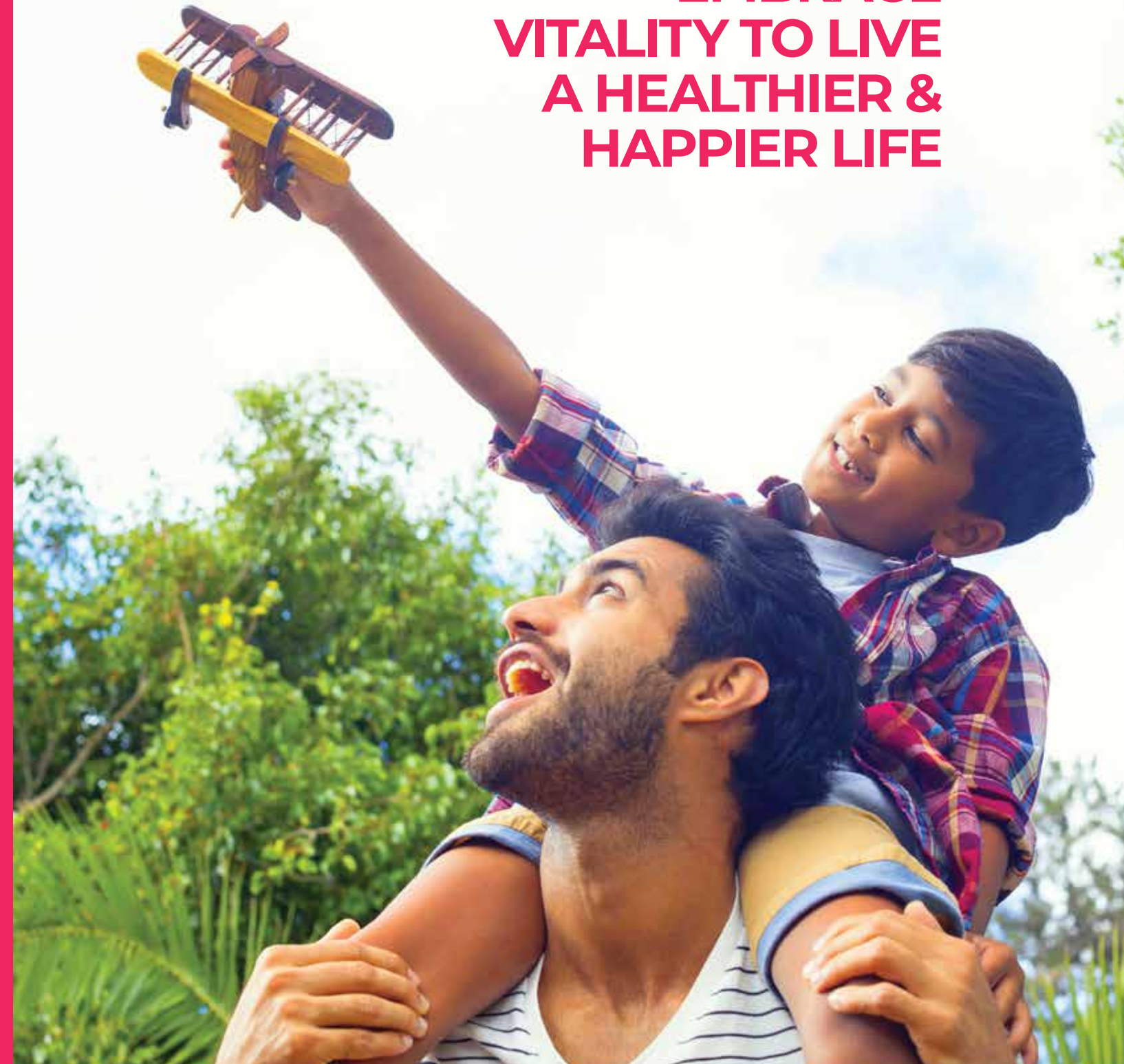


ANNUAL  
**REPORT**  
2023



**EMBRACE  
VITALITY TO LIVE  
A HEALTHIER &  
HAPPIER LIFE**



IGI Life Insurance Limited

Annual Report 2023



IGI Life Insurance Limited  
Annual Report 2023



**IGI Life Insurance Limited**  
7th Floor, The Forum, Suite No. 701-713, G-20, Block 9,  
Khayaban-e-Jami, Clifton, Karachi-75600, Pakistan.  
UAN: (+92-21) 111-111-711 | Web: [www.igilife.com.pk](http://www.igilife.com.pk)



## OUR STORY

The IGI brand has been associated with the insurance industry since 1953 making it one of the earliest and most respected insurance providers in the Pakistani market. It falls under the IGI Holdings umbrella which is owned by the Packages Group.

The Packages Group is one of the most well reputed and diversified business conglomerates with investments in packaging, FMCGs, pharmaceutical and financial services sector. The group is also actively involved in and supports the development and nurturing of social, environmental and educational causes.

IGI Life was acquired with a view to further diversify its financial services portfolio. It was formed with the acquisition of American Life Insurance Company (Pakistan) Limited (Metlife Alico) in 2014 recognized amongst the notable life insurance companies in the private sector. IGI Life is focused on providing innovative products and comprehensive protection solutions.





## VISION

Assure financial future today  
for a better tomorrow.

## MISSION

To provide innovative life and health insurance as well as investments solutions through ground-breaking innovation and exemplary customer service, leveraging different distribution channels.

OUR  
VALUES



CARE



RESPECT



HONESTY



LEAD

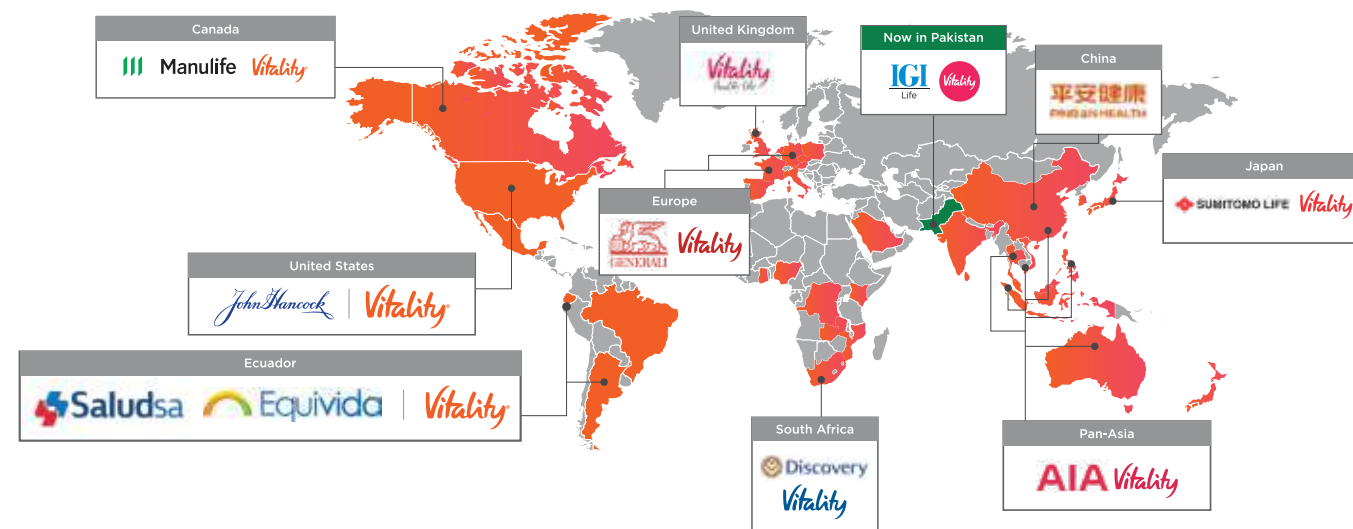


COURAGE

## Validity, the world's first shared-value insurance

In 1997, South Africa's leading insurance company Discovery launched Validity, the world's first shared-value insurance, a business model that rewards people for adopting a healthy lifestyle. By blending smart tech, data incentives and behavioral science, Validity brings a global perspective through successful partnerships with the smartest insurers and most forward-thinking employers around the world. More than 30 million people in 40 countries engage with the Validity programme. For more information, please visit [www.validitygroup.com](http://www.validitygroup.com).

### Validity across the globe



#### Global impact of Validity:

- 34% increase in physical activity among the clients
- More than 6 million exercise goals rewarded every month
- More than 2 billion activities recorded
- More than 200,000 new members worldwide every month

## Collaboration between IGI Life and Validity Group

For the first time ever, IGI Life and IGI Life Window Takaful Operations, part of the Packages Group, collaborated with Validity Group to enhance and protect lives in Pakistan with a positively different insurance/takaful plans. IGI Life Validity aims to help people make the most of their health and wealth and incentivizes them through weekly, monthly and annual rewards.

### IGI Life Validity Plan

IGI Life Validity Plan is an investment plan that is linked to the Validity programme.

Based on the shared value insurance model, this plan encourages its members to lead a healthier life and offers them rewards for doing so.

The plan consists of two core aspects:

- **Validity:** focuses on wellness by providing its members with an understanding of their current health status and incentivizes them to improve their health.
- **Insurance/Takaful coverage:** caters to its members; need for financial security and provides investment opportunities.



## A Mobile-led Strategy

The programme is based on the shared-value approach that incentivizes members to manage their health. It helps them get healthier by giving them tools, knowledge, access and motivation to improve their health, and is based on a three-pronged approach:

- Know your health
- Improve your health
- Enjoy the rewards

The IGI Life Vitality App is the primary tool for engagement that helps its members achieve their goals by monitoring their activity and allowing them to redeem attractive rewards along the way.



### 1. Know Your Health

- Vitality Health Check
- Vitality Health Review
- Vitality Nutrition Assessment
- Non-smokers' Declaration
- Vitality Age


### 3. Enjoy the Rewards

- Weekly Rewards (Active Rewards)
  - o Easy Tickets
  - o Foodpanda
  - o Mobile Top-Up
- Monthly Reward
  - o Up to 100% cashback on Wearable Device.\*\*
- Annual Reward
  - o Integrated Benefit

### 2. Improve Your Health

- Policyholders/Participants earn physical activity points and get weekly rewards
- Policyholders/Participants receive points for completing the Know Your Health section, falling within the healthy range and completing their physical activity targets. The Vitality Active product consists of 4 statuses:
  - Bronze
  - Silver
  - Gold
  - Platinum

## How is IGI Life Vitality Different from Traditional Life Insurance/Family Takaful?

Traditional Life Insurance/Family Takaful	
Focused on fear of death, morbidity/disability	Focused on leading a healthy and active life
Commoditised product (life insurance policy/takaful membership)	Differentiated insurance/takaful plan + healthy and active lifestyle
Long-term investment, no short-term benefit	Long-term investment + Active Rewards on weekly basis + Up to 100% cashback on Samsung Galaxy Watch* + Annual Integrated Benefit*
Protects future of policyholder's/participant's family	Protects future of policyholder's/participant's family + leads to an improved healthy and active lifestyle of the policyholder/participant
Mobile app only for policy/membership details and general information	Mobile-led strategy, IGI Life Vitality App linked to device**
No focus on health	Focuses on health through screening assessments via Vitality Health Check + Vitality Health Review + Vitality Nutrition Assessment + Non-smokers' Declaration + Vitality Age
Low involvement product through yearly transactional relationship only	High involvement product through weekly engagements

\*Terms and Conditions apply

\*\* It is recommended to use a wearable device but your mobile can still track your physical activity through Samsung Health App for Android and Health App for iOS. For details, kindly call UAN (+92-21) 111-111-711. Terms and Conditions apply.

American Life insurance first started operations in Pakistan

1952

1972

Nationalization of the Insurance Industry

1994

First foreign life insurer to re-enter Pakistan

1995

Operation commenced

1998

Started Bancassurance by rolling out First Depositor's Life Insurance Program

Launched stand alone Bancassurance through Branch Banking with Citi Bank

2006

2000

Signed first Single Premium Credit Life Insurance close to 400,000 lives with HBL insuring

2008

Crossed PKR 1 Billion of Gross Written Premium

2011

Metlife acquired Alico to become Metlife Alico

2012

Crossed PKR 4 Billion of Gross Written Premium

2014

IGI Insurance acquires controlling stake in Metlife Alico Pakistan to become IGI Life

2015

Amongst the first few life insurers granted license by SECP to commence Window Takaful Operations

2016

Crossed PKR 7 Billion of Gross Written Premium

2017

Family Takaful Contribution crossed PKR 1 Billion

2018

Partnered with Vitality Group International to bring Vitality, a unique shared value Insurance Program, to Pakistan

2019

Launched Pakistan's first active life insurance product - IGI Life Vitality

2020

Crossed over PKR 1 Billion in New Business Regular Premium IGI Life Vitality

2021

Awarded with **Consumer's Choice Award** for Best Innovative Product in Life Insurance - Vitality & **Global Business Outlook Award** for Most Innovative Life Insurance Company

2022

IGI Life Vitality App was revamped and Weekly Lifestyle Goals were launched with exciting features and new wellness goals.

2023

IGI Life Insurance Limited achieved highest ever Gross Premium

# IGI LIFE INSURANCE LIMITED Timeline

# CONTENTS

Directors' Profile .....	14
Corporate Information .....	18
Nationwide Network .....	20
Chairman's Review .....	23
Directors' Report .....	24
Internal Control Framework .....	31
Key Risks and Opportunities .....	32
Performance at a Glance .....	36
Key Financial Data .....	39
Balance Sheet and Profit & Loss Analysis .....	41
Statement of Value Addition .....	43
Corporate Calendar .....	44
Pattern of Shareholding .....	45
Statement of Compliance with Code of Corporate Governance .....	47
Review Report to the Members on Statement of Compliance .....	51
Auditors' Report to the Members .....	52
Statement of Compliance with Shariah Principles .....	56
Shariah Audit Report to Board of Directors .....	58
<b>Financial Statements (Combined)</b>	
• Statement of Financial Position .....	62
• Profit and Loss Account .....	63
• Statement of Comprehensive Income .....	64
• Statement of Changes in Equity .....	65
• Cash Flow Statement .....	66
• Notes to the Financial Statements .....	67
<b>Financial Statements (Window Takaful Operations)</b>	
• Statement of Financial Position (Un-Audited) .....	126
• Profit and Loss Account (Un-Audited) .....	127
• Statement of Comprehensive Income (Un-Audited) .....	128
• Statement of Changes in Equity (Un-Audited) .....	129
• Cash Flow Statement (Un-Audited) .....	130
• Notes to Financial Statements (Un-Audited) .....	131
Statement of Directors and Statement of Actuary .....	137
Notice of Annual General Meeting .....	138
Request for Annual Report and Notices Through Post .....	140
Notice of Annual General Meeting in Urdu .....	143
Directors' Report in Urdu .....	150
Proxy Form .....	152





## BOARD OF DIRECTORS



**Shamim Ahmad Khan**  
*Chairman*

Mr. Shamim Ahmad Khan is the Chairman of the Board of Directors of the Company. As a member of Civil Service of Pakistan, he occupied senior positions in the Government particularly in the Ministry of Finance. He retired as Secretary, Ministry of Commerce. For more than ten years, he served the then Corporate Law Authority and was its Chairman for six years. The Authority administered all laws which regulated the corporate sector in the country. He led the initiative for restructuring the authority into the Securities and Exchange Commission of Pakistan and also became its first Chairman. He has undertaken a number of consultancy assignments for the World Bank, ADB and DFID besides authoring several papers on capital market issues.

Presently, he is serving as Non-Executive Director of IGI Holdings Limited, IGI General Insurance Limited, Attock Refinery Limited, Attock Cement Pakistan Limited, Pakistan Oilfields Limited and National Refinery Limited. He is also associated with the non-profit sector as Chairman of Packages Foundation, and as a director of Sustainable Development Policy Institute and Karandaz Pakistan which had been established by UK Aid and Melinda and Bill Gates Foundation for promotion of SME sector and digital finance.



**Syed Hyder Ali**  
*Non-Executive Director*

Syed Hyder Ali is associated with the Company as a Non-Executive Director. He is presently the Chief Executive Officer and Managing Director of Packages Limited and IGI Holdings Limited. In 1979, he obtained a degree of Bachelors of Science in Chemical Engineering from the University of Michigan (USA) and proceeded to complete his Masters of Science in June 1981, specializing in Paper Chemistry from The Institute of Paper Chemistry, Lawrence University of Wisconsin, USA. In 1997, Mr. Ali also attended a program for Management Development at the Harvard Business School, Boston, USA.

Mr. Ali also serves on the boards of IGI Life Insurance Limited, IGI General Insurance Limited, IGI Investments (Pvt.) Limited, Nestle Pakistan Limited, Sanofi-Aventis Pakistan Limited, Bulleh Shah Packaging (Pvt.) Limited, Packages Lanka (Pvt.) Limited, Tri-Pack Films Limited, Babar Ali Foundation, Packages Real Estate (Pvt.) Limited, National Management Foundation, Pakistan Center for Philanthropy and Syed Maratib Ali Religious and Charitable Trust Society.

He is a member of the board of Ali Institute of Education (AIE), International Chamber of Commerce (ICC) Pakistan, Lahore University of Management Sciences (LUMS) and World Wide Fund for Nature (WWF) and is a Trustee at the Packages Foundation.

He is the Honorary Consul General of Sweden in Lahore since 1998.

## BOARD OF DIRECTORS



**Syed Yawar Ali**  
*Non-Executive Director*

Syed Yawar Ali is associated with the Company as a Non-Executive Director. He was educated at Aitchison College Lahore and obtained his degrees of Bachelors in Chemical Engineering and Masters in Management Science from the Stevens Institute of Technology in New Jersey (USA). He also completed an Advanced Management Program (AMP 111) from Harvard Business School in 1992. Mr. Ali, joined his family business i.e. Packages Limited in 1972 and then became the Managing Director of Milk Pak Limited. In 1988, Milk Pak joined hands with Nestle for a very successful joint venture.

Syed Yawar Ali is currently Chairman of Nestlé Pakistan Limited, Wazir Ali Industries Limited, Prime Genetics (Pvt) Limited and is a Non-Executive Director of IGI Investments (Pvt.) Limited.

He is also the Co-Chair of the Pakistan India Joint Business Forum (PIJBF); a forum which has been notified by the Ministry of Commerce (Pakistan) to "Promote Trade with India". He is also a member of Pakistan Afghan Joint Business Council; and a Member of "Special Economic Zones Board of Approvals" Chaired by Prime Minister. Further he is a Member of the Prime Minister's Task Force on Science & Technology and a Director of the Dairy & Rural Development Foundation, the Pakistan Dairy Association and the Pakistan Business Council.



**Khurram Raza Bakhtayari**  
*Non-Executive Director*

Mr. Khurram Raza Bakhtayari is associated with the Company as a Non-Executive Director. Khurram obtained his degree in Bachelors of Commerce in 1997, from the Hailey College of Commerce, University of Punjab, Lahore, and qualified as a Chartered Accountant in 2002 from the Institute of Chartered Accountants of Pakistan. He went on to become a fellow member of the Institute in January 2013. Khurram holds vast experience in financial planning, budgeting, financial forecasting and analysis; asset investment and taxation matters.

Khurram is the Chief Executive Officer and Director of Packages Real Estate and the Chief Financial Officer of Packages Limited. He also holds directorships on the boards of IGI Investments, Tri-Pack Films Limited, Anemone Holdings Limited, Bulleh Shah Packaging (Pvt.) Limited, DIC Pakistan Limited, OmyaPack (Pvt.) Limited and Packages Lanka (Pvt.) Limited.

## BOARD OF DIRECTORS



**Mohammad Kamal Syed**

*Non-Executive Director*

Mohammad is associated with the Company as a Non-Executive Director. Mohammad's career spans over 35 years in many senior leadership positions across investment banking, wealth management and fund management, and UHNW client management and management of corporate and institutional relationships. Mohammad joined Coutts in 2012 as Head of Asset Management and has been appointed Interim CEO of Coutts and Wealth Businesses in July 2023.

Prior to Coutts, Mohammad was CEO at MaxCap Partners (UK Multi-Family Office) and founder of Axiom Funds Group. He began his career in investment banking in London. Mohammad specialised in Fixed Income and Derivatives sales and trading at the Bank of Tokyo in London in 1986 and moved to Japan in 1990, where he was responsible for building the South East Asia capital markets and derivatives business.

Mohammad subsequently joined Barclays (1992), where he held senior positions in investment banking. His responsibilities included Deputy Head of the Global Derivatives and Capital Markets, Head of Asia-Pacific and he was a member of several of the bank's senior Executive Management Committees.

Subsequently, he was Global Head of Investment Banking at Sanwa International PLC and Sanwa Financial Products (now Tokyo-Mitsubishi UFJ Group), where he was also Chairman of the Global Executive Committee and member of the Executive Board.



**Faresa Ahsan**

*Independent Director*

Ms. Faresa Ahsan is associated with the Company as an Independent Director. She is a Senior Partner and Head of Corporate Division at Liaquat Merchant Associates; widely recognized as one of the leading law firms in Pakistan.

Ms. Ahsan being a practicing and leading corporate lawyer, specializes in corporate and banking laws, Islamic banking, technology contracts, e-commerce laws, derivatives, capital markets, LNG projects, tenders and procurement related matters. In her senior role she has trained and mentored numerous lawyers at the firm.

Ms. Ahsan completed her degree in Bachelors of Arts (Hons) in Politics and Literature from the University of Punjab in 1979 and went on to achieve Bachelors of Arts (Hons) in Law from the University of Buckingham, UK in 1983. She was called to the Bar of England and Wales in 1983 and is a member of Grey's Inn. She is also enrolled as an Advocate in the High Courts of Pakistan and is a Member of Karachi Bar Association and Sindh Bar Council. Additionally, she has authored several publications and has served as a member of the Audit Oversight Board which is an independent regulatory body regulating chartered accountants in Pakistan and in such capacity assisted with the drafting of, inter alia, regulations and the human resource manual. She has also been recognized time and again by Chambers and Partners and the Legal 500.

## BOARD OF DIRECTORS



**Zehra Naqvi**

*Independent Director*

Ms. Zehra Naqvi is associated with the Company as an Independent Director. She was the CEO of Chubb Insurance Pakistan from September 2005 to September 2017 and has over 35 years of work experience in the insurance sector. Prior to joining Chubb and its predecessor companies (CIGNA and ACE) in 1990, she worked with the Royal Exchange Assurance, a branch of the Guardian Royal Exchange, UK and with Adamjee Insurance Company in Pakistan. Ms. Naqvi holds a B.Sc. Degree, and an MBA Degree from the Institute of Business Administration, Karachi University. She is also a Chartered Insurer Chartered Insurance Institute, UK and is a Certified Director deemed so by from the Institute of Chartered Accountants of Pakistan. She has been an executive committee member with both the Insurance Association of Pakistan, and the American Business Council and has also served on the managing committee of the Overseas Investors Chamber of Commerce & Industry. Ms. Naqvi has represented the Insurance Association of Pakistan, on the Council of Pakistan Insurance Institute and was also Chairperson of the Institute for the term of 2016 and thereafter has been a visiting faculty member at the Institute. Ms. Naqvi has previously served as an Independent Director on the Board of Abbott Laboratories (Pakistan) Limited. Currently she serves as a Non-Executive Director on the Board of Chubb Insurance Pakistan Limited, and as an Independent Director on the Boards of Atlas Asset Management Limited, Attock Petroleum Limited.



**Ali Nadim**

*Chief Executive Officer and Director*

Mr. Ali Nadim is the current Chief Executive Officer of IGI Life Insurance, where he began his journey as the as Chief Operating Officer in 2018. Mr. Nadim spearheaded the partnership with Discovery in Pakistan, which resulted in the introduction and successful implementation of Vitality; the country's first-ever wellness and health integrated insurance product.

Having worked as an actuary for Manulife Canada and as a consultant in the Middle East and Africa, he has over sixteen years of global experience. He did his undergraduate studies at the University of Ontario in Canada, and is a Fellow of the Society of Actuaries of America. Mr. Nadim aspires to spread insurance awareness in Pakistan, improve public health and benefit society through the Vitality shared value model.

## Corporate Information

### Board of Directors

Shamim Ahmad Khan	Chairman	Khurram Raza Bakhtayari	Director
*Syed Hyder Ali	Director	Faresa Ahsan	Director
Zehra Naqvi	Director	Mohammad Kamal Syed	Director
Syed Yawar Ali	Director	Ali Nadim	CEO & Director

### Audit Committee

Faresa Ahsan	Chairperson	Khurram Raza Bakhtayari	Member
Mohammad Kamal Syed	Member	Nadia Perveen Hussain	Secretary
Syed Yawar Ali	Member		

### Claims Settlement Committee

Shamim Ahmad Khan	Chairman	Faresa Ahsan	Member
Syed Yawar Ali	Member	Mahnoor Masood	Secretary

### Underwriting & Reinsurance Committee

Mohammad Kamal Syed	Chairman	Abdul Haseeb	Member
Syed Hyder Ali	Member	Ali Nadim	Member
Zehra Naqvi	Member	Ayesha Haq	Secretary

### Investment Committee

Mohammad Kamal Syed	Chairman	Abdul Haseeb	Member
Syed Hyder Ali	Member	Ali Nadim	Member
Syed Yawar Ali	Member	Shujat Siddiqui	Member
Khurram Raza Bakhtayari	Member	**Sajjad Iftikhar	Secretary

### Ethics Human Resources Remuneration & Nomination Committee (EHRNC)

Zehra Naqvi	Chairperson	Syed Hyder Ali	Member
Khurram Raza Bakhtayari	Member	***Nida Haider	Secretary

### Risk Management and Compliance Committee

Shamim Ahmad Khan	Chairman	Mohammad Kamal Syed	Member
Zehra Naqvi	Member	Khurram Raza Bakhtayari	Member
Syed Yawar Ali	Member	Ayesha Haq	Secretary

\* Ali Nadim replaced Syed Hyder Ali as the CEO with effect from May 29, 2023.

\*\* Waqas Munir replaced Sajjad Iftikhar as the Secretary of Investment Committee with effect from January 1, 2024.

\*\*\* Hadia Tariq replaced Nida Haider as the Secretary of Ethics Human Resources Remuneration & Nomination Committee with effect from January 1, 2024.

## Corporate Information

### Chief Executive Officer

Ali Nadim

### Group Chief Investment Officer

\*Sajjad Iftikhar

### Chief Financial Officer

Abdul Haseeb

### Head of Internal Audit

\*\*Feroze Polani

### Head of Compliance

Atif Usman

### Company Secretary

Nadia Perveen Hussain

### Head of Window Takaful Operations

Raheel-ur-Rehman

### Appointed Actuary

\*\*\*Faisal Haroon MSc FIA

### Shariah Advisor

Dr. Mufti Ismatullah

### Shariah Compliance Officer

Mufti Muhammad Hanif

### Legal Advisor

Surridge and Beecheno  
Haidermota & Co.  
Orr, Dignam & Co.  
Chohan Mian & Sardar (Advocates)

### Rating

Rating Agency: PACRA  
Insurance Financial Strength (IFS)  
Rating: A++  
Outlook: Stable

### Auditor

A. F. Ferguson & Co.  
Chartered Accountants  
A member firm of  
PricewaterhouseCoopers

### Share Registrar

FAMCO Share Registration  
Services (Private) Limited  
8-F next to Hotel Faran,  
Nursery, Block 6, P.E.C.H.S.,  
Shahrah-e-Faisal, Karachi.

### Registered Office

P.O Box No. 10528 Suite # 701-713  
7th Floor, The Forum, Khayaban-e-Jami,  
Block 9, Clifton, Karachi.  
Phones: +92(21) 111-111-711  
Fax: +92(21) 35290042  
Email: service-pakistan@igi.com.pk  
Website: www.igilife.com.pk

### Bankers

Albaraka Bank (Pakistan) Limited	Mobilink Microfinance Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Bank Al-Habib Limited	NRSP Microfinance Bank Limited
Bank Islami Pakistan Limited	Samba Bank Limited
Bank of Punjab	Silk Bank Limited
Dubai Islamic Bank Pakistan Limited	Soneri Bank Limited
Faysal Bank Limited	Standard Chartered Bank (Pakistan) Limited
FINCA Microfinance Bank Limited	Summit Bank Limited
Habib Bank Limited	Telenor Microfinance Bank Limited
HBL Microfinance Bank Limited	The First Microfinance Bank Limited
Khushali Microfinance Bank Limited	U Microfinance Bank Limited
MCB Bank Limited	United Bank Limited
MCB Islamic Bank Limited	Allied Bank Limited
Meezan Bank Limited	

\* Waqas Munir replaced Sajjad Iftikhar as the Group Chief Investment Officer with effect from January 1, 2024.

\*\* Feroze Polani replaced Shahzeb Haider as the Head of Internal Audit with effect from August 25, 2023.

\*\*\* Shujat Siddiqui replaced Faisal Haroon as the Appointed Actuary with effect from January 1, 2024.

## IGI Life Insurance Limited Branch Network

### Head Office

**IGI Life Insurance Limited**  
Suite No. 701-713, 7th Floor, The Forum,  
G-20, Khayaban-e-Jami, Block 9,  
Clifton, Karachi-75600, Pakistan.  
Tel: (+92) 21-35360040  
Email: [service-pakistan@igi.com.pk](mailto:service-pakistan@igi.com.pk)  
(Email for Corporate Customers)

### Customer Services Center

IGI Customer Care,  
**IGI Life Insurance Limited**  
Suite No. 101-103, Mezzanine Floor, Kassam Court,  
BC-9, Block 5, Clifton, Karachi-75600, Pakistan.  
Call: (+92) 21-111-111-711  
Email: [services.life@igi.com.pk](mailto:services.life@igi.com.pk)  
(Email for Corporate Customers)

### Central Region Lahore

#### Lahore Main

**Farhan Yasin**  
Regional Head  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**M. Wasim Minhas**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Rehan Zahid**  
Regional Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Wasif Rasheed**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Adnan Aslam**  
Regional Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Syed Abid Ali Bukhari**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Muhammad Shoaib Yousaf**  
Zonal Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Sobia Aziz**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Mushtaq Ahmed**  
Zonal Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Umar Farooq Qureshi**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Zohaib Aslam**  
Zonal Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Akash Yaqoob**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Shoaib Ali**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Muhammad Rizwan**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Aatif Hussain Bhatti**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Syed Absar Ali Shah**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Chaudhary Danish Pervaiz**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

**Moez Ishtiaq**  
Group Manager  
3rd Floor, Al Malik Plaza,  
19th Davis Road, Lahore.  
Tel: 042-38020308

#### Okara

**Nazakat Hussain**  
Zonal Manager  
1st Floor, M. R. Center, M.A Jinnah Road,  
Okara - Okara Pakistan  
Tel: 0442 510529

**Muhammad Jahanzaib Khan**  
Group Manager  
1st Floor, M. R. Center, M.A Jinnah Road,  
Okara - Okara Pakistan  
Tel: 0442 510529

**Fraz Ahmad**  
Group Manager  
1st Floor, M. R. Center, M.A Jinnah Road,  
Okara - Okara Pakistan  
Tel: 0442 510529

**Azmat Ullah**  
Group Manager  
1st Floor, M. R. Center, M.A Jinnah Road,  
Okara - Okara Pakistan  
Tel: 0442 510529

#### Kasur Branch

**Hafiz Zafar Waheed**  
Branch Manager  
1st Floor, Upper Floor, ZTBL Bank,  
Minhas Colony, Liaquat Road,  
Near Ranger Public School, Kasur.  
Tel: 049-2760984

#### Faisalabad Branch

**Tariq Mahmood Tariq**  
Branch Manager  
Ground Floor, Regency Plaza,  
Opposite PIA Office, Mall Road, Faisalabad.  
Tel: 041-2619131

#### Multan Branch

**Muhammad Riaz**  
Zonal Manager  
3rd Floor, Pace N Pace Shopping Mall,  
Near Chungi No. 6, Bosan Road, Multan.  
Tel: 061-6211502

## IGI Life Insurance Limited Branch Network

### Gujranwala Region

#### Gujranwala Branch

**Ibrar Hussain**  
Regional Head  
3rd Floor, Ghouri Centre,  
GT Road, Gujranwala.  
Tel: 055-3841501

**Shahid Iqbal**  
Zonal Manager  
3rd Floor, Ghouri Centre,  
GT Road, Gujranwala.  
Tel: 055-3841501

**Zubair Ali**  
Branch Manager  
3rd Floor, Ghouri Centre,  
GT Road, Gujranwala.  
Tel: 055-3841501

**Brair Murtaza**  
Group Manager  
3rd Floor, Ghouri Centre,  
GT Road, Gujranwala.  
Tel: 055-3841501

**Khalid Mehmood Lone**  
Group Manager  
3rd Floor, Ghouri Centre,  
GT Road, Gujranwala.  
Tel: 055-3841501

#### Sialkot Branch 1

**Asif Hussain**  
Zonal Manager  
Soni Square, Room No. 7-8,  
Khadim Ali Road,  
Mubarakpura Sialkot.  
Tel: 052-3259422

**Tariq Mehmood**  
Group Manager  
Soni Square, Room No.  
7-8, Khadim Ali Road,  
Mubarakpura Sialkot.  
Tel: 052-3259422

**Madiha Arif**  
Group Manager  
Soni Square, Room No.  
7-8, Khadim Ali Road,  
Mubarakpura Sialkot.  
Tel: 052-3259422

**Usman Ali**  
Group Manager  
Soni Square, Room No.  
7-8, Khadim Ali Road,  
Mubarakpura Sialkot.  
Tel: 052-3259422

### North Region

#### Rawalpindi Branch

**Irfan Farooq**  
Group Manager  
B-134, 2nd & 3rd Floor, Umar Plaza,  
Murre Road, Near Chandni Chowk, Rawalpindi.  
Tel: 051-4424670

#### Mirpur Branch

**Muhammad Shahzad**  
Group Manager  
1st Floor, Jarral Plaza, Kotli Road,  
Sector F-1, Mirpur AJK.  
Tel: 05827-437126

**Muhammad Shahzad Khan**  
Group Manager  
1st Floor, Jarral Plaza, Kotli Road,  
Sector F-1, Mirpur AJK.  
Tel: 05827-437126

### South Region

#### Karachi Main

**Babar Mahmood**  
Zonal Manager  
Suit No. 701-702, 7th Floor, Park Avenue,  
Main Shakra-e-Faisal, Block-6, P.E.C.H.S., Karachi.  
Tel: 021-34312079

## IGI Life Window Takaful Operations Branch Network

### Central Region Lahore

#### Davis Road Branch

**Amjad Mehboob**  
Group Manager  
IGI Window Takaful Floor 3,  
Al Malik Plaza, 19-Davis Road, Lahore.  
Tel: 042-38020308

**Asim Ahmad**  
Group Manager  
IGI Window Takaful Floor 3,  
Al Malik Plaza, 19-Davis Road, Lahore.  
Tel: 042-38020308

**Syed Ajmal Hussain**  
Group Manager  
IGI Window Takaful Floor 3,  
Al Malik Plaza, 19-Davis Road, Lahore.  
Tel: 042-38020308

### North Region

#### Imtiaz Khan

Regional Manager  
IGI Window Takaful, 2nd & 3rd Floor, Umar Plaza,  
B-134, Murree Road, Near Chandni Chowk, Rawalpindi.  
Tel: 051-4424670

#### Sheer Malik

Zonal Manager  
IGI Window Takaful, 2nd & 3rd Floor, Umar Plaza,  
B-134, Murree Road, Near Chandni Chowk, Rawalpindi.  
Tel: 051-4424670

#### Sajjad Khan

Group Manager  
IGI Window Takaful, 2nd & 3rd Floor, Umar Plaza,  
B-134, Murree Road, Near Chandni Chowk, Rawalpindi.  
Tel: 051-4424670

#### Haris Munir

Group Manager  
IGI Window Takaful, 2nd & 3rd Floor, Umar Plaza,  
B-134, Murree Road, Near Chandni Chowk, Rawalpindi.  
Tel: 051-4424670

## IGI Life Window Takaful Operations Branch Network

### Sahiwal Region

#### Jhang Location Office

**Muhammad Hussain**

Zonal Manager  
IGI Window Takaful, Upper Floor,  
Al Wahid Motor, Opp. TCS Office,  
Toba Road, Jhang.  
TEL: 047-7622231

#### Garh More Location Office

**Mazhar Abbas Khan**

Zonal Manager  
IGI Window Takaful, Near Ghulam Ali Memorial Hospital,  
Shorkot Road, Garh More, Tehsil AP Sial, Jhang.  
Tel: 047-5320903

**Qasair Abbas Shahid**

Group Manager  
IGI Window Takaful, Near Ghulam Ali Memorial Hospital,  
Shorkot Road, Garh More, Tehsil AP Sial, Jhang.  
Tel: 047-5320903

#### Faisalabad Branch

**Branch Operation Officer**

IGI Window Takaful, Office No. 02, 05, 08,  
Ground Floor, Regancy Intl Plaza, 949-The Mall,  
Opposite PIA Office, Faisalabad.  
Tel: 041-2619131

### Sahiwal Region Ahmad Pur East

#### Ahmad Pur East Location Office

**Muhammad Aslam**

Branch Manager  
Chand plaza, 1st Floor, Upper Zarai Tarakiati Bank,  
Near Lari Adda, Gadola Chowk, Ahmed Pur East Dist.  
Bahawalpur, Pakistan.  
Tel: 0313-6630368

#### Nawabshah Branch

**Abdullah Masood**

Branch Operation Officer  
1st Floor, Keerio Manzil, Opposite Alfalah Bank,  
Katchery Road, Nawabshah.  
Tel: 0244-362013

### Sahiwal Region Sahiwal

#### Sahiwal Branch

**Muhammad Ali**

Regional Head  
IGI Life Regional Office, Liaquat Raod,  
Near Govt. College of Commerce, Sahiwal.  
Tel: 040-4221653

**Sheikh Muhammad Umair**

Regional Manager  
IGI Life Regional Office, Liaquat Raod,  
Near Govt. College of Commerce, Sahiwal.  
Tel: 040-4221653

**Amber Mumtaz**

Group Manager  
IGI Life Regional Office, Liaquat Raod,  
Near Govt. College of Commerce, Sahiwal.  
Tel: 040-4221653

**Muhammad Tahir Shah**

Group Manager  
IGI Life Regional Office, Liaquat Raod,  
Near Govt. College of Commerce, Sahiwal.  
Tel: 040-4221653

**Saba Mustafa**

Group Manager  
IGI Life Regional Office, Liaquat Raod,  
Near Govt. College of Commerce, Sahiwal.  
Tel: 040-4221653

**Muhammad Ramzan**

Group Manager  
IGI Life Regional Office, Liaquat Raod,  
Near Govt. College of Commerce, Sahiwal.  
Tel: 040-4221653

**Rao Muhammad Ashraf**

Group Manager  
IGI Life Regional Office, Liaquat Raod,  
Near Govt. College of Commerce, Sahiwal.  
Tel: 040-4221653

### Sahiwal Region Multan

#### Multan Branch

**Ieman Zafar**

Group Manager  
IGI Life Regional Office, Liaquat Raod,  
Near Govt. College of Commerce, Sahiwal.  
Tel: 061-6211502

## Chairman's Review Report

I am happy to inform the members of the company that your company was able to achieve marked improvement in practically all aspects of its operations during the year 2023. There was significant increase in gross premium as well as persistency levels. Vitality, the company's flagship product launched in 2019, continues to mark growth and constituted 65% of regular premium. As you may be aware, the product also encourages physical wellbeing through a system of rewards.

As in the past, the board of directors continued to steer the management in pursuing proactive policies to ensure sustained growth of the company. We are fortunate to have in place board directors who are drawn from diversified professional backgrounds of insurance, law, investment and corporate regulations. I am thankful to them for their watchful guidance.

The Board received valuable support from its committees established in accordance with the Code of Corporate Governance for Listed companies and Insurers, as well as other applicable laws. Various committees have been established by the Board including Audit Committee, Human Resource and Ethics Committee, Claims Settlement Committee, Underwriting and Reinsurance Committee, Investment Committee, and Risk Management and Compliance Committee.

A comprehensive mechanism is in place to assess the performance of the Board of Directors and its committees. The board conducts an annual performance review focusing on key criteria including leadership, strategy development, planning, effectiveness, and accountability.

I would like to express my gratitude to all the Board members as well as members of the Committees for their valuable contributions to the Company's performance. I also hope that the management would continue to work with a sense of mission and commitment that they have shown during the period under review and ensure sustained growth of the company.



**Shamim Ahmad Khan**

Chairman

Dated: March 20, 2024

## Directors' Report to the Members

The directors of your Company take pleasure in presenting to you Annual Report of the Company along with the audited financial statements for the year ended December 31, 2023.

Throughout the previous year, the company pursued a strategy, adopted in 2022, that led to improvement in performance. Following the strategy, the company focused on consolidating the agency channel, seeking new opportunities in bancassurance, streamlining the corporate business portfolio, and managing administration and distribution costs. Our flagship product, Vitality, continued to be a significant driver of the growth. The Vitality product is being offered through both agency and bancassurance channels and currently makes up 65% of our regular premium business in 2023.

We are pleased to announce that the management's sustained efforts have led to a Profit before tax of Rs 225 million in 2023, compared to Rs 60 million in the previous year. This result has been achieved despite challenging macroeconomic environment and high inflation.

### COMPANY PERFORMANCE REVIEW 2023

#### GROSS PREMIUM

During the year, Gross Premium written by your Company (including Takaful Contributions) stood at Rs. 7.99 billion as compared to Rs. 6.07 billion in 2022.

Individual life regular premium (including takaful contributions) posted an increase of 7% and stood at Rs. 4.03 billion against Rs. 3.78 billion during the previous year. Renewal premium base increased to Rs. 2.81 billion (2022: Rs. 2.36 billion), registering growth of 19% from last year.

The Group Life and Health premium (including Takaful Group Family and Health) stood at Rs. 2.12 billion (2022: Rs. 1.91 Billion), posting increase of 11% from last year.

Single premium/contribution to individual policies increased from Rs. 0.38 billion last year to Rs. 1.83 Billion posting an increase of 380%.

#### INVESTMENTS

Your Company has generated return on investments of Rs. 2.93 billion against Rs. 1.61 billion last year despite challenging market conditions.

Your Company has a diversified investment portfolio amounting to Rs 23.48 billion (2022: Rs 18.50 billion) representing 88% (2022: 86%) of total assets of the Company. The Company follows prudent investment policy to protect policyholders' funds and to ensure stable and consistent investment returns to them.

The Company offers 13 unit-linked funds in the conventional insurance business and 3 unit-linked funds in the Individual Family Takaful. These funds have varying risk exposure, catering to return appetite of individual policyholders

Conventional Aggressive, Balanced, Secure and Conservative funds have yielded gross returns of 44.1%, 28.2%, 22.1% and 20.6% respectively during the year.

The Company launched its Window Takaful Operations in 2015 and since then has raised funds under management amounting to Rs. 6.6 billion. Takaful Aggressive, Balanced and Conservative funds have yielded gross returns of 37.7%, 26.6% and 19.7% respectively during 2023.

### PROFITABILITY

Summarized view of profit and loss account is as follows:

Profit / Loss	2023	2022
	----- Rupees in '000 -----	
Net Profit before tax	224,865	60,169
Taxation	(82,166)	(18,139)
Net Profit after tax	142,699	42,030
Other comprehensive income / (loss) - net	63,389	(45,824)
Profit per share	0.84	0.25
Break-up value per share (including amount retained in the statutory funds to meet the requirement of Insurance Ordinance)	11.41	10.20

The Company has recorded profit after tax of Rs. 142.69 million in 2023 against profit after tax of Rs. 42.03 million in 2022 (including surplus/ deficit of statutory funds).

The major reason for the Company's turn around is the implementation of the strategic decisions by the management, discussed in the earlier paragraph.

### APPROPRIATIONS AND SOLVENCY MANAGEMENT

On the recommendation of the appointed actuary and with the approval of the Board, the Company has made surplus transfer of Rs. 26.272 million from the Life Participating Fund and Rs. 426.111 million from the Non Participating Fund to the Shareholders' Fund.

### LIFE PARTICIPATING FUND

Policies sold under the Life Participating Fund entitle the policyholders to participate in the Surplus generated during the period, up to the limits prescribed by SECP. The distribution is made in the form of bonus to policyholders. The bonus so distributed is recommended by the Appointed Actuary and approved by the Board. During the year, bonus amounting to Rs. 236 million (2022: Rs. 145 million) was distributed among the policyholders.

### CLAIMS

The Company's top priority has always been expeditious and timely settlement of claims. Your Company has worked hard to improve controls over claim administration and shorten response times by streamlining its claims settlement procedures over the years.

During the year, the Company paid claims amounting to Rs. 1.44 billion (2022: Rs. 1.44 billion).

### AUDIT REPORT

As fully disclosed in note 25.1, the Company is of the view that the levy of sales tax on life insurance business needs to be reviewed in the interest of sustainability and growth of the Life Insurance business in Pakistan. Besides, based on legal advice, the Company along with other insurance companies, has challenged the levy of sales tax in respective High Courts of Punjab and Sindh. The petitions are pending adjudication. The auditors have highlighted this issue in report to the members.

