

Director's Report
For First Quarter Ended March 31, 2024.

The Valued Shareholders,
Pakistan Reinsurance Company Limited.

On behalf of the Board of Directors of PRCL, I am pleased to present the condensed interim financial statements of Company for the first quarter ended March 31, 2024.

Review of Business Activities

The gross written premium is Rs. 5,870 million against an amount of Rs. 6,017 million for the corresponding period of last year, showing a decrease of Rs.147 million (2.4%). The net premium is Rs.2,698 million against Rs.2,451 million, showing an increase of Rs.246 million (10%). The net commission (expense) for the period is Rs.265 million as compared to Rs.264 million, showing an increase of Rs.1 million (0.3%). The net claims are Rs.1,398 million against Rs. 1,636 million, showing a decrease of Rs.238 million (14%).

The underwriting results after management expenses for the quarter under review are Rs. 682 million as compared to Rs.327 million for the corresponding period last year showing an increase of Rs.355 million.

The income from investment including rentals and other items for the period under review is recorded as Rs.745 million, as compared to Rs.443 million in the corresponding period of last year, showing an increase of Rs.301 million (68%).

The profit before tax for the quarter under review, is Rs.1,542 million, as compared to Rs.966 million recorded in the corresponding period last year, showing an increase of Rs.577 million (59.70%).

The profit after tax for the quarter under review is Rs.947 million, as compared to Rs.649 million in the corresponding period of last year showing an increase of Rs.298 million (45.84%) resulting in earnings per share of Rs.1.05 as compared to Rs.0.72 the corresponding period of last year.

Review of Window Re-Takaful Business Activities.

Participants Retakaful Fund

The gross written contribution is Rs.422 million against an amount of Rs.362 million for the corresponding period of last year, showing an increase of Rs.60 million (16.5%). The net contribution is Rs.395 million against Rs.354 million, showing an increase of Rs.41 million (11.5%). The wakala expense for the period is Rs.79 million as compared to Rs.71 million, showing an increase of Rs.8 million (12%).

The net claim expense for the period is Rs.110 million as compared to Rs.185 million, showing a decrease of Rs.75 million (41%).

Operator's Retakaful Fund

The wakala income for the period is Rs.79 million as compared to Rs.71 Million, showing an increase of Rs.8 million (12%). The commission expense for the period is Rs.64 million as compared to Rs.61 million, showing an increase of Rs.3 million (5%). The general administrative & management expense for the period is Rs.3.3 million as compared to Rs.5.5 million, showing a decrease of Rs.2.2 million (40%).

The profit after tax for the period under review is Rs.9.8 million, as compared to Rs.3.06 million in the corresponding period of last year showing an increase of Rs.6.74 million (220%).

Future Outlook

After weathering significant challenges in the preceding year, Pakistan's economy is currently undergoing a process of consolidation and gradual recovery. Encouragingly, there are signs of easing inflation, with the Consumer Price Index (CPI) for March 2024 registering at 20.7% year-on-year, marking the lowest level since June 2022. Notably, the average inflation for the first nine months of the fiscal year 2023-24 stands at 27.2%, marginally lower than the corresponding period of the previous fiscal year. Despite a downward revision in growth projections by the International Monetary Fund (IMF), which now anticipates a 2% growth rate for 2024, compared to a meager 0.29% in 2023, there are reasons for optimism. The emergence of a new government and political stability bode well for alleviating economic pressures. Amidst these challenges, we remain optimistic about our ability to deliver sustainable profits, leveraging resilience and adaptability to navigate the evolving economic landscape.

Acknowledgment

The directors of your Company would like to take this opportunity to thank the Company's valued clients, cedants, retrocessionaries, business partners, Security and Exchange Company of Pakistan and Pakistan Stock Exchange for their professional assistance and guidance.

We also thank our shareholders, who continue to place their trust and confidence in the Company and we assure them of our best efforts in the future. Finally, the directors also wish to place on record their appreciation for the hard work, loyalty and devotion of the CEO, Officers and staff of the Company.



Chairman Board



Chief Executive Officer

ناظمین کی رپورٹ

31 مارچ 2024 کو اختتام پذیر پہلی سہ ماہی کے لیے

برائے حصص کنندگان

محترم حصص کنندگان

بورڈ کے ناظمین کی جانب سے 31 مارچ 2024 کو اختتام پذیر پہلی سہ ماہی پر، ناظمین کی درمیانی مدت کی رپورٹ پیش کرتے ہوئے میں خوشی محسوس کرتا ہوں۔

کاروباری سرگرمیوں کا جائزہ

زیر غور سہ ماہی کے دوران مجموعی پریمیم خاصہ اضافے سے بڑھ کر 5,870 ملین روپے ہو گیا جبکہ سال اسی مدت میں اس کی مالیت 6,017 ملین روپے تھا، جو 147 ملین روپے کی کمی (یعنی فنڈ (2.4 فیصد) دکھا رہا ہے۔ خالص پریمیم 2,698 ملین روپے ہو گیا جبکہ سال اسی مدت میں اس کی مالیت 2,451 ملین روپے تھی، اس طرح سے اضافہ 246 ملین روپے یعنی 10 فیصد ہے۔ زیر غور مدت میں خالص کمیشن (اخراجات) 265 ملین روپے ہو گئے جبکہ گذشتہ سال اسی مدت میں اس کی مالیت 264 ملین روپے تھا، اس طرح سے اضافہ 1 ملین روپے (یعنی 0.3 فیصد)۔ خالص وحوئے کم ہو کر 1,398 ملین روپے ہو گئے جبکہ گذشتہ سال اسی مدت میں اس کی مالیت 1,636 ملین روپے تھا، جو 238 ملین روپے (14 فیصد) کی کمی دکھا رہا ہے۔

زیر غور سہ ماہی میں منافی بیمہ (Underwriting) بعد از پیمائش کے اخراجات بڑھ کر 682 ملین روپے ہو گیا جبکہ اس کے مقابلے میں گذشتہ سال اسی مدت کے دوران 443 ملین تھا، اس طرح سے اضافہ 301 ملین روپے یعنی 68 فیصد۔

زیر غور سہ ماہی میں سرمایہ کاری بشمول کرایہ داری اور دیگر آمدنی نے 745 ملین روپے کا اندراج کیا جبکہ گذشتہ سال اسی مدت کے دوران اس کی مالیت 443 ملین روپے تھی جو 301 ملین (68 فیصد) کا اضافہ ظاہر کر رہا ہے۔

زیر غور سہ ماہی میں منافع قبل از محصول 1,542 ملین روپے ہو گیا جبکہ گذشتہ سال اسی مدت کے دوران اس کی مالیت 966 ملین روپے تھا جو 577 ملین روپے (59.70 فیصد) کا اضافہ ظاہر کر رہا ہے۔

زیر غور سہ ماہی میں منافع بعد از محصول 947 ملین روپے ہو گیا جبکہ گذشتہ سال اسی مدت کے دوران اس کی مالیت 649 ملین روپے تھا جو 298 ملین روپے (45.84 فیصد) کا اضافہ ظاہر کر رہا ہے، جس کے نتیجے آمدنی فی حصص 1.05 روپے ہو گئی جبکہ گذشتہ سال اسی مدت کے دوران آمدنی فی حصص 0.72 روپے تھی۔

ونڈوری-حکافل کی کاروباری سرگرمیوں کا جائزہ

شرکت داری ری حکافل فنڈ

زیر غور سہ ماہی کے دوران مجموعی حصہ (contribution) بڑھ کر 422 ملین روپے ہو گیا جبکہ گذشتہ سال اسی مدت کے دوران اس کی مالیت 362 ملین روپے تھی، اضافہ 60 ملین روپے (16.5 فیصد) اضافہ ظاہر کر رہا ہے۔ خالص حصہ (contribution) بڑھ کر 395 ملین روپے ہو گیا جبکہ گذشتہ سال اسی مدت میں اس کی مالیت 354 ملین روپے تھی جو 41 ملین روپے یعنی 11.5 فیصد کا اضافہ ظاہر کر رہا ہے۔ زیر غور مدت کے دوران وکالہ اخراجات 79 ملین روپے رہے اس کے مقابلے میں گذشتہ سال اسی مدت کے دوران اس کی مالیت 71 ملین روپے تھی، جو 8 ملین روپے (12 فیصد) کا اضافہ ظاہر کر رہا ہے۔ خالص دعوے کم ہو کر 110 ملین روپے ہو گئے اس کے مقابلے میں گذشتہ سال اسی مدت کے دوران اس کی مالیت 185 ملین روپے تھی، جو 75 ملین روپے (41 فیصد) کی کمی ظاہر کر رہا ہے۔

آپریٹر کاری مکافل فنڈ

زیر غور سہ ماہی کے دوران وکالہ آمدنی بڑھ کر 79 ملین روپے ہو گیا جبکہ گذشتہ سال اسی مدت کے دوران اس کی مالیت 71 ملین روپے تھی، اضافہ 8 ملین روپے (12 فیصد) ظاہر کرتی ہے۔ کمیشن اخراجات بڑھ کر 64 ملین روپے ہو گیا جبکہ گذشتہ سال اسی مدت کے دوران اس کی مالیت 61 ملین روپے تھی میں اضافہ 3 ملین روپے (5 فیصد) ظاہر کرتی ہے۔ جنرل انتظامی اور مینجمنٹ اخراجات کم ہو کر 3.3 ملین روپے ہو گئے اس کے مقابلے میں گذشتہ سال اسی مدت کے دوران اس کی مالیت 5.5 ملین روپے تھی، 2.2 ملین روپے جو 40 فیصد کمی ظاہر کرتی ہے۔

زیر غور سہ ماہی میں منافع بعد از محصول 9.8 ملین روپے ہو گیا جبکہ گذشتہ سال اسی مدت کے دوران اس کی مالیت 3.06 ملین روپے تھا جو 6.74 ملین روپے (220 فیصد) کا اضافہ ظاہر کر رہا ہے۔

مستقبل کا منظر نامہ

گذشتہ سال میں خاصے مشکلات کا سامنا کرنے کے بعد پاکستان کی موجودہ معیشت انضمام اور بتدریج بحالی کے پراسس سے گذر رہی ہے۔ یہ بات حوصلہ افزا ہے کہ افراط زر میں کمی کے اشارے مل رہے ہیں، جس میں سال بہ سال کی بنیاد پر مارچ 2024 میں کنزیومر پرائس انڈیکس (CPI) نے 20.07 فیصد کا اندراج کیا جو جون 2022 کے بعد سے کم ترین سطح ہے۔ خاص طور پر یہ بات اہم ہے کہ مالی سال 2023-24 کے پہلے نو ماہ میں اوسط افراط زر کی شرح 27.2 فیصد رہی جو گذشتہ مالی سال کے مقابلے میں معمولی کم ہے۔ انٹرنیشنل مانیٹرنگ فنڈ کے نمونے کی دکھاتے ہوئے تخمینوں کے باوجود اب اس کا سال 2024 کے لیے نمونہ کا تخمینہ 2 فیصد ہے جو سال 2023 کے لیے نمونہ کا تخمینہ 0.29 فیصد تھا جو اس پر امید ہی کی وجہ ہے۔ نئی حکومت کا قیام اور سیاسی استحکام اس بات کی نشاندہی کرتی ہے کہ یہ معیشت پر دباؤ کم ہو گا۔ ان تمام مشکلات کے ساتھ، ہم معیشت کی تبدیل ہوتی ہوئی صورت حال میں، پک دیکھانے والی قوت اور بدلتے ہوئے حالات کے مطابق ڈھال لینے کی صلاحیت کے بارے میں پر امید ہیں کہ کمپنی تسلسل سے منافع دے گی۔

