

Quarterly Report
30 September, 2021

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Jameel Yusuf (S.St.)
Mr. Muhammad Ali Jameel
Mr. Muhammad Aminuddin
Syed Nadir Shah
Ms. Naila Kassim
Mr. Rana Asad Amin
Mr. Benjamin Brinks
Mr. Andrew Borda

Chairman
Director
Chief Executive Officer
Director
Director
Director
Director
Director

BOARD COMMITTEES

Ethics, Human Resources, Remuneration & Nomination Committee

Syed Nadir Shah
Mr. Ali Jameel
Mr. Rana Assad Amin
Mr. Nader Nawaz

Chairman
Member
Member
Secretary

Investment Committee

Mr. Ali Jameel
Mr. Andrew Borda
Mr. Benjamin Brinks
Mr. Muhammad Aminuddin
Mr. Yousuf Zohaib Ali

Chairman
Member
Member
Member
Secretary

Audit Committee

Syed Nadir Shah
Mr. Rana Assad Amin
Mr. Andrew Borda
Mr. Muhammad Asif

Chairman
Member
Member
Secretary

MANAGEMENT COMMITTEES:

Risk Management and Compliance Committee

Mr. Andrew Borda
Mr. Muhammad Aminuddin
Syed Kazim Hasan
Mr. Benjamin Brink
Mr. Kamran Rafique
Mr. Falak Sher Haider

Chairman
Member
Member
Member
Member
Secretary

Underwriting Committee

Mr. Andrew Borda
Mr. Altaf Ahmed Siddiqi
Syed Kazim Hasan
Mr. Muhammad Aminuddin
Mr. Shumail Iqbal

Chairman
Member
Member
Member
Secretary

Claim Settlement Committee

Mr. Muhammad Aminuddin
Syed Ali Hassan Zaidi
Mr. Yousuf Zohaib Ali
Mr. Ovais Alam

Chairman
Member
Member
Secretary

Reinsurance & Co-insurance Committee

Mr. Andrew Borda
Mr. Muhammad Aminuddin
Syed Kazim Hassan
Ms. Shadab Khan

Chairman
Member
Member
Secretary

BANKERS

Al-Baraka Bank Pakistan Ltd.
Askari Bank Limited
Bank Alfalah Limited.
Bank Al Habib Ltd.
Bank Islami Pakistan Ltd.
Dubai Islamic Bank Pakistan Ltd.
Faysal Bank Ltd.
Habib Bank Ltd.
Habib Metropolitan Bank Ltd.
JS Bank Ltd.
MCB Bank Ltd.
Meezan Bank Ltd.
Mobilink Micro Finance Bank Ltd.
National Bank of Pakistan
Silk Bank Ltd.
Soneri Bank Ltd.
Summit Bank Ltd.
Telenor Micro Finance Bank Ltd.
The Bank Of Punjab
United Bank Ltd.
Samba Bank Ltd.

AUDITORS

EY Ford Rhodes
Chartered Accountants

LEGAL ADVISOR

Lari & Co.
Maritime & Insurance Advocates

SHARE REGISTRAR

THK Associates (Pvt) Limited
Plot No. 32-C, Jami Commercial Street 2,
DHA Phase VII, Karachi - 75500
Tel: +92-21-35310191-6
Fax: +92-21-35310190

REGISTERED OFFICE

11th & 12th Floor, Centrepoint,
Off Shaheed-e-Millat Expressway,
Adjacent KPT Interchange Flyover,
Karachi, Postal Code: 74900
Fax: +92-21-35316032
UAN: +92-21-111-000-301
Tel: +92-21-37130223

WEB PRESENCE

www.tplinsurance.com



GEOGRAPHICAL PRESENCE

KARACHI

Head Office

TPL Insurance Ltd
Plot 19 B, Sindhi Muslim Cooperative
Housing Society (SMCHS), Near Roomi
Masjid, Shahrah-e-Faisal, Karachi-
Pakistan.
Tel: 021.37130223 Fax: 021.35316031-2
UAN: 021.111.000.301

LAHORE

Branch Office Lahore
Tower 75, 4th Floor
Near Honda City Sales &
Hondai Central Motors,
Kalma Chowk Lahore.
Tel: 042.35209000
UAN: 042.111.000.301
Fax: 042.35157233

ISLAMABAD

Branch Office Islamabad
55-B, 10th Floor (South) ISE Tower,
Jinnah Avenue, Blue Area, Islamabad.
UAN: 051.111.000.301 Fax: 051.2895073

FAISALABAD

Branch Office Faisalabad
Office No. 4-02, 4th Floor
Meezan Executive Tower,
Civil Lines, Faisalabad.
UAN: 051.111.000.301
Tel: 041.8501471-3
Fax: 041.8501470

MULTAN

Branch Office Multan
Haider Street, Shalimar Colony
Northern Bypass-Boson Road,
Multan.
UAN: 061.111.000.301
Fax: 061.44243451

HYDERABAD

Branch Office Hyderabad
A-8, District Council Complex,
Hyderabad.
Tel: 022.2728676
Fax: 022.2783154

EXPORT PROCESSING ZONE (EPZ)

Branch Office EPZ Landhi,
Plot # N-4, Sector B-III, Phase-1,
Export Processing Zone, Landhi,
Karachi.

DIRECTORS' REPORT

On behalf of the Board of Directors, I am pleased to present the condensed interim financial statements of the Company for the nine months period ended September 30, 2021.

During the period, the Company reported Gross Written Premium ("GWP") of Rs. 2,446 million Vs Rs. 2,076 million at Q3 2020 (including Window Takaful Operations), registering a growth of 18%.

During the period, vehicle sales reported robust growth and reported an increase of 105% at 141,695 units compared to 69,229 units in corresponding period last year. As a result motor insurance portfolio reported GWP of Rs. 1,854 million compared to Rs. 1,564 million a year ago.

The Company continued its growth journey in Non-motor segment. GWP from Property business reported increase of Rs. 50 million (growth of 25%), while for Marine class GWP growth was Rs. 39.0 million (growth of 139%). Miscellaneous class reported increase of Rs. 10.1 million (growth of 26%). The Company didn't renew few loss-making accounts in Health portfolio resulting in shortfall of Rs. 18.9 million. The Company reported profit before tax of Rs. 29.1 million (Q3 2020: Rs. 66.2 million), including results of Window Takaful operations, mainly attributed to increase in claim ratio and cost of employee share option plan.

With the reduction in interest rates, the consumer financing sector has reported robust growth especially in auto financing.

State Bank has kept the interest rates low for over a year creating demand in the consumer financing sector especially in auto financing despite a slight increase in interest rate in the latest monetary policy. However, SBP has made some changes in regulations to discourage auto financing for imported vehicles and maximum tenure of auto financing has been reduced from seven to five years. Further, minimum down payment for car financing is raised from 15pc to 30pc.

Although these steps may affect growth but we anticipate that the interest rates would stay at lower levels and would keep supporting the industry growth and would create new opportunities for insurance penetration predominantly in the manufacturing and house building projects. Also, we do not anticipate that these measures would affect our revenue streams for the current calendar year due to existing sales funnels.

During 2021, our strategy is to continually innovate to utilize digital paradigm to redefine insurance. During the course of past few years, we capitalized on our digital assets and utilize rich data to ensure most hassle free policy issuance, claims and renewal process. The Company plans to continue its growth path in non-motor segment to diversify its portfolio and increase its market share. We are confident that these measures will enable the Company to achieve sustainable profitable growth in the years to come.

We would like to thank all our stakeholders, business partners, Pakistan Stock Exchange, SECP and staff for their continued support.

For and on behalf of the Board of Directors



Muhammad Aminuddin
Chief Executive Officer
October 26, 2021

ڈائریکٹرز رپورٹ:

30 ستمبر 2021ء کو ختم ہونے والے نو ماہی کے لیے

بورڈ آف ڈائریکٹرز کی جانب سے، میں 30 ستمبر 2021 کو ختم ہونے والی نو ماہی کے لیے کمپنی کے منجملہ عبوری مالی حسابات پیش کرتے ہوئے خوش محسوس کرتا ہوں۔

اس مدت کے دوران، کمپنی نے مجموعی تقریری پریمیم ("GWP") 2020 کی تیسری سہ ماہی میں 2,076 ملین روپے کے برعکس 2,446 ملین روپے (بشمول وڈو کاٹل آپریشنز) بیان کیا، یعنی 18 فیصد کی ضرورت کی ہے۔

اس عرصے کے دوران، گاڑیوں کی فروخت میں زبردست اضافہ ہوا اور 105 فیصد اضافے کے ساتھ 141,695 پینٹس کی فروخت رپورٹ ہوئی جبکہ گزشتہ سال کے اسی عرصے میں 69,229 پینٹس فروخت ہوئے تھے۔ جس کے نتیجے میں موٹرائشن پورٹ فولیو نے 1,854 ملین روپے کا GWP درج کر لیا جو کہ پچھلے سال 1,564 ملین روپے تھا۔

کمپنی نے نان موٹرائیشن میں اپنا ترقی کا سفر جاری رکھا۔ پراپرٹی کے کاروبار سے GWP نے 50 ملین روپے (25 فیصد نمو) کا اضافہ درج کر لیا، جبکہ میرین کلاس میں GWP کی نمو 39.0 ملین روپے (139 فیصد) تھی۔ متفرق کلاس نے 10.1 ملین روپے (26 فیصد نمو) درج کرائی۔ کمپنی نے ہلکتے پورٹ فولیو میں پیکچر نقصان اٹھانے والے کھاتوں کی تجدید نہیں کی جس کے نتیجے میں 18.9 ملین روپے کی کمی ہوئی۔ کمپنی نے ٹیکس سے پہلے منافع 29.1 ملین روپے (2020 Q3: 66.2 ملین روپے) رپورٹ کیا جس میں وڈو کاٹل کے نتائج بھی شامل ہیں، جو کہ بنیادی طور پر ایچ پی آئی شیئر آپشن پلان کی کلیم تاسب اور لاگت میں اضافے سے منسوب ہے۔

شرح سود میں کمی کے ساتھ، صارفین کے فنانسنگ سیکٹرز نے خاص طور پر آٹو فنانسنگ میں مضبوطی و درج کرائی ہے۔