### PRODUCTS AND DISTRIBUTION CHANNELS

The Company has continued to market its unique product portfolio - the Vitality. As previously reported, the Vitality product, which also promotes physical wellbeing through a well-structured system of rewards, is being pushed across all distribution channels. Takaful versions of the products have been released via both the Bancassurance and Agency distribution channels. The company has expanded its digital presence and worked with numerous aggregators to make its products accessible via a digital platform.

## BOARD COMPOSITION AND REMUNERATION

The composition of the Board and the names of Members of the Board as well as those of sub-committees may be seen at Page No. 18 and 19. As required by the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations 2019 your Company has formulated a transparent framework for remuneration of its Directors.

## UNDERWRITING, REINSURANCE AND RISK MANAGEMENT

Your Company is following prudent underwriting practices. The Company is continuing to make significant investment in its Human Capital, Technology and Infrastructure to support underwriting function.

Your Company is following policy aimed at optimizing retention of risk through a carefully designed program of reinsurance. The Company has reinsurance treaties with reputable international reinsurers.

## CAPITAL MANAGEMENT AND LIQUIDITY

The Company maintains adequate capital to support its existing and planned business activities. The Company's paid-up capital and retained earnings stand at Rs. 1,705 million and Rs. 240.80 million respectively.

The Company has a framework in place to ensure adequate liquidity for payment of claims and meeting operating expenses. The Company's cash and cash equivalents as of December 31, 2023 amounted to Rs 2.90 billion (2022: Rs. 3.77 billion).

The risks and opportunities associated with the Company and its business along with the mitigation controls implemented are fully disclosed on page 32 and 33 of the report.

## INFORMATION TECHNOLOGY AND OPERATIONAL EFFICIENCY

The company has incorporated new products, such as IGI Life Vitality, using an IT system purchased from an internationally recognised company. The enhanced system features enable the company to boost operational efficiency and improve customer service. This also allows us to contact customers at home and in the workplace using their own devices.

## RELATED PARTY TRANSACTIONS

At each Board meeting, the Board of Directors approves Company's transactions made with associated companies and related parties based on the recommendations of the Audit Committee. All such transactions are executed at arms' length basis using comparable uncontrolled price method and cost sharing arrangements.

## HUMAN RESOURCE MANAGEMENT

During the current year, the Company strengthened its human capital through recruitment of professional and qualified personnel in various departments including Sales and Marketing, Underwriting, Claims, Finance, Actuarial, Human Resources and Customer Services. During 2023, the Company carried out various training and development programs for the staff and the sales force.

## INTERNAL AUDIT

Your Company has an in-house internal audit function which is overseen by the Audit Committee. The Internal Audit function also ensures compliance with regulatory obligations.

## AUDITORS

Based on the recommendation of the Audit Committee, the Board of Directors has recommended appointment of M/s. A.F. Ferguson and Co. Chartered Accountants as external auditors of the Company.

## HOLDING COMPANY

The Company is a subsidiary of IGI Holdings Limited (formerly IGI Insurance Limited) that holds 82.69% (2022: 82.69%) share capital of the Company.

## INSURER FINANCIAL STRENGTH RATING

During the current year, the Company has maintained its IFS rating from PACRA. The Company has been given an A++ IFS rating with a stable outlook.

## CORPORATE SOCIAL RESPONSIBILITY

In alignment with our commitment to Corporate Social Responsibility, IGI Life Vitality actively participated in various events throughout the year. We proudly sponsored the 8th Annual Deaf Reach Golf Tournament held in Karachi, extending our support to the noble cause of deaf education in Pakistan. The Deaf Reach and Training Center, a program under the Family Educational Services Foundation, works tirelessly to provide education and vocational training to children and youth with hearing impairments. IGI Life Vitality's sponsorship contributed to the success of the event, where more than 130 golfers came together to play, showing their solidarity for Deaf Education.

## FUTURE OUTLOOK

Given the low Life Insurance penetration ratios and significant working population in Pakistan, the market shows promising growth potential. As previously mentioned, certain strategic actions implemented by the Company have played a role in the increase of our revenue in recent years. We are confident in our ability to capitalise on the expanding Life Insurance market in Pakistan by leveraging our strengths. Amidst the ongoing economic circumstances, the company's primary goal is to maintain a cautious approach towards operations, aiming to increase profitability and create more value for policyholders and shareholders.

## GRATITUDE

The Board of Directors would like to express its appreciation of the dedicated hard work and contribution made by the employees. We also take this opportunity to express our gratitude to SECP for their valuable support and guidance. Lastly, our thanks go to our policyholders whose continued patronage has been most valuable for the Company.



**Shamim Ahmad Khan**

Chairman

Dated: March 20, 2024



**Ali Nadim**

Chief Executive Officer

Dated: March 20, 2024

## Compliance with the Code of Corporate Governance for Insurers, 2016, Listed Companies (Code of Corporate Governance) Regulations, 2019 and with PSX Rule Book

The Directors of your Company state as under:

- The financial statements, prepared by the management of the Company fairly present the state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, International Financial Reporting Standards, or any other regulation or law (including but not limited to the Shariah guideline / principles) as applicable in Pakistan, the Insurance Ordinance, 2000, the Insurance Accounting Regulations, 2017, the Insurance Rules, 2017, the directives issued under the Companies Act, 2017, and the Takaful Rules, 2012 have been followed in the preparation of financial statements and any departure there from has been adequately disclosed.
- The internal control system is sound in design and has been effectively implemented and monitored.
- There is no doubts about the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the Listed Companies (Code of Corporate Governance) Regulations, 2019, Code of Corporate Governance for Insurers, 2016 and Regulations contained in the Rule Book of Pakistan Stock Exchange.
- There are no statutory payments on account of taxes, duties, levies and charges, which are outstanding as at December 31, 2023, except as those disclosed in the financial statements.
- The value of investments by the staff retirement fund operated as per their respective unaudited financial statements as at December 31, 2023 are as follows:
 

Employee Provident Fund	Rs. 50.37 million
Employee Gratuity Fund	Rs. 29.68 million
- At present, the Board is in compliance with the requirements of the directors training program as stipulated in the Listed Companies (Code of Corporate Governance) Regulations, 2019.
- Key operating and financial data for last six years is attached to these financial statements.

As required under the Insurance Ordinance, 2000 the Directors confirm that:

- In their opinion and to the best of their belief the annual statutory accounts of the Company set out in forms attached with this statement have been drawn up in accordance with the Insurance Ordinance, 2000 and any rules made thereunder.
- The Company has at all times in the year complied with the provisions of the Ordinance and the rules made thereunder relating to the paid-up capital, solvency and re-insurance arrangements on aggregate basis and as at the date of the statement, the Company continues to be in compliance with provisions of the Ordinance and the rules thereunder as mentioned above.

### BOARD OF DIRECTORS

The Board of Directors of the Company comprises of eight (six males and two females) directors as mentioned below:

Independent Directors	Faresa Ahsan
	Zehra Naqvi
Executive Directors (CEO)	Ali Nadim
Non-executive Directors	Shamim Ahmad Khan
	Mohammad Kamal Syed
	Syed Yawar Ali
	Syed Hyder Ali
	Khurram Raza Bakhtayari

The number of elected/nominated directors on the Board are seven (7) whereas the Chief Executive is a "deemed director" under section 188(3) of the Companies Act, 2017.

The independent directors meet the criteria of independence as laid down under the Code. The Board has fixed the number of independent directors at two considering the required skills set and experience. Therefore, the fraction contained in calculating one-third for the independent directors on the Board of eight (8) directors (including the Chief Executive) has not been rounded-up.

Explanation under Regulation 6: The Board of the Company comprises of eight (8) Directors and the computation for the determination of the under Regulation 6 based on the one-third of the elected directors works out to be 2.67. The Company, currently, has two (2) Independent Directors on its Board duly elected by the shareholders in terms of Section 166 of the Act, who possess requisite competencies, skills, knowledge, and experience to hold office as independent directors, therefore, does not warrant the appointment of a third independent director.

### BOARD AND COMMITTEE MEETINGS

Meetings of the Board of Directors, Audit, Underwriting and Reinsurance, Risk and Compliance, Claims, Investment and Human Resources Remuneration and Nomination Committee were held according to schedule. The details of the meetings held and attendance by each Director in the meeting of the Board and its sub-committees are as follows:

Number of Board meetings held	4
Director's Name	Number of meetings attended
Shamim Ahmad Khan	4
Syed Hyder Ali	4
Syed Yawar Ali	4
Khurram Raza Bakhtayari	4
Mohammad Kamal Syed	4
Zehra Naqvi	3
Faresa Ahsan	4

### AUDIT COMMITTEE

The Audit Committee comprises of four non-executive directors. The terms of reference of the Audit Committee are aligned with the Listed Companies (Code of Corporate Governance) Regulations.

Number of committee meetings held	4
Member's Name	Number of meetings attended
Mohammad Kamal Syed	4
Syed Yawar Ali	4
Khurram Raza Bakhtayari	4
Zehra Naqvi	2
Faresa Ahsan	2

### CLAIM SETTLEMENT COMMITTEE

This Committee approves the Claims Settlement policy of the Company. It oversees the claim position of the Company and ensures that adequate claims reserves are maintained. It pays particular attention to extraordinary claim cases. The Claim Settlement Committee ensures prompt settlement and payment of claims. It reviews all outstanding cases including those before the court, Insurance Ombudsman and the tribunal. It also reviews fraudulent claim cases.

Number of committee meetings held	4
Member's Name	Number of meetings attended
Shamim Ahmad Khan	4
Syed Yawar Ali	4
Faresa Ahsan	4

### UNDERWRITING AND REINSURANCE COMMITTEE

This Committee ensures that adequate reinsurance arrangements are in place. It evaluates the proposed reinsurance arrangements prior to execution, reviews the arrangements from time to time and subject to the consent of the participating reinsurer, and makes appropriate adjustments therein as and when necessary. It also assesses the future effectiveness of the reinsurance program.

The Committee also formulates the underwriting policy of the Company. It sets out the criteria for assessing various types of insurance risks. It regularly reviews the underwriting policies with due regard to its business portfolio and the market development.

Number of committee meetings held	4
Member's Name	Number of meetings attended
Syed Hyder Ali	4
Mohammad Kamal Syed	4
Zehra Naqvi	4

### RISK MANAGEMENT AND COMPLIANCE COMMITTEE

The Committee formulates the risk management policy of the Company. It sets out the criteria for assessing various types of insurance risks. It regularly reviews the underwriting policies with due regard to its business portfolio and the market development.

Number of committee meetings held	4
Name of Members	Number of meetings attended
Shamim Ahmad Khan	4
Mohammad Kamal Syed	4
Syed Yawar Ali	4
Khurram Raza Bakhtayari	4
Zehra Naqvi	4



#### ETHICS, HUMAN RESOURCE, REMUNERATION & NOMINATION COMMITTEE

The Ethics, Human Resources, Remuneration & Nomination Committee is responsible for formulation and regular review of Human Resource policies of the Company. It assists the Board in the matters dealing with selection, evaluation and compensation of senior officers including the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit. It also recommends succession planning of these officers.

Number of committee meetings held	2
Name of Members	Number of meetings attended
Syed Hyder Ali	3
Khurram Raza Bakhtayari	3
Syed Yawar Ali	2
Faresa Ahsan	2
Zehra Naqvi	1

#### INVESTMENT COMMITTEE

The Investment Committee is responsible for supervising the Investment function to ensure optimum returns and safeguarding the policyholder's funds. The committee reviews and approves the investment policy for various funds managed by the Company.

Number of committee meetings held	4
Name of Members	Number of meetings attended
Syed Hyder Ali	4
Syed Yawar Ali	4
Mohammad Kamal Syed	4
Khurram Raza Bakhtayari	3

#### BOARD EVALUATION MECHANISM

The Board of Directors of the Company has an approved mechanism for the annual evaluation of the Board's performance as well as that of its Committees, as required by the CCG Regulations. The Board of Directors and the Board Committees carry out such evaluation exercises on an annual basis.

#### DIRECTORS' REMUNERATION

Directors' remuneration is governed by the articles of association of the Company whereby the Board of Directors is authorized to determine the remuneration of directors from time to time.

Further details of aggregate amount of remuneration to executive and non-executive directors is mentioned in the financial statements, note 37, Page 98 of this annual report.

#### IMPACT ON ENVIRONMENT

IGI Life strives for implementation of measures to improve health, safety and to create a better and safe workplace environment for its employees and surrounded community.

#### TRADE IN SHARES BY DIRECTORS, EXECUTIVES AND THEIR SPOUSES AND MINOR CHILDREN

The CEO, CFO, Company Secretary, Appointed Actuary and Executives have not traded in the shares of the Company during the year.

#### PATTERN OF SHAREHOLDING

The pattern of shareholding as at December 31, 2023 as required under section 227 of the Companies Act, 2017 is included in this annual report.

#### CODE OF CONDUCT

Your Company has been offering traditional life insurance, universal life and unit linked plans to its customers for their future financial security. We strictly comply with the Market Code of Conduct prescribed by the SECP and accordingly disclose all the material facts of our products to the prospective clients.

The Company has Code of Ethics for employees, which they are required to sign each year.



**Shamim Ahmad Khan**

Chairman

Dated: March 20, 2024



**Ali Nadim**

Chief Executive Officer

Dated: March 20, 2024

## Internal Control Framework

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

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

#### Role of Internal Audit

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

#### Role of Risk Management

Being an insurance company, we deal with risks that arise from internal as well as external events while the landscape is constantly changing. Risk management function plays a key role in the management of uncertain situations in line with the strategic objectives of the Company. Our risk management function operates providing a unified framework that identifies, quantifies and manages major categories of risks that might have material effect on Company's values by using both quantitative and qualitative assessments.

#### Role of Compliance

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

## Key Risks and Opportunities

### A) RISK AND ITS MITIGATION STRATEGIES:

S.No.	Risk Name	Description of the Risk	Mitigation Strategy / Controls Implemented by the Company
1	<b>Regulatory and Compliance Risks</b>	The Company is operating in a regulated environment governed by Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Rules, 2017 etc issued by the Securities and Exchange Commission of Pakistan (SECP) from time to time. Life Insurance Industry is a highly regulated industry and subject to frequent changes in applicable laws, rules and regulations. Any omission or failure to meet regulatory compliance may also expose the Company to reputational risks.	<p>The Company through its Risk Management and Compliance Committee (Committee) identifies and mitigates the regulatory and compliance related risks. The Committee oversees the Risk and Compliance Function (Function), comprises of team of professionals, which remain cognizant with upcoming changes in the regulatory requirements. The role of the function is to identify and communicate the risks to the Management and the Committee.</p> <p>The Company also takes cognizance of these changes through updates from legal services, auditors and tax advisors, websites etc. A summary of requirement is reported to the Board, whose guidance is sought by the management. Also, the Company interacts with the regulators directly, as well as through the collective forum of the Insurance Association of Pakistan, to ensure that industry views are represented.</p> <p>Moreover, the Company also ensures the continuous training and development of employees with respect to legal and regulatory requirements through its frequent training programs.</p>
2	<b>Economic and Political Risks</b>	Risks relating to political instability, foreign debt burden, current account deficit, significant fluctuations in foreign exchange rates, inflation and related changes in interest rates and volatility in equity markets. Policy holders' returns are pegged with unit linked policies with underlying equity and debt instruments.	The Company has an Investment Function (Function) that manages the risk by diversifying the investments portfolio into fixed income securities, money market securities and equity securities and keeping sight on the political and economic environment of the country. The function is governed by the Investment Management Committee (Committee) which recommends the Board regarding risks and actions associated with the financial markets due to the economic and political conditions of Pakistan. The Committee also provides a guideline by forming Prudent Investment Policy which is pro-actively used to counter any challenges faced.
3	<b>Liquidity Risks</b>	The life and health insurance business is always adhered to financial risks as its primary objective is to provide protection to its policyholders. The unusual claims pattern, impairment of any financial assets, accidents and catastrophes, failure of reinsurers to provide timely coverages, maturity profiles of the financial assets and volatility in the equity and fixed income markets might expose the Company to Financial and Liquidity Risks.	The Finance department in coordination with Investment Function of the Company ensures the availability of sufficient cash and cash equivalents all the time with the Company. Furthermore, they also monitor the quality of the assets and its maturity profiles to manage its liquidity risks. The Investment function also ensures the credit worthiness of the financial assets available.
4	<b>Underwriting and Reinsurance Risks</b>	The Company operates with Individual Life, Group Life and Health and Unit Linked Insurance products which might expose the Company in failure of meeting the financial liability of the Policyholders. Further, there is also a risk that the cession might not be adequate based the on the risk appetite of the Company or the reinsurer might fails to meet the obligations ceded by the Company.	<p>The Company offer various products suites. These are reviewed internally by the Management as well as approved the Appointed Actuary. The Management pro-actively monitors the same by maintaining various MIS and corrective actions are taken where ever necessary.</p> <p>Further, the Company also cede its risks with the reinsurers based on the risk appetite of the Company. While selecting the reinsurer, the Company assess its credit worthiness and ratings which is also being continuously monitored periodically.</p>
5	<b>Credit Risks</b>	The Company is also exposed to the credit risk as it has an exposure with banks, asset management companies, corporate customers, brokers etc.	The Company has an approved credit policy which provides detailed guidelines regarding the exposure limits and assessment criteria for credit facilities. The management actively monitors the same by party-wise aging analysis and its credit worthiness and timely actions are made to protect the assets of the Company.

## Key Risks and Opportunities

### A) RISK AND ITS MITIGATION STRATEGIES:

S.No.	Risk Name	Description of the Risk	Mitigation Strategy / Controls Implemented by the Company
6	<b>Operational Risks</b>	The operations of the Company are the most important in providing quality services to its Policyholders. The operational risks are related to regulatory changes, human resources, technology and internal processes.	<p>The Company believes in having a transparent and open relationship with the regulator. Company representatives often take part in discussions with the regulator for potential changes to existing as well as upcoming regulations.</p> <p>The Company provides a professional working environment, market competitive remuneration and career enrichment opportunities. Succession planning is in place for key employees. Additionally, Company also has whistleblowing policy in place to enable employees to report any deliberate policy violations confidentiality.</p> <p>Technology risk contains strategic, financial, operational, regulatory, and reputational dimensions. The board and senior management is fully cognizant of IT landscape. A robust Disaster Recovery Plan is in place to mitigate the impacts of loss of data, technology failure and security breaches. The Company is well aware of the risks posed by cyber threats and has taken measures to update our security infrastructure.</p> <p>The Company has an Internal Audit department (Department) oversight by the Board Internal Audit Committee (BAC). The function conducts audit of each operational unit on periodic basis. The function also identifies the gap in the business processes, suggests measures to improves operational efficiencies and recommend the same to the BAC for super visioning. The function also recommends the business processes re-engineering to the redundant processes along with compliance with the regulatory requirement as stipulated.</p>

### B) UNCERTAINTIES FACED BY THE COMPANY:

The key risks identified in the above table might give rise to the following uncertainties to the business of the Company:

- 1) Adverse changes in the regulatory environment.
- 2) Adverse Mortality
- 3) Depletion of Asset under Management (AUM).
- 4) Non-fulfilment of obligations by the reinsurers.
- 5) Interest rate movement.
- 6) Occurrence of catastrophic event(s).
- 7) Political instability affecting the financial markets.
- 8) Threats to the national security and peace of the country ultimately affecting economy and business of the Company.
- 9) Failure of any major product suite or business channel.

### C) OPPORTUNITIES AVAILABLE:

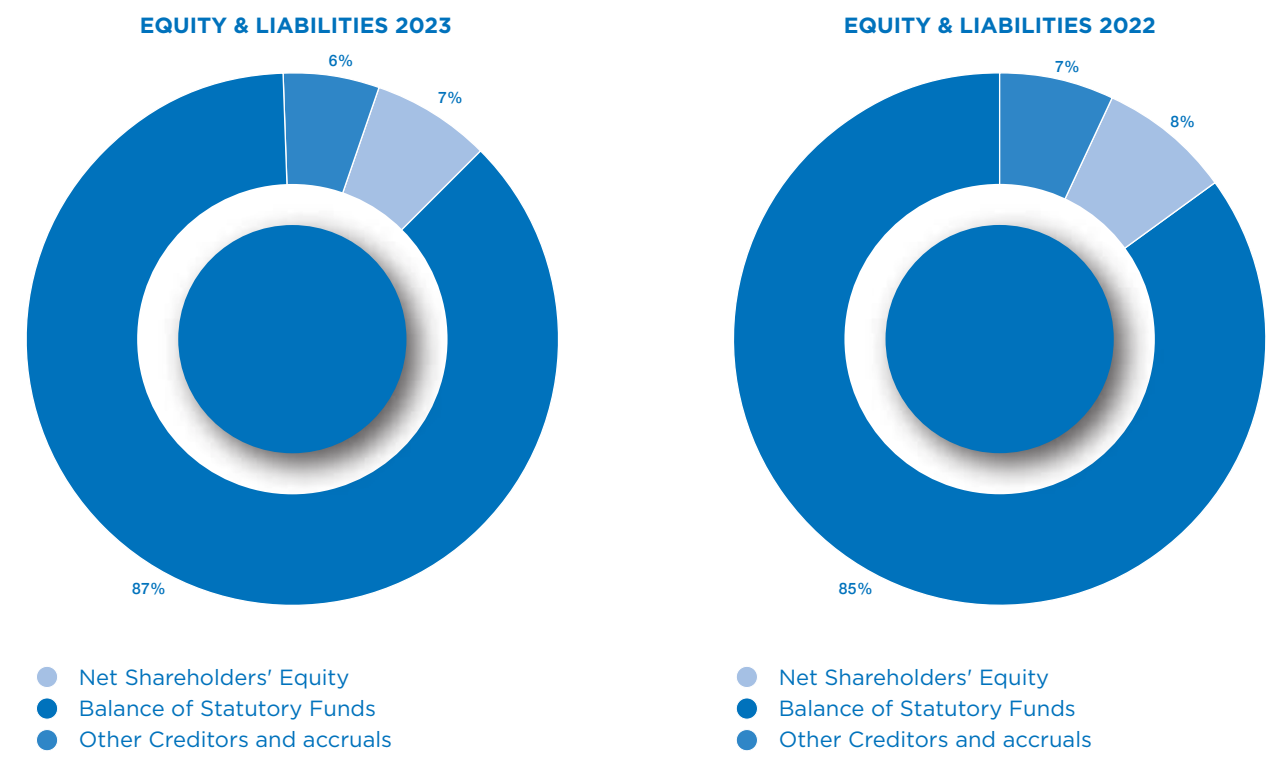
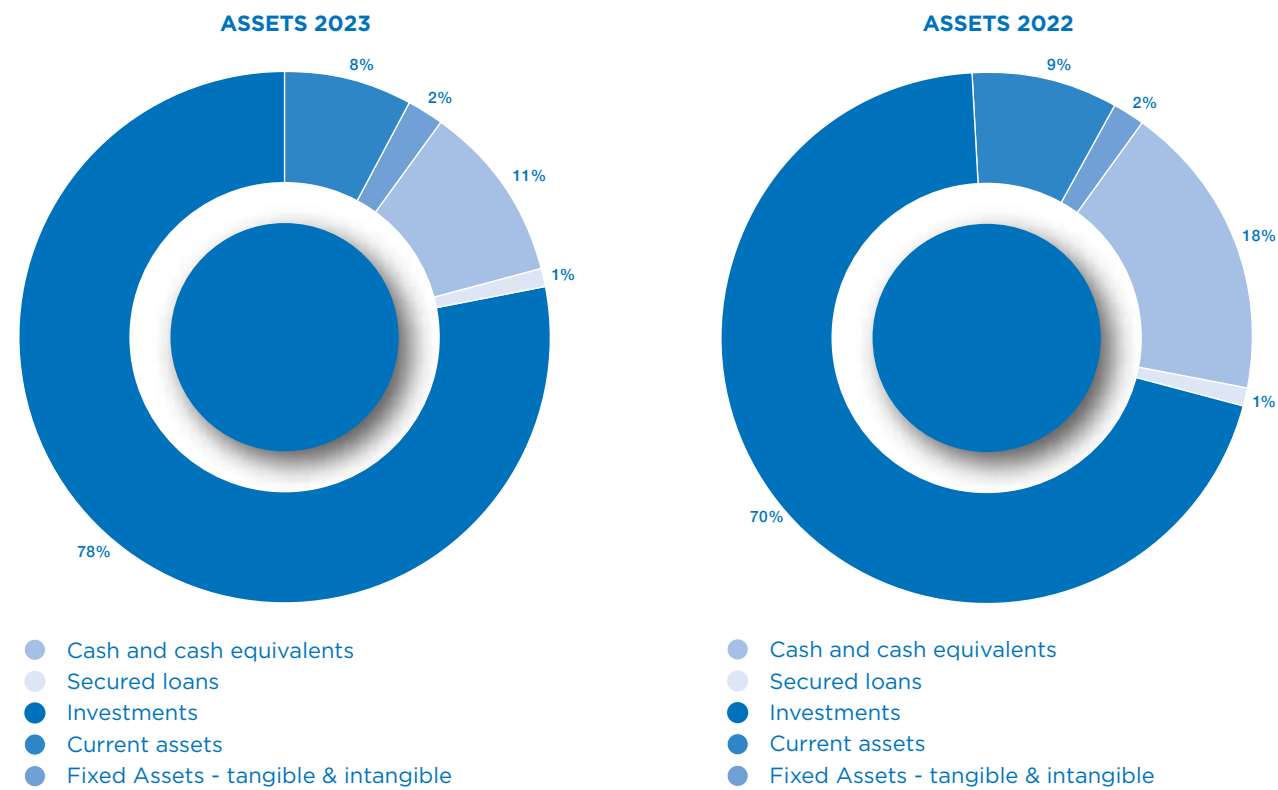
- 1) Life Insurance Industry comprises of less than 1% penetration of the total Gross Domestic Product (GDP) of Pakistan. There is a significant opportunity to increase the same by obtaining competitive advantages through offering good product suites, increased/improved distribution channels using technological means to maximize its outreach and educating masses by creating awareness about the importance of the life insurance.
- 2) Offering Conventional and Shariah Compliant products through Conventional Operations and Window Takaful Operations across the country.



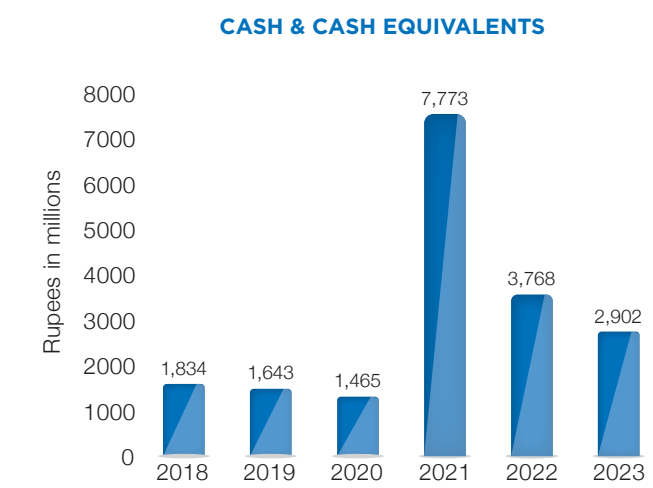
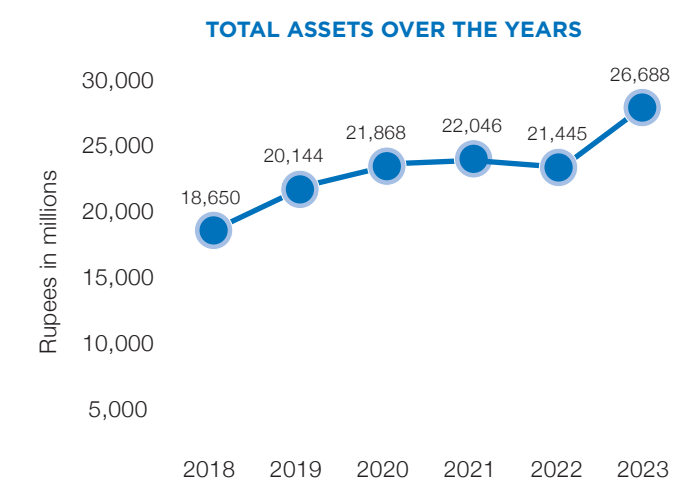
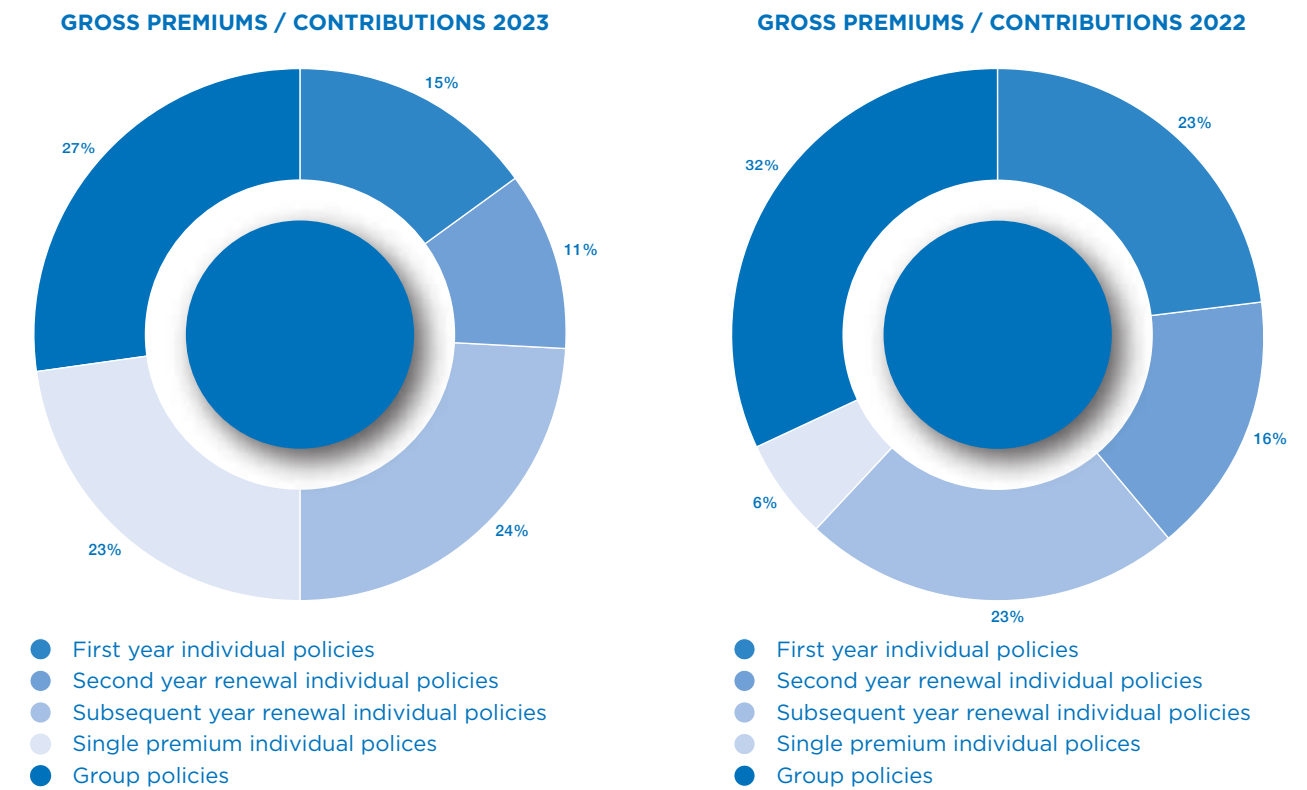
## **CORPORATE SOLUTIONS**

Having large local and multinational conglomerates on-board is a testament of our service standard. We are working constantly with our corporate clientele to enhance their experience. This has proven to be mutually beneficial.

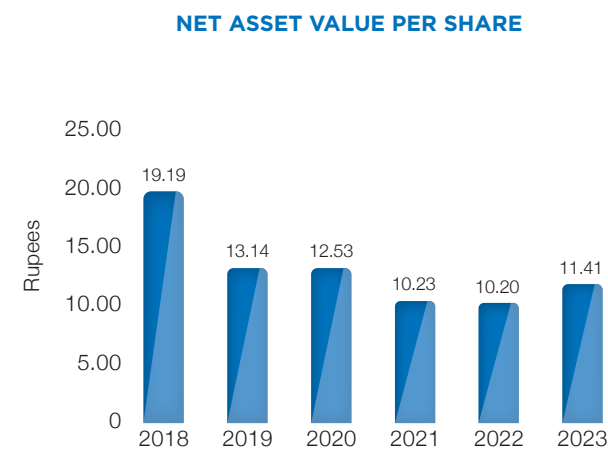
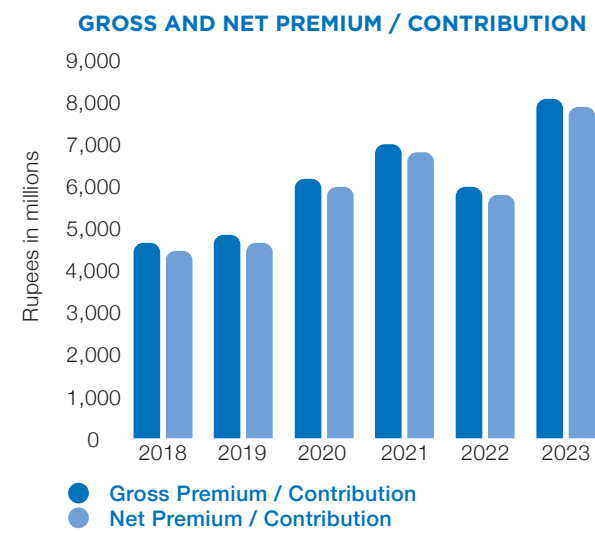
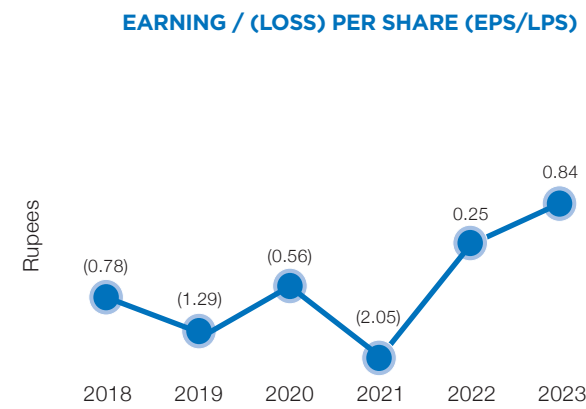
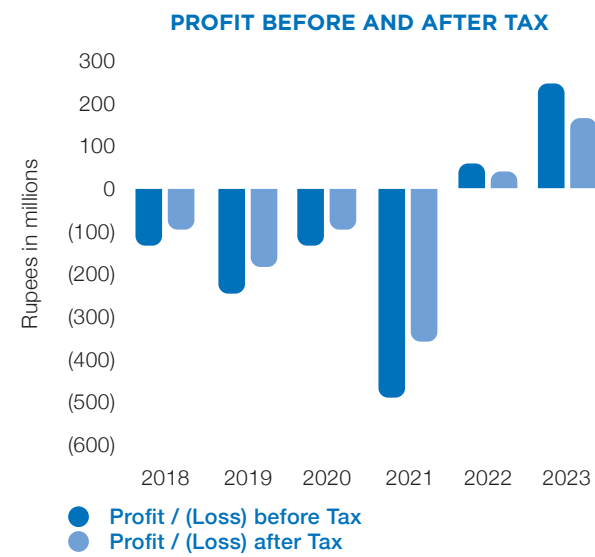
## Performance at a Glance



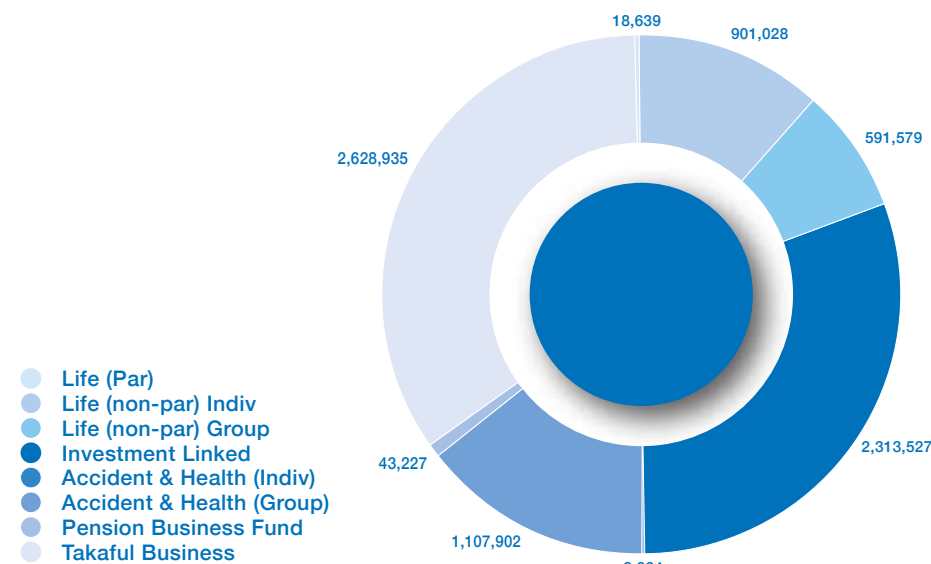
## Performance at a Glance



## Performance at a Glance



### COMPOSITION OF NET PREMIUMS / CONTRIBUTIONS (RUPEES IN '000)



## Key Financial Data

### Six years at Glance

### Financial ratios

#### Profitability / Return to shareholders

		2023	2022	2021	2020	2019	2018
(Loss) / profit before tax / gross premium / contributions	%	2.81%	0.99%	-6.98%	-2.21%	-5.10%	-2.80%
Total Expenses (including claims) / Total Revenue and Incomes	%	64.85%	103.71%	97.84%	86.64%	106.33%	114.26%
Return on assets	%	0.53%	0.20%	-1.58%	-0.44%	-0.88%	-0.51%
Return on equity	%	7.33%	2.41%	-20.02%	-4.48%	-7.89%	-7.00%
EPS	Rs.	0.84	0.25	(2.05)	(0.56)	(1.29)	(0.78)
Price earning ratio	times	14.88	38.55	(18.61)	(102.17)	(20.95)	(60.38)
Net assets per share	Rs.	11.41	10.20	10.23	12.53	13.14	19.19

#### Market data

Face value per share	Rs.	10	10	10	10	10	10
Market value per share at year end	Rs.	12.50	9.50	38.10	57.34	26.98	47.10
Highest share price during the year	Rs.	16.20	37.00	62.44	65.75	50.00	94.50
Lowest share price during the year	Rs.	7.50	9.50	33.10	13.32	11.50	47.10
Market capitalization	'000	2,132,090	1,620,388	6,498,610	9,780,323	4,601,903	3,323,715

#### Performance / Liquidity

Earning asset to Total Asset ratio	%	89.99%	88.11%	88.74%	89.41%	87.52%	89.18%
Net premium / contribution to gross premium / contribution ratio	%	95.27%	94.57%	96.18%	95.76%	96.14%	96.60%
Net claims to net premium / contribution ratio	%	57.12%	92.32%	72.45%	72.82%	102.44%	110.01%
Management expenses to net premium / contribution ratio	%	15.40%	18.18%	17.37%	17.42%	24.40%	17.41%
Current ratio	times	1.06	1.06	1.05	1.09	1.09	1.05
Total assets turnover	times	0.40	0.35	0.37	0.36	0.31	0.31
Fixed assets turnover	times	20.65	13.73	11.50	10.76	9.83	10.34
Equity / total assets	%	7.29%	8.12%	7.91%	9.77%	11.12%	7.26%

## Key Financial Data

### Six years at Glance

Financial data	2023	2022	2021	2020	2019	2018
	----- Rupees in '000 -----					
Paid-up capital	1,705,672	1,705,672	1,705,672	1,705,672	1,705,672	705,672
Retained Earnings and Reserves	240,803	34,715	38,509	431,056	535,041	648,182
Investments	20,918,193	14,952,945	10,708,861	17,916,306	15,818,831	14,616,832
Cash and cash equivalents	2,902,409	3,767,513	7,772,539	1,464,863	1,642,569	1,833,762
Total assets	26,688,033	21,444,923	22,046,187	21,867,742	20,144,099	18,650,377
<b>Operating data</b>						
Gross premium / contributions	7,991,605	6,072,070	7,056,672	6,160,785	4,814,857	4,793,561
Net premium / contributions	7,613,231	5,742,615	6,787,448	5,899,477	4,628,927	4,630,555
Investments income	2,925,173	1,606,297	1,259,608	1,862,054	1,547,348	992,947
Profit before taxation	224,865	60,169	(492,237)	(135,987)	(245,797)	(134,076)
Taxation	(82,166)	(18,139)	143,080	40,262	(69,079)	(39,373)
Profit after taxation	142,699	42,030	(349,157)	(95,725)	(176,718)	(94,703)
EPS	0.84	0.25	(2.05)	(0.56)	(1.29)	(0.78)
<b>Cash flow summary</b>						
Net cash flow from operating activities	708,558	(2,112,544)	(887,032)	(95,965)	(1,607,511)	(1,990,349)
Net cash flow from investing activities	(1,573,662)	(1,892,482)	7,194,709	(81,724)	416,587	2,985,863
Net cash flow from financing activities	-	-	(1)	(17)	999,731	(59,212)
Net cash flow from all activities	(865,104)	(4,005,026)	6,307,676	(177,706)	(191,193)	936,302
Cash and cash equivalents at the beginning of the year	3,767,513	7,772,539	1,464,863	1,642,569	1,833,762	897,460
Cash and cash equivalents at the end of the year	2,902,409	3,767,513	7,772,539	1,464,863	1,642,569	1,833,762

## Balance Sheet and Profit & Loss Analysis

Balance Sheet	2023		2022		2021		2020		2019		2018	
	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%
Net Shareholders' equity	1,946,475	7%	1,740,387	8%	1,744,181	8%	2,136,728	10%	2,240,713	11%	1,353,854	7%
Balance of statutory funds	23,067,220	86%	18,159,025	85%	18,700,567	85%	18,152,024	83%	16,864,180	84%	16,490,600	88%
Deferred Tax liability	-	0%	-	0%	-	0%	-	0%	-	0%	19,772	0%
Creditors and accruals	1,672,209	6%	1,543,382	7%	1,599,310	7%	1,576,860	7%	1,037,059	5%	783,734	4%
Dividend	2,129	0%	2,129	0%	2,129	0%	2,130	0%	2,147	0%	2,417	0%
<b>Total equity and liabilities</b>	<b>26,688,033</b>	<b>100%</b>	<b>21,444,923</b>	<b>100%</b>	<b>22,046,187</b>	<b>100%</b>	<b>21,867,742</b>	<b>100%</b>	<b>20,144,099</b>	<b>100%</b>	<b>18,650,377</b>	<b>100%</b>
Cash and cash equivalents	2,902,409	11%	3,767,511	18%	7,772,539	37%	1,464,863	7%	1,642,569	8%	1,833,762	10%
Secured loans	195,945	1%	175,139	1%	178,706	1%	171,811	1%	167,965	1%	181,375	1%
Investments	20,918,193	78%	14,952,945	70%	10,708,861	51%	17,916,306	82%	15,818,831	79%	14,616,832	78%
Current assets	1,599,754	6%	1,558,684	7%	1,339,055	6%	1,318,784	6%	1,812,599	9%	1,464,200	8%
Deferred Asset	552,893	2%	447,065	2%	439,029	2%	265,015	1%	59,797	0%	-	0%
Fixed Assets - tangible & intangible	518,839	2%	543,576	3%	704,882	3%	730,963	3%	642,338	3%	554,208	3%
<b>Total assets</b>	<b>26,688,033</b>	<b>100%</b>	<b>21,444,923</b>	<b>100%</b>	<b>22,046,187</b>	<b>100%</b>	<b>21,867,742</b>	<b>100%</b>	<b>20,144,099</b>	<b>100%</b>	<b>18,650,377</b>	<b>100%</b>
<b>Revenue and Profit &amp; Loss account</b>												
Net Income	10,812,936	100%	7,539,329	100%	8,177,062	100%	7,932,739	100%	6,331,997	100%	5,745,693	100%
Claims and Expenditures	(6,948,126)	-64%	(7,742,238)	-103%	(7,934,629)	-97%	(6,815,573)	-86%	(6,715,943)	-106%	(6,547,485)	-114%
Movement in policy holders' liability	(3,639,945)	-34%	263,078	3%	(734,670)	-9%	(1,253,153)	-16%	138,149	2%	667,716	12%
Surplus / Profit before tax	224,865	2%	60,169	1%	(492,237)	-6%	(135,987)	-2%	(245,797)	-4%	(134,076)	-2%
Taxation	(82,166)	-1%	(18,139)	0%	143,080	2%	40,262	1%	69,079	1%	39,373	1%
Surplus / Profit after tax	142,699	1%	42,030	1%	(349,157)	-4%	(95,725)	-1%	(176,718)	-3%	(94,703)	-2%