نتائش

آپ کے ناظمین اس موقع کا فائدہ اٹھاتے ہوئے کمپنی کے معزز گاہکوں، سیڈ انٹس (cedants)، ریٹرو سیشنئر (retrocessionnaire)، کاروباری شراکت دار، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی معاونت اور پیشہ ورانہ رہنمائی کا شکریہ ادا کرنا چاہتے ہیں۔

ہم اپنے حصص کنندگان کا بھی، ان کا کمپنی پر مسلسل اعتماد اور بھروسہ کرنے پر شکر یہ ادا کرتے ہیں اور مستقبل میں اپنی بہترین کاوشوں کا یقین دلاتے ہیں۔ بالآخر، ناظمین کی یہ بھی خواہش ہے کہ وہ کمپنی کے سی ای او، افسران اور اسٹاف کی سخت محنت، وفاداری اور لگن پر اپنے سر اپنے کو قلم بند کریں۔



چیف ایگزیکٹو آفیسر

بورڈ آف ڈائریکٹرز کے لیے اور ان کی جانب سے



بورڈ کے چیرمین

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Financial Position (Unaudited)
As at 31 March 2024

		31 March 2024 Unaudited Rupees	31 December 2023 Audited Rupees
ASSETS			
Property and equipment	7	651,602,536	642,621,500
Capital work in progress	7.1	33,748,620	33,748,620
Right of use asset	8	1,901,010,000	1,939,910,000
Assest relating to Bangladesh	9	-	-
Investment property	10	798,450,467	798,450,467
Investments			
Equity securities	11	4,181,880,422	4,183,710,304
Debt securities	12	15,837,569,613	14,135,599,216
		<u>20,019,450,035</u>	<u>18,319,309,520</u>
Loans and other receivables	13	935,978,791	547,118,212
Receivable from Sindh Revenue Board	13	2,573,888,727	2,573,888,727
Insurance / Reinsurance receivables	14	19,351,914,552	16,621,405,847
Reinsurance recoveries against outstanding claims	15	16,785,635,185	18,206,185,158
Deferred Commission Expense / Acquisition cost	16	1,040,711,989	1,125,879,037
Prepayments	17	9,765,939,744	11,900,386,846
Cash & Bank	18	2,714,285,513	3,159,752,669
		<u>76,572,616,158</u>	<u>75,868,656,603</u>
Total assets from Window Takaful Operations - OPF		<u>1,004,805,991</u>	<u>1,018,749,110</u>
Total Assets		<u>77,577,422,149</u>	<u>76,887,405,713</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		9,000,000,000	9,000,000,000
Reserves		8,487,676,299	7,549,733,417
Revaluation surplus - net of tax		1,590,000,034	1,590,000,034
Total Equity		<u>19,077,676,333</u>	<u>18,139,733,451</u>
Liabilities			
Underwriting Provisions			
- Outstanding claims including IBNR	19	25,184,467,538	25,927,694,396
- Unearned premium reserves		14,440,587,437	16,235,915,117
- Unearned Reinsurance Commission		608,803,103	810,160,213
		<u>40,233,858,078</u>	<u>42,973,769,726</u>
Retirement benefit obligations		3,388,300,980	3,350,608,187
Taxation liabilities- provision less payments		621,729,850	603,756,603
Deferred taxation	20	1,434,851,979	1,434,851,979
Insurance / Reinsurance Payables	21	12,347,155,301	9,862,846,676
Lease liabilities		22,277,303	22,277,303
Unclaimed Dividend		91,150,834	92,036,186
Other Creditors and Accruals	22	148,968,076	171,691,110
Total Liabilities		<u>18,054,434,323</u>	<u>15,538,068,044</u>
Total liabilities from Window Takaful Operations - OPF		<u>211,453,415</u>	<u>235,834,492</u>
		<u>58,499,745,816</u>	<u>58,747,672,262</u>
Total Equity and Liabilities		<u>77,577,422,149</u>	<u>76,887,405,713</u>
Contingency(ies) and commitment(s)			

The annexed notes 1 to 31 form an integral part of this condensed interim financial information.







CHAIRMAN **DIRECTOR** **DIRECTOR** **CHIEF EXECUTIVE OFFICER** **CHIEF FINANCIAL OFFICER**

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Profit and Loss Account (Unaudited)
For 1st Qtr ended March 31, 2024

		31 March 2024 Unaudited	31 March 2023 Unaudited
Net insurance premium	Note 24	2,697,600,790	2,451,457,968
Net Insurance claims	25	(1,397,989,384)	(1,635,945,817)
Net Commission and other acquisition costs	26	(264,612,219)	(263,647,567)
Insurance claims and acquisition expenses		(1,662,601,603)	(1,899,593,384)
Management Expenses	27	(353,198,190)	(224,610,588)
Underwriting results		681,800,997	327,253,996
Investment income	28	705,709,066	408,232,290
Rental income - net	29	39,278,141	35,420,912
Finance cost		(96,989)	(17,643)
Other income		107,296,444	195,080,454
Other expenses		(1,013,195)	(2,993,758)
Profit before tax from general operations		1,532,974,464	962,976,251
Profit from Window Retakaful Operations		9,806,263	3,060,890
Profit before tax		1,542,780,727	966,037,141
Income tax expense	30	(595,177,222)	(316,302,565)
Profit after tax		947,603,505	649,734,576
Earnings (after tax) per share - Rupees	35	1.05	0.72

The annexed notes 1 to 37 form an integral part of this condensed interim financial information.


CHAIRMAN


DIRECTOR


DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

Pakistan Reinsurance Company Limited
Condensed Interim Statement Of Total Comprehensive Income (Unaudited)
For 1st Qtr ended March 31, 2024

	31 March 2024 Unaudited	31 March 2023 Unaudited
----- Rupees -----		
Profit for the Period	947,603,505	649,734,576
Other comprehensive income / (loss)		
Items that may not be reclassified subsequently to profit and loss account		
Unrealized loss on available for sale investments - net	(10,292,318)	(119,312,616)
Other Comprehensive Income Window Retakaful Operations	631,695	544,325
Total other comprehensive income / (loss) for the period	(9,660,623)	(118,768,291)
Total comprehensive income / (loss) for the period	<u>937,942,882</u>	<u>530,966,285</u>
Profit and loss appropriation account		
Balance at the commencement of year	18,139,733,451	14,321,407,662
Total comprehensive income for the Period	937,942,882	530,966,285
Balance of unappropriated profit at the end of the period	<u>19,077,676,333</u>	<u>14,852,373,947</u>

The annexed notes 1 to 37 form an integral part of this condensed interim financial information.



CHAIRMAN DIRECTOR DIRECTOR CHIEF EXECUTIVE OFFICER CHIEF FINANCIAL OFFICER

Pakistan Reinsurance Company Limited
 Condensed Interim Statement of Changes in Equity (Unaudited)
 For 1st Qtr ended March 31, 2024

	Share capital			Reserves			Total reserves	Total equity
	Issued subscribed and paid-up	Capital		Other Revaluation surplus	Revenue reserves			
		Reserve for exceptional losses	Unrealized gain on available for sale investment		General reserve	Retained earnings		
	Rupees							
Balance as at January 01, 2023	9,000,000,000	281,000,000	597,118,524	1,421,277,526	1,135,296,316	1,886,715,296	5,321,407,662	14,321,407,662
Total Comprehensive income for the period ended March 31, 2023	-	-	-	-	-	649,734,575	649,734,575	649,734,575
Unrealized loss on available for sale investments	-	-	(118,768,291)	-	-	649,734,575	(118,768,291)	(118,768,291)
Balance as at March 31, 2023	9,000,000,000	281,000,000	478,350,233	1,421,277,526	1,135,296,316	2,536,449,871	5,852,373,946	14,852,373,946
Balance as at January 01, 2024	9,000,000,000	281,000,000	1,384,637,060	1,590,000,034	1,135,296,316	4,748,800,041	9,139,733,451	18,139,733,451
Total Comprehensive income for the period ended March 31, 2024	-	-	-	-	-	947,603,505	947,603,505	947,603,505
Unrealized loss on available for sale investments	-	-	(9,660,623)	-	-	947,603,505	(9,660,623)	(9,660,623)
Balance as at March 31, 2024	9,000,000,000	281,000,000	1,374,976,437	1,590,000,034	1,135,296,316	5,696,403,546	10,077,676,333	19,077,676,333

The annexed notes 1 to 37 form an integral part of these financial statements.



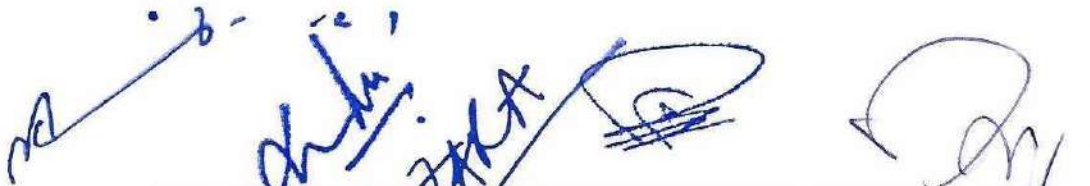



CHAIRMAN DIRECTOR DIRECTOR CHIEF EXECUTIVE OFFICER CHIEF FIANCIAL OFFICER

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Cash Flows (Unaudited)
For 1st Qtr ended March 31, 2024

	31 March 2024 Unaudited (Rupees)	31 March 2023 Unaudited (Rupees)
Operating Cash Flows:		
Underwriting activities:-		
Premium received	4,376,402,416	5,922,419,025
Reinsurance premium paid	(1,447,414,411)	(4,375,016,467)
Claims paid	(989,064,621)	(1,703,787,683)
Reinsurance and other recoveries received	268,398,352	1,333,094,090
Commission paid	(535,431,950)	(418,955,674)
Commission received	154,629,669	140,661,794
Other underwriting payments (management expenses)	(353,295,179)	(224,628,231)
Net cash flows generated from underwriting activities	1,474,224,276	673,786,854
Other Operating Activities		
Income tax paid	(613,150,469)	(26,300,458)
General management expenses paid	(1,013,195)	(2,993,758)
Other operating (payments) / receipts	(113,221,327)	(457,075,581)
Advances to employees	2,609,319	(2,378,393)
Net cash used in other operating activities	(724,775,672)	(488,748,190)
Total cash flow generated from all operating activities	749,448,604	185,038,664
Investment activities		
Fixed Capital expenditure	(20,081,036)	(16,241,000)
Acquisition of investments	(4,292,992,306)	(1,973,514,253)
Rental income received - net of expenses	40,039,208	(4,630,666)
Dividend income received	40,687,810	39,541,790
Interest income on bank deposits	56,178,301	(8,238,949)
Investment income received - net of expenses	351,739,730	302,451,817
Proceeds on sale/ maturity of investments	2,630,397,884	782,478,598
Total cash used in investing activities	(1,194,030,408)	(878,152,663)
Financing activities		
Dividend paid	(885,352)	-
Payments of finance leases	-	-
Total cash generated used in financing activities	(885,352)	-
Net cash generated from all activities	(445,467,156)	(693,113,999)
Cash at beginning of the period	3,159,752,669	3,030,890,556
Cash at end of the period	2,714,285,513	2,337,776,557

The annexed notes 1 to 37 form an integral part of these financial statements.