گزشتہ ایک سال کے دوران انٹیٹیجیک نے شرح سود کم رکھی تاکہ کرنز پورٹ فولیو میں اضافہ کیا جائے اور حالیہ مانیٹری پالیسی میں معمولی اضافہ کیا گیا ہے۔ تاہم، انٹیٹیجیک نے ایچ پی آئی پورٹ فولیو کے لیے آٹو فنانسنگ کی حوصلہ شکنی کے لیے ضوابط میں پیکچر تبدیلیاں کی ہیں اور آٹو فنانسنگ کی زیادہ سے زیادہ مدت سات سے پانچ سال کر دی گئی ہے۔ مزید یہ کہ کار فنانسنگ کے لیے کم سے کم بیعانے کی ادائیگی 15 فیصد سے بڑھا کر 30 فیصد کر دی گئی ہے۔

اگرچہ یہ اقدامات ترقی کو متاثر کر سکتے ہیں لیکن ہم توقع کرتے ہیں کہ سودی شرح میں چٹائی سطح پر ہیں گی اور صنعت کی ترقی میں مددگار رہیں گی اور بنیادی طور پر مینو فیکچرنگ اور ہاؤس بلڈنگ پراکٹیکس میں انشورنس کی رسائی کے نئے مواقع پیدا کریں گی۔ نیز ہمیں امید ہے کہ موجودہ سلیڈ فنڈ کی وجہ سے یہ اقدامات اس سال کی سہل کوئٹا ٹرنشیں کریں گے۔

2021 کے دوران، ہماری حکمت عملی یہ ہے کہ انشورنس کو نئے سرے سے متعین کرنے کے لیے ڈیجیٹل نمونے کو استعمال کرنے کے لیے مسلسل جدت لائیں۔ پچھلے کچھ سالوں کے دوران، ہم نے اپنے ڈیجیٹل اثاثوں کا فائدہ اٹھایا اور زیادہ سے زیادہ پریشانی سے پاک پالیسی جاری کرنے، کلیمز اور تجدید کے عمل کو یقینی بنانے کے لیے بھرپور پورے بنا استعمال کیا۔ کمپنی اپنے پورٹ فولیو کو متنوع بنانے اور مارکیٹ میں اپنا حصہ بڑھانے کے لیے نان موٹرائیشن میں اپنی ترقی کی راہ پر گامزن رہنے اور ارادہ رکھتی ہے۔ ہمیں یقین ہے کہ یہ اقدامات کمپنی کو آمدندہ سالوں میں بائیدرمنافع بخش ماحول حاصل کرنے کے قابل بنائیں گے۔

ہم اپنے تمام اسٹیک ہولڈرز کا رواداری شراکت داروں، پاکستان اسٹاک ایکسچینج، SECP اور عملے کے مسلسل تعاون پر ان کا شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

محمد امین الدین

چیف ایگزیکٹو آفیسر

26 اکتوبر 2021ء

FINANCIAL

STATEMENTS



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

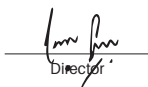
AS AT 30 SEPTEMBER 2021

		Unaudited 30 September 2021	Audited 31 December 2020
	Note	----- (Rupees) -----	
ASSETS			
Property and equipment	6	337,619,492	248,937,125
Intangible assets		18,803,252	8,611,391
Investments			
Equity securities and mutual fund units	7	794,859,005	148,372,106
Government securities	8	158,650,152	344,900,707
Debt securities		25,000,000	-
Term deposits	9	427,500,000	427,500,000
Loans and other receivables	10	384,644,215	95,810,670
Insurance / Reinsurance receivables		657,079,954	418,675,980
Reinsurance recoveries against outstanding claims		264,931,792	232,825,729
Salvage recoveries accrued		218,053,265	138,837,123
Deferred commission expense		170,777,164	179,505,165
Deferred taxation		-	16,424,228
Taxation - payment less provision		-	8,063,849
Prepayments		332,216,741	319,314,939
Cash and bank		1,123,859,674	913,388,550
Total assets		4,913,994,706	3,501,167,562
EQUITY AND LIABILITIES			
Capital and reserves attributable to shareholders			
Ordinary share capital		1,171,912,610	938,662,610
Share premium - net of share issuance cost		221,161,937	8,033,837
Other capital reserves		69,207,500	24,094,375
Accumulated losses		(56,580,038)	(164,486,426)
Other comprehensive income / (loss) reserve		221,364,985	(7,325,659)
Total shareholders' fund		1,627,066,994	798,978,737
Participants' Takaful Fund			
Seed Money		2,000,000	2,000,000
Accumulated (deficit) / surplus		(59,904,351)	39,374,255
Total Participants' Takaful Fund		(57,904,351)	41,374,255
Total Equity		1,569,162,643	840,352,992
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		609,162,304	525,295,311
Unearned premium reserves		1,653,351,951	1,379,671,304
Unearned reinsurance commission		66,236,103	63,336,103
Premium deficiency reserve		1,424,827	2,526,162
Premium received in advance		24,621,502	18,051,761
Insurance / Reinsurance payables		396,440,169	275,009,289
Other creditors and accruals		301,526,841	267,370,811
Lease liability against right-of-use asset		226,424,760	129,553,829
Deferred taxation		57,254,145	-
Taxation - provision less payment		8,389,461	-
Total Liabilities		3,344,832,063	2,660,814,570
Total equity and liabilities		4,913,994,706	3,501,167,562
Contingencies and commitment			
	12		

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

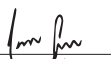
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	Note	For the three months period		For the nine months period ended	
		30 September 2021	30 September 2020	30 September 2021	30 September 2020
(Rupees)					
Net insurance premium	13	615,655,265	548,997,141	1,736,017,057	1,639,426,431
Net insurance claims	14	(302,493,927)	(285,555,355)	(814,849,129)	(724,930,323)
Reversal of premium deficiency reserve		-	-	1,101,335	-
Net commission expense	15	(54,666,932)	(47,260,548)	(160,914,386)	(156,016,024)
Insurance claims and commission expense		(357,160,859)	(332,815,903)	(974,662,180)	(880,946,347)
Management expenses		(249,518,308)	(209,260,759)	(719,646,408)	(641,455,787)
Underwriting results		8,976,098	6,920,479	41,708,469	117,024,297
Investment income	16	(7,232,063)	12,449,521	73,768,664	64,140,530
Net unrealized fair value gains on financials assets at fair value through profit or loss		-	5,846,642	-	8,030,892
Net fair value gain on derecognition of financials assets at fair value through profit or loss		-	-	-	994,662
Other income		32,013,578	18,075,853	78,361,721	57,839,435
Other expenses		(33,385,493)	(44,443,480)	(151,927,332)	(153,054,680)
Results of operating activities		372,120	(1,150,985)	41,911,522	94,975,136
Financial cost		(8,770,377)	(9,840,431)	(12,769,316)	(28,743,636)
(Loss) / Profit before tax for the period		(8,398,257)	(10,991,416)	29,142,206	66,231,500
Income tax expense		(9,810,591)	(14,140,070)	(20,514,424)	(32,988,776)
(Loss) / Profit after tax		(18,208,848)	(25,131,486)	8,627,782	33,242,724
Other comprehensive income:					
Changes in fair value of investments classified as financial assets at 'FVOCI'		122,895,728	45,753,226	322,099,088	37,871,491
Related tax impact		(35,639,475)	(13,268,442)	(93,408,444)	(10,982,732)
Other comprehensive income the period		87,256,253	32,484,784	228,690,644	26,888,759
Total comprehensive income for the period		69,047,405	7,353,298	237,318,426	60,131,483
Earnings / (loss) after tax per share - Rupees		0.35	(0.29)	0.99	(0.81)
Net profit / (loss) attributable to shareholders' fund		41,598,492	(26,828,084)	107,906,388	(76,165,901)
Net (deficit) / surplus attributable to Participants' Takaful Fund		(59,807,339)	1,696,598	(99,278,606)	109,408,625
		(18,208,847)	(25,131,486)	8,627,782	33,242,724
Other comprehensive income attributable to shareholders' fund		87,256,253	32,484,784	228,690,644	26,888,759
		87,256,253	32,484,784	228,690,644	26,888,759

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	Reserves							Total		
	Capital reserves			Revenue reserves						
	Net share premium			Accumulated losses	Unrealized appreciation/ (diminuation) - fair value through other comprehensive income	Total				
	Share premium	Share issuance cost	Net share premium						Other Capital Reserves	Total
Shareholders' Fund:										
Balance as at 1 January 2020	938,662,610	16,936,998	(8,903,161)	8,033,837	-	8,033,837	(114,008,588)	(29,742,761)	(143,751,349)	802,945,098
Net loss for the period	-	-	-	-	-	-	(76,165,900)	-	(76,165,900)	(76,165,900)
Other comprehensive income for the period	-	-	-	-	-	-	22,417,102	22,417,102	22,417,102	22,417,102
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	(76,165,900)	22,417,102	(53,748,798)	(53,748,798)
Share based Payment Reserve	-	-	-	-	24,094,375	24,094,375	-	-	24,094,375	24,094,375
Cash dividend paid during the period	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2020	938,662,610	16,936,998	(8,903,161)	8,033,837	24,094,375	32,128,212	(190,174,488)	(7,325,659)	(173,405,772)	773,290,675
Balance as at 1 January 2021	938,662,610	16,936,998	(8,903,161)	8,033,837	24,094,375	32,128,212	(164,486,426)	(7,325,659)	(171,812,085)	796,978,737
Net profit for the period	-	-	-	-	-	-	107,906,388	-	107,906,388	107,906,388
Other comprehensive income for the period	-	-	-	-	-	-	228,690,644	228,690,644	228,690,644	228,690,644
Total comprehensive income for the period	-	-	-	-	-	-	107,906,388	228,690,644	336,597,032	336,597,032
Share based payments reserve	-	-	-	-	45,113,125	45,113,125	-	-	-	45,113,125
Shares issued during the period	233,250,000	233,250,000	(20,121,900)	213,128,100	-	213,128,100	-	-	-	446,378,100
Balance as at 30 September 2021	1,171,912,610	250,186,998	(29,025,061)	221,161,937	69,207,500	290,369,437	(56,580,038)	221,364,985	164,784,947	1,627,066,994