## Balance Sheet and Profit & Loss Analysis

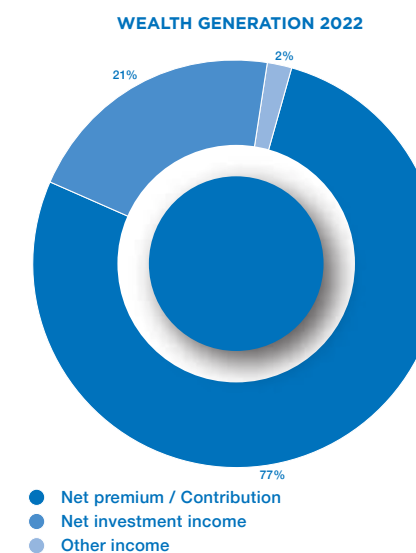
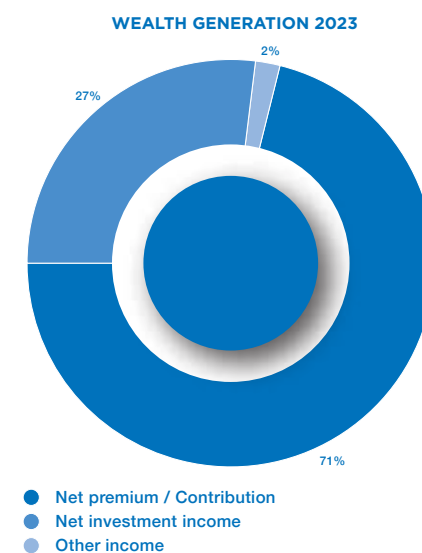
### Horizontal Analysis

Balance Sheet	2023	2022	2021	2020	2019	2018	2023	2022	2021	2020	2019	2018
	Rupees in '000						% increase / (decrease) over preceeding year					
Net shareholders' equity	1,946,475	1,740,387	1,744,181	2,136,728	2,240,713	1,353,854	12%	0%	-18%	-5%	66%	-12%
Balance of statutory funds	23,067,220	18,159,025	18,700,567	18,152,024	16,864,180	16,490,600	27%	-3%	3%	8%	2%	-7%
Deferred tax liability	-	-	-	-	-	19,772	0%	0%	0%	0%	-100%	-67%
Creditors and accruals	1,672,209	1,543,382	1,599,310	1,576,860	1,037,059	783,734	8%	-3%	1%	52%	32%	15%
Dividend	2,129	2,129	2,129	2,130	2,147	2,417	0%	0%	0%	-1%	-11%	120%
<b>Total equity and liabilities</b>	<b>26,688,033</b>	<b>21,444,923</b>	<b>22,046,187</b>	<b>21,867,742</b>	<b>20,144,099</b>	<b>18,650,377</b>	<b>24%</b>	<b>-3%</b>	<b>1%</b>	<b>9%</b>	<b>8%</b>	<b>-7%</b>
Cash and cash equivalents	2,902,409	3,767,511	7,772,539	1,464,863	1,642,569	1,833,762	-23%	-52%	431%	-11%	-10%	104%
Secured loans	195,945	175,139	178,706	171,811	167,965	181,375	12%	-2%	4%	2%	-7%	8%
Investments	20,918,193	14,952,945	10,708,861	17,916,306	15,818,831	14,616,832	40%	40%	-40%	13%	8%	-17%
Current assets	1,599,754	1,558,684	1,339,055	1,318,784	1,812,599	1,464,200	3%	16%	2%	-27%	24%	21%
Deferred asset	552,893	447,065	439,029	265,015	59,797	-	24%	2%	66%	343%	0%	0%
Fixed Assets - tangible & intangible	518,839	543,576	704,882	730,963	642,338	554,208	-5%	-23%	-4%	14%	16%	333%
<b>Total assets</b>	<b>26,688,033</b>	<b>21,444,923</b>	<b>22,046,187</b>	<b>21,867,742</b>	<b>20,144,099</b>	<b>18,650,377</b>	<b>24%</b>	<b>-3%</b>	<b>1%</b>	<b>9%</b>	<b>8%</b>	<b>-7%</b>
<b>Revenue and Profit &amp; Loss account</b>												
Net Income	10,812,936	7,539,329	8,177,062	7,932,739	6,331,997	5,745,693	43%	-8%	3%	25%	10%	-14%
Claims and Expenditures	(6,948,126)	(7,742,238)	(7,934,629)	(6,815,573)	(6,715,943)	(6,547,485)	-10%	-2%	16%	1%	3%	18%
Movement in policy holders' liability	(3,639,945)	263,078	(734,670)	(1,253,153)	138,149	667,716	-1484%	-136%	-41%	-1007%	-79%	-173%
Surplus / Profit before tax	224,865	60,169	(492,237)	(135,987)	(245,797)	(134,076)	274%	-112%	262%	-45%	83%	-159%
Taxation	(82,166)	(18,139)	143,080	40,262	69,079	39,373	353%	-113%	255%	-42%	75%	-158%
Surplus / Profit after tax	142,699	42,030	(349,157)	(95,725)	(176,718)	(94,703)	240%	-112%	265%	-46%	87%	-160%

## Statement of Value Addition

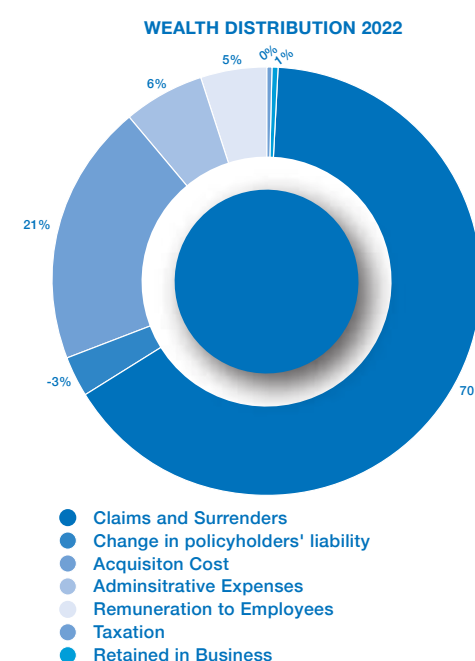
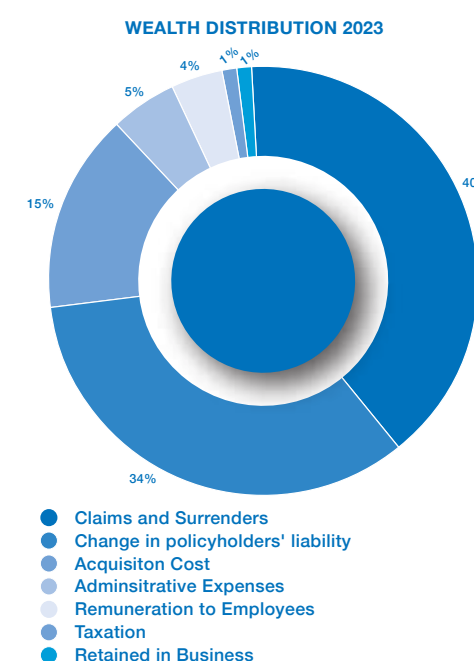
**WEALTH GENERATION**  
 Net premium / Contribution  
 Net investment income  
 Other income  
**Wealth generated**

2023		2022	
Amount (Rupees in '000)	%	Amount (Rupees in '000)	%
7,613,231	71%	5,742,615	77%
2,925,173	27%	1,606,297	22%
175,614	2%	116,591	2%
<b>10,714,018</b>	<b>100%</b>	<b>7,465,503</b>	<b>100%</b>



**WEALTH DISTRIBUTION**  
 Claims and Surrenders  
 Change in policyholders' liability  
 Acquisition Cost  
 Administrative Expenses  
 Remuneration to employees  
 Taxation  
 Retained in Business

2023		2022	
Amount (Rupees in '000)	%	Amount (Rupees in '000)	%
4,348,974	40%	5,301,836	70%
3,639,945	34%	(263,078)	-3%
1,638,787	15%	1,603,651	21%
485,665	4%	460,921	6%
474,700	4%	375,830	5%
82,166	1%	18,139	0%
142,699	1%	42,030	1%
<b>10,812,936</b>	<b>100%</b>	<b>7,539,329</b>	<b>100%</b>



## Financial / Event Calendar

Event	Date
<b>Results</b>	
Financials for the year ended December 31, 2022	20-Mar-2023
Notice of AGM to Shareholders alongwith Financial Statements (DVD) for the year ended December 31, 2022	06-Apr-2023
Financials for the three months ended March 31, 2023	25-Apr-2023
Annual General Meeting schedule to consider and approve annual Accounts for the year ended December 31, 2022	27-Apr-2023
Notice of EOGM (Election of Directors)	2-May-2023
Extraordinary General Meeting (Election of Directors)	23-May-2023
Corporate Briefing Session	23-May-2023
Financials for the six months ended June 30, 2023	23-Aug-2023
Financials for the nine months ended September 30, 2023	24-Oct-2023

## Pattern of Shareholding

as at December 31, 2023

NO. OF SHAREHOLDERS	NO. OF SHAREHOLDINGS		TOTAL SHARES
	FROM	TO	
369	1	100	5,760
141	101	500	40,942
132	501	1,000	103,768
177	1,001	5,000	455,821
36	5,001	10,000	280,436
16	10,001	15,000	212,152
8	15,001	20,000	140,716
8	20,001	25,000	190,095
12	25,001	30,000	345,431
6	30,001	35,000	194,828
6	35,001	40,000	223,913
3	45,001	50,000	147,000
3	50,001	55,000	157,417
1	55,001	60,000	58,000
2	60,001	65,000	121,884
2	65,001	70,000	132,671
1	70,001	75,000	75,000
2	85,001	90,000	173,573
2	95,001	100,000	195,929
1	105,001	110,000	108,500
1	115,001	120,000	117,562
1	120,001	125,000	125,000
1	125,001	130,000	129,635
1	135,001	140,000	135,766
2	140,001	145,000	286,472
1	145,001	150,000	150,000
1	185,001	190,000	188,819
3	195,001	200,000	600,000
1	230,001	235,000	232,906
1	300,001	305,000	302,136
1	340,001	345,000	343,741
1	505,001	510,000	507,056
1	530,001	535,000	532,968
1	600,001	605,000	604,272
1	920,001	925,000	922,000
1	955,001	960,000	957,780
1	1,945,001	1,950,000	1,948,601
1	2,780,001	2,785,000	2,782,469
1	8,455,001	8,460,000	8,456,373
1	9,125,001	9,130,000	9,129,286
1	138,750,001	138,755,000	138,750,522
<b>952</b>			<b>170,567,200</b>



## Key Shareholding Information

Shareholding Information as at December 31, 2023 required under reporting framework is as follows:

Shareholder's category	Number of Shareholders	Number of shares held
<b>Associated Companies, Undertaking and Related Parties</b>		
IGI HOLDINGS LIMITED	2	138,750,934
M/S. IGI INSURANCE LIMITED (BONUS-SO)	3	2,292,387
<b>TOTAL &gt;&gt;</b>	<b>5</b>	<b>141,043,321</b>
<b>Directors and their spouse</b>		
SYED HYDER ALI	3	958,483
MR. KHURRAM RAZA BAKHTAYARI	2	703
SYED YAWAR ALI	3	5,505
MR. MOHAMMAD KAMAL SYED	2	703
MR. SHAMIM AHMAD KHAN	2	703
MS. FARESA AHSAN	1	703
MS. ZEHRA NAQVI	1	703
SYEDA NIGHAT ALI	1	507,056
<b>TOTAL &gt;&gt;</b>	<b>15</b>	<b>1,474,559</b>
<b>General Public</b>		
LOCAL		
<b>TOTAL &gt;&gt;</b>	<b>905</b>	<b>18,414,082</b>
<b>Executives</b>		
<b>TOTAL &gt;&gt;</b>	-	-
<b>Public Sector Companies and Corporations</b>		
<b>TOTAL &gt;&gt;</b>	-	-
<b>Others</b>		
<b>TOTAL &gt;&gt;</b>	<b>24</b>	<b>1,175,951</b>
<b>Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Takaful, Modaraba and Pension Funds</b>		
<b>TOTAL &gt;&gt;</b>	<b>3</b>	<b>8,459,287</b>
<b>Shareholder Holding ten percent (10%) or more voting Rights in the Listed Company</b>		
IGI HOLDINGS LIMITED	1	138,750,934

## Categories of Shareholding

as at December 31, 2023

S.No.	Shareholders Category	No. of Shareholders	No. of Shares	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children	15	1,474,559	0.86
2	Associated Companies, Undertakings and Related Parties	5	141,043,321	82.69
3	NIT and ICP			
4	Banks, Development Financial Institutions, Non-Banking Financial Institutions	3	8,459,287	4.96
5	Insurance Companies			
6	Modarabas and Mutual Funds			
7	Share holders holding 10%	1	141,043,321	82.69
8	General Public :			
	a. Local	905	18,414,082	10.80
	b. Foreign	-	-	-
9	Others	24	1,175,951	0.69
	<b>Total (excluding : share holders holding 10%)</b>	<b>952</b>	<b>170,567,200</b>	<b>100.00</b>

## Statement of Compliance with the Code of Corporate Governance for Insurers, 2016, & the Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended December 31, 2023

This statement is being presented in compliance with the Code of Corporate Governance for Insurers, 2016 (the Code) and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations, for the purpose of establishing a framework of good governance, whereby IGI Life Insurance Limited, a listed insurance company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code and the Regulations in the following manner:

1. The total number of directors are eight (8) as per the following:
  - a) Male: Six (6)
  - b) Female: Two (2)
2. The Company ensures representation of independent non-executive directors and facilitates directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Name
Independent / Female Directors	Ms. Zehra Naqvi Ms. Faresa Ahsan
Chief Executive Officer and Director	Ali Nadim
Non-Executive Directors	Shamim Ahmad Khan (Chairman) Syed Hyder Ali Khurram Raza Bakhtayari Syed Yawar Ali Mohammad Kamal Syed

The number of elected/nominated directors on the Board are seven (7) whereas the Chief Executive is a "deemed director" under section 188(3) of the Companies Act, 2017.

The independent directors meet the criteria of independence as laid down under the Code. The Board has fixed the number of independent directors at two considering the required skills set and experience. Therefore, the fraction contained in calculating one-third for the independent directors on the Board of eight (8) directors (including the Chief Executive) has not been rounded-up.

Explanation under Regulation 6: The Board of the Company comprises of eight (8) Directors and the computation for the determination of the under Regulation 6 based on the one-third of the elected directors works out to be 2.67. The Company, currently, has two (2) Independent Directors on its Board duly elected by the shareholders in terms of Section 166 of the Act, who possess requisite competencies, skills, knowledge, and experience to hold office as independent directors, therefore, does not warrant the appointment of a third independent director.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies, where applicable).
4. All the resident Directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or NBFI or being a member of stock exchange, has been declared as a defaulter by a stock exchange.
5. During the year no casual vacancies arose on the Board.
6. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
7. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
8. All powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, other executive directors and the key officers, have been taken by the Board in accordance with the Companies Act, 2017 and the Regulations.

9. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven (7) days before the meeting. The minutes of the meeting were appropriately recorded and circulated.
10. The Board has established a system of sound internal control, which is effectively implemented at all levels within the Company. The Company has adopted and complied with all the necessary aspects of internal controls given in the Code.
11. At present, the Board is in compliance with the requirements of the time frame related to directors' training program as stipulated in the Regulations, and for those not requiring training exemptions are in place.
12. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Code and the Regulations.
13. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and the Regulations and fully describes the salient matters required to be disclosed.
14. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board.
15. The directors, chief executive officer and other executives do not hold any interest in the shares of the Company other than disclosed in the pattern of shareholding.
16. The Company has complied with all the corporate and financial reporting requirements of the Code.
17. The Board has formed the following Management Committees:

UNDERWRITING & REINSURANCE COMMITTEE	
Name of the Member	Category
Mohammad Kamal Syed	Chairman
Syed Hyder Ali	Member
Zehra Naqvi	Member

CLAIM SETTLEMENT COMMITTEE	
Name of the Member	Category
Shamim Ahmad Khan	Chairman
Syed Yawar Ali	Member
Faresa Ahsan	Member

RISK MANAGEMENT AND COMPLIANCE COMMITTEE	
Name of the Member	Category
Shamim Ahmad Khan	Chairman
Zehra Naqvi	Member
Syed Yawar Ali	Member
Mohammad Kamal Syed	Member
Khurram Raza Bakhtayari	Member

18. The Board has formed the following Board Committees:

ETHICS, HUMAN RESOURCE, REMUNERATION & NOMINATION COMMITTEE	
Name of the Member	Category
Zehra Naqvi	Chairperson
Syed Hyder Ali	Member
Khurram Raza Bakhtayari	Member

INVESTMENT COMMITTEE	
Name of the Member	Category
Mohammad Kamal Syed	Chairman
Syed Yawar Ali	Member
Syed Hyder Ali	Member
Shujaat Siddiqui	Member
Abdul Haseeb	Member
Ali Nadim	Member

19. The Board has formed an Audit Committee. It comprises of four (4) members, of whom two (2) are independent directors (if applicable) and two (2) are non-executive directors. The chairperson of the Committee is an independent director. The composition of the Audit Committee is as follows:

AUDIT COMMITTEE	
Name of the Member	Category
Faresa Ahsan	Chairperson
Mohammad Kamal Syed	Member
Syed Yawar Ali	Member
Khurram Raza Bakhtayari	Member

20. The terms of references of the Committees have been formed and advised to the Committees for compliance. The frequency of meetings (quarterly / half yearly / yearly) of the Committees were as follows:


BOARD COMMITTEES	
Name of the Committee	Frequency
Ethics, Human Resource & Remuneration Committee & Nominations Committee	Half Yearly
Investment Committee	Quarterly
Audit Committee	Quarterly
Underwriting, Reinsurance & Coinsurance Committee	Quarterly
Claim Settlement Committee	Quarterly
Risk Management & Compliance Committee	Quarterly


21. The Board has set up an effective internal audit function who is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company and is involved in the internal audit function on a regular basis.
22. The Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Head of Internal Audit possess such qualification and experience as is required under the Code of Corporate Governance for Insurers, 2016. The Appointed Actuary of the Company also meets the conditions as laid down in the said Code. Moreover, the persons heading the underwriting, claim, reinsurance, customer service and grievance departments possess qualification and experience of direct relevance to their respective functions, as required under section 12 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000):

Name of the Person	Designation
Ali Nadim	Chief Executive Officer
Abdul Haseeb	Chief Financial Officer
Raiq Essani	Head of Actuarial and Reinsurance
Nadia Perveen Hussain	Company Secretary
Feroze Polani	Head of Internal Audit
Saleem Shah	Head of Underwriting
Mahnoor Masood	Head of Claims
Kashif Ahmed	Head of Customer Services and Grievance
Atif Usman	Head of Compliance
*Faisal Khan	Head of Risk

23. The statutory auditors of the Company have been appointed from the panel of auditors approved by the Commission in terms of section 48 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000). The statutory auditors have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP), and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
24. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the requirements stipulated in the Companies Act, 2017, the Regulations and any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
25. The appointed actuary of the Company has confirmed that he or his spouse and minor children do not hold shares of the Company.
26. The Board ensures that the appointed actuary complies with the requirements set out for him in the Code of Corporate Governance for Insurers, 2016.
27. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provisions of the Code of Corporate Governance for Insurers, 2016.
28. The Board ensures that the risk management system of the Company is in place as per the requirement of the Code of Corporate Governance for Insurers, 2016.
29. The Company has set up a risk management function, which carries out its tasks as covered under the Code of Corporate Governance for Insurers, 2016.
30. The Board ensures that as part of the risk management system, the Company gets itself rated from PACRA, which is being used by its risk management function and the respective committee as a risk monitoring tool. The Insurer Financial Strength (IFS) rating assigned by the said rating agency PACRA, as per their notification dated June 26, 2023 is A++ (A plus) with stable outlook.
31. The Board has set up a grievance department / function, which fully complies with the requirements of the Code of Corporate Governance for Insurers, 2016.
32. Apart from seeking exemption from the requirement to attend a Director's Training Program (DTP) on behalf of two of its directors, the Company has not obtained any other exemptions from the Securities & Exchange Commission of Pakistan in respect of any of the requirements of the Code.
33. We confirm that all other material principles contained in the Code of Corporate Governance for Insurers, 2016 and mandatory requirements of regulation 3, 6, 7, 8, 27, 32, 33 and 36 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 have been complied.

By order of the Board

  
**Shamim Ahmad Khan**  
 Chairman  
 Dated: March 20, 2024

  
**Ali Nadim**  
 Chief Executive Officer  
 Dated: March 20, 2024

## Independent Auditor's Review Report

To the members of IGI Life Insurance Limited

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

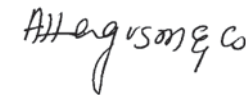
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Code of Corporate Governance for Insurers, 2016 (both herein referred to as 'the Regulations') prepared by the Board of Directors of IGI Life Insurance Limited ('the Company') for the year ended December 31, 2023 in accordance with the requirements of regulation 36 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and provisions of the Code of Corporate Governance for Insurers, 2016.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2023.



**A.F. Ferguson & Co.**  
 Chartered Accountants  
 Karachi

Dated: April 2, 2024  
 UDIN: CR202310061pl3CangO7

# Independent Auditor's Report

To the members of IGI Life Insurance Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of **IGI Life Insurance Limited** (the Company), which comprise the statement of financial position as at December 31, 2023, and the profit and loss account, the statement of comprehensive income, the statement of changes in equity, the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2023 and of the profit and total comprehensive income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

### Emphasis of Matter

We draw attention to note 25.1 to the financial statements describing the matter related to the provincial sales tax liability on premium charged to the policyholders in respect of health and life insurance. Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

Following are the Key audit matters:

S.No.	Key Audit Matters	How the matter was addressed in our audit
1	<b>Insurance liabilities</b> (Refer notes 3.2.1, 4.1.5 and 17 of the annexed financial statements)	
	The policyholders' liabilities represent the single largest liability of the Company constituting 93% of the total liabilities at December 31, 2023. The Minimum Valuation Basis for determination of actuarial reserve for the policyholders' liabilities of a life insurance company is specified under Annexure 5 to Rule 23 of the Insurance Rules, 2017. The Annexure describes the valuation method to be used in determination of the actuarial reserves for the policyholders' liabilities with respect to unit linked, universal life and other segments and certain valuation parameters (such as mortality rates, morbidity rates, valuation rates of interest etc.) to be taken into account.	Our audit procedures to assess the determination of actuarial reserve for the policyholders' liabilities, amongst others, included the following: <ul style="list-style-type: none"> <li>• Obtained an understanding from the management of the actuarial assumptions and methodologies used for estimating the policyholders' liabilities at December 31, 2023.</li> <li>• Inquired from the management about the consistency of the method used for calculation of the policyholders' liabilities and assumptions for the valuation parameters at December 31, 2023 to establish whether they had been subject to any arbitrary discontinuities from those used at December 31, 2022.</li> </ul>

S.No.	Key Audit Matters	How the matter was addressed in our audit
	The appointed actuary of the Company carries out an investigation as at the end of each year into the financial condition of the life insurance business carried on by the Company, including a valuation of its policyholders' liabilities at December 31, 2023 and issues a report thereon to the Board of Directors of the Company before their approval of the financial statements.  The determination of the policyholders' liabilities is a significant area of judgment and estimation. Because of the significance of the impacts of these judgments / estimations, we considered this area as a key audit matter.	<ul style="list-style-type: none"> <li>• Reviewed the report submitted by the appointed actuary to the Board of Directors of the Company expressing his satisfaction over the valuation of the policyholders' liabilities in accordance with Annexure 5 to Rule 23 of the Insurance Rules, 2017.</li> <li>• Engaged an independent actuarial expert to assess whether the reserving methodology used with respect to all statutory funds maintained by the Company was in line with the Minimum Valuation Basis given in Annexure 5 to Rule 23 of the Insurance Rules, 2017 and was further in accordance with generally accepted actuarial principles.</li> <li>• Independently verified, on a test basis, the Company's data used by the appointed actuary in the determination of the policyholders' liabilities.</li> <li>• Recomputed, on a test basis, the account / cash values of the policyholders' at December 31, 2023 by applying the relevant parameters (such as management fee charged, cost of insurance charged, return credited etc.) of the respective products.</li> <li>• Recomputed, on a test basis, the element of unearned premium with respect to the policies issued under group health and group life business.</li> <li>• Assessed the relevant disclosures made in the financial statements to determine whether these complied with the accounting and reporting standards as applicable in Pakistan.</li> </ul>
2	<b>Valuation of investments</b> (Refer notes 4.6 and 7 to 9 of the annexed financial statements)	
	The investments of Rs 23,478.133 million as at December 31, 2023 held by the Company constitute the most significant component of total assets of the Company.  The proper valuation of the investments portfolio of the Company as at December 31, 2023 was considered a significant area of estimation and therefore, a key audit matter.	Our audit procedures included the following: <ul style="list-style-type: none"> <li>• Tested the design and operating effectiveness of the key controls for valuation of investments.</li> <li>• Checked that the investments were valued appropriately in accordance with the requirements of the accounting and reporting standards as applicable in Pakistan.</li> <li>• Checked that net unrealised gains / losses arising on the subsequent measurement of the investments were appropriately accounted for in the financial statements.</li> <li>• Evaluated the Company's assessment of available-for-sale investments for any impairment in accordance with the accounting and reporting standards as applicable in Pakistan and performed an independent assessment of the assumptions and conclusions.</li> <li>• Checked the appropriate recognition of related adjustments to the insurance liabilities in other comprehensive income where net unrealised gains / losses on available for sale investments were recognised in other comprehensive income.</li> <li>• Obtained independent confirmations for verifying the existence of the investment portfolio as at December 31, 2023 and reconciled them with the books and records of the Company.</li> <li>• Checked the relevant presentation and disclosures made in the financial statements to determine whether these comply with the accounting and reporting standards as applicable in Pakistan.</li> </ul>

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

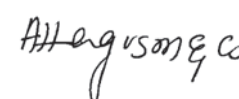
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes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

### Report on Other Legal and Regulatory Requirements

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

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

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



**A. F. Ferguson & Co.**  
Chartered Accountants  
Karachi

Dated: April 2, 2024  
UDIN: AR202310061WB2LYhIEt

## Management's Statement of Compliance with the Shari'ah Principles

Year Ended 31 December, 2023

The financial arrangements, contracts and transactions, entered into by IGI Life Insurance Limited - Window Takaful Operations (the Company) for the year ended December 31, 2023 are in compliance with the Takaful Rules, 2012.

Further we confirm that:

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

This has been duly confirmed by the Shari'ah Advisor of the Company.



**Ali Nadim**  
Chief Executive Officer



**Abdul Haseeb**  
Chief Financial Officer

## FAMILY TAKAFUL

Our Shariah-compliant solutions provide peace of mind for you and your family no matter what season of life you are currently in.

## Shariah Review Report to the Board of Directors

For the year ended December 31, 2023

الحمد لله رب العالمين والصلاة والسلام على سيد الانبياء والمرسلين محمد النبي  
الأمي وعلى آله وأصحابه أجمعين، وبعد!

I have examined the accompanying financial statements of **IGI Life - Window Takaful Operations** (hereafter referred to as "the Window Takaful") for the year ended 31 December 2023.

I acknowledge that as the Shariah Advisor of the Window Takaful, it is my responsibility to ensure that the financial arrangements, contracts and transactions entered into by the Window Takaful with its participants and stakeholders are in compliance with the requirements of Shariah rules and principles. It is the responsibility of the Window Takaful's management to ensure that the rules, principles and guidelines set by the Shariah Advisor are complied with, and that all policies and services being offered are duly approved by the Shariah Advisor.

The primary scope of Shariah Audit is to review the Window Takaful's compliance with Shariah Guidelines, and includes the examination of the appropriate evidence of transactions undertaken by the Window Takaful during the year 2023.

It is the responsibility of the Shariah Advisor to express his opinion on the submitted financial statements. In my opinion, and to the best of my understanding based on the provided information and explanations, below are the findings:

- I. Financial transactions undertaken by the Window Takaful for the year ended 31 December 2023 were in accordance with guidelines issued by Shariah Advisor as well as the requirements of Takaful Rules 2012.
- II. Consequently, we have found that the Window Takaful is in accordance with the Shariah principles in all transactional aspects.

"And Allah Knows Best"



**Dr. Mufti Ismatullah**

Shariah Advisor

(IGI Life - Window Takaful Operations)

## شريعة ریویو رپورٹ برائے بورڈ آف ڈائریکٹرز

برائے مالیاتی سال 2023

الحمد لله رب العالمين والصلاة والسلام على سيد الانبياء والمرسلين محمد النبي  
الأمي وعلى آله وأصحابه أجمعين، وبعد!

الحمد لله، میں نے "آئی جی آئی لائف وینڈو تکافل آپریٹرز" (آئندہ اسے "وینڈو تکافل" کہا جائے گا) کے مالیاتی اسٹیٹمنٹس برائے سال 2023ء کا شرعی نقطہ نظر سے جائزہ لیا۔

میں "وینڈو تکافل" کے شریعہ ایڈوائزر کی حیثیت سے اس بات سے بخوبی باخبر ہوں کہ "وینڈو تکافل" کے شرکائے تکافل اور وینڈو تکافل آپریٹرز کے مابین تمام مالی معاملات اور مختلف عقود و معاہدات کو شرعی قواعد و ضوابط کے مطابق یقینی بنانا میری ذمہ داری ہے۔ اسی طرح وینڈو تکافل کی منتظمہ کمیٹی کی یہ ذمہ داری ہے کہ وہ شریعہ ایڈوائزر کی طرف سے جاری کردہ اصول و ضوابط اور شرعی ہدایات پر اہتمام کے ساتھ عمل کرنے کو یقینی بنائے اور تمام تکافل پالیسیاں اور خدمات شرعی قواعد و ضوابط کے مطابق اور باقاعدہ شریعہ ایڈوائزر سے منظور شدہ ہوں۔

یہ بات اہم ہے کہ وینڈو تکافل نے ابتداء ہی سے اس بات کا اہتمام کیا ہے کہ شریعہ ایڈوائزر کی جانب سے جاری کردہ ہدایات پر اہتمام سے عمل کیا جائے اور تمام تکافل پالیسیاں، خدمات اور مختلف فنڈز کی سرمایہ کاری شرعی قواعد و ضوابط کے مطابق انجام دی جائے اور یہ باقاعدہ شریعہ ایڈوائزر سے منظور شدہ بھی ہوں۔

بہر حال فراہم کی گئی دستاویزات اور معلومات کے مطابق میری رائے درج ذیل ہے:

- سال 2023 کے اختتام تک وینڈو تکافل کی جانب سے کئے گئے تمام مالی معاملات شریعہ ایڈوائزر کی جانب سے دی گئی شرعی ہدایات اور تکافل رولز 2012ء کے مطابق تھے۔
- الحمد لله، بحیثیت مجموعی وینڈو تکافل کے تمام معاملات کو شریعہ ایڈوائزر اور قواعد و ضوابط کے مطابق پایا۔

والله تعالى اعلم بالصواب و علمه اتم و احکم



ڈاکٹر مفتی عصمت اللہ

شریعی ایڈوائزر

آئی جی آئی لائف - وینڈو تکافل آپریٹرز

# FINANCIALS





## Statement of Financial Position


As at December 31, 2023

	Note	2023	2022
-----Rupees in 000-----			
<b>Assets</b>			
Property and equipment	5	172,297	216,616
Intangible assets	6	346,542	326,960
Investments			
Listed securities	7	8,189,645	6,039,945
Government securities	8	14,988,498	11,862,395
Debt securities	9	299,990	600,000
		23,478,133	18,502,340
Loans secured against life insurance policies		195,945	175,139
Insurance / takaful / reinsurance / retakaful receivables	10	306,061	239,119
Other loans and receivables	11	533,611	475,852
Taxation - payments less provision		722,339	780,540
Deferred tax asset - net	12	552,892	447,065
Prepayments	13	37,744	63,174
Cash and bank	14	342,469	218,118
<b>Total assets</b>		<b>26,688,033</b>	<b>21,444,923</b>
<b>Equity and liabilities</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Authorised share capital (300,000,000 (2022: 300,000,000) ordinary shares of Rs. 10 each)		3,000,000	3,000,000
Issued, subscribed and paid-up capital	15	1,705,672	1,705,672
Ledger account C & D		(1,203,903)	(1,029,780)
Unappropriated profit		1,469,242	1,152,619
Deficit on revaluation of available for sale investments - net	16	(24,536)	(88,124)
<b>Total equity</b>		<b>1,946,475</b>	<b>1,740,387</b>
<b>Liabilities</b>			
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	17	23,067,220	18,159,025
Outstanding claims	18	570,344	623,709
Retirement benefit obligations	19	29,679	29,261
Premium received in advance		95,532	113,187
Reinsurance / retakaful payables	22	171,697	129,914
Other creditors and accruals	23	776,699	573,080
Lease liability against right-of-use assets	24	30,387	76,360
<b>Total liabilities</b>		<b>24,741,558</b>	<b>19,704,536</b>
<b>Total equity and liabilities</b>		<b>26,688,033</b>	<b>21,444,923</b>
<b>Contingencies and commitments</b>			
	25		

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

  
Chairman

  
Director

  
Director

  
Chief Executive Officer

  
Chief Financial Officer

  
Chairman

  
Director

  
Director

  
Chief Executive Officer

  
Chief Financial Officer

## Profit and Loss Account

For the year ended December 31, 2023

	Note	2023	2022
-----Rupees in 000-----			
Gross premium / contribution revenue		7,991,605	6,072,070
Less: premium / contribution ceded to reinsurers / retakaful operators		305,728	271,727
<b>Net premium / contribution revenue</b>	26	<b>7,685,877</b>	<b>5,800,343</b>
Investment income	27	2,505,665	1,639,062
Net realised fair value gains / (losses) on financial assets	28	419,508	(32,765)
Other income - net	29	175,614	116,591
		3,100,787	1,722,888
<b>Net income</b>		<b>10,786,664</b>	<b>7,523,231</b>
Insurance benefits		4,480,832	5,458,775
Recoveries from reinsurers / retakaful operators		(131,858)	(156,939)
<b>Net insurance benefits</b>	30	<b>4,348,974</b>	<b>5,301,836</b>
		6,437,690	2,221,395
Change in insurance liabilities (other than outstanding claims)		3,639,945	(263,078)
Acquisition expenses	31	1,638,787	1,603,651
Marketing and administration expenses	32	940,591	808,633
Other expenses	33	8,891	8,891
<b>Total expenses</b>		<b>6,228,214</b>	<b>2,158,097</b>
Finance costs	34	209,476	63,298
Surplus appropriated to Shareholders' Fund from Ledger Account C		10,883	19,227
		26,272	16,098
<b>Profit before tax</b>		<b>224,865</b>	<b>60,169</b>
Income tax	35	(82,166)	(18,139)
<b>Profit after tax</b>		<b>142,699</b>	<b>42,030</b>
-----Rupees-----			
Earnings per share - basic and diluted	36	0.84	0.25

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

## Statement of Comprehensive Income

For the year ended December 31, 2023

Note	2023	2022
	-----Rupees-----	
Profit after tax	142,699	42,030
<b>Other comprehensive income / (loss)</b>		
<b>Items that will be reclassified subsequently to the profit and loss</b>		
Change in unrealised gain / (loss) on available-for-sale financial assets	1,372,548	(324,185)
Less: taxation	(14,438)	13,619
Change in unrealised gain / (loss) on available-for-sale financial assets - net of tax	1,358,110	(310,566)
Change in insurance liabilities - net	(1,294,522)	262,366
	63,588	(48,200)
<b>Items that will not be reclassified subsequently to the profit and loss</b>		
Actuarial (losses) / gains on retirement benefit scheme	19.7 (199)	2,376
<b>Other comprehensive income / (loss) for the year</b>	63,389	(45,824)
<b>Total comprehensive income / (loss) for the year</b>	<b>206,088</b>	<b>(3,794)</b>

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

  
 Chairman

  
 Director

  
 Director

  
 Chief Executive Officer

  
 Chief Financial Officer

## Statement of Changes in Equity

For the year ended December 31, 2023

	Attributable to equity holders of the Company				Total
	Share capital	Un-appropriate profit *	Ledger C & D account **	Capital reserve	
	-----Rupees in '000-----				
<b>Balance as at December 31, 2021</b>	1,705,672	1,121,879	(1,043,446)	(39,924)	1,744,181
<b>Total comprehensive income / (loss)</b>					
Profit for the year ended December 31, 2022	-	30,740	11,290	-	42,030
Other comprehensive income / (loss) for the year ended December 31, 2022	-	-	2,376	(48,200)	(45,824)
	-	30,740	13,666	(48,200)	(3,794)
<b>Balance as at December 31, 2022</b>	1,705,672	1,152,619	(1,029,780)	(88,124)	1,740,387
<b>Total comprehensive income</b>					
Profit for the year ended December 31, 2023	-	65,990	76,709	-	142,699
Other comprehensive (loss) / income for the year ended December 31, 2023	-	-	(199)	63,588	63,389
	-	65,990	76,510	63,588	206,088
Appropriation of surplus from ledger D to Shareholder fund	-	250,633	(250,633)	-	-
<b>Balance as at December 31, 2023</b>	<b>1,705,672</b>	<b>1,469,242</b>	<b>(1,203,903)</b>	<b>(24,536)</b>	<b>1,946,475</b>

\* This includes an amount of Rs. 50 million set aside by the Company in respect of Takaful operations.

\*\* This represents reserve appropriated to shareholders.

\*\*\* This balance is net of related change in insurance liabilities.

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

  
 Chairman

  
 Director

  
 Director

  
 Chief Executive Officer

  
 Chief Financial Officer

## Cash Flow Statement

For the year ended December 31, 2023

Note	2023	2022
	-----Rupees in 000-----	
<b>Operating cash flows</b>		
<b>(a) Underwriting activities</b>		
Premiums received net of policy transfers	7,932,195	5,776,947
Reinsurance premium paid	(420,157)	(420,021)
Claims paid	(1,443,136)	(1,439,162)
Surrenders paid	(3,027,239)	(3,874,033)
Reinsurance recovery received	106,673	184,646
Commission paid	(842,324)	(853,552)
Commission received	72,646	57,728
<b>Net cash inflow from / (outflow on) underwriting activities</b>	<b>2,378,658</b>	<b>(567,447)</b>
<b>(b) Other operating activities</b>		
Income tax paid	(144,230)	(102,625)
Marketing and administrative expenses paid	(1,594,570)	(1,523,618)
Other operating receipts	69,983	59,908
Loans advanced	(1,283)	18,504
Loan repayments received	-	2,734
<b>Net cash outflow on other operating activities</b>	<b>(1,670,100)</b>	<b>(1,545,097)</b>
<b>Total cash inflow from / (outflow on) all operating activities</b>	<b>708,558</b>	<b>(2,112,544)</b>
<b>Investment activities</b>		
Profit / return received	2,443,231	1,460,701
Dividend received	38,397	91,737
Payment for investments	(58,258,517)	(46,097,526)
Proceeds from disposal of investments	54,288,308	42,609,626
Proceeds from disposals of fixed assets	33,966	75,784
Capital work in progress	11,288	-
Fixed capital expenditure	(130,335)	(32,804)
<b>Total cash outflow on investing activities</b>	<b>(1,573,662)</b>	<b>(1,892,482)</b>
<b>Net cash outflow on all activities</b>	<b>(865,104)</b>	<b>(4,005,026)</b>
Cash and cash equivalents at beginning of the year	3,767,513	7,772,539
<b>Cash and cash equivalents at end of the year</b>	<b>2,902,409</b>	<b>3,767,513</b>
14.2		
<b>Reconciliation to the profit and loss account</b>		
Operating cash flows	708,558	(2,112,544)
Depreciation and amortisation expenses	(126,645)	(140,307)
Gain on disposal of fixed assets	20,367	27,710
Increase in assets other than cash	126,633	4,469
(Increase) / decrease in liabilities	(4,964,411)	899,336
Investment income	4,267,019	1,305,523
Profit received on bank deposits	84,906	41,745
Surplus appropriated to shareholders' fund	26,272	16,098
<b>Profit after taxation</b>	<b>142,699</b>	<b>42,030</b>

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

  
 Chairman

  
 Director

  
 Director

  
 Chief Executive Officer

  
 Chief Financial Officer

## Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2023

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The registered office is also the principal office of the Company.
- 1.2** The Company is a subsidiary of IGI Holdings Limited ("Holding Company") which holds 82.69% (December 31, 2022: 82.69%) share capital of the Company.
- 1.3** The Company is engaged in life insurance, carrying on both participating and non-participating business. The Company is also engaged in providing Shariah Compliant family takaful products as an approved window takaful operator. Subsequent to the year end, SECP has registered the Company as Pension Fund Manager under the Voluntary Pension System Rules, 2005 vide certificate of registration dated July 27, 2023.
- 1.4** In accordance with the requirements of the Insurance Ordinance, 2000, the Company established a Shareholders' Fund and Separate Statutory Funds, in respect of each class of life insurance and family takaful business. The Statutory Funds established by the Company, in accordance with the advice of the Appointed Actuary, are as follows:
- Life (participating)
  - Life (non-participating) - Individual
  - Life (non-participating) - Group
  - Accident & Health - Individual
  - Accident & Health - Group
  - Pension Business Fund
  - Investment Linked
  - Individual Family Takaful
  - Accident & Health Takaful - Individual
  - Group Family Takaful
  - Group Health Takaful

### 2 BASIS OF PREPARATION

These financial statements have been presented in accordance with the requirements of the Insurance Rules, 2017 issued through S.R.O. 88 (I) / 2017 dated February 09, 2017 by the Securities and Exchange Commission of Pakistan (SECP).

The Securities and Exchange Commission of Pakistan (the SECP), in exercise of the powers conferred under Rule 11(1)(c) of the Takaful Rules, 2012, has imposed certain conditions vide its Circular No. 15 of 2019 dated November 18, 2019 on life insurers related to financial reporting of their window takaful operations. Under these conditions, the Life Insurers shall separately prepare financial statements for family takaful operations as if these are carried out by a Standalone Takaful Operator and shall be annexed with the insurer's annual / interim report (as applicable).

Accordingly, the Company has prepared and annexed to these financial statements, a standalone set of the financial statements for Window Takaful Operations of the Company, as if these are carried out by a Standalone Takaful Operator. This standalone set of financial statements for Window Takaful Operations of the Company is unaudited and un-reviewed and is being submitted in compliance with the conditions imposed by the SECP as detailed above.

### 2.1 Statement of compliance

**2.1.1** These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are 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 and Takaful Rules, 2012.

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

## 2.2 Standards, interpretations of and amendments to the accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations of the accounting and reporting standards as applicable in Pakistan will be effective for accounting periods beginning on or after January 1, 2024:

	Effective date (period beginning on or after)
- IAS 7 - 'Statement of Cash Flows' (amendments)	January 1, 2024
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2024
- IFRS 9 - 'Financial Instruments'	January 1, 2026
- IFRS 7 - 'Financial Instruments: Disclosures'	January 1, 2024
- IAS 21 - 'The effects of changes in foreign exchange rates' (amendments)	January 1, 2025
- IFRS 17 - 'Insurance contracts'	January 1, 2026
- IFRS 16 - 'Leases' (amendments)	January 1, 2024

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However, the Securities and Exchange Commission of Pakistan through S.R.O. 1715 (1)/2023 has directed companies engaged in insurance and reinsurance business for application of IFRS 17 for periods beginning on or after January 1, 2026.

The management is in the process of assessing the impact of these amendments on the financial statements of the Company.

### 2.2.1 Temporary exemption from application of IFRS 9

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

#### 2.2.1.1 The fair value of the financial assets as at December 31, 2023 and change in the fair values during the year ended December 31, 2023:

	2023	2022
	---- (Rupees in '000) ----	
<b>Financial assets with contractual cash flows that meet the SPPI criteria, excluding those held for trading</b>		
<i>Pakistan Investment Bonds - available for sale (refer note 8)</i>		
Opening fair value	4,775,838	4,966,853
(Disposals) / additions during the year - net	(236,394)	40,443
Increase / (decrease) in fair value	14,144	(231,458)
Closing fair value	<u>4,553,588</u>	<u>4,775,838</u>
<i>Market Treasury Bills - available for sale (refer note 8)</i>		
Opening fair value	6,808,483	6,869,422
Additions / (disposals) during the year - net	3,178,293	(49,049)
Increase / (decrease) in fair value	36,840	(11,890)
Closing fair value	<u>10,023,616</u>	<u>6,808,483</u>
<i>GOP Ijara Sukuk Certificates - available for sale (refer note 8)</i>		
Opening fair value	278,074	277,409
Additions / (disposals) during the year - net	125,162	(5,484)
Increase in fair value	8,058	6,149
Closing fair value	<u>411,294</u>	<u>278,074</u>
<i>Debt Securities - available for sale (refer note 9)</i>		
Opening fair value	600,000	225,000
(Disposals) / additions during the year - net	(300,010)	375,000
Increase / (decrease) in fair value	-	-
Closing fair value	<u>299,990</u>	<u>600,000</u>

## Financial assets that do not meet the SPPI criteria

### Mutual funds - available for sale (refer note 7)

	2023	2022
	---- (Rupees in '000) ----	
Opening fair value	6,039,945	6,095,600
Additions / (disposals) during the year - net	775,070	(45,511)
Increase / (decrease) in fair value	1,374,629	(10,144)
Closing fair value	<u>8,189,645</u>	<u>6,039,945</u>

### Listed equities - available for sale

Opening fair value	-	47,116
Additions / (disposals) during the year - net	-	(43,077)
Increase / (decrease) in fair value	-	(4,039)
Closing fair value	<u>-</u>	<u>-</u>

## 3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except as disclosed in accounting policies relating to investments, staff retirement benefits scheme and right-of-use assets and its lease liabilities.