CHAIRMAN DIRECTOR DIRECTOR CHIEF EXECUTIVE OFFICER CHIEF FINANCIAL OFFICER

	31 March 2024 Unaudited (Rupees)	31 March 2023 Unaudited (Rupees)
Reconciliation to profit and loss account		
Operating cash flows	749,448,604	185,108,012
Depreciation expense		
-Fixed assets	(50,000,000)	(69,331)
Exchange gain	(10,573,556)	194,568,210
Rental income	39,278,141	35,420,912
Reinsurance recoveries against outstanding claims	(1,420,549,973)	(748,991,945)
Provision for outstanding claims	743,226,858	(516,260,279)
Provision for unearned premium	1,795,327,680	629,764,819
Prepaid reinsurance	(2,134,405,668)	(1,273,028,345)
Provision for employee benefits	(83,285,718)	54,290,959
Dividend income	40,621,810	47,530,790
Investment income	8,028,813	(5,399,542)
Interest income	620,204,145	339,736,075
Amortization of premium	36,854,298	26,364,967
Increase/(Decrease) in operating assets other than cash	1,519,516,632	439,544,292
(Increase)/Decrease in operating liabilities	(933,868,071)	1,528,096,199
	919,823,995	936,675,793

Other adjustments:

Income tax paid	613,150,469	26,300,458
	613,150,469	26,300,458
Profit/(Loss) before taxation	1,532,974,464	962,976,251
Provision for taxation	(595,177,222)	(316,302,565)
Profit/(Loss) after taxation	937,797,242	646,673,686
Profit from Window Retakaful Operations - Operator's Fund	9,806,263	3,060,890
Profit after taxation for the period	Rupees 947,603,505	649,734,576

Definition of cash

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

Cash for the purpose of the statement of cash flow consist of:

Cash and cash equivalents:

Cash and other equivalent	671,107	338,177
Current and other accounts	2,713,614,406	2,337,438,380
	Rupees 2,714,285,513	2,337,776,557

The annexed notes 1 to 37 form an integral part of these financial statements.



CHAIRMAN
DIRECTOR
DIRECTOR
CHIEF EXECUTIVE OFFICER
CHIEF FINANCIAL OFFICER

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

1 STATUS AND NATURE OF BUSINESS

Pakistan Reinsurance Company Limited (the Company) was incorporated in Pakistan as a public limited company on March 30, 2000 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is engaged in providing reinsurance and other insurance business. The shares of the Company are quoted on Pakistan Stock Exchange Limited.

With effect from February 15, 2001, the Company took over all the assets and liabilities of former Pakistan Insurance Corporation (PIC) vide SRO No.98(1)/2000 dated February 14, 2001 of the Ministry of Commerce issued in terms of Pakistan Insurance Corporation (Re-organization) Ordinance, 2000 to provide for conversion of Pakistan Insurance Corporation into Pakistan Reinsurance Company Limited which was established in 1952 as Pakistan Insurance Corporation (PIC) under PIC Act 1952. Accordingly, PIC has been dissolved and ceased to exist and the operations and undertakings of PIC are being carried out by the Company.

The Company was granted authorisation on September 26, 2018 under Rule 6 of the Takaful Rules, 2012 to undertake Window Retakaful Operations in respect of general retakaful products by the Securities and Exchange Commission of Pakistan (SECP).

The Company is under administrative control of Ministry of Commerce (Government of Pakistan). The Ministry of Commerce holds 51% shares of the Company. The Cabinet Committee on Privatisation (CCoP) on August 21, 2020 approved divestment of 20% of government stakes in the Company through public offerings.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at PRC Towers, 32-A, Lalazar Drive, Maulvi Tamizuddin Khan Road, Karachi.

3 BASIS OF PREPARATION

3.1 Basis of measurement

These condensed interim financial statements have been prepared under the historical convention, except that 'held to maturity' investments are stated at amortised cost and investment 'at fair value through profit or loss - held for trading' are stated at fair value and investment at available for sale are stated at market value.

These condensed interim financial statements have been prepared following accrual basis of accounting except for condensed interim cash flow information.

3.2 Functional and presentation currency

These condensed interim financial statements have been prepared and presented in Pakistan Rupees, which is the Company's functional and presentation currency.

3.3 Statement of compliance

These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended December 31, 2023 which have been prepared in accordance with approved accounting standards as applicable to insurance companies in Pakistan.

These condensed interim financial statements of the Company for the Three months period ended March 31, 2024 has been prepared in accordance with the requirements of the International Accounting Standard 34 – (IAS 34) Interim Financial Reporting, provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the insurance Accounting Regulation, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2017 have been followed.

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

The comparative statement of financial position presented in this condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended December 31, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the Three months ended March 31, 2023.

Total assets, total liabilities and profit of the Window Retakaful Operations of the Company referred to as the Operator's retakaful fund have been presented in these financial statement in accordance with the requirements of Circular 25 of 2015 dated July 09, 2015. A separate set of financial statements of the Window Retakaful Operations has been reported which is annexed to these financial statements as per the requirements of the SECP Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

4 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and method of computation adopted by the Company in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the preceding annual audited financial statements of the Company as at and for the year ended December 31, 2023.

Amendments to certain existing standards and new standards and interpretations on approved accounting standards became effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

4.1 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

There are certain adoptions, amendments and interpretations with respect to the approved accounting standards that are not yet effective and are not expected to have any material impact on the Company's condensed interim financial statements in the period of initial application.

4.2 Standards, amendments and interpretations to the published standards that are relevant but not yet effective and not early adopted by the Company

The following amendments to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 17 Insurance Contracts	January 1, 2025

5 USE OF ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements are in conformity with the requirements of approved accounting standards as applicable in Pakistan and requires management to make judgments / estimates and associated assumptions that affect the application of policies and reported amounts of assets and 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 the estimate about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the financial statements of the Company for the year ended December 31, 2023.

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

6 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the period ended December 31, 2023.

	Note	(Unaudited) Mar 31, 2024	(Audited) Dec. 31, 2023
----- Rupees -----			
7 PROPERTY AND EQUIPMENT			
Operating fixed assets - WDV			
Opening balance		642,621,501	446,068,118
Addition during the period:		20,081,035	141,529,705
-Disposal		-	-
Transfer from Investment Property			10,940,000
Revaluation Surplus			88,544,204
-Depreciation charge for the period/year		(11,100,000)	(44,460,526)
Closing balance		<u>651,602,536</u>	<u>642,621,501</u>
7.1 CAPITAL WORK IN PROGRESS			
PRC Tower Renovation		23,131,568	23,131,568
Computer software	7.2	<u>10,617,052</u>	<u>10,617,052</u>
		<u>33,748,620</u>	<u>33,748,620</u>
7.2 The movement in capital work in progress is as follows:			
Balance at beginning of the year		10,617,052	10,083,343
Additions during the year		-	533,709
Closing balance		<u>10,617,052</u>	<u>10,617,052</u>
7.3	This relates to implementation of ERP (Enterprise resources planning) and development of customized system solution which includes Reinsurance, Administration, Human Resource, Audit, Accounting and Finance, Investment, Corporate Affairs and Retakaful modules		
8 RIGHT OF USE ASSETS			
Assets - Leasehold land			
Net carrying value basis			
Opening net book value		1,939,910,000	1,639,605,577
Revaluation gain during the year		-	456,457,334
Depreciation		(38,900,000)	(156,152,911)
Closing net book value		<u>1,901,010,000</u>	<u>1,939,910,000</u>
8.1	The Company has entered into lease arrangement with Karachi Port Trust (KPT) for lease of land. The remaining lease term (useful life) of the right of use asset is 9.5 years.		
9 ASSETS RELATING TO BANGLADESH			
Total assets		15,974,000	15,974,000
Total liabilities	9.1	<u>(5,761,000)</u>	<u>(5,761,000)</u>
		10,213,000	10,213,000
Provision for loss on assets in Bangladesh		<u>(10,213,000)</u>	<u>(10,213,000)</u>
		-	-
9.1	These include claims related to Bangladesh amounting to Rs.4,952,000 (December 31, 2023 : Rs.4,952,000).		
10 INVESTMENT PROPERTIES			
Opening balance		798,450,467	722,274,602
Depreciation for the period/year		-	(11,474,604)
Revaluation Surplus		-	87,650,469
		<u>798,450,467</u>	<u>798,450,467</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

	(Unaudited) March 31, 2024	(Audited) Dec. 31, 2023
Note	----- Rupees -----	
13 LOANS AND OTHER RECEIVABLES - Considered good		
Accrued investment income	470,888,691	182,868,530
Loans to employees	135,900,530	85,806,526
Sundry receivables - Net	107,240,996	95,733,515
Receivable from tenants	221,948,574	182,709,641
	<u>935,978,791</u>	<u>547,118,212</u>
13 RECEIVABLE FROM SINDH REVENUE BOARD		
Receivable from Sindh Revenue Board	<u>2,573,888,727</u>	<u>2,573,888,727</u>
The aggregate of Rs.2,573.889 million (December 31, 2023: Rs.2,573.889 million) paid has been recorded as "receivable from SRB" in the financial statements. Moreover, the Company has not recorded provision against the orders passed by SRB in pursuance of Appellate Order dated February 01, 2016 in Appeal No. AT-02/2013 and order dated February 03, 2016 in Appeal No. AT-109/2015.		
14 INSURANCE / REINSURANCE RECEIVABLES		
Balance at period	14.1 20,075,401,560	17,344,892,855
Less: Provision for impairment in due from other insurers/reinsurers	14.2 (723,487,008)	(723,487,008)
	<u>19,351,914,552</u>	<u>16,621,405,847</u>
Premium and claim reserves retained by cedants	<u>24,831,633</u>	<u>24,831,633</u>
Less: Provision for impairment in premium and claim	<u>(24,831,633)</u>	<u>(24,831,633)</u>
	<u>-</u>	<u>-</u>
	<u>19,351,914,552</u>	<u>16,621,405,847</u>
14.1 This includes an amount of Rs. 12,298,920,738 (December 31, 2023: Rs. 10,468,216,843) due from related party National Insurance Company Limited. The age analysis of amount due from related party is as follows:		
Up to 3 months	9,494,334,972	8,871,838,652
Over 3 months and above	2,804,585,766	1,596,273,283
	<u>12,298,920,738</u>	<u>10,468,111,935</u>
14.2 Movement of provision for impairment		
Balance at the beginning of the period/year	723,487,008	506,687,816
Provisions made during the period/year	-	216,799,192
Balance at the end of the period/year	<u>723,487,008</u>	<u>723,487,008</u>
15 REINSURANCE RECOVERIES AGAINST OUTSTANDING CLAIMS		
Facultative business	15.1 16,007,013,827	17,350,545,680
Treaty	778,621,358	855,639,478
	<u>16,785,635,185</u>	<u>18,206,185,158</u>
15.1 Facultative business		
Fire	576,610,959	713,250,470
Marine cargo	-	-
Marine hull	17,106,508	17,106,508
Accident	9,504,871	9,504,871
Aviation	2,630,001,269	2,878,857,616
Engineering	12,773,790,220	13,731,826,215
	<u>16,007,013,827</u>	<u>17,350,545,680</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

