,944,221	11,625,221
		<b>116,286,881</b>	<b>121,150,269</b>

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

For the three months period ended March 31, 2021

	(Un-audited) March 31, 2021	(Audited) December 31, 2020
Note	------(Rupees) -----	
<b>9.1 Operating assets</b>		
Opening written down value	70,599,800	77,172,381
Add: Additions during the period / year - at cost		
- Motor vehicles	8,742,000	8,082,900
- Computers and related accessories	152,650	1,799,800
- Office equipment	1,676,411	870,152
- Furniture and fixtures	134,000	52,000
- Office improvement	533,685	-
	11,238,746	10,804,852
Less: Written down value of deletions	1,184,986	1,801,182
Depreciation for the period / year	4,042,692	15,576,251
	5,227,678	17,377,433
	<u>76,610,868</u>	<u>70,599,800</u>
<b>9.2 Right of use assets</b>		
Opening written down value as at	38,925,248	48,887,433
Additions during the period / year	-	2,955,472
Depreciation for the period / year	3,193,456	12,917,657
Closing written down value as at	<u>35,731,792</u>	<u>38,925,248</u>
<b>9.3 Capital work in progress</b>		
Advance against purchase of vehicles	2,883,221	11,625,221
Renovation of office	1,061,000	-
	<u>3,944,221</u>	<u>11,625,221</u>
<b>10. INVESTMENT IN ASSOCIATES</b>		
Beginning of the period / year	49,959,574	39,404,247
Share of profit from associates	-	12,408,460
Dividend received from associates	(582,050)	(1,917,879)
Share in other comprehensive income	-	64,746
End of the period / year	10.1 <u>49,377,524</u>	<u>49,959,574</u>
<b>10.1</b>	This includes investment in Colgate - Palmolive (Pakistan) Limited Rs. 11,385,854 (December 31, 2020: Rs. 11,967,904 and Century Board & Paper Mills Limited of Rs. 37,991,670 (December 31, 2020: Rs 37,991,670).	

## 11. INVESTMENTS

### 11.1 Investments in equity

		March 31, 2021 (Un-audited)				December 31, 2020 (Audited)			
		Cost	Impairment on AFS	Unrealised gain / (loss) on revaluation	Carrying value	Cost	Impairment on AFS	Unrealised gain on revaluation	Carrying value
----- (Rupees) -----									
Available for sale	11.1.1	791,921,736	-	75,789,899	867,711,635	805,836,834	(30,836,151)	82,140,722	857,141,405
Held for trading		102,106,678	-	(435,548)	101,671,130	95,181,884	-	6,398,703	101,580,587
		<u>894,028,414</u>	<u>-</u>	<u>75,354,351</u>	<u>969,382,765</u>	<u>901,018,718</u>	<u>(30,836,151)</u>	<u>88,539,425</u>	<u>958,721,992</u>

#### 11.1.1 Available for sale

##### Related parties

Mutual funds	418,002,793	-	35,623,730	453,626,523	413,678,396	-	32,820,801	446,499,197
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##### Others

Listed shares	35,701,910	-	10,737,058	46,438,968	40,991,667	(4,860,437)	10,886,773	47,018,003
Unlisted shares	75,283	-	-	75,283	75,283	-	-	75,283
Mutual funds	338,141,750	-	29,429,111	367,570,861	351,091,488	(25,975,714)	38,433,148	363,548,922
	<u>373,918,943</u>	<u>-</u>	<u>40,166,169</u>	<u>414,085,112</u>	<u>392,158,438</u>	<u>(30,836,151)</u>	<u>49,319,921</u>	<u>410,642,208</u>
	<u>791,921,736</u>	<u>-</u>	<u>75,789,899</u>	<u>867,711,635</u>	<u>805,836,834</u>	<u>(30,836,151)</u>	<u>82,140,722</u>	<u>857,141,405</u>

### 11.2 Investments in debt securities

		March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
		Cost	Unrealised gain / (loss) on revaluation	Carrying value	Cost	Unrealised gain / (loss) on revaluation	Carrying value
----- (Rupees) -----							
<b>Held for trading</b>							
Government securities		55,413,835	(630,884)	54,782,951	86,596,010	393,967	86,989,977
<b>Held to maturity</b>							
Government securities	11.2.1	129,294,100	-	129,294,100	127,627,411	-	127,627,411
<b>Available for sale</b>							
Sukuk		25,000,000	(36,900)	24,963,100	35,000,000	(53,023)	34,946,977
Term finance certificate		44,980,000	73,266	45,053,266	44,980,000	(713,169)	44,266,831
Government securities		225,028,235	2,720,235	227,748,470	223,777,326	7,084,824	230,862,150
		<u>295,008,235</u>	<u>2,756,601</u>	<u>297,764,836</u>	<u>303,757,326</u>	<u>6,318,632</u>	<u>310,075,958</u>
		<u>479,716,170</u>	<u>2,125,717</u>	<u>481,841,887</u>	<u>517,980,747</u>	<u>6,712,599</u>	<u>524,693,346</u>

**11.2.1** This includes securities which are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000. The market value of held to maturity debt securities is Rs. 130.654 million (2020: Rs. 129.772 million).

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

For the three months period ended March 31, 2021

	(Un-audited) March 31, 2021	(Audited) December 31, 2020
	------(Rupees) -----	
<b>12. INVESTMENT IN TERM DEPOSIT</b>		
Deposit maturing after 12 months	195,400,000	195,400,000
	<u>195,400,000</u>	<u>195,400,000</u>
<b>13. LOAN AND OTHERS RECEIVABLE</b>		
Accrued investment income	40,651,463	26,231,956
Security deposits	6,924,043	6,529,043
Advance to employees	4,775,502	3,856,474
Advance against expenses	236,909	1,104,909
Receivable against purchased of shares	396,270	686
Window Takaful Operations	7,580,934	3,392,738
Others	1,516,198	1,147,190
	<u>62,081,319</u>	<u>42,262,996</u>
<b>14. INSURANCE / RE-INSURANCE RECEIVABLE</b>		
Due from insurance contract holders	301,584,733	395,106,061
Amounts due from other insurers / reinsurers	63,230,881	45,758,485
Reinsurance recoveries due but unpaid	82,387,105	113,814,809
	<u>447,202,719</u>	<u>554,679,355</u>
<b>15. PREPAYMENTS</b>		
Prepaid reinsurance premium ceded	153,787,741	203,828,710
Prepayments	4,389,634	5,587,715
	<u>158,177,375</u>	<u>209,416,425</u>
<b>16. CASH AND BANK</b>		
<b>Cash and cash equivalents</b>		
Cash in hand	273,488	276,760
Policy stamps and bond papers in hand	2,027,962	1,614,728
Deposit with SBP	5,153,258	5,153,258
	<u>7,454,708</u>	<u>7,044,746</u>
<b>Current and other accounts</b>		
Current accounts	6,499,227	25,555,017
Saving accounts	565,703,523	421,765,937
	<u>572,202,750</u>	<u>447,320,954</u>
	<u>579,657,458</u>	<u>454,365,700</u>

	(Un-audited) March 31, 2021	(Audited) December 31, 2020
<b>17. WINDOW TAKAFUL OPERATIONS</b>		
	------(Rupees) -----	
<b>Assets</b>		
Investments	80,629,961	6,968,219
Cash and bank deposits	4,705,633	82,593,412
Current assets - others	23,999,320	13,934,287
<b>Total Assets</b>	<b>109,334,914</b>	<b>103,495,918</b>
<b>Total Liabilities - Current</b>	<b>37,027,145</b>	<b>34,906,454</b>
<b>Profit before tax for the period</b>	<b>4,292,689</b>	<b>3,193,562</b>

Details of assets and liabilities and segment disclosures of Window Takaful Operations are stated in annexed condensed interim financial information.

	(Un-audited) March 31, 2021	(Audited) December 31, 2020
<b>18. DEFERRED TAXATION - NET</b>		
	------(Rupees) -----	
Deferred tax asset / (liability) arising in respect of:		
Accelerated depreciation on operating fixed assets	1,345,281	900,864
Net liability of IFRS 16	1,455,608	1,406,576
Unrealised gain on remeasurement of securities to fair value - net	(309,265)	(1,969,875)
Provision for claims incurred but not reported (IBNR)	3,926,025	3,926,025
Provision for compensated absences	2,503,827	2,503,827
Share of profit from associates	(3,585,820)	(3,585,820)
Provision against receivables	21,150,560	21,150,560
Provision against impairment on available for sale investment	36,157,239	36,157,239
	<b>62,643,455</b>	<b>60,489,396</b>
Unrealised appreciation on 'available for sale' investments	(22,778,485)	(25,653,213)
Share in associates' reserves	105,312	105,312
	<b>39,970,282</b>	<b>34,941,495</b>

## 19. INSURANCE AND REINSURANCE PAYABLES

Foreign reinsurers	69,367,638	39,146,607
Local reinsurers	143,042,507	186,039,601
Co-insurers	10,481,426	9,529,274
	<b>222,891,571</b>	<b>234,715,482</b>

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

For the three months period ended March 31, 2021

	(Un-audited) March 31, 2021	(Audited) December 31, 2020
	------(Rupees)-----	
<b>20. OTHER CREDITORS AND ACCRUALS</b>		
Agent commission payable	45,157,004	46,717,880
Federal excise duty	4,985,993	13,482,688
Federal insurance fees	836,376	1,423,681
Creditors	3,985,744	3,961,772
Retention money	197,023	141,073
Margin deposits	4,235,445	5,029,833
Payable against purchase of shares	155,984	-
Withholding tax payable	777,124	206,656
Accrued expenses	17,277,809	15,833,604
Deposits from employees against car scheme	14,210,314	13,908,530
Unclaimed dividend	5,012,127	5,027,111
Lease liability	40,751,129	43,775,508
Others	3,168,106	3,168,106
	<u>140,750,178</u>	<u>152,676,442</u>

## 21. CONTINGENCIES AND COMMITMENTS

### 21.1 Contingencies

The status of contingencies remain unchanged as disclosed in annual financial statements for the year ended December 31, 2020.

### 21.2 Commitments

#### Capital work-in-progress

Renovation of office	<u>2,371,935</u>	<u>-</u>
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## 22. NET INSURANCE PREMIUM

	(Un-audited)	
	Three month period ended	
	March 31, 2021	March 31, 2020
	------(Rupees)-----	
Written Gross premium	265,261,174	237,018,332
Add : Unearned premium reserve opening	521,370,886	494,320,532
Less: Unearned premium reserve closing	429,253,143	400,280,383
	<u>357,378,917</u>	<u>331,058,481</u>
Premium earned		
Less: Reinsurance premium ceded	86,397,755	79,367,828
Add: Prepaid reinsurance premium opening	203,828,710	179,906,261
Less: Prepaid reinsurance premium closing	153,787,741	139,248,615
Reinsurance expense	136,438,724	120,025,474
	<u>220,940,193</u>	<u>211,033,007</u>



## 23. NET INSURANCE CLAIMS EXPENSE

	(Un-audited)	
	Three month period ended	
	March 31,	March 31,
	2021	2020
	------(Rupees) -----	
Claim paid	166,086,771	124,537,016
Add : Outstanding claims including IBNR closing	232,077,385	241,073,040
Less: Outstanding claims including IBNR opening	260,105,733	206,337,532
	<u>138,058,423</u>	<u>159,272,524</u>
Claims expense		
Less: Reinsurance and others recoveries received	57,951,409	35,785,761
Add: Reinsurance and others recoveries in respect of outstanding claims closing	105,318,123	137,738,201
Less: Reinsurance and others recoveries in respect of outstanding claims opening	125,342,540	97,581,839
Reinsurance and other recoveries revenue	37,926,992	75,942,123
	<u>100,131,431</u>	<u>83,330,401</u>

## 24. NET COMMISSION EXPENSE

Commission paid or payable	17,670,705	24,866,954
Add : Deferred commission expense opening	25,643,610	35,271,269
Less: Deferred commission expense closing	23,085,717	30,695,657
Net commission	<u>20,228,598</u>	<u>29,442,566</u>
Less: Commission received or recoverable	26,184,248	24,075,145
Add: Unearned Reinsurance commission opening	46,716,196	40,139,097
Less: Unearned Reinsurance commission closing	37,999,140	34,637,876
Commission from reinsurers	34,901,304	29,576,366
	<u>(14,672,706)</u>	<u>(133,800)</u>

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

For the three months period ended March 31, 2021

## 25. INVESTMENT INCOME

	(Un-audited)	
	Three month period ended March 31 2021	March 31 2020
	------(Rupees)-----	
<b>Income from equity securities</b>		
<b>Available-for-sale</b>		
Dividend income	714,440	2,089,473
<b>Held for trading</b>		
Dividend income	1,845,935	1,461,431
<b>Income from debt securities</b>		
<b>Held to maturity</b>		
Return on government securities	3,014,656	4,440,621
Return on other fixed income securities and deposits	-	1,288,807
	3,014,656	5,729,428
<b>Available-for-sale</b>		
Return on government securities	6,153,650	2,506,250
Return on other fixed income securities and deposits	1,725,362	3,033,129
	7,879,012	5,539,379
<b>Held for trading</b>		
Return on government securities	1,734,853	-
<b>Income from term deposits</b>		
Return on term deposits	6,312,968	5,191,726
<b>Net realised gains on investments</b>		
<b>Available for sale</b>		
- Gain on sale of equity securities	15,771,484	-
<b>Fair value through profit or loss</b>		
- Gain / (loss) on sale of equity securities	2,064,260	(4,515,002)
- Gain on sale of debt securities	6,056	5,543,925
	2,070,316	1,028,923
<b>Net unrealised (loss) / gain on investments at fair value through profit and loss (Held for trading purposes)</b>		
- Equity securities	(435,548)	(25,307,068)
- Debt securities	(630,884)	3,206,218
	(1,066,432)	(22,100,850)
<b>Total investment income / (loss)</b>	38,277,232	(1,060,490)
Less: Investment related expenses	(919,218)	(642,907)
<b>Investment income / (loss)</b>	37,358,014	(1,703,397)



(Un-audited)	
Three month period ended	
March 31	March 31
2021	2020
----- (Rupees) -----	

## 26. OTHER INCOME

### Income from financial assets / liabilities

Return on bank balances	9,145,824	4,954,084
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### Income from non-financial assets

Gain on sale of fixed assets	412,826	57,662
	<u>9,558,650</u>	<u>5,011,746</u>

## 27. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after tax for the period	70,950,131	37,174,163
---------------------------------	------------	------------

----- (Numbers) -----

Weighted average number of ordinary shares	50,296,803	50,296,803
--	------------	------------

----- (Rupees) -----

Earnings per share - basic and diluted	1.41	0.74
--	------	------

- 27.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

## 28. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies; directors and their close family members; staff retirement funds; key management personnel and major shareholders of the Company. The associated companies are associated either based on holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances, including investments in associates, are disclosed in relevant notes to these financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

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

For the three months period ended March 31, 2021

	(Un-audited)	
	Three month period ended March 31 2021	March 31 2020
	------(Rupees)-----	
<b>Transactions with related parties</b>		
Premium written	<u>78,691,855</u>	<u>87,457,343</u>
Commission expense	<u>-</u>	<u>10,052,424</u>
Claims paid	<u>51,916,565</u>	<u>53,094,176</u>
Investment in mutual funds	<u>83,275,100</u>	<u>4,253,735</u>
Sale of units of mutual funds	<u>81,540,531</u>	<u>-</u>
Dividend received	<u>582,050</u>	<u>476,235</u>
Expenses	<u>6,290,019</u>	<u>5,853,043</u>
Staff benefit plans	<u>3,222,753</u>	<u>3,214,839</u>
Remuneration to key management personnel	<u>23,971,034</u>	<u>21,658,497</u>



## 29. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	March 31, 2021 (Un-audited)									
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associate	Other financial liabilities	Total	Level 1	Level 2	Level 3
	(Rupees)									
<b>Financial assets measured at fair value</b>										
Investments										
- Equity securities	101,671,130	638,691,152	-	-	-	-	740,362,282	148,110,098	592,252,184	-
- Debt securities	54,782,951	297,764,836	-	-	-	-	352,547,787	-	352,547,787	-
Assets of Window Takatful Operations - Operator's fund	-	80,629,961	-	-	-	-	80,629,961	-	80,629,961	-
<b>Financial assets not measured at fair value</b>										
Cash and bank*	-	-	-	579,657,458	-	-	579,657,458	-	-	-
Investments										
- In associates	-	-	-	-	49,377,524	-	49,377,524	134,351,888	-	-
- Debt securities	-	-	129,294,100	-	-	-	129,294,100	-	-	-
- Unquoted equity shares*	-	229,020,483	-	-	-	-	229,020,483	-	-	229,020,483
- Term Deposits	-	-	195,400,000	-	-	-	195,400,000	-	-	-
Insurance / reinsurance receivable*	-	-	-	447,202,719	-	-	447,202,719	-	-	-
Loan and other receivable*	-	-	-	57,068,908	-	-	57,068,908	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	105,318,123	-	-	105,318,123	-	-	-
Assets of Window Takatful Operations - Operator's fund*	-	-	-	25,332,204	-	-	25,332,204	-	-	-
<b>Financial liabilities not measured at fair value</b>										
Outstanding claims including IBNR*	-	-	-	-	-	(232,077,385)	(232,077,385)	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	(222,891,571)	(222,891,571)	-	-	-
Other creditors and accruals*	-	-	-	-	-	(134,150,685)	(134,150,685)	-	-	-
Total liabilities of Window Takatful Operations - Operator's fund*	-	-	-	-	-	(17,182,855)	(17,182,855)	-	-	-
	156,454,081	1,246,106,432	324,694,100	1,214,579,412	49,377,524	(606,302,496)	2,384,909,053	282,461,986	1,025,429,932	229,020,483
										1,536,912,401

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

For the three months period ended March 31, 2021

December 31, 2020 (Audited)										
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associate	Other financial liabilities	Total	Level 1	Level 2	Level 3
										Total
(Rupees)										
<b>Financial assets measured at fair value</b>										
Investments										
- Equity securities	101,580,587	628,120,922	-	-	-	-	729,701,509	148,598,590	628,120,946	-
- Debt securities	86,989,977	310,075,958	-	-	-	-	397,065,935	-	397,065,935	-
Assets of Window Takaful Operations										
- Operator's fund	-	6,968,219	-	-	-	-	6,968,219	-	6,968,219	-
<b>Financial assets not measured at fair value</b>										
Cash and bank*	-	-	-	454,365,700	-	-	454,365,700	-	-	-
Investments										
- In associates	-	-	-	-	49,959,574	-	49,959,574	182,055,359	-	-
- Debt securities	-	-	127,827,411	-	-	-	127,827,411	-	-	-
- Unquoted equity shares*	-	229,020,483	-	-	-	-	229,020,483	-	-	229,020,483
- Term Deposits	-	-	195,400,000	-	-	-	195,400,000	-	-	-
Insurance / reinsurance receivable*	-	-	-	554,679,355	-	-	554,679,355	-	-	-
Loan and other receivables	-	-	-	37,301,613	-	-	37,301,613	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	125,342,540	-	-	125,342,540	-	-	-
Assets of Window Takaful Operations										
- Operator's fund*	-	-	-	24,511,288	-	-	24,511,288	-	62,081,477	-
<b>Financial liabilities not measured at fair value</b>										
Outstanding claims including IBNR*	-	-	-	-	-	(260,105,733)	(260,105,733)	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	(234,715,482)	(234,715,482)	-	-	-
Other creditors and accruals*	-	-	-	-	-	(123,654,887)	(123,654,887)	-	-	-
Total liabilities of Window Takaful Operations - Operator's fund*	-	-	-	-	-	(15,938,074)	(15,938,074)	-	-	-
	188,570,564	1,174,185,582	323,027,411	1,196,200,496	49,959,574	(634,414,176)	2,297,529,451	310,653,949	1,094,236,577	229,020,483
										1,633,911,009

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

**29.1** Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

### 30. SEGMENT INFORMATION

Three months period ended March 31, 2021 (Un-audited)						
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	(Rupees)					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	54,254,828	92,150,675	117,551,578	24,675,538	15,052,684	303,685,303
Less: - Federal Excise Duty / Sales Tax	6,783,846	9,920,279	14,066,963	32,808	1,853,655	32,657,551
- Federal Insurance Fee	471,009	765,553	1,027,977	299,947	130,604	2,695,090
- Others	11,600	4,932,893	89,600	950	8,350	5,043,393
- Facultative inward premium	1,937,681	-	34,224	-	-	1,971,905
Gross written premium (inclusive of Administrative Surcharge)	48,926,054	76,531,950	102,401,262	24,341,833	13,060,075	265,261,174
- Gross direct premium	46,688,228	74,387,259	100,056,483	24,308,138	12,961,167	258,401,275
- Facultative inward premium	1,937,681	-	34,224	-	-	1,971,905
- Administrative surcharge	300,145	2,144,691	2,310,555	33,695	98,908	4,887,994
	48,926,054	76,531,950	102,401,262	24,341,833	13,060,075	265,261,174
Insurance premium earned	107,097,045	75,093,516	83,491,684	76,603,001	15,093,671	357,378,917
Insurance premium ceded to reinsurers	(92,902,136)	(31,009,138)	(2,275,490)	(168,432)	(10,083,528)	(136,438,724)
Net Insurance premium	14,194,909	44,084,378	81,216,194	76,434,569	5,010,143	220,940,193
Commission income	20,020,361	12,067,721	74,149	48,846	2,690,227	34,901,304
<b>Net underwriting income</b>	34,215,270	56,152,099	81,290,343	76,483,415	7,700,370	255,841,497
Insurance claims	(20,662,551)	(7,212,226)	(45,833,679)	(57,767,967)	(6,582,000)	(138,058,423)
Insurance claims recovered from reinsurers	19,698,808	2,741,014	9,776,103	-	5,711,067	37,926,992
Net claims	(963,743)	(4,471,212)	(36,057,576)	(57,767,967)	(870,933)	(100,131,431)
Commission expense	(7,080,455)	(6,278,994)	(4,927,715)	(911,529)	(1,029,905)	(20,228,598)
Management expense	(15,188,430)	(23,758,306)	(31,789,084)	(7,566,140)	(4,044,775)	(82,346,735)
<b>Net insurance claims and expenses</b>	(23,232,628)	(34,508,512)	(72,774,375)	(66,245,636)	(5,945,613)	(202,706,764)
Underwriting results	10,982,642	21,643,587	8,515,968	10,237,779	1,754,757	53,134,733
Investment income						37,358,014
Other income						9,558,650
Other expenses						(2,933,416)
Finance costs - Lease liabilities						(1,391,917)
Share of profit of associates						-
Profit before tax from Window Takaful Operations						4,292,689
<b>Profit before tax for the period</b>						<b>100,018,753</b>

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

For the three months period ended March 31, 2021

	Three months period ended March 31, 2020 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	(Rupees)					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	61,757,565	75,661,855	118,186,364	4,943,653	14,237,406	274,786,843
Less: - Federal Excise Duty / Sales Tax	7,894,272	8,208,480	14,077,603	35,549	1,798,056	32,013,960
- Federal Insurance Fee	539,580	636,981	1,033,476	64,334	122,891	2,397,262
- Others	15,850	3,124,589	187,900	1,100	27,850	3,357,289
Gross written premium (inclusive of Administrative Surcharge)	53,307,863	63,691,805	102,887,385	4,842,670	12,288,609	237,018,332
- Gross direct premium	52,961,339	62,218,898	91,447,190	4,828,132	12,151,833	223,607,392
- Facultative inward premium	-	-	-	-	-	-
- Administrative surcharge	346,524	1,472,907	11,440,195	14,538	136,776	13,410,940
	53,307,863	63,691,805	102,887,385	4,842,670	12,288,609	237,018,332
Insurance premium earned	103,739,235	62,623,293	75,698,957	73,427,400	15,569,596	331,058,481
Insurance premium ceded to reinsurers	(87,002,163)	(20,984,985)	(1,564,797)	(148,528)	(10,325,001)	(120,025,474)
Net Insurance premium	16,737,072	41,638,308	74,134,160	73,278,872	5,244,595	211,033,007
Commission income	18,721,868	8,096,309	26,704	43,072	2,688,413	29,576,366
<b>Net underwriting income</b>	35,458,940	49,734,617	74,160,864	73,321,944	7,933,008	240,609,373
Insurance claims	(32,106,796)	(1,359,108)	(35,327,393)	(48,500,671)	(41,978,556)	(159,272,524)
Insurance claims recovered from reinsurers	31,596,612	617,633	6,930,803	-	36,797,075	75,942,123
Net claims	(510,184)	(741,475)	(28,396,590)	(48,500,671)	(5,181,481)	(83,330,401)
Commission expense	(13,076,850)	(9,208,793)	(4,834,843)	(1,099,057)	(1,223,023)	(29,442,566)
Management expense	(18,709,607)	(22,354,087)	(36,110,668)	(1,699,645)	(4,312,967)	(83,186,974)
<b>Net insurance claims and expenses</b>	(32,296,641)	(32,304,355)	(69,342,101)	(51,299,373)	(10,717,471)	(195,959,941)
Underwriting results	3,162,299	17,430,262	4,818,763	22,022,571	(2,784,463)	44,649,432
Investment loss						(1,703,397)
Other income						5,011,746
Other expenses						(1,704,413)
Finance costs - Lease liabilities						(1,651,746)
Profit before tax from Window Takaful Operations						3,193,562
<b>Profit before tax for the period</b>						47,795,184



The class wise assets and liabilities are as follows:

Three months period ended March 31, 2021 (Un-audited)						
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
	(Rupees)					
Segment assets	274,554,952	149,386,202	185,189,716	42,353,587	77,235,616	728,720,073
Unallocated assets						2,501,836,977
Unallocated assets of Window Takaful Operation - Operator's Fund						109,334,914
Total assets	274,554,952	149,386,202	185,189,716	42,353,587	77,235,616	3,339,891,964
Segment liabilities	268,091,746	111,301,336	317,720,051	137,906,045	87,497,263	922,516,441
Unallocated liabilities						266,700,325
Unallocated liabilities of Window Takaful Operation - Operator's Fund						37,027,145
Total liabilities	268,091,746	111,301,336	317,720,051	137,906,045	87,497,263	1,226,243,911
December 31, 2020 (Audited)						
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
	(Rupees)					
Segment assets	435,184,308	133,595,354	152,439,484	116,574,215	83,592,416	921,385,777
Unallocated assets						2,377,966,525
Unallocated assets of Window Takaful Operation - Operator's Fund						103,495,918
Total assets	435,184,308	133,595,354	152,439,484	116,574,215	83,592,416	3,402,848,220
Segment liabilities	385,382,699	93,571,378	265,445,583	228,048,628	92,351,682	1,064,799,970
Unallocated liabilities						254,076,244
Unallocated liabilities of Window Takaful Operation - Operator's Fund						34,906,454
Total liabilities	385,382,699	93,571,378	265,445,583	228,048,628	92,351,682	1,353,782,668

### 31. GENERAL

Figures in these condensed interim financial information have been rounded off to the nearest rupees, unless otherwise stated.

### 32. DATE OF AUTHORISATION FOR ISSUE


These condensed interim financial information were authorised for issue in accordance with a resolution of the Board of Directors on April 28, 2021.

  
Iqbal Ali Lakhani  
Chairman

  
Amin Mohammed Lakhani  
Director

  
Aftab Ahmad  
Director

  
Mohammad Hussain Hirji  
Director & Chief Executive

  
Sabza Ali Pirani  
Chief Financial Officer



# Window TAKAFUL Operations

Financial Statements

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

As at March 31, 2021

	Note	Operator's Fund		Participants' Takaful Fund	
		March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
		(Rupees)			
<b>Assets</b>					
Investments	9				
Equity securities / mutual funds		80,629,961	6,968,219	19,267,605	-
Debt securities		-	-	500,000	500,000
Loan and other receivables	10	15,063	44,550	601,413	533,901
Takaful / retakaful receivables	11	-	-	49,884,258	45,421,012
Retakaful recoveries against outstanding claims		-	-	14,101,765	15,778,359
Deferred commission expense / acquisition cost	20	3,372,749	3,792,532	-	-
Receivable from PTF	12	20,611,508	10,097,205	-	-
Deferred wakala fee	21	-	-	17,111,556	17,669,203
Prepaid retakaful contribution ceded		-	-	10,632,610	11,947,160
Cash and bank	13	4,705,633	82,593,412	50,448,277	45,227,837
<b>Total Assets</b>		<b>109,334,914</b>	<b>103,495,918</b>	<b>162,547,484</b>	<b>137,077,472</b>

	Operator's Fund		Participants' Takaful Fund	
	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
Note	(Rupees)			

## Funds and Liabilities

### Funds attributable to:

#### Operator's Fund

Statutory fund	50,000,000	50,000,000	-	-
Reserves	704,541	34,045	-	-
Accumulated gain	21,603,228	18,555,419	-	-

#### Participants' Takaful Fund

Ceded Money	-	-	500,000	500,000
Accumulated surplus	-	-	15,030,757	13,723,262

<b>Total Funds</b>	<b>72,307,769</b>	<b>68,589,464</b>	<b>15,530,757</b>	<b>14,223,262</b>
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### Liabilities

#### PTF underwriting provisions

Outstanding claims including IBNR	19	-	-	36,742,953	36,298,886
Unearned contribution reserve	17	-	-	43,493,100	44,501,222
Reserve for unearned retakaful rebate	18	-	-	1,558,733	1,751,801
		-	-	81,794,786	82,551,909

Unearned Wakala fee	21	17,111,556	17,669,203	-	-
Payable to OPF	12	-	-	20,611,508	10,097,205
Deferred taxation		287,771	13,906	-	-
Contribution received in advance		-	-	13,645,597	1,387,347
Takaful / retakaful payables	14	-	-	29,148,589	27,412,918
Other creditors and accruals	15	17,182,855	15,968,201	1,816,247	1,404,831
Taxation - provision less payment		2,444,963	1,255,144	-	-
		37,027,145	34,906,454	65,221,941	40,302,301

<b>Total Liabilities</b>		<b>37,027,145</b>	<b>34,906,454</b>	<b>147,016,727</b>	<b>122,854,210</b>
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<b>Total Funds and Liabilities</b>		<b>109,334,914</b>	<b>103,495,918</b>	<b>162,547,484</b>	<b>137,077,472</b>
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### Contingency and Commitment

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The annexed notes from 1 to 29 form an integral part of these condensed interim financial information.

  
Iqbal Ali Lakhani  
Chairman

  
Amin Mohammed Lakhani  
Director

  
Aftab Ahmad  
Director

  
Mohammad Hussain Hirji  
Director & Chief Executive

  
Sabza Ali Pirani  
Chief Financial Officer

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

For the three months period ended March 31, 2021

		Three months period ended	
		March 31, 2021	March 31, 2020
Note		(Rupees)	
<b>Participants' Takaful Fund - revenue account</b>			
		17,440,180	13,146,266
		(7,956,728)	(6,674,855)
	17	9,483,452	6,471,411
	18	1,243,356	972,044
		10,726,808	7,443,455
	19	(9,471,031)	(4,496,573)
		(590,923)	(305,503)
		664,854	2,641,379
	22	106,845	406,784
	23	468,323	578,242
	24	(115,034)	(197,005)
		1,124,988	3,429,400
<b>Operator's Fund - revenue account</b>			
	21	10,956,916	7,554,761
	20	(2,372,455)	(2,139,136)
		(4,665,982)	(4,177,802)
		3,918,479	1,237,823
	24	115,034	197,005
	22	255,742	1,710,207
	23	81,846	122,786
		(78,412)	(74,259)
		4,292,689	3,193,562
		(1,244,880)	(926,133)
		3,047,809	2,267,429

The annexed notes from 1 to 29 form an integral part of these condensed interim financial information.

  
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Director

  
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Sabza Ali Pirani  
Chief Financial Officer

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

For the three months period ended March 31, 2021

Three months period ended	
March 31, 2021	March 31, 2020
------(Rupees)-----	

## Participants' Takaful Fund

Surplus for the period	1,124,988	3,429,400
<b>Other Comprehensive Income for the period</b>		
- Unrealized gain on available for sale investments	182,507	-
<b>Total comprehensive income for the period</b>	<b>1,307,495</b>	<b>3,429,400</b>

## Operator's Fund

Profit after tax	3,047,809	2,267,429
------------------	-----------	-----------

## Other Comprehensive Income for the period

### Items that will be reclassified to profit and loss account

- Unrealized gain on available for sale investments - net of tax	704,541	9,798
- Reclassification adjustment for net (gain) / loss on available for sale investments included in profit and loss account	(34,045)	60,730
	670,496	70,528
<b>Total comprehensive income for the period</b>	<b>3,718,305</b>	<b>2,337,957</b>


The annexed notes from 1 to 29 form an integral part of these condensed interim financial information.

  
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Director & Chief Executive

  
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Chief Financial Officer

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

For the three months period ended March 31, 2021

	Operator's Fund		Participants' Takaful Fund	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Operating Cash flows</b>	(Rupees)			
<b>(a) Takaful activities</b>				
Contribution received	-	-	39,460,517	14,485,811
Retakaful contributions paid	-	-	(4,720,019)	(3,246,336)
Claims paid	-	-	(10,809,703)	(4,665,251)
Retakaful and other recoveries received	-	-	-	793,334
Commission paid	(2,560,568)	(997,322)	-	2,596
Retakaful rebate received	-	-	46,595	384,998
Wakala fee received / paid	-	7,053,433	-	(7,053,433)
Direct expenses paid	-	-	(590,923)	(305,503)
Net cash (outflow) / inflow from takaful activities	(2,560,568)	6,056,111	23,386,467	396,216
<b>(b) Other operating activities</b>				
Income tax paid	(55,061)	(150,947)	(89,587)	(66,605)
General, administration and management expenses paid	(2,909,196)	(429,461)	-	-
Other operating receipts / payments- net	(12,648)	4,382	411,416	(298,443)
Net cash (outflow) / inflow from other operating activities	(2,976,905)	(576,026)	321,829	(365,048)
<b>Total cash (outflow) / inflow from operating activities</b>	<b>(5,537,473)</b>	<b>5,480,085</b>	<b>23,708,296</b>	<b>31,168</b>
<b>Investment activities</b>				
Profit / return received	111,333	118,059	497,127	546,500
Dividend received	255,742	320,280	100,116	97,115
Payment for investments	(72,717,381)	(66,295,845)	(19,085,099)	(14,485,161)
Proceed from investments	-	63,852,788	-	14,782,508
<b>Total cash (outflow) / inflow from investing activities</b>	<b>(72,350,306)</b>	<b>(2,004,718)</b>	<b>(18,487,856)</b>	<b>940,962</b>
<b>Net cash (outflow) / inflow from all activities</b>	<b>(77,887,779)</b>	<b>3,475,367</b>	<b>5,220,440</b>	<b>972,130</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>82,593,412</b>	<b>1,326,746</b>	<b>45,227,837</b>	<b>43,817,054</b>
<b>Cash and cash equivalents at end of year</b>	<b>4,705,633</b>	<b>4,802,113</b>	<b>50,448,277</b>	<b>44,789,184</b>
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	(5,537,473)	5,480,085	23,708,296	31,168
Profit on disposal of investments	-	1,389,927	-	297,348
Profit / returns received	111,333	319,791	497,127	393,558
Dividend income	255,742	320,280	100,116	97,115
Increase in assets other than cash	10,065,033	(2,999,196)	981,966	9,874,094
(Increase) in liabilities other than borrowings	(1,846,826)	(2,243,458)	(24,162,517)	(7,263,883)
<b>Profit after tax / surplus for the period</b>	<b>3,047,809</b>	<b>2,267,429</b>	<b>1,124,988</b>	<b>3,429,400</b>

The annexed notes from 1 to 29 form an integral part of these condensed interim financial information.

  
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Chairman

  
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Director

  
Aftab Ahmad  
Director

  
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Director & Chief Executive

  
Sabza Ali Pirani  
Chief Financial Officer



# Condensed Interim Statement of Changes in Funds (Un-audited)

For the three months period ended March 31, 2021

	Operator's Fund			
	Statutory fund	Revenue reserve Available for sale Investment revaluation reserve	Accumulated surplus	Total
	----- (Rupees) -----			
Balance as at January 01, 2020	50,000,000	(60,730)	11,122,345	61,061,615
Changes in fund for the three months period ended March 31, 2020				
Profit after tax for the three months period	-	-	2,267,429	2,267,429
Other comprehensive income				
Unrealised gains on available for sale investments - net of tax	-	9,798	-	9,798
Realised loss on available for sale investments - net of tax	-	60,730	-	60,730
	-	70,528	2,267,429	2,337,957
Balance as at March 31, 2020	50,000,000	9,798	13,389,774	63,399,572
Balance as at January 01, 2021	50,000,000	34,045	18,555,419	68,589,464
Changes in fund for the three months period ended March 31, 2021				
Profit after tax for the three months period	-	-	3,047,809	3,047,809
Other comprehensive income				
Unrealised gains on available for sale investments - net of tax	-	704,541	-	704,541
Realised gain on available for sale investments - net of tax	-	(34,045)	-	(34,045)
	-	670,496	3,047,809	3,718,305
Balance as at March 31, 2021	50,000,000	704,541	21,603,228	72,307,769



	Participants' Takaful Fund		
	Ceded money	Accumulated surplus	Total
		(Rupees)	
Balance as at January 01, 2020	500,000	9,304,881	9,804,881
Changes in fund for the three months period ended March 31, 2020			
Surplus for the three months period ended	-	3,429,400	3,429,400
Other comprehensive income			
Unrealised gains on available for sale investments	-	-	-
Realised gains on available for sale investments	-	-	-
	-	3,429,400	3,429,400
Balance as at March 31, 2020	500,000	12,734,281	13,234,281
Balances as at January 01, 2021	500,000	13,723,262	14,223,262
Changes in fund for the three months period ended March 31, 2021			
Surplus for the three months period ended	-	1,124,988	1,124,988
Other comprehensive income			
Unrealised gains on available for sale investments	-	182,507	182,507
Realised gains on available for sale investments	-	-	-
	-	1,307,495	1,307,495
Balance as at March 31, 2021	500,000	15,030,757	15,530,757

The annexed notes from 1 to 29 form an integral part of these condensed interim financial information.

  
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Aftab Ahmad  
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Chief Financial Officer



# Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2021

## 1. STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act 2017) on October 10, 1985. The Operator is listed on Pakistan Stock Exchange and is engaged in general insurance business. The registered office of the Operator is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

The Operator was granted authorisation on August 07, 2017 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("the Operations") by Securities and Exchange Commission of Pakistan ("SECP") under Takaful Rules, 2012 to carry on general takaful operations in Pakistan.

The Operator transferred statutory fund of Rs. 50 million in a separate bank account for the Operations as per the requirement of circular 8 of 2014. Thereafter, the Operator has formed a Waqf for Participants' Fund ("PTF") by executing the Waqf deed dated August 17, 2017 by investing a ceded money of Rs. 0.5 million. 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 governs the relationship of Operator and participants for management of takaful operations, investments of participants' funds and investments of the Operator's funds approved by the shariah advisor of the Operator. The Operator commenced activities of the Operations on August 18, 2017.

## 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 These financial statements have 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 Standard Board (IASB) as are notified under Companies Act, 2017; and
- Provision of and directive issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012, General Takaful Accounting Regulation 2019.

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

These financial statements reflect the financial position and results of operations of both the Operator's Fund and Participants' Takaful Fund in a manner that the assets, liabilities, income and expenses of the Operator's Fund and PTF remain separately identifiable.

2.2 These condensed interim financial statements do not include all the statements required in the full annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with annual financial statements as at and for the year ended December 31, 2020.



# Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2021

- 2.3 These condensed interim financial statements have been presented in Pakistan Rupees, which is also the functional currency of the Operator.

## 3. BASIS OF MEASUREMENT

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

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

## 5. ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operations' accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual financial statements as at December 31, 2020.

## 6. TAKAFUL AND FINANCIAL RISK MANAGEMENT

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

## 7. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the unearned contribution reserve for each class of business at period end is adequate to meet the expected future liability after retakaful from claims and other expenses expected to be increased after the reporting date in respect of policies in force at reporting date.

## 8. DISCLOSURES RELATED TO TEMPORARY EXEMPTION FROM IFRS 9

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

The debt instruments accounted for fair value through other comprehensive income under IAS 39 are potentially eligible to SPPI test whereas it is not applicable for the debt instruments accounted for fair value through profit or loss.

The table below set out the fair values on gross basis 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.

- 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
- all other financial assets.

#### Operator's Fund

March 31, 2021				
Fail the SPPI Test		Pass the SPPI Test		
Fair value	Change in Unrealized gain or (loss) during the year	Carrying Value	Cost less impairment	Change in Unrealized gain or (loss) during the year
----- (Rupees) -----				
<b>Financial Assets</b>				
<b>Investments</b>				
- Equity securities - Available for Sale	80,629,961	992,312	-	-
- Debt securities - held to maturity	-	-	-	-
	<u>80,629,961</u>	<u>992,312</u>	<u>-</u>	<u>-</u>

#### Participants' Takaful Fund

March 31, 2021				
Fail the SPPI Test		Pass the SPPI Test		
Fair value	Change in Unrealized gain or (loss) during the year	Carrying Value	Cost less impairment	Change in Unrealized gain or (loss) during the year
----- (Rupees) -----				
<b>Financial assets</b>				
<b>Investments</b>				
- Equity securities - Available for Sale	19,267,605	182,507	-	-
- Debt securities - held to maturity	-	500,000	-	-
	<u>19,267,605</u>	<u>182,507</u>	<u>500,000</u>	<u>-</u>

Gross Carrying amount of debt instruments that pass the SPPI test

#### Investment in debt securities

Held to Maturity

AA-  
--- (Rupees) ---  
500,000

# Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2021

## 9. INVESTMENTS

### 9.1 Investments In Securities - Available For Sale

	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Cost	Impairment / provision	Carrying Value	Cost	Impairment / provision	Carrying Value
	(Rupees)					
<b>Operator's Fund</b>						
Mutual funds	<u>79,637,649</u>	-	<u>80,629,961</u>	6,920,268	-	6,968,219
<b>Participants' Takaful Fund</b>						
Mutual funds	<u>19,085,099</u>	-	<u>19,267,605</u>	-	-	-

### 9.2 Investment in debt securities

<b>Held to maturity</b>						
Certificate of Islamic Investment	<u>500,000</u>	-	<u>500,000</u>	500,000	-	500,000

	Operator's Fund		Participants' Takaful Fund	
	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	(Rupees)			
<b>10. LOAN AND OTHER RECEIVABLE</b>				
Accrued investment income	15,063	44,550	184,615	206,690
Advance Tax	-	-	416,798	327,211
	<u>15,063</u>	<u>44,550</u>	<u>601,413</u>	<u>533,901</u>

### 11. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF

	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	(Rupees)	
Due from Takaful participants	11,208,694	11,525,617
Due from other Takaful / Retakaful operators	28,501,456	28,997,046
Retakaful recoveries due but unpaid	10,174,108	4,898,349
	<u>49,884,258</u>	<u>45,421,012</u>

	Operator's Fund		Participants' Takaful Fund	
	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
----- (Rupees) -----				
<b>12. RECEIVABLE / PAYABLE (Between OPF and PTF)</b>				
Wakala fee	20,311,634	9,912,365	20,311,634	9,912,365
Modaraba fee	299,874	184,840	299,874	184,840
	<u>20,611,508</u>	<u>10,097,205</u>	<u>20,611,508</u>	<u>10,097,205</u>

### 13. CASH AND BANK

#### Cash and cash equivalents

Cash in hand	10,000	10,000	-	-
--------------	--------	--------	---	---

#### Cash at bank

Saving accounts	13.1	4,695,633	82,583,412	50,448,277	45,227,837
		<u>4,705,633</u>	<u>82,593,412</u>	<u>50,448,277</u>	<u>45,227,837</u>

13.1 Saving accounts carry expected profit rates ranging from 2.75% to 6.00% (2020: 2.75% to 6.00%) per annum.

### 14. TAKAFUL / RE-TAKAFUL PAYABLES - PTF

	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
----- (Rupees) -----		
Due to other takaful / retakaful operators	29,148,589	27,412,918

### 15. OTHER CREDITORS AND ACCRUALS

	Operator's Fund		Participants' Takaful Fund	
	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
----- (Rupees) -----				
Commission payable	8,262,410	8,870,306	-	-
Federal excise duty and sales tax	-	-	1,522,066	1,254,515
Federal takaful fee	-	-	140,138	109,145
Accrued expense	8,559,186	6,792,738	-	-
Audit fee payable	343,750	275,000	-	-
Creditors	-	-	102,537	-
Tax deducted at source	17,509	30,157	51,506	41,171
	<u>17,182,855</u>	<u>15,968,201</u>	<u>1,816,247</u>	<u>1,404,831</u>

### 16. CONTINGENCY AND COMMITMENT

There is no contingency and commitment as at March 31, 2021 (December 31, 2020: Nil).

# Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2021

	(Un-audited)	
	Three month period ended	
	March 31, 2021	March 31, 2020
	----- (Rupees) -----	
<b>17. NET TAKAFUL CONTRIBUTION - PTF</b>		
Written Gross Contribution	27,388,974	13,993,734
Less: Wakala Fee	(10,956,916)	(7,554,761)
Contribution Net of Wakala Fee	16,432,058	6,438,973
 Add : Unearned contribution reserve opening	44,501,222	30,202,824
Less: Unearned contribution reserve closing	(43,493,100)	(23,495,531)
Contribution earned	17,440,180	13,146,266
 Less: Retakaful Contribution ceded	6,642,178	6,354,577
Add: Prepaid Retakaful contribution ceded opening	11,947,160	8,104,293
Less: Prepaid Retakaful contribution ceded closing	(10,632,610)	(7,784,015)
Retakaful expense	7,956,728	6,674,855
	<u>9,483,452</u>	<u>6,471,411</u>
<b>18. REBATE FROM RE-TAKAFUL - PTF</b>		
Retakaful Rebate received or receivable	1,050,288	900,430
Add: Unearned retakaful opening	1,751,801	1,134,344
Less: Unearned retakaful closing	(1,558,733)	(1,062,730)
	<u>1,243,356</u>	<u>972,044</u>
<b>19. NET TAKAFUL CLAIMS EXPENSE - PTF</b>		
Claim paid	10,809,703	4,665,251
Add : Outstanding claims including IBNR closing	36,742,953	35,397,819
Less: Outstanding claims including IBNR opening	(36,298,886)	(19,802,329)
Claims expense	11,253,770	20,260,741
 Less: Retakaful and others recoveries received	3,459,333	763,992
Add: Retakaful and others recoveries against outstanding claims closing	14,101,765	20,735,909
Less: Retakaful and others recoveries against outstanding claims opening	(15,778,359)	(5,735,733)
Retakaful and recoveries revenue	1,782,739	15,764,168
	<u>9,471,031</u>	<u>4,496,573</u>





20. COMMISSION EXPENSE - OPF	(Un-audited)	
	Three month period ended	
	March 31, 2021	March 31, 2020
	----- (Rupees) -----	
Commission paid or payable	1,952,672	1,207,183
Add : Deferred commission expense opening	3,792,532	3,239,167
Less: Deferred commission expense closing	(3,372,749)	(2,307,214)
Net commission	<u>2,372,455</u>	<u>2,139,136</u>

## 21. NET WAKALA FEE

Gross Wakala Fee	10,399,269	4,986,570
Add: Deferred Wakala Fee - Opening	17,669,203	11,310,448
Less: Deferred Wakala Fee - Closing	(17,111,556)	(8,742,257)
	557,647	2,568,191
	<u>10,956,916</u>	<u>7,554,761</u>

The Operator manages the general takaful operations for the Participants' and charges wakala fee to PTF on gross contributions recognized for each class of business at following rates:

Class	Percentage ----- (%) -----
Fire and property damage	30
Marine, aviation and transport	30
Motor	40
Health	20
Miscellaneous	35

# Notes to and Forming Part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended March 31, 2021

		(Un-audited)	
		Three month period ended March 31, 2021	March 31, 2020
		-----	-----
		(Rupees)	
22.	INVESTMENT INCOME		
	Participants' Takaful Fund		
	Income from equity securities - Available for sale		
	Realised gain on sale of equity securities	-	297,348
	Dividend income	100,116	97,115
	Income from debt securities - Held to maturity		
	Return on Certificate of Islamic Investment	6,729	12,321
		<u>106,845</u>	<u>406,784</u>
	Operator's Fund		
	Income from equity securities - Available for sale		
	Realised gain on sale of equity securities	-	1,389,927
	Dividend income	255,742	320,280
		<u>255,742</u>	<u>1,710,207</u>
23.	OTHER INCOME		
	Participants' Takaful Fund		
	Profit on bank balances	<u>468,323</u>	<u>578,242</u>
	Operator's Fund		
	Profit on bank balances	<u>81,846</u>	<u>122,786</u>
24.	MUDARIB'S FEE		
	The Operator also manages the participants' investment as Mudarib and charges 20 percent of the investment income and profits on bank deposits earned by the PTF as Mudarib's fee. It is recognized on the same basis on which related revenue is recognised.		
	Mudarib's share of PTF investment income	<u>115,034</u>	<u>197,005</u>





## 25. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise the Operator, associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel of the Operator. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions and on an arm's length basis. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in these financial information, are as follows:

	(Un-audited)	
	Three month period ended March 31, 2021	March 31, 2020
	----- (Rupees) -----	
<b>Associated companies</b>		
Takaful contribution written		
Claim paid	<u>5,728,526</u>	<u>2,240,963</u>
	<u>19,736</u>	<u>78,670</u>

## 26. SEGMENT INFORMATION

Segment information prepared in accordance with the requirement of Insurance Ordinance, 2000 and Insurance Rules, 2017 for class of business wise revenues, results, assets and liabilities.

# Notes to and Forming Part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended March 31, 2021

	For the three months period ended March 31, 2021 (Un-audited)				
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Aggregate
	(Rupees)				
<b>Participant's Takaful Fund</b>					
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	2,600,960	2,721,394	23,678,190	2,381,571	<b>31,382,115</b>
Less: - Federal Excise Duty / Sales Tax	339,551	302,644	2,791,172	298,938	<b>3,732,305</b>
- Federal Insurance Fee	22,496	22,439	207,123	21,112	<b>273,170</b>
- Others	2,050	195,430	16,900	100	<b>214,480</b>
- Facultative inward contribution	8,176	-	218,638	-	<b>226,814</b>
Gross written Contribution (inclusive of Administrative Surcharge)	<u>2,245,039</u>	<u>2,200,881</u>	<u>20,881,633</u>	<u>2,061,421</u>	<b><u>27,388,974</u></b>
- Gross direct Contribution	2,193,551	2,093,296	20,097,138	2,057,701	<b>26,441,686</b>
- Facultative inward contribution	8,176	-	218,638	-	<b>226,814</b>
- Administrative surcharge	43,312	107,585	565,857	3,720	<b>720,474</b>
	<u>2,245,039</u>	<u>2,200,881</u>	<u>20,881,633</u>	<u>2,061,421</u>	<b><u>27,388,974</u></b>
Wakala fee	(1,503,754)	(656,259)	(8,082,410)	(714,493)	<b>(10,956,916)</b>
Takaful contribution earned	5,012,512	2,187,532	19,147,819	2,049,233	<b>28,397,096</b>
Takaful contribution ceded to retakaful operators	(4,309,334)	(1,635,822)	(473,748)	(1,537,824)	<b>(7,956,728)</b>
Net Takaful contribution	(800,576)	(104,549)	10,591,661	(203,084)	<b>9,483,452</b>
Retakaful rebate	697,113	296,329	22,288	227,626	<b>1,243,356</b>
<b>Net underwriting income</b>	<u>(103,463)</u>	<u>191,780</u>	<u>10,613,949</u>	<u>24,542</u>	<b><u>10,726,808</u></b>
Takaful claims	(1,655,435)	(40,482)	(9,501,353)	(56,500)	<b>(11,253,770)</b>
Takaful claims recovered from retakaful operators	1,640,497	43,932	7,110	91,200	<b>1,782,739</b>
Net claims	(14,938)	3,450	(9,494,243)	34,700	<b>(9,471,031)</b>
Direct expenses	(48,437)	(47,484)	(450,527)	(44,475)	<b>(590,923)</b>
<b>(Deficit) / surplus before investment income</b>	<u>(166,838)</u>	<u>147,746</u>	<u>669,179</u>	<u>14,767</u>	<b><u>664,854</u></b>
Investment income					<b>106,845</b>
Other income					<b>468,323</b>
Mudarib's share of investment income					<b>(115,034)</b>
<b>Surplus for the period</b>					<b><u>1,124,988</u></b>
<b>Operator's Fund</b>					
Wakala fee	1,503,754	656,259	8,082,410	714,493	<b>10,956,916</b>
Commission expense	(488,917)	(214,233)	(1,514,419)	(154,886)	<b>(2,372,455)</b>
Management expense	(382,465)	(374,942)	(3,557,392)	(351,183)	<b>(4,665,982)</b>
	<u>632,372</u>	<u>67,084</u>	<u>3,010,599</u>	<u>208,424</u>	<b><u>3,918,479</u></b>
Mudarib share of PTF investment income					<b>115,034</b>
Investment income					<b>255,742</b>
Other income					<b>81,846</b>
Other expenses					<b>(78,412)</b>
<b>Profit before tax</b>					<b><u>4,292,689</u></b>

The class wise revenues and results are as follows:

	For the three months period ended March 31, 2020 (Un-audited)				
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Aggregate
	(Rupees)				
<b>Participant's Takaful Fund</b>					
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	4,754,001	1,442,108	8,247,348	1,774,473	16,217,930
Less: - Federal Excise Duty / Sales Tax	590,567	150,611	988,253	234,177	1,963,606
- Federal Insurance Fee	41,239	11,835	71,982	15,249	140,305
- Others	2,400	108,083	9,650	150	120,283
- Facultative inward premium	146,506	-	-	-	146,506
Gross written Contribution (inclusive of Administrative Surcharge)	4,266,301	1,171,579	7,177,463	1,524,897	14,140,240
- Gross direct Contribution	4,068,457	1,124,589	6,936,481	1,517,751	13,647,278
- Facultative inward contribution	-	-	-	-	-
- Administrative surcharge	51,338	46,990	240,982	7,146	346,456
	4,119,795	1,171,579	7,177,463	1,524,897	13,993,734
Wakala fee	(1,562,645)	(420,504)	(5,133,731)	(437,881)	(7,554,761)
Takaful contribution earned	5,208,813	1,401,680	12,834,329	1,256,205	20,701,027
Takaful contribution ceded to retakaful operators	(4,169,415)	(1,073,850)	(387,881)	(1,043,709)	(6,674,855)
Net Takaful contribution	(523,247)	(92,674)	7,312,717	(225,385)	6,471,411
Rebate earned	651,848	155,567	13,423	151,206	972,044
<b>Net revenue</b>	128,601	62,893	7,326,140	(74,179)	7,443,455
Takaful claims	(13,066,752)	(166,831)	(2,753,510)	(4,273,648)	(20,260,741)
Takaful claims recovered from retakaful operators	12,192,391	133,465	-	3,438,312	15,764,168
Net claims	(874,361)	(33,366)	(2,753,510)	(835,336)	(4,496,573)
Direct expenses	(89,941)	(25,577)	(156,694)	(33,291)	(305,503)
<b>(Deficit) / surplus before investment income</b>	<b>(835,701)</b>	<b>3,950</b>	<b>4,415,936</b>	<b>(942,806)</b>	<b>2,641,379</b>
Investment income					406,784
Other income					578,242
Mudarib fee					(197,005)
<b>Surplus for the period</b>					<b>3,429,400</b>
<b>Operator's Fund</b>					
Wakala fee	1,562,645	420,504	5,133,731	437,881	7,554,761
Commission expense	(563,214)	(137,394)	(1,314,650)	(123,878)	(2,139,136)
Management expense	(1,229,957)	(349,773)	(2,142,817)	(455,255)	(4,177,802)
	(230,526)	(66,663)	1,676,264	(141,252)	1,237,823
Mudarib share of PTF investment income					197,005
Investment income					1,710,207
Other income					122,786
Other expenses					(74,259)
<b>Profit before tax</b>					<b>3,193,562</b>

# Notes to and Forming Part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended March 31, 2021

The classwise assets and liabilities are as follows:

	March 31, 2021 (Un-audited)				
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
	(Rupees) -----				
<b>Segment assets</b>	24,769,742	4,953,592	53,889,874	8,116,982	91,730,190
Unallocated assets					
Participants' Takaful Fund					70,817,294
Operator's Fund					109,334,914
<b>Consolidated total assets</b>					<u>271,882,398</u>
<b>Segment liabilities</b>	26,040,370	6,088,244	105,654,585	8,882,149	146,665,348
Unallocated liabilities					
Participants' Takaful Fund					351,379
Operator's Fund					37,027,145
<b>Consolidated total liabilities</b>					<u>184,043,872</u>

	December 31, 2020 (Audited)				
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
	(Rupees) -----				
<b>Segment assets</b>	35,359,196	4,171,199	43,711,713	7,573,627	90,815,735
Unallocated assets					
Participants' Takaful Fund					46,261,737
Operator's Fund					103,495,918
<b>Consolidated total assets</b>					<u>240,573,390</u>
<b>Segment liabilities</b>	33,181,357	4,048,133	78,497,615	6,901,094	122,628,199
Unallocated liabilities					
Participants' Takaful Fund					226,011
Operator's Fund					34,906,454
<b>Consolidated total liabilities</b>					<u>157,760,664</u>



## 27. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

	March 31, 2021 (Un-audited)					Fair value			
	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees) -----									
<b>Financial assets measured at fair value</b>									
Investments in mutual funds	99,897,566	-	-	-	99,897,566	-	99,897,566	-	99,897,566
<b>Financial assets not measured at fair value</b>									
Investment in Debt securities*	-	500,000	-	-	500,000	-	-	-	-
Loans and receivables*	-	-	199,678	-	199,678	-	-	-	-
Takaful / retakaful receivables*	-	-	49,884,258	-	49,884,258	-	-	-	-
Retakaful recoveries against outstanding claims	-	-	14,101,765	-	14,101,765	-	-	-	-
Receivable from PTF*	-	-	20,611,508	-	20,611,508	-	-	-	-
Cash and bank*	-	-	55,153,910	-	55,153,910	-	-	-	-
<b>Total financial assets</b>	<b>99,897,566</b>	<b>500,000</b>	<b>139,951,119</b>	<b>-</b>	<b>240,348,685</b>	<b>-</b>	<b>99,897,566</b>	<b>-</b>	<b>99,897,566</b>
<b>Financial liabilities not measured at fair value</b>									
Provision for outstanding claims (including IBNR)*	-	-	-	(36,742,953)	(36,742,953)	-	-	-	-
Payable to OPF*	-	-	-	(20,611,508)	(20,611,508)	-	-	-	-
Takaful / retakaful payables*	-	-	-	(29,148,589)	(29,148,589)	-	-	-	-
Other creditors and accruals*	-	-	-	(17,165,346)	(17,165,346)	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(103,668,396)</b>	<b>(103,668,396)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
-----									
	December 31, 2019 (Audited)					Fair value			
	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees) -----									
<b>Financial assets measured at fair value</b>									
Investments in equity securities	6,968,219	-	-	-	6,968,219	-	6,968,219	-	6,968,219
<b>Financial assets not measured at fair value</b>									
Investments in Debt securities*	-	500,000	-	-	500,000	-	-	-	-
Loans and receivables*	-	-	251,240	-	251,240	-	-	-	-
Takaful / retakaful receivables*	-	-	45,421,012	-	45,421,012	-	-	-	-
Retakaful recoveries against outstanding claims	-	-	15,778,359	-	15,778,359	-	-	-	-
Receivable from PTF*	-	-	10,097,205	-	10,097,205	-	-	-	-
Cash and bank*	-	-	127,821,249	-	127,821,249	-	-	-	-
<b>Total financial assets</b>	<b>6,968,219</b>	<b>500,000</b>	<b>199,369,065</b>	<b>-</b>	<b>206,837,284</b>	<b>-</b>	<b>6,968,219</b>	<b>-</b>	<b>6,968,219</b>
<b>Financial liabilities not measured at fair value</b>									
Provision for outstanding claims (including IBNR)*	-	-	-	(36,298,886)	(36,298,886)	-	-	-	-
Payable to OPF*	-	-	-	(10,097,205)	(10,097,205)	-	-	-	-
Takaful / retakaful payables*	-	-	-	(27,412,918)	(27,412,918)	-	-	-	-
Other creditors and accruals*	-	-	-	(15,938,044)	(15,938,044)	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(89,747,053)</b>	<b>(89,747,053)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

# Notes to and Forming Part of the Condensed Interim Financial Statements (Unaudited)

For the three months period ended March 31, 2021

- 27.1 Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

The operations measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

## 28 GENERAL

Figures in these interim condensed financial statements have been rounded off to the nearest rupee, unless otherwise stated.

## 29 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue in accordance with a resolution of the Board of Directors on April 28, 2021.

  
Iqbal Ali Lakhani  
Chairman

  
Amin Mohammed Lakhani  
Director

  
Aftab Ahmad  
Director

  
Mohammad Hussain Hirji  
Director & Chief Executive

  
Sabza Ali Pirani  
Chief Financial Officer





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