### 3.1 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

### 3.2 Use of estimates and judgments

The preparation of financial statements in conformity with the requirements of accounting and reporting standards as applicable in Pakistan requires management to make judgments / estimates and associated assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The judgments / estimates and associated assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making estimates about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected in accordance with the requirements of International Accounting Standard - 8, "Accounting Policies, Changes in Accounting Estimates and Errors".

Significant areas where assumptions and estimates were exercised in application of accounting policies, otherwise that are disclosed in these financial statements, relate to items described in note 3.2.1 to 3.2.7 to these financial statements.

### 3.2.1 Policyholders' liabilities

#### Mortality and interest bases adopted

SECP vide its circular 17/2013 dated September 13, 2013 has stipulated that SLIC (2001-05) Individual Life Mortality Table published by Pakistan Society of Actuaries be used as the minimum valuation basis prescribed under SECP's notification S.R.O 16(1)/2012.

The rate of discount was taken as 3.75% in line with the requirements under SECP's notification S.R.O 16(1)/2012, for determining reserves of traditional products and supplementary coverage. Any differential between the assumed rate and the actual rate is intended to be available to the Company for meeting its administrative expenses.

#### General principles adopted for valuation

The general principles adopted in the actuarial valuation to estimate policyholders' liabilities as at December 31, 2023 in accordance with the Annexure 5 to Rule 23 of the Insurance Rules, 2017 are as follows:

- Reserves for Endowment Policies with term not less than 20 years have been calculated using Full Preliminary Term Method with SLIC (2001-05) Ultimate Mortality Table at 3.75%.

- b) Reserves for Endowment Policies with term less than 20 years have been calculated using combination of Full Preliminary Term Method and Net Level Premium Method with SLIC (2001-05) Ultimate Mortality Table at 3.75%.
- c) Term Policies are calculated using Net Level Premium Method with SLIC (2001-05) Ultimate Mortality Table at 3.75%.
- d) Reduced Paidups and Extended Term insurances have been valued by Net Single Premium Method with SLIC (2001-05) Ultimate Mortality Table at 3.75%.
- e) Bonus Reserves have been valued by Net Single Premium Method with SLIC (2001-05) Ultimate Mortality Table at 3.75%.
- f) Loyalty Bonus Reserves have been valued by Net Single Premium Method at 3.75% for active policies.
- g) In respect of Unit Linked policies, the reserve for bid value of allocated units is calculated using the latest bid value of units and the total number of units belonging to policyholders' accounts as at the valuation date. The amount is held as a reserve since it represents the current value of amounts that will be payable to policyholders at the time when a maturity, death or surrender claim is filed. The latest bid value is the last "announced" bid price before the valuation date.
- h) Universal Life business has been valued using full account values. No deduction has been made for surrender charges.
- i) An 'Asset Liability Mismatch (ALM) reserve' has been kept in the Individual Life Non - Participating Fund as a result of the ALM exercise carried out to assess the interest rate risk, credit risk and equity risk.
- j) Group Life Insurance, Individual Accident & Health Insurance and Group Accident & Health have been valued using Unearned Gross Premium.
- k) Pension business has been valued using full account values.
- l) Unearned premium reserves have been maintained for all riders except Level Term rider reserve which is calculated using Net Level Premium Method with SLIC (2001-05) Ultimate Mortality Table at 3.75%.
- m) Reinsurance premium reserves have been maintained on an unearned premium basis.
- n) Reserves have been maintained for Incurred But Not Reported (IBNR) claims which were determined using the Chain and Ladder method based on the claims lag pattern experienced over the past few years.
- o) Reserves for claims payable in instalments have been kept at 3.75%.
- p) Unearned Premium Reserve is kept as half month of Cost of Insurance (COI) for Cost of Insurance (COI) of Universal Life and Unit Linked Policies.
- q) No policy is treated as an asset and in the system if the reserve is negative, the negative value is excluded and the reserves for the policies is set equal to zero.
- r) The Company does not have any insurance policy which is denominated in foreign currency.
- s) Reinstatement reserves have been maintained on universal life and ordinary life policies.

The principles adopted in this valuation were the same as those followed in previous valuation as at December 31, 2022.

#### Surrenders

For the purpose of conventional and annuity business, no provision has been made for lapses and surrenders. This gives prudence to the value placed on the liability by not taking any credits for the profits made on surrenders.

#### Claims provision

- a) Reserves have been made in respect of all intimated claims. Most claims require lump sum payments, for which reserves have been maintained in each Statutory Fund, where applicable. In a small number of cases, claims are payable in instalments over a period of more than twelve months after the valuation date. In respect of all such claims, reserves have been calculated using the minimum valuation basis.

- b) Adequate reserves have also been maintained for Incurred But Not Reported (IBNR) claims which were determined using the Chain and Ladder Method.

#### 3.2.2 Classification of investment and provisions for impairment thereagainst

The Company determines that available for sale equity investments are impaired when there is significant or prolonged decline in the fair value of investments below their cost. This determination of what is significant or prolonged requires judgment. In making this judgment, the Company evaluates among other factors, the normal volatility in prices. In addition, impairment against investments may be appropriate when there is an evidence of deterioration in the financial health of the investee, industry, sector performance, changes in technology and operational and financing cash flows.

The Company has determined the fair values of certain investments by using quotations from active market. Fair value estimates are made at a specific point in time, based on the market conditions and the information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matter of judgment (e.g. valuation, interest rates, etc.) and therefore, cannot be determined with precision.

#### 3.2.3 Income tax

In making the estimates for income taxes currently payable by the Company, the management considers the current income tax laws, the decisions of appellate authorities on certain issues in the past and an independent opinion given by the taxation advisor / legal advisor of the Company.

#### 3.2.4 Tangible and intangible assets, depreciation and amortisation

In making estimates of the depreciation / amortisation method and useful life of assets, the management uses the method and useful life which reflects the pattern in which economic benefits are expected to be consumed by the Company. Above estimate is reviewed at each financial year end and if there is a change in the expected pattern of consumption of the future economic benefits embodied in the assets, the method would be changed to reflect the change in pattern.

The carrying amounts are reviewed at each reporting date to assess whether these are recorded in excess of their recoverable amounts, and where carrying values exceed estimated recoverable amount, assets are written down to their estimated recoverable amounts.

#### 3.2.5 Defined benefits plans and other benefits

Liability / asset is determined on the basis of actuarial valuation carried out using the Projected Unit Credit Method.

#### 3.2.6 Right-of-use assets and their related lease liability

Estimates involved in measuring lease liabilities (present value of the lease payments) is the interest rate used for discounting. The Company uses incremental borrowing rate for computing present value of lease payments.

#### 3.2.7 Contingencies and commitments

A contingent liability is recognised when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or when the Company has a present obligation as a result of past events and it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

## 4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

### 4.1 Insurance / takaful contracts

#### Conventional business

Insurance contracts represent contracts with policyholders and reinsurers.

Those contracts including riders where the Company (the insurer) accepts significant insurance risk from another party i.e. group and individual policyholders by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders are insurance policy contracts.

Those insurance contracts that are issued by one insurer (the reinsurer) to compensate another insurer (the cedant) for losses on one or more contracts issued by the cedant are reinsurance contracts. The Company enters into reinsurance contracts with foreign reinsurers in the normal course of business in order to limit the potential for losses arising from certain exposures.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its period, even if the insurance risk reduces significantly during this period, unless all rights and liabilities are extinguished or expired.

The Company enters into insurance contracts with policyholders which are divided into following major categories:

#### *Group insurance contracts*

The Company offers Group Life, Group Accident & Health and Pension Business to its clients. The Company also underwrites business for consumer banking related schemes. The risks underwritten are mainly death, hospitalisation and disability. The group insurance contracts are issued typically on Yearly Renewable Term basis (YRT). This business is written through direct sales force as well as bancassurance.

#### *Individual insurance contracts*

The Company offers Individual Life (Participating), Individual Life (Non-Participating), Individual Accident & Health and Investment Unit Linked Plans which provide the financial protection, protection against the financial consequences of death, disease and disability caused by accidents, sickness or old age and a substantial return at maturity. Investment Unit Linked policies are regular life policies, where policy values are determined as per the underlying assets' value. Various types of riders (Accidental Death, Income Benefit, etc.) are also sold along with the basic policies. Some of these riders are charged through deduction from policyholders' fund value, while others are conventional i.e., additional premium is charged thereagainst. This business is written through direct sales force as well as bancassurance.

#### **Takaful business**

The takaful contracts are based on the principles of Wakala Waqf Model. Takaful is a programme based on Shariah compliant, approved concept funded on the principles of mutual cooperation, solidarity and brotherhood. The obligation of Waqf for Waqf participants' liabilities is limited to the amount available in the Waqf fund. In the event where there are insufficient funds in Waqf to meet their current payments less receipts, the deficit is funded by way of an interest free loan (Qard-e-Hasna) from the operators' sub fund to the statutory fund (Takaful Business Statutory Funds). The amount of Qard-e-Hasna is refundable to the operators' sub fund.

Technical reserves are stated at a value determined by the appointed actuary through an actuarial valuation carried out as at each reporting date, in accordance with the requirement of section 50 of the Insurance Ordinance, 2000.

#### *Group takaful contracts*

The Company offers Group Family, Group Accident and Health takaful policies to its clients. The Group Takaful contracts are issued typically on yearly renewable term basis.

#### *Individual family takaful contracts - unit linked*

The Company offers Unit Linked Takaful Plans which provide Shariah compliant financial protection and investment vehicle to individual participants. These plans carry cash value which is determined as per the underlying asset's value. The death benefit design is based on Constant Sum Risk approach i.e. the sum cover is paid in addition to the cash value. The plans offer investment choices to the customer to direct their investment related contribution based on their risk / return objectives. No investment guarantees are offered. The investment risk is borne by the participants. Various type of supplemental benefits (accidental death, disability, income benefit, etc.) are also sold along with basic policies.

### **4.1.1 Premiums / contributions**

#### **Conventional business**

- First year individual life premium is recognised when the policy is issued after receipt of that premium. Subsequent premiums falling due under the policy are recognised if received before expiry of the grace period, or if advanced by the Company under the Automatic Premium Loan (APL). Single premiums and top-up premiums are recognised once the related policies are issued against the receipt of premium.

- Group premiums are recognised when due.

Receivables under insurance contracts are recognised when due, at the fair value of the consideration receivable less provision for doubtful debts, if any. If there is an objective evidence that the receivable is impaired, the Company reduces the carrying amount of the receivable accordingly and recognises it as impairment loss.

#### **Takaful business**

- First year individual life contribution is recognised when the policy is issued after receipt of that contribution. Subsequent contributions falling due under the policy are recognised if received before expiry of the grace period, or if advanced by the Company under the Automatic Contribution Loan (ACL). Single contributions and top-up contributions are recognised once the related policies are issued against the receipt of contribution.

- Group contributions are recognised when due.

Receivables under takaful contracts are recognised when due, at the fair value of the consideration receivable less provision for doubtful debts, if any. If there is an objective evidence that the receivable is impaired, the Company reduces the carrying amount of the receivable accordingly and recognises it as impairment loss.

### **4.1.2 Reinsurance / retakaful contracts held**

#### **Conventional business**

Reinsurance premiums are recognised in accordance with the pattern of recognition of the related premium. These are measured in line with the terms and conditions of the reinsurance treaty.

Reinsurance liabilities represent balances due to reinsurance companies. Balances payable are estimated in a manner consistent with the related reinsurance contract. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the provision for outstanding claims or settled claims associated with the reinsurance policies and are in accordance with the related reinsurance contract.

Reinsurance assets are not offset against related insurance liabilities. Income or expenses from reinsurance contracts are not offset against expenses or income from related insurance assets as required by the Insurance Ordinance, 2000.

The Company assesses its reinsurance assets for impairment on reporting date. If there is an objective evidence that the reinsurance assets are impaired, the Company reduces the carrying amount of the reinsurance assets to their recoverable amount and recognises them as impairment loss.

#### **Takaful business**

These contracts are entered into by the Company with retakaful operator under which the "Waqf Fund" cedes the takaful risk assumed during normal course of its business and according to which Waqf is compensated for losses on contracts issued by it are classified as retakaful contracts held.

#### *Retakaful Contribution*

Retakaful contribution is recorded at the time the retakaful is ceded. Surplus from retakaful operator is recognised in the profit and loss account.

#### *Retakaful Expenses*

Retakaful expenses are recognised as a liability in accordance with the pattern of recognition of related contribution.

#### *Retakaful Assets and Liabilities*

Retakaful assets represent balances due from retakaful operator. Recoverable amounts are estimated in a manner consistent with the associated retakaful treaties.

Retakaful liabilities represent balances due to retakaful operator. Amounts payable are calculated in a manner consistent with the associated retakaful treaties.

Retakaful assets are not offset against related retakaful liabilities. Income or expenses from retakaful contract are not offset against expenses or income from related retakaful contracts as required by Insurance Ordinance, 2000.

#### 4.1.3 Receivables and payables related to insurance contract

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

#### 4.1.4 Claims

##### Conventional business

##### Claim expense

Insurance claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims and any adjustments to claims outstanding from previous years. Claims are recognised at the earlier of when the policy ceases to participate in the earnings of the fund or insured event occurs.

The outstanding claims liability includes amounts relating to unpaid reported claims and expected claims settlement costs. Full provision is made for the estimated cost of claims incurred to the date of the statement of financial position. The liability for claims expenses relating to "Incurred But Not Reported" (IBNR) is included in policyholders' liabilities.

##### Claim recoveries

Claim recoveries receivable from reinsurers are recognised as assets at the same time when the corresponding claims are recorded in accordance with the terms of the re-insurance contracts.

##### Experience refund of premium

Experience refund of premium payable / receivable to / from Individual and Group policyholders is presented in the statement of financial position.

##### Takaful business

Claims expense include all claims occurring during the year, whether reported or not, internal and external claim handling costs that are directly related to the processing and settlement of claims and other recoveries, and any adjustments to claims outstanding from previous years.

The outstanding claims liability includes amounts relating to unpaid reported claims and expected claims settlement costs. Full provision is made for the estimated cost of claims incurred to the date of statement of financial position. The liability for claims expenses relating to "Incurred But Not Reported" (IBNR) is included in the technical reserves.

#### 4.1.5 Policyholders' liabilities

Policyholders' liabilities including IBNR are stated at a value determined by the appointed actuary through an actuarial valuation / advice carried out at each reporting date, in accordance with section 50 of the Insurance Ordinance, 2000. In determining the value both acquired policy values as well as estimated values which will be payable against risks which the Company underwrites are considered. The basis used are applied consistently from year to year.

As permitted under IFRS 4, related adjustments to policyholders' liabilities are recognised in other comprehensive income, if the unrealised gains or losses on investments are recognised in other comprehensive income.

#### 4.1.6 Acquisition cost

These comprise commission and other costs incurred in acquiring and maintaining insurance policies and include without limitation all forms of remuneration paid to insurance intermediaries.

These are recognised as an expense in the earlier of the financial year in which these are paid and in a financial year in which these become due and payable, except those which are directly referable to the acquisition or renewal of specific contracts that are recognised not later than the period in which the premium to which these refer is recognised as revenue.

#### 4.1.7 Takaful operator's fee

The shareholders of the Company manage the family takaful operations for the participants and act as Wakeel of the Waqf fund. The Company is entitled for the wakala fee for the management of takaful operation under Waqf fund to meet its management expenses.

#### 4.2 Staff retirement benefits

##### 4.2.1 Defined benefit plan

The Company operates an approved defined benefit gratuity scheme for all its permanent employees who attain the minimum qualification period for entitlement to gratuity. Contributions to the Fund are made based on actuarial valuation provided by the management's expert.

Past service costs, gains or losses on settlements, and net interest income (expense) are recognised in the profit and loss account in the period in which these occur. The measurement differences representing actuarial gains and losses, the difference between actual investment returns and the return implied by the net interest cost / income are recognised immediately with a charge or credit to other comprehensive income (OCI).

##### 4.2.2 Defined contribution plan

The Company operates an approved contributory provident fund which covers all permanent employees. Equal monthly contributions are made both by the Company and the employees to the Fund at the rate of 10 percent of basic salary.

#### 4.3 Employees' compensated absences

The Company accounts for the liability in respect of employees' compensated absences in the period in which employees become entitled.

#### 4.4 Cash and cash equivalents

For the purposes of cash flow statement, cash and cash equivalents include the following:

- cash and stamps in hand
- cash at bank in current and other accounts
- deposits and investments with original maturity of three months or less

#### 4.5 Loans secured against life insurance policies

Interest bearing loans are available to policyholders of the Company to the extent of ninety percent of cash values built in their policies. These are recognised on disbursement.

#### 4.6 Investments

##### 4.6.1 Classification

Investments with fixed or determinable payments and fixed maturity, where the Company has positive intent and ability to hold to maturity, are classified as Held-to-Maturity. Investments designated at fair value through profit or loss represent investments acquired principally for the purpose of generating profits from short term fluctuations in market prices, interest rate movement, or dealer's margin. Available for sale investments are those investments that do not fall under either fair value through profit or loss or held to maturity categories.

##### 4.6.2 Initial recognition

All investments are initially recognised at cost, being the fair value of the consideration given and includes transaction costs except for investments designated at fair value through profit or loss in which transaction cost is charged to the profit and loss account.

##### 4.6.3 Subsequent measurement

###### Held to maturity

Subsequently, these are measured at amortised cost less provision for impairment, if any. Any premium paid or discount availed on acquisition of held to maturity investment is deferred and amortised over the term of investment using the effective interest method.

###### Available-for-sale

Investments classified as available-for-sale are subsequently measured at market value in accordance with the requirements of the Insurance Accounting Regulations, 2017 and the unrealised gain or loss is recognised in other comprehensive income.

#### Fair value through profit or loss

Investments classified 'at fair value through profit or loss' category at inception, are subsequently measured at their fair value and gains and losses arising from changes in fair value are included in the profit and loss account.

#### Fair / market value measurement

For investments in government securities, fair value / market value is determined by reference to quotations obtained from the Financial Market Association of Pakistan (FMAP) (PKRV) where applicable. The fair value / market value of mutual fund units and listed equity securities is determined as per the rates announced by the Mutual Funds Association of Pakistan (MUFAP) and the Pakistan Stock Exchange (PSX) respectively.

#### Date of recognition

Regular way purchases and sales of investments that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is a date on which a trade (bonds, equities, foreign exchange, commodities, etc.) is executed i.e. the day when transaction is entered into.

### 4.7 Taxation

Income tax comprises current and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to the items recognised directly in equity in which case it is recognised in equity.

#### 4.7.1 Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing laws for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments finalised during the current year for such years.

#### 4.7.2 Deferred

Deferred tax is accounted for using the balance sheet method in respect of all temporary differences at the reporting date between the tax bases and carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the profit and loss account, except in the case of items credited or charged to equity in which case it is included in equity.

### 4.8 Fixed assets

#### 4.8.1 Tangible

These are initially stated at cost and subsequently at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged over the estimated useful life of the asset on a systematic basis to income applying the straight line method at the rates specified in note 5.1 to the financial statements, after taking into account residual value, if significant, and charged to profit and loss account.

Depreciation on additions is charged from the month in which the asset is available for use and on disposal, upto the month the asset is in use.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Maintenance and normal repairs are charged to profit and loss account.

An item of tangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year the asset is derecognised.

The assets residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

### 4.8.2 Right-of-use assets and their related lease liability

#### 4.8.2.1 Right-of-use assets

On initial recognition, right-of-use assets is measured at an amount equal to initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or the site on which it is located.

Right-of-use assets is subsequently stated at cost less any accumulated depreciation / accumulated impairment losses and are adjusted for any remeasurement of lease liability. The remeasurement of lease liability will only occur in cases where the terms of the lease are changed during the lease tenure.

Right-of-use assets is depreciated over the expected useful life using the straight-line method. Depreciation on additions (new leases) is charged from the month in which leases are entered into. No depreciation is charged in month in which the leases mature or are terminated.

#### 4.8.2.2 Lease liability against right-of-use assets

The lease liabilities are initially measured as the present value of the remaining lease payments, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. The lease liability is also measured to reflect any remeasurement or change in lease terms. These remeasurement of lease liabilities are recognised as adjustments to the carrying amount of related right-of-use assets after the date of initial recognition.

Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the profit and loss account as financial charges over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Company has elected to apply the practical expedient of not to recognise right-of-use-assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

### 4.8.3 Capital work in progress

Capital work in progress is stated at cost less any impairment in value. It includes advances to suppliers in respect of tangible fixed assets.

### 4.8.4 Intangible

These are stated at cost less accumulated amortisation and impairment loss, if any. Amortisation is charged over the estimated useful life of the asset on a systematic basis to income applying the straight line method at the rates specified in note 6 to the financial statements.

Amortisation on additions is charged from the month in which the asset is acquired or capitalised and on disposal up to the month the asset is in use.

Software development costs are only capitalised to the extent that future economic benefits are expected to be derived by the Company.

### 4.9 Impairment of non-financial assets

The carrying amount of assets (other than deferred tax asset) are reviewed at each reporting date to determine whether there is any indication of impairment of any asset or group of assets. If such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss account, as appropriate. An impairment loss is reversed if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

### 4.10 Provisions

A provision is recognised when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



#### 4.11 Investment income

- Income from held to maturity / available for sale investments is recognised using effective interest method. The difference between the redemption value and the purchase price of the held to maturity investments is amortised over the term of the investment and is taken to the profit and loss account.
- Dividend income on investments is recognised when the Company's right to receive the payment is established.
- Gain or loss on sale of investments is included in the profit and loss account.
- Return on bank deposits, loans to employees and loans to policyholders are recognised on a time proportionate basis taking into account the effective yield.
- Revaluation gain / loss on investments held 'at fair value through profit or loss' is recognised as income / expense in the profit and loss account.

#### 4.12 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

#### 4.13 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components.

All operating segments' results are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The chief operating decision maker has been identified as the Chief Executive Officer.

The Company presents segment reporting of operating results using the classes of business as specified under the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Takaful Rules, 2012. The Company has 11 Operating segments for reporting purposes namely; a) Individual Life participating business, b) Individual Life non-participating business, c) Investment linked d) Accidental & health e) Group Life, f) Group health, g) Pension business h) Individual family takaful, i) Accidental and health individual takaful j) Group family takaful and k) Accident & health family takaful.

- The Life (participating) segment provides life insurance coverage to individuals under individual life policies that are entitled to share in the surplus earnings of the statutory fund to which they are referable.
- The Life (non-participating) segment provides life insurance coverage to individuals under individual life policies that are not entitled to share in the surplus earnings of the statutory fund to which they are referable.
- The Life (non-participating) Group segment provides life insurance coverage to employer-employee (and similar) groups of employees / members under a single life policy issued to the employer. The Group policy is not entitled to share in the surplus earnings of the statutory fund to which it is referable.
- The Investment Linked business segment provides life insurance coverage to individuals, whereby the benefits are expressed in terms of units, the value of which is related to the market value of specified assets.
- The Accident and Health - Individual segment provides fixed pecuniary benefits or benefits in the nature of indemnity or a combination of both in case of accident or sickness to individuals.
- The Accident and Health - Group segment provides fixed pecuniary benefits or benefits in the nature of indemnity or a combination of both in case of accident or sickness to employer-employee (and similar) groups of employees / members under a single policy issued to the employer.
- The Pension Fund segment provides coverage for the purposes of a pension or a retirement scheme with or without the payments being guaranteed for a minimum period.

#### Family Takaful

- The Individual Family Takaful business segment provides family takaful coverage to individuals under unit-linked policies issued by the Company.

- The individual Accidental and Health Takaful business segment provides takaful pecuniary benefits or benefits in the nature of indemnity or a combination of both in case of accident or sickness to individuals.
- The Group Family Takaful business segments provides family takaful coverage to members of business enterprises, corporate entities and common interest groups under group family takaful scheme operated by the Company.
- The Group Health Takaful provides fixed pecuniary benefits or benefits in the nature of indemnity or a combination of both in case of accident or sickness to employer-employee (and similar) groups of employees / members under a single policy issued to the employer.

Actuarial valuation of life insurance business is required to be carried out annually at the reporting date. Policyholders' liabilities included in the statutory funds are based on the actuarial valuation carried out by the Appointed Actuary as at December 31, 2023.

The Company reviews the basis of estimation used in respect of allocation of assets, liabilities, income and expenses not referable to specific fund with the consultation of Company's appointed actuary.

#### 4.14 Foreign currency transactions and translations

Foreign currency transactions are translated into Pak Rupees at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the exchange rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined. Exchange gains or losses are included in income currently.

#### 4.15 Statutory funds

The Company maintains statutory funds in respect of each class of life insurance business. Assets, liabilities, revenues, and expenses of the Company are usually referable to respective statutory funds, however, where these are not referable to statutory funds, these are allocated to shareholders' fund.

Apportionment of assets, liabilities, revenues and expenses, wherever required, between funds are made on a fair and equitable basis in accordance with the written advice of the appointed actuary.

#### 4.16 Financial instruments

Financial instruments carried on the statement of financial position include cash and bank deposits, loans secured against other assets, investment in government securities and listed securities, premiums due but unpaid, amount due from / to agents, sundry receivables, accrued interest, accrued expenses, other creditors and accruals, and dividend payable.

All the financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument and derecognised when the Company loses control of contractual rights that comprises the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. At the time of initial recognition all financial assets and financial liabilities are measured at cost, which is the fair value of the consideration given or received for it. These financial assets and liabilities are subsequently measured at fair market value or amortised cost as the case may be. Any gain or loss on derecognition of financial assets and financial liabilities is taken to the profit and loss account.

#### 4.17 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognised amount and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously.

#### 4.18 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### 4.19 Dividend and appropriation of reserve

Dividend and appropriation to reserve except appropriations required by the law or determined by the appointed actuary or allowed by the Insurance Ordinance 2000, are recognised in the year in which these are approved.

## 5 PROPERTY AND EQUIPMENT

	Note	2023	2022
		----- (Rupees in '000) -----	
Tangible assets (including right-of-use-assets)	5.1	168,905	211,474
Capital work in progress	5.2	3,392	5,142
		<u>172,297</u>	<u>216,616</u>

### 5.1 Tangible assets

	2023								
	Cost			Accumulated depreciation			Net book value as at December 31	Depreciation rate	
	As at January 01	Additions/ (disposals)	As at December 31	As at January 01	Charge for the year	Disposals/ write-offs			
	----- Rupees in '000 -----								%
Leasehold improvements	105,923	5,930 (1,608)	110,245	54,989	8,646	- 697	62,938	47,307	10
Computer equipment	142,663	4,783 (9,048)	138,398	125,890	13,328	9,032	130,186	8,212	20 - 33.33
Vehicles owned	8,260	21,183 (2,068)	27,375	8,173	931	1,596	7,508	19,867	20
Right-of-use assets									
- Vehicles	150,642	3,278 (21,296)	132,624	80,882	26,945	13,534	94,293	38,331	20
- Property	63,216	12,122 (29,679)	45,659	46,928	14,589	26,139	35,378	10,281	20
	<u>213,858</u>	<u>15,400</u> <u>(50,975)</u>	<u>178,283</u>	<u>127,810</u>	<u>41,534</u>	<u>39,673</u>	<u>129,671</u>	<u>48,612</u>	
Furniture and fixtures	72,272	222 (21,210) (517)	50,767	38,223	5,517	19,101 227	24,412	26,355	10
Office equipment	52,630	1,285 (14,200)	39,715	29,047	4,277	12,161	21,163	18,552	10
	<u>595,606</u>	<u>48,803</u> <u>(97,501)</u> <u>(2,125)</u>	<u>544,783</u>	<u>384,132</u>	<u>74,233</u>	<u>81,563</u> <u>924</u>	<u>375,878</u>	<u>168,905</u>	
	2022								
	Cost			Accumulated depreciation			Net book value as at December 31	Depreciation rate	
	As at January 01	Additions/ (disposals)	As at December 31	As at January 01	Charge for the year	Disposals			
	----- Rupees in '000 -----								%
Leasehold improvements	123,988	2,161 (20,226)	105,923	55,320	8,835	9,166	54,989	50,934	10
Computer equipment	141,118	2,658 (1,113)	142,663	107,823	19,052	985	125,890	16,773	20 - 33.33
Vehicles owned	20,849	- (12,589)	8,260	20,707	55	12,589	8,173	87	20
Right-of-use assets									
- Vehicles	209,224	2,444 (61,026)	150,642	75,103	39,628	33,849	80,882	69,760	20
- Property	79,804	- (16,588)	63,216	42,643	15,144	10,859	46,928	16,288	20
	<u>289,028</u>	<u>(75,170)</u>	<u>213,858</u>	<u>117,746</u>	<u>54,772</u>	<u>44,708</u>	<u>127,810</u>	<u>86,048</u>	
Furniture and fixtures	86,647	241 (14,616)	72,272	38,444	5,977	6,198	38,223	34,049	10
Office equipment	55,581	35 (2,986)	52,630	26,548	4,194	1,695	29,047	23,583	10
	<u>717,211</u>	<u>7,539</u> <u>(129,144)</u>	<u>595,606</u>	<u>366,588</u>	<u>92,885</u>	<u>75,341</u>	<u>384,132</u>	<u>211,474</u>	

5.1.1 The cost of fully depreciated tangible assets still in use amounts to Rs. 166.101 million (2022: Rs. 146.464 million).

### 5.1.2 Disposal of operating assets

Particulars of asset	Cost	Accumulated depreciation	Net book value	Sale proceeds	Net gain/ (loss)	Mode of disposal	Name of the buyer
----- Rupees in '000 -----							
<b>Disposals having book value exceeding Rs. 50,000 individually</b>							
<b>Office equipment</b>							
Air conditioner	2,245	1,131	1,114	587	(527)	Negotiation	Farhan Traders
	<u>2,245</u>	<u>1,131</u>	<u>1,114</u>	<u>587</u>	<u>(527)</u>		
<b>Right of use assets - vehicle</b>							
	17,000	9,238	7,762	23,916	16,154	Negotiation	Azmat Ali*/ M. Saghir/ Irfan Hashmi/ various persons
<b>Disposals having book value not exceeding Rs. 50,000 individually</b>							
Right-of-use assets - vehicle	4,296	4,296	-	5,128	5,128	Negotiation	Various persons
Right-of-use assets - property	29,679	26,139	3,540	-	-	Negotiation	Lease termination
Vehicles owned	2,068	1,596	472	2,882	2,410	Negotiation	Various persons
Furniture and fixtures	21,210	19,101	2,109	557	(1,552)	Negotiation	Various persons
Leasehold improvements	-	-	-	-	-		
Office equipment	11,955	11,030	925	710	(215)	Negotiation	Various persons
Computer equipment	9,048	9,032	16	186	170	Negotiation	Various persons
	<u>78,256</u>	<u>71,194</u>	<u>7,062</u>	<u>9,463</u>	<u>5,941</u>		
<b>2023</b>	<u>97,501</u>	<u>81,563</u>	<u>15,938</u>	<u>33,966</u>	<u>21,568</u>		
<b>2022</b>	<u>129,144</u>	<u>75,341</u>	<u>53,802</u>	<u>75,784</u>	<u>27,710</u>		

\* This represents person in the employment of the Company.

### 5.2 Capital work in progress

	Note	2023	2022
		----- (Rupees in '000) -----	
Opening balance		5,142	3,474
Additions during the year		47,053	9,207
Transfers during the year		(48,803)	(7,539)
Closing balance		<u>3,392</u>	<u>5,142</u>
5.2.1			
These represent advances related to leasehold improvements.			
<b>6 INTANGIBLE ASSETS</b>			
Computer softwares	6.1	342,728	313,608
Capital work in progress	6.2	3,814	13,352
		<u>346,542</u>	<u>326,960</u>

### 6.1 Computer softwares

	Cost			Accumulated amortisation			Net book value as at December 31	Amortisation rate
	As at January 01	Additions	As at December 31	As at January 01	Charge for the year	As at December 31		
	----- Rupees in '000 -----							
Computer software - acquired*	585,513	81,532	667,045	271,905	52,412	324,317	342,728	8 - 33.33
2023	<u>585,513</u>	<u>81,532</u>	<u>667,045</u>	<u>271,905</u>	<u>52,412</u>	<u>324,317</u>	<u>342,728</u>	<u>8 - 33.33</u>
2022	<u>569,485</u>	<u>16,028</u>	<u>585,513</u>	<u>224,483</u>	<u>47,422</u>	<u>271,905</u>	<u>313,608</u>	<u>8 - 33.33</u>

\* These represents computer software having finite lives.

6.1.1 The cost of fully amortised intangible assets still in use amounts to Rs. 48.959 million (2022: Rs. 48.310 million).

6.2 Capital work in progress	2023	2022
	(Rupees in '000)	
Opening balance	13,352	5,783
Additions during the year	71,994	23,597
Transfers during the year	(81,532)	(16,028)
Closing balance	3,814	13,352

6.2.1 These include capital work in progress pertaining to the software acquired by the Company.

## 7 INVESTMENTS IN LISTED SECURITIES

	Note	2023				2022			
		Carrying amount	Provision for diminution	Market value	Surplus on revaluation of investments	Carrying amount	Provision for diminution	Market value	Deficit on revaluation of investments
(Rupees in '000)									
Available for sale:									
Listed mutual funds	7.1	6,916,731	-	8,189,645	1,272,914	6,161,660	(20,000)	6,039,945	(101,715)
		6,916,731	-	8,189,645	1,272,914	6,161,660	(20,000)	6,039,945	(101,715)

7.1 Details of listed mutual funds	2023	2022
	(Rupees in '000)	
Al Ameen Islamic Cash Fund	222,504	85,526
Al Ameen Islamic Sovereign Fund	205,636	56,732
Al Ameen Shariah Stock Fund	258,871	365,020
Alfalah GHP Alpha Fund	-	17,292
Alfalah GHP Income Fund	15,173	-
Alfalah Islamic Money Market Fund	251,521	-
Alfalah GHP Islamic Stock Fund	120,622	73,308
Alfalah GHP Money Market Fund	68,410	21,349
Alfalah GHP Stock Fund	118,369	41,511
ABL Stock Fund	82,383	9,796
ABL Islamic Stock Fund	141,179	88,429
ABL Islamic Money Market Plan I	81,643	-
Atlas Islamic Income Fund	66,932	26,161
Atlas Islamic Stock Fund	198,103	99,075
Atlas Stock Market Fund	125,571	108,966
Atlas Income Fund	10,372	-
HBL Islamic Income Fund	518,163	305,285
HBL Islamic Equity Fund	-	2,694
HBL Islamic Stock Fund	12,775	962
HBL Government Securities Fund	37,835	-
HBL Islamic Money Market Fund	103,962	341,612
HBL Income Fund	68,918	-
HBL Money Market Fund	3,567	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	29,236	-
MCB Pakistan Sovereign Fund	72,732	-
MCB Pakistan Stock Market Fund	203,443	184,565
HBL Equity Fund	7,946	34,170
Meezan Islamic Fund	91,971	34,262
Meezan Cash Fund	238,699	120,618
Meezan Islamic Income Fund	-	289,804
Meezan Sovereign Fund	391,198	49,345
NBP Islamic Income Fund	79,691	233,206
NBP Islamic Stock Fund	118,077	93,597
NBP Islamic Saving Fund	-	-
NBP Stock Fund	151,735	145,342
NBP Riba Free Saving Fund	-	-
NBP Financial Sector Income Fund	-	207,818
UBL Income Opportunity Fund	26,715	-
UBL Money Market Fund	4,527	5,026
UBL Stock Advantage Fund	230,434	225,718
ABL Cash Fund	19,459	147,378
<b>Balance carried forward</b>	<b>4,378,372</b>	<b>3,414,565</b>

## Balance brought forward

	2023	2022
(Rupees in '000)		
ABL Income Fund	-	25,513
ABL Islamic Cash Fund	-	3,406
AL Habib Cash Fund	-	47,661
AL Habib Islamic Income Fund	212,991	278,583
AL Habib Islamic Savings Fund	515,230	178,587
AL Habib Islamic Stock Fund	39,890	15,285
AL Habib Income Fund	71,760	-
AL Habib Islamic Munafa Fund Plan II	123,086	-
AL Habib Stock Fund	14,897	-
Alfalah GHP Cash Fund	6,250	97,604
Alfalah GHP Islamic Income Fund	76,831	168,284
Alfalah Islamic Rozana Amdani Fund	-	120,082
Alhamra Islamic Income Fund	131,730	317,717
Alhamra Islamic Money Market Fund	-	131,250
Alhamra Islamic Stock Fund	130,085	92,404
Alhamra Cash Management Optimizer	214,869	-
Alhamra Wada Plan (Alhamra Wada Plan VII)	354,023	-
Alhamra Wada Plan (Alhamra Wada Plan XI)	52,915	-
Alhamra Wada Plan VIII	29,938	-
Atlas Islamic Money Market Fund	222,773	65,030
Atlas Money Market Fund	11,729	41,029
Faysal Cash Fund	-	11,504
Faysal Halal Amdani Fund	247,770	242,049
Faysal Islamic Savings Growth Fund	-	17,978
Faysal Money Market Fund	-	15,128
Faysal Stock Fund	-	14,296
Faysal Islamic Sovereign Fund (Faysal Islamic Sovereign Plan I)	206,882	-
Faysal Islamic Stock Fund	30,222	-
JS Islamic Daily Dividend Fund	6,007	-
JS Islamic Income Fund	73,957	-
JS Large Cap. Fund	7,615	-
HBL Cash Fund	66,755	97,075
HBL Financial Sector Income Fund Plan I	-	101,782
MCB Cash Management Optimizer	4,796	170,896
Meezan Paaidaar Munafa Plan IV	172,314	-
NBP Government Securities Liquid Fund	47,618	-
NBP Islamic Daily Dividend Fund	75,650	-
NBP Islamic Energy Fund	59,618	-
NBP Financial Sector Fund	11,010	17,391
NBP Islamic Mahana Amdani Fund	181,370	85,169
NBP Islamic Money Market Fund	254,129	135,478
NBP Mahana Amdani Fund	105,171	15,006
Pakistan Income Fund	3,125	2,611
UBL Cash Fund	-	21,561
UBL Financial Sector Fund	46,262	45,395
UBL Liquidity Plus Fund	2,004	49,626
	<b>8,189,645</b>	<b>6,039,945</b>

## 8 INVESTMENTS IN GOVERNMENT SECURITIES

	Note	2023			2022		
		Carrying amount	Market value	Net (deficit) / surplus on revaluation of investments	Carrying amount	Market value	Net deficit on revaluation of investments
(Rupees in '000)							
Available for sale:							
Pakistan Investment Bonds	8.1 & 8.2	4,885,542	4,553,588	(331,954)	5,121,936	4,775,838	(346,098)
Market Treasury Bills	8.3	10,004,384	10,023,616	19,232	6,826,091	6,808,483	(17,608)
GOP Ijarah Sukuk Certificates	8.4	404,306	411,294	6,988	279,144	278,074	(1,070)
	8.5	15,294,232	14,988,498	(305,734)	12,227,171	11,862,395	(364,776)

8.1 The effective yield on Pakistan Investment Bonds ranges from 7.50% to 23.57% (2022: 7.50% to 16.28%) per annum. The market yield ranges from 15.79% to 21.36% (2022: 15.79% to 16.99%) per annum.

8.2 The Company has deposited 5 years Pakistan Investment Bonds amounting to Rs. 193 million (2022: Rs. 193 million) with the State Bank of Pakistan (SBP) under section 29 of the Insurance Ordinance, 2000.

8.3 The effective yield on Market Treasury Bills ranges from 21.00% to 22.95% (2022:11.90% to 16.97%) per annum. The market yield ranges from 21.29% to 21.49% (2022:15.00% to 17.00%) per annum.

8.4 The effective yield on GOP Ijarah Sukuk Certificates ranges from 20.33% to 23.71% (2022: 14.91% to 15.93%) per annum.

8.5 **Particulars of government securities**

	Tenure	Maturity year	Rate of return (%) per	Profit payment	Market value	
					2023	2022
-----Rupees in '000-----						
Pakistan Investment Bonds	3 years	2023	7.00%	Semi-annual	-	188,884
Pakistan Investment Bonds	10 years	2024	12.00%	Semi-annual	34,812	34,260
Pakistan Investment Bonds	5 years	2025	7.50% **	Semi-annual	2,038,227	1,998,022
Pakistan Investment Bonds	3 years	2026	12.00%**	Semi-annual	268,682	-
Pakistan Investment Bonds*	10 years	2028	15.20%**	Semi-annual	-	160,999
Pakistan Investment Bonds*	10 years	2028	16.38%**	Semi-annual	-	1,814,786
Pakistan Investment Bonds*	10 years	2028	17.35%**	Semi-annual	-	455,283
Pakistan Investment Bonds*	10 years	2029	7.80%**	Semi-annual	-	123,604
Pakistan Investment Bonds*	10 years	2029	23.48%**	Semi-annual	122,963	-
Pakistan Investment Bonds*	10 years	2029	23.57%**	Semi-annual	1,794,794	-
Pakistan Investment Bonds*	10 years	2029	21.86%**	Semi-annual	294,110	-
					<u>4,553,588</u>	<u>4,775,838</u>
Market Treasury Bills	3 months	2024	21.49%	On maturity	424,727	-
Market Treasury Bills	3 months	2024	21.37%	On maturity	593,971	-
Market Treasury Bills	3 months	2024	21.35%	On maturity	608,759	-
Market Treasury Bills	3 months	2024	21.33%	On maturity	764,426	-
Market Treasury Bills	3 months	2024	21.30%	On maturity	168,057	-
Market Treasury Bills	6 months	2024	21.29%	On maturity	473,750	-
Market Treasury Bills	6 months	2024	21.31%	On maturity	680,090	-
Market Treasury Bills	6 months	2024	21.33%	On maturity	184,423	-
Market Treasury Bills	6 months	2024	21.34%	On maturity	462,919	-
Market Treasury Bills	6 months	2024	21.35%	On maturity	669,825	-
Market Treasury Bills	6 months	2024	21.36%	On maturity	455,971	-
Market Treasury Bills	6 months	2024	21.37%	On maturity	507,286	-
Market Treasury Bills	12 months	2024	21.37%	On maturity	1,465,146	-
Market Treasury Bills	12 months	2024	21.34%	On maturity	153,339	-
Market Treasury Bills	12 months	2024	21.34%	On maturity	427,314	-
Market Treasury Bills	12 months	2024	21.33%	On maturity	424,355	-
Market Treasury Bills	12 months	2024	21.33%	On maturity	417,447	-
Market Treasury Bills	12 months	2024	21.33%	On maturity	164,076	-
Market Treasury Bills	12 months	2024	21.32%	On maturity	87,726	-
Market Treasury Bills	12 months	2024	21.32%	On maturity	890,009	-
Market Treasury Bills	3 months	2023	15.63%	On maturity	-	264,295
Market Treasury Bills	3 months	2023	15.64%	On maturity	-	350,218
Market Treasury Bills	3 months	2023	15.65%	On maturity	-	332,410
Market Treasury Bills	3 months	2023	15.66%	On maturity	-	314,602
Market Treasury Bills	3 months	2023	15.67%	On maturity	-	230,451
Market Treasury Bills	3 months	2023	15.68%	On maturity	-	296,795
Market Treasury Bills	3 months	2023	15.69%	On maturity	-	64,276
Market Treasury Bills	3 months	2023	15.70%	On maturity	-	493,412
Market Treasury Bills	3 months	2023	16.63%	On maturity	-	9,703
Market Treasury Bills	3 months	2023	16.87%	On maturity	-	3,697
Market Treasury Bills	3 months	2023	16.88%	On maturity	-	174,500
Market Treasury Bills	3 months	2023	16.91%	On maturity	-	50,480
Market Treasury Bills	3 months	2023	16.96%	On maturity	-	477,977
Market Treasury Bills	3 months	2023	16.97%	On maturity	-	486,579
Market Treasury Bills	6 months	2023	15.60%	On maturity	-	1,533
Market Treasury Bills	6 months	2023	15.62%	On maturity	-	507,793
Market Treasury Bills	6 months	2023	15.65%	On maturity	-	73,349
Market Treasury Bills	6 months	2023	15.68%	On maturity	-	59,102
Market Treasury Bills	6 months	2023	15.69%	On maturity	-	475,668
Market Treasury Bills	6 months	2023	15.73%	On maturity	-	24,457
Market Treasury Bills	1 year	2023	11.90%	On maturity	-	105,345
Market Treasury Bills	1 year	2023	11.94%	On maturity	-	1,965,402
Market Treasury Bills	1 year	2023	12.27%	On maturity	-	46,439
					<u>10,023,616</u>	<u>6,808,483</u>
GOP Ijarah Sukuk Certificates	5 years	2025	21.14%**	Semi-annual	286,032	278,074
GOP Ijarah Sukuk Certificates	1 year	2024	22.79%**	Semi-annual	90,000	-
GOP Ijarah Sukuk Certificates	1 year	2024	20.33%**	Semi-annual	25,125	-
GOP Ijarah Sukuk Certificates	1 year	2024	23.71%**	Semi-annual	10,137	-
					<u>411,294</u>	<u>278,074</u>
					<u>14,988,498</u>	<u>11,862,395</u>

\* These represent floating rate PIBs issued by the SBP.