	(Unaudited) March 31, 2024	(Audited) Dec. 31, 2023
Note	----- Rupees -----	
16 DEFERRED COMMISSION EXPENSE		
Facultative business	16.1 417,610,001	495,135,566
Treaty	623,101,988	630,743,471
	<u>1,040,711,989</u>	<u>1,125,879,037</u>
16.1 Facultative business		
Fire	120,633,617	103,659,001
Marine cargo	2,589,531	1,564,013
Marine hull	90,197	4,902,836
Accidents and others	31,312,698	27,057,018
Aviation	123,571,114	156,676,845
Engineering	139,412,844	201,275,853
	<u>417,610,001</u>	<u>495,135,566</u>
17 PREPAYMENTS		
Prepaid reinsurance ceded - facultative business	17.1 9,400,825,240	11,311,474,470
Prepaid reinsurance ceded - treaty business	364,978,917	588,735,355
	<u>9,765,804,157</u>	<u>11,900,209,825</u>
Other prepayments	135,587	177,021
	<u>9,765,939,744</u>	<u>11,900,386,846</u>
17.1 Prepayment reinsurance ceded - facultative business		
Fire	2,125,632,962	788,452,964
Marine Cargo	-	-
Marine hull	803,522	73,320,788
Accidents and others	405,291,100	441,422,065
Aviation	4,656,571,698	5,854,244,079
Engineering	2,212,525,958	4,154,034,574
	<u>9,400,825,240</u>	<u>11,311,474,470</u>
18 CASH AND BANK		
Cash in hand	671,107	676,987
Saving accounts		
- Local currency	293,369,754	442,105,498
- Foreign currency	2,009,163,407	955,751,677
	<u>2,302,533,160</u>	<u>1,397,857,175</u>
Current accounts		
- Local currency	305,804,801	1,655,955,746
Dividend accounts		
- Saving accounts	78,619,044.30	78,605,360
- Current accounts	26,657,400.70	26,657,401
	<u>105,276,445.00</u>	<u>105,262,761</u>
	<u>2,714,285,513</u>	<u>3,159,752,669</u>
19 OUTSTANDING CLAIMS INCLUDING IBNR		
Facultative business	19.1 21,758,727,576	22,512,494,004
Treaty	3,430,691,962	3,420,152,392
	<u>25,189,419,538</u>	<u>25,932,646,396</u>
Claims related to Bangladesh, adjusted in Note 9	(4,952,000)	(4,952,000)
	<u>25,184,467,538</u>	<u>25,927,694,396</u>
19.1 Facultative business		
Fire	4,308,670,126	4,146,521,448
Marine cargo	68,854,590	70,913,769
Marine hull	123,885,923	124,041,223
Accident and others	367,846,394	350,040,714
Aviation	2,852,237,023	3,138,534,650
Engineering	14,037,233,520	14,682,442,200
	<u>21,758,727,576</u>	<u>22,512,494,004</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

	(Unaudited) March 31, 2024	(Audited) Dec. 31, 2023
	----- Rupees -----	
20 DEFERRED TAXATION		
Deferred tax liabilities on taxable temporary differences:		
Accelerated tax depreciation		
Property and equipment	35,046,441	35,046,441
Right of use assets	3,934,319	3,934,319
Revaluation surplus on property and equipment	146,898,365	146,898,365
Revaluation surplus on Right-of-use assets - net of tax	636,235,981	636,235,981
Investment Property	255,074,753	255,074,753
Unrealized gain on investments	698,547,257	698,547,257
	<u>1,775,737,116</u>	<u>1,775,737,116</u>
Deferred tax assets on deductible temporary differences:		
Provision for doubtful debts	(26,501,013)	(26,501,013)
Provision for impairment of insurers / reinsurers receivable	(238,750,713)	(238,750,713)
Provision for impairment of receivables from other insurers / reinsurers	(8,194,439)	(8,194,439)
Lease liabilities	(7,351,510)	(7,351,510)
Notional interest on interest free loans	(3,193,428)	(3,193,428)
Provision for impairment in available for sale investments	(56,894,034)	(56,894,034)
	<u>(340,885,137)</u>	<u>(340,885,137)</u>
	<u>1,434,851,979</u>	<u>1,434,851,979</u>
21 INSURANCE / REINSURANCE PAYABLES		
Due to other insurers/reinsurers	12,331,330,945	9,847,022,320
Premium and claim reserves retained from retrocessionaires	15,824,356	15,824,356
	<u>12,347,155,301</u>	<u>9,862,846,676</u>
22 OTHERS CREDITORS AND ACCRUALS		
Other creditors and accruals	38,757,139	42,080,598
Rent Payable	39,383,040	39,383,040
Security deposits	41,585,723	44,718,092
Accrued expenses	28,166,612	44,433,819
Surplus profit payable	1,075,561	1,075,561
	<u>148,968,076</u>	<u>171,691,110</u>
23 CONTINGENCIES AND COMMITMENTS		
23.1 Contingencies		
The Company is contingently liable for:		
Sindh Sales Tax	22,049,017,881	22,049,017,881
Federal Excise Duty	4,073,379,063	4,073,379,063
Income Tax	1,822,636,685	1,822,636,685
Insurance payables	61,568,840	61,568,840
EOBI	2,589,500	2,589,500
Super Tax	323,647,001	323,647,001
Claims	483,673,389	483,673,389
	<u>28,816,512,359</u>	<u>28,816,512,359</u>
23.2 Commitments		
Commitments in respect of:		
- Short term lease rentals (0 to 1 year)	3,860,728	3,860,728
- Capital expenditure (intangible assets)	25,422,503	25,422,503
	<u>29,283,231</u>	<u>29,283,231</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

	March 31, 2024 Unaudited	March 31, 2023 Unaudited
----- Rupees -----		
24 NET INSURANCE PREMIUM		
Written gross premium	5,869,471,717	6,017,095,961
Add: Unearned premium reserve opening	16,235,915,117	12,047,709,680
Less: Unearned premium reserve closing	(14,440,587,437)	(11,417,944,861)
Premium earned	7,664,799,397	6,646,860,780
Less: Reinsurance premium ceded	2,832,792,939	2,922,374,467
Add: Prepaid reinsurance premium opening	11,900,209,825	8,940,328,450
Less: Prepaid reinsurance premium closing	(9,765,804,157)	(7,667,300,105)
Reinsurance expense	(4,967,198,607)	(4,195,402,812)
	2,697,600,790	2,451,457,968
25 NET INSURANCE CLAIMS		
Claims paid	989,064,621	1,703,787,683
Add: Outstanding claims including IBNR closing	25,189,419,538	21,777,647,512
Less: Outstanding claims including IBNR opening	(25,932,646,396)	(21,261,387,233)
Claims expense	245,837,763	2,220,047,962
Less: Reinsurance and other recoveries received	268,398,352	1,333,094,090
Add: Reinsurance and other recoveries in respect of outstanding claims closing	16,785,635,185	13,671,717,366
Less: Reinsurance and other recoveries in respect of outstanding claims opening	(18,206,185,158)	(14,420,709,311)
Reinsurance and other recoveries revenue	1,152,151,621	(584,102,145)
	1,397,989,384	1,635,945,817
26 NET COMMISSION AND OTHER ACQUISITION COSTS		
Commission paid or payable	535,431,950	418,955,674
Add: Deferred commission expense opening	1,125,879,037	931,382,139
Less: Deferred commission expense closing	(1,040,711,989)	(829,957,591)
Net commission	620,598,998	520,380,222
Less: Commission received or recoverable	154,629,669	140,661,794
Add: Unearned reinsurance commission opening	810,160,213	539,143,250
Less: Unearned reinsurance commission closing	(608,803,103)	(423,072,389)
Commission from reinsurers	(355,986,779)	(256,732,655)
	264,612,219	263,647,567
27 Management Expenses		
Salaries, Wages and Benefits	158,061,227	129,011,906
Employees Benefits	106,000,000	50,000,000
Travelling & Conveyance	4,380,638	10,911,737
Entertainment Expenses	1,114,891	735,876
Communication Exp.	983,120	566,238
Insurance	1,252,480	1,252,970
Utilities	1,974,792	592,353
Printing and Stationery	1,681,577	1,551,864
Repairs and Renewal	533,313	347,870
Medical Expenses	1,923,286	4,175,425
Rent, Rates and Taxes	1,572,000	738,535
Computer related Expenses	10,910,356	9,537,124
Consult./Professional Ser.Chgs.	1,244,700	1,041,250
Newspaper & Periodicals	25,745	22,250
Depreciation	50,000,000	69,331
Directors' Meeting Expenses	8,079,797	3,419,063
Advertisement and Business Promotion	1,279,642	796,837
Training and Research	473,150	3,796,086
Repairs and Maintenance	8,044,101	8,104,578
Others	1,123,127	839,511
Welfare Fund	-	5,000,000
	360,657,942	232,510,804
Exp. allocated to Rental Income	(4,504,449)	(4,828,523)
Exp. allocated to Investment Income	(2,955,303)	(3,071,693)
	353,198,190	224,610,588

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

	March 31, 2024 Unaudited	March 31, 2023 Unaudited
----- Rupees -----		
28 INVESTMENT INCOME		
Income from equity securities		
Available for sale		
Dividend income	40,449,310	42,754,290
Held for trading		
Dividend income	172,500	4,776,500
	<u>40,621,810</u>	<u>47,530,790</u>
Income from debt securities		
Return on debt securities		
Held to maturity		
Pakistan Investment Bonds	246,295,307	112,487,166
Pakistan Investment Bonds - Floating	9,248,422	23,456,837
Treasury Bills	354,596,900	192,524,100
Profit / (loss) on Term Finance Certificates	5,668,640	4,485,312
Premium / (amortization) of discount on PIBs	36,854,298	26,364,967
	<u>652,663,567</u>	<u>359,318,382</u>
Available for sale		
Pakistan Investment Bonds	4,394,876	6,782,660
Net unrealized losses on investments		
Net unrealized losses / (gain) on held for trading investment	10,984,116	(2,327,849)
Total investment income	<u>708,664,369</u>	<u>411,303,983</u>
Less: Impairment in value of available for sale investment		-
Less: Investment related expenses	(2,955,303)	(3,071,693)
Net Investment income	<u><u>705,709,066</u></u>	<u><u>408,232,290</u></u>
29 RENTAL INCOME		
Rental income	43,782,590	40,249,435
Less:		
Expenses related rental income	(4,504,449)	(4,828,523)
	<u>39,278,141</u>	<u>35,420,912</u>
30 TAXATION		
For the year		
Current	595,177,222	316,302,565
Deferred		
Prior	-	-
	<u>595,177,222</u>	<u>316,302,565</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

31 FAIR VALUE HIERARCHY

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement.

Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Total	Level 1	Level 2	Level 3
----- Rupees -----				
March 31, 2024 (Un-audited)				
Financial assets measured at fair value				
Held-for-trading investment				
Ordinary shares - listed	218,225,613	218,225,613	-	-
Available-for-sale investment				
Ordinary shares - listed	2,338,463,825	2,338,463,825	-	-
Mutual fund units	1,624,573,369	1,624,573,369	-	-
Ordinary shares - unlisted	617,615	-	-	617,615
	<u>4,181,880,422</u>	<u>4,181,262,807</u>	<u>-</u>	<u>617,615</u>
December 31, 2023 (Audited)				
Financial assets measured at fair value				
Held-for-trading investment				
Ordinary shares - listed	207,241,494	207,241,494	-	-
Available-for-sale investment				
Ordinary shares - listed	2,366,357,182	2,366,357,182	-	-
Mutual fund units	1,609,494,013	1,609,494,013	-	-
Ordinary shares - unlisted	617,615	-	-	617,613
	<u>4,183,710,304</u>	<u>4,183,092,689</u>	<u>-</u>	<u>617,613</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

32 SEGMENT INFORMATION

32.1 For 1st Qtr ended (Unaudited)

March 31, 2024	Fire	Marine cargo	Marine hull	Accident	Aviation	Engineering	Treaty	Total
	Rupees							
Gross written premium	2,714,617,536	34,272,720	14,475,379	393,962,394	89,953,329	510,421,397	2,111,768,962	5,869,471,717
Unearned-Opening	1,478,547,379	18,449,715	85,469,507	506,421,391	6,287,785,687	4,362,324,668	3,496,916,770	16,235,915,117
Unearned-Closing	2,724,451,828	32,365,124	1,913,920	513,340,361	4,980,030,286	2,539,343,276	3,649,142,642	14,440,587,437
Premium earned	1,468,713,087	20,357,311	98,030,966	387,043,424	1,397,708,730	2,333,402,789	1,959,543,090	7,664,799,397
Reinsurance-Ceded	2,296,307,880	-	25,176,766	278,779,770	88,732,505	43,484,870	100,311,148	2,832,792,939
Prepaid reinsurance-Opening	788,452,964	-	73,320,788	441,422,065	5,854,244,079	4,154,034,574	588,735,355	11,900,209,825
Prepaid reinsurance-Closing	2,125,632,962	-	803,522	405,291,100	4,656,571,698	2,212,525,958	364,978,917	9,765,804,157
Reinsurance expenses	959,127,882	-	97,694,032	314,910,735	1,286,404,886	1,984,993,486	324,067,586	4,967,198,607
Net insurance premium	509,585,205	20,357,311	336,934	72,132,689	111,303,844	348,409,303	1,635,475,504	2,697,600,790
Commission income	54,800,883	-	9,769,403	25,360,178	61,306,750	197,829,449	6,920,116	355,986,779
Net underwriting income (A)	564,386,088	20,357,311	10,106,337	97,492,867	172,610,594	546,238,752	1,642,395,620	3,053,587,569
Insurance claims paid	42,191,659	3,003,489	2,608,476	11,578,642	71,641,035	127,321,327	730,719,993	989,064,621
Outstanding-Opening	4,146,521,448	70,913,769	124,041,223	350,040,714	3,138,534,650	14,682,442,200	3,420,152,392	25,932,646,396
Outstanding-Closing	4,308,670,126	68,854,590	123,885,923	367,846,394	2,852,237,023	14,037,233,520	3,430,691,962	25,189,419,538
Insurance claims expenses	204,340,337	944,310	2,453,176	29,384,322	(214,656,592)	(517,887,353)	741,259,563	245,837,763
Reinsurance recoveries received	-	-	2,257,386	-	46,166,275	-	219,974,691	268,398,352
Recovery-Opening	713,250,470	-	17,106,508	9,504,871	2,878,857,616	13,731,826,215	855,639,478	18,206,185,158
Recovery-Closing	576,610,959	-	17,106,508	9,504,871	2,630,001,269	12,773,790,220	778,621,358	16,785,635,185
Insurance claims recovered from reinsurers	(136,639,511)	-	2,257,386	-	(202,690,072)	(958,035,995)	142,956,571	(1,152,151,621)
Net claims	340,979,848	944,310	195,790	29,384,322	(11,966,520)	440,148,642	598,302,992	1,397,989,384
Commission expense	79,339,350	1,738,842	5,820,968	21,162,875	37,402,511	120,423,474	354,710,978	620,598,998
Management expense	66,720,240	2,665,393	44,115	9,444,368	14,573,067	45,617,400	214,133,607	353,198,190
Net insurance claims and expenses (B)	487,039,438	5,348,545	6,060,873	59,991,565	40,009,058	606,189,516	1,167,147,577	2,371,786,572
Provisional for Doubtful Debts								-
Underwriting results (C=A-B)	77,346,650	15,008,766	4,045,464	37,501,302	132,601,536	(59,950,764)	475,248,043	681,800,997
Net investment income								705,709,066
Rental income								39,278,141
Other expenses								(1,013,195)
Finance Cost								(96,989)
Other income								107,296,444
Profit before tax								1,532,974,464
Segment assets	2,822,877,538	2,589,531	18,000,227	446,108,669	7,410,144,081	15,125,729,022	1,766,702,263	27,592,151,331
Unallocated assets								49,985,270,818
								77,577,422,149
Segment liabilities	7,148,279,614	101,219,714	125,880,195	917,379,445	8,059,455,616	16,796,857,252	7,089,738,242	40,238,810,078
Unallocated liabilities								(22,184,375,756)
								18,054,434,323

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

33 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of holding Company, associated companies, staff retirement fund, Directors and key management personnel. The transactions with related parties are in normal course of business. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

	(Unaudited)	
	March 31, 2024	March 31, 2023
	----- Rupees -----	
State Life Insurance Corporation of Pakistan		
Insurance premium written during the year	60,392,424	60,392,424
Related parties by virtue of GoP's holdings		
Purchase of investment (I-Bills)	1,874,101,425	957,156,500
National Investment Trust Limited		
Dividend received during the year	29,700,000	27,720,000
National Insurance Company Limited		
Premium due but unpaid	10,468,111,935	8,502,010,042
Insurance premium written during the year	2,476,178,903	2,801,859,751
Premium received	(645,370,100)	(2,171,203,718)
Balance at the end of year	12,298,920,738	9,132,666,075
Insurance commission paid	(77,990,442)	(58,809,066)
Insurance claims paid	(74,453,556)	(1,358,014,395)
Other related parties		
Remuneration including benefits and perquisites of key management personnel		

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

34 EARNINGS PER SHARE - BASIC AND DILUTED

Basic earning per share is calculated by dividing the net profit for the period by the weighted average number of shares outstanding as at the period end as follows:

	(Unaudited)	
	March 31, 2024	March 31, 2023
Profit/(loss) after tax for the period	947,603,505	649,734,576
Weighted average number of ordinary shares (Number of shares)	900,000,000	900,000,000
Earning/(loss) per share - basic	1.05	0.72

35 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison. Significant reclassifications for purposes of correct presentation, are as under:

27 APR 2024

36 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on _____ by the Board of Directors of the Company.

37 GENERAL

All figures have been rounded off to the nearest rupee unless otherwise stated.



CHAIRMAN

DIRECTOR

DIRECTOR


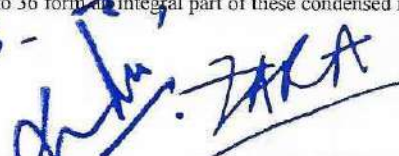


CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2024

	Note	Operator's Retakaful Fund		Participant's Retakaful fund	
		Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Rupees-----					
ASSETS					
Investments	6	186,265,516	23,555,412	727,271,001	115,763,546
Other receivable	7	5,200,949	12,890,905	10,363,798	35,646,150
Takaful/retakaful receivables	8	-	-	696,717,647	578,208,812
Receivables from Participant's/Operator's Retakaful fund - net	9	122,021,359	78,055,762	-	-
Qard-e-hasna to Participant's Retakaful Fund		300,000,000	300,000,000	-	-
Retakaful recoveries against outstanding claims		-	-	246,073,148	229,063,419
Deferred wakala fee	10	-	-	136,100,083	130,742,601
Deferred commission expense	11	92,774,845	114,413,227	-	-
Prepayments	13	-	-	109,663,520	165,831,810
Bank balances	14	298,543,323	489,833,804	1,317,789,814	1,669,936,933
TOTAL ASSETS		1,004,805,991	1,018,749,110	3,243,979,012	2,925,193,271
FUND AND LIABILITIES					
FUNDS ATTRIBUTABLE TO:					
Operator's Retakaful Fund					
Statutory fund		600,000,000	600,000,000	-	-
Reserves	15	193,352,576	182,914,618	-	-
Total Operator's Funds		793,352,576	782,914,618	-	-
Participant's Retakaful Fund					
Seed money		-	-	1,000,000	1,000,000
Reserves	15	-	-	1,248,749,548	1,093,476,832
Balance of Participant's Takaful Fund		-	-	1,249,749,548	1,094,476,832
Qard-e-Hasna		-	-	300,000,000	300,000,000
		-	-	1,549,749,548	1,394,476,832
LIABILITIES					
Underwriting provisions					
Outstanding claims including IBNR	16	-	-	705,383,920	612,623,902
Unearned contribution reserves	17	-	-	680,500,416	653,713,006
		-	-	1,385,884,336	1,266,336,908
Unearned wakala fee	10	136,100,083	130,742,601	-	-
Takaful/retakaful payables	18	-	-	186,292,079	186,292,079
Payable to Participant/Operator's Retakaful Fund - net		-	34,598,043	-	-
Taxation - provision less payment	19	60,432,067	55,709,310	-	-
Deferred tax liability	12	485,982	485,982	-	-
Other creditors and accruals	20	1,701,346	1,564,619	31,690	31,690
Payable to related party	21	12,733,937	12,733,937	-	-
TOTAL LIABILITIES		211,453,415	235,834,492	1,694,229,464	1,530,716,439
TOTAL EQUITY AND LIABILITIES		1,004,805,991	1,018,749,110	3,243,979,012	2,925,193,271
CONTINGENCIES AND COMMITMENTS	22				

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chairman Director Director Chief Executive Officer Chief Financial Officer

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024

		Mar 31, 2024	Mar 31, 2023
-----Rupces-----			
Participant's Retakaful Fund	Note		
Contributions earned	23	395,157,361	354,146,374
Less: contributions ceded to retrotakaful		(56,168,290)	(31,189,342)
Net contribution revenue		338,989,071	322,957,032
Wakala expense	24	(79,031,472)	(70,829,275)
Net underwriting income		259,957,599	252,127,757
Net claims - reported/ settled - IBNR	25	(110,164,786)	(185,374,508)
Surplus / (Deficit) before investment income		149,792,813	66,753,249
Investment income		8,940,796	777,772
Less: Modarib's share of investment income and profit on bank deposit		(2,235,199)	(194,443)
		6,705,597	583,329
Surplus / (deficit) before taxation		156,498,410	67,336,578
Taxation	26	(5,133,475)	(116,666)
Surplus / (deficit) transferred to accumulated		151,364,935	67,219,912
Operator's Retakaful Fund			
Wakala fee income	24	79,031,472	70,829,275
Commission expense	27	(64,296,939)	(61,103,349)
General, administrative and management expenses	28	(3,339,078)	(5,510,557)
Cede money paid to participants' retakaful fund		11,395,455	4,215,369
Modarib's share of participant's investment income and profit on bank deposit		2,235,199	194,443
Investment income		2,445,188	158,682
		4,680,387	353,125
Profit before taxation		16,075,842	4,568,494
Taxation		(6,269,579)	(1,507,603)
Profit after taxation		9,806,263	3,060,890

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.







Chairman Director Director Chief Executive Officer Chief Financial Officer

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE PERIOD ENDED MARCH 31, 2024

	Mar 31, 2024	Mar 31, 2023
-----Rupees-----		
Participant's Retakaful Fund		
Surplus for the period	151,364,935	67,219,912
Other comprehensive loss for the period		
Item that may be subsequently reclassified to profit or		
Unrealised gain on 'available for sale' investments - net of tax	3,907,781	2,709,203
Total comprehensive income for the period	<u>155,272,716</u>	<u>69,929,115</u>
Operator's Retakaful Fund		
Profit after taxation	9,806,263	3,060,890
Other comprehensive loss for the period		
Item that may be subsequently reclassified to profit or		
Unrealised gain on 'available for sale investments' - net of tax	631,695	544,326
Total comprehensive income for the period	<u>10,437,958</u>	<u>3,605,216</u>

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.