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) - CONTINUED
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	Seed money	Accumulated surplus / (deficit)	Total
	----- (Rupees) -----		
Participants' Takaful Fund:			
Balance as at 1 January 2020	2,000,000	(50,891,618)	(48,891,618)
Surplus for the period	-	109,408,625	109,408,625
Balance as at 30 September 2020	2,000,000	58,517,007	60,517,007
Balance as at 1 January 2021	2,000,000	39,374,255	41,374,255
Deficit for the period	-	(99,278,606)	(99,278,606)
Balance as at 30 September 2021	2,000,000	(59,904,351)	(57,904,351)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Chief Executive Officer


Chairman

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	30 September 2021	30 September 2020
Operating cash flow	Note ----- (Rupees) -----	
(a) Underwriting activities		
Insurance premium received	2,229,898,089	1,778,283,635
Reinsurance premium paid	(362,275,270)	(346,342,026)
Claims paid	(1,207,818,956)	(897,693,223)
Reinsurance and other recoveries received	305,384,635	215,751,688
Commission paid	(288,365,030)	(184,928,965)
Commission received	102,259,967	81,782,627
Management and other expenses paid	(446,797,792)	(597,523,164)
Net cash flow from underwriting activities	332,285,643	49,330,572
(b) Other operating activities		
Income tax paid	(18,678,958)	(37,017,054)
Other operating payments	(236,626,964)	(22,397,473)
Loans advanced	(6,284,119)	(1,498,335)
Loan repayment received	3,160,060	1,589,181
Net cash used in other operating activities	(258,429,981)	(59,323,681)
Total cash generated from / (used in) all operating activities	73,855,662	(9,993,109)
Investment activities		
Profit / return received	56,566,872	72,492,156
Dividend received	9,606,524	12,256
Payment for investments	(689,674,850)	(145,000,000)
Proceeds from investments	466,104,822	389,636,758
Proceeds from sale of property and equipment	20,000,000	4,719,639
Fixed capital expenditure	(72,988,992)	(12,864,128)
Total cash (used in) /generated from investing activities	(210,385,624)	308,996,681
Financing activities		
Lease obligation paid	(118,126,591)	(167,081,132)
Proceeds from issuance of shares	466,500,000	-
Financial charges paid	(1,372,323)	(841,984)
Total cash generated from / (used in) financing activities	347,001,086	(167,923,116)
Net cash generated from all activities	210,471,124	131,080,456
Cash and cash equivalents at beginning of year	988,388,550	1,122,441,602
Cash and cash equivalents at end of the period	1,198,859,674	1,253,522,058

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	30 September 2021	30 September 2020
	----- (Rupees) -----	
Reconciliation to statement of comprehensive income		
Operating cash flows	73,855,662	(9,993,109)
Depreciation / amortization / bad debt expense	(167,211,121)	(188,104,125)
Charge of Premium deficiency reserve	141,984	-
Income tax paid	18,678,958	37,017,054
Provision for taxation	(20,514,420)	(32,988,776)
Financial charges	(12,769,316)	(28,743,636)
Investment Income	73,768,664	64,140,530
Net unrealized fair value gains on financials assets at fair value through profit or loss	-	8,030,892
Net fair value gain on derecognition of financials assets at fair value through profit or loss	-	994,662
Increase in assets other than cash	853,539,423	663,308,335
(Increase) in liabilities other than borrowings	(810,862,052)	(480,419,103)
Profit after taxation	8,627,782	33,242,724

Cash comprises of cash in hand, policy stamps, bank balances and term 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 21 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

TPL Insurance Limited (the Company) was incorporated in Pakistan in 1992 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017) to carry on general insurance business. The Company was allowed to work as Window Takaful Operator on 04 September 2014 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The Company is listed at Pakistan Stock Exchange Limited. The principal office of the Company is located at 19-B, Sindhi Muslim Cooperative Housing Society (S.M.C.H.S), near Roomi Masjid, Shahrah-e-Faisal, Karachi, Pakistan. The Company is owned 66.30% (31 December 2020: 73.38%) by TPL Corp Limited.

2. BASIS OF PREPARATION

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

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

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

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

2.3 In terms of the requirements of the Takaful Rules 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations (WTO) of the Company were presented as a single line item in the balance sheet and profit and loss account of the Company for the year ended 31 December 2018 respectively. Further, the PTF was not consolidated with the conventional insurance business. The similar requirements have been prescribed by General Takaful Accounting Regulations 2020 issued by SECP. However, as per SECP letter number ID/MDPR/ GTAR/2020/1244 dated 30 November 2020, the Company has been granted relaxation from the above requirements and has been allowed line by line consolidation of financial statements of conventional and WTO (including PTF) upto the period ending 31 December 2021. Accordingly, these condensed interim financial statements represent the consolidated financial position, results of operations and cashflows of the conventional business and WTO (including PTF) for the period ended 30 September 2021.

2.4 A separate set of condensed interim financial statements of the General Takaful operations has been annexed to these financial statements as per the requirements of the Takaful Rules 2012.

2.5 These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Rupees, unless otherwise stated.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

2.6 These condensed interim financial statements for nine months ended September 30, 2021 have been prepared under the historical cost convention, except that investments classified as either 'fair value through profit or loss' or 'fair value through other comprehensive income' are stated at fair value and obligations under employee share option plan are measured at present value.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended 31 December 2020.

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period.

The Company has adopted the following amendments to IFRSs which became effective for the current period:

Standard or Interpretation

IFRS 3 & IAS 39 - Interest Rate Benchmark Reform Phase 2 (Amendments)

Covid-19 related rent concessions beyond 30 June 2021 (Amendment to IFRS 16)

The adoption of the above Standards / amendments and improvements to accounting standards did not have any effect on the Company's condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective.

The following IFRSs as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting period beginning on or after 01 January 2022:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
IFRS 3 - Revised Conceptual Framework (Amendments)	01 January 2022
IAS 16 - Property, Plant and Equipments: proceeds before intended use	01 January 2022
IAS 37 - Onerous Contracts: cost of fulfilling a contract	01 January 2022
IAS 1 - Classification of Liabilities as Current or Noncurrent (Amendments)	01 January 2023
IAS 1 - Disclosure of Accounting Policies (Amendments)	01 January 2023
IAS 8 - Definition of Accounting Estimates (Amendments)	01 January 2023
IAS 12 - Deferred Tax Related to Assets & Liabilities Arising from Single Transaction (Amendments)"	01 January 2023

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on or after 01 January 2022 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards

- IFRS 1 – First time adoption of IFRSs
- IFRS 17 – Insurance Contracts
- IFRS 14 – Regulatory Deferral Accounts

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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 annual financial statements for the year ended December 31, 2020.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

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

		(Unaudited)	(Audited)
		30 September 2021	31 December 2020
6. PROPERTY AND EQUIPMENT	Note	----- (Rupees) -----	
Operating assets	6.1	109,390,130	88,234,783
Right of use assets		228,229,362	160,702,342
		<u>337,619,492</u>	<u>248,937,125</u>
6.1 Operating assets			
Written down value at the beginning of the period / year		88,234,783	110,855,162
Additions and transfers during the period / year - at cost			
- Leasehold improvements		-	2,575,733
- Furniture and fixtures		12,227,816	2,233,960
- Computer equipments		15,291,649	7,807,563
- Office equipments		26,440,430	682,466
- Motor vehicles		5,505,950	1,400,000
		59,465,845	14,699,722
Written down value of disposals / write-offs during the period / year		(11,297,976)	(2,625,166)
Depreciation for the period / year		(27,012,522)	(34,694,935)
		<u>(38,310,498)</u>	<u>(37,320,101)</u>
Written down value at the end of the period / year		<u>109,390,130</u>	<u>88,234,783</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

7. INVESTMENTS IN EQUITY SECURITIES AND MUTUAL FUNDS UNITS

	(Unaudited)			(Audited)		
	30 September 2021			31 December 2020		
	Cost	Revaluation	Carrying Value	Cost	Revaluation	Carrying Value
----- (Rupees) -----						
-Classified as 'At fair value through other comprehensive income'						
Related party						
Listed shares						
TPL Properties Limited (3% holding)	100,000,000	305,639,360	405,639,360	100,000,000	(10,847,440)	89,152,560
	100,000,000	305,639,360	405,639,360	100,000,000	(10,847,440)	89,152,560
Others						
Listed shares						
Business Industrial Insurance Company Limited	251,260	(251,260)	-	251,260	(251,260)	-
The Bank of Punjab	357,727	(292,864)	64,863	357,727	(286,055)	71,672
Hub Power Company Limited	357,000	442,900	799,900	357,000	436,300	793,300
The Bank of Khyber	162,975	68,039	231,014	162,975	64,646	227,621
Bolan Castings Limited	39,705,000	5,595,000	45,300,000	-	-	-
Summit Bank Limited	514,765	(471,725)	43,040	514,765	(484,845)	29,920
	41,348,727	5,090,090	46,438,817	1,643,727	(521,214)	1,122,513
-Classified as 'at fair value through profit or loss'						
Listed shares						
Ghani Global Holdings Limited	99,803,755	2,746,525	102,550,280	-	-	-
	99,803,755	2,746,525	102,550,280	-	-	-
Mutual funds						
AKD Opportunity Fund	121,022,903	3,782,742	124,805,645	20,000,000	5,436,426	25,436,426
Askari Sovereign Yield Enhancer	-	-	-	15,994,662	1,051,572	17,046,234
HBL Equity Fund	50,000,000	(1,888,136)	48,111,864	-	-	-
Pak Oman Advantage Islamic Income Fund	25,000,000	345,996	25,345,996	-	-	-
AKD Islamic Stock Fund	36,516,536	5,450,507	41,967,043	10,000,000	5,614,373	15,614,373
	232,539,439	7,691,109	240,230,548	45,994,662	12,102,371	58,097,033
	473,691,921	321,167,084	794,859,005	147,638,389	733,717	148,372,106

		(Unaudited)	(Audited)
		30 September 2021	31 December 2020
----- (Rupees) -----			
8. INVESTMENT IN GOVERNMENT SECURITIES			
Classified as 'At amortized cost'	Note		
Treasury Bills		-	247,990,120
Pakistan Investment Bonds (PIBs)	8.1	158,650,152	96,910,587
		<u>158,650,152</u>	<u>344,900,707</u>

8.1 This represents five and ten years Pakistan Investment Bonds having face value of Rs. 163.5 million (market value of Rs. 158.953 million) [31 December 2020: Rs. 100 million (market value of Rs. 101.537 million)]. These carry mark-up ranging from 7.50% to 12% (2020: 7.75% to 12%) per annum and will mature between 29 December 2021 to 15 October 2025. Out of these, PIBs having face value of Rs. 127 million have been deposited with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of Section 29 of the Insurance Ordinance 2000 and circular No. 15 of 2008 dated 7 July 2008 issued by the Securities and Exchange Commission of Pakistan.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

		(Unaudited) 30 September 2021	(Audited) 31 December 2020
9. TERM DEPOSITS	Note	----- (Rupees) -----	
Classified as 'At amortized cost'			
Deposits maturing within 12 months	9.1	425,000,000	425,000,000
Deposits maturing after 12 months		2,500,000	2,500,000
		427,500,000	427,500,000

- 9.1** These carry profit rate ranging from 5% to 6.95% per annum (31 December 2020: 6% to 6.75% per annum).