\*\* These represent current year rate of return.

9 **INVESTMENTS IN DEBT SECURITIES**

Note	2023			2022		
	Carrying amount	Market value	Net surplus / (deficit) on revaluation of investments	Carrying amount	Market value	Net surplus / (deficit) on revaluation of investments
----- (Rupees in '000) -----						
Available for sale:						
Listed Term Finance Certificates	9.1	299,990	299,990	-	300,000	300,000
Corporate Sukuks	9.2	-	-	-	300,000	300,000
		<u>299,990</u>	<u>299,990</u>	<u>-</u>	<u>600,000</u>	<u>600,000</u>

	Number of certificate	Tenure	2023			2022				
			Coupon rate	Profit payment	Market value	Number of certificates	Tenure	Coupon rate	Profit payment	Market value
----- Rupees in '000 -----										
Bank Alfalah Limited (AA-, PACRA)	10,000	Perpetual	6 months Kibor plus 1.50%	Semi annual	50,000	10,000	Perpetual	6 months Kibor plus 1.50%	Semi annual	50,000
Soneri Bank Limited (A, PACRA)	10,000	Perpetual	6 months Kibor plus 2%	Semi annual	50,000	10,000	Perpetual	6 months Kibor plus 2%	Semi annual	50,000
UBL Bank Limited (AA+, VIS)	15,000	Perpetual	3 months Kibor plus 1.55%	Quarterly	75,000	15,000	Perpetual	3 months Kibor plus 1.55%	Quarterly	75,000
Habib Bank Limited (AA+, VIS)	500	Perpetual	3 months Kibor plus 1.60%	Quarterly	50,000	500	Perpetual	3 months Kibor plus 1.60%	Quarterly	50,000
Bank Alfalah Limited (AA-, PACRA)	10,000	Perpetual	6 months Kibor plus 2%	Semi annual	49,990	10,000	Perpetual	6 months Kibor plus 2%	Semi annual	50,000
Soneri Bank Limited (A+, PACRA)	6,250	10 Years	6 months Kibor plus 1.7%	Semi annual	25,000	6,250	10 Years	6 months Kibor plus 1.7%	Semi annual	25,000
	51,750				299,990	51,750				300,000
	51,750				299,990	51,750				300,000

	Number of certificate	Tenure	2023			2022				
			Coupon rate	Profit payment	Market value	Number of certificates	Tenure	Coupon rate	Profit payment	Market value
----- Rupees in '000 -----										
Corporate Sukuks										
China Power Gen Hub-Sukuk (A1+, PACRA)	-	-	-	-	-	200	6 months	17.06%	at maturity	200,000
The Lucky Electric Power Co Ltd (A1+, PACRA)	-	-	-	-	-	75	6 months	18.45%	at maturity	75,000
The Lucky Electric Power Co Ltd (A1+, PACRA)	-	-	-	-	-	25	6 months	18.31%	at maturity	25,000
	-	-	-	-	-	<u>300</u>				<u>300,000</u>

10 **INSURANCE / TAKAFUL / REINSURANCE / RETAKAFUL RECEIVABLES**

Due from insurance / takaful contract holders - unsecured - Considered good

Note	2023	2022
	----- (Rupees in '000) -----	
	250,984	209,227

Due from other insurers / reinsurers / retakaful - unsecured - Considered good

55,077	29,892
--------	--------

Less: provision for impairment of receivables from insurance contract holders

306,061	239,119
-	-
<u>306,061</u>	<u>239,119</u>

11 **OTHER LOANS AND RECEIVABLES**

Security deposits

25,542

24,804

Loans to agents

278

278

Receivable against claim administration services - net of provision

29,098

37,626

Experience refund receivables

66,355

66,356

Accrued income

267,740

207,508

Other receivables

144,598

139,280

<u>533,611</u>	<u>475,852</u>
----------------	----------------

11.1 This includes provision of Rs 44 million (2022: Rs. 44 million) against claim administration services.

	Note	2023	2022
		----- (Rupees in '000) -----	
<b>12 DEFERRED TAX ASSET - NET</b>			
<b>Deferred debits arising in respect of:</b>			
Unrealised losses on investments classified as available for sale - net	16	12,011	26,449
<b>Deferred debits arising in respect of:</b>			
On Ledger D account balances		540,881	420,616
		<u>552,892</u>	<u>447,065</u>
<b>12.1 Movement in deferred tax asset</b>			
The movement in deferred tax asset during the year is as follows:			
Opening		447,065	439,029
Credit / (debits) to the profit and loss account		120,265	(5,583)
(Debits) / credit to the statement of comprehensive income		(14,438)	13,619
Closing		<u>552,892</u>	<u>447,065</u>
<b>13 PREPAYMENTS</b>			
Prepaid rent		1,317	776
Prepaid commission		22,054	31,100
Others		14,373	31,298
		<u>37,744</u>	<u>63,174</u>
<b>14 CASH AND BANK</b>			
Cash in hand		535	94
Cash at bank			
- Savings accounts	14.1	341,934	218,024
		<u>342,469</u>	<u>218,118</u>
<b>14.1</b> These accounts carry profit at rates ranging from 14.50% to 20.50% (2022: 14.00% to 15.50%).			
<b>14.2 Cash and cash equivalents</b>			
Cash and bank	14	342,469	218,118
Treasury Bills (with original maturity of less than 3 months)	8	2,559,940	3,549,395
		<u>2,902,409</u>	<u>3,767,513</u>
<b>15 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>			
<b>15.1 Issued, subscribed and paid-up share capital</b>			
		<b>2023</b>	<b>2022</b>
		----- (Rupees in '000) -----	
		<u>170,567,200</u>	<u>170,567,200</u>
		170,567,200	170,567,200
		Ordinary shares of Rs. 10 each fully paid in cash	
		<u>1,705,672</u>	<u>1,705,672</u>
<b>15.2</b> IGI Holdings Limited (Holding Company) held 141,043,321 (2022: 141,043,321) shares representing 82.69% (2022: 82.69%) of the Company's shares as at December 31, 2023. These include 824,910 shares in respect of withholding tax on bonus shares issued by the Company. These shares have not been released by the Company to the Government Treasury based on a stay order issued by the Honorable High Court of Sindh.			
<b>15.3 Reconciliation between ordinary shares in issue at beginning and end of the year is as follows:</b>		<b>2023</b>	<b>2022</b>
		----- (Number of shares) -----	
At beginning of the year		170,567,200	170,567,200
Issuance of shares during the year		-	-
Redemption of shares during the year		-	-
At end of the year		<u>170,567,200</u>	<u>170,567,200</u>

#### 15.4 Rights of ordinary shareholders:

All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general

#### 15.5 Shares in the Company held by the associated persons:

**2023** **2022**  
----- (Number of shares) -----

Directors and their related persons hold the following number of shares in the Company:

IGI Holdings Limited	141,043,321	141,043,321
Syed Hyder Ali	957,780	957,780
Syed Yawar Ali & spouse	511,858	511,858

Note **2023** **2022**  
----- (Rupees in '000) -----

#### 16 DEFICIT ON REVALUATION OF AVAILABLE FOR SALE INVESTMENTS - NET

Deficit on revaluation of available for sale investments at January 1 - net	(114,573)	(52,753)
Surplus / (deficit) arising on revaluation of available for sale investments during the year - net	52,459	(46,962)
Less: surplus / (deficit) arising on revaluation of available for sale investments during the year on non-participating fund - net	25,568	(14,859)
	<u>(36,547)</u>	<u>(114,573)</u>
Less : related deferred tax asset	12	12,011
Deficit on revaluation of available for sale investments at December 31 - net	<u>(24,536)</u>	<u>(88,124)</u>

#### 17 INSURANCE LIABILITIES

Incurred but not reported claims	17.1	151,173	167,653
Investment component of unit-linked and account value policies	17.2	14,210,116	10,040,827
Liabilities under individual conventional insurance contracts	17.2	6,518,733	6,447,583
Liabilities under group insurance contracts	17.3	438,498	365,749
Other insurance liabilities	17.4	1,086,316	621,438
Ledger account A and B	17.5	662,384	515,775
		<u>23,067,220</u>	<u>18,159,025</u>

#### 17.1 Incurred but not reported claims

Gross of reinsurance	171,795	206,651
Reinsurance recoveries	(20,622)	(38,998)
Net of reinsurance	<u>151,173</u>	<u>167,653</u>

#### 17.2 Investment component of unit-linked and account value policies

Investment component of unit-linked policies	14,210,116	10,040,827
Investment component of account value policies	6,518,733	6,447,583
	<u>20,728,849</u>	<u>16,488,410</u>

#### 17.3 Liabilities under group insurance contracts

Gross of reinsurance	515,174	432,828
Reinsurance credit	(76,676)	(67,079)
Net of reinsurance	<u>438,498</u>	<u>365,749</u>

#### 17.4 Other insurance liabilities

Gross of reinsurance	1,401,523	938,796
Reinsurance	(315,207)	(317,358)
Net of reinsurance	<u>1,086,316</u>	<u>621,438</u>

	Note	2023	2022
		----- (Rupees in '000) -----	
<b>17.5 Ledger account A and B</b>			
Opening balance		515,775	456,777
Surplus of life participating fund		160,984	122,755
Unrealised gain / (loss) for the year		11,897	(47,659)
Surplus appropriated to shareholders' fund		(26,272)	(16,098)
Closing balance		662,384	515,775
<b>18 OUTSTANDING CLAIMS</b>			
Opening balance		623,709	508,077
Total gross claims	30	4,480,832	5,458,775
Claims paid / settled		(4,534,197)	(5,343,143)
Closing balance		570,344	623,709
<b>18.1 Reported outstanding claims</b>			
<b>Gross of reinsurance</b>			
Payable within one year		234,336	325,708
Payable over a period of time exceeding one year		336,008	298,001
		570,344	623,709
<b>Recoverable from reinsurers</b>		52,191	28,324
Receivable within one year		79,667	128,615
Receivable over a period of time exceeding one year		131,858	156,939

## 19 RETIREMENT BENEFIT OBLIGATIONS

### 19.1 DEFINED BENEFIT PLAN - GRATUITY FUND

The Company offers an approved gratuity fund for all eligible employees. Annual contributions are made to the fund on the basis of actuarial recommendations. The gratuity scheme is governed under the Trust Act, 1882, Trust Deed, Rules of the Fund, the Companies Act, 2017, the Income Tax Ordinance, 2001 and the Income Tax rules, 2002.

The Company faces the following risks on account of gratuity fund:

#### Final salary risks

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

#### Asset volatility

Most assets are invested in risk free investments. However, investments in shares, are subject to adverse fluctuation as a result of change in market price.

#### Discount rate fluctuation

The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plan's bond holdings.

#### Investment risks

The risk of the investment underperforming and not being sufficient to meet the liabilities. The risk is mitigated by closely monitoring the performance of investments.

#### Mortality risks

The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefit.

## Withdrawal risks

The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

The Company manages such risks by making regular contributions in the defined benefit plan and investing such contributions in investment avenues that are low risk. This aims to reduce the volatility in the schemes' funding position and identifying any funding gaps which are met by way of contribution.

### 19.2 Valuation results

Actuarial valuation is carried out every year and the latest valuation was carried out as at December 31, 2023. The information provided in notes 19.3 to 19.16 has been obtained from the actuarial valuation carried out as at December 31, 2023. The following significant assumptions have been used for valuation of this scheme:

	2023	2022
	Per annum	
a) Expected rate of increase in salary level	14.75%	14.50%
b) Discount rate	14.75%	14.50%
c) Expected return on plan assets	14.75%	14.50%
d) Normal retirement age	65 years	65 years
e) Assumptions regarding future mortality experience are based on actuarial recommendations and published statistics.		

	Note	2023	2022
		----- (Rupees in '000) -----	
<b>19.3 Amounts recognised in the statement of financial position:</b>			
Present value of defined benefit obligation	19.5	94,301	78,704
Less: fair value of plan assets	19.5	(64,622)	(49,443)
		29,679	29,261
<b>19.4 Movement in liability during the year</b>			
Obligation at the beginning of the year	19.5	29,261	29,241
Charge to profit and loss account	19.6	17,189	16,046
Contribution to the fund during the year		(16,970)	(12,755)
Benefits paid by the Company		-	(895)
Actuarial losses / (gain) on defined benefit liability	19.7	199	(2,376)
Obligation at the end of the year		29,679	29,261
<b>19.5 Movement in defined benefit obligation</b>			
		2023	
		Present value of	Fair value of plan assets
		----- (Rupees in '000) -----	
As at January 1		78,704	(49,443)
Current service cost		13,021	-
Interest expense / (income)		11,561	(7,393)
		103,286	(56,836)
Remeasurements:			
- Gain from change in financial assumptions		-	(2,191)
- Loss from change in experience adjustments		2,390	-
		2,390	(2,191)
Contributions made by the Company		-	(16,970)
Benefit payments by the fund		(11,375)	11,375
Benefit payments made by the Company		-	-
As at December 31		94,301	(64,622)
		29,679	29,261

	2022		Total
	Present value of obligation	Fair value of plan assets	
------(Rupees in '000)-----			
As at January 1	71,197	(41,956)	29,241
Current service cost	12,483	-	12,483
Interest expense / (income)	9,177	(5,614)	3,563
	92,857	(47,570)	45,287
Remeasurements:			
-Gain from change in financial assumptions	(3,170)	-	(3,170)
-Loss from change in experience adjustments	-	794	794
	(3,170)	794	(2,376)
Contributions made by the Company	-	(12,755)	(12,755)
Benefit payments by the fund	(10,088)	10,088	-
Benefit payments made by the Company	(895)	-	(895)
As at December 31	78,704	(49,443)	29,261

#### 19.6 Amounts recognised in the profit and loss account:

	2023	2022
------(Rupees in '000)-----		
Current service cost	13,021	12,483
Interest cost	4,168	3,563
Expense for the year	17,189	16,046

#### 19.7 Amounts recognised in other comprehensive income:

Gain from change in financial assumptions	(2,191)	(3,170)
Loss from change in experience adjustments	2,390	794
	199	(2,376)

#### 19.8 Actual return on plan assets

Expected return on assets	7,393	5,614
Actuarial gain / (loss)	2,191	(794)
	9,584	4,820

#### 19.9 Analysis of present value of defined benefit obligation

Split by vested / non-vested		
(i) Vested benefits	94,072	77,584
(ii) Non-vested benefits	229	1,120
	94,301	78,704

#### 19.10 Sensitivity analysis

Particulars	2023		2022			
	Change in assumption	Increase / (decrease) in present value of defined benefit obligation	Change in assumption	Increase / (decrease) in present value of defined benefit obligation		
		(%)		Rupees in '000	(%)	Rupees in '000
Discount rate	+1%	-92.61%	(87,335)	+1%	-93.26%	(73,402)
	-1%	108.70%	102,506	-1%	107.96%	84,965
Salary increase rate	+1%	-109.00%	(102,785)	+1%	-108.25%	(85,197)
	-1%	92.25%	86,988	-1%	92.90%	73,116

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant assumptions, same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability.

19.11 Plan assets comprise of the following:	2023	Percentage	2022	Percentage
	(Rupees '000)	composition	(Rupees '000)	composition
Cash and bank balances	64,227	99.39%	49,048	99.20%
Pakistan Investment Bonds	395	0.61%	395	0.80%
Fair value of plan assets	64,622	100.00%	49,443	100.00%

19.12 As per the actuarial recommendations, the expected return on plan assets was taken as 14.75% (2022: 14.50%), which is representative of yields on long-term government bonds.

19.13 Based on actuarial advice, the Company intends to charge an amount of Rs. 18.999 million in the financial statements for the year ended December 31, 2024.

19.14 The weighted average duration of defined benefit obligation is 9.43 years (2022: 9.43 years).

19.15 Expected maturity analysis of undiscounted defined benefit obligation for the gratuity scheme is as follows:

At December 31, 2023	Less than a year	Between 1-2 Years	Between 2-5 years	Over 5 years	Total
	------(Rupees in '000)-----				
Gratuity	5,598	7,398	30,265	4,851,506	4,894,767

19.16 5 year data on the deficit / (surplus) of the plan is as follows:

	2023	2022	2021	2020	2019
------(Rupees in '000)-----					
Present value of defined benefit obligation	94,301	78,704	71,197	59,557	50,759
Fair value of plan assets	(64,622)	(49,443)	(41,956)	(35,100)	(26,650)
Deficit	29,679	29,261	29,241	24,457	24,109

#### 20 DEFINED CONTRIBUTION PLAN - PROVIDENT FUND

The Company has set up a provident fund for its permanent employees and contributions were made by the Company to the Fund in accordance with the requirements of Section 218 of the Companies Act, 2017. The total charge against provident fund for the year ended December 31, 2023 was Rs. 15.334 million (2022: Rs. 17.161 million).

	2023 Un-audited		2022 Audited	
	Rupees in '000	% of the size of the fund	Rupees in '000	% of the size of the fund
Balances with banks	50,365	87.92%	66,422	89.89%
Other assets	6,919	12.08%	7,474	10.11%
	57,284	100.00%	73,896	100.00%

#### 21 NUMBER OF EMPLOYEES

	2023	2022
Number of employees at the end of the year	178	197
Average number of employees during the year	188	207

22 REINSURANCE / RETAKAFUL PAYABLES	Note	2023	2022
		----- (Rupees in '000) -----	
Due to other insurers / reinsurers		171,697	129,914
<b>23 OTHER CREDITORS AND ACCRUALS</b>			
Commission payable		79,445	97,948
Payable to vendors		9,359	13,703
Withholding tax payable		14,430	14,203
Surrender payable		77,895	103,382
Experience refund payables		129,747	65,925
Payable to related parties	23.1	63,271	80,815
Accrued expenses		232,510	103,095
Unclaimed dividend		2,129	2,129
Other liabilities		167,913	91,880
		<u>776,699</u>	<u>573,080</u>

23.1 This represents amount payable in respect of expenses such as rent, salaries and utilities charged under the Group shared services arrangement.

24 LEASE LIABILITY AGAINST RIGHT-OF-USE-ASSETS	Note	2023	2022
		----- (Rupees in '000) -----	
Lease liability against right-of-use assets - motor vehicle	24.1	27,450	62,200
Lease liability against right-of-use assets - property	24.2	2,937	14,160
		<u>30,387</u>	<u>76,360</u>
Present value of minimum lease payments		30,387	76,360
Less: current portion		(20,780)	(36,415)
		<u>9,607</u>	<u>39,945</u>

24.1 The Company obtained leases of motor vehicles for use by its employees as part of their employment benefits.

24.2 The Company obtained property premises on lease for its branch operations.

24.3 The interest rate used by the Company for unwinding of its lease liability against property is 11.36% (2022: 11.36% to 12.28%) and for motor vehicles ranges from 8.05% to 17.98% (2022: 8.05% to 17.44%).

	2023			2022		
	Principal outstanding	Financial charges for future payments	Minimum lease payments	Principal outstanding	Financial charges for future payments	Minimum lease payments
	----- (Rupees in '000) -----					
Not later than one year	20,780	(4,336)	25,116	36,415	(7,708)	44,123
Later than one year and not later than five years	9,607	(2,777)	12,384	39,945	(2,831)	42,776
	<u>30,387</u>	<u>(7,113)</u>	<u>37,499</u>	<u>76,360</u>	<u>(10,539)</u>	<u>86,899</u>

## 25 CONTINGENCIES AND COMMITMENTS

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

Further, the SRB, vide its notifications SRB-3-4/16/2019, SRB-3-4/14/2020, SRB-3-4/17/2021 and SRB-3-4/19/2022 extended the exemption to health insurance upto June 30, 2023. For individual life insurance, the SRB prescribed a reduced rate of 3% on gross premium written. The exemption to Group Life insurance lapsed on June 30, 2019. Hence, Group Life Insurance was made taxable at the full rate of 13%. The SRB, however, vide its notification SRB-3-4/13/2020 dated June 22, 2020, provided exemptions to Individual Life and Group Life Insurance subject to e-deposit of sales tax payable thereon, as were provided or rendered during the period from July 1, 2019 till June 30, 2020. The Company, however, has not availed this exemption.

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

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

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

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

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

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

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

During the hearing conducted in December, 2020, the Honourable Sindh High Court observed that one of the grounds in the petition is that "insurance" is a federal subject. On this basis, the Honourable Court was of the view that the Federation of Pakistan ought to be made a party. The Honourable Court therefore directed to amend the title of the petition, impleading the Federation as a Party, which has been duly done.



The legal advisors, in their opinion, have expressed the view that the Company has a reasonably strong case on the merits of the petitions filed in both, the Honorable Lahore High Court and Honorable Sindh High Court, against the imposition of the provincial sales taxes on life and health insurance in the Punjab and Sindh also.

Had the sales tax liability on life insurance and health insurance premium been recorded, the profit after tax would have been lower by Rs. 539.619 million while sales tax liability as at December 31, 2023 would have been higher by Rs. 884.621 million.

25.2 There were no significant contingencies and commitments other than described above.

## 26 NET PREMIUM / CONTRIBUTION REVENUE

### Gross premiums / contribution:

Regular premium / contribution individual policies\*

	2023	2022
First year	1,229,648	1,411,055
Second year renewal	879,832	952,807
Subsequent year renewal	1,926,229	1,412,592

Single premium / contribution individual policies 1,832,790 382,122

Group policies without cash value 2,123,106 1,913,494

**Total gross premiums / contribution** 7,991,605 6,072,070

### Less: reinsurance premium / contribution ceded

On individual life first year business	43,407	35,621
On individual life second year business	25,316	21,129
On individual life renewal business	64,844	48,612
On single premium policies	1,573	13,501
On group policies	243,234	210,592
Less: commission from reinsurers	(72,646)	(57,728)
	305,728	271,727

**Net premium / contribution** 7,685,877 5,800,343

\* Individual policies are those underwritten on an individual basis and include joint life policies underwritten as such.

## 27 INVESTMENT INCOME

### Income from listed securities - available for sale

Dividend income 27.1 38,397 91,737

### Income from debt securities - available for sale

Return on government securities	2,344,035	1,441,979
Amortisation of discount	48,712	41,414
Profit on debt securities	74,521	52,180

### Income from term deposits - held to maturity

Profit on term deposit receipts	-	11,752
	2,505,665	1,639,062

## 27.1 Dividend income

Dividend income from listed securities disposed off during the year 2,401 2,596

Dividend income from listed securities held at the end of the year	35,996	89,141
	38,397	91,737

Note 2023 2022  
----- (Rupees in '000) -----

## 28 NET REALISED FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS

### Available for sale financial assets

Realised gains on:

Mutual funds 439,340 26,885

Realised losses on:

Equity securities - (491)

Debt securities (19,832) (59,159)

(19,832) (59,650)

419,508 (32,765)

## 29 OTHER INCOME - NET

Return on bank balances 84,906 41,746

Gain on sale of fixed assets 5.1.2 21,568 27,710

Return on loan to policyholders 19,523 14,937

Fee for claim administration services 19,929 21,500

Miscellaneous income 29,688 10,698

175,614 116,591

## 30 NET INSURANCE BENEFITS

### Gross claims

Claims under individual policies

by death 207,848 207,215

by maturity 14,166 7,727

by surrender 3,013,073 3,866,306

experience refund - -

**Total gross individual policy claims** 3,235,087 4,081,248

Claims under group policies

by death 314,421 489,091

by insured event other than death 865,526 825,753

experience refund 65,798 62,683

**Total gross group policy claims** 1,245,745 1,377,527

**Total gross policy claims** 4,480,832 5,458,775

### Less: reinsurance recoveries

On individual life claims 90,354 72,101

On group life claims 41,504 84,838

131,858 156,939

**Net insurance benefit expense** 4,348,974 5,301,836

## 30.1 Claim development

The following table shows the development of claims over a period of time on gross basis for group life and individual life business:

Accident year	2019	2020	2021	2022	2023
	----- (Rupees in '000) -----				
<b>Group life</b>					
<i>Estimate of Ultimate Claims Costs:</i>					
At the end of the year	82,689	372,636	393,092	429,332	365,139
1 year later	178,077	409,049	454,464	501,026	-
2 years later	178,369	409,549	455,564	-	-
3 years later	178,869	409,549	-	-	-
4 years later	178,869	-	-	-	-
Current estimates of cumulative claim	178,869	409,549	455,564	501,026	365,139
Cumulative payments to date	175,700	381,931	436,153	426,867	182,198
Liability recognised in statement of financial position	3,169	27,618	19,411	74,159	182,941
<b>Individual Life</b>					
<i>Estimate of Ultimate Claims Costs:</i>					
At the end of the year	94,724	129,477	175,630	133,514	181,431
1 year later	104,703	180,825	229,663	187,257	-
2 years later	104,953	188,675	232,958	-	-
3 years later	105,203	190,117	-	-	-
4 years later	106,055	-	-	-	-
Current estimates of cumulative claim	106,055	190,117	232,958	187,257	181,431
Cumulative payments to date	91,298	184,182	181,962	123,155	54,175
Liability recognised in statement of financial position	14,757	5,935	50,996	64,102	127,256

### 31 ACQUISITION EXPENSES

	2023	2022
	----- (Rupees in '000) -----	
Remuneration to insurance intermediaries on individual policies:		
- Commission on first year premiums / contribution	453,693	551,371
- Commission on second year premiums / contribution	54,016	58,100
- Commission on subsequent renewal premiums / contribution	59,664	41,089
- Commission on single premiums / contribution	52,745	11,132
- Other benefits to insurance intermediaries	585,088	540,015
	1,205,206	1,201,707
Remuneration to insurance intermediaries on group policies:		
- Commission	206,938	160,704
- Other benefits to insurance intermediaries	2,310	3,239
	209,248	163,943
Branch overheads :		
- Salaries and other benefits	68,930	85,068
- Printing and stationery	15,598	2,598
- Utilities	22,467	23,333
- Repairs and maintenance	35,591	27,050
- Communication	24,185	21,283
- Entertainment	3,148	2,242
- Rent	37,173	40,841
- Others	4,986	5,076
	212,078	207,491
Other acquisition cost :		
- Policy stamps	12,255	30,510
	1,638,787	1,603,651

### 32 MARKETING AND ADMINISTRATION EXPENSES

	Note	2023	2022
		----- (Rupees in '000) -----	
Salaries, allowances & other benefits		443,753	343,605
Employee benefit cost		30,947	32,225
Travelling expenses		16,454	11,845
Directors' fees		8,790	8,003
Regulators fee		15,735	18,566
Actuary's fees		10,036	10,772
Advertisement and publicity		5,063	10,399
Printing and stationery		11,400	17,709
Depreciation	5.1	74,233	92,885
Amortisation	6.1	52,412	47,422
Rent		11,881	16,885
Vehicles and general repair and maintenance		15,834	13,624
Systems maintenance cost		141,540	97,528
Utilities-electricity, water and gas		14,655	14,497
Transportation		5,164	5,064
Communication		9,996	10,416
Consultancy fee		6,914	7,692
Training and workshop		5,622	2,892
Legal and professional charges		9,773	3,544
Insurance		4,313	5,693
Interest on premium deposit in advance		482	681
Provision for doubtful debts	32.1	-	10,000
Social security		1,455	774
Entertainment		11,527	10,987
Books and subscriptions		-	2
Bank charges		5,293	5,293
Miscellaneous expenses		27,319	9,630
		940,591	808,633

32.1 This represents provision against receivable from claim administration services amounting to Rs. nil (2022: Rs 10 million).

### 33 OTHER EXPENSES

	Note	2023	2022
		----- (Rupees in '000) -----	
Auditors' remuneration	33.1	8,891	8,891
<b>33.1 Auditors' remuneration</b>			
Audit fee		2,700	2,184
Fee for review of the half yearly financial statements		864	694
Certifications and other services		4,182	4,868
Out of pocket expenses		1,145	1,145
		8,891	8,891

### 34 FINANCE COSTS

Mark up on lease liability against right-of-use-assets	10,883	13,387
Mark up on working capital finance	-	5,840
	10,883	19,227

### 35 TAXATION

Current		
- for the year	(202,431)	(12,556)
Deferred		
- for the year	120,265	(5,583)
	(82,166)	(18,139)

	2023	2022
	----- (Rupees in '000) -----	
<b>Relationship between tax expense and accounting profit</b>		
Profit before tax	224,865	60,170
Tax at the applicable rate of 29% (2022: 29%)	(65,211)	(17,449)
Effect of:		
- Super tax at the rate of 10% (2022: nil)	(51,905)	-
- Change in rate	34,894	-
- Other adjustment	56	(690)
Taxation for the year	(82,166)	(18,139)

**35.1** As per Income Tax Ordinance, 2001, the current tax expense is chargeable to income attributable to shareholder's fund only. During the year ended December 31, 2023, the shareholder's fund reflected a profit before tax of Rs. 519.054 million resulting in current tax amounting to Rs. 202.431 million.

**35.2** The Income Tax Ordinance, 2000 requires insurance companies to charge tax on the surplus transferred to shareholder's fund. However, due to application of the Insurance Accounting Regulations, 2017, the surplus generated by statutory funds (other than participating fund) of the Company are also presented in the profit and loss account on aggregate basis. Therefore the Company has recognised a deferred tax of Rs. 540.881 million (2022: Rs. 423.697 million) in this respect.

	2023	2022
	----- (Rupees in '000) -----	
<b>36 EARNING PER SHARE - basic and diluted</b>		
Profit for the year	142,699	42,030
	----- (Number of shares) -----	
Weighted average number of ordinary shares	170,567,200	170,567,200
	----- (Rupees) -----	
Earnings per share	0.84	0.25

**36.1** Diluted earnings per share has not been presented as the Company has not issued any instrument which would have any impact on basic earnings per share when exercised.

### 37 REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

	2023				2022			
	Chief Executive	Executives	Directors	Total	Chief Executive	Executives	Directors	Total
	----- (Rupees in '000) -----							
Fee for attending the Board Meetings	-	-	8,425	8,425	-	-	7,925	7,925
Consultancy fee (note 37.2)	-	-	2,400	2,400	-	-	2,160	2,160
Managerial remuneration	33,766	145,232	-	178,998	21,665	140,629	-	162,294
Bonus and housing	6,081	15,618	-	21,699	1,455	16,672	-	18,127
Contribution to defined contribution plan	587	6,985	-	7,572	1,175	5,500	-	6,675
Utilities / telephone	-	61	-	61	-	5	-	5
	<b>40,434</b>	<b>167,896</b>	<b>10,825</b>	<b>219,155</b>	<b>24,295</b>	<b>162,806</b>	<b>10,085</b>	<b>197,186</b>
	----- (Number) -----							
Number of persons, including those who worked part of the year	1	29	7	37	1	25	7	33

**37.1** In addition to the above remuneration, these executives have been provided with the Company maintained cars except who have opted for allowances.

**37.2** This represents amount paid to one of the directors in respect of legal and professional consultancy provided under the group shared services agreement.

### 38 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of holding company, associated companies, retirement benefit funds, directors and key management personnel of the Company. Remuneration to the key personnel is determined in accordance with the terms of their appointments. All transactions involving related parties arise in the normal course of business. 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 and the actuarial advice.

**38.1** The details of transactions with related parties, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

Transactions	Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
	2023	2022	2023	2022	2023	2022	2023	2022
	----- (Rupees in '000) -----							
Premium underwritten	-	1,685	-	-	-	-	293,478	235,103
Premium paid for general insurance	-	-	-	-	-	-	2,224	2,138
Claims paid	1,729	1,478	-	-	-	-	98,439	74,977
Charge for administrative services received	5,821	1,719	-	-	-	-	107,529	93,060
Charge for administrative services provided	1,673	-	-	-	-	-	42,925	25,953
Rent expense	-	-	-	-	-	-	27,851	31,733
Purchase of fixed asset	-	-	-	-	-	-	5,037	-
Remuneration paid	-	-	-	-	219,155	197,186	-	-
Charged in respect of employees gratuity fund	-	-	17,189	16,046	-	-	-	-
Charge in respect of provident fund	-	-	8,433	13,758	-	-	-	-
	----- (Rupees in '000) -----							
	Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
	2023	2022	2023	2022	2023	2022	2023	2022
	----- (Rupees in '000) -----							
<b>Balances</b>								
Payable for group shared services	5,517	1,368	-	-	-	-	57,755	79,448
Premium receivable	-	438	-	-	-	-	352	1,024
Payable to employee gratuity fund	-	-	29,679	29,261	-	-	-	-
Payable to employee provident fund	-	-	3,147	813	-	-	-	-

**38.2** Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place:

S. No.	Name of related party	Basis of association / relationship
1	IGI General Insurance Limited	Subsidiary of Holding Company
2	IGI Finex Securities Limited	Subsidiary of Holding Company
3	Syed Maratib Ali Religious and Charitable Trust	Associate
4	Packages Limited	Associate
5	Bulleh Shah Packaging (Pvt.) Limited	Associate
6	Packages Convertor	Associate
7	Tri Pack Films Limited	Associate
8	DIC Pakistan Limited	Associate
9	IGI FSI (Pvt.) Limited	Associate
10	Packages Real Estate (Pvt.) Limited	Associate
11	StarchPack (Private) Limited	Associate
12	IGI Holdings Limited	Parent Company
13	OmyaPack Private Limited	Associate

### 39 SEGMENT INFORMATION

Each class of business has been identified as a reportable segment. The following is a schedule of class of business wise assets, liabilities, revenues and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations,

	CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS					
	Life (Non-participating)			Investment Linked		Accident & Health		Pension Business Fund	Individual Family	Accident & Health - Individual	Group Family	Group Health	Total
	Life (Participating)	Individual	Group	Linked	Individual	Group							
							----- (Rupees in '000) -----						
<b>INCOME</b>	18,639	901,028	591,579	2,313,527	8,394	1,107,902	43,227	2,490,607	1,164	31,208	105,956	7,613,231	
Premiums / contribution less reinsurances / retakaful	417,381	987,070	39,234	1,437,999	64	-	49,600	1,203,015	-	8,109	19,450	4,161,922	
Net investment income	11,159	17,890	8,027	77,190	163	30,674	3,390	24,809	27	269	814	174,412	
Other income - net	447,179	1,905,988	638,840	3,828,716	8,621	1,138,576	96,217	3,718,431	1,191	39,586	126,220	11,949,565	
<b>Total net income</b>	199,847	817,849	322,490	1,180,440	(2,666)	784,950	26,887	949,263	-	16,225	53,689	4,348,974	
<b>CLAIMS AND EXPENDITURE</b>	23,041	385,666	136,464	675,657	17,239	298,391	-	879,829	1,708	22,155	46,927	2,487,077	
Claims, including bonuses, net of reinsurance recoveries	222,888	1,203,515	458,954	1,856,097	14,573	1,083,341	26,887	1,829,092	1,708	38,380	100,616	6,836,051	
Management expenses less recoveries	224,291	702,473	179,886	1,972,619	(5,952)	55,235	69,330	1,889,339	(517)	1,206	25,604	5,113,514	
<b>Total claims and expenditure</b>	1,562,449	5,092,807	165,940	5,472,909	17,861	302,137	355,811	4,719,947	3,291	(30,717)	(19,185)	17,643,250	
<b>Excess of income over claims and expenditure</b>	(1,613,859)	(5,440,758)	(182,213)	(7,660,369)	(19,947)	(322,881)	(421,751)	(6,776,244)	(2,259)	35,244	201	(22,404,836)	
Add: Policyholders' liabilities at beginning of the year	(51,410)	(34,795)	(16,273)	(2,187,460)	(2,086)	(20,744)	(65,940)	(2,056,297)	1,032	4,527	(18,984)	(4,761,586)	
Less: Policyholders' liabilities at end of the year	172,881	354,522	163,613	(214,841)	(8,038)	34,491	3,390	(166,958)	515	5,733	6,620	351,928	
Movement in policyholders' liabilities	-	14,185	(52,013)	87,523	4,197	(9,511)	(1,215)	76,425	(179)	(1,109)	1,962	120,265	
<b>Surplus / (deficit) before tax</b>	172,881	368,707	111,600	(127,318)	(3,841)	24,980	2,175	(90,533)	336	4,624	8,582	472,193	
<b>Surplus / (deficit) after tax</b>	51,410	347,951	16,273	2,187,460	2,086	20,744	65,940	2,056,297	(1,032)	(4,527)	18,984	4,761,586	
Movement in policyholders' liabilities	-	-	-	106,561	7,014	129,090	-	42,902	-	6,000	4,335	295,902	
<b>Transfers (to) or from shareholders' fund</b>	-	-	-	-	-	-	-	-	-	(6,000)	-	(6,000)	
- Capital contributions from shareholders' fund	-	-	-	-	-	-	-	-	-	6,000	-	6,000	
- Gard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	-	-	-	
- Gard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	-	-	-	
- Capital returned to shareholder's fund	-	-	-	-	-	-	-	-	-	-	-	-	
- Surplus appropriated to shareholders' fund	(26,272)	(426,111)	-	-	-	-	-	-	-	-	-	(452,383)	
<b>Balance of statutory fund at beginning of the year</b>	(26,272)	(426,111)	-	106,561	7,014	129,090	-	42,902	-	6,000	4,335	(156,481)	
<b>Balance of statutory fund at end of the year</b>	2,078,224	5,635,062	314,603	5,368,342	869	292,243	367,636	4,516,808	8,050	7,665	45,650	18,635,152	
<b>Balance of statutory fund at end of the year</b>	<b>2,276,243</b>	<b>5,925,609</b>	<b>442,476</b>	<b>7,535,045</b>	<b>6,128</b>	<b>467,057</b>	<b>435,751</b>	<b>6,525,474</b>	<b>7,354</b>	<b>13,762</b>	<b>77,551</b>	<b>23,712,450</b>	

**Represented by:**

Capital contributed by shareholders' fund  
Policyholders' liabilities / PTF  
Retained earnings attributable to policyholders (Ledger Account A)  
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)  
Retained earnings on other than participating business (Ledger Account D) / PTF  
Surplus on revaluation of available for sale investments - net

**Balance of statutory fund**

	CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS					
	Life (Non-participating)			Investment Linked		Accident & Health		Pension Business Fund	Individual Family	Accident & Health - Individual	Group Family	Group Health	Total
	Life (Participating)	Individual	Group	Linked	Individual	Group							
							----- (Rupees in '000) -----						
1,613,859	5,440,758	182,213	7,660,369	19,947	322,881	161,147	6,000	598,050	4,095	42,200	155,889	1,857,787	
613,926	-	-	-	-	-	322,881	421,751	6,776,244	2,259	(35,244)	(201)	22,404,836	
48,458	-	-	-	-	-	-	-	-	-	-	-	613,926	
-	480,027	110,261	(816,726)	(62,833)	(16,971)	(16,971)	8,000	(851,994)	1,000	4,675	(82,638)	(1,227,199)	
-	4,824	2	10	-	-	-	-	3,174	-	2,131	4,501	14,642	
<b>2,276,243</b>	<b>5,925,609</b>	<b>442,476</b>	<b>7,535,045</b>	<b>6,128</b>	<b>467,057</b>	<b>467,057</b>	<b>435,751</b>	<b>6,525,474</b>	<b>7,354</b>	<b>13,762</b>	<b>77,551</b>	<b>23,712,450</b>	

2022

	CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS					
	Life (Non-participating)			Investment Linked		Accident & Health		Pension Business Fund	Individual Family	Accident & Health - Individual	Group Family	Group Health	Total
	Life (Participating)	Individual	Group	Linked	Individual	Group							
							----- (Rupees in '000) -----						
16,241	716,263	565,840	1,246,221	11,173	944,859	75,443	2,046,493	3,322	59,171	57,589	5,742,615		
212,749	453,107	25,130	325,806	(51)	-	21,788	186,717	-	1,287	2,377	1,228,910		
7,672	26,344	9,701	27,791	190	33,794	3,328	18,318	31	551	393	128,113		
236,662	1,195,714	600,671	1,599,818	11,312	978,653	100,559	2,251,528	3,353	61,009	60,359	7,099,638		
218,217	889,380	428,026	1,983,690	3,842	772,198	8,542	912,524	1,515	38,910	44,992	5,301,836		
8,364	295,867	82,002	658,930	25,353	230,526	-	963,189	3,452	23,524	51,198	2,342,405		
226,581	1,185,247	510,028	2,642,620	29,195	1,002,724	8,542	1,875,713	4,967	62,434	96,190	7,644,241		
10,081	10,467	90,643	(1,042,802)	(17,883)	(24,071)	92,017	375,815	(1,614)	(1,425)	(35,831)	(544,603)		
<b>10,081</b>	<b>10,467</b>	<b>90,643</b>	<b>(1,042,802)</b>	<b>(17,883)</b>	<b>(24,071)</b>	<b>92,017</b>	<b>375,815</b>	<b>(1,614)</b>	<b>(1,425)</b>	<b>(35,831)</b>	<b>(544,603)</b>		

**INCOME**

Premiums / contribution less reinsurances / retakaful  
Net investment income  
Other income - net  
**Total net income**

**CLAIMS AND EXPENDITURE**

Claims, including bonuses, net of reinsurance recoveries  
Management expenses less recoveries  
**Total claims and expenditure**

**Excess of income over claims and expenditure**

2022	CONVENTIONAL - STATUTORY FUNDS						TAKAFUL - STATUTORY FUNDS						Total
	Life (Participating)	Life (Non-participating)	Group	Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Accident & Health - Individual	Group Family	Group Health		
					Individual	Group							
	1,627,464	5,373,432	120,654	6,336,304	20,256	325,979	267,072	4,184,891	5,763	(15,479)	(2,546)	18,243,790	
	(1,562,449)	(5,092,807)	(165,940)	(5,472,909)	(17,961)	(302,137)	(355,811)	(4,719,947)	(3,291)	30,717	19,185	(17,643,250)	
	65,015	280,625	(45,286)	863,395	2,395	23,842	(88,739)	(535,056)	2,472	15,238	16,639	600,540	
	75,096	291,092	45,357	(179,407)	(15,488)	(229)	3,278	(159,241)	858	13,813	(19,192)	55,937	
	-	(88,725)	(18,099)	51,525	4,477	66	(951)	44,955	(249)	(4,064)	5,482	(5,583)	
	75,096	202,367	27,258	(127,882)	(11,011)	(163)	2,327	(114,286)	609	9,749	(13,710)	50,354	
	(65,015)	(280,625)	45,286	(863,395)	(2,395)	(23,842)	88,739	535,056	(2,472)	(15,238)	(16,639)	(600,540)	
	-	-	-	342,731	-	32,057	-	453,648	4,095	20,000	59,054	911,585	
	-	-	-	-	-	-	-	(20,000)	-	(20,000)	-	(20,000)	
	-	-	-	-	-	-	-	20,000	-	20,000	-	20,000	
	(16,098)	-	-	-	-	-	-	-	-	-	-	(16,098)	
	(16,098)	-	-	342,731	-	32,057	-	453,648	4,095	20,000	59,054	895,487	
	2,084,241	5,713,320	242,059	6,016,888	14,275	284,191	276,570	3,642,390	5,818	(6,846)	16,945	18,289,851	
	<b>2,078,224</b>	<b>5,635,062</b>	<b>314,603</b>	<b>5,368,342</b>	<b>869</b>	<b>292,243</b>	<b>367,636</b>	<b>4,516,808</b>	<b>8,050</b>	<b>7,665</b>	<b>45,650</b>	<b>18,635,152</b>	

**Surplus / (deficit) before tax**  
Add: Policyholders' liabilities at beginning of the year  
Less: Policyholders' liabilities at end of the year  
Movement in policyholders' liabilities

**Surplus / (deficit) after tax**  
Movement in policyholders' liabilities

**Transfers (to) or from shareholders' fund**  
- Capital contributions from shareholders' fund  
- Gard-e-Hasna from Operators' Sub Fund to PTF  
- Gard-e-Hasna received from PTF to Operators' Sub Fund  
- Capital returned to shareholders' fund  
- Surplus appropriated to shareholders' fund

**Balance of statutory fund at beginning of the year**  
**Balance of statutory fund at end of the year**

**Represented by:**  
Capital contributed by shareholders' fund  
Policyholders' liabilities / PTF  
Retained earnings attributable to policyholders (Ledger Account A)  
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)  
Retained earnings on other than participating business (Ledger Account D) / PTF  
Surplus / (deficit) on revaluation of available for sale investments - net

### 39.2 Segmental results by line of business

#### Gross premiums

- First year individual regular premiums
- Individual renewal premiums
- Individual single premiums
- Group premiums

#### Reinsurance premiums

- Individual
- Group

- Net premium revenues
- Net investment income
- Other income

#### Total net income

#### Claims and expenditures

- Claims, including bonuses, net of reinsurance recoveries
- Management expenses less recoveries

#### Excess of income over claims and expenditure

- Add: Policyholders' liabilities at beginning of the year
- Less: Policyholders' liabilities at end of the year

#### (Deficit) / surplus before tax

2023					
Ordinary Life		Group		Others	Total
Direct Sales force	Bancassurance	Group Life	Group Health		
(Rupees in '000)					
389,443	840,205	-	-	-	1,229,648
1,140,152	1,665,909	-	-	-	2,806,061
49,680	1,783,110	-	-	-	1,832,790
-	-	864,071	1,215,808	43,227	2,123,106
1,579,275	4,289,224	864,071	1,215,808	43,227	7,991,605
61,018	74,122	-	-	-	135,140
-	-	241,284	1,950	-	243,234
61,018	74,122	241,284	1,950	-	378,374
1,518,257	4,215,102	622,787	1,213,858	43,227	7,613,231
1,071,301	2,974,228	47,343	19,450	49,600	4,161,922
34,753	96,485	8,296	31,488	3,390	174,412
2,624,311	7,285,815	678,426	1,264,796	96,217	11,949,565
1,351,275	1,793,458	338,715	838,639	26,887	4,348,974
948,766	1,034,374	158,619	345,318	-	2,487,077
2,300,041	2,827,832	497,334	1,183,957	26,887	6,836,051
324,270	4,457,983	181,092	80,839	69,330	5,113,514
7,904,155	8,965,109	135,223	282,952	355,811	17,643,250
(9,728,057)	(11,785,379)	(146,969)	(322,680)	(421,751)	(22,404,836)
(1,823,902)	(2,820,270)	(11,746)	(39,728)	(65,940)	(4,761,586)
(1,499,632)	1,637,713	169,346	41,111	3,390	351,928

2022					
Ordinary Life		Group		Others	Total
Direct Sales force	Bancassurance	Group Life	Group Health		
(Rupees in '000)					
528,087	882,968	-	-	-	1,411,055
1,057,384	1,308,015	-	-	-	2,365,399
121,357	260,765	-	-	-	382,122
-	-	834,551	1,003,500	75,443	1,913,494
1,706,828	2,451,748	834,551	1,003,500	75,443	6,072,070
58,436	60,427	-	-	-	118,863
-	-	209,540	1,052	-	210,592
58,436	60,427	209,540	1,052	-	329,455
1,648,392	2,391,321	625,011	1,002,448	75,443	5,742,615
480,813	697,515	26,417	2,377	21,788	1,228,910
32,785	47,561	10,252	34,187	3,328	128,113
2,161,990	3,136,397	661,680	1,039,012	100,559	7,099,638
1,423,825	2,585,343	466,936	817,190	8,542	5,301,836
1,056,286	898,869	105,526	281,724	-	2,342,405
2,480,111	3,484,212	572,462	1,098,914	8,542	7,644,241
(318,121)	(347,815)	89,218	(59,902)	92,017	(544,603)
8,583,001	8,965,109	105,175	323,433	267,072	18,243,790
(7,904,155)	(8,965,109)	(135,223)	(282,952)	(355,811)	(17,643,250)
678,846	-	(30,048)	40,481	(88,739)	600,540
360,725	(347,815)	59,170	(19,421)	3,278	55,937



#### 41 MOVEMENT IN INVESTMENTS

	Held to maturity	Available for sale	Total
	(Rupees in '000)		
<b>As at January 1, 2022</b>	590,150	18,481,400	19,071,550
Additions	987,890	41,363,092	42,350,982
Disposals (sale and redemption)	(1,578,040)	(41,031,586)	(42,609,626)
Fair value net gains (excluding net realised gain)	-	(310,566)	(310,566)
Designated at fair value through profit or loss upon initial recognition	-	-	-
Classified as held for trading	-	-	-
Impairment losses	-	-	-
<b>As at January 1, 2023</b>	-	18,502,340	18,502,340
Additions	-	57,891,553	57,891,553
Disposals (sale and redemption)	-	(54,288,308)	(54,288,308)
Fair value net gains (excluding net realised gain)	-	1,372,548	1,372,548
Designated at fair value through profit or loss upon initial recognition	-	-	-
Classified as held for trading	-	-	-
Impairment losses	-	-	-
<b>At the end of current year</b>	-	23,478,133	23,478,133

#### 42 MANAGEMENT OF INSURANCE AND FINANCIAL RISK

The Company issues contracts that transfer insurance risk or financial risk or both. This section summarises these risks and the way the Company manages them.