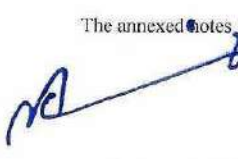

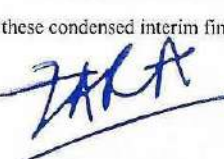
Chairman Director Director Chief Executive Officer

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
CONDENSED INTERIM STATEMENT OF CHANGES IN FUNDS
FOR THE PERIOD ENDED MARCH 31, 2024

Statutory Fund	Attributable to Operator's Retakaful Fund			Total	
	Reserves		Total Reserves		
	Capital	Revenue			
Unrealized gain / (loss) on available for sale investment	Unappropriated Profit				
-----Rupees-----					
Balance as at January 01, 2023 (Audited)	300,000,000	802,038	86,103,004	86,905,042	386,905,042
Increase in Statutory Fund	300,000,000				300,000,000
Total comprehensive income for the period					
Profit for the year			3,060,890	3,060,890	3,060,890
sale investments-net of tax	-	544,326	-	544,326	544,326
Balance as at Mar 31, 2023 (Unaudited)	600,000,000	1,346,364	89,163,894	90,510,258	690,510,258
Balance as at January 01, 2024 (Audited)	600,000,000	1,342,622	181,571,997	182,914,619	782,914,619
Profit for the period	-	-	9,806,263	9,806,263	9,806,263
Unrealized loss on available for sale investments-net of tax	-	631,695	-	631,695	631,695
		631,695	9,806,263	10,437,958	10,437,958
Balance as at Mar 31, 2024 (Unaudited)	600,000,000	1,974,317	191,378,260	193,352,577	793,352,577

Seed money	Attributable to Participant's Retakaful Fund			Total	
	Reserves		Total Reserves		
	Capital	Revenue			
Unrealized (loss) on available for sale investment	Accumulated surplus				
-----Rupees-----					
Balance as at January 01, 2023 (Audited)	1,000,000	5,616,119	439,468,051	445,084,170	446,084,170
Total comprehensive income for the period					
Unrealized loss on available for sale investments	-	2,709,203	-	2,709,203	2,709,203
Surplus for the period	-	-	67,219,912	67,219,912	67,219,912
Balance as at Mar 31, 2023 (Unaudited)	1,000,000	8,325,322	506,687,963	515,013,285	516,013,285
Balance as at January 01, 2024 (Audited)	1,000,000	9,716,635	1,083,760,197	1,093,476,832	1,094,476,832
Surplus for the period	-	-	151,364,935	151,364,935	151,364,935
Unrealized loss on available for sale investments	-	3,907,781	-	3,907,781	3,907,781
Balance as at Mar 31, 2024 (Unaudited)	1,000,000	13,624,416	1,235,125,132	1,248,749,548	1,249,749,548

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.



Chairman Director Director Chief Executive Officer Chief Financial Officer

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
CONDENSED INTERIM STATEMENT OF CASHFLOWS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH, 2024

	Operator's Retakaful Fund		Participant's Retakaful Fund	
	Mar 31, 2024	Mar 31, 2023	Mar 31, 2024	Mar 31, 2023
-----Rupees-----				
Operating cash flow				
Retakaful activities				
Contribution received	-	-	303,435,936	257,915,230
Retro takaful contribution paid	-	-	0	(103,282,692)
Benefits paid	-	-	(34,414,497)	(79,563,348)
Benefits recoveries from retro takaful	-	-	-	-
Commission paid	(42,658,556)	(56,710,191)	-	-
Net cash (used in) / from retakaful activities	(42,658,556)	(56,710,191)	269,021,439	75,069,190
Other operating activities				
Income tax paid	(1,546,822)	(23,800)	-	-
Management expenses paid	(3,339,078)	(5,510,557)	-	-
Other operating receipts/(payments)	15,887,196	57,074,633	(22,509,680)	(57,026,849)
Net cash from/(used in) other operating activities	11,001,296	51,540,276	(22,509,680)	(57,026,849)
Total cash from/(used in) all operating activities	(31,657,260)	(5,169,915)	246,511,759	18,042,341
Investing activities				
Payment for investments made	(162,078,409)	(134,880)	(607,599,674)	(661,106)
Receipt of investment income	2,445,188	158,682	8,940,796	777,772
Total cashflow from investing activities	(159,633,221)	23,802	(598,658,878)	116,666
Financing activities				
Statutory fund	-	300,000,000	-	-
Total cash from financing activities	-	300,000,000	-	-
Net cash flow from/(used-in) all activities	(191,290,481)	294,853,887	(352,147,119)	18,159,007
Cash and cash equivalents at beginning of the period	489,833,804	111,537,025	1,669,936,933	1,110,117,788
Cash and cash equivalents at end of the period	298,543,323	406,390,912	1,317,789,814	1,128,276,795
Reconciliation to profit and loss				
Operating cash flows	(31,657,260)	(5,169,915)	246,511,759	18,042,341
Receipt of Investment income	2,445,188	158,682	8,940,796	777,772
(Decrease)/increase in operating assets other than cash	14,637,258	(2,589,399)	59,425,405	59,195,922
(Increase)/decrease in operating liabilities	29,103,834	12,145,325	(158,379,551)	(10,679,457)
Other adjustments:				
Income tax paid	1,546,822	23,800	-	-
Profit/(deficit) before taxation	16,075,842	4,568,493	156,498,409	67,336,578
Provision for taxation	(6,269,579)	(1,507,603)	(5,133,475)	(116,666)
Profit after taxation	9,806,263	3,060,890	151,364,935	67,219,912

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.






Chairman Director Director Chief Executive Officer Chief Financial Officer

**PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATIONS
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT
FOR THE YEAR ENDED MARCH 31, 2024**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pakistan Reinsurance Company Limited (the Company) is a public listed company incorporated in Pakistan on March 30, 2000 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Pakistan Reinsurance Company Limited - Window Retakaful Operations (the Operator) is listed on Pakistan Stock Exchange and is engaged in general retakaful business which comprise of fire, marine, aviation, engineering and accident. The registered office of the Operator is situated at PRC Tower. 32-A. Lalazar Drive. Maulvi Tamizuddin Khan Road, Karachi. Pakistan.
- 1.2 The Operator has been authorized to undertake Window Retakaful Operations on September 26, 2018 by Securities and Exchange Commission of Pakistan (SECP) under Takaful Rules, 2012 to carry on General Window Retakaful Operations in Pakistan. For the purpose of carrying on the Retakaful business, the Operator has formed a Waqf (Participants' Retakaful Fund) on September 26, 2018 under the Waqf Deed with a Cede money of Rs. 1,000,000.
- 1.3 The Waqf Deed and Participant Retakaful Fund Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Retakaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator. The accounts of the Waqf are maintained by the Operator in a manner that the assets and liabilities of Waqf remain separately identifiable. The financial statements of the Operator are prepared in such a manner that the financial position and results from the operations of Waqf and the Operator are shown separately.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

-Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, General Takaful Accounting Regulations, 2019, Insurance Accounting regulations 2017 and Takaful Rules, 2012.

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

These condensed interim financial statements do not include all the information and disclosures required for audited annual financial statements and should be read in conjunction with the annual financial statements of the Operator as at and for the year ended December 31, 2023 which have been prepared in accordance with accounting and reporting standards as applicable to insurance companies in Pakistan.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Operator for the year ended December 31, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in funds are extracted from the unaudited condensed interim financial statements for period ended Mar 31, 2023.

2.1 Basis of measurement

These condensed interim financial statements have been prepared on the historical cost basis except for certain investments that are stated at their fair value.

2.2 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupees, which is also the functional currency.

3 USE OF JUDGEMENTS AND ESTIMATES

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operators' accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements of the company as at and for the year ended December 31, 2023.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same and are consistent with those followed in the preparation of the annual audited financial statements of the Operator for the year ended December 31, 2023.

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

These are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the company's accounting period beginning on or after January 01, 2024. These standards, interpretations and amendments are either not relevant to the company's operations or are not expected to have a significant effect on this condensed interim financial information except as disclosed in note 5.1 below.

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

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In addition to above standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on after 01 January 2024 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

5 INSURANCE AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those disclosed in annual audited financial statements of the Operator for the year ended December 31, 2023.

6 INVESTMENTS

Available for sale - Mutual Funds

31-Mar-2024						
Operator's Fund			Participant Retakaful Fund			
Total cost of Investment	Market value	Unrealized gain(loss)	Total cost of Investment	Market value	Unrealized gain/(loss)	
-----Rupees-----						
AL HAMRA ISLAMIC INCOME FUND	4,378,133	4,991,333	613,200	21,513,748	24,460,249	2,946,501
AL-AMEEN ISLAMIC SOVEREIGN FUND -Class-C	2,512,490	2,574,295	61,805	4,433,806	4,542,874	109,068
AL-AMEEN ISLAMIC CASH FUND	2,014,857	2,294,940	280,083	17,421,041	19,824,424	2,403,383
NBP ISLAMIC MAHANA AMDANI FUND	4,368,097	4,978,330	610,233	21,464,610	24,396,581	2,931,971
ABL ISLAMIC INCOME FUND	4,261,685	4,770,112	508,427	20,944,456	23,371,889	2,427,433
MEEZAN ROZANA AMDANI FUND - GROWTH-B	4,961,656	4,961,656	-	24,319,307	24,319,299	(8)
AL HAMRA ISLAMIC MONEY MARKET FUND	40,442,074	40,442,074	-	151,657,778	151,657,778	-
AL- AMEEN ISLAMIC CASH PLANE - 1 (AICP-1)	40,387,674	40,418,288	30,614	151,453,778	151,568,578	114,800
ABL ISLAMIC CASH FUND	40,443,207	40,443,207	-	151,662,026	151,662,026	-
HBL ISLAMIC MOENY MARKET FUND	40,391,281	40,391,281	-	151,467,303	151,467,303	-
	<u>184,161,154</u>	<u>186,265,516</u>	<u>2,104,362</u>	<u>716,337,853</u>	<u>727,271,001</u>	<u>10,933,148</u>

31-December-2023						
Operator's Fund			Participant Retakaful Fund			
Total cost of Investment	Market value	Unrealized gain/(loss)	Total cost of Investment	Market value	Unrealized gain/(loss)	
-----Rupees-----						
AL HAMRA ISLAMIC INCOME FUND	4,378,133	4,776,081	397,948	21,513,748	23,405,398	1,891,650
AL-AMEEN ISLAMIC SOVEREIGN FUND -Class-C	2,298,491	2,503,443	204,952	4,056,160	4,417,841	361,681
AL-AMEEN ISLAMIC CASH FUND	2,014,857	2,188,286	173,429	17,421,041	18,903,106	1,482,065
NBP ISLAMIC MAHANA AMDANI FUND (FORMERLY: NBP AITEMAAD MAHANA AMDANI FUND)	4,368,097	4,759,698	391,601	21,464,609	23,325,164	1,860,555
ABL ISLAMIC INCOME FUND	4,261,685	4,566,413	304,728	20,944,456	22,373,882	1,429,426
MEEZAN ROZANA AMDANI FUND - GROWTH-B	4,761,477	4,761,492	15	23,338,164	23,338,155	(9)
	<u>22,082,740</u>	<u>23,555,413</u>	<u>1,472,673</u>	<u>108,738,178</u>	<u>115,763,546</u>	<u>7,025,368</u>

Operator's Retakaful Fund		Participant's Retakaful Fund	
Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)
-----Rupees-----			

7 OTHER RECEIVABLES

Loan to employee	1,276,904	1,099,904	-	-
Accrued markup on bank deposits	3,924,045	11,791,001	10,363,798	35,646,150
	<u>5,200,949</u>	<u>12,890,905</u>	<u>10,363,798</u>	<u>35,646,150</u>

Participant's Retakaful Fund	
Mar 31, 2024 (Unaudited)	Dec 31, 2023 (Audited)
-----Rupees-----	

Note

8 TAKAFUL/RETAKAFUL RECEIVABLES

Due from takaful participants holders

Treaty retakaful		595,763,348	489,478,687
Facultative retakaful		163,753,289	151,529,115
		<u>759,516,637</u>	<u>641,007,802</u>
Less: provision for impairment	8.1	<u>(62,798,990)</u>	<u>(62,798,990)</u>
		<u>696,717,647</u>	<u>578,208,812</u>

8.1 Movement of provision for impairment

Opening balance		62,798,990	12,821,537
Provisions made during the period		-	49,977,453
Closing balance		<u>62,798,990</u>	<u>62,798,990</u>

Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)
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Note -----Rupees-----

**9 RECEIVABLE FROM PARTICIPANT'S
RETAKAFUL FUND / (PAYABLE TO**

Opening balance		78,055,762		(78,055,762)	
Amount (payable) to / receivable from					
Participant's Retakaful Fund	9.1	-	(15,156,543)	-	15,156,543
Wakala fee	9.2	84,388,954	303,473,943	(84,388,954)	(303,473,943)
Modarib's share of participant's retakaful fund					
investment income and bank profit	9.3	2,235,199	63,466,835	(2,235,199)	(63,466,835)
Commission payable		(42,658,556)	(273,728,473)	42,658,556	273,728,473
		122,021,359	78,055,762	(122,021,359)	(78,055,762)

9.1 The amount is payable by the Operator to Participant's Retakaful Fund related to contribution received by the Operator from takaful participants.