		(Unaudited) 30 September 2021	(Audited) 31 December 2020
10. LOANS AND OTHER RECEIVABLES	Note	----- (Rupees) -----	
Considered good			
Receivable from related parties	10.1	20,520,701	5,653,938
Advance to a related party	10.2	215,000,000	31,500,000
Deposit for hospital enlistment		5,290,000	5,290,000
Accrued investment income		7,917,374	10,765,386
Loan and advance to employees		4,468,736	3,042,878
Placement with a company	10.3	25,000,000	25,000,000
Advance Ijara Rentals		7,600,000	7,600,000
Security Deposit		6,564,269	5,188,530
Other receivable		34,735,574	1,769,938
Advance to Supplier		57,547,561	-
		384,644,215	95,810,670

- 10.1** This represents receivable from following related parties.

		(Unaudited) 30 September 2021	(Audited) 31 December 2020
		----- (Rupees) -----	
TPL Trakker Limited		4,503,545	422,627
TPL Life Insurance Limited		7,812,361	-
TPL Security Services (Private) Limited		411,108	-
TPL Corp Limited		7,704,530	5,142,154
TPL E-Venture (Private) Limited		89,157	89,157
		20,520,701	5,653,938

- 10.2** This represents advance to a related party. A special resolution of the shareholders authorising the Company to extend advance upto Rs. 300 million was passed in Annual General Meeting of the Company held on 24 April 2019. The balance carries interest at the rate of 1 year KIBOR + 3.5% with a floor of 10% per annum.

- 10.3** This represents placements with Pearl Securities Limited and carries mark up at the rate of 8.85% per annum (31 December 2020: 8.28%) and will mature by 31 December 2021.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

		(Unaudited)	(Audited)
		30 September 2021	31 December 2020
11. OTHER CREDITORS AND ACCRUALS	Note	----- (Rupees) -----	
Commission payable		40,829,532	77,648,210
Creditors		8,044,820	9,698,770
Federal Insurance Fee		2,841,628	2,280,089
Federal Excise Duty (FED) - net		82,340,213	49,690,128
Margin deposit from customers		1,999,911	1,379,911
Withholding tax payable		11,134,404	18,273,658
Advance tax on premium		484,627	569,384
Accrued Expenses		113,125,569	74,742,422
Unclaimed dividend		1,527,468	1,527,468
Payable to Provident Fund		3,093,694	2,153,176
Payable to related parties	11.1	11,432,789	6,128,102
Deposits from customers		2,249,263	7,280,587
Others		22,422,923	15,998,906
		301,526,841	267,370,811

11.1 This represents payable to following related parties.

		(Unaudited)	(Audited)
		30 September 2021	31 December 2020
	Note	----- (Rupees) -----	
Virtual World (Private) Limited		5,416,770	4,926,011
TPL Properties (Private) Limited		543,196	223,586
TPL Security Services (Private) Limited		-	170,445
TPL Properties Management (Private) Limited		5,472,823	808,060
		11,432,789	6,128,102

12. CONTINGENCIES AND COMMITMENT

There is no change in the status of the contingencies and commitments and is same as disclosed in the financial statements of the Company as at and for the year ended 31 December 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	(Unaudited)		(Unaudited)	
	For the three months period ended		For the nine months period ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	----- (Rupees) -----		----- (Rupees) -----	
13. NET INSURANCE PREMIUM				
Written gross premium	1,072,576,554	866,781,772	2,445,811,786	2,075,722,525
Add: Unearned premium reserve opening	1,355,521,040	1,161,297,666	1,379,671,304	1,211,232,507
Less: Unearned premium reserve closing	(1,653,351,950)	(1,387,622,947)	(1,653,351,950)	(1,387,622,947)
Premium earned	774,745,644	640,456,491	2,172,131,140	1,899,332,085
Less: Reinsurance premium ceded	224,332,580	207,309,424	467,785,622	342,643,980
Add: Prepaid reinsurance premium opening	236,420,529	125,084,219	269,991,191	158,195,967
Less: Prepaid reinsurance premium closing	(301,662,730)	(240,934,293)	(301,662,730)	(240,934,293)
Reinsurance expense	159,090,379	91,459,350	436,114,083	259,905,654
Net insurance Premium	615,655,265	548,997,141	1,736,017,057	1,639,426,431
14. NET INSURANCE CLAIMS				
Claims paid	483,808,162	398,851,947	1,207,812,955	897,693,223
Add: Outstanding claims including IBNR closing	609,156,304	551,803,082	609,156,304	551,803,082
Less: Outstanding claims including IBNR opening	(539,623,249)	(423,774,342)	(525,295,311)	(252,522,221)
Claims expense	553,341,217	526,880,687	1,291,673,948	1,196,974,084
Less: Reinsurance and other recoveries received	121,279,676	92,917,761	365,502,615	215,751,688
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	482,985,056	346,083,169	482,985,056	346,083,169
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	(353,417,442)	(197,675,598)	(371,662,852)	(89,791,095)
Reinsurance and other recoveries revenue	250,847,290	241,325,332	476,824,819	472,043,762
Net insurance claims expense	302,493,927	285,555,355	814,849,129	724,930,323
15. NET COMMISSION EXPENSE				
Commissions paid or payable	105,794,313	94,302,463	251,546,352	210,647,942
Add: Deferred commission - opening	155,763,662	121,156,815	179,505,165	156,754,128
Less: Deferred commission - closing	(170,777,164)	(144,632,150)	(170,777,164)	(144,632,150)
Commission expense	90,780,811	70,827,128	260,274,353	222,769,920
Less: Commission from reinsurers				
Commission received or receivable	48,901,696	44,015,826	102,259,966	81,782,628
Add: Unearned reinsurance commission - opening	53,448,286	36,006,548	63,336,103	41,427,063
Less: Unearned reinsurance commission - closing	(66,236,103)	(56,455,795)	(66,236,103)	(56,455,795)
Commission from reinsurance	36,113,879	23,566,579	99,359,966	66,753,896
Net Commission expense	54,666,932	47,260,549	160,914,387	156,016,024

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

16 INVESTMENT INCOME

	30 September 2021	30 September 2020
	----- (Rupees) -----	
Dividend and Mark-Up Income		
Dividend Income	9,606,524	12,256
Return on Debt Securities	9,365,026	23,656,305
Return on Term Deposits	17,977,008	41,324,821
Return on PLS bank balances	6,765,810	-
	43,714,368	64,993,382
Net realized gains on investments - Fair value through profit or loss		
Realized gains on disposal / redemption of mutual funds	19,900,354	-
	63,614,722	64,993,382
Net unrealized gains on investments - Fair value through profit or loss		
Unrealized gains on mutual funds	10,434,652	-
	74,049,374	64,993,382
Total investment income	74,049,374	64,993,382
Less: Investment related expenses	(280,710)	(852,852)
	73,768,664	64,140,530

17. TRANSACTIONS WITH RELATED PARTIES

17.1 The related parties comprise Parent Company, associated undertakings, common directorships, employees provident fund, directors and key management personnel. The balances with / due from and transactions with related parties are as follows:

17.2 Balances and transactions with related parties

	30 September 2021	30 September 2020
	----- (Rupees) -----	
TPL Trakker Limited - (associated company)		
Opening balance - receivable*	422,627	287,376
Interest charged during the period	53,398,038	44,125,650
Net expenses charged - group shared costs	(11,307,605)	(28,560,100)
Rent and other services on tracking units	(144,221,022)	(158,294,587)
Net payments made by the Company	106,211,507	143,407,281
Closing balance - receivable	4,503,545	965,620
Advance to TPL Trakker Limited - (associated company)		
Opening balance - receivable*	31,500,000	70,000,000
Payments made during the period	156,000,000	-
Adjustment against receivable	27,500,000	75,000,000
Closing balance - receivable	215,000,000	145,000,000

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

This represents advance to a related party. A special resolution of the shareholders authorising the Company to extend advance upto Rs.300 million was passed in Annual General Meeting of the Company held on 21 April, 2019. The balance carries interest at the rate of 1 period KIBOR + 3.5% with a floor of 10% per annum.

	(Unaudited) 30 September 2021	(Unaudited) 31 September 2020
	----- (Rupees) -----	
TPL Properties Limited - common directorship		
Opening balance - (payable) / receivable*	(223,586)	6,169,128
Rent invoices received during the period	(13,097,123)	(46,351,782)
Net payments made during the period (Private) Limited on amalgamation	13,097,123	41,282,571
Expenses incurred on behalf of the company	-	(1,282,984)
Closing balance - payable	(319,610)	23,910
	(543,196)	(159,157)
TPL Properties Management (Private) Limited - common directorship		
Opening balance - payable*	(808,060)	-
Services received during the period	(9,003,490)	-
Payments made by the company	4,338,727	-
Closing balance - payable	(5,472,823)	-
Virtual World (Private) Limited - common directorship		
Opening accrued outsourcing expenses*	(4,926,011)	(10,198,176)
Services received during the period	(24,995,795)	(22,350,775)
Expenses incurred by the company	-	81,945
Payments made during the period	24,505,036	26,651,485
Closing accrued outsourcing expenses	(5,416,770)	(5,815,521)
Opening balance - (payable) / receivable*	(170,445)	794,655
Expenses incurred (on behalf of the company) / by the company	(416,087)	734,090
Services received during the period	(1,702,360)	(1,428,900)
Sale of fixed assets	2,700,000	-
Closing balance - receivable	411,108	99,845
TPL Direct Insurance Limited Employees Provident Fund		
Opening balance - payable*	(2,153,176)	(1,581,599)
Charge for the period	(15,668,256)	(25,034,703)
Contribution made during the period	15,040,486	24,444,488
Closing balance - payable	(2,780,946)	(2,171,814)
TPL Life Insurance Limited - common directorship		
Opening balance - payable*	(35,632,647)	(213,612)
Expenses incurred by the company	8,429,362	5,296,654
Services received from the company	(1,375,000)	(2,069,324)
Reinsurance services received during the period	27,555,438	-
Purchase software	(10,000,000)	-
Net payments made during the period	11,000,000	(1,931,330)
Other movement during the period	(242,000)	(70,000)
Closing balance - payable	(264,847)	1,012,388
TPL Corp Limited - parent company		
Opening balance - receivable*	5,142,154	28,809,083
Expenses incurred (on behalf of the company) / by the company	(56,927,800)	(20,963,458)
Net payments made during the period	59,490,176	4,900,000
Closing balance - (payable) / receivable	7,704,530	12,745,625
TPL e-Venture (Private) Limited - common directorship		
Balance at the beginning and end of the period - receivable	89,157	89,157

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

17.4 Remuneration to the key management personnel are in accordance with the terms of their employment. Contribution to the provident fund is in accordance with the Company's staff services rules and other transactions with the related parties are in accordance with the agreed terms.

17.5 The Company has signed up consultancy contract with one of the directors, Mr. Andrew Borda, to assist the Company in underwriting and reinsurance placements. The remuneration agreed during the period amounts to Rs. 7.812 million.

* This represent the balances outstanding as at 1st January.

18. SEGMENT REPORTING

	----- (Unaudited) -----					
	For the nine months period ended 30 September 2021					
	Fire & property damage	Marine, aviation & transport	Motor	Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Gross Written Premium						
(Inclusive of Administrative Surcharge)	247,306,104	66,995,680	1,853,913,809	228,046,759	49,549,432	2,445,811,784
Gross Direct Premium	246,666,887	64,580,531	1,793,452,627	227,907,364	44,602,033	2,377,201,442
Facultative Inward Premium	(260,113)	185,950	3,305,338	-	1,958,403	5,189,579
Administrative Surcharge	907,330	2,229,199	57,155,844	139,394	2,988,996	63,420,763
Insurance premium earned	213,239,915	62,112,638	1,714,009,798	143,743,775	40,126,348	2,173,232,474
Insurance premium ceded to reinsurers	(192,123,124)	(43,613,219)	(153,683,785)	(33,955,664)	(12,738,291)	(436,114,083)
Net insurance premium	21,116,791	18,499,419	1,560,326,013	109,788,110	27,388,058	1,737,118,391
Commission income	38,796,214	11,577,412	38,784,531	6,737,333	3,464,476	99,359,967
Net underwriting income	59,913,006	30,076,831	1,599,110,544	116,525,443	30,852,534	1,836,478,359
Insurance claims	(71,514,323)	(21,775,903)	(993,857,767)	(176,266,384)	(28,259,571)	(1,291,673,948)
Insurance claims recovered from reinsurers / salvage	70,256,748	13,835,278	302,727,599	73,552,722	16,452,473	476,824,820
Net Claims	(1,257,575)	(7,940,625)	(691,130,168)	(102,713,662)	(11,807,099)	(814,849,128)
Charge of Premium deficiency reserve						
Commission expense	(31,511,695)	(6,903,008)	(207,636,860)	(10,356,927)	(3,865,863)	(260,274,353)
Management expenses	(6,276,300)	(5,434,402)	(664,141,133)	(35,735,057)	(8,059,517)	(719,646,408)
Net insurance claims and expenses	(39,045,569)	(20,278,035)	(1,562,908,161)	(148,805,646)	(23,732,478)	(1,794,769,889)
Underwriting result	20,867,437	9,798,796	36,202,383	(32,280,203)	7,120,056	41,708,469
Investment income						73,768,664
Other income						78,361,721
Other expenses						(161,927,332)
Results of operating activities						41,911,522
Financial charges						(12,769,316)
Profit before tax for the period						29,142,206
Corporate segment assets	354,793,600	57,604,667	802,026,008	20,412,400	66,332,692	1,301,169,367
Corporate unallocated assets						3,612,825,339
Total assets						4,913,994,706
Corporate segment liabilities	251,935,565	41,491,550	1,762,447,423	64,345,542	56,222,082	2,176,442,162
Corporate unallocated liabilities						1,168,389,901
Total liabilities						3,344,832,063



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

(Unaudited)

For the nine months period ended 30 September 2020

Fire & property damage	Marine, aviation & transport	Motor	Health	Miscellaneous	Aggregate	
(Rupees)						
Gross Written Premium (inclusive of Administrative Surcharge)	196,837,828	28,247,981	1,564,344,753	246,879,874	39,412,089	2,075,722,525
Gross Direct Premium	180,176,226	26,964,249	1,509,731,849	246,765,196	36,580,771	2,000,218,291
Facultative Inward Premium	16,009,257	559,695	4,482,730	-	530,442	21,582,124
Administrative Surcharge	652,345	724,038	50,130,173	114,678	2,300,876	53,922,110
Insurance premium earned	113,762,106	29,758,616	1,579,548,882	141,361,229	34,901,252	1,899,332,085
Insurance premium ceded to reinsurers	(94,511,041)	(16,465,976)	(133,124,611)	-	(15,804,025)	(259,905,654)
Net insurance premium	19,251,065	13,292,640	1,446,424,271	141,361,229	19,097,227	1,639,426,431
Commission income	19,304,170	4,089,191	36,387,701	-	6,972,834	66,753,896
Net underwriting income	38,555,235	17,381,831	1,482,811,972	141,361,229	26,070,061	1,706,180,327
Insurance claims	(155,469,431)	(17,231,861)	(880,288,202)	(125,746,625)	(18,237,965)	(1,196,974,084)
Insurance claims recovered from reinsurers / salvage	144,120,394	10,351,655	308,302,197	-	9,269,516	472,043,762
Net Claims	(11,349,037)	(6,880,206)	(571,986,005)	(125,746,625)	(8,968,449)	(724,930,322)
Reversal of Premium deficiency reserve	-	-	-	-	-	-
Commission expense	(17,298,177)	(4,816,067)	(178,532,670)	(15,968,756)	(6,154,250)	(222,769,920)
Management expenses	(37,125,112)	(5,779,429)	(549,122,421)	(42,527,145)	(6,901,680)	(641,455,787)
Net insurance claims and expenses	(65,772,326)	(17,475,702)	(1,299,641,096)	(184,242,526)	(22,024,379)	(1,589,156,029)
Underwriting result	(27,217,091)	(93,871)	183,170,876	(42,881,297)	4,045,682	117,024,298
Investment income						64,140,530
Net unrealized fair value gains on financials assets at fair value through profit or loss						8,030,892
Net fair value gain on derecognition of financials assets at fair value through profit or loss						994,662
Other income						57,839,435
Other expenses						(153,054,680)
Results of operating activities						94,975,137
Financial charges						(28,743,636)
Profit before tax for the period						66,231,501
Corporate segment assets	287,211,152	15,693,724	599,064,521	11,448,297	18,757,579	932,175,273
Corporate unallocated assets						2,626,593,999
Total assets						3,558,769,272
Corporate segment liabilities	314,591,143	25,404,309	1,550,901,829	188,945,242	39,119,153	2,118,961,676
Corporate unallocated liabilities						625,622,632
Total liabilities						2,744,584,308

19. GENERAL

Figures have been rounded off to the nearest Rupee.

20. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on 26th October 2021 by the Board of Directors of the Company.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

ANNEXURE A

WINDOW TAKAFUL OPERATIONS



Window Takaful Operations
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

	Note	Operator's Fund		Participants' Takaful Fund	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
		(Rupees)		(Rupees)	
ASSETS					
Equipment	5	-	-	23,008,412	42,119,988
Investments					
Mutual Funds	6	-	-	41,967,044	15,614,373
Term deposits	7	-	-	327,500,000	327,500,000
				369,467,044	343,114,373
Takaful/ Retakaful receivable				278,408,138	154,195,535
Retakaful recoveries against outstanding claims				79,273,611	34,522,489
Salvage recoveries accrued				95,705,103	89,252,000
Deferred Wakala Fee				322,991,664	281,159,399
Receivable from Participants' Takaful Fund	9	170,623,465	5,667,742	-	-
Accrued Investment Income				2,511,757	4,426,242
Deferred commission expense		89,752,109	100,436,765	-	-
Deferred taxation - net				3,936,863	4,753,831
Taxation		659,939	887,336	-	-
Prepayments				84,354,709	61,014,449
Cash and bank		11,178,513	4,038,379	183,535,129	145,235,860
Total assets		272,214,026	111,030,222	1,443,192,430	1,159,794,166
FUND AND LIABILITIES					
RESERVES ATTRIBUTABLE TO:					
- OPERATOR'S FUND (OF)					
Statutory Fund		50,000,000	50,000,000	-	-
Accumulated losses		(486,525,039)	(434,416,312)	-	-
		(436,525,039)	(384,416,312)	-	-
- WAQF / PARTICIPANTS' TAKAFUL FUND (PTF)					
Seed money		-	-	2,000,000	2,000,000
Accumulated (deficit) / surplus		-	-	(59,904,348)	39,374,255
				(57,904,348)	41,374,255
Balance of WAQF / PTF					
Qard-e-Hasna	8	(103,900,000)	(103,900,000)	103,900,000	103,900,000
LIABILITIES					
PTF Underwriting provisions					
Outstanding claims (including IBNR)		-	-	272,195,060	175,407,599
Unearned contribution reserve		-	-	757,447,254	636,900,639
Unearned retakaful commission		-	-	8,700,360	8,780,599
Contribution deficiency reserve		-	-	-	141,984
Unearned Wakala Fee		322,991,664	281,159,399	-	-
Contribution received in advance		-	-	10,577,925	8,486,273
Takaful / retakaful payable		-	-	133,403,094	81,324,030
Other creditors and accruals		50,809,776	40,359,879	33,065,881	53,260,920
Payable to TPL Insurance Limited	10	438,837,625	277,827,256	6,050,468	2,669,546
Payable to Operator's Fund	9	-	-	170,623,465	5,667,742
Taxation - provision less payments		-	-	5,133,271	41,880,579
Total Liabilities		812,639,065	599,346,534	1,397,196,778	1,014,519,911
Total fund and liabilities		272,214,026	111,030,222	1,443,192,430	1,159,794,166

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

Window Takaful Operations

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	For the three months period ended		For the nine months period ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Note	----- (Rupees) -----		----- (Rupees) -----	
Participants' Takaful Fund				
Contribution earned net of wakala fee	196,738,664	179,036,365	548,900,723	596,313,778
Less: Contribution ceded to retakaful	(34,382,461)	(14,989,370)	(90,658,743)	(41,005,820)
Net takaful contribution	162,356,203	164,046,995	458,241,980	555,307,958
Net underwriting income	162,356,203	164,046,995	458,241,980	555,307,958
Net claims - reported / settled	(206,881,135)	(143,415,090)	(488,484,253)	(387,879,615)
- IBNR	-	-	(26,049,315)	1,026,839
	(206,881,135)	(143,415,090)	(514,533,568)	(386,852,776)
Reversal of Contribution deficiency reserve	-	-	141,984	-
Other direct expenses	(19,182,672)	(26,170,226)	(58,615,612)	(84,725,998)
(Deficit) / surplus before investment income	(63,707,604)	(5,538,321)	(114,765,216)	83,729,184
Investment income	7,327,635	6,801,195	30,624,070	31,967,388
Net unrealized fair value gains on financials assets at fair value through profit or loss	-	3,534,404	-	4,717,528
Less: Modarib's share of investment income	(2,198,290)	(3,100,680)	(9,187,221)	(11,005,475)
(Deficit) / surplus before taxation	(58,578,259)	1,696,598	(93,328,367)	109,408,625
Taxation	(1,229,080)	-	(5,950,236)	-
(Deficit) / surplus transferred to accumulated surplus	(59,807,339)	1,696,598	(99,278,603)	109,408,625
Items that will be not reclassified to income statement:				
Total comprehensive (loss) / income for the period	(59,807,339)	1,696,598	(99,278,603)	109,408,625
Operator's Fund				
Wakala fee	153,748,598	109,743,872	434,173,204	285,305,565
Commission expense	(43,626,145)	(36,404,558)	(125,619,525)	(122,386,185)
Management expenses	(103,788,880)	(81,357,368)	(298,371,802)	(242,391,775)
	6,333,573	(8,018,054)	10,181,877	(79,472,395)
Investment income	43,964	67,531	206,394	157,570
Modarib's share of PTF investment income	2,198,290	3,100,680	9,187,221	11,005,475
	8,575,827	(4,849,843)	19,575,492	(68,309,350)
Other expenses	(16,100,306)	(20,042,858)	(71,684,218)	(71,963,578)
Loss before taxation	(7,524,480)	(24,892,701)	(52,108,727)	(140,272,928)
Taxation	-	(1,693,681)	-	(4,447,029)
Loss after tax for the period	(7,524,480)	(26,586,382)	(52,108,727)	(144,719,957)
Total comprehensive loss for the period	(7,524,479)	(26,586,382)	(52,108,726)	(144,719,957)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

Window Takaful Operations

CONDENSED INTERIM STATEMENT OF CHANGES IN FUND (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021


Attributable to Operator Fund			
Statutory Fund	Accumulated loss	Total	
----- (Rupees) -----			
Balance as at 1 January 2020	50,000,000	(264,072,288)	(214,072,288)
Net loss for the period	-	(144,719,957)	(144,719,957)
Balance as at 30 September 2020	50,000,000	(408,792,245)	(358,792,245)
Balance as at 1 January 2021	50,000,000	(434,416,312)	(384,416,312)
Net loss for the period	-	(52,108,726)	(52,108,726)
Balance as at 30 September 2021	50,000,000	(486,525,039)	(436,525,039)

Attributable to Participants of the PTF			
Seed Money	Accumulated surplus / (deficit)	Total	
----- (Rupees) -----			
Balance as at 1 January 2020	2,000,000	(50,891,618)	(48,891,618)
Surplus for the period	-	109,408,625	109,408,625
Balance as at 30 September 2020	2,000,000	58,517,007	60,517,007
Balance as at 1 January 2021	2,000,000	39,374,255	41,374,255
Deficit for the period	-	(99,278,603)	(99,278,603)
Balance as at 30 September 2021	2,000,000	(59,904,348)	(57,904,348)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

Window Takaful Operations

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	Operator's Fund		Participants' Takaful Fund	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Operating activities	Note ----- (Rupees) -----			
(a) Takaful activities				
Contributions received	-	-	994,540,577	839,943,685
Retakaful contribution paid	-	-	(78,771,249)	(37,508,790)
Claims paid	-	-	(617,428,486)	(450,439,838)
Retakaful and other recoveries received	-	-	148,478,154	73,648,708
Commission paid	(118,019,824)	(53,879,562)	-	-
Commission received	13,141,527	7,857,937	-	-
Wakala fees received by OF	329,169,353	358,400,000	-	-
Wakala fees paid by PTF	-	-	(329,169,353)	(358,400,000)
Mudarib fees received by OF	7,000,000	11,100,000	-	-
Mudarib fees paid by PTF	-	-	(7,000,000)	(11,100,000)
Net cash inflow from takaful activities	231,291,056	323,478,375	110,649,643	56,143,765
(b) Other operating activities				
Income tax paid	-	(4,181,606)	(816,965)	-
Direct expenses paid	-	-	(22,072,781)	(13,088,557)
Management and other expenses paid	(336,284,773)	(280,654,759)	-	-
Other operating receipts / (payments)	111,927,457	(136,473,271)	(19,756,863)	15,594,961
Net cash (outflow) / inflow from other operating activities	(224,357,316)	(421,309,636)	(42,646,609)	2,506,404
Total cash generated from / (used in) all operating activities	6,933,740	(97,831,261)	68,003,034	58,650,169
Investment activities				
Profit / return received	206,394	157,570	27,080,940	36,169,649
Payment for investment in Mutual Funds / TDRs	-	-	(50,000,000)	(10,000,000)
Qard e Hasna returned by PTF	-	100,000,000	-	(100,000,000)
Proceeds from Mutual Funds / TDRs	-	-	34,000,000	-
Proceeds from Government Securities	-	-	-	20,000,000
Total cash generated from / (used in) investing activities	206,394	100,157,570	11,080,940	(53,830,351)
Financing activities				
Lease obligation paid	-	-	(36,640,800)	(49,239,713)
Financial charges paid	-	-	(4,143,905)	(3,182,287)
Total cash used in financing activities	-	-	(40,784,705)	(52,422,000)
Net cash generated from / (used in) all activities	7,140,134	2,326,309	38,299,269	(47,602,182)
Cash and cash equivalent at beginning of the year	4,038,379	1,760,494	220,235,860	549,719,050
Cash and cash equivalent at end of the period	11,178,513	4,086,803	258,535,129	502,116,868

Window Takaful Operations

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

Operator's Fund		Participants' Takaful Fund	
30 September 2021	30 September 2020	30 September 2021	30 September 2020

(Rupees)

Reconciliation to profit and loss account

Operating cash flows	6,933,740	(97,831,261)	68,003,034	58,650,169
Depreciation Expense	(34,729,240)	(32,075,917)	(42,429,048)	(56,536,782)
Amortization	(1,712,478)	(1,489,498)	-	-
Bad debt reversal / (expense)	-	-	500,000	(4,000,000)
Reversal of Contribution deficiency reserve	-	-	141,984	-
Income tax paid	-	4,181,606	816,965	-
Provision for taxation	-	(4,447,029)	(5,950,236)	-
Investment Income	206,394	157,570	30,624,070	31,967,388
Net realized fair value gains on financials assets at fair value through profit or loss	-	-	-	4,717,528
Financial charges expense	-	-	-	(7,239,170)
Increase in assets other than cash	154,043,669	9,875,648	240,589,352	234,901,572
(Increase) in liabilities	(176,850,813)	(23,091,076)	(391,574,724)	(153,052,080)
(Deficit) / Surplus after taxation	(52,108,727)	(144,719,957)	(99,278,603)	109,408,625

Definition of cash

Cash comprises of cash in hand, policy stamps, bank balances and term 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 17 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

1. STATUS AND NATURE OF BUSINESS

- 1.1** TPL Insurance Limited (the Company or the Operator) was incorporated in Pakistan in 1992 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017) to carry on general insurance business. The Operator was allowed to work as Window Takaful Operator (the Operator) on 04 September 2014 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The Operator is listed at Pakistan Stock Exchange Limited. The principal office of the Operator is located at 19-B, Sindh Muslim Cooperative Housing Society (S.M.C.H.S), near Roomi Masjid, Shahrah-e-Faisal, Karachi, Pakistan.
- 1.2** For the purpose of carrying on the takaful business, the Operator formed a Waqf / Participant Takaful Fund (PTF) on 20 August 2014 under the Waqf deed. The Waqf deed governs the relationship of Operator and Participants for management of takaful operations.

2. BASIS OF PREPARATION

- 2.1** These condensed interim financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:
- International Financial Reporting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) for interim Financial Reporting notified under the Companies Act, 2017; and
 - Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

In case requirements differ, the provisions and directives issued under Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, SECP Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019 shall prevail."

- 2.2** These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable.
- 2.3** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements. Accordingly these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2020.
- 2.4** These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Rupees, unless otherwise stated.
- 2.5** These condensed interim financial statements for the nine months ended September 30, 2021 have been prepared under the historical cost convention, except that investments classified as either 'fair value through profit or loss' or 'fair value through other comprehensive income' are stated at fair value and obligations under employee share option plan are measured at present value.
- 2.6** The Company's financial and insurance risk management objectives and policies are consistent with those that were disclosed in the annual financial statements as at and for the year ended 31 December 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2020.

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period.

The Company has adopted the following amendments to IFRSs which became effective for the current period:

Standard or Interpretation

IFRS 3 & IAS 39 - Interest Rate Benchmark Reform Phase 2 (Amendments)

Covid-19 related rent concessions beyond 30 June 2021 (Amendment to IFRS 16)

The adoption of the above Standards / amendments and improvements to accounting standards did not have any effect on the Company's condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective.

The following IFRSs as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting period beginning on or after 01 January 2022:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 3 - Revised Conceptual Framework (Amendments)	01 January 2022
- IAS 16 - Property, Plant and Equipments: proceeds before intended use	01 January 2022
- IAS 37 - Onerous Contracts: cost of fulfilling a contract	01 January 2022
- IAS 1 - Classification of Liabilities as Current or Non-current (Amendments)	01 January 2023
- IAS 1 - Disclosure of Accounting Policies (Amendments)	01 January 2023
- IAS 8 - Definition of Accounting Estimates (Amendments)	01 January 2023
- IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)	01 January 2023

The above amendments are not likely to have an impact on Company's condensed interim financial statements except for IFRS 9 Financial Instruments. In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on or after 01 January 2022 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards

- IFRS 1 - First time adoption of IFRSs
- IFRS 17 - Insurance Contracts
- IFRS 14 - Regulatory Deferral Accounts

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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 annual financial statements for the year ended December 31, 2020.

5. EQUIPMENT - PTF

	(Unaudited)	(Audited)
	30 September 2021	31 December 2020
	----- (Rupees) -----	
Right of use Assets	23,008,412	42,119,988
	23,008,412	42,119,988

6. INVESTMENT IN MUTUAL FUNDS UNITS - PTF

	(Unaudited)			(Audited)		
	30 September 2021			31 December 2020		
	Cost	Unrealized Gain	Carrying Value	Cost	Unrealized Gain	Carrying Value
	----- (Rupees) -----					
- Classified as 'At fair value through profit and loss'						
AKD Islamic Stock Fund	36,516,536	5,450,507	41,967,043	10,000,000	5,614,373	15,614,373
	36,516,536	5,450,507	41,967,043	10,000,000	5,614,373	15,614,373

7. TERM DEPOSITS - PTF

	(Unaudited)	(Audited)
	30 September 2021	31 December 2020
	----- (Rupees) -----	
Deposits maturing within 12 months	325,000,000	325,000,000
Deposits maturing after 12 months	2,500,000	2,500,000
	327,500,000	327,500,000

- 7.1 These carry profit rate ranging from 5.00% to 6.75% per annum (31 December 2020: 6.00% to 6.75% per annum).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

8. Qard-e-Hasna

	(Unaudited) 30 September 2021	(Audited) 31 December 2020
	----- (Rupees) -----	
Balance as at the beginning of the period	103,900,000	203,900,000
Qard e Hasna returned by PTF during the period	-	(100,000,000)
Balance as at the end of the period	103,900,000	103,900,000

In accordance with the Takaful Rules, 2012, if at any point in time, assets in participant takaful fund are not sufficient to cover its liabilities, the deficit shall be funded by way of an interest free loan (Qard-e-Hasna) from Operator Fund. In the event of future surplus in the Participant Takaful Fund to which a Qard-e-Hasna has been made, the Qard-e-Hasna shall be repaid prior to distribution of surplus to participants.

9. RECEIVABLE/PAYABLE BETWEEN OF & PTF

	(Unaudited) 30 September 2021	(Audited) 31 December 2020
	----- (Rupees) -----	
Wakala fee	147,419,674	583,558
Mudarib fee	3,451,376	1,264,155
Taxes and Duties receivable	19,752,415	3,820,029
	170,623,465	5,667,742

10. OTHER CREDITORS AND ACCRUALS

	Operator's Fund		Participants' Takaful Fund	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Creditors	1,769,827	2,390,342	-	-
Federal insurance fee	-	-	1,269,709	1,084,318
Federal Excise Duty (FED) - net	1,720,140	792,148	16,995,289	12,385,635
Commission payable	45,723,996	35,587,186	-	-
Lease obligation against right-of-use assets	-	-	-	21,899,943
Withholding tax payable	574,229	381,001	1,926,240	4,001,085
Deposits from customers	-	-	2,249,263	7,280,587
Others	1,021,584	1,209,202	10,625,380	6,609,352
	50,809,776	40,359,879	33,065,881	53,260,920

Window Takaful Operations

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	(Unaudited)		(Unaudited)	
	For the three months period ended		For the nine months period ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
11. NET TAKAFUL CONTRIBUTION	----- (Rupees) -----		----- (Rupees) -----	
- PTF				
Written Gross contribution	479,081,981	369,508,919	1,103,620,541	907,451,077
Less: Wakala Fee	(192,335,858)	(157,331,748)	(476,005,469)	(381,709,803)
Contribution Net of Wakala Fee	286,746,123	212,177,171	627,615,072	525,741,274
Add: Unearned contribution reserve opening net of deferred wakala fee	344,448,130	334,522,688	355,741,240	438,235,998
Less: Unearned contribution reserve closing net of deferred wakala fee	(434,455,589)	(367,663,493)	(434,455,589)	(367,663,493)
Contribution Earned	196,738,664	179,036,366	548,900,723	596,313,778
Retakaful contribution ceded	66,536,299	36,129,310	113,718,707	60,019,977
Add: Prepaid retakaful contribution opening	43,004,880	16,932,563	52,098,754	19,058,346
Less: Prepaid retakaful contribution closing	(75,158,718)	(38,072,503)	(75,158,718)	(38,072,503)
Retakaful expense	34,382,461	14,989,370	90,658,743	41,005,820
Net Contribution	162,356,203	164,046,995	458,241,980	555,307,958
12. NET TAKAFUL CLAIMS				
- PTF				
Claims paid	265,357,545	189,142,868	617,428,486	450,439,838
Add: Outstanding claims including IBNR closing	272,195,060	193,224,386	272,195,060	193,224,386
Less: Outstanding claims including IBNR opening	(239,245,920)	(187,833,910)	(175,407,599)	(128,760,879)
Claims expense	298,306,685	194,533,344	714,215,947	514,903,345
Less: Retakaful and other recoveries received	48,492,193	22,722,651	148,478,154	73,648,708
Add: Retakaful and other recoveries in respect of outstanding claims - closing	174,978,713	89,201,420	174,978,713	89,201,420
Less: Retakaful and other recoveries in respect of outstanding claims - opening	(132,045,357)	(60,805,817)	(123,774,489)	(34,799,568)
Retakaful and other recoveries revenue	91,425,549	51,118,254	199,682,378	128,050,570
Net takaful claims expense	206,881,136	143,415,090	514,533,569	386,852,776
13. NET COMMISSION EXPENSE				
- OF				
Commissions paid or payable	53,974,134	38,808,220	128,156,635	97,952,887
Add: Deferred commission - opening	84,003,228	68,063,176	100,436,765	97,920,467
Less: Deferred commission - closing	(89,752,109)	(68,530,020)	(89,752,109)	(68,530,020)
Commission expense	48,225,253	38,341,376	138,841,291	127,343,334
Less: Commission from retakaful				
Commission received or receivable	8,068,189	5,597,803	13,141,527	7,857,936
Add: Unearned retakaful commission - opening	5,231,279	1,598,187	8,780,599	2,358,385
Less: Unearned retakaful commission - closing	(8,700,360)	(5,259,173)	(8,700,360)	(5,259,173)
Commission from retakaful	4,599,108	1,936,817	13,221,766	4,957,148
Net commission expense	43,626,145	36,404,558	125,619,525	122,386,185



Window Takaful Operations
**NOTES TO THE CONDENSED INTERIM FINANCIAL
 STATEMENTS (UN-AUDITED)**
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

14. SEGMENT INFORMATION

(Unaudited)

For the nine months period ended 30 September 2021

14.1 Participants' Takaful Fund

	Fire & property damage	Marine	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Gross Written Contribution (Inclusive of Administrative Surcharge)	54,284,863	9,862,985	924,878,728	107,085,010	7,508,954	1,103,620,540
Gross Direct Contribution	53,347,803	9,482,061	893,635,663	106,965,616	7,159,361	1,070,590,494
Facultative Inward Premium	727,935	95,200	1,635,655	-	-	2,468,790
Administrative Surcharge	209,125	285,724	29,607,420	119,394	349,593	30,571,256
Gross Wakala Fees during the period	(24,543,207)	(4,595,491)	(432,479,509)	(10,815,956)	(3,571,305)	(476,005,468)
Takaful contribution earned net of wakala fee expense	20,293,971	5,346,901	463,885,909	57,790,239	1,583,704	548,900,724
Takaful contribution ceded to retakaful operators	(33,188,394)	(8,192,952)	(33,936,074)	(15,341,324)	-	(90,658,744)
Net takaful contribution	(12,894,423)	(2,846,051)	429,949,835	42,448,915	1,583,704	458,241,980
Net underwriting income	(12,894,423)	(2,846,051)	429,949,835	42,448,915	1,583,704	458,241,980
Takaful claims	(47,241,264)	(1,482,296)	(598,959,739)	(65,538,485)	(994,163)	(714,215,947)
Retakaful claims and other recoveries	46,281,497	1,219,943	143,670,157	8,508,544	2,236	199,682,377
Net Claims	(969,767)	(262,353)	(455,289,582)	(57,029,941)	(991,927)	(514,533,570)
Provision for Contribution deficiency reserve	-	-	-	141,984	-	141,984
Direct expenses	-	-	(58,615,612)	-	-	(58,615,612)
(Deficit) / Surplus before investment income	(13,854,190)	(3,108,404)	(83,955,359)	(14,439,042)	591,777	(114,765,218)
Investment income						30,624,070
Less: Modarib's share of investment income Taxation						(9,187,221) (5,950,236)
Deficit transferred to balance of PTF						(99,278,605)
Corporate segment assets	44,144,477	5,823,880	566,942,026	9,970,048	5,478,257	632,358,688
Corporate unallocated assets						810,833,742
Total assets						1,443,192,430
Corporate segment liabilities	37,576,505	2,427,490	795,715,829	37,817,030	3,883,503	877,420,357
Corporate unallocated liabilities						519,776,421
Total liabilities						1,397,196,778
14.2 Operator's Fund						
Wakala fee	16,672,925	4,657,507	405,035,635	6,381,401	1,425,735	434,173,203
Net Commission expense	732,959	306,694	(124,824,457)	(1,438,352)	(398,368)	(125,619,524)
Management expenses	(1,255,455)	(601,879)	(277,434,389)	(18,080,156)	(999,924)	(298,371,803)
	16,150,429	4,362,322	2,776,789	(13,135,107)	27,443	10,181,876
Modarib's share of PTF investment income						9,187,221
Investment income						206,394
Other expenses						(71,684,219)
Loss before taxation						(62,108,727)
Corporate segment assets	1,486,799	204,319	80,446,261	1,542,281	323,568	84,003,228
Corporate unallocated assets						188,210,798
Total assets						272,214,026
Corporate segment liabilities	6,197,619	575,614	273,469,511	2,690,608	1,471,052	284,404,404
Corporate unallocated liabilities						528,234,661
Total liabilities						812,639,065

Window Takaful Operations
**NOTES TO THE CONDENSED INTERIM FINANCIAL
 STATEMENTS (UN-AUDITED)**
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

14. SEGMENT INFORMATION (CONTINUED)

	(Unaudited)					
	For the nine months period ended 30 September 2020					
	Fire & property damage	Marine	Motor	Health	Miscellaneous	Aggregate
(Rupees)						
14.3 Participants' Takaful Fund						
Gross Written Contribution (inclusive of Administrative Surcharge)	32,049,987	9,279,902	791,745,659	73,468,766	906,763	907,451,077
Gross Direct Contribution	31,035,124	8,797,770	762,146,516	73,372,088	489,113	875,840,611
Facultative Inward Premium	895,795	177,893	3,527,929	-	402,842	5,004,459
Administrative Surcharge	119,068	304,239	26,071,214	96,678	14,808	26,606,007
Gross Wakala Fees during the period	(14,235,514)	(4,208,861)	(357,529,167)	(5,337,578)	(398,683)	(381,709,803)
Takaful contribution earned net of wakala fee expense	16,159,015	5,453,517	518,506,449	55,937,993	256,804	596,313,778
Takaful contribution ceded to retakaful operators	(16,958,343)	(7,014,640)	(16,989,825)	-	(43,012)	(41,005,820)
Net takaful contribution	(799,328)	(1,561,123)	501,516,624	55,937,993	213,792	555,307,958
Net underwriting income	(799,328)	(1,561,123)	501,516,624	55,937,993	213,792	555,307,958
Takaful claims	(13,325,942)	(2,745,565)	(444,381,434)	(53,958,578)	(491,826)	(514,903,345)
Retakaful claims and other recoveries	11,393,940	2,469,251	114,047,382	-	139,996	128,050,569
Net Claims	(1,932,002)	(276,314)	(330,334,052)	(53,958,578)	(351,830)	(386,852,776)
Reversal of Contribution deficiency reserve	-	-	-	-	-	-
Direct expenses	-	-	(77,486,828)	-	-	(77,486,828)
Surplus / (deficit) before investment income	(2,731,330)	(1,837,437)	93,695,744	1,979,415	(138,038)	90,968,354
Investment income						31,967,388
Net unrealized fair value gains on financials assets at fair value through profit or loss						4,717,528
Less: Modarib's share of investment income						(11,005,475)
Financial Charges						(7,239,170)
Surplus transferred to balance of PTF						<u>109,408,625</u>
Corporate segment assets	40,629,091	4,561,299	409,644,937	4,160,070	695,535	459,690,933
Corporate unallocated assets						735,351,021
Total assets						<u>1,195,041,954</u>
Corporate segment liabilities	35,059,026	4,887,823	755,032,142	70,849,201	854,547	866,682,739
Corporate unallocated liabilities						267,842,208
Total liabilities						<u>1,134,524,947</u>
14.4 Operator's Fund						
Wakala fee	7,173,149	3,961,867	272,819,653	1,177,508	173,388	285,305,565
Net Commission expense	(296,981)	(157,483)	(117,409,023)	(4,486,494)	(36,204)	(122,386,185)
Management expenses	(8,634,006)	(2,499,930)	(213,289,835)	(17,723,730)	(244,275)	(242,391,776)
	<u>(1,757,838)</u>	<u>1,304,454</u>	<u>(57,879,205)</u>	<u>(21,032,716)</u>	<u>(107,091)</u>	<u>(79,472,396)</u>
Modarib's share of PTF investment income						11,005,475
Investment income						157,570
Other expenses						(71,963,578)
Loss before taxation						<u>(140,272,929)</u>
Corporate segment assets	3,377,407	296,478	61,373,937	3,421,308	60,890	68,530,020
Corporate unallocated assets						157,145,686
Total assets						<u>225,675,686</u>
Corporate segment liabilities	11,203,912	862,916	230,331,492	4,160,070	251,100	246,809,491
Corporate unallocated liabilities						337,656,440
Total liabilities						<u>584,467,931</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

	(Unaudited) 30 September 2021	(Unaudited) 30 September 2020
----- (Rupees) -----		
15. TRANSACTIONS WITH RELATED PARTIES - PTF		
TPL Insurance Limited		
Opening balance - payable*	2,669,546	626,078
Rental and other services charges	56,665,531	69,219,404
Payments made by PTF - net	(53,284,609)	(69,142,892)
Closing balance - payable	6,050,468	702,590
Operator's Fund		
Opening balance - payable (including Qard-e-Hasna)*	109,567,742	213,792,768
Wakala fee charged during the period	476,005,469	381,709,803
Qard-e-Hasna repaid during the period	-	(100,000,000)
Modarib Fee charged during the period	9,187,221	11,005,475
Taxes and other movement during the period	107,948,869	110,863,046
Payments made during the period	(428,185,836)	(464,312,229)
Closing balance - payable (including Qard-e-Hasna)	274,523,465	153,058,863
TPL Life Insurance Limited - common directorship		
Opening balance - payable*	16,528,662	-
Retakaful services received during the period	(5,380,001)	-
Closing balance - payable	11,148,661	-

* This represent the balances outstanding as at 1st January.

16 GENERAL

Figures have been rounded off to the nearest Rupee.

17. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on 26 October 2021 by the Board of Directors of the Company.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

OTHER

INFORMATION

PATTERN OF SHAREHOLDING

AS AT SEPTEMBER 30, 2021

No. of Shareholders	From	To	Shares Held	Percentage
203	1	100	1,116	0.0010
38	101	500	11,073	0.0094
97	501	1,000	61,001	0.0521
99	1,001	5,000	197,865	0.1688
18	5,001	10,000	124,556	0.1063
12	10,001	15,000	144,230	0.1231
1	15,001	20,000	16,734	0.0143
3	20,001	25,000	72,603	0.0620
1	25,001	30,000	29,905	0.0255
1	30,001	35,000	33,412	0.0285
2	35,001	40,000	74,763	0.0638
1	40,001	45,000	43,307	0.0370
1	45,001	50,000	45,556	0.0389
2	55,001	60,000	118,619	0.1012
1	60,001	65,000	60,062	0.0513
1	95,001	100,000	96,500	0.0823
1	120,001	125,000	124,300	0.1061
2	370,001	375,000	747,290	0.6377
1	400,001	405,000	400,020	0.3413
2	405,001	410,000	811,919	0.6928
1	535,001	540,000	537,620	0.4588
1	675,001	680,000	676,970	0.5777
1	685,001	690,000	690,000	0.5888
1	750,001	755,000	752,983	0.6425
1	2,495,001	2,500,000	2,498,500	2.1320
1	2,695,001	2,700,000	2,698,897	2.3030
1	3,220,001	3,225,000	3,221,500	2.7489
1	3,995,001	4,000,000	4,000,000	3.4132
1	5,095,001	5,100,000	5,099,000	4.3510
1	14,315,001	14,320,000	14,318,953	12.2184
1	18,095,001	18,100,000	18,100,000	15.4448
1	18,205,001	18,210,000	18,208,323	15.5373
1	19,845,001	19,850,000	19,848,684	16.9370
1	23,320,001	23,325,000	23,325,000	19.9034
501			117,191,261	100.0000

CATEGORY OF SHAREHOLDING

AS AT SEPTEMBER 30, 2021

Particulars	No of Folio	No of Shares	Percentage
Directors, CEO & their Spouse and Minor Children	6	17,361	0.015%
Mr. Jameel Yousuf		620	0.001
Mr. Ali Jameel		620	0.001
Mr. Andrew Borda		1	0.000
Syed Nadir Shah		1,120	0.001
Muhammad Aminuddin		15,000	0.013
Associated Companies	8	78,774,450	67.219%
Tpl Corp Limited		77,697,460	66.300
Tpl Holdings (Private) Limited		1,076,990	0.919
Banks, DFI & NBFI	2	451	0.000%
Fawad Yusuf Securities (Pvt.) Limited		329	0.000
Paradigm Factors (Private) Limited		122	0.000
Mutual Funds	8	13,056,290	11.141%
CDC - Trustee Picic Investment Fund		537,620	0.457
CDC - Trustee Picic Growth Fund		752,983	0.640
CDC - Trustee Faysal Stock Fund		5,099,000	4.351
CDC - Trustee Akd Opportunity Fund		2,698,897	2.663
CDC - Trustee Nbp Stock Fund		2,498,500	2.132
CDC - Trustee Hbl - Stock Fund		406,000	0.558
CDC - Trustee Hbl Equity Fund		690,000	0.150
CDC - Trustee Golden Arrow Stock Fund		373,290	0.319
General Public (Local)	458	1,455,980	1.242%
General Public (Forgein)	6	1,705	0.001%
Others	12	560,024	0.478%
Toyota Hyderabad Motors		33,412	0.029
Bonus Fraction B-2018		189	0.000
NCC-pre Settlement Delivery Account		500	0.000
Mohammad Munir Mohammad Ahmed Khanani Securities Limited		4,500	0.004
CDC Stay Order Cases With Fracton		405,919	0.346
Bonus Fraction B-2019		168	0.000
Habib Sugar Mills Ltd		60,062	0.051
Sarfraz Mahmood (Private) Ltd		500	0.000
Maple Leaf Capital Limited		1	0.000
Federal Board Of Revenue		16,734	0.014
Falcon-I (Private) Limited		1	0.000
Toyota Sahara Motors (Pvt) Ltd		38,038	0.033
Foreign Companies	1	23,325,000	19.903%
DEG - Deutsche Investitions - und EntwicklungsgesellschaftmbH ("DEG")		23,325,000	19.903
Company Total	501	117,191,261	100%

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