##### 42.1 Insurance risk

##### 42.1.1 Individual life (unit linked policies, universal life policies and traditional policies)

This section discusses the exposure of insurance risk to the Company under Life Participating, Life Non-participating and Investment Linked statutory funds and the process adopted by the Company to manage these risks.

The risk underwritten is mainly death and sometimes disability and / or critical illness. The risk of death and disability will vary from region to region. The Company may get exposed to poor risks due to:

- Unexpected experience in terms of claim severity or frequency. This can be a result of anti-selection, fraudulent claims, a catastrophe or poor persistency.
- Additionally, the risk of poor persistency may result in the Company being unable to recover expenses incurred at policy acquisition.

The Company manages these risks through its:

##### - Pricing:

All products of this nature are designed by the Actuarial Department along with input from relevant sales team members. Profit testing is conducted for all new products and it is also reviewed by the Appointed Actuary. Embedded value analysis is conducted on a quarterly basis to ensure reasonableness of premiums charged. Additionally, the Company reserves the right to review the charges deductible under the contracts, thus limiting the risk of under-pricing.

##### - Underwriting:

Adequate underwriting policies and controls have been put in place which cover various aspects like health, location, nature of work of the insured etc. before issuance of policy. Appropriate underwriting authority limits have been assigned to individual underwriters by the underwriting committee. Furthermore, Underwriting & Reinsurance Committee reviews the underwriting performance of the Company on a quarterly basis.

##### - Reinsurance:

Company has entered into both excess of loss and quota share reinsurance agreements covering its individual life products and supplementary riders. Since the Company has liaison with the best reinsurers in the world, it does not only limit the insurance risks but also the credit risk associated with them. Underwriting & Reinsurance Committee reviews, every quarter, the performance of the treaties to ensure that sound reinsurance arrangements are in place.

##### - Claims handling policy:

The Company through its claims-handling policies has procedures and controls in place to ensure that payment of fraudulent claims is avoided. Detailed investigation of all material and doubtful claims is conducted. Moreover, Claims Committee has assigned claims process authority limits for processing of claims. Claims Committee meets on a quarterly basis to review the claims department's performance and ensures that adequate claims controls are in place.

##### - Persistency:

The Company applies controls to curb mis-selling to customers. Persistency for each product, branch and partner bank is closely monitored by the Company and remedial actions are taken immediately upon identifying when persistency level for a distribution channel drops below a certain threshold. Continuous efforts are made to increase and/or maintain the persistency levels for all distribution channels.

##### a) Frequency and severity of claims

The Company measures concentration of risk by its exposure to catastrophic events. Concentration of risk as a result of geographical area is not a factor of concern due to spread of risks across different parts of the country. To mitigate risk accumulation resulting from catastrophic events, the Company maintains a catastrophe reinsurance cover which ensures that the Company's liability in respect of catastrophic events remains within reasonable limits.

In order to cover its mortality risk, the Company makes adequate deductions from the insurance contracts. The Company manages these risks through its systematic underwriting processes and adequate reinsurance arrangements.

The table below presents the concentration of insured benefits across five bands of insured benefits per individual life assured. The benefit insured figures are shown gross and net of the reinsurance contracts described above.

The amounts presented are showing total exposure of the Company including exposure in respect of riders attached to the main policies.

##### Individual life participating

##### Benefits assured per life

		Assured at the end of 2023			
		Total benefits assured			
Rupees		Before reinsurance		After reinsurance	
		(Rupees in '000)	%	(Rupees in '000)	%
0 - 200,000		52,860	1.56%	52,672	2.17%
200,001 - 400,000		134,742	3.98%	133,967	5.51%
400,001 - 800,000		390,160	11.51%	363,129	14.94%
800,001 - 1,000,000		234,814	6.93%	208,473	8.57%
More than 1,000,000		2,576,044	76.02%	1,673,017	68.81%
<b>Total</b>		<b>3,388,620</b>	<b>100.00%</b>	<b>2,431,258</b>	<b>100.00%</b>

**Individual life non - participating**

**Benefits assured per life**

Rupees

Assured at the end of 2023				
Total benefits assured				
Before reinsurance		After reinsurance		
(Rupees in '000)	%	(Rupees in '000)	%	
0 - 200,000	186,365	0.89%	181,923	1.68%
200,001 - 400,000	1,046,454	4.99%	1,028,444	9.50%
400,001 - 800,000	2,783,682	13.25%	2,616,635	24.16%
800,001 - 1,000,000	1,805,283	8.60%	1,332,338	12.30%
More than 1,000,000	15,168,979	72.27%	5,668,997	52.36%
<b>Total</b>	<b>20,990,763</b>	<b>100.00%</b>	<b>10,828,337</b>	<b>100.00%</b>

**Investment linked**

**Benefits assured per life**

Rupees

0 - 200,000  
200,001 - 400,000  
400,001 - 800,000  
800,001 - 1,000,000  
More than 1,000,000  
**Total**

Assured at the end of 2023				
Total benefits assured				
Before reinsurance		After reinsurance		
(Rupees in '000)	%	(Rupees in '000)	%	
0 - 200,000	471,581	2.61%	459,016	6.19%
200,001 - 400,000	721,784	3.99%	697,874	9.40%
400,001 - 800,000	1,665,096	9.20%	1,502,976	20.22%
800,001 - 1,000,000	1,004,175	5.55%	752,665	10.13%
More than 1,000,000	14,226,596	78.65%	4,015,245	54.06%
<b>Total</b>	<b>18,089,233</b>	<b>100.00%</b>	<b>7,427,776</b>	<b>100.00%</b>

**b) Sources of uncertainty in the estimation of future benefit payments and premium receipts**

Uncertainty in the estimation of future benefit payments and premium receipts for long term unit linked and universal life insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and variability in policyholder's behaviour (this primarily impacts persistency).

For this purpose, the Company carried out a liability adequacy test, details of which are provided below, and it was found that the recognised liabilities are adequate and no further provision is required.

**c) Process used to decide on assumptions**

- **Mortality:** The expected mortality is assumed at 85% of 1975-80 US SOA Select and Ultimate Mortality Table.
- **Persistency:** A periodic analysis of the Company's recent and historic experience is performed and persistency is calculated by applying statistical methods. Persistency rates vary by products and more importantly the sales distribution channel.
- **Expense levels and inflation:** A periodic study is conducted on the Company's current business expenses and future projections to calculate per policy expenses. Expense inflation is assumed in line with assumed investment return.
- **Investment returns:** The investment returns assumptions are based on assets backing the portfolio.

**- Liability adequacy test**

Liability adequacy test is applied in order to ensure that the liability calculated using conservative assumptions is sufficient in comparison to the liability determined using best estimate assumptions.

To determine the adequacy of liabilities, assumptions must be based on realistic best estimates. Company used SLIC (2001-05) mortality table to determine the liabilities. Since the data is insufficient to conduct a detailed mortality study, Company believes that SLIC (2001-05) table adequately reflects the mortality rates in Pakistan as well.

The investment return assumed for valuation is 3.75% per annum. The rate is prescribed by law. On a more realistic basis, based on the returns on assets backing the policyholder liabilities, Company expects to earn a long term return of 21.12% and 14.3% for Conventional and Takaful lines of business respectively. Liabilities are also determined on these rates of return assumption for Liability Adequacy Test.

The table below shows the liability held as at December 31, 2023 and the liability determined through best estimate assumptions:

Liability Held as at December 31, 2023	Best Estimate Liability
----- (Rupees in '000) -----	
Mortality	22,496,072
Investment	22,496,072
	22,424,486

Mortality  
Investment

Liability adequacy shows that the liability held as at December 31, 2023 is adequate in comparison to the best estimate liability.

**d) Change in assumptions**

There has been no material change in assumptions.

**42.1.2 Group life**

The main risk written by the Company under the Group Life business is mortality. The Company is exposed to the risk of unexpected claim severity or frequency. This can be a result of writing business with higher than expected mortality (such as mining or other hazardous industries), writing high cover amounts without adequate underwriting, and difficulty of verification of claims, fraudulent claims or a catastrophe. The Company also faces risk such as that of underpricing to acquire business in a competitive environment and of non-receipt of premium in due time.

The Company manages these risks through its:

**- Pricing and underwriting:**

All products of this nature are prepared by the Group Underwriting Department along with input from relevant sales team members which is then reviewed by the Appointed Actuary.

Pricing is done in line with the actual experience of the Company. The premium charged takes into account the actual historical experience as well as the future expected mortality, considering various characteristics of the client.

At the same time, due caution is applied in writing business in areas of high probability of terrorism. The Company ensures writing business with good geographical spread and tries to maintain a controlled exposure to large groups which generally have poor exposure.

Also, Underwriting and Reinsurance Committee reviews the underwriting performance of the Company on a quarterly basis and tracks the adequacy of premium charged.

**- Reinsurance:**

Reinsurance agreements are in place to limit the mortality risk exposure. The Company also has a catastrophe cover reinsurance agreement covering group life business. Underwriting & Reinsurance Committee reviews every quarter the performance of the treaties.

**- Claims handling policy:**

The Company through its claims-handling policies has procedures and controls in place to ensure that payment of any fraudulent claims is avoided. Detailed investigation of all material and doubtful claims is conducted. Moreover, Claims committee has assigned claims process authority limits for processing of claims. Claims committee meets on a quarterly basis to review the claims departments' performance and ensures that adequate claims controls are in place.



#### a) Frequency and severity of claims

The Company has a good spread of business throughout the country thereby ensuring diversification across geographical regions. However, there still is a risk accumulation resulting from catastrophic events which the Company mitigates through a catastrophe reinsurance cover.

The following table presents the concentration of insured benefits across six bands of insured benefits per individual life assured. The benefit insured figures are shown gross and net of the reinsurance contracts described above.

The amounts presented are showing total exposure of the Company including exposure in respect of riders attached to the main policies.

##### Group life

##### Benefits assured per life

Rupees

	Assured at the end of 2023			
	Total benefits assured			
	Before reinsurance		After reinsurance	
	(Rupees in '000)	%	(Rupees in '000)	%
0-500,000	37,450,620	5.82%	18,018,956	7.10%
500,001-1,000,000	47,424,582	7.37%	22,815,551	8.99%
1,000,001-1,500,000	78,697,780	12.23%	37,865,185	14.92%
1,500,001-2,000,000	48,325,456	7.51%	23,246,990	9.16%
2,000,001-2,500,000	39,895,849	6.20%	19,186,381	7.56%
More than 2,500,000	391,687,153	60.87%	132,655,043	52.27%
<b>Total</b>	<b>643,481,441</b>	<b>100.00%</b>	<b>253,788,106</b>	<b>100.00%</b>

#### b) Sources of uncertainty in the estimation of future benefits payments and premium receipts

Other than conducting a liability adequacy for unearned premium reserve, there is no need to estimate mortality for future years because of the short duration of the contracts.

#### c) Process used to decide on assumptions

Where data is sufficient to be statistically credible, the statistics generated by the data is assigned appropriate credibility factors to account for the group's experience.

#### d) Changes in assumptions

There has been no material change in assumptions.

#### e) Sensitivity analysis

The table below shows the level of respective variation in liabilities for change in each assumption while holding all other assumptions constant.

	Change in variable	Increase in Liability 2023 Rupees in '000
Worsening of mortality rates for risk policies	10%	2,482,628
Increase in reporting lag	10%	2,482,628

#### 42.1.3 Accident & health - conventional & takaful

The products in this fund provide cover against accidental death, disability, sickness and critical illness and are mainly offered as yearly renewable plans. The Company may be exposed to the risk of unexpected claim severity or frequency. This can be a result of fraudulent claims and catastrophic event.

The Company manages these risks through its:

#### - Pricing and underwriting:

Products of this nature are prepared by the actuarial department along with input from relevant sales team members which is then reviewed by the Appointed Actuary.

Pricing is done after analysing the actual experience of the Company as well as future expectations. The rates are certified by the appointed actuary.

Also, underwriting committee reviews the underwriting performance of the Company on a quarterly basis.

#### - Claims handling policy:

The Company has procedures in place to ensure that payment of any fraudulent claims is avoided. Detailed investigation of all material and apparently doubtful claims is conducted.

#### - Reinsurance:

The Company has reinsurance arrangement in place covering A&H business; the treaty's results are reviewed by the Underwriting and Reinsurance Committee on a quarterly basis.

#### a) Frequency and severity of claims

The Company measures concentration of risk by its exposure to catastrophic events. Concentration of risk arising from geographical area is not a factor of concern due to spread of risks across various parts of the country.

The following table presents the concentration of insured benefits across five bands of insured benefits. The benefit insured figures are shown gross and net of the reinsurance contracts described above.

The amounts presented are showing total exposure of the Company including exposure in respect of riders attached to the main policies.

##### Individual Accident and Health

##### Benefits assured per life

Rupees

0 - 200,000  
200,001 - 400,000  
400,001 - 800,000  
800,001 - 1,000,000  
More than 1,000,000  
**Total**

	Assured at the end of 2023			
	Total benefits assured			
	Before reinsurance		After reinsurance	
	(Rupees in '000)	%	(Rupees in '000)	%
0 - 200,000	992	0.02%	992	0.03%
200,001 - 400,000	9,408	0.17%	9,408	0.28%
400,001 - 800,000	1,646,757	29.25%	1,646,757	49.65%
800,001 - 1,000,000	596,855	10.60%	596,855	18.00%
More than 1,000,000	3,375,402	59.96%	1,062,526	32.04%
<b>Total</b>	<b>5,629,414</b>	<b>100.00%</b>	<b>3,316,538</b>	<b>100.00%</b>

#### b) Sources of uncertainty in the estimation of future benefits payments and premium receipts

Other than conducting a liability adequacy for unearned premium reserve, there is no need to estimate mortality for future years because of the short duration of the contracts.

#### c) Process used to decide on assumptions

The assumptions are set using the data available.

#### d) Changes in assumptions

There has been no material change in the assumptions.

#### 42.1.4 Management of takaful risk and financial risk

The Company is responsible for managing contracts that result in the transfer of Takaful and Financial Risk from the Participant to the respective PTF. This section summarises the risks and the way the Company manages them, as part of the Company's Window Takaful Operations.

## Takaful risk

The PTF issues takaful contracts that are classified in the following segments:

- Individual Family Takaful
- Group Family Takaful
- Group Health Takaful
- Individual A&H Non-Participating Takaful

### 42.1.4.1 Individual family takaful

These risks are managed along similar lines as explained for individual family unit linked business.

#### a) Frequency and severity of claims

Concentration of risk is not a factor of concern due to spread of risks across various parts of the country. However, undue concentration by amounts could have an impact on the severity of benefit payments on a portfolio basis. However, a risk of concentration of risk on any one Participant of the PTF still exists. The Company caters to this risk by entering into suitable Retakaful arrangements. The Company charges for mortality risk (credited to the PTF) on a monthly basis for all Takaful contracts without fixed term.

Moreover, the Company manages these risks through its underwriting strategy and the results are revised quarterly by the Underwriting and Reinsurance Committee.

The table below presents the concentration of covered benefits across five bands of benefits covered. The benefit covered figures are shown gross and net of the retakaful contracts described above.

The amounts presented show total exposure of the PTF including exposure in respect of supplemental benefits attached to the main membership.

Benefits assured per family Rupees	Assured at the end of 2023			
	Total benefits assured			
	Before retakaful		After retakaful	
(Rupees in '000)	%	(Rupees in '000)	%	
0 - 200,000	302,069	0.41%	301,392	1.25%
200,001 - 400,000	1,620,911	2.18%	1,610,767	6.67%
400,001 - 800,000	3,680,069	4.94%	3,366,790	13.94%
800,001 - 1,000,000	3,072,625	4.13%	1,748,623	7.24%
More than 1,000,000	65,790,107	88.34%	17,116,628	70.89%
<b>Total</b>	<b>74,465,781</b>	<b>100.00%</b>	<b>24,144,200</b>	<b>100.00%</b>

#### b) Source of uncertainty in the estimate of future benefits payments and contributions receipts

Uncertainty in the estimation of future benefit payments and contribution receipts for long term takaful contracts arises from the unpredictability of long-term changes in overall levels of mortality and variability in participants' behaviour (this primarily impacts persistency).

#### c) Process used to decide on assumptions

- **Mortality:** The expected mortality is assumed at 85% of 1975-80 US SOA Select and Ultimate Mortality Table.
- **Persistency:** A periodic analysis of the Company's recent and historic experience is performed and persistency is calculated every month. Persistency rates vary by products and more importantly the sales distribution channel.
- **Expense levels and inflation:** A periodic study is conducted on the Company's current business expenses and future projections to calculate per membership expenses. Expense inflation is assumed in line with assumed investment return.
- **Investment returns:** The investment returns assumptions are based on the assets backing the portfolio.

#### d) Changes in assumptions

There has been no change in assumptions.

### 42.1.4.2 Group Life Family Takaful

The main risk written by the Company is mortality. The Company may be exposed to the risk of unexpected claim severity or frequency. This can be a result of writing business with higher than expected mortality (such as mining or other hazardous industries), writing high cover amounts without adequate underwriting, and difficulty of verification of claims, fraudulent claims or a catastrophe. The Company also faces risk such as that of under-pricing to acquire business in a competitive environment and of non-receipt of contribution in due time.

The Company manages these risks through its:

#### a) Pricing and Underwriting:

All products of this nature are prepared by the Group Underwriting Department along with input from relevant sales team members which is then reviewed by the Appointed Actuary.

Pricing is done in line with the actual experience of the Company. The contribution charged takes into account the actual experience of the client and the nature of mortality exposure the group faces.

At the same time, due caution is applied in writing business in areas of high probability of terrorism. The Company ensures writing business with good geographical spread and tries to maintain a controlled exposure to large groups which generally have poor exposure.

Furthermore, the Company also maintains various MIS that are shared with relevant management to track the adequacy of the contribution charged.

Also, Underwriting & Reinsurance Committee reviews the underwriting performance of the Company on a quarterly basis.

#### b) Retakaful:

Retakaful agreements are in place to limit the mortality exposure. Underwriting & Reinsurance Committee reviews every quarter the performance of the treaties to ensure that adequate retakaful coverage is in place.

#### c) Claims handling policy:

The Company has procedures in place to ensure that payment of any fraudulent claims is avoided. Detailed investigation of all material and apparently doubtful claims is conducted. Moreover, Claims committee has assigned claims process authority limits for processing of claims. Claims committee meets on a quarterly basis to review the claims department's performance and to make sure that adequate claims controls are in place.

#### d) Frequency and severity of claims:

The Company measures concentration of risk by its exposure to catastrophic events. Concentration of risk arising from geographical area is not a factor of concern due to spread of risks across various parts of the country. To mitigate risk accumulation resulting from catastrophic events, the Company maintains a catastrophe excess of loss retakaful agreement which protects the waqf fund from exposure to the catastrophic events.

The concentration of risk for these policies is mentioned in note 42.1.4.4.

Rupees	Covered at the end of 2023			
	Total takaful benefits			
	Before retakaful		After retakaful	
(Rupees in '000)	%	(Rupees in '000)	%	
0-500,000	3,561,093	35.21%	3,760,683	51.27%
500,001-1,000,000	2,809,632	27.78%	2,039,841	27.81%
1,000,001-1,500,000	921,373	9.11%	528,802	7.21%
1,500,001-2,000,000	1,198,493	11.85%	474,539	6.47%
2,000,001-2,500,000	599,752	5.93%	296,525	4.04%
More than 2,500,000	1,023,523	10.12%	235,018	3.20%
<b>Total</b>	<b>10,113,866</b>	<b>100.00%</b>	<b>7,335,408</b>	<b>100.00%</b>

**e) Sources of uncertainty in the estimation of future benefits payments and contribution receipts:**

Other than conducting a liability adequacy for unearned contribution reserve, there is no need to estimate mortality for future years because of the short duration of the contracts.

**f) Process used to decide on assumptions**

Where data is sufficient to be statistically credible, the statistics generated by the data is assigned appropriate credibility factors to account for the group's experience.

**h) Changes in assumptions**

There has been no material change in assumptions.

**i) Sensitivity analysis**

The table below shows the level of respective variation in liabilities for change in each assumption while holding all other assumptions constant.

	Change in variable	Increase in Liability 2023 Rupees in '000
Worsening of mortality rates	10%	114,143
Increase in reporting lag	10%	114,143

**42.1.4.3 Group Health Takaful**

The main risk written by the Company is morbidity. The Company may be exposed to the risk of unexpected claim severity or frequency. This can be a result of high exposure in a particular geographical region, medical expense inflation, fraudulent claims and catastrophic event. The Company potentially faces the risk of lack of adequate claims control (such as for very large groups). The Company also faces a risk of under-pricing to acquire business in a competitive environment and of non-receipt of contribution in due time.

The Company manages these risks through its:

**a) Pricing and Underwriting:**

Products of this nature are prepared by Group Underwriting Department along with input from relevant sales team members and Actuarial Department which is then reviewed by the Appointed Actuary.

Pricing is done in line with the actual experience of the Company. The contribution charged takes into account the actual experience of the client and the nature of mortality and morbidity exposure the group faces. The rates are certified by the Appointed Actuary for large groups.

At the same time, due caution is applied in writing business in areas of high probability of terrorism. The Company ensures writing business with good geographical spread and tries to maintain a controlled exposure to large groups which generally have poor exposure.

Furthermore, the Company also maintains various MIS that are shared with relevant management to track the adequacy of the contribution charged.

Also, Underwriting & Reinsurance Committee reviews the underwriting performance of the Company on a quarterly basis.

**b) Claims handling policy:**

The Company has procedures in place to ensure that payment of any fraudulent claims is avoided. Detailed investigation of all apparently doubtful claims (particularly of high amounts) is conducted. Also, the claims are reviewed and managed by technical staff and doctors while an on-site monitoring and checking is performed.

The Company has pre-determined charges for certain illnesses with its panel hospitals, and to keep a check on medical inflation, it continues to negotiate these rates. The portfolio has a spread across various geographical regions. On the claims handling side, the Company ensures that payment of any fraudulent claims is avoided.

Moreover, Claims committee has assigned claims process authority limits for processing of claims. Claims committee meets on a quarterly basis to review the claims department's performance and make sure that adequate claims controls are in place.

**c) Concentration risk:**

The Company has a good spread of business throughout the country thereby ensuring diversification across geographical regions.

**d) Frequency and severity of claims**

The Company measures concentration of risk by its exposure to catastrophic events. Concentration of risk arising from geographical area is not a factor of concern due to spread of risks across various parts of the country.

Increase in claims severity due to medical inflation is a risk which is being strictly monitored by the Company through annual claims studies and trend analysis. Such trend analysis is also incorporated in Group Health takaful pricing.

**e) Sources of uncertainty in the estimation of future benefits payments and contribution receipts**

Other than conducting a liability adequacy for unearned contribution reserve, there is no need to estimate mortality for future years because of the short duration of the contracts.

**f) Process used to decide on assumptions**

Where data is sufficient to be statistically credible, the statistics generated by the data is assigned appropriate credibility factors to account for the group's experience.

An investigation into group's experience is performed periodically, and statistical methods are used to adjust the rates to a best estimate of morbidity. Where data is sufficient to be statistically credible, the statistics generated by the data are assigned appropriate credibility factors to account for the group's experience.

**g) Changes in assumptions**

There has been no material change in assumptions.

**42.1.4.4 Concentration of insurance risk**

A concentration of risk may arise from a single insurance contract issued to a particular type of policyholder, within a geographical location or to types of commercial business. The Company minimises its exposure to significant losses by obtaining reinsurance from foreign reinsurers.

To optimise benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risks e.g. financial underwriting ensuring a reasonable relationship between the income and insurance amount of insured, determination of insurance amount through some mechanism which precludes individual choices and anti-selection.

The concentration of risk by type of contracts is summarised below by reference to liabilities.

	Gross sum insured		Reinsurance / Retakaful		Net	
	2023	2022	2023	2022	2023	2022
	(Rupees in million)					
Life (participating)	3,389	3,553	958	906	2,431	2,647
Life (non-participating) - Individual	20,991	21,734	10,163	9,906	10,828	11,828
Life (non-participating) - Group	643,481	738,776	389,693	185,634	253,788	553,142
Investment Linked	18,089	18,324	10,661	10,451	7,428	7,873
Accident & Health - Individual	5,629	6,138	2,312	2,428	3,317	3,710
Family Takaful - Individual	74,466	76,910	50,322	50,513	24,144	26,397
Family Takaful - Group	10,114	20,430	2,779	7,570	7,335	12,860
	<u>776,159</u>	<u>885,865</u>	<u>466,888</u>	<u>267,408</u>	<u>309,271</u>	<u>618,457</u>

**42.1.5 Unclaimed insurance benefit**

Circular 11 of 2014 dated May 19, 2014 issued by the Securities and Exchange Commission of Pakistan (SECP) has established requirement for all insurers to disclose age wise break-up of unclaimed insurance benefits in accordance with format prescribed in the annexure to the said circular.

The unclaimed benefits is described in the circular as the amounts which have become payable in accordance with the terms and conditions of an insurance policy but have not been claimed by the policyholders or their beneficiaries. Such unclaimed amounts may fall into the following categories:

	Age-wise Break-up					
	Total Amount	1 to 6 months	7 to 12 months	13 to 24 months	25 to 36 months	Beyond 36 months
	(Rupees in '000)					
Unclaimed maturity benefits	9,473	959	1,041	3,601	1,714	2,158
Unclaimed death benefits	-	-	-	-	-	-
Unclaimed disability benefits	-	-	-	-	-	-
Claims not encashed	26,804	-	382	12,995	4,203	9,224
Others unclaimed benefits	-	-	-	-	-	-
<b>Total</b>	<b>36,277</b>	<b>959</b>	<b>1,423</b>	<b>16,596</b>	<b>5,917</b>	<b>11,382</b>

#### 42.1.6 Assets - liabilities matching

	2023								
	Fixed and guaranteed insurance and investment contracts	Contract with DPF		Unit-linked contracts			Corporate		Total
		Insurance contract	Investment contract	Insurance contract	Investment contract	Short-term insurance contracts	Other financial assets and liabilities	Other assets and liabilities	
	(Rupees in '000)								
<b>Debt securities</b>									
Available for sale - unlisted securities	5,567,464	2,110,962	-	5,922,424	-	-	1,687,638	-	15,288,488
<b>Equity securities</b>									
Available for sale - listed securities	-	-	-	309,804	7,857,771	-	22,070	-	8,189,645
<b>Loans and receivables</b>									
-Loans secured against life insurance policies	94,164	101,781	-	-	-	-	-	-	195,945
-Others at amortised cost	-	-	-	-	-	-	278	-	278
<b>Reinsurance / retakaful assets</b>									
	-	14,966	-	40,111	-	-	-	-	55,077
<b>Cash and cash equivalents</b>									
	155,473	40,542	-	69,732	-	-	76,722	-	342,469
<b>Other assets</b>									
	346,356	41,120	-	350,389	-	-	1,878,266	-	2,616,131
<b>Total assets</b>	<b>6,163,457</b>	<b>2,309,371</b>	<b>-</b>	<b>6,692,460</b>	<b>7,857,771</b>	<b>-</b>	<b>3,664,974</b>	<b>-</b>	<b>26,688,033</b>
<b>Long-term insurance contracts and investment contracts with DPF:</b>									
-Insurance contracts	5,440,758	2,276,243	-	14,436,613	-	-	-	-	22,153,614
Short-term insurance contracts	-	-	-	-	-	-	913,606	-	913,606
Amounts due to related parties, trade payables, and other provisions at amortised cost	5,207	-	-	37,452	-	-	129,038	-	171,697
Other liabilities	232,641	33,128	-	559,814	-	-	677,058	-	1,502,641
<b>Total liabilities</b>	<b>5,678,606</b>	<b>2,309,371</b>	<b>-</b>	<b>15,033,879</b>	<b>-</b>	<b>-</b>	<b>1,719,702</b>	<b>-</b>	<b>24,741,558</b>
	(Rupees in '000)								
	2022								
	Fixed and guaranteed insurance and investment contracts	Contract with DPF		Unit-linked contracts			Corporate		Total
		Insurance contract	Investment contract	Insurance contract	Investment contract	Short-term insurance contracts	Other financial assets and liabilities	Other assets and liabilities	
	(Rupees in '000)								
<b>Debt securities</b>									
Available for sale - unlisted securities	5,388,484	1,968,410	-	3,831,578	-	-	1,273,923	-	12,462,395
<b>Equity securities</b>									
Available for sale - listed securities	83,572	-	-	216,512	5,734,894	-	4,967	-	6,039,945
<b>Loans and receivables</b>									
-Loans secured against life insurance policies	82,293	92,846	-	-	-	-	-	-	175,139
-Others at amortised cost	-	-	-	-	-	-	278	-	278
<b>Reinsurance assets</b>									
	-	15,739	-	14,153	-	-	-	-	29,892
<b>Cash and cash equivalents</b>									
	72,135	-	-	78,992	-	-	66,991	-	218,118
<b>Other assets</b>									
	198,275	33,692	-	451,329	-	-	1,835,860	-	2,519,156
<b>Total assets</b>	<b>5,824,759</b>	<b>2,110,687</b>	<b>-</b>	<b>4,592,564</b>	<b>5,734,894</b>	<b>-</b>	<b>3,182,019</b>	<b>-</b>	<b>21,444,923</b>
<b>Long-term insurance contracts and investment contracts with DPF:</b>									
-Insurance contracts	5,092,807	2,078,224	-	10,192,856	-	-	-	-	17,363,887
Short-term insurance contracts	-	-	-	-	-	-	795,138	-	795,138
Amounts due to related parties, trade payables, and other provisions at amortised cost	22,458	-	-	-	-	-	107,456	-	129,914
Other liabilities	167,239	32,463	-	1,238,688	-	-	(22,793)	-	1,415,597
<b>Total liabilities</b>	<b>5,282,504</b>	<b>2,110,687</b>	<b>-</b>	<b>11,431,544</b>	<b>-</b>	<b>-</b>	<b>879,801</b>	<b>-</b>	<b>19,704,536</b>

#### 42.2 Financial risk management

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Foreign currency risk

#### Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Audit Committee is assisted in its oversight role by Internal Audit function. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### 42.2.1 Credit risk

Credit risk is the risk that arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counterparties in various industries and by continually assessing the credit worthiness of counterparties.

#### 42.2.1.1 Exposure to credit risk

Credit risk of the Company arises principally from the investments (except for government securities), premium due but unpaid, amount due from other insurers / reinsurers, reinsurance recoveries. To reduce the credit risk the Company has developed a formal approval process whereby credit limits are applied to its policyholders and other insurers / reinsurers. The management continuously monitors the credit exposure towards policyholders and other insurers / reinsurers and makes provision against those balances considered doubtful of recovery.

The carrying amount of financial assets represent the maximum credit exposure, as specified below:

	2023	2022
	(Rupees in '000)	
Cash and bank	341,934	218,024
Investments		
Mutual funds	8,189,645	6,039,945
Debt securities	299,990	600,000
Loans secured against life insurance policies	195,945	175,139
Insurance / takaful / reinsurance / retakaful receivables	306,061	239,119
Other loans and receivables	533,611	475,852
	<b>9,867,186</b>	<b>7,748,079</b>

The credit quality of Government securities, term finance certificates, open ended mutual funds, term deposit receipts and bank balances can be assessed with reference to external credit ratings as follows:

	Rating		Rating Agency
	Short term	Long term	
Al Baraka Bank (Pakistan) Limited	A-1	A+	VIS
Allied Bank Limited	A-1+	AAA	PACRA
Bank Alfalah Limited	A-1+	AA+	PACRA
Bank Al-Habib Limited	A-1+	AAA	PACRA
BankIslami Pakistan Limited	A-1	AA-	PACRA
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS
Faysal Bank Limited	A-1+	AA	PACRA
FINCA Microfinance Bank Limited	A-2	A-	PACRA
Habib Bank Limited	A-1+	AAA	VIS
JS Bank Limited	A-1+	AA-	PACRA
Khushhali Bank Limited	A-2	A-	VIS
MCB Bank Limited	A-1+	AAA	PACRA
Meezan Bank Limited	A-1+	AAA	VIS
Mobilink Microfinance Bank Limited	A-1	A	PACRA
National Bank of Pakistan	A-1+	AAA	PACRA
NRSP Microfinance Bank Limited	A-2	A-	PACRA
Samba Bank Limited	A-1	AA	PACRA
Silkbank Limited	A-2	A-	VIS
Soneri Bank Limited	A-1+	AA-	PACRA
Standard Chartered Bank (Pakistan) Limited	A-1+	AAA	PACRA
Summit Bank Limited	A-3	BBB-	VIS
Tameer Microfinance Bank Limited	Not rated	Not rated	Not rated
The Bank of Punjab	A-1+	AA+	PACRA
The First Microfinance Bank Limited	Not rated	Not rated	Not rated
U Microfinance Bank Limited	A-1	A+	PACRA
United Bank Limited	A-1+	AAA	VIS

The credit quality of the Company's bank balances and investment in government securities, debt securities and mutual funds is categorised as follows:

Rating	Government securities	Debt Securities	Open end mutual funds	Cash and cash equivalents	Total
	----- (Rupees in '000) -----				
AAA	-	-	-	168,968	168,968
AA+ / AM1	-	125,000	6,003,858	71,561	6,200,419
AA / AM2++	-	-	484,874	17,774	502,648
AA- / AM2+	-	99,990	1,700,913	58,902	1,859,805
A+	-	75,000	-	582	75,582
A	-	-	-	20	20
A-	-	-	-	12,271	12,271
BBB+	-	-	-	-	-
BBB	-	-	-	-	-
BBB-	-	-	-	6,550	6,550
Not Rated	14,988,498	-	-	5,306	14,993,804
	<b>14,988,498</b>	<b>299,990</b>	<b>8,189,645</b>	<b>341,934</b>	<b>23,820,067</b>

#### Premiums / contribution due but unpaid

##### Concentration of credit risk

Concentration of credit risk occurs when a number of counterparties have a similar type of business activities. As a result, any change in economic, political or other conditions would effect their ability to meet contractual obligations in similar manner. Sector-wise analysis of premium due but unpaid at the reporting date was:

	2023		2022	
	Rupees in '000	%	Rupees in '000	%
Banks	44,488	18.00%	5,009	2.39%
Insurance	4,640	2.00%	3,155	1.51%
Textiles	2,567	1.00%	1,023	0.49%
Food and allied industries	90,145	36.00%	37,323	17.84%
Chemical and pharmaceuticals	19,773	8.00%	18,171	8.68%
Technology & communication	30,703	12.00%	18,796	8.98%
Oil and gas	13,124	5.00%	78	0.05%
Others	45,544	18.00%	125,672	60.06%
	<b>250,984</b>	<b>100.00%</b>	<b>209,227</b>	<b>100.00%</b>

The age of premium due but unpaid at the reporting date is less than one year.

#### Amount due from other insurers / reinsurers / retakaful

The Company enters into re-insurance arrangements with re-insurers having sound credit ratings accorded by reputed credit rating agencies. The Company is required to comply with the requirements of Circular No. 32 / 2009 dated 27 October 2009 issued by SECP which requires an insurance company to place at least 80% of their outward treaty cessions with reinsurers rated 'A' or above by Standard & Poors with the balance being placed with entities rated at least 'BBB' by reputable ratings agency. All reinsurance assets relating to outward treaty cessions are with reinsurer with rating of "A" or above:

Rating	Amounts due from reinsurers net of recoveries	
	2023	2022
	----- (Rupees in '000) -----	
A or Above	55,077	29,892

The age of amount due from other insurers / reinsurers at the reporting date is less than one year.

In respect of the insurance and reinsurance assets, the Company takes in to account its past history / track record of recoveries and financial position of the counterparties while creating provision for impairment. Further, reinsurance recoveries are made when corresponding liabilities are settled.

The carrying value of the financial assets which are neither past due nor impaired are as under:

	2023	2022
	----- (Rupees in '000) -----	
Cash and bank	341,934	218,024
Debt securities	299,990	600,000
Loans secured against life insurance policies	195,945	175,139
Insurance / takaful / reinsurance / retakaful receivables	306,061	239,119
Other loans and receivables	533,611	475,852
The carrying value of the financial assets which are past due but not impaired are as under:		
Premiums / contribution due but unpaid	76,703	57,751

#### 4.2.2.1.2 Fair value of financial instruments

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

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the Pakistan Stock Exchange.
- Fair value of mutual funds is determined on the basis of closing net assets value (NAV) per unit published by Mutual Fund Association of Pakistan (MUFAP).
- Fair values of Treasury Bills and Pakistan Investment Bonds are derived using the PKRV rates (Reuters page).
- The fair value of all other financial assets and financial liabilities of the Company approximate their carrying amounts due to short term maturities of these instruments.

#### 42.2.1.3 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities (Level 1).
- 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 2).
- Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (Level 3).

As at December 31, 2023, the Company held the following financial instruments measured at fair value:

		As at December 31, 2023		
		Level 1	Level 2	Level 3
----- (Rupees in '000)-----				
<b>Financial assets carried at fair value</b>				
Available-for-sale investments		-	23,478,133	-
		-----		
		As at December 31, 2022		
		Level 1	Level 2	Level 3
----- (Rupees in '000)-----				
<b>Financial assets carried at fair value</b>				
Available-for-sale investments		-	18,502,340	-

Item	Valuation approach and input used
Government securities	The fair value of Government securities is derived using PKRV rates. PKRV rate is average of the yield-to-maturity on government securities traded in the secondary market and determined at the end of day. The yield-to-maturity on government securities is quoted by the six (06) brokerage houses keeping in view the yield-to-maturity on government securities traded in the secondary market.
Mutual funds	The fair value of mutual funds is derived from using rates published on Mutual Funds Association of Pakistan.

#### 42.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient cash on demand to meet expected operational requirements. The Company also manages this risk by investing in deposit accounts that can be readily encashed. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

The following are the contractual maturities of financial liabilities:

	2023			2022		
	Carrying Amount	Contractual cash flows upto one year	Contractual cash flows for more than one year	Carrying Amount	Contractual cash flows upto one year	Contractual cash flows for more than one year
<b>Non-derivative financial liabilities</b>	----- (Rupees in '000)-----					
Outstanding claims	570,344	570,344	-	623,709	623,709	-
Reinsurance / retakaful payables	171,697	171,697	-	129,914	129,914	-
Other creditors and accruals	762,269	762,269	-	558,877	558,877	-
Lease liabilities against right-of-use- assets	30,387	25,116	12,384	76,360	44,123	42,776
	<u>1,534,697</u>	<u>1,529,427</u>	<u>12,384</u>	<u>1,388,860</u>	<u>1,356,623</u>	<u>42,776</u>

#### 42.2.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All transactions are carried in Pak Rupees therefore, the Company is not exposed to any significant foreign exchange risk. The Company invests in government securities, debt securities, open ended mutual funds and listed equity securities which are accounted for at fair value, therefore the change in market prices is shown in note 42.2.3.1.

##### 42.2.3.1 Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Company is not exposed to equity price risk since it has no investments in equity securities at the reporting date.

The carrying value of investments subject to equity price risk are based on market prices as of the reporting date.

Market prices are subject to fluctuation and consequently the amount realised in the subsequent sale of an investment may significantly differ from the reported market value. Furthermore, amount realised in the sale of a particular security may be affected by the relative quantity of the security being sold. The Company has no significant concentration of price risk.

##### Sensitivity analysis

The table below summarises the Company's equity price risk as of December 31, 2023 and December 31, 2022 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse in the Company's equity investment portfolio because of the nature of equity markets. The impact of hypothetical change would be as follows:

	Fair value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase / (decrease) in total comprehensive income
				----- (Rupees in '000)-----	
2023	8,189,645	10% increase	9,008,610	818,965	818,965
		10% decrease	7,370,681	(818,965)	(818,965)
2022	6,039,945	10% increase	6,643,940	603,995	603,995
		10% decrease	5,435,951	(603,995)	(603,995)

#### 42.2.4 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from investment in government securities and balances held in profit and loss sharing accounts with reputable banks. At the reporting date the detailed interest rate profile of the Company's interest-bearing financial instruments is disclosed in note 42.2.4.1. The table below summarises Company's interest rate risk as of December 31, 2023 and December 31, 2022 and shows the effects of a hypothetical 1% increase and a 1% decrease in interest rates as at the year end.