9.2 It represents the amount receivable from Participant's Retakaful Fund related to wakala fee charged at 20% (2023: 20%) of gross contribution written amounted to Rs. 421,944,770 (2023: Rs. 1,517,369,717).

9.3 It represents Mudarib fee receivable against managing the investments and funds of participants at the rate 25% of all investment income and profit on bank deposits.

10 UNEARNED WAKALA FEE / DEFERRED WAKALA FEE

Facultative business	10.1	11,317,913	13,759,587	11,317,913	13,759,587
Treaty		124,782,170	116,983,015	124,782,170	116,983,015
		136,100,083	130,742,602	136,100,083	130,742,602

10.1 Facultative business

Fire		7,379,038	8,755,011	7,379,038	8,755,011
Marine Cargo		51,287	29,088	51,287	29,088
Marine Hull		-	-	-	-
Accident		980,147	537,071	980,147	537,071
Aviation		294,713	161,976	294,713	161,976
Engineering		2,612,728	4,276,441	2,612,728	4,276,441
		11,317,913	13,759,587	11,317,913	13,759,587

11 DEFERRED COMMISSION EXPENSE

Facultative business	11.1	2,550,200	2,781,948	-	-
Treaty		90,224,645	111,631,279	-	-
		92,774,845	114,413,227	-	-

11.1 Facultative business

Fire		2,252,845	2,591,119	-	-
Marine Cargo		15,271	7,273	-	-
Marine Hull		-	-	-	-
Accident		225,972	116,779	-	-
Engineering		56,112	66,777	-	-
		2,550,200	2,781,948	-	-

	Operator's Retakaful Fund		Participant's Retakaful Fund	
	Mar 31, 2024 (UnAudited)	December 31, 2023 (Audited)	Mar 31, 2024 (UnAudited)	December 31, 2023 (Audited)
12 DEFERRED TAX ASSET/(LIABILITY)	Note -----Rupees-----			
Opening balance	485,982	182,212	-	-
Deductible temporary differences on				
Unrealized gain on available for sale investments			-	-
Taxable temporary differences				
Unrealized loss on available for sale investments	-	303,770	-	-
	<u>485,982</u>	<u>485,982</u>	<u>-</u>	<u>-</u>
13 PREPAYMENTS				
Treaty business				
Prepaid retakaful contribution ceded	-	-	109,663,520	165,831,810
	<u>-</u>	<u>-</u>	<u>109,663,520</u>	<u>165,831,810</u>

14 BANK BALANCES

Cash at bank in:				
Saving accounts	14.1	298,543,323	489,833,804	1,317,789,814
		<u>298,543,323</u>	<u>489,833,804</u>	<u>1,317,789,814</u>

14.1 Profit sharing rate on modaraba account ranging from 18% to 20% (December 31 2023: 18% to 20 %) per annum.

15 RESERVES

Revenue Reserves				
Unappropriated profit / (loss)		191,378,260	181,571,997	1,235,125,132
Capital Reserves				
Unrealized (loss) /gain on available for sale reserve		1,974,317	1,342,622	13,624,416
		<u>1,974,317</u>	<u>1,342,622</u>	<u>13,624,416</u>
		<u>193,352,577</u>	<u>182,914,619</u>	<u>1,248,749,548</u>

16 OUTSTANDING CLAIMS INCLUDING IBNR

Note

Participant's Retakaful Fund	
Mar 31, 2024 (UnAudited)	December 31, 2023 (Audited)

-----Rupees-----

Facultative business	16.1	77,677,756	95,757,455
Treaty		627,706,164	516,866,447
	16.2	<u>705,383,920</u>	<u>612,623,902</u>

16.1 Facultative business

Fire		66,533,585	84,527,963
Marine cargo		99,137	99,137
Marine hull		-	-
Accident		2,624,482	2,817,282
Engineering		8,420,552	8,313,073
		<u>77,677,756</u>	<u>95,757,455</u>

16.2 The Securities and Exchange Commission of Pakistan (SECP) issued guidelines for estimation of Incurred but Not Reported (IBNR) claim reserves for non-life insurer companies through Circular No. 9 of 2016 dated March 09, 2016. The guidelines prescribe the standard method for estimation of IBNR claim reserves so as to bring industry wide-uniformity in respect of such estimation and to ensure adequacy of IBNR claims reserve. All non-life insurance companies are required to comply with these guidelines with effect from July 01, 2016.

However, on May 30, 2017, SECP issued separate guidelines for the Operator for estimation of Incurred but Not Reported (IBNR) claim through letter No. ID/PRDD/IBNR/2017/9695 which prescribe that, for the purposes of ascertaining IBNR claim reserves by the Operator, guidance is hereby extended, that the Company shall collect the data of IBNR claim reserves from the cedants (non-life insurers) and in accordance with its share in the reinsurance program (both on treaty and facultative basis) of the cedant(s) and it shall record its IBNR claim reserves.

On the basis of above SECP specified guidelines, the Company wrote letter to each ceding Company to share data of IBNR Claims Reserves in accordance with its share in the reinsurance program both for facultative and treaty business. However, none of the ceding companies shared their IBNR Claim Reserves. The Operator recorded Facultative and Treaty IBNR claim reserves on basis of actuarial valuation dated March 24, 2023 which amounts to Rs. 11.037 million.

		Mar 31, 2024 (UnAudited)		December 31, 2023 (Audited)										
		-----Rupees-----												
17	UNEARNED CONTRIBUTION RESERVES	Note												
	Facultative business	17.1	56,589,567	68,797,933										
	Treaty		623,910,849	584,915,073										
			<u>680,500,416</u>	<u>653,713,006</u>										
17.1	Facultative business													
	Fire		36,895,189	43,775,053										
	Marine cargo		256,437	145,438										
	Marine hull		-	-										
	Accident		4,900,736	2,685,353										
	Aviation		1,473,566	809,882										
	Engineering		13,063,639	21,382,207										
			<u>56,589,567</u>	<u>68,797,933</u>										
18	TAKAFUL/RETAKAFUL PAYABLES													
	Retakaful contribution payable		186,292,079	186,292,079										
			<u>186,292,079</u>	<u>186,292,079</u>										
			<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Operator's Retakaful Fund</th> <th colspan="2" style="text-align: center;">Participant's Retakaful Fund</th> </tr> <tr> <th style="text-align: center;">Mar 31, 2024 (Unaudited)</th> <th style="text-align: center;">December 31, 2023 (Audited)</th> <th style="text-align: center;">Mar 31, 2024 (Unaudited)</th> <th style="text-align: center;">December 31, 2023 (Audited)</th> </tr> </thead> </table>		Operator's Retakaful Fund		Participant's Retakaful Fund		Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)		
Operator's Retakaful Fund		Participant's Retakaful Fund												
Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Mar 31, 2024 (Unaudited)	December 31, 2023 (Audited)											
19	TAXATION- PROVISION LESS PAYMENT	Note	-----Rupees-----											
	Balance at beginning of the period/year		(67,637,066)	(20,615,023)	-	-								
	Income tax deducted at source on dividend income		810,600	443,821	1,341,122	2,200,587								
	Income tax deducted at source on bank profit		12,663,978	11,483,932	3,792,353	31,860,499								
	Payment of income tax		-	-	-	-								
	Provision for current tax		(6,269,579)	(47,022,041)	(5,133,475)	(34,061,086)								
	Balance at end of the period/year		<u>(60,432,067)</u>	<u>(55,709,311)</u>	<u>-</u>	<u>-</u>								
20	OTHER CREDITORS AND ACCRUALS													
	Salaries payable		71,680	22,800	-	-								
	Income tax deducted at source		123,009	73,378	26,730	26,730								
	Employee income tax payable		590,948	363,464	-	-								
	Sindh sales tax payable		62,209	25,872	3,960	3,960								
	Other Payable		-	-	-	-								
	Audit fee payable		853,500	853,500	-	-								
	Miscellaneous creditors		-	225,605	1,000	1,000								
			<u>1,701,346</u>	<u>1,564,619</u>	<u>31,690</u>	<u>31,690</u>								
21	PAYABLE TO RELATED PARTY													
	Pakistan Reinsurance Company Limited	21.1	<u>12,733,937</u>	<u>12,733,937</u>	<u>-</u>	<u>-</u>								
21.1	Payable in respect of													
	Income tax		1,869,425	1,869,425	-	-								
	Salaries		10,102,241	10,102,241	-	-								
	Bonus		762,271	762,271	-	-								
			<u>12,733,937</u>	<u>12,733,937</u>	<u>-</u>	<u>-</u>								
22	CONTINGENCIES AND COMMITMENTS													
22.1	The Operator was served with a notice by Sindh Revenue Board (SRB) in 2016 for non filing of sales tax returns and raised sales tax liability via same notice on conventional reinsurance services provided by the Operator. Company has contested the notice and the case is pending with the Honorable High Court of Sindh. In case of unfavorable outcome of the said matter, the charge to profit or loss would to Rs. 118.7 million pertaining to three months 2024 (2023: Rs. 156.6 millions) on retakaful operations excluding any additional penalty or default surcharge.													
22.2	There are no commitments as at Mar 31, 2024 (December 31 2023: Nil).													