##### Cash flow sensitivity analysis for fixed rate instruments

	Impact on the profit and loss	
	Increase	Decrease
<b>As at December 31, 2023</b>	----- (Rupees in '000)-----	
Cash flow sensitivity - fixed rate financial assets	589	(589)

##### As at December 31, 2022

Cash flow sensitivity - fixed rate financial assets	2,018	(2,018)
---	-------	---------

##### Cash flow sensitivity analysis for variable rate instruments

##### As at December 31, 2023

Cash flow sensitivity - variable rate financial assets	2,088	(2,088)
--	-------	---------

##### As at December 31, 2022

Cash flow sensitivity - variable rate financial assets	57	(57)
--	----	------

#### 42.2.4.1 Interest rate profile

At the balance sheet date the interest rate profile of the Company's interest-bearing financial instruments based on their maturities is:

2023						
Effective Yield / Interest rate %	Total	Upto one year	Over one year upto five years	Over five years upto ten years	Over ten years	Non-interest bearing financial instruments
(Rupees in '000)						
<b>Statement of financial position - financial instruments</b>						
<b>Financial assets</b>						
Cash and others	535	-	-	-	-	535
Current and other accounts	341,934	341,934	-	-	-	-
Mutual funds	8,189,645	-	-	-	-	8,189,645
Government securities	14,988,498	-	12,776,631	2,211,867	-	-
Debt securities	299,990	-	299,990	-	-	-
Loans secured against life insurance policies	195,945	195,945	-	-	-	-
Insurance / takaful / reinsurance / retakaful receivables	306,061	-	-	-	-	306,061
Other loans and receivables	533,611	-	-	-	-	533,611
	<u>24,856,219</u>	<u>537,879</u>	<u>13,076,621</u>	<u>2,211,867</u>	<u>-</u>	<u>9,029,852</u>
<b>Financial liabilities</b>						
Outstanding claims	570,344	-	-	-	-	570,344
Reinsurance / retakaful payables	171,697	-	-	-	-	171,697
Other creditors and accruals	762,269	-	-	-	-	762,269
Lease liabilities against right-of-use-assets	30,387	25,116	12,384	-	-	-
	<u>1,534,697</u>	<u>25,116</u>	<u>12,384</u>	<u>-</u>	<u>-</u>	<u>1,504,310</u>
Balance sheet gap	<u>23,321,522</u>	<u>512,763</u>	<u>13,064,238</u>	<u>2,211,867</u>	<u>-</u>	<u>7,525,542</u>
<b>Total yield / interest rate risk sensitivity gap</b>		<u>512,763</u>	<u>13,064,238</u>	<u>2,211,867</u>	<u>-</u>	
<b>Cumulative yield / interest rate risk sensitivity gap</b>		<u>512,763</u>	<u>13,577,001</u>	<u>15,788,868</u>	<u>15,788,868</u>	

2022						
Effective Yield / Interest rate %	Total	Upto one year	Over one year upto five years	Over five years upto ten years	Over ten years	Non-interest bearing financial instruments
(Rupees in '000)						
<b>Statement of financial position - financial instruments</b>						
<b>Financial assets</b>						
Cash and others	94	-	-	-	-	94
Current and other accounts	218,024	218,024	-	-	-	-
Mutual funds	6,039,945	-	-	-	-	6,039,945
Government securities	11,862,395	-	9,307,723	2,554,672	-	-
Debt securities	600,000	-	600,000	-	-	-
Loans secured against life insurance policies	175,139	175,139	-	-	-	-
Insurance / takaful / reinsurance / retakaful receivables	239,119	-	-	-	-	239,119
Other loans and receivables	475,852	-	-	-	-	475,852
	<u>19,610,568</u>	<u>393,163</u>	<u>9,907,723</u>	<u>2,554,672</u>	<u>-</u>	<u>6,755,010</u>
<b>Financial liabilities</b>						
Outstanding claims	623,709	-	-	-	-	623,709
Reinsurance / retakaful payables	129,914	-	-	-	-	129,914
Other creditors and accruals	558,877	-	-	-	-	558,877
Lease liabilities against right-of-use-assets	76,360	44,123	42,776	-	-	-
	<u>1,388,860</u>	<u>44,123</u>	<u>42,776</u>	<u>-</u>	<u>-</u>	<u>1,312,500</u>
Balance sheet gap	<u>18,221,708</u>	<u>349,040</u>	<u>9,864,947</u>	<u>2,554,672</u>	<u>-</u>	<u>5,442,510</u>
<b>Total yield / interest rate risk sensitivity gap</b>		<u>349,040</u>	<u>9,864,947</u>	<u>2,554,672</u>	<u>-</u>	
<b>Cumulative yield / interest rate risk sensitivity gap</b>		<u>349,040</u>	<u>10,213,987</u>	<u>12,768,659</u>	<u>12,768,659</u>	

#### 42.2.5 Foreign currency risk

As at reporting date, there are no material financial instruments denominated in foreign currency. Therefore, the Company is not materially exposed to risk from foreign currency exchange rate fluctuation.

#### 42.3 FINANCIAL INSTRUMENTS BY CATEGORY

	2023	2022
(Rupees in '000)		
<b>Financial assets and financial liabilities</b>		
<b>Financial assets</b>		
<b>Loans and receivables - amortised cost</b>		
Cash and bank	342,469	218,118
Loans secured against life insurance policies	195,945	175,139
Insurance / takaful / reinsurance / retakaful receivables	306,061	239,119
Other loans and receivables	533,611	475,852
	<u>1,378,086</u>	<u>1,108,228</u>
<b>Investments - available for sale</b>		
Mutual funds	8,189,645	6,039,945
Government securities	14,988,498	11,862,395
Debt securities	299,990	600,000
	<u>23,478,133</u>	<u>18,502,340</u>
<b>Financial liabilities</b>		
<b>Amortised cost</b>		
Outstanding claims	570,344	623,709
Amount due to other insurers / reinsurers / retakaful	171,697	129,914
Other creditors and accruals	762,269	558,877
Lease liabilities against right-of-use-assets	30,387	76,360
	<u>1,534,697</u>	<u>1,388,860</u>

#### 43 CAPITAL MANAGEMENT

The Company's goals and objectives when managing capital are:

- To comply with the minimum paid-up capital requirements as prescribed by the SECP;
- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for the other stakeholders;
- To provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk;
- Maintain strong ratings and to protect the Company against unexpected events / losses; and
- To ensure a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

As prescribed by SECP, the Company is required to maintain the minimum capital and to comply with the solvency requirements both for Shareholders' and Statutory Funds in accordance with the Insurance Ordinance, 2000 and the Insurance Rules, 2017 (previously the SEC (Insurance) Rules, 2002 as amended by S.R.O. 16 (1)/2012 dated January 9, 2012), with which the Company is in compliance.

#### 44 GENERAL

All figures have been rounded off to the nearest of thousand, except otherwise stated.

#### 45 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, wherever necessary. There has been no significant reclassification during the year.

#### 46 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 20th March, 2024 by the Board of Directors of the Company.

  
Chairman

  
Director

  
Director

  
Chief Executive Officer

  
Chief Financial Officer

**WINDOW  
TAKAFUL  
OPERATIONS  
FINANCIAL  
STATEMENTS**

2023





## Statement of Financial Position (Un-Audited)

As at December 31, 2023


	As at			As at
	December 31, 2023			December 31, 2022
	Operator sub fund	Policyholders fund	Total	Total
	Rupees in 000			
<b>Assets</b>				
Property and equipment	41,103	-	41,103	59,250
Investments				
Mutual funds	574,300	5,996,587	6,570,887	4,073,660
Government Securities	-	168,747	168,747	161,625
Listed Securities	-	-	-	300,000
	574,300	6,165,334	6,739,634	4,535,285
Takaful / retakaful receivables	-	15,639	15,639	21,720
Other loans and receivables	82,815	-	82,815	81,729
Prepayments	9,871	-	9,871	16,527
Cash and bank	-	33,756	33,756	98,014
<b>Total assets</b>	<b>708,089</b>	<b>6,214,729</b>	<b>6,922,818</b>	<b>4,812,525</b>
<b>Equity and liabilities</b>				
<b>Equity and reserves</b>				
Waqf Ceded Money	-	500	500	500
Capital contributed	799,734	-	799,734	746,497
Ledger account C & D	(928,680)	-	(928,680)	(832,736)
Surplus / (deficit) on revaluation of available for sale investments	9,530	-	9,530	(9,424)
<b>Total equity</b>	<b>(119,416)</b>	<b>500</b>	<b>(118,916)</b>	<b>(95,163)</b>
<b>Liabilities</b>				
Insurance liabilities [including policyholders' liabilities and profit retained in waqf]	40,775	6,702,282	6,743,057	4,673,336
Outstanding claims	-	129,259	129,259	137,527
Contribution received in advance	-	25,750	25,750	30,541
Takaful / retakaful payables	-	56,948	56,948	16,496
Other creditors and accruals	86,720	-	86,720	49,788
Interfund receivable / (payable)	700,010	(700,010)	-	-
<b>Total liabilities</b>	<b>827,505</b>	<b>6,214,229</b>	<b>7,041,734</b>	<b>4,907,688</b>
<b>Total equity and liabilities</b>	<b>708,089</b>	<b>6,214,729</b>	<b>6,922,818</b>	<b>4,812,525</b>
<b>Contingencies and commitments</b>				

9

The annexed notes from 1 to 16 form an integral part of these financial statements.

  
Chairman

  
Director

  
Director

  
Chief Executive Officer

  
Chief Financial Officer

IGI Life Insurance Limited - Window Takaful Operations

## Profit and Loss Account (Un-Audited)

For the year ended December 31, 2023

	December 31, 2023			December 31, 2022		
	Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
	Rupees in 000					
Contribution revenue	-	2,701,096	2,701,096	-	2,253,142	2,253,142
Less: wakala fee recognised	603,654	(603,654)	-	661,898	(661,898)	-
	603,654	2,097,442	2,701,096	661,898	1,591,244	2,253,142
Less: contribution ceded to retakaful operators	-	63,246	63,246	-	76,114	76,114
<b>Net contribution revenue</b>	<b>603,654</b>	<b>2,034,196</b>	<b>2,637,850</b>	<b>661,898</b>	<b>1,515,130</b>	<b>2,177,028</b>
Investment income	2,790	86,189	88,979	15,662	85,499	101,161
Net realised fair value gains on financial assets	11,150	258,043	269,193	3,059	68,951	72,010
Takaful operator fee income	185,048	(185,048)	-	142,908	(142,908)	-
Other income - net	20,335	7,098	27,433	14,111	3,316	17,427
	219,323	166,282	385,605	175,740	14,858	190,598
<b>Net income</b>	<b>822,977</b>	<b>2,200,478</b>	<b>3,023,455</b>	<b>837,638</b>	<b>1,529,988</b>	<b>2,367,626</b>
Takaful benefits	-	1,037,774	1,037,774	-	1,052,304	1,052,304
Recoveries from retakaful operators	-	(18,597)	(18,597)	-	(54,363)	(54,363)
<b>Net takaful benefits</b>	<b>-</b>	<b>1,019,177</b>	<b>1,019,177</b>	<b>-</b>	<b>997,941</b>	<b>997,941</b>
Change in takaful liabilities (including profit retained in waqf fund)	822,977	1,181,301	2,004,278	837,638	532,047	1,369,685
Acquisition expenses	36,487	1,181,301	1,217,788	(55,129)	532,047	476,918
Marketing and administration expenses	705,703	-	705,703	830,480	-	830,480
	253,831	-	253,831	221,334	-	221,334
<b>Total expenses</b>	<b>996,021</b>	<b>1,181,301</b>	<b>2,177,322</b>	<b>996,685</b>	<b>532,047</b>	<b>1,528,732</b>
<b>Loss before tax attributable to Operator</b>	<b>(173,044)</b>	<b>-</b>	<b>(173,044)</b>	<b>(159,047)</b>	<b>-</b>	<b>(159,047)</b>
Taxation	(77,099)	-	(77,099)	(46,124)	-	(46,124)
<b>Loss after tax attributable to Operator</b>	<b>(95,945)</b>	<b>-</b>	<b>(95,945)</b>	<b>(112,923)</b>	<b>-</b>	<b>(112,923)</b>

Note

10 Contribution revenue  
Less: wakala fee recognised

10 Less: contribution ceded to retakaful operators

Investment income  
Net realised fair value gains on financial assets  
Takaful operator fee income  
Other income - net

**Net income**

Takaful benefits  
Recoveries from retakaful operators  
**Net takaful benefits**

Change in takaful liabilities (including profit retained in waqf fund)  
Acquisition expenses  
Marketing and administration expenses  
**Total expenses**

**Loss before tax attributable to Operator**  
Taxation

**Loss after tax attributable to Operator**

The annexed notes from 1 to 16 form an integral part of these financial statements.

  
Chairman

  
Director

  
Director

  
Chief Executive Officer

  
Chief Financial Officer



## Cash Flow Statement (Un-Audited)


For the year ended December 31, 2023

Note	2023	2022
	-----Rupees in 000-----	
<b>Operating Cash flows</b>		
<b>(a) Underwriting activities</b>		
Premiums received net of policy transfers - net of retakaful	2,589,773	2,100,121
Claims paid - net of retakaful recoveries	(95,659)	(72,222)
Surrenders paid	(929,452)	(869,771)
Commissions paid	(316,102)	(431,416)
<b>Net cash inflow from underwriting activities</b>	<b>1,248,560</b>	<b>726,712</b>
<b>(b) Other operating activities</b>		
Payment for expenses	(574,836)	(629,880)
Other operating receipts	4,990	3,687
Inter fund transactions	-	(698,043)
<b>Net cash outflow on other operating activities</b>	<b>(569,846)</b>	<b>(1,324,236)</b>
<b>Total cash inflow from / (outflow on) all operating activities</b>	<b>678,714</b>	<b>(597,524)</b>
<b>Investment activities</b>		
Profit / return received	97,786	42,159
Dividend received	19,744	50,884
Payments (made) / received on investments	(860,502)	477,995
Fixed capital expenditure	-	(23,977)
<b>Total cash (outflow on) / inflow from investing activities</b>	<b>(742,972)</b>	<b>547,061</b>
<b>Net cash outflow on all activities</b>	<b>(64,258)</b>	<b>(50,463)</b>
Cash and cash equivalents at beginning of the year	98,014	148,477
<b>Cash and cash equivalents at end of the year</b>	<b>33,756</b>	<b>98,014</b>
<b>Reconciliation to Profit and Loss Account</b>		
Operating cash flows	678,714	(50,463)
Depreciation and amortisation expenses	39,444	44,554
Increase in assets other than cash	18,080	179,306
Decrease in liabilities	(1,217,788)	(476,918)
Investment income and other income	364,676	176,858
Profit received on bank deposits	20,929	13,740
<b>Loss after taxation</b>	<b>(95,945)</b>	<b>(112,923)</b>

The annexed notes from 1 to 16 form an integral part of these financial statements.

  
Chairman

  
Director

  
Director

  
Chief Executive Officer

  
Chief Financial Officer

## Notes to and Forming Part of the Financial Statements (Un-Audited)

For the year ended December 31, 2023

### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi which is also the principal office of the Company.

1.2 The Company was granted approval on July 02, 2015 under Rule 6 of the Takaful Rules, 2012 to start its Window Takaful Operations ("the Operations") by the Securities and Exchange Commission of Pakistan ("the SECP") in Pakistan. The Waqf deed was executed on June 20, 2015 and the operations were commenced also commenced in year 2015.

1.3 In accordance with the requirements of the Insurance Ordinance, 2000 and Takaful Rules, 2012, the Company established a Operator Sub Fund (OSF), Participant Investment Fund (PIF) and Participant Waqf Fund (PTF) under each statutory funds mentioned below:

- Individual Family Takaful
- Individual Accidental and Health Takaful
- Group Family Takaful
- Group Health Takaful

### 2 BASIS OF PREPARATION

These financial statements have been presented in accordance with the requirements of the Insurance Rules, 2017 issued through S.R.O. 88 (I) / 2017 dated February 09, 2017 by the Securities and Exchange Commission of Pakistan (SECP).

The Securities and Exchange Commission of Pakistan (the SECP), in exercise of the powers conferred under Rule 11(1)(c) of the Takaful Rules, 2012, has imposed certain conditions vide its Circular No. 15 of 2019 dated November 18, 2019 on life insurers related to financial reporting of their window takaful operations. Under these conditions, the Life Insurers shall separately prepare financial statements for family takaful operations as if these are carried out by a Standalone Takaful Operator and shall be annexed with the insurer's annual / interim report (as applicable).

Accordingly, the Company has prepared and annexed to these financial statements, a standalone set of financial statements for Window Takaful Operations of the Company, as if these are carried out by a Standalone Takaful Operator. This standalone set of financial statements for Window Takaful Operations of the Company is unaudited and un-reviewed and is being submitted in compliance with the conditions imposed by the SECP as detailed above.

These financial statements have been prepared with a limited disclosures as the annual financial statements of the Company contains detailed disclosures and necessary information.

### 2.1 Statement of compliance

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

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

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

### 2.2 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current year:

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2023 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been stated in these financial statements.

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



## 12 ACQUISITION EXPENSES

Remuneration to takaful intermediaries on individual policies:

	(Un-audited)	
	FOR THE YEAR ENDED DECEMBER 31	
	2023	2022
	--- (Rupees in '000) ---	
- Commission on first year contribution	220,147	304,816
- Commission on second year contribution	26,127	35,656
- Commission on subsequent renewal contribution	28,692	14,197
- Commission on single contribution	14,447	1,423
- Other benefits to takaful intermediaries	318,172	366,186
	<b>607,585</b>	<b>722,278</b>

Remuneration to takaful intermediaries on group policies:

- Commission	33,594	33,202
- Other benefits to takaful intermediaries	-	-
	<b>33,594</b>	<b>33,202</b>

Branch overheads :

- Salaries and other benefits	19,418	23,640
- Other operational cost	39,034	34,020
	<b>58,452</b>	<b>57,660</b>

Other acquisition cost :

- Policy stamps	6,072	17,340
	<b>705,703</b>	<b>830,480</b>

## 13 SEGMENT INFORMATION

Each fund of business under takaful statutory funds has been identified as a reportable segment. The following is a schedule of class of business wise revenues and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, and the Takaful Rules, 2012:

### 13.1 Participants' Investment Fund ( PIF )

	(Un-audited)					
	TAKAFUL - STATUTORY FUNDS				Aggregate	
	Individual Family	Individual Accidental and Health	Group Family	Group Health	FOR THE YEAR ENDED DECEMBER 31	
					2023	2022
	----- (Rupees in '000) -----					
<b>Income</b>						
Allocated Contribution	2,016,518	-	-	-	2,016,518	1,513,074
Net Investment Income	1,271,909	-	-	-	1,271,909	159,830
Other Income	7,098	-	-	-	7,098	5,148
Total Net Income	<b>3,295,525</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,295,525</b>	<b>1,678,052</b>
<b>Less: Claims and Expenditure</b>						
Surrenders / Partial Surrenders	929,452	-	-	-	929,452	869,771
Risk Contributions	189,768	-	-	-	189,768	168,694
Wakalat-ul-Istismar	79,325	-	-	-	79,325	66,586
Policy admin fee	105,723	-	-	-	105,723	76,323
	<b>1,304,268</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,304,268</b>	<b>1,181,374</b>
<b>Excess of Income over Claims and expenditure</b>	<b>1,991,257</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,991,257</b>	<b>496,678</b>
Add: Technical reserves at the beginning	4,605,110	-	-	-	4,605,110	4,108,432
Less: Technical reserves at the end	(6,596,367)	-	-	-	(6,596,367)	(4,605,110)
	<b>(1,991,257)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,991,257)</b>	<b>(496,678)</b>
<b>Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Movement in technical reserves	1,991,257	-	-	-	1,991,257	496,678
Balance of PIF at the beginning of the period	4,605,110	-	-	-	4,605,110	4,108,432
<b>Balance of PIF at the end of the period</b>	<b>6,596,367</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,596,367</b>	<b>4,605,110</b>

### 13.2 Participants' Takaful Fund ( PTF )

#### Income

	(Un-audited)				Aggregate	
	TAKAFUL - STATUTORY FUNDS				FOR THE YEAR ENDED DECEMBER 31	
	Individual Family	Individual Accidental and Health	Group Family	Group Health	2023	2022
	----- (Rupees in '000) -----					
Contribution net of retakaful	63,056	(811)	13,564	62,202	138,011	100,663
Net investment income	8,449	-	2,309	189	10,947	19,192
Other income	7,953	-	962	-	8,915	10,487
	<b>79,458</b>	<b>(811)</b>	<b>16,835</b>	<b>62,391</b>	<b>157,873</b>	<b>130,342</b>

#### Less: Claims and Expenditure

Claims	19,811	-	16,225	53,689	89,725	128,170
Wakala fee	-	-	-	-	-	-
	<b>19,811</b>	<b>-</b>	<b>16,225</b>	<b>53,689</b>	<b>89,725</b>	<b>128,170</b>

#### Excess of Income over Claims and expenditure

Add: Technical reserves at the beginning	112,852	1,580	(44,770)	(31,891)	37,771	35,598
Less: Technical reserves at the end	(109,071)	(689)	11,763	(40,256)	(138,253)	(173,078)
Add: Deficit retained in technical reserves	-	(515)	52,079	63,445	115,009	126,046
	<b>3,781</b>	<b>376</b>	<b>19,072</b>	<b>(8,702)</b>	<b>14,527</b>	<b>(1,434)</b>

#### Surplus / (deficit)

Movement in technical reserves	(3,781)	(376)	(19,072)	8,702	(14,527)	11,434
Qard-e-Hasna contributed by Window Takaful Operator	-	-	6,000	-	6,000	20,000
Balance of PTF at the beginning of the period	112,852	1,580	377	14,517	129,326	107,154

#### Balance of PTF at the end of the period

	<b>172,499</b>	<b>769</b>	<b>6,987</b>	<b>23,219</b>	<b>203,474</b>	<b>129,326</b>
--	----------------	------------	--------------	---------------	----------------	----------------

### 13.3 Operators' Sub Fund ( OSF )

#### Income

	(Un-audited)				Aggregate	
	TAKAFUL - STATUTORY FUNDS				FOR THE YEAR ENDED DECEMBER 31	
	Individual Family	Individual Accidental and Health	Group Family	Group Health	2023	2022
	----- (Rupees in '000) -----					
Allocation fee	540,281	1,975	17,644	43,754	603,654	661,898
Investment income	(77,343)	-	5,800	19,261	(52,282)	11,359
Other Income	17,711	27	269	814	18,821	14,111
Wakala fee - PTF	60,522	-	-	-	60,522	59,634
Policy admin fee	105,723	-	-	-	105,723	76,322
Takaful operator fee	-	-	-	-	-	-
Wakalat-ul-Istismar	79,325	-	-	-	79,325	66,586
	<b>726,219</b>	<b>2,002</b>	<b>23,713</b>	<b>63,829</b>	<b>815,763</b>	<b>889,910</b>

#### Less: Expenses

Acquisition cost	611,949	1,708	11,954	21,640	647,251	772,820
Administration expenses / deferred taxation	199,408	179	12,272	23,325	235,184	232,872
	<b>811,357</b>	<b>1,887</b>	<b>24,226</b>	<b>44,965</b>	<b>882,435</b>	<b>1,005,692</b>

#### Excess of (expenditure)/over income

Add: Technical reserves at the beginning	1,985	1,711	14,053	12,707	30,456	28,599
Less: Technical reserves at the end	(7,380)	(1,490)	(8,916)	(22,989)	(40,775)	(30,456)
	<b>(5,395)</b>	<b>221</b>	<b>5,137</b>	<b>(10,282)</b>	<b>(10,319)</b>	<b>(1,857)</b>

#### Deficit

Movement in technical reserves	(90,533)	336	4,624	8,582	(76,991)	(117,639)
Capital Contribution during the period	5,395	(221)	(5,137)	10,282	10,319	1,857
Qard-e-Hasna contributed to the Participants	42,902	-	6,000	4,335	53,237	536,797
Takaful Fund	-	-	(6,000)	-	(6,000)	(20,000)
Balance of OSF at the beginning of the year	(201,155)	6,470	7,288	31,133	(156,264)	(557,280)

#### Balance of OSF at the end of the year

	<b>(243,391)</b>	<b>6,585</b>	<b>6,775</b>	<b>54,332</b>	<b>(175,699)</b>	<b>(156,265)</b>
--	------------------	--------------	--------------	---------------	------------------	------------------

#### Balance of Family Takaful statutory fund

	<b>6,525,475</b>	<b>7,354</b>	<b>13,762</b>	<b>77,551</b>	<b>6,624,142</b>	<b>4,578,171</b>
--	------------------	--------------	---------------	---------------	------------------	------------------

#### 14 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: fair value measurements using quoted price (unadjusted) in an active market 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 measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2023 the Operator and policyholders held the following financial instruments measured at fair value:

Assets carried at fair value	As at December 31, 2023		
	Level 1	Level 2	Level 3
----- Rupees in '000-----			
Available-for-sale investments	-	6,739,634	-

Assets carried at fair value	As at December 31, 2022		
	Level 1	Level 2	Level 3
----- Rupees in '000-----			
Available-for-sale investments	-	4,235,285	-

#### 15 GENERAL

All figures have been rounded off to the nearest of thousand rupees, except otherwise stated.

#### 16 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on March 20, 2024 by the Board of Directors of the Company.

 Chairman  
 Director  
 Director  
 Chief Executive Officer  
 Chief Financial Officer

## Statement of Directors


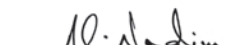
[As per the requirement of section 46 (6) and section 52 (2) of Insurance Ordinance, 2000]

#### Section 46 (6)

- In our opinion the annual statutory accounts of the IGI Life Insurance Limited set out in the forms attached to the statement have been drawn up in accordance with the Ordinance and any rules made thereunder;
- IGI Life Insurance Limited has at all times in the year complied with the provisions of the Ordinance and the rules made there under relating to paid-up capital, solvency and reinsurance arrangements; and
- As at December 31, 2023, IGI Life Insurance Limited continues to be in compliance with the provisions of the Ordinance and the rules made thereunder relating to paid-up capital, solvency and reinsurance arrangements.

#### Section 52 (2)

- In our opinion each statutory fund of IGI Life Insurance Limited complies with the solvency requirements of Insurance Ordinance, 2000 on aggregate basis based on the approval granted by Securities and Exchange Commission of Pakistan.


 Chairman  
 Director  
 Director  
 Chief Executive Officer

## Statement by the Appointed Actuary

[Required under Section 52(2) (a) & (b) of the Insurance Ordinance, 2000]

I, Shujat Siddiqui, of Akhtar & Hasan (Private) Limited, being an Actuary duly qualified under the terms of the Insurance Ordinance, 2000, and being the Appointed Actuary of IGI Life Insurance Company Limited, do hereby state that in my opinion:

- the policyholder liabilities included in the balance sheet of IGI Life Insurance Limited as at December 31, 2023 have been determined in accordance with the provisions of the Insurance Ordinance, 2000.
- The SECP via letter dated 26 July 2012 (Ref: ID/SUP/SLV/01) granted permission to IGI Life Insurance Limited to maintain solvency margin in aggregate for a period of ten years. This was further extended via letter dated 23 February 2023 (Ref: ID/PRDD/048-RA/2022/2740) for a period of five years till 25 July 2027. Pursuant to this, as per the unaudited admissible assets shared by the company, the Shareholders' Fund and the Statutory Funds of the Company meet the solvency requirements of the Insurance Ordinance, 2000 as at 31st December 2023 in aggregate.

  
**Shujat Siddiqui**  
 MA, FIA, FPSA  
 Appointed Actuary  
 IGI Life Insurance Limited

## Notice of 29<sup>th</sup> Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 29th Annual General Meeting of IGI Life Insurance Limited (the "Company") will be held on Monday, April 29, 2024 2:00 pm at the Auditorium of The Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi and virtually via Video Link Facility to transact the following business:

### Ordinary Business:

1. To confirm the minutes of the Extraordinary General Meeting (EoGM) of the Company held on May 23, 2023.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2023 together with the Chairman's Review Report and Directors' and Auditors' Reports thereon.

The Annual Report including the Audited Financial Statements and related Reports has been uploaded on the website of the Company. Pursuant to SRO 389(I)/2023 dated March 21, 2023 and subsequent approval of the Shareholders in the Annual General Meeting dated April 27, 2023, the Annual Report and Audited Financial Statements and related Reports can be accessed using the following web-link and QR enabled code:



SCAN ME

<https://igilife.com.pk/investor-relations/financial-reports/>

3. To appoint statutory auditors for the year 2024 and fix their remuneration. The current auditors, M/s. A.F.Ferguson & Co. (Chartered Accountants), being eligible for re appointment, have consented to be appointed as auditors for the Company for the financial year 2024 and the Board of Directors has recommended their re-appointment.

### Any Other Business:

4. To transact any other business with the permission of the Chairman.

Date: April 8, 2024  
Karachi

By order of the Board  
**Nadia Perveen Hussain**  
Company Secretary

### NOTES:

#### 1. Closure of Share Transfer Books:

The Share Transfer Books of the Company shall remain closed from April 22, 2024 to April 29, 2024 (both days inclusive). Only person whose names appear in the register of members of the Company as at April 19, 2024 will be treated in time for the purpose of attending the meeting.

#### 2. Participation in the 29th AGM Proceedings via Video-Link Facility:

The Securities and Exchange Commission of Pakistan ("SECP") has vide its Circulars issued from time to time directed the listed companies to hold general meetings virtually in addition to the requirements of holding physical meeting. The following arrangements have been made by the Company to further facilitate the participation of the shareholders in the AGM:

The shareholders interested in attending the AGM virtually are requested to register by sending their particulars to the designated email address [igilifeagm@igi.com.pk](mailto:igilifeagm@igi.com.pk) mentioning their Name, Folio Number, CNIC Number and email address, by the close of business hours on April 27, 2024. Upon receipt of the above information from the shareholders/proxies, the Company will share the login details to their email address, which will enable them to join the said AGM through video-link.

To attend through video-link, members should download the application/software <https://zoom.us/download>. Members will be able to participate in the AGM proceedings by logging into this application/software by using the login details provided.

#### 3. Attendance in the Meeting:

A Member entitled to attend and vote at the Annual General Meeting and is entitled to appoint another person as a proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. The proxy forms duly completed and signed by the member appointing the proxy must be deposited with the Company's Share Registrar, FAMCO SHARE REGISTRATION SERVICES (PVT) LIMITED, 8F, next to Hotel Faran, Nursery Block 6, P.E.C.H.S., Sharah-e-Faisal, Karachi, not later than forty-eight (48) hours before the time appointed for the Meeting.

Shareholders (Non-CDC) are requested to promptly notify the Company's Share Registrar of any change in their addresses.

#### 4. Guidelines for CDC Account Holders / Non-CDC Members:

##### a) For attending the meeting

- i. In case of individuals, the account holder or sub-account holder and/ or the person, whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of meeting.

##### b) For appointing proxies

- i. In case of individuals, the account holder or sub-account holder and/ or the person, whose securities are in group account and their registration detail is uploaded as per the regulations, shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted to the Company along with proxy form.

#### 5. Availability of Annual Audited Financial Statements on the Company's website:

Pursuant to Section 223(7) of the Companies Act, 2017, the financial statements and reports have been placed on website of the Company and can be accessed on <https://igilife.com.pk/investor-relations/financial-reports>.

#### 6. Circulation of Audited Financial Statements through E-mail and QR CODE:

The Audited Financial Statements of the Company for the year ended December 31, 2023, have been made available on the Company's website <https://igilife.com.pk/investor-relations/financial-reports> in addition to the Annual and Quarterly financial statements for the previous years.

The Securities and Exchange Commission of Pakistan ("SECP") through its Notification No. S.R.O 389(I)/2023 dated March 21, 2023, has allowed companies to circulate the annual balance sheet and profit and loss account, auditor's report and directors report, etc. ("annual audited financial statements") to its members through QR enabled code and weblink.

Accordingly, Annual Report of the Company for the year ended December 31, 2023 is dispatched to the shareholders through email and QR Code. However, in cases, where email addresses are not available with the Company's Share Registrar, printed copies of the notices of AGM along-with the QR enabled code/weblink to download the Annual Report 2023 (containing the financial statements), have been dispatched.

If a shareholder, in addition, requests for hard copy of Annual Audited Financial Statements, the same shall be provided free of cost within seven days of receipt of such request. In this regard, the Company's designated email address / Share Registrar email address will be placed on website of the Company. A shareholder may also prefer to receive hard copies for all future Annual Audited Accounts. For convenience of shareholders, a "Standard Request Form for provision of Annual Audited Accounts" have also been made available on the Company's website <http://igilife.com.pk/>.

#### 7. Conversion of Physical Shares into the Book Entry Form:

Members holding shares in physical form are encouraged to convert their physical shares into Book-Entry-Form (CDC) pursuant to the requirements of Section 72 of the Companies Act, 2017.

#### 8. Unclaimed Shares/Unpaid Dividend:

Shareholders who could not collect their dividend /physical shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or shares, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend and shares outstanding for a period of three (3) years or more from the date due and payable shall be deposited to the credit of the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

## Request for Annual Report and Notices Through Post

### The Registrar

FAMCO Share Registration Services (Private) Limited,  
8-F, Next to Hotel Faran  
Block-6, Nursery, P.E.C.H.S.  
Shahrah-e-Faisal  
Karachi-74000

Dear Sir,

I hereby request you to send me Annual Report of IGI Life Insurance Limited and notices for the year ended December 31, 2023 under the Companies Act, 2017 at my postal address given below:

(Postal address of the shareholder)

The above address will be recorded in the members register maintained under section 119 of the Companies Act, 2017. I will inform the Company and its Share Registrar about any change in my postal address immediately.

Regards,

(Signature)

Name of the Shareholders

Folio No: \_\_\_\_\_

(In case of physical shareholding)

CDC Account No.: \_\_\_\_\_

Note: Individual CDC Account holders should submit copy of their renewed Computerized National Identity Card (CNIC) alongwith this request form.

## درخواست برائے سالانہ رپورٹ اور نوٹسز بذریعہ ڈاک

دی رجسٹرار  
فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ  
ایف-8، نزد ہوٹل فاران  
نرسری بلاک-6، پی ای سی ایچ ایس  
شاہراہ فیصل، کراچی

عزیز محترم

میں بذریعہ پوسٹ آپ سے درخواست کرتا ہوں کہ آئی جی آئی لائف انشورنس لمیٹڈ کی سالانہ رپورٹ اور نوٹسز کمپنیز ایکٹ 2017 کے تحت میرے درج ذیل ایڈریس پر ارسال کئے جائیں۔

(شیئر ہولڈر کا ایڈریس)

مذکورہ بالا ایڈریس کمپنیز ایکٹ 2017 کے سیکشن 119 کے تحت تیار کردہ ممبران کے رجسٹر میں ریکارڈ کر لیا جائے۔ میں کمپنی اور رجسٹرار کو اپنے ایڈریس میں کسی بھی تبدیلی کے بارے میں فوری طور پر اطلاع کر دوں گا/گی۔

منجانب

(دستخط)

شیئر ہولڈر کا نام

فولیو نمبر:

(فزیکل شیئر ہولڈنگ کی صورت میں)

سی ڈی سی اکاؤنٹ نمبر:

نوٹ: انفرادی سی ڈی سی اکاؤنٹ ہولڈرز کو اس درخواست فارم کے ساتھ اپنے تجدید شدہ کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) کی کاپی جمع کرانی ہوگی۔



## اطلاع برائے 29 واں سالانہ اجلاس عام

بذریعہ نوٹس بذمہ مطلع کیا جاتا ہے کہ آئی جی آئی لائف انشورنس لمیٹڈ (کمپنی) کا 29 واں سالانہ اجلاس عام مورخہ 29 اپریل، 2024 بروز پیر بوقت 2:00 بجے دوپہر، انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP)، چارٹرڈ اکاؤنٹنٹس ایجوکیشنل کونسل کے آڈیٹوریم میں اور آن لائن بذریعہ ویڈیو لنک منعقد ہوگا۔ اجلاس میں درج ذیل امور زیر بحث لائے جائیں گے:

### عمومی کارروائی

1. مورخہ 23 مئی، 2023 کو منعقد ہونے والے گزشتہ سالانہ غیر معمولی اجلاس عام کے نکات کی توثیق۔
2. مورخہ 31 دسمبر، 2023 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں مع چیز میں ریویو رپورٹ، ڈائریکٹرز اور آڈیٹرز کی رپورٹ کی وصولی، غور و خوض، اور منظوری۔
- آڈٹ شدہ مالی گوشواروں اور متعلقہ رپورٹس سمیت سالانہ رپورٹ کمپنی کی ویب سائٹ پر اپ لوڈ کر دی گئی ہے۔ بتاریخ 2023 SRO (I) 389 کے مطابق اور اس کے بعد 27 اپریل 2023 کو سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری کے بعد سالانہ رپورٹ اور آڈٹ شدہ مالی گوشواروں تک مندرجہ ذیل ویب لنک اور کیو آر فعال کوڈ کا استعمال کرتے ہوئے رسائی حاصل کی جاسکتی ہے:



مجھے اسکین کیجیے

<https://igilife.com.pk/investor-relations/financial-reports>

3. سال 2024 کے لیے انٹیجوری آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین۔ موجودہ آڈیٹرز اے ایف فرگن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) نے آڈیٹ کے طور پر تقرری کے لیے رضامندی ظاہر کی ہے اور بورڈ آف ڈائریکٹرز نے ان کی دوبارہ تقرری کی سفارش کی ہے۔

### دیگر کوئی کارروائی:

4. چیز میں کی اجازت سے کسی بھی دیگر امور کی انجام دہی۔

بتاریخ: 18 اپریل، 2024 کراچی

تکلم بورڈ  
نادیہ پروین حسین  
کمپنی سیکریٹری

### نوٹس:

#### 1. کمپنی کی حصص منتقلی کی کتب کی بندش:

کمپنی کی حصص منتقلی کی کتب (Share transfer Books) مورخہ 22 اپریل، 2024 سے 29 اپریل، 2024 (بشمول دونوں ایام) تک بند رہیں گی۔ صرف وہ افراد جن کے نام 19 اپریل، 2024 کو اعتبار سے کمپنی کے راجسٹر میں ظاہر ہو رہے ہوں گے صرف انہی کو اس وقت اجلاس میں شرکت کا اہل شمار کیا جائے گا۔

#### 2. ویڈیو لنک کی سہولت کے ذریعے 29 ویں سالانہ عام اجلاس میں شرکت:

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی طرف سے وقتاً فوقتاً جاری کردہ سرکولرز کے ذریعے لسٹڈ کمپنیز کو پابند کیا گیا ہے کہ عمومی اجلاس بالمشافہ کے ساتھ ساتھ آن لائن بھی انعقاد کیا جائے گا۔ سالانہ عام اجلاس میں شیئر ہولڈرز کی شرکت کو مزید آسان بنانے کے لیے کمپنی کی طرف سے مندرجہ ذیل انتظامات کیے گئے ہیں:

وہ اراکین جو بذریعہ ویڈیو لنک اجلاس میں شرکت کرنا چاہتے ہیں ان سے درخواست ہے کہ وہ اپنی معلومات جس میں ان کا نام، فونیو نمبر، شناختی کارڈ نمبر اور ای میل ایڈریس 27 اپریل، 2024 کو کاروباری اوقات بند ہونے سے پہلے [igilifeagm@igi.com.pk](mailto:igilifeagm@igi.com.pk) پر ای میل کر دیں۔ رجسٹرڈ شیئر ہولڈرز کو لاگ ان کی تفصیلات فراہم کر دی جائیں گی۔ شیئر ہولڈرز پر کسی کی جانب سے مذکورہ بالا معلومات موصول ہونے کے بعد کمپنی لاگ ان کی تفصیلات ان کے ای میل ایڈریس پر ارسال کرے گی، جس سے وہ سالانہ اجلاس عام میں بذریعہ ویڈیو لنک شرکت کر سکیں گے۔

بذریعہ ویڈیو لنک اجلاس کی کارروائی میں شرکت کرنے کے لیے اراکین <https://zoom.us/download> کے ذریعے ایکسپیکیشن رسافٹ ویز ڈاؤن لوڈ کر کے لاگ ان ہو سکتے ہیں۔

#### 3. میٹنگ میں حاضری:

جو ممبران سالانہ اجلاس عام میں شرکت اور حق رائے دہی استعمال کرنے کے اہل ہیں انہیں اپنی جانب سے کسی اور شخص کو اپنی جگہ اجلاس میں شرکت اور حق رائے دہی استعمال کرنے کے لیے نمائندہ (پراکسی) مقرر کرنے کی اجازت ہے۔ نمائندہ (پراکسی) کے لیے کمپنی کا رکن ہونا ضروری نہیں۔ نمائندہ (پراکسی) مقرر کرنے والے رکن کی طرف سے مکمل پُر شدہ پراکسی فارم دستخط کے ساتھ کمپنی کے شیئر رجسٹرار، بمبکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، 8 ایف، متصل ہوٹل فاران، نرسری بلاک 6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کو مقررہ اجلاس سے لازماً 48 گھنٹے قبل موصول ہو جانا ضروری ہے۔ شیئر ہولڈرز (جن کے سی ڈی سی میں اکاؤنٹ نہیں ہیں) سے درخواست ہے کہ اراکین کے پتے میں کسی قسم کی تبدیلی ہو تو فوری طور پر کمپنی کے شیئر رجسٹرار کو مطلع کر دیں۔

#### 4. سی ڈی سی اکاؤنٹ ہولڈرز غیر سی ڈی سی اکاؤنٹ ہولڈرز کے لیے ہدایات:

الف) اجلاس میں شرکت کے لیے

i۔ وہ انفرادی لوگ، اکاؤنٹ یا سب اکاؤنٹ ہولڈرز اور یا وہ شخص جس کی سیکورٹیز، گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات ریگولیشنز کے مطابق اپلوڈ کر دی گئی ہوں وہ اجلاس میں شرکت کے موقع پر اپنی شناخت کی تصدیق کے لیے اپنا کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ ضرور فراہم کریں۔

ii۔ کارپوریٹ ادارے کی صورت میں اجلاس کے موقع پر بورڈ آف ڈائریکٹرز کی قرارداد اور پاور آف اٹارنی کے ساتھ مقرر کنندہ کے دستخط کے نمونوں کا ہونا ضروری ہے۔

ب) نمائندہ مقرر کرنے کے لیے

i۔ وہ انفرادی لوگ، اکاؤنٹ یا سب اکاؤنٹ ہولڈرز اور یا وہ شخص جس کی سیکورٹیز، گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات ریگولیشنز کے مطابق اپلوڈ کر دی گئی ہوں وہ مذکورہ بالا شرائط کو مد نظر رکھتے ہوئے پراکسی فارم ضرور مہیا کریں۔

ii۔ پراکسی فارم پر دو گواہوں کی تصدیق ضروری ہے جن کا نام، پتہ اور شناختی کارڈ نمبر فارم پر درج ہو۔

iii۔ اصل مالکان اور نمائندہ کے شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل بھی پراکسی فارم کے ساتھ فراہم کی جائیں گی۔

iv۔ اجلاس کے وقت نمائندہ اپنا اصل شناختی کارڈ یا اصل پاسپورٹ بھی پیش کرے گا۔

v۔ کارپوریٹ ادارے کی صورت میں پراکسی فارم بورڈ آف ڈائریکٹرز کی قرارداد اور پاور آف اٹارنی دستخط کے نمونوں کے ساتھ جمع کروایا جائے گا۔

#### 5. کمپنی کی ویب سائٹ پر سالانہ آڈٹ شدہ مالیاتی گوشواروں کی دستیابی:

کمپنیز ایکٹ، 2017 کے سیکشن (7) 223 کی روشنی میں مالیاتی گوشوارے اور رپورٹس کمپنی کی ویب سائٹ پر اپلوڈ کر دی گئی ہیں جسے اس لنک <https://igilife.com.pk/investor-relations/financial-reports> سے حاصل کیا جاسکتا ہے۔

#### 6. آڈٹ شدہ مالیاتی گوشواروں کی ترسیل بذریعہ ای میل اور QR کوڈ:

31 دسمبر 2023 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشوارے جمع گزشتہ سال کے سالانہ اور سہ ماہی مالیاتی گوشوارے کمپنی کی ویب سائٹ (<https://igilife.com.pk/investor-relations/financial-reports>) پر مہیا کر دی گئی ہیں۔

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اپنے نوٹیفیکیشن نمبر ایس آر آئی 389(I)/2023 بتاریخ 21 مارچ 2023 کے تحت کمپنیز کو سالانہ بیننس شیٹ، نفع اور نقصان کے اکاؤنٹ، آڈیٹر کی رپورٹ اور ڈائریکٹرز رپورٹ وغیرہ ("سالانہ آڈٹ شدہ مالیاتی گوشوارے") بذریعہ QR کوڈ اور ویب لنک اپنے ممبرز کو فراہم کرنے کی اجازت دی ہے۔

لہذا 31 دسمبر 2023 کو ختم ہونے والے سال کی سالانہ رپورٹ بذریعہ ای میل اور QR کوڈ شیئر ہولڈرز کو ارسال کر دی گئی ہے۔ البتہ کمپنی کے شیئر رجسٹرار کے پاس جن کے ای میل ایڈریس دستیاب نہیں تھے تو سالانہ اجلاس عام کے نوٹس کی پرنٹ شدہ کاپی اور 2023 کی سالانہ رپورٹ (مالیاتی گوشوارے پر مشتمل) ڈاؤن لوڈ کرنے کے لیے QR کوڈ ویب لنک انہیں ڈاک کے ذریعے ارسال کر دیے گئے ہیں۔

بہر حال، اگر شیئر ہولڈرز کو سالانہ آڈٹ شدہ مالیاتی گوشواروں کی ہارڈ کاپی کی ضرورت ہو تو درخواست کی وصولی کے سات دن کے اندر اندر بلا معاوضہ یہ رپورٹ فراہم کر دی جائے گی۔ اس حوالے سے کمپنی کا مخصوص ای میل ایڈریس شیئر رجسٹرار کا ای میل ایڈریس کمپنی کی ویب سائٹ پر لگا دیا جائے گا۔ شیئر ہولڈرز مستقبل کے سالانہ آڈٹ شدہ اکاؤنٹس ہارڈ کاپی کی صورت میں وصول کرنے کو بھی ترجیح دے سکتے ہیں۔ شیئر ہولڈرز کی سہولت کے لیے "انسٹیٹوڈرز درخواست فارم برائے سالانہ آڈٹ شدہ اکاؤنٹس کی وصولی" کمپنی کی ویب سائٹ <http://igilife.com.pk> پر بھی مہیا کر دیا گیا ہے۔

#### 7. فزیکل شیئرز کی بک انٹری فارم کی طرف منتقلی:

ایسے اراکین جن کے پاس فزیکل شیئرز ہیں ان کو ترغیب دی جاتی ہے کہ وہ اپنے فزیکل شیئر کمپنیز ایکٹ، 2017 کے سیکشن 72 کی روشنی میں بک انٹری فارم (سی ڈی سی) میں تبدیل کروالیں۔

#### 8. غیر کلیم شدہ شیئرز زریعہ ادا کردہ ڈیویڈنڈ:

وہ شیئر ہولڈرز جو اپنا ڈیویڈنڈ فزیکل شیئرز بک تک وصول نہیں کر سکے ان کو مشورہ دیا جاتا ہے کہ وہ اپنے غیر کلیم کردہ ڈیویڈنڈ یا شیئرز حاصل کرنے کے لیے ہمارے شیئر رجسٹرار سے رابطہ کریں۔ کمپنیز ایکٹ 2017 کے سیکشن 244 کی روشنی میں ایسے تمام غیر کلیم کردہ ڈیویڈنڈ اور شیئرز جن کو واجب الاداء تاریخ سے تین سال یا اس سے زیادہ عرصہ گزر چکا ہے اور قابل ادا ہیں تو غیر کلیم شدہ ڈیویڈنڈ کی صورت میں وفاقی حکومت کے نام پر کریڈٹ کر دیے جائیں گے اور شیئرز کی صورت میں ایس ای سی پی کو منتقل کر دیے جائیں۔

### انڈر رائٹنگ اور ری انشورنس کمیٹی

یہ کمیٹی اس بات کو یقینی بناتی ہے کہ ری انشورنس سے متعلق تمام انتظامات بالکل موزوں ہوں۔ یہ کمیٹی اجراء سے پہلے مجوزہ ری انشورنس معاہدات کا جائزہ لیتی ہے، وقتاً فوقتاً ری انشورنس معاہدات پر نظر ثانی کرتی ہے اور شریک ری انشورنس کی اجازت سے جیسے اور جب ضرورت پڑے کی بنیاد پر مناسب ایڈجسٹمنٹ بھی کرتی ہے۔ یہ کمیٹی مستقبل میں ری انشورنس پروگرام کے موثر ہونے کا تجربہ بھی کرتی ہے۔

یہ کمیٹی کمیٹی کی انڈر رائٹنگ پالیسیز بھی ترتیب دیتی ہے۔ یہ کمیٹی انشورنس سے متعلق مختلف قسم کے رسک کے تجزیے کا معیار بھی مقرر کرتی ہے اور مارکیٹ کی ترقی اور اپنے بزنس پورٹ فولیو کے لحاظ سے وقتاً فوقتاً انڈر رائٹنگ پالیسیز پر نظر ثانی کرتی رہتی ہے۔

منعقدہ کمیٹی میٹنگز کی تعداد	4
اراکین کے نام	شرکت کردہ میٹنگز کی تعداد
سید حیدر علی	4
محمد کمال سید	4
زہرہ نقوی	4

### رسک مینجمنٹ اور کمپلائنس کمیٹی

یہ کمیٹی کمپنی کی رسک مینجمنٹ پالیسیز ترتیب دیتی ہے۔ یہ کمیٹی انشورنس سے متعلق مختلف قسم کے رسک کے تجزیے کا معیار بھی مقرر کرتی ہے اور مارکیٹ کی ترقی اور اپنے بزنس پورٹ فولیو کے لحاظ سے وقتاً فوقتاً رسک مینجمنٹ پالیسیز پر نظر ثانی کرتی رہتی ہے۔

منعقدہ کمیٹی میٹنگز کی تعداد	4
اراکین کے نام	شرکت کردہ میٹنگز کی تعداد
شہیم احمد خان	4
محمد کمال سید	4
سید یاور علی	4
خرم رضا بختیاری	4
زہرہ نقوی	4

### اخلاقیات، ہیومن ریسورس، مشاہرے اور نامزدگیوں کی کمیٹی

اخلاقیات، ہیومن ریسورس، مشاہرے اور نامزدگیوں کی کمیٹی کمپنی کی ہیومن ریسورس پالیسیز کی تشکیل اور ان پر نظر ثانی کی ذمہ دار ہے۔ یہ کمیٹی سینئر آفیسرز بشمول چیف ایگزیکٹو آفیسر، ڈپٹی چیف ایگزیکٹو آفیسر، چیف آپرینٹنگ آفیسر، چیف فنانشل آفیسر، کمپنی سیکریٹری اور ہیڈ آف انٹرنل آڈٹ کے مشاہرے، تجزیے اور انتخاب سے متعلق امور کے حوالے سے بورڈ کی معاونت کرتی ہے۔ یہ کمیٹی ان آفیسرز کی سکسین پلاننگ کے حوالے سے تجاویز بھی دیتی ہے۔

منعقدہ کمیٹی میٹنگز کی تعداد	2
اراکین کے نام	شرکت کردہ میٹنگز کی تعداد
سید حیدر علی	3
خرم رضا بختیاری	3
سید یاور علی	2
فرید احسن	2
زہرہ نقوی	1

### انویسٹمنٹ کمیٹی

انویسٹمنٹ کمیٹی مستحکم فوائد کے حصول اور پالیسی ہولڈرز فنڈ کو محفوظ رکھنے کے لیے سرمایہ کاری سے متعلق فنکشن کے امور کی ذمہ دار ہے۔ یہ کمیٹی کمپنی کے زیر انتظام مختلف فنڈز کے حوالے سے سرمایہ کاری پالیسی کو منظور اور نظر ثانی کرتی ہے۔

منعقدہ کمیٹی میٹنگز کی تعداد	4
اراکین کے نام	شرکت کردہ میٹنگز کی تعداد
سید حیدر علی	4
سید یاور علی	4
محمد کمال سید	4
خرم رضا بختیاری	3

### بورڈ کے تجزیے کا طریقہ کار

کوڈ آف کارپوریٹ گورننس ریگولیشنز کی شرائط کو ملحوظ رکھتے ہوئے، کمیٹی کے بورڈ آف ڈائریکٹرز کے پاس بورڈ اور اس کی کمیٹیوں کی کارکردگی کے سالانہ تجزیے کا ایک منظور شدہ طریقہ کار ہے، بورڈ آف ڈائریکٹرز اور بورڈ کمیٹیاں سالانہ بنیادوں پر اس تجزیے کا عمل کرتے رہتے ہیں۔

### ڈائریکٹرز کا مشاہرہ

ڈائریکٹرز کا مشاہرہ کمیٹی کے آرٹیکل آف ایسوسی ایشن کے زیر انتظام ہے جس کی رو سے کمیٹی کے ڈائریکٹرز وقتاً فوقتاً ڈائریکٹرز کے مشاہرے کی تعیین کے مجاز ہیں۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے مجموعی مشاہرے کی تفصیل سالانہ رپورٹ کے مالیاتی گوشواروں کے نوٹ نمبر 37، صفحہ نمبر 98 پر موجود ہے۔

### ماحول پر اثر

آئی جی آئی لائف صحت کو بہتر بنانے، تحفظ، اور اپنے ملازمین اور اردگرد کے معاشرہ کے لیے بہترین ورک پلیس بنانے کے اقدامات کے نفاذ کے لیے خوب جدوجہد کرتی ہے اور اس کو مزید مضبوط کرنے کے لیے COVID-19 کی احتیاطی تدابیر کو بھی نافذ کیا گیا ہے۔

### ڈائریکٹرز، ایگزیکٹوز اور ان کے شریک حیات اور نابالغ بچوں کی جانب سے حصص کی تجارت

چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکریٹری، مقرر کردہ ایگزیکٹو اور دیگر ایگزیکٹوز نے دوران سال حصص کی تجارت نہیں کی۔

### پیرن آف شیئر ہولڈنگ

کمپنیز ایکٹ مجریہ 2017 کے سیکشن 227 کے تحت 31 دسمبر 2023 تک کا پیرن آف شیئر ہولڈنگ سالانہ رپورٹ میں شامل ہے۔

### ضابطہ اخلاق

آپ کی کمپنی اپنے کسٹمرز کے مستقبل کے لیے مالی تحفظ کے لیے روایتی لائف انشورنس، یونیورسل انشورنس اور یونٹ لنکڈ پلان پیش کرتی ہے۔ ہم SECP کی طرف سے بیان کردہ مارکیٹ کے ضابطہ اخلاق کی مکمل پاسداری کرتے ہیں اور اپنی پراڈکٹ کے حوالے سے تمام ضروری درکار حقائق اپنے مجوزہ صارف کے سامنے بیان کرتے ہیں۔

کمپنی نے ملازمین کے حوالے سے ضابطہ اخلاق بھی متعارف کروایا ہے جس پر انہیں ہر سال دستخط کرنے ہوتے ہیں۔

Al-Nadim

علی ندیم

چیف ایگزیکٹو آفیسر

تاریخ: 20 مارچ 2024

Sankhan

شہیم احمد خان

چیئر مین

تاریخ: 20 مارچ 2024

## کوڈ آف کارپوریٹ گورننس برائے انشورر 2016، لسٹڈ کمپنیز ریگولیشنز 2019 (کوڈ آف کارپوریٹ گورننس) اور پاکستان اسٹاک ایکسچینج رول بک کی تعمیل

آپ کی کمپنی کے ڈائریکٹرز کی رائے میں:

الف۔ کمپنی کی مینجمنٹ کی طرف سے تیار کیے گئے مالیاتی گوشوارے، اس کے معاملات، آپریشنز کے نتائج، کمپنیز فلوا اور ایکویٹی میں تبدیلی کو درست طریقے سے پیش کرتا ہے۔

ب۔ کمپنی کی جانب سے بک آف اکاؤنٹس مناسب طریقے سے مرتب کیے گئے ہیں۔

ج۔ مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیز کو استعمال کیا گیا ہے اور اکاؤنٹنگ کے اندازے ایک مناسب اور معقول توجیہ پزنی ہیں۔

د۔ مالیاتی گوشواروں کی تیاری میں پاکستان میں رائج انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈز، انٹرنیشنل فنانسینشل رپورٹنگ اسٹینڈرڈز یا پاکستان میں لاگو دیگر ریگولیشن یا قانون (بشمول شریعہ گائیڈ لائنز اصول)، انشورنس آرڈیننس 2000، انشورنس اکاؤنٹنگ ریگولیشنز 2017، انشورنس رولز 2017 کمپنیز ایکٹ 2017 کے تحت جاری کردہ ہدایات اور نکات رولز 2012 کی پیروی کی گئی ہے اور کسی بھی قسم کی تبدیلی کو مناسب طریقے سے ظاہر کیا گیا ہے۔

ہ۔ انٹرنل کنٹرول سسٹم مناسب ڈیزائن پر مبنی ہے اور موثر طریقے سے اس کو لاگو کیا گیا ہے اور اس کی نگرانی کی جارہی ہے۔

و۔ اس بات میں کوئی شک نہیں کہ کمپنی اس کاروبار کو مسلسل جاری رکھنے کی مکمل صلاحیت رکھتی ہے۔

ز۔ لسٹڈ کمپنیز ریگولیشنز 2019 (کوڈ آف کارپوریٹ گورننس)، کوڈ آف کارپوریٹ گورننس برائے انشورر 2016 اور پاکستان اسٹاک ایکسچینج رول بک میں بیان کردہ کارپوریٹ گورننس کی میسٹ پریکٹسز سے کسی قسم کا خاطر خواہ انحراف نہیں پایا گیا۔

ح۔ ٹیکس، ڈیویڈنڈ اور چارجز کی مد میں کوئی بھی قانونی ادائیگی 31 دسمبر 2023 تک واجب الادا نہیں ہے، سوائے ان ادائیگیوں کے جنہیں مالیاتی گوشوارے میں بیان کیا گیا ہے۔

ط۔ ملازمین کے ریٹائرمنٹ فنڈ کی مالیت 31 دسمبر 2023 تک کے غیر آڈٹ شدہ فائنانشل اسٹیٹمنٹ کے مطابق درج ذیل ہے:

ملازمین کا پراویڈنٹ فنڈ:	50.37 ملین روپے
ملازمین کا گریجویٹ فنڈ:	29.68 ملین روپے

ی۔ اب تک آپ کی کمپنی کے ڈائریکٹرز لسٹڈ کمپنیز ریگولیشنز 2019 (کوڈ آف کارپوریٹ گورننس) میں بیان کردہ ڈائریکٹرز ٹینگ پروگرام سے مکمل طور پر ہم آہنگ ہیں۔

ک۔ گذشتہ چھ سالوں کا اہم آپریٹنگ اور فائنانشل ڈیٹا اس اسٹیٹمنٹ کے ساتھ منسلک ہے۔

انشورنس آرڈیننس 2000 کی شرائط کو ملحوظ رکھتے ہوئے ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ:

- ان کی رائے اور یقین کے مطابق اس اسٹیٹمنٹ سے منسلک سالانہ اسٹیٹوٹری اکاؤنٹس کو انشورنس آرڈیننس 2000 اور اس میں بیان کردہ رولز کے مطابق مرتب کیا گیا ہے۔
- مکمل سال کمپنی نے پیڈ اپ کمپنیل، سالوینسی اورری انشورنس کے انتظامات سے متعلق آرڈیننس اور دیگر رولز کی مجموعی طور پر تعمیل کی ہے اور اسٹیٹمنٹ کی تاریخ تک کمپنی مسلسل ان تمام شرائط پر کاربند ہے، جیسا کہ اوپر مذکور ہے۔

## بورڈ آف ڈائریکٹرز

کمپنی کا بورڈ آف ڈائریکٹرز آٹھ (6 مرد، 2 خواتین) ڈائریکٹرز پر مشتمل ہے جو مندرجہ ذیل ہیں:

آزاد ڈائریکٹرز	فریسا حسن
ایگزیکٹیو ڈائریکٹر (سی ای او)	زہرہ نقوی
	علی ندیم
	شیم احمد خان
	محمد کمال سید
	سید یاور علی
	سید حیدر علی
	خرم رضا بختیاری

بورڈ میں منتخب نامزد کردہ ڈائریکٹرز کی تعداد سات ہے، جبکہ چیف ایگزیکٹیو کو کمپنیز ایکٹ 2017 کے سیکشن (3) 188 کے مطابق ڈائریکٹر سمجھا گیا ہے۔

آزاد ڈائریکٹرز، کوڈ آف کارپوریٹ گورننس کے تحت آزادی کے معیار پر پورا اترتے ہیں۔ بورڈ نے مطلوبہ اہلیت اور تجربے کی بنیاد پر آزاد ڈائریکٹرز کو دو (2) کی تعداد پر مقرر کیا ہے۔

لہذا (بشمول چیف ایگزیکٹیو) آٹھ ڈائریکٹرز کے بورڈ میں ایک تہائی آزاد ڈائریکٹرز کا حساب کرنے میں اعشاریہ کے بعد آنے والے اعداد کو مکمل ایک عدد شمار نہیں کیا گیا۔

ریگولیشن 6 کے تحت وضاحت: کمپنی کا بورڈ آٹھ (8) ڈائریکٹرز پر مشتمل ہے اور ریگولیشن نمبر 6 کے تحت منتخب کردہ ڈائریکٹرز کا ایک تہائی کا اندازہ لگانے کے بعد آنے والا جواب 2.67 ہے۔

کمپنی کے بورڈ میں فی الحال دو (2) آزاد ڈائریکٹرز ہیں جنہیں ایکٹ کے سیکشن 166 کی شرائط کی روشنی میں شیئر ہولڈرز کی جانب سے منتخب کیا گیا ہے جو مطلوبہ قابلیت، مہارت، علم اور تجربے

کی بنیاد پر آزاد ڈائریکٹرز کا عہدہ رکھنے کے اہل ہیں، اس لیے تیسرے آزاد ڈائریکٹرز کی تقرری لاگو نہیں ہوتی۔

## بورڈ اور کمیٹی مینٹنرز

بورڈ آف ڈائریکٹرز، آڈٹ، انڈر رائٹنگ اورری انشورنس، رسک اور کمپلائنس، کلیمز، انویسٹمنٹ، اور ہیومن ریسورس اور مشاہیرے اور تقرری کمیٹی کی مینٹنرز شیڈول کے مطابق ہوئیں۔ منعقدہ

مینٹنرز اور بورڈ اور اس کی ذیلی کمیٹی میں ہر ڈائریکٹرز کی حاضری کی تفصیل درج ذیل ہے:

منعقدہ بورڈ مینٹنرز کی تعداد	ڈائریکٹرز کے نام
4	شیم احمد خان
4	سید حیدر علی
4	سید یاور علی
4	خرم رضا بختیاری
4	محمد کمال سید
3	زہرہ نقوی
4	فریسا حسن

## آڈٹ کمیٹی

آڈٹ کمیٹی چار نامز ایگزیکٹیو ڈائریکٹرز پر مشتمل ہے، آڈٹ کمیٹی کی تشکیل لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز کے مطابق ہے۔

منعقدہ کمیٹی مینٹنرز کی تعداد	اراکین کے نام
4	محمد کمال سید
4	سید یاور علی
4	خرم رضا بختیاری
2	زہرہ نقوی
2	فریسا حسن

## کلیمز تصفیہ کمیٹی

یہ کمیٹی کمپنی کے کلیمز کے تصفیہ سے متعلق پالیسی کی منظوری دیتی ہے۔ یہ کمیٹی کمپنی کی کلیمز پوزیشن کی نگرانی کرتی ہے اور اس بات کو یقینی بناتی ہے کہ کلیمز سے متعلق مناسب ریزرو برقرار رہیں۔ اس

کمیٹی کی خصوصی توجہ غیر معمولی کلیمز پر ہوتی ہے۔ یہ کمیٹی کلیمز کے فوری تصفیہ اور ادائیگی کو یقینی بناتی ہے۔ یہ کمیٹی عدالت، انشورنس محتسب اور ٹریبونل کے سامنے پیش ہونے والے کلیمز کے ساتھ

ساتھ دیگر آڈٹ اسٹیٹمنٹنگ کلیمز کا جائزہ بھی لیتی ہے۔ یہ کمیٹی دھوکہ دہی پر مبنی کلیمز کا جائزہ بھی لیتی ہے۔

منعقدہ کمیٹی مینٹنرز کی تعداد	اراکین کے نام
4	شیم احمد خان
4	سید یاور علی
4	فریسا حسن

## تصرفات اور سالیٹس

مقرر کردہ اچھری کی تجویز اور بورڈ کی منظوری کے بعد کمپنی، لائف پارٹنر شپ کے فنڈ سے 26.272 ملین اور نان پارٹنر شپ کے فنڈ سے 426.111 ملین کے سرپلس کی رقم شیئر ہولڈرز کے فنڈ میں منتقل کر چکی ہے۔

## لائف پارٹنر شپ کے فنڈ

لائف پارٹنر شپ کے فنڈ کے تحت نیچے گئی پالیسیاں SECP کی بیان کردہ حد تک، پالیسی ہولڈرز کو اس مدت کے دوران ہونے والے سرپلس کا حق دار بناتی ہیں۔ یہ رقم بونس کی شکل میں پالیسی ہولڈرز کو دی جاتی ہے۔ یہ بونس مقرر کردہ اچھری کی تجویز اور بورڈ کی منظوری سے تقسیم کیا جاتا ہے۔ دوران سال 2022 میں 145 ملین) کا بونس پالیسی ہولڈرز کے درمیان تقسیم کیا گیا۔

## کلیمز

کلیمز کی فوری ادائیگی ہمیشہ سے کمپنی کی بنیادی ترجیح رہی ہے۔ سالہا سال سے کمپنی کی کوشش رہی ہے کہ اپنے کلیم تصفیہ کے پراسس کو بہتر سے بہتر بنایا جائے تاکہ کلیم پراسس کے دوران بے کوم سے کم کیا جاسکے اور کلیم کے حوالے سے مقررہ کنٹرولز کو مضبوط بنایا جاسکے۔

دوران سال کمپنی کلیم کی مد میں 1.44 ملین (2022 میں 1.44 بلین) روپے کی ادائیگی کر چکی ہے۔

## آڈٹ رپورٹ

جیسا کہ نوٹ نمبر 25.1 میں واضح طور پر بیان کیا گیا ہے کہ کمپنی کا نقطہ نظر یہ ہے کہ پاکستان میں لائف انشورنس بزنس کی بڑھتی اور استحکام کے لیے لائف انشورنس بزنس پر عالمی سٹینڈرڈس پر نظر ثانی کرنا ضروری ہے۔ اس کے علاوہ، قانونی مشورے کے طور پر، کمپنی نے دیگر انشورنس کمپنیوں کے ساتھ مل کر پنجاب اور سندھ ہائی کورٹ میں سٹینڈرڈس کے فیصلے کو چیلنج کیا ہے۔ یہ پیشینہ بھی زیر التواء ہیں۔ آڈیٹرز نے اس معاملہ کو ممبرز کی رپورٹ میں اٹھایا ہے۔

## پروڈکٹس اور ڈسٹری بیوشن چینلز

کمپنی اپنی منفرد مصنوعات کے فروغ کو جاری رکھے ہوئے ہے۔ جیسا کہ پہلے بھی ذکر کیا گیا ہے کہ وائٹلیٹی کی پراڈکٹ جو صحت کی بہتری کی طرف توجہ دیتی ہے اس کی بھی ان ڈسٹری بیوشن چینلز سے تشہیر کی جا رہی ہے۔ مکمل مصنوعات کو بیٹیکا انشورنس اور انجینس ڈسٹری بیوشن چینلز کے ذریعے متعارف کروایا گیا ہے۔ کمپنی نے ڈیجیٹل سٹریٹجی کی جانب قدم بڑھاتے ہوئے اپنی پروڈکٹس کی ڈیجیٹل پلٹ فارمز پر دستیابی کے لیے مختلف اداروں کے ساتھ شراکت داری بھی کی ہے۔

## بورڈ کی تشکیل اور اس کا مواضع

بورڈ کی تشکیل اور اس کی ڈبلیو کیٹیوں کے ممبران کے نام صفحہ نمبر 18 اور 19 پر دیکھے جاسکتے ہیں۔ کمپنی ایکٹ، 2017 اور سٹینڈرڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق آپ کی کمپنی نے اپنے ڈائریکٹرز کے مواضع کے حوالے سے ایک شفاف فریم ورک تیار کیا ہے۔

## انڈر رائٹنگ، ری انشورنس اور رسک مینجمنٹ

آپ کی کمپنی انڈر رائٹنگ کے محتاط طریقوں پر عملداری کی بیرونی کرتی ہے۔ کمپنی انڈر رائٹنگ کے طریقہ کار کو تعاون فراہم کرنے کے لیے اپنی افرادی قوت، ٹیکنالوجی اور انفراسٹرکچر میں مسلسل سرمایہ کاری جاری رکھے ہوئے ہے۔

آپ کی کمپنی احتیاط کے ساتھ ڈیزائن کردہ ری انشورنس پروگرام کے ذریعے پیش آمدہ رسک پر تیز اور بروقت رد عمل کی پالیسی پر کاربند ہے۔ کمپنی نے قابل اعتماد انٹرنیشنل اداروں کے ساتھ ری انشورنس معاہدات کیے ہوئے ہیں۔

## کمپیٹل مینجمنٹ اور لیویڈیٹی

کمپنی اپنی موجودہ اور مستقبل کی کاروباری سرگرمیوں کو چلانے کے لیے ایک خاص مقدار میں سرمایہ برقرار رکھتی ہے۔ کمپنی کا پیڈ اپ کمپیٹل اور حاصل کردہ آمدن بالترتیب 1,705 ملین اور 240.80 ملین ہے۔ کمپنی کا ایک طے شدہ فریم ورک ہے، جس کے ذریعے کلیم کی ادائیگیوں اور انتظامی اخراجات کو پورا کرنے کے لیے مناسب لیویڈیٹی برقرار رکھی ہے۔ کمپنی کے پاس 31 دسمبر 2023 تک کیش اور کیش کے مساوی 2.90 بلین (2022 میں 3.77 بلین) روپے موجود ہے ہیں۔

کمپنی اور اس کے بزنس کو متعلقہ خطرات اور مواقع اور ان خطرات کو کم سے کم رکھنے کے حوالے سے اقدامات مکمل طور پر رپورٹ کے صفحہ نمبر 32 اور 33 میں وضاحت کے ساتھ بیان کر دیے گئے ہیں۔

## انفارمیشن ٹیکنالوجی اور آپریشنل مہارت

آپ کی کمپنی نے ایک معروف بین الاقوامی فرم سے حاصل کردہ جدید IT سسٹم کے ذریعے اپنی نئی پراڈکٹ ”IGI LIFE Vitality“ کو متعارف کروایا ہے۔ جدید سسٹم عملی طور پر آپریشنل صلاحیتوں اور کسٹمر سروس کو بہتر بنانے میں مدد کر رہا ہے۔ جس نے گھروں اور دفاتر میں موجود صارفین تک ان کی ذاتی ڈیوائسز کے ذریعے رسائی ممکن بنائی ہے۔

## متعلقہ پارٹی لین دین

ہر بورڈ میننگ میں بورڈ آف ڈائریکٹرز، آڈٹ کمیٹی کی سفارشات کی بنیاد پر متعلقہ کمپنیوں اور پارٹیوں کے ساتھ ہونے والی ٹرانزیکشنز کی منظوری دیتے ہیں۔ ایسی تمام ٹرانزیکشن ”Arm's Length“ پر انجام دی جاتی ہیں جسے آزاد موانع کے قابل قیمتوں کے طریقہ کار اور لاگتی اشتراک کے انتظامات کی بنیاد پر طے کیا جاتا ہے۔

## افراد کی قوت کا انتظام

موجودہ سال کمپنی نے سبزو اور مارکیٹنگ، انڈر رائٹنگ، کلیم، فنانس، ایکچریل، ہیومن ریسورس اور کسٹمر سروس سمیت بہت سے شعبوں میں ماہر اور باصلاحیت بھرتیاں کر کے اپنی افرادی قوت کو مضبوط کیا ہے۔ سال 2023 کے دوران کمپنی نے اپنے اسٹاف اور سبزو فورس کے لیے متعدد ریٹیننگ اور تربیتی کورسز کا انعقاد کیا۔

## انٹرنل آڈٹ

آپ کی کمپنی کا اپنا ایک انٹرنل آڈٹ کا شعبہ ہے، جس کی نگرانی آڈٹ کمیٹی کرتی ہے۔ انٹرنل آڈٹ فنکشن ریگولیشنز کی ذمہ داریوں پر عمل درآمد کو یقینی بناتا ہے۔

## آڈیٹرز

آڈٹ کمیٹی کی سفارش پر کمپنی کے بورڈ آف ڈائریکٹرز نے کمپنی کے بیرونی (ایکسٹرنل) آڈیٹرز کے طور پر A.F. Ferguson and Co. Chartered Accountants کی تقرری کی منظوری دی ہے۔

## ہولڈنگ کمپنی

کمپنی، آئی جی آئی ہولڈنگز لمیٹڈ (سابقہ آئی جی آئی انشورنس لمیٹڈ) کی ذیلی کمپنی ہے، جو کمپنی کے 82.69% شیئرز (2022 میں 82.69%) کی مالک ہے۔

## انشورنس کی مالیاتی قوت کی ریٹنگ

موجودہ سال کے دوران کمپنی نے PACRA سے اپنی IFS ریٹنگ کو برقرار رکھا۔ کمپنی کو A++ کی IFS ریٹنگ کے ساتھ مستحکم آڈٹ لگ سے نوازا گیا ہے۔

## کارپوریٹ سماجی ذمہ داری (CSR)

کارپوریٹ سماجی ذمہ داری کو نبھاتے ہوئے آئی جی آئی لائف وائٹلیٹی نے دوران سال مختلف ایونس میں حصہ لیا۔ ہم کراچی میں منعقد ہونے والے آٹھویں سالانہ ڈیف ریچ گالف ٹورنامنٹ کے قابل فخر اسپانسر تھے۔ ہم پاکستان میں ساعت سے محروم افراد کی تعلیم کو سپورٹ کرتے ہیں۔ ڈیف ریچ اینڈ ٹریٹنگ سینٹر، فیملی ایجوکیشنل سروسز فاؤنڈیشن کا پروگرام ہے، جو ساعت سے متعلق امراض میں مبتلا بچوں اور نوجوانوں کو شبانہ روز تعلیمی اور پیشہ ورانہ ٹریٹنگ فراہم کرتا ہے۔ آئی جی آئی لائف وائٹلیٹی نے اس ایونٹ کو کامیاب بنانے میں اپنا حصہ ڈالا، جس میں تقریباً 130 گالف کے کھلاڑیوں نے ساعت سے محروم افراد کی تعلیم سے بچہتی کے اظہار کے لیے حصہ لیا۔

## مستقبل کا منظر نامہ

سب سے کم لائف انشورنس کی شرح اور کام کرنے والے افراد کی زیادہ شرح کے باوجود، ہمارا یقین ہے کہ پاکستانی مارکیٹ میں بڑھتی ہوئی کافی زیادہ امکانات ہیں۔ جیسا کہ پہلے بھی بیان کیا گیا ہے کہ کمپنی کی منتخب کردہ حکمت عملیوں کی وجہ سے موجودہ سالوں میں ہمارے ریویونیو میں اضافہ دیکھنے کو آیا ہے۔ ہمیں یقین ہے کہ ہم پاکستان میں لائف انشورنس کی بڑھتی ہوئی مارکیٹ کا اپنی مکمل قوت کے ساتھ بھرپور فائدہ اٹھائیں گے۔ موجودہ معاشی صورتحال کے باوجود کمپنی کی پوری توجہ نفع مندی کے اس سفر کو مسلسل جاری رکھنے کی طرف ہے، تاکہ پالیسی ہولڈرز اور شیئرز ہولڈرز کے لیے زیادہ سے زیادہ نفع حاصل کیا جاسکے۔

## کلمات تشکر

بورڈ آف ڈائریکٹرز نے اپنے ملازمین کی طرف سے پیش کردہ خدمات پر ان کا شکریہ اور قدر کرتا ہے۔ اس کے علاوہ ہم اس موقع کو غنیمت جانتے ہوئے SECP کے گراں قدر تعاون اور رہنمائی پر تہہ دل سے ممنون ہیں۔ آخر میں، ہمارے پالیسی ہولڈرز کا شکریہ جن کا مسلسل اعتماد کمپنی کے لیے سب سے زیادہ قابل قدر رہا۔

Ar. Nadeem

علی ندیم

چیف ایگزیکٹو آفیسر

تاریخ: 20 مارچ 2024

S. Anshuman

شیم احمد خان

چیئر مین

تاریخ: 20 مارچ 2024

## Notes

## ڈائریکٹرز رپورٹ برائے ممبران

کمپنی کے ڈائریکٹرز 31 دسمبر، 2023 کو ختم ہونے والے سال کی سالانہ رپورٹ، آڈٹ شدہ مالیاتی گواشاہدوں کے ساتھ پیش کرتے ہوئے نہایت مسرت محسوس کر رہے ہیں۔ گزشتہ سال کے دوران کمپنی نے اسی حکمت عملی کو جاری رکھا جسے 2022 میں اختیار کیا تھا، اس حکمت عملی کے تحت کمپنی نے انجینیئرنگ سیکٹور میں بڑھتی ہوئی طلبہ کی تلاش، کارپوریٹ برنس پورٹ فولیو کو موثر بنانا اور انتظامی اور ڈسٹریبیوشن لاگت کو کنٹرول کرنا شامل ہے۔ ہماری نمایاں پراڈکٹ یعنی وائٹیلٹی کا اس بڑھتی ہوئی طلبہ میں اہم کردار رہا ہے۔ وائٹیلٹی پراڈکٹ ہمارے دونوں ذرائع انجینیئرنگ اور بیٹیکا انشورنس سیکٹور سے پیش کی جاتی ہے اور اس وقت وائٹیلٹی کا برنس ہمارے 2023 کے باقاعدہ پریمیوم کے 65% پر مشتمل ہے۔ ہمیں آپ کو یہ بتاتے ہوئے بہت مسرت ہو رہی ہے کہ ملک کی کٹھن نیکرو اکنامک حالت اور بڑھتی ہوئی مہنگائی کے باوجود مینجمنٹ کی ان تمام کاوشوں کی بدولت گزشتہ سال 60 بلین کے مقابلہ میں 2023 میں 225 بلین قبل از ٹیکس نفع ہوا ہے۔

### کمپنی کی کارکردگی کا جائزہ 2023

#### مجموعی پریمیوم

دوران سال، آپ کی کمپنی کا تحریر کردہ مجموعی پریمیوم (بشمول نکافل زر تعاون) 2022 کے 6.07 بلین کے مقابلے میں اس سال 7.99 بلین رہا۔ انفرادی لائف ریگولر پریمیوم (بشمول نکافل زر تعاون) 7 فیصد اضافہ کے ساتھ گزشتہ سال کے 3.78 بلین کی نسبت اس سال 4.03 بلین رہا۔ تجدیدی پریمیوم (سال 2022 کے 2.36 بلین سے بڑھ کر) 19 فیصد اضافے کے ساتھ اس سال 2.81 بلین ہو گیا۔ گروپ لائف اور ہیلتھ پریمیوم (بشمول نکافل گروپ فیملی اور ہیلتھ) میں اس سال 11 فیصد بڑھوتری ریکارڈ کی گئی اور یہ (2022 کے 1.91 بلین کے مقابلے میں) 2.12 بلین رہا۔ سنگل پریمیوم زر تعاون والی انفرادی پالیسیاں گزشتہ سال کے 0.38 بلین سے بڑھ کر 1.83 بلین تک پہنچ گئیں اور یوں ان میں اس سال 380 فیصد اضافہ دیکھا گیا۔

#### سرمایہ کاری

آپ کی کمپنی نے مارکیٹ کے کٹھن حالات کے باوجود پچھلے سال اسی دورانیے کے 1.61 بلین کے مقابلے میں اس سال 2.93 بلین سرمایہ کاری آمدنی حاصل کی۔ آپ کی کمپنی کے پاس 23.48 بلین کا مختلف النوع سرمایہ کاری پورٹ فولیو ہے (2022 میں 18.50 بلین) جو کہ کمپنی کے مجموعی اثاثوں کا 88% (2022: 86%) ہے۔ کمپنی اپنے پالیسی ہولڈرز کے فنڈز اور منافع میں استحکام اور تسلسل کو یقینی بنانے کے لیے نہایت محتاط سرمایہ کاری کی پالیسی پر عمل پیرا ہے۔ کمپنی روایتی انشورنس برنس میں 13 اور انفرادی فیملی نکافل میں 3 پونٹ کنڈ فنڈز پیش کرتی ہے۔ ہر فنڈ کا رسک مختلف ہے اور اس کا انحصار صارف پر ہوتا ہے کہ وہ اپنے فنڈز کے لیے کس حد تک منافع اور رسک کا سامنا کرنے کو تیار ہے۔ کنٹیننل چارج، متوازن، محفوظ اور محتاط فنڈز نے دوران سال بالترتیب 44.1%، 28.2%، 22.1% اور 20.6% کا مجموعی منافع حاصل کیا ہے۔ کمپنی نے سال 2015 میں اپنے ونڈو نکافل آپریشنز کا آغاز کیا اور اپنے زیر انتظام فنڈز کے تحت 6.6 بلین کا فنڈ حاصل کیا۔ نکافل چارج، متوازن اور محتاط فنڈز نے سال 2023 کے دوران بالترتیب 37.7%، 26.6% اور 19.7% کا منافع حاصل کیا ہے۔

#### منافع

نفع اور خسارہ کا ایک مختصر جائزہ درج ذیل ہے:

#### نفع/خسارہ

2022	2023	
روپے '000		
60,169	224,865	قبل از ٹیکس خالص نفع
(18,139)	(82,166)	ٹیکس دیکھ
42,030	142,699	بعد از ٹیکس خالص نفع
(45,824)	63,389	دیگر خالص آمدن (خسارہ) - صافی
0.25	0.84	فی شیئر نفع
10.20	11.41	فی شیئر بریک اپ ویلیو (اس میں وہ رقم بھی شامل ہے جو انشورنس آرڈیننس کی ضروریات کو پوری کرنے کے لیے اسٹیٹوری فنڈ میں موجود رہتی ہے)

کمپنی کو 2022 کے بعد از ٹیکس 42.03 بلین نفع کے مقابلے میں 2023 میں 142.69 بلین بعد از ٹیکس کا نفع ہوا ہے (بشمول اسٹیٹوری فنڈز کا سرپلس رنقصان)۔ اس نفع کی بنیادی وجہ مینجمنٹ کے وہ دانشمندانہ فیصلے ہیں جس کا بیان شروع کے پیراگراف میں ہوا۔

# Proxy Form

Shareholder's Folio No. \_\_\_\_\_ Number of shares held \_\_\_\_\_

I/We \_\_\_\_\_ of (full address) \_\_\_\_\_

being member(s) of IGI Life Insurance Limited, (the Company) hereby appoint Mr. / Ms. \_\_\_\_\_ of

(full address) \_\_\_\_\_ or failing him/her Mr. / Ms. \_\_\_\_\_ of

(full address) \_\_\_\_\_ as my/our proxy in my/our absence to attend and vote for

me/us on my/our behalf at the Annual General Meeting of the Company to be held on Monday, April 29, 2024 at 2:00 pm,

at the Auditorium Hall, of The Institute of Chartered Accountants of Pakistan, Karachi, as notified in the AGM notice and at

any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Signed by the member(s) in the presence of;

Witness : \_\_\_\_\_

Address : \_\_\_\_\_

CNIC/NICOP No. : \_\_\_\_\_

Witness : \_\_\_\_\_

Address : \_\_\_\_\_

CNIC/NICOP No. : \_\_\_\_\_

NOTES:

**General:**

- A member entitled to attend and vote at a General Meeting is entitled to appoint a person as proxy to attend and vote instead of him/her.
- The instrument appointing a proxy should be signed by the appointer or his/her attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
- The Proxy Form, duly completed together with Power of Attorney, if any, under which it is signed or a notarially certified copy thereof should be deposited at the Share Registrar of the Company namely "FAMCO Share Registration Services (Private) Limited", at 8-F, Next to Hotel Faran, Nursery, Block - 6, P.E.C.H.S, Shahrah-e-Faisal, Karachi as soon as possible but not later than forty-eight (48) hours before the time of holding the Meeting.
- If a member appoints more than one proxy, and more than one instrument of proxy are deposited by a member with the Share Registrar, all such instruments of proxy shall be rendered invalid.
- Applicable stamp duty shall be paid/affixed on the proxy form in accordance with the place of execution.

**For CDC Account Holders / Corporate Entities:**

- In addition to the above, the following requirements have to be met for CDC Account Holders / Corporate Entities: The proxy form shall be witnessed by two persons whose names, addresses and CNIC / NICOP or Passport numbers shall be mentioned on the form.
- Attested copies of CNIC / NICOP or the Passport of the beneficial owners of the beneficial owners and the proxy shall be furnished with the proxy form on the mailing address mentioned above.
- The proxy shall produce his/her original CNIC / NICOP or original Passport at the time of the Meeting.
- In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

# پراکسی فارم

شیر ہولڈر کا فولیو نمبر \_\_\_\_\_ موجودہ شیئرز کی تعداد \_\_\_\_\_

میں / ہم \_\_\_\_\_ (مکمل پتہ) \_\_\_\_\_

آئی جی آئی لائف انشورنس لمیٹڈ (کمپنی) کے ممبر ہونے کی حیثیت سے محترم محترمہ \_\_\_\_\_ (مکمل پتہ) \_\_\_\_\_

اور ان کی غیر موجودگی کی صورت میں محترم محترمہ \_\_\_\_\_ (مکمل پتہ) \_\_\_\_\_

کو 29 اپریل 2024 بروز پیر دوپہر 2:00 بجے انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس پاکستان، کراچی کے آڈیٹوریم ہال میں منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں یا کسی بھی التواء کی صورت

میں میری رہنمائی غیر موجودگی میں اپنا ہمارا حق رائے دہی استعمال کرنے کے لیے اپنا ہمارا نائب (پراکسی) مقرر کرتا ہوں/کرتی ہوں کر کرتے ہیں۔

بتاریخ \_\_\_\_\_ ماہ \_\_\_\_\_ 2024 کو اس پر دستخط کیے گئے۔

اراکین کی جانب سے ان گواہان کی موجودگی میں دستخط کیے گئے؛

برائے مہربانی 5 روپے کی  
ریونیو اسٹمپ چسپاں کریں  
ممبر کے دستخط

گواہ \_\_\_\_\_

پتہ \_\_\_\_\_

کمپیوٹرائزڈ راسمارٹ قومی شناختی کارڈ نمبر \_\_\_\_\_

گواہ \_\_\_\_\_

پتہ \_\_\_\_\_

کمپیوٹرائزڈ راسمارٹ قومی شناختی کارڈ نمبر \_\_\_\_\_

نوٹس:

جزل:

- جو اراکین اجلاس عام میں شرکت اور حق رائے دہی استعمال کرنے کے مجاز ہیں وہ اپنی جگہ کسی اور کو شرکت یا حق رائے دہی استعمال کرنے کے لیے نمائندہ (پراکسی) مقرر کر سکتے ہیں۔
- نمائندہ (پراکسی) مقرر کرنے والی دستاویز کا نمائندہ مقرر کرنے والے یا اس کی طرف سے تحریری طور پر نامزد انارنی کے دستخط کا ہونا ضروری ہے، اگر نمائندہ مقرر کرنے والا کوئی کارپوریٹ ادارہ ہے تو اس صورت میں اس کی یا اس کی طرف سے تحریری طور پر نامزد انارنی کے دستخط یا ممبر کا ہونا ضروری ہے۔
- مکمل شدہ پراکسی فارم جمع پور آف انارنی یا نوٹری سے مصدقہ کاپی کمپنی کے شیئر رجسٹرار، فیکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، 8 ایف، متصل ہوٹل فاران، نرسری، بلاک 6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کو مقررہ اجلاس سے لازماً 48 گھنٹے قبل موصول ہو جانا ضروری ہے۔
- اگر رکن ایک سے زائد نائب (پراکسی) مقرر کرتا ہے یا رکن کی جانب سے ایک سے زائد پراکسی فارم جمع کروائے جائیں تو تمام پراکسی فارم باطل شمار کیے جائیں گے۔
- جس جگہ فارم پر کیا جا رہا ہے اس مقام کے اعتبار سے قابل اطلاق اسٹامپ ڈیوٹی پراکسی فارم پر چسپاں کی جائے گی۔

**سی ڈی سی اکاؤنٹ ہولڈر کارپوریٹ ادارے**

- اوپر ذکر کردہ مطلوب دستاویز معلومات کے ساتھ ساتھ سی ڈی سی اکاؤنٹ ہولڈر کارپوریٹ اداروں کے لیے درج ذیل مطلوب بات کو مکمل کرنا بھی ضروری ہے۔ پراکسی فارم پر دو گواہوں کے نام، پتے، کمپیوٹرائزڈ قومی شناختی کارڈ رشناختی کارڈ نمبر ہونا بھی ضروری ہے۔
- پراکسی فارم کے ساتھ اوپر ذکر کردہ پتے پر مستفید مالک یا نائب کے کمپیوٹرائزڈ قومی شناختی کارڈ رشناختی کارڈ نمبر ہونا بھی ضروری ہے۔
- اجلاس کے وقت نائب اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ رشناختی کارڈ نمبر ہونا بھی ضروری ہے۔
- کارپوریٹ ادارے کی صورت میں پراکسی فارم بورڈ آف ڈائریکٹرز کی قرارداد اور پاور آف انارنی دستخط کے نمونوں کے ساتھ (اگر پہلے فراہم نہیں کیے گئے ہوں) کمپنی کو جمع کروانا ضروری ہے۔