		Participant's Retakaful Fund	
		Mar 31, 2024	Mar 31, 2023
		(Unaudited)	(Unaudited)
		-----Rupees-----	
23	NET CONTRIBUTION REVENUE		
		Note	
	Written gross contribution	29	421,944,771
	Add: unearned contribution reserve opening	29	653,713,006
	Less: unearned contribution reserve closing		(680,500,416)
	Contribution earned		395,157,361
	Retakaful contribution ceded		-
	Add: prepaid retakaful contribution opening	29	165,831,810
	Less: prepaid retakaful contribution closing	29	(109,663,520)
	Retakaful expense		56,168,290
			338,989,071
24	WAKALA FEE/EXPENSE		
	Gross wakala fee		84,388,954
	Add: unearned Wakala fee opening		130,742,601
	Less: unearned Wakala fee closing		(136,100,083)
			79,031,472
25	NET CLAIMS - REPORTED / SETTLED - IBNR		
	Benefits/claims paid		34,414,497
	Less: outstanding benefits/claims including IBNR -		(612,623,902)
	Add: outstanding benefits / claims including IBNR -		705,383,920
	Claims expense		127,174,515
	Retakaful and other recoveries received		-
	Add: retakaful and other recoveries received- closing		246,073,148
	Less: retakaful and other recoveries received- opening		(229,063,419)
	Retakaful and other recoveries revenue		17,009,729
	Net claims expenses		110,164,786
26	TAXATION		
	Current tax-deducted at source		(5,133,475)
			(5,133,475)
27	COMMISSION EXPENSE		
	Commission paid or payable		42,658,556
	Add: deferred commission expense opening	29	114,413,227
	Less: deferred commission expense closing		(92,774,845)
			64,296,939
28	GENERAL, ADMINISTRATIVE AND		
	Salaries, allowance and other benefits		2,853,126
	Shariah advisor fee		451,210
	Others		34,742
			3,339,078

29 SEGMENT REPORTING

PARTICIPANT'S RETAKAFUL FUND

	Preiod ended Mar 31, 2024				
	Fire and property damage	Marine	Miscellaneous	Treaty	TOTAL
	-----Rupees-----				
Gross written contribution	21,790,272	272,354	8,042,896	391,839,249	421,944,771
Unearned contribution-opening	65,157,260	145,438	3,495,235	584,915,073	653,713,006
Unearned contribution-closing	49,958,828	256,437	6,374,302	623,910,849	680,500,416
Contribution earned	36,988,704	161,355	5,163,829	352,843,473	395,157,361
Retakaful-Ceded	-	-	-	-	-
Prepaid retakaful-opening	-	-	-	165,831,810	165,831,810
Prepaid retakaful-closing	-	-	-	109,663,520	109,663,520
Retakaful expenses	-	-	-	56,168,290	56,168,290
Net contribution	36,988,704	161,355	5,163,829	296,675,183	338,989,071
Rebate	-	-	-	-	-
Net underwriting income (A)	36,988,704	161,355	5,163,829	296,675,183	338,989,071
Benefits paid	4,257,375	-	295,578	29,861,544	34,414,497
Outstanding benefits/claims-opening	92,841,036	99,137	2,817,282	516,866,447	612,623,902
Outstanding benefits/claims-closing	74,954,137	99,137	2,624,482	627,706,164	705,383,920
Claims expenses	(13,629,524)	-	102,778	140,701,261	127,174,515
Retakaful recoveries received	-	-	-	-	-
Retakaful recoveries against outstanding claims-opening	-	-	-	229,063,419	229,063,419
Retakaful recoveries against outstanding claims-closing	-	-	-	246,073,148	246,073,148
Retakaful recoveries revenue	-	-	-	17,009,729	17,009,729
Net benefit expenses	(13,629,524)	-	102,778	123,691,532	110,164,786
Wakala fee	7,397,741	32,271	1,032,766	70,568,695	79,031,472
Management expense	-	-	-	-	-
Contribution deficiency expense	-	-	-	-	-
Net benefits and expenses (B)	(6,231,783)	32,271	1,135,544	194,260,227	189,196,258
Underwriting results (C=A-B)	43,220,487	129,084	4,028,285	102,414,956	149,792,813
Profit on bank deposits					-
Modarib share of PTF investment income and bank					(2,235,199)
Investment income					8,940,796
Profit before tax					<u>156,498,410</u>
Segment Assets	9,991,766	51,287	1,274,860	480,518,838	491,836,751
Unallocated Assets					<u>2,752,142,261</u>
					<u>3,243,979,012</u>
Segment Liabilities	124,912,965	355,574	8,998,784	1,251,617,013	1,385,884,336
Unallocated Liabilities					<u>308,345,128</u>
					<u>1,694,229,464</u>
OPERATOR'S RETAKAFUL FUND					
Wakala fee	7,397,741	32,271	1,032,766	70,568,695	79,031,472
Commission	(1,780,576)	(8,870)	(225,179)	(62,282,314)	(64,296,939)
Management expenses	(312,554)	(1,363)	(43,634)	(2,981,526)	(3,339,078)
Segment Results	5,304,610	22,038	763,952	5,304,855	11,395,455
Profit on bank deposits					-
Modarib share of PTF investment income and bank					2,235,199
profit					2,235,199
Investment income					2,445,188
Profit before tax					<u>16,075,842</u>
Segment Assets	2,308,957	15,271	225,972	90,224,645	92,774,845
Unallocated Assets					<u>912,031,146</u>
					<u>1,004,805,991</u>
Segment Liabilities	9,991,766	51,287	1,274,860	124,782,170	136,100,083
Unallocated Liabilities					<u>75,353,332</u>
					<u>211,453,415</u>

PARTICIPANT'S RETAKAFUL FUND

	Preiod ended Mar 31, 2023				
	Fire and property damage	Marine	Miscellaneous	Treaty	TOTAL
	-----Rupees-----				
Gross written contribution	24,956,006	317,740	1,300,441	335,326,073	361,900,260
Unearned contribution-opening	29,302,693	182,303	2,807,774	483,282,193	515,574,963
Unearned contribution-closing	27,724,717	58,293	2,112,291	493,433,548	523,328,849
Contribution Earned	26,533,982	441,750	1,995,924	325,174,718	354,146,374
Retakaful-ceded	-	-	-	-	-
Prepaid Retakaful-opening	-	-	-	87,351,654	87,351,654
Prepaid Retakaful-closing	-	-	-	56,162,312	56,162,312
Retakaful Expenses	-	-	-	31,189,342	31,189,342
Net contribution	26,533,982	441,750	1,995,924	293,985,376	322,957,032
Rebate	-	-	-	-	-
Net underwriting income (A)	26,533,982	441,750	1,995,924	293,985,376	322,957,032
Benefits/claims paid	10,556,911	-	-	69,006,437	79,563,348
Outstanding benefits/claims-opening	92,981,163	145,896	3,721,474	625,016,671	721,865,204
Outstanding benefits/claims-closing	88,221,826	145,896	3,895,469	735,413,173	827,676,364
Claims expenses	5,797,574	-	173,995	179,402,939	185,374,508
Retakaful recoveries received	-	-	-	-	-
Retakaful recoveries against outstanding claims-	-	-	-	230,780,709	230,780,709
Retakaful recoveries against outstanding claims-	-	-	-	230,780,709	230,780,709
Benefits recovered from retro takaful	-	-	-	-	-
Net benefit expenses	5,797,574	-	173,995	179,402,939	185,374,508
Wakala Fee	5,306,796	88,350	399,185	65,034,944	70,829,275
Management expense	-	-	-	-	-
Net benefits and expenses (B)	11,104,370	88,350	573,180	244,437,883	256,203,783
Underwriting results (C=A-B)	15,429,612	353,400	1,422,744	49,547,493	66,753,249
Profit on bank deposits					-
Modarib share of PTF investment income and bank					(194,443)
Investment income					777,772
Profit before tax					67,336,578
Segment assets	5,544,943	11,659	422,458	385,629,731	391,608,791
Unallocated assets					1,805,325,178
					2,196,933,969
Segment liabilities	115,946,543	204,189	6,007,760	1,228,846,721	1,351,005,213
Unallocated liabilities					73,415,472
					1,424,420,685
OPERATOR'S RETAKAFUL FUND					
Wakala Fee	5,306,796	88,350	399,185	65,034,944	70,829,275
Commission	(2,309,977)	(29,980)	(100,328)	(58,663,064)	(61,103,349)
Management Expenses	(412,872)	(6,874)	(31,057)	(5,059,755)	(5,510,557)
Segment Results	2,583,948	51,496	267,800	1,312,125	4,215,369
Profit on bank deposits					-
Modarib share of PTF investment income and bank					194,443
Investment income					158,682
Deficit before tax					4,568,494
Segment Assets	1,992,806	3,616	104,750	97,301,382	99,402,554
Unallocated Assets					733,060,916
					832,463,470
Segment Liabilities	5,544,943	11,659	422,458	98,686,710	104,665,770
Unallocated Liabilities					37,272,406
					141,938,176

30 FAIR VALUE MEASUREMENT

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities,

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable,

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

PARTICIPANT'S RETAKAFUL FUND

	Fair value measurement using			Total
	Level 1	Level 2	Level 3	
-----Rupees-----				
March 31, 2024 (Un-audited)				
Open end mutual funds	727,271,001	-	-	727,271,001
December 31, 2023 (Audited)				
Open end mutual funds	115,763,546	-	-	115,763,546

OPERATOR'S RETAKAFUL FUND

March 31, 2024 (Unaudited)				
Open end mutual funds	186,265,516	-	-	186,265,516
December 31, 2023 (Audited)				
Open end mutual funds	23,555,412	-	-	23,555,412

31 STATEMENT OF SOLVENCY

Assets

	Note	Participant's Retakaful Fund	
		Mar 31, 2024 (UnAudited)	December 31, 2023 (Audited)
-----Rupees-----			
Investments	6	727,271,001	115,763,546
Takaful/retakaful receivables	8	696,717,647	578,208,812
Other Receivable	7	10,363,798	35,646,150
Prepayment	13	109,663,520	165,831,810
Deferred wakala fee	10	136,100,083	130,742,601
Receivable from Operator's Retakaful Fund-net	9	-	-
Retakaful Recoveries against outstanding claims		246,073,148	229,063,419
Bank balances	14	1,317,789,814	1,669,936,933
Total Assets (A)		<u>3,243,979,012</u>	<u>2,925,193,271</u>
In-admissible assets as per section 32 (2) of Insurance Ordinance, 2000		(509,196,122)	(195,647,000)
Contribution due since more than three months		(509,196,122)	(195,647,000)
Total In-admissible assets (B)		<u>(509,196,122)</u>	<u>(195,647,000)</u>
Total Admissible Assets (C=A-B)	(A)	<u>2,734,782,890</u>	<u>2,729,546,271</u>
Total Liabilities			
Outstanding benefits including IBNR	16	705,383,920	612,623,902
Unearned contribution reserves	17	680,500,416	653,713,006
Contribution deficiency reserves	18	-	-
Takaful/retakaful payable	19	186,292,079	186,292,079
Other creditors and accruals	21	31,690	31,690
Total Liabilities (D)	(B)	<u>1,572,208,105</u>	<u>1,452,660,677</u>
Minimum Solvency Requirement (higher of following amounts)		<u>1,162,574,785</u>	<u>1,276,885,594</u>
Surplus in Net Admissible Assets over Minimum Requirements	(A-B)	<u>1,162,574,785</u>	<u>1,276,885,594</u>

31.1 The Participant's Retakaful Fund has not complied with the minimum solvency requirement as against the requirement of section 36 of the Insurance ordinance, 2000 and Takaful Rules, 2012 section 10 (k).

32 **SUBSEQUENT NON ADJUSTING EVENTS**

There are no significant subsequent events that need to be disclosed for the period ended Mar 31, 2024.

33 **CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified wherever necessary, for the purpose of comparison and better presentation. No significant rearrangement or reclassifications were made in these financial statement during the current year.


34 **DATE OF AUTHORIZATION FOR ISSUE**

27 APR 2024

These condensed interim financial statements were authorized for issue on ___ by the Board of Directors of the Operator.

35 **GENERAL**

Figures have been rounded off to the nearest rupee unless otherwise stated.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer