

# QUARTERLY REPORT

Quarter Ended September 30, 2019  
(Un-Audited)

SERVING RELIABLY



Reliance Insurance  
Company Limited



Window Takaful

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تکافل

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# Company Information



## BOARD OF DIRECTORS

CHAIRMAN  
ISMAIL H. ZAKARIA

## DIRECTORS

MUHAMMAD OMAR BAWANY  
IRFAN ZAKARIA BAWANY  
NOOR M. ZAKARIA  
AHMED ALI BAWANY  
MUHAMMAD PATEL  
NAEEM AHMED SHAFI  
TASNEEM YUSUF  
JAHANGIR ADAM

## CHIEF EXECUTIVE & MANAGING DIRECTOR

A. RAZAK AHMED

## CHIEF ACCOUNTANT AND COMPANY SECRETARY

HAROON A. SHAKOOR

## AUDIT COMMITTEE

TASNEEM YUSUF	CHAIRPERSON
MUHAMMAD OMAR BAWANY	MEMBER
IRFAN ZAKARIA BAWANY	MEMBER

## INVESTMENT COMMITTEE

IRFAN ZAKARIA BAWANY	CHAIRMAN
AHMED ALI BAWANY	MEMBER
TASNEEM YUSUF	MEMBER
MUHAMMAD PATEL	MEMBER
A. RAZAK AHMED	MEMBER
HAROON A. SHAKOOR	SECRETARY

## HUMAN RESOURCE & REMUNERATION COMMITTEE

NAEEM AHMED SHAFI	CHAIRMAN
IRFAN ZAKARIA BAWANY	MEMBER
NOOR M. ZAKARIA	MEMBER
A. RAZAK AHMED	MEMBER

## COMPLIANCE OFFICER

GHULAM HAIDER

## CREDIT RATING

A ( SINGLE A ) BY JCR-VIS  
OUTLOOK "POSITIVE"

## AUDITORS

KRESTON HYDER BHIMJI & CO.  
CHARTERED ACCOUNTANTS

## LEGAL ADVISOR

IRFAN ADVOCATE

## SHARI'AH ADVISOR

MUFTI MUHAMMAD FARHAN FAROOQ

## BANKERS

HABIB BANK LIMITED  
MCB BANK LIMITED  
ALLIED BANK LIMITED  
SONERI BANK LIMITED  
BANK ALFALAH LIMITED  
NATIONAL BANK OF PAKISTAN  
MEEZAN BANK LIMITED  
DUBAI ISLAMIC BANK  
MCB ISLAMIC BANK LIMITED  
UNITED BANK LIMITED  
THE BANK OF PUNJAB  
FAYSAL BANK LIMITED  
HABIB METROPOLITAN BANK LIMITED  
JS BANK LIMITED  
THE BANK OF KHYBER

## REGISTERED OFFICE

96-A, Sindhi Muslim Co-operative  
Housing Society, Karachi.

## HEAD OFFICE

Reliance Insurance House,  
181-A, Sindhi Muslim Co-operative Housing  
Society, P.O. Box No. 13356, Karachi-74400.  
Phone : 34539415-17  
Fax : 92-21-34539412  
E-mail : reli-ins@cyber.net.pk  
ric-re@cyber.net.pk  
Website: www.relianceins.com

## SHARES REGISTRAR

M/s. C&K Management Associates (Pvt.) Ltd.  
404-Trade Tower, Abdullah Haroon Road,  
Near Hotel Metropole, Karachi-75530.  
Tel: (021) 35687839 & 35685930

# Directors' Review

The Shareholders,  
Reliance Insurance Company Limited,

Your Directors are pleased to present before you the Third Quarter (Un-audited) Accounts for the period ended September 30, 2019.

During the period under review, your Company underwrote gross premium of Rs.485.626 million (inclusive of Takaful Contribution of Rs.69.876 million) as against Rs.746.909 million (including Takaful Contribution of Rs.79.120 million) for the corresponding period of last year – decrease of 34.98%, mainly due to discontinuation of underwriting of Aviation business. The Net Premium Revenue for nine months period stood at Rs.234.046 million against Rs.245.214 million of previous year reflecting a reduction of 4.55%.

Net claims incurred decreased from Rs.62.79 million to Rs.58.22 million compared to corresponding period of last year - a decrease of 7.28%. Underwriting profit for the period stood at Rs.29.836 million compared to previous year's underwriting profit of Rs.46.223 million – a reduction of 35.45%.

Investment income for the nine months period stood at Rs. (0.805) million compared to Rs.62.375 million of previous year, due to depressed Pakistan Stock Exchange condition culminating to unrealized loss of Rs.42.600 million against unrealized gain of Rs.28.828 million under "Held for Trading" investments of corresponding period of last year, Profit before Tax during the period stood at Rs.4.872 million compared to Rs. 82.642 million for the corresponding period of last year. Earnings per share (EPS) for the current period stood at Re. 0.11, against Rs. 1.17 of last year.

The window Takaful operation is producing good results. The reported Participants Takaful Fund Surplus is Rs.19.879 million against Rs.17.012 million of last year. Operator's profit stood at Rs.9.658 million.

## **Future Outlook:**

Your Management will continue to strive hard to improve upon its performance with the hope that the Government would formulate long term & consistent policies to boost economic activities and gain investors' confidence to meet challenges ahead and also continue to concentrate on improving upon Law and Order situation in the Country. We are optimistic that going forward political & economic scenario would improve.

By order of the Board



**A. RAZAK AHMED**  
Chief Executive & Managing Director

Karachi: 30th October, 2019

# ڈائریکٹرز کا جائزہ

بنام حصص یافتگان

ریلائنس انشورنس کمپنی لمیٹڈ

ڈائریکٹرز بمسرت کمپنی کے غیر آڈٹ شدہ حسابات تیسری سہ ماہی برائے مدت مختتمہ 30 ستمبر 2019 پیش کرتے ہیں۔

زیر جائزہ مدت کے دوران، آپ کی کمپنی نے مجموعی پربہیم 485.626 ملین روپے (بشمول تکافل تحریری شراکت داری 69.876 ملین روپے) انڈر رائٹ کیا ہے جو کہ گزشتہ سال کی اسی مدت کے مجموعی پربہیم 746.909 ملین روپے (بشمول تکافل تحریری شراکت داری 79.120 ملین روپے) کے مقابلے میں 34.98 فیصد کم ہے جس کا بنیادی سبب ایپن برنس کی انڈر رائٹنگ کا ختم ہونا ہے۔ نو ماہ کے عرصے کے لیے خالص پربہیم آمدنی 234.046 ملین روپے ہے جبکہ گزشتہ سال اسی مدت میں خالص پربہیم آمدنی 245.214 ملین روپے تھی جو کہ گزشتہ سال کے مقابلے میں 4.55 فیصد کمی ظاہر کرتی ہے۔

نیٹ کلیم 62.79 ملین روپے سے کم ہو کر 58.22 ملین روپے رہے جو کہ گزشتہ سال کے مقابلے میں 7.28 فیصد کمی ظاہر کرتا ہے۔ انڈر رائٹنگ منافع 29.836 ہوا جو کہ گزشتہ سال 46.223 ملین روپے تھا اس طرح 35.45 فیصد کمی ظاہر کرتا ہے۔

سرمایہ کاری کی آمدنی میں نو ماہ کی مدت کے لیے (0.805) ملین روپے ہے جبکہ پچھلے سال اسی مدت میں 62.375 ملین روپے تھی۔ پاکستان اسٹاک ایکسچینج کے انڈیکس کی گرتی ہوئی حالت کی وجہ سے گزشتہ سال کی اسی مدت میں "تجارت کے لئے منعقدہ" (HELD FOR TRADING) سرمایہ کاری کے تحت 28.828 ملین روپے کے غیر تسلیم شدہ فائدہ کے مقابلے میں 42.600 ملین روپے کے غیر تسلیم شدہ نقصان رہا۔ اس مدت کے لئے قبل از ٹیکس منافع 4.872 ملین روپے ہے جو کہ گزشتہ سال اسی مدت کے لیے 82.642 ملین روپے تھا۔ فی حصص آمدن 0.11 روپے ہے جو کہ گزشتہ سال اسی مدت کے لیے 1.17 روپے تھی۔

ونڈ و تکافل آپریشن بہتر نتائج دے رہا ہے۔ ونڈ و تکافل آپریشن سے زیر جائزہ مدت کے لیے شراکت داروں کا زائد تکافل فنڈ گزشتہ سال 17.012 ملین روپے کے مقابلے میں 19.879 ملین روپے رہا اس کے نتیجے میں آپریٹنگ منافع 9.658 ملین روپے رہا۔

آپ کی مینجمنٹ اس کارکردگی کو بہتر بنانے کی بھرپور کوشش کرتی رہے گی اس امید کے ساتھ کہ آگے آنے والے چیلنجز کا سامنا کرنے کے لیے حکومت اقتصادی سرگرمیوں کو فروغ دینے کے لئے طویل مدتی اور مستحکم پالیسیوں کو تشکیل دے گی اور سرمایہ کاروں کا اعتماد حاصل کرے گی اور ملک میں امن و امان کی صورتحال پر بہتر بنانے پر توجہ مرکوز رکھے گی آپ کی مینجمنٹ اعتماد کے ساتھ پر امید ہے کہ مستقبل میں سیاسی اور معاشی صورتحال بہتر ہو جائیگی۔

بجلم بورڈ

اے رزاق احمد

چیف ایگزیکٹو اور مینجنگ ڈائریکٹر

کراچی: 30 اکتوبر 2019



## Our Services

Reliance Insurance underwrites all classes of General Insurance and enjoys reputation second to none. Apart from Conventional General Insurance RIC has also commenced its General Takaful operations in the year 2016.



### General Insurance (Conventional)

Reliance Insurance commenced its general insurance business in 1981 and it underwrites in all classes of traditional and non-traditional lines.

Reliance Insurance offering a wide range of covers such as Fire & Property, Marine Cargo, Motor Vehicles (Commercial & Private), Personal Accident, Money Insurance, Burglary & Liability (Public & Product) and Workmen Compensation while non-traditional covers such as Engineering Risks (MBD, CAR, EAR), Aviation Insurance, Terrorism and Bonds are also being offered.



### General Takaful (Islamic)

Takaful is an Islamic alternate of Insurance and is growing steadily. Reliance Insurance commenced its Window Takaful Operations in June 2016 under the guidance of renowned, qualified and certified Sharia Scholars.

Reliance Takaful is offering a wide range of Sharia Compliant General Takaful Products such as Fire & Property Takaful, Marine Cargo Takaful, Motor Takaful (Private / Commercial Vehicles), Engineering Takaful, Terrorism & Political Violence Takaful and Miscellaneous Accident Takaful.

## Condensed Interim Statement of Financial Position (Un Audited)

As at September 30, 2019

	Note	(Un-audited) September 30, 2019	(Audited) December 31, 2018
Rupees			
<b>ASSETS</b>			
Property and equipment	6	86,803,705	92,880,920
Investments			-
Equity securities	7	594,467,696	639,872,879
Debt securities	8	60,104,169	45,104,169
Term deposits	9	26,359,978	26,130,453
		680,931,843	711,107,501
Loan and other receivables	10	9,230,804	2,217,906
Insurance / Reinsurance receivables	11	207,401,384	222,267,199
Reinsurance recoveries against outstanding claims		247,928,041	165,480,348
Deferred Commission Expense		60,653,012	65,913,719
Deferred taxation	12	21,869,436	4,287,468
Prepayments	13	128,374,134	173,198,218
Cash & Bank	14	104,569,408	144,372,805
Total Assets Window Takaful - Operation's fund		86,510,881	76,927,440
<b>TOTAL ASSETS</b>		<b>1,634,272,648</b>	<b>1,658,653,524</b>



## Condensed Interim Statement of Financial Position (Un Audited)

As at September 30, 2019

	Note	(Un-audited) September 30, 2019	(Audited) December 31, 2018
Rupees			
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital	15	561,412,850	561,412,850
General reserves		250,000,000	250,000,000
Unappropriated profit		48,377,017	42,152,779
(Deficit) / Surplus on revaluation of available for sale investment		(779,632)	2,359,153
<b>Total Equity</b>		<b>859,010,235</b>	855,924,782
<b>Liabilities</b>			
<b>Underwriting Provisions</b>			
Outstanding claims including IBNR		287,760,627	210,197,626
Unearned premium reserves		289,026,104	342,270,710
Unearned Reinsurance Commission		32,981,822	35,596,302
Insurance / Reinsurance Payables		91,494,670	114,933,742
Other Creditors and Accruals	16	44,757,769	72,632,028
Taxation - provision less payment		10,189,157	7,689,859
Total Liabilities Window Takaful - Operation's fund		19,052,264	19,408,475
<b>Total Liabilities</b>		<b>775,262,413</b>	802,728,742
<b>CONTINGENCIES AND COMMITMENTS</b>	17	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,634,272,648</b>	1,658,653,524

The annexed notes from 1 to 26 form an integral part of this condensed interim financial statements.

  
Ismail H. Zakaria  
Chairman

  
Muhammad Omar Bawany  
Director

  
Irfan Zakaria Bawany  
Director

  
Haroon A. Shakoor  
Chief Accountant and  
Company Secretary

  
A. Razak Ahmed  
Chief Executive &  
Managing Director

Karachi 30th October, 2019

## Condensed Interim Profit & Loss Account (Un Audited)

For The Nine Months Period Ended September 30, 2019

	Note	Quarter ended September 30,		Nine months ended September 30,	
		2019	2018	2019	2018
		Rupees		Rupees	
Net insurance premium	18	85,974,067	90,494,719	234,046,958	245,214,073
Net insurance claims	19	(22,039,527)	(18,869,197)	(58,219,021)	(62,791,222)
Net Commission	20	(14,873,954)	(15,512,770)	(43,544,206)	(40,023,745)
<b>Insurance claims and acquisition expenses</b>		<b>(36,913,481)</b>	<b>(34,381,967)</b>	<b>(101,763,227)</b>	<b>(102,814,967)</b>
Management Expenses		(28,610,695)	(30,826,119)	(102,448,085)	(96,176,020)
<b>Underwriting results</b>		<b>20,449,891</b>	<b>25,286,633</b>	<b>29,835,646</b>	<b>46,223,086</b>
Investment (loss) / Income	21	8,688,256	10,753,219	(805,125)	62,375,208
Other income		812,135	1,157,647	1,000,385	1,747,665
Other expenses		(13,255,324)	(10,461,012)	(34,816,736)	(38,713,347)
		(3,754,933)	1,449,854	(34,621,476)	25,409,526
<b>Results of operating activities</b>		<b>16,694,958</b>	<b>26,736,487</b>	<b>(4,785,830)</b>	<b>71,632,612</b>
Profit from takaful operations-Operator's Fund		2,723,432	4,197,136	9,658,458	11,009,684
<b>Profit before taxation</b>		<b>19,418,390</b>	<b>30,933,623</b>	<b>4,872,628</b>	<b>82,642,296</b>
Taxation					
Current taxation		(6,554,438)	(11,153,662)	(15,044,364)	(16,956,496)
Deferred taxation		923,105	-	16,395,974	-
		(5,631,333)	(11,153,662)	1,351,610	(16,956,496)
<b>Profit after taxation</b>		<b>13,787,057</b>	<b>19,779,961</b>	<b>6,224,238</b>	<b>65,685,800</b>
<b>Earnings after tax per share - basic and diluted</b>	22	<b>0.25</b>	<b>0.35</b>	<b>0.11</b>	<b>1.17</b>

The annexed notes from 1 to 26 form an integral part of this condensed interim financial statements.

  
Ismail H. Zakaria  
Chairman

  
Muhammad Omar Bawany  
Director

  
Irfan Zakaria Bawany  
Director

  
Haroon A. Shakoor  
Chief Accountant and  
Company Secretary

  
A. Razak Ahmed  
Chief Executive &  
Managing Director

Karachi 30th October, 2019

## Condensed Interim Statement Of Comprehensive Income (Un Audited)

For The Nine Months Period Ended September 30, 2019

	Quarter ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
	Rupees		Rupees	
<b>Profit after tax</b>	<b>13,787,057</b>	19,779,961	<b>6,224,238</b>	65,685,800
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to profit and loss subsequently				
(Deficit) / Surplus on revaluation of available for sale securities	<b>6,568,048</b>	(5,114,376)	<b>(2,955,542)</b>	10,821,916
Reclassification adjustment related to loss / (gain) on disposal / redemption of available for sale investment	<b>(717,833)</b>	-	<b>(1,650,430)</b>	-
Surplus / (deficit) on revaluation of available for sale securities - Window Takaful	<b>284,712</b>	(6,037)	<b>281,194</b>	128,765
Impact of related deferred taxation	<b>(1,777,378)</b>	1,147,892	<b>1,185,994</b>	(3,246,575)
	<b>4,357,549</b>	(3,972,521)	<b>(3,138,785)</b>	7,704,106
Total comprehensive income for the period	<b>18,144,606</b>	15,807,440	<b>3,085,453</b>	73,389,906

The annexed notes from 1 to 26 form an integral part of this condensed interim financial statements.



Ismail H. Zakaria  
Chairman



Muhammad Omar Bawany  
Director



Irfan Zakaria Bawany  
Director



Haroon A. Shakoor  
Chief Accountant and  
Company Secretary



A. Razak Ahmed  
Chief Executive &  
Managing Director

Karachi 30th October, 2019

## Condensed Interim Statement Of Changes in Equity (Un Audited)

For The Nine Months Period Ended September 30, 2019

	Share capital	General reserves	Surplus / (Deficit) on revaluation of AFS investments	Unappropriated profit	Total
	(Rupees)				
<b>Balance as at January 01, 2018</b>	561,412,850	250,000,000	(5,634,758)	(6,844,348)	798,933,744
Total comprehensive income for the period ended September 30, 2018	-	-	7,704,106	65,685,800	73,389,907
<b>Balance as at September 30, 2018</b>	<u>561,412,850</u>	<u>250,000,000</u>	<u>2,069,348</u>	<u>58,841,452</u>	<u>872,323,651</u>
<b>Balance as at January 01, 2019</b>	561,412,850	250,000,000	2,359,153	42,152,779	855,924,782
Total comprehensive income for the period ended September 30, 2019	-	-	(3,138,785)	6,224,238	3,085,453
<b>Balance as at September 30, 2019</b>	<u>561,412,850</u>	<u>250,000,000</u>	<u>(779,632)</u>	<u>48,377,017</u>	<u>859,010,235</u>

The annexed notes from 1 to 26 form an integral part of this condensed interim financial statements.



**Ismail H. Zakaria**  
Chairman



**Muhammad Omar Bawany**  
Director



**Irfan Zakaria Bawany**  
Director



**Haroon A. Shakoor**  
Chief Accountant and  
Company Secretary



**A. Razak Ahmed**  
Chief Executive &  
Managing Director

Karachi 30th October, 2019

## Condensed Interim Statement of Cash Flows (Un Audited)

For The Nine Months Period Ended September 30, 2019

	September 30, 2019	September 30, 2018
	————— (Rupees) —————	
<b>Operating cash flow</b>		
<b>a) Underwriting activities</b>		
Premium received	430,882,061	646,271,601
Reinsurance premium paid	(214,880,386)	(442,247,736)
Claims paid	(180,149,106)	(154,101,884)
Reinsurance and other recoveries received	117,045,393	90,416,149
Commission paid	(89,440,647)	(92,010,961)
Commission received	48,542,668	52,064,809
Management expenses paid	(102,448,085)	(96,176,020)
Net cash flow from underwriting activities	9,551,898	4,215,958
<b>b) Other operating activities</b>		
Income tax paid	(12,545,066)	(7,011,810)
Other operating payments	(53,232,569)	(44,251,465)
Loans disbursed	(213,000)	(899,600)
<b>Net cash flow from operating activities</b>	<b>(65,990,635)</b>	<b>(52,162,875)</b>
<b>Net cash flow from all operating activities</b>	<b>(56,438,737)</b>	<b>(47,946,917)</b>
<b>Investment activities</b>		
Profit / return / dividend received	40,760,893	26,146,615
Payments for investments	(139,332,519)	(1,032,156)
Proceeds from sale / redemption of investments	118,360,171	15,104,956
Fixed capital expenditures	(5,587,205)	(35,945,735)
Proceeds from disposal of property and equipment	2,434,000	12,238,000
<b>Total cash flow from investing activities</b>	<b>16,635,340</b>	<b>16,511,680</b>

## Condensed Interim Statement of Cash Flows (Un Audited)

For The Nine Months Period Ended September 30, 2019

	September 30, 2019	September 30, 2018
Note	(Rupees)	
<b>Financing activities</b>		
Dividend paid	-	(50,589)
<b>Net cash flow from all activities</b>	<b>(39,803,397)</b>	(31,485,826)
Cash and cash equivalent at the beginning of the period	<b>144,372,805</b>	160,185,536
<b>Cash and cash equivalent at the end of the period</b>	<b>104,569,408</b>	128,699,710
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	<b>(56,438,737)</b>	(47,946,917)
Depreciation expense	<b>(10,230,805)</b>	(8,897,586)
Profit on disposal of property, plant and equipment	<b>1,000,385</b>	1,747,665
Profit on disposal of investments	<b>465,306</b>	3,126,304
Dividend income	<b>39,775,037</b>	28,134,519
Other investment (loss) / income	<b>(41,045,468)</b>	31,114,385
Increase/(decrease) in assets other than cash	<b>19,533,970</b>	(38,185,131)
Decrease in liabilities other than borrowings	<b>27,110,118</b>	85,582,877
Deferred taxation	<b>16,395,974</b>	-
Profit before tax from Takaful operations-Operators' Fund	<b>9,658,458</b>	11,009,684
<b>Profit after taxation</b>	<b>6,224,238</b>	65,685,800
<b>Cash and cash equivalent consists of:</b>		
Cash and equivalents	<b>648,231</b>	2,058,140
Current and other accounts	<b>103,921,177</b>	126,641,570
14	<b>104,569,408</b>	128,699,710

The annexed notes from 1 to 26 form an integral part of this condensed interim financial statements.



**Ismail H. Zakaria**  
Chairman



**Muhammad Omar Bawany**  
Director



**Irfan Zakaria Bawany**  
Director



**Haroon A. Shakoor**  
Chief Accountant and  
Company Secretary



**A. Razak Ahmed**  
Chief Executive &  
Managing Director

Karachi 30th October, 2019

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

### 1. STATUS AND NATURE OF BUSINESS

Reliance Insurance Company Limited (the Company) was incorporated in Pakistan as a public limited company on November 4, 1981 and is engaged in general insurance business and has also been allowed to undertake General Window Takaful operations (WTO) on May 25, 2016 by Securities & Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012. The shares of the Company are quoted on Pakistan Stock Exchange Limited.

The registered office of the Company is situated at 96-A, Sindhi Muslim Co-operative Housing Society, Karachi. The Company has 24 operational branches throughout Pakistan. JCR-VIS Credit Rating Company Limited has assessed the Insurer Financial Strength (IFS) rating of the Company as 'A' (Single A), Outlook on the assigned rating is "Positive".

### 2. BASIS OF PREPARATION

#### 2.1 STATEMENT OF COMPLIANCE

These condensed interim financial information has 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:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under Companies Act 2017 and

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

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

In terms of the requirements of the SECP Takaful Rules 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operators' Fund of the General Takaful Operations of the Company have been presented as a single line item in the statement of financial position and statement of comprehensive income of the Company respectively. Further, a separate set of financial information of the General Takaful operations has been annexed to these financial statements as per the requirements of the SECP Takaful Rules 2012.

#### 2.2 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or amortized cost as applicable.

These condensed interim financial statements have been prepared under the accrual basis of accounting except for cash flow statement.

These condensed interim financial statements have been presented in Pak Rupees which is also the Company's functional currency.

#### 2.3 NEW STANDARDS AND AMENDMENTS

There are certain new standards and amendments to existing standards which have been effective during the period; however these are either irrelevant or do not have significant impact on these condensed interim financial statements hence not detailed in these financial statements.

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

During the period IFRS 9 has been effective for the periods ending on or after June 30, 2019; however amendment has been introduced in IFRS 4 'Insurance Contracts' with respect to application of IFRS 9 'Financial Instruments'. The amendments address issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably an overlay approach and deferral approach. The overlay approach allows an entity to apply IFRS 9 from its effective date to remove from profit or loss the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied, whereas the deferral approach enables eligible entities (primarily issuing insurance contracts) to defer the implementation date of IFRS 9 till the effective date of new IFRS 17. The Company has adopted the deferral approach accordingly it assumes itself exempt from the application of IFRS 9 and IFRS 17 until 31 December 2021.

Further there has been new standards and amendments to existing standards that are not yet effective except as stated above which are also either irrelevant or do not have material impact therefore not detailed in these condensed interim financial statements.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed interim financial statements are in line with the audited annual financial statements for the year ended December 31, 2018.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2018.

### 5. FINANCIAL & INSURANCE RISK MANAGEMENT

The Company's financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2018.

### 6. PROPERTY AND EQUIPMENT

#### 6.1 Operating assets

	September 30, 2019	December 31, 2018
	(Rupees)	
Opening written down value	92,880,920	81,020,496
Additions and transfers during the period / year at cost		
Furniture & fixtures	452,500	-
Motor Vehicles	4,601,700	36,638,735
Office Equipments	533,005	394,594
	<u>5,587,205</u>	37,033,329
Written down value of disposal during the period / year		
Motor Vehicles	(1,433,615)	(12,732,118)
Depreciation for the period / year	(10,230,805)	(12,440,787)
Closing written down value	<u>86,803,705</u>	<u>92,880,920</u>



## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

	Note	September 30, 2019	December 31, 2018
(Rupees)			
<b>7. EQUITY SECURITIES</b>			
<b>Available for sale</b>			
Related parties		4,666,078	7,388,140
Mutual funds		247,440,395	243,078,486
Other listed securities		65,554,839	71,092,792
		<u>317,661,312</u>	<u>321,559,418</u>
<b>Held for trading</b>			
Listed securities		276,806,384	318,313,461
		<u>594,467,696</u>	<u>639,872,879</u>
<b>8. DEBT SECURITIES</b>			
Held to maturity			
GOP Ijara Sukuk Bonds	8.1 & 8.2	60,104,169	45,104,169
8.1	The market value of GOP Ijara Sukuk amounted to Rs. 57.645 million (December 31, 2018: Rs.44.195 million).		
8.2	Government of Pakistan Ijara Sukuk Bonds (GOPI) having face value amounted to Rs. 60.00 million and market value amounted to Rs. 57.645 million (December 31, 2018: Rs.45 million and market value amounted to Rs.44.195 million) are placed with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000.		
<b>9. TERM DEPOSIT</b>			
Deposit maturing within 12 months	9.1	26,359,978	26,130,453
9.1	These carry profit at the rate of 6.5% to 12.50% per annum ( December 31, 2018: 5.30% to 9.50% per annum) payable on maturity.		
9.2	These deposits include an advantage account amounting to Rs. 11.10 million (2018: Rs.11.10 million) which is pledged against the running finance facility. The facility carry markup at rates of 2% over from the profit rate to be paid on the advantage account and 3 months KIBOR plus 175 bps. Total sanctioned limit of the facilities amounts to Rs.10.00 million (2018 Rs.10.00 million).		
<b>10. LOANS AND OTHER RECEIVABLES</b>			
<b>Considered good</b>			
Loan to employees		1,203,750	990,750
Deposits		649,719	499,719
Sundry receivables		1,673,883	-
Accrued Investment income		5,703,452	727,437
		<u>9,230,804</u>	<u>2,217,906</u>

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

	Note	September 30, 2019	December 31, 2018
(Rupees)			
<b>11. INSURANCE / REINSURANCE RECEIVABLE</b>			
Due from insurance contract holders			
Considered good		<b>206,186,174</b>	221,317,973
Considered doubtful		<b>12,361,742</b>	11,411,742
		<b>218,547,916</b>	232,729,715
Less: Allowance for impairment of receivables from Insurance contract holders		<b>(12,361,742)</b>	(11,411,742)
		<b>206,186,174</b>	221,317,973
Due from other insurers/reinsurers - considered good		<b>1,215,210</b>	949,226
		<b>207,401,384</b>	222,267,199
<b>12. DEFERRED TAXATION</b>			
Deferred tax credits / (debits) arising in respect of:			
Provision for impairment of doubtful receivables from insurance contract holders		<b>3,584,905</b>	3,195,288
Unrealized loss / (gain) on held for trading investments		<b>12,354,276</b>	(2,223,859)
Impairment loss on available for sale investments		<b>5,661,710</b>	4,233,488
Surplus / (Deficit) on revaluation of available for sale securities		<b>268,545</b>	(917,449)
		<b>21,869,436</b>	4,287,468
<b>Reconciliation of deferred tax</b>			
Opening provision		<b>4,287,468</b>	2,301,521
Credit to statement of profit or loss		<b>16,395,974</b>	5,204,917
Credit / (Debit) to other comprehensive income		<b>1,185,994</b>	(3,218,970)
Closing balance		<b>21,869,436</b>	4,287,468
<b>13. PREPAYMENTS</b>			
Prepaid reinsurance premium ceded		<b>127,148,985</b>	170,921,565
Other prepayments		<b>1,225,149</b>	2,276,653
		<b>128,374,134</b>	173,198,218
<b>14. CASH AND BANK DEPOSITS</b>			
<b>Cash and other equivalents</b>			
Cash in hand, Policy stamps and bond paper in hand		<b>648,231</b>	330,471
<b>Current and other bank accounts</b>			
Current accounts		<b>42,179,999</b>	95,504,867
Saving accounts	14.1	<b>61,741,178</b>	48,537,467
		<b>103,921,177</b>	144,042,334
		<b>104,569,408</b>	144,372,805
14.1	These accounts carry profit at rates range from 6.50% to 12.50% per annum (2018: 5.00% to 9.50% per annum).		

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

<b>15. SHARE CAPITAL</b>	<b>30-Sep-19</b>	<b>31-Dec-18</b>
<b>Authorized Capital</b>	(Rupees)	
75,000,000 Ordinary shares of Rs.10 each	<u><b>750,000,000</b></u>	<u>750,000,000</u>

### Issued, subscribed and paid-up share capital

	<b>30-Sep-19</b>	31-Dec-18		
	(Number of shares)			
<b>1,156,680</b>	1,156,680	Ordinary shares of Rs.10 each allotted for consideration fully paid in cash	<b>11,566,800</b>	11,566,800
<b>54,984,605</b>	54,984,605	Ordinary shares of Rs.10 each allotted as fully paid bonus shares	<b>549,846,050</b>	549,846,050
<b><u>56,141,285</u></b>	<u>56,141,285</u>		<b><u>561,412,850</u></b>	<u>561,412,850</u>

### 16. OTHER CREDITORS AND ACCRUALS

Accrued expenses	<b>2,077,256</b>	4,457,612
Unpaid and unclaimed dividend	<b>2,170,665</b>	2,170,665
Other creditors	<b><u>40,509,848</u></b>	<u>66,003,751</u>
	<b><u>44,757,769</u></b>	<u>72,632,028</u>

### 17. CONTINGENCIES AND COMMITMENTS

#### 17.1 Contingencies

- In the year 2016, the Commissioner of Inland Revenue (FBR) had issued show cause notices and then passed orders under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance) related to preceding tax years, by initializing the concept of single/one basket income to insurance industry, i.e., clubbing all other sources of income (e.g. dividend and rental income) into business income for charging the business rate of tax under Fourth Schedule of the Ordinance. In the year 2016, the Commissioner Inland Revenue (Appeals) has annulled all the assessments under section 122(5A) in which dividend was taxed at normal corporate tax rate. The Commissioner of Inland Revenue has filed an appeal in Appellate Tribunal, Inland Revenue against the order passed by the Commissioner Inland Revenue (Appeals) which is pending adjudication. The Company has not made provision in this regard with consultation of tax advisor as it is confident that the case will be decided in the Company's favor.
- An aviation claim has been reported on November 3, 2015. Investigations are underway and loss adjusters have not yet established liability. Should this loss be considered payable at any later stage, a maximum gross reserve of Rs.550 million would arise. The impact on the Company's net account would be Rs. 2.500 million and the rest would be recoverable under fronting arrangements as per agreed terms.

#### 17.2 Commitments

There are no commitments as at the reporting date.

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

	30-Sep-19	30-Sep-18
	(Rupees)	
<b>18. NET INSURANCE PREMIUM</b>		
Written Gross Premium	415,750,262	667,788,936
Add: Unearned premium reserve opening	342,270,710	494,450,943
Less: Unearned premium reserve closing	(289,026,104)	(417,331,100)
Premium earned	468,994,868	744,908,779
Less: Reinsurance premium ceded	191,175,330	420,121,230
Add: Prepaid reinsurance premium opening	170,921,565	337,538,956
Less: Prepaid reinsurance premium closing	(127,148,985)	(257,965,480)
Reinsurance expense	234,947,910	499,694,706
Net Insurance Premium	<u>234,046,958</u>	<u>245,214,073</u>
<b>19. NET INSURANCE CLAIMS EXPENSE</b>		
Claim Paid	180,149,106	154,101,884
Add: Outstanding claims including IBNR closing	287,760,627	230,751,604
Less: Outstanding claims including IBNR opening	(210,197,626)	(209,590,488)
Claims expense	257,712,107	175,263,000
Less: Reinsurance and other recoveries received	117,045,393	90,416,149
Add: Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	247,928,041	189,339,489
Less: Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	(165,480,348)	(167,283,860)
Reinsurance and other recoveries revenue	199,493,086	112,471,778
Net claims expenses	<u>58,219,021</u>	<u>62,791,222</u>
<b>20. NET COMMISSION EXPENSE</b>		
Commission paid or payable	89,440,647	92,010,961
Add: Deferred commission expense opening	65,913,719	60,932,042
Less: Deferred commission expense closing	(60,653,012)	(59,658,690)
Net Commission	94,701,354	93,284,313
Less: Commission received or recoverable	48,542,668	52,064,809
Add: Unearned Reinsurance Commission	35,596,302	35,347,057
Less: Unearned Reinsurance Commission	(32,981,822)	(34,151,298)
Commission from reinsurers	51,157,148	53,260,568
	<u>43,544,206</u>	<u>40,023,745</u>

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

	30-Sep-19	30-Sep-18
	(Rupees)	
<b>21. INVESTMENT INCOME</b>		
<b>Income from equity securities</b>		
Dividend income		
Available for sale investments	21,133,135	10,601,042
Held for trading investments	18,641,902	17,533,477
	<b>39,775,037</b>	28,134,519
<b>Income from debt securities - Held for maturity</b>		
Return on debt securities	1,500,090	1,764,802
<b>Income from deposits</b>		
Return on term deposits and saving accounts	4,461,781	3,243,899
	<b>45,736,908</b>	33,143,220
<b>Net realised gains on investments</b>		
Realised gains on		
Available for sale investments	253,056	197,934
Held for trading investments	212,250	2,928,370
	<b>465,306</b>	3,126,304
<b>Net unrealised (losses) / gains on held for trading investment</b>	<b>(42,600,952)</b>	28,828,342
<b>Total investment income</b>	<b>3,601,262</b>	65,097,866
<b>Less:</b>		
Impairment in value of available for sale equity securities	(4,403,537)	(2,707,695)
Investment related expenses	(2,850)	(14,963)
<b>Net investment (loss) / income</b>	<b>(805,125)</b>	62,375,208
<b>22. EARNINGS PER SHARE - BASIC AND DILUTED</b>		
Profit after tax	<b>6,224,238</b>	65,685,800
Weighted average number of shares of Rs. 10 each	<b>56,141,285</b>	56,141,285
Earnings per share - Rupees	<b>0.11</b>	1.17

No figures for diluted earnings per share has been presented as the Company has not issued any instrument which would have dilutive effect on earnings per share when exercised.

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

### 23. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices determined under "Comparable uncontrolled price method".

Details of transactions with related parties during the period are as follows:

Relation with the Company	Nature of transaction	30-Sep-19	30-Sep-18
<b>Transactions during the period</b>			
(Rupees)			
Associated companies	Premium underwritten	10,059,706	9,624,863
	Premium collected	63,147,733	38,812,943
	Claims paid	5,894,979	14,607,893
	Dividend received	68,734	-
Key management personnel Staff retirement benefits	Remuneration and other benefits	21,833,640	20,896,810
	Contribution to provident fund	2,222,136	2,124,507
<b>Balances as at period end</b>			
Associate companies	Premium due but unpaid	16,582,182	38,701,921
	Provision for outstanding claims	12,729,940	8,428,364

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

### 24. SEGMENT INFORMATION

	30-Sep-19				Total
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	
	(Rupees)				
Gross written premium	<u>211,267,854</u>	<u>84,214,938</u>	<u>101,601,958</u>	<u>18,665,512</u>	<u>415,750,262</u>
(inclusive of Administrative surcharge)					
Insurance premium earned	<u>209,489,918</u>	<u>126,319,384</u>	<u>112,776,602</u>	<u>20,408,964</u>	<u>468,994,868</u>
Insurance premium ceded to reinsurers	<u>(126,705,963)</u>	<u>(91,822,503)</u>	<u>(3,207,948)</u>	<u>(13,211,496)</u>	<u>(234,947,910)</u>
Net insurance premium	<u>82,783,955</u>	<u>34,496,881</u>	<u>109,568,654</u>	<u>7,197,468</u>	<u>234,046,958</u>
Commission income	<u>32,198,383</u>	<u>14,904,990</u>	<u>-</u>	<u>4,053,775</u>	<u>51,157,148</u>
Net underwriting income	<u>114,982,338</u>	<u>49,401,871</u>	<u>109,568,654</u>	<u>11,251,243</u>	<u>285,204,106</u>
Insurance claims	<u>(204,681,156)</u>	<u>(14,196,184)</u>	<u>(35,078,053)</u>	<u>(3,756,714)</u>	<u>(257,712,107)</u>
Insurance claims recovered from reinsurers	<u>184,562,049</u>	<u>11,686,038</u>	<u>600,000</u>	<u>2,644,999</u>	<u>199,493,086</u>
Net claims	<u>(20,119,107)</u>	<u>(2,510,146)</u>	<u>(34,478,053)</u>	<u>(1,111,715)</u>	<u>(58,219,021)</u>
Commission expense	<u>(56,029,264)</u>	<u>(21,580,760)</u>	<u>(12,775,959)</u>	<u>(4,315,371)</u>	<u>(94,701,354)</u>
Management expense	<u>(36,236,564)</u>	<u>(15,100,130)</u>	<u>(47,960,883)</u>	<u>(3,150,508)</u>	<u>(102,448,085)</u>
Net insurance claims & expenses	<u>(112,384,935)</u>	<u>(39,191,036)</u>	<u>(95,214,895)</u>	<u>(8,577,594)</u>	<u>(255,368,460)</u>
<b>Underwriting result</b>	<u><b>2,597,403</b></u>	<u><b>10,210,835</b></u>	<u><b>14,353,759</b></u>	<u><b>2,673,649</b></u>	<u><b>29,835,646</b></u>
Net Investment Loss					<u>(805,125)</u>
Other income					<u>1,000,385</u>
Other expenses					<u>(34,816,736)</u>
Profit from takaful operations-Operators' Fund					<u>9,658,458</u>
Profit before taxation					<u><u>4,872,628</u></u>
Segment assets	<u>183,761,613</u>	<u>76,575,255</u>	<u>243,217,573</u>	<u>15,976,747</u>	<u>519,531,188</u>
Unallocated assets					<u>1,114,741,460</u>
					<u><u>1,634,272,648</u></u>
Segment liabilities	<u>266,708,746</u>	<u>111,140,134</u>	<u>353,002,201</u>	<u>23,188,402</u>	<u>754,039,484</u>
Unallocated liabilities					<u>21,222,929</u>
					<u><u>775,262,413</u></u>

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

	30-Sep-18				Total
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	
	(Rupees)				
Gross written premium (inclusive of Administrative surcharge)	<u>208,386,450</u>	<u>308,343,333</u>	<u>131,072,996</u>	<u>19,986,157</u>	<u>667,788,936</u>
Insurance premium earned	214,862,648	384,715,511	126,850,042	18,480,578	744,908,779
Insurance premium ceded to reinsurers	<u>(137,489,758)</u>	<u>(348,126,071)</u>	<u>(2,361,127)</u>	<u>(11,717,750)</u>	<u>(499,694,706)</u>
Net insurance premium	77,372,890	36,589,440	124,488,915	6,762,828	245,214,073
Commission income	<u>33,892,068</u>	<u>15,968,547</u>	<u>18,066</u>	<u>3,381,887</u>	<u>53,260,568</u>
Net underwriting income	111,264,958	52,557,987	124,506,981	10,144,715	298,474,641
Insurance claims	<u>(113,209,447)</u>	<u>(14,016,342)</u>	<u>(44,253,798)</u>	<u>(3,783,413)</u>	<u>(175,263,000)</u>
Insurance claims recovered from reinsurers	<u>101,355,334</u>	<u>8,284,726</u>	<u>-</u>	<u>2,831,718</u>	<u>112,471,778</u>
Net claims	(11,854,113)	(5,731,616)	(44,253,798)	(951,695)	(62,791,222)
Commission expense	<u>(55,703,687)</u>	<u>(21,698,594)</u>	<u>(12,434,977)</u>	<u>(3,447,055)</u>	<u>(93,284,313)</u>
Management expense	<u>(30,346,613)</u>	<u>(14,350,835)</u>	<u>(48,826,106)</u>	<u>(2,652,466)</u>	<u>(96,176,020)</u>
Net insurance claims & expenses	<u>(97,904,413)</u>	<u>(41,781,045)</u>	<u>(105,514,881)</u>	<u>(7,051,216)</u>	<u>(252,251,555)</u>
<b>Underwriting result</b>	<u>13,360,545</u>	<u>10,776,942</u>	<u>18,992,100</u>	<u>3,093,499</u>	<u>46,223,086</u>
Net Investment income					62,375,208
Other income					1,747,665
Other expenses					(38,713,347)
Profit from takaful operations-Operators' Fund					11,009,684
Profit before taxation					<u>82,642,296</u>
<b>December 31, 2018</b>					
Segment assets	<u>152,949,780</u>	<u>66,419,456</u>	<u>224,038,707</u>	<u>13,029,695</u>	<u>456,437,638</u>
Unallocated assets					<u>1,202,215,886</u>
					<u>1,658,653,524</u>
Segment liabilities	<u>261,758,999</u>	<u>113,670,582</u>	<u>383,420,937</u>	<u>22,299,084</u>	<u>781,149,602</u>
Unallocated liabilities					<u>21,579,140</u>
					<u>802,728,742</u>

### 25. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements have been authorized for issue on 30th October, 2019 by the Board of Directors of the Company.

### 26. GENERAL

Figures have been rounded off to the nearest rupee.



Ismail H. Zakaria  
Chairman



Muhammad Omar Bawany  
Director



Irfan Zakaria Bawany  
Director



Haroon A. Shakoor  
Chief Accountant and  
Company Secretary



A. Razak Ahmed  
Chief Executive &  
Managing Director

Karachi 30th October, 2019

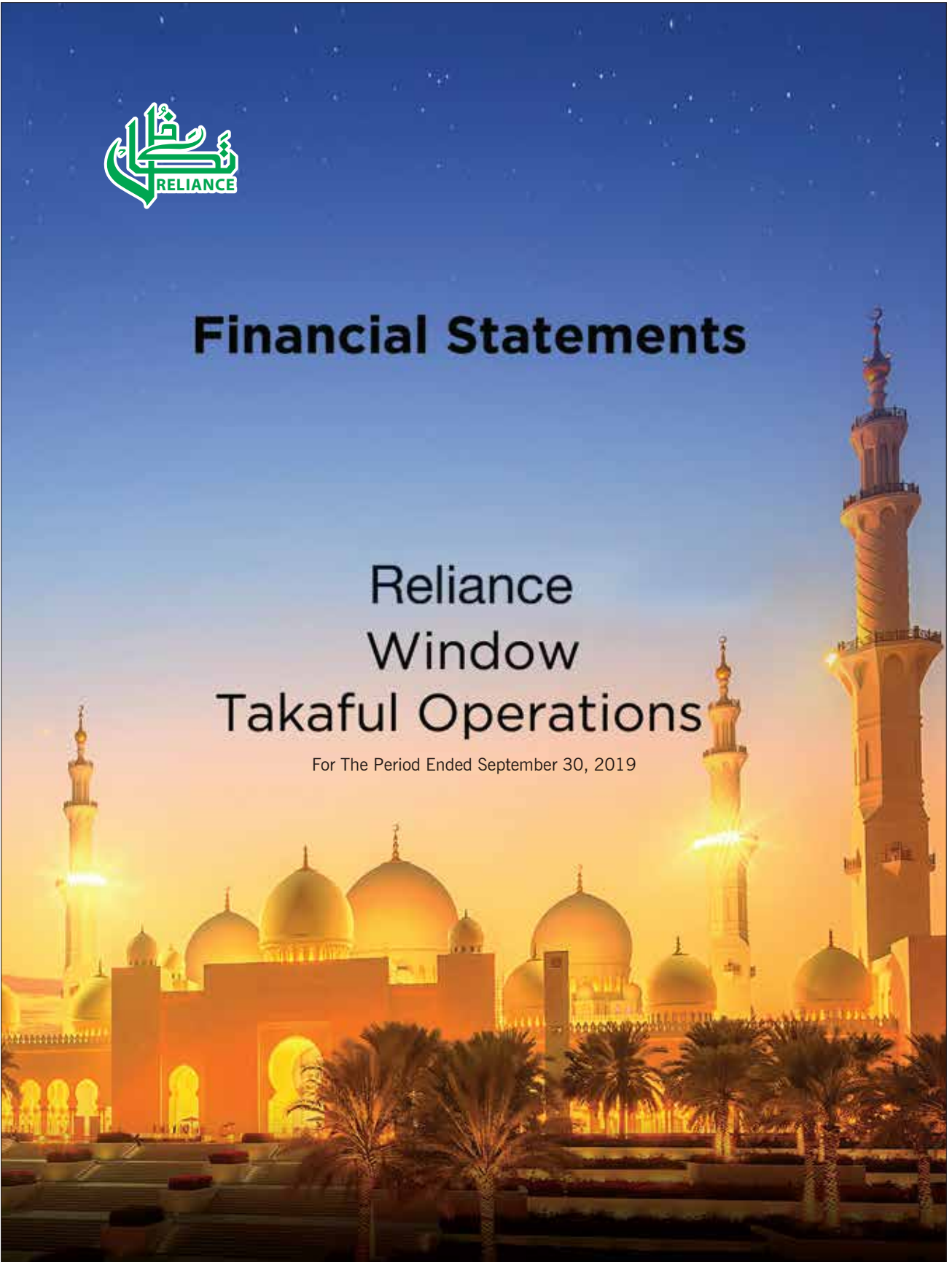




# Financial Statements

## Reliance Window Takaful Operations

For The Period Ended September 30, 2019



## Condensed Interim Statement of Financial Position (Un Audited)

As at September 30, 2019

	Note	30-Sep-19 (UnAudited)			31-Dec-18 (Audited)		
		Operator's Fund	Participants' Fund	Aggregate	Operator's Fund	Participants' Fund	Aggregate
(Rupees)							
<b>ASSETS</b>							
Investment							
Equity securities	6	10,079,963	-	10,079,963	9,424,018	-	9,424,018
Loans and other receivables	7	9,635,763	-	9,635,763	10,069,761	426,239	10,496,000
Takaful / Re-takaful receivables	8	-	27,564,800	27,564,800	-	6,291,498	6,291,498
Retakaful recoveries against outstanding claims		-	4,119,411	4,119,411	-	566,671	566,671
Deferred Commission Expense		5,563,423	-	5,563,423	5,588,944	-	5,588,944
Prepayments	9	-	10,692,070	10,692,070	-	9,700,554	9,700,554
Deferred wakala fee		-	17,385,249	17,385,249	-	18,682,915	18,682,915
Cash & Bank	10	61,231,732	81,886,537	143,118,269	51,844,717	67,138,244	118,982,961
<b>TOTAL ASSETS</b>		<u>86,510,881</u>	<u>141,648,067</u>	<u>228,158,948</u>	<u>76,927,440</u>	<u>102,806,121</u>	<u>179,733,561</u>

## Condensed Interim Statement of Financial Position (Un Audited)

As at September 30, 2019

Note	30-Sep-19 (UnAudited)			31-Dec-18 (Audited)		
	Operator's Fund	Participants' Fund	Aggregate	Operator's Fund	Participants' Fund	Aggregate
	(Rupees)					
<b>EQUITY AND LIABILITIES</b>						
<b>Operator's Fund</b>						
Statutory Fund	50,000,000	-	50,000,000	50,000,000	-	50,000,000
Accumulated profit	17,170,816	-	17,170,816	7,512,358	-	7,512,358
Surplus on revaluation of AFS investments -net of deferred tax	287,801	-	287,801	6,607	-	6,607
	67,458,617	-	67,458,617	57,518,965	-	57,518,965
<b>Waqf/Participants' Takaful Fund</b>						
Ceded Money	-	500,000	500,000	-	500,000	500,000
Accumulated Surplus	-	51,817,362	51,817,362	-	31,938,022	31,938,022
	-	52,317,362	52,317,362	-	32,438,022	32,438,022
<b>Liabilities</b>						
<b>Underwriting Provisions</b>						
Outstanding claims including IBNR	-	10,465,939	10,465,939	-	5,824,170	5,824,170
Unearned contribution	-	43,463,123	43,463,123	-	46,707,287	46,707,287
Unearned re-takaful rebate	-	1,948,852	1,948,852	-	1,803,108	1,803,108
Retakaful operators payable	-	23,719,866	23,719,866	-	5,551,739	5,551,739
Wakala and mudarib fee payable	-	7,832,209	7,832,209	-	8,908,496	8,908,496
Unearned wakala fee	17,385,249	-	17,385,249	18,682,915	-	18,682,915
Other creditors and accruals	11 1,667,015	1,900,716	3,567,731	725,560	1,573,299	2,298,859
<b>Total Liabilities</b>	19,052,264	89,330,705	108,382,969	19,408,475	70,368,099	89,776,574
<b>Contingencies and Commitments</b>	12					
<b>TOTAL FUND AND LIABILITIES</b>	86,510,881	141,648,067	228,158,948	76,927,440	102,806,121	179,733,561

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.

  
Ismail H. Zakaria  
Chairman

  
Muhammad Omar Bawany  
Director

  
Irfan Zakaria Bawany  
Director

  
Haroon A. Shakoore  
Chief Accountant and  
Company Secretary

  
A. Razak Ahmed  
Chief Executive &  
Managing Director

Karachi 30th October, 2019

## Condensed Interim Profit & Loss Account (Un Audited)

For The Nine Months Period Ended September 30, 2019

Note	Quarter ended September 30		Nine months ended September 30,		
	2019	2018	2019	2018	
		Rupees		Rupees	
<b>Revenue Account</b>					
<b>Participants' Takaful Fund</b>					
Net contribution revenue	13	11,190,188	13,831,400	48,273,138	48,512,791
Wakala expense	14	(7,381,546)	(8,182,817)	(29,248,231)	(28,241,244)
Net takaful claims	15	(2,624,881)	(3,377,763)	(6,795,192)	(8,523,463)
Direct expenses	16	5,145	(26,594)	(14,337)	(82,203)
Re-takaful rebate	17	1,421,427	966,042	5,040,963	4,070,406
<b>Underwriting result</b>		<b>2,610,333</b>	<b>3,210,268</b>	<b>17,256,341</b>	<b>15,736,287</b>
Investment Income	18	2,015,869	1,000,356	4,371,666	2,126,795
Modarib's share		(806,348)	(400,143)	(1,748,667)	(850,718)
<b>Surplus for the period</b>		<b>3,819,854</b>	<b>3,810,481</b>	<b>19,879,340</b>	<b>17,012,364</b>
<b>Revenue Account</b>					
<b>Operator's Fund</b>					
Wakala fee	19	7,381,546	8,182,817	29,248,231	28,241,244
Commission expenses	20	(2,521,542)	(2,568,908)	(9,877,831)	(9,093,122)
Management expenses		(3,836,799)	(1,995,665)	(13,857,487)	(9,257,044)
		<b>1,023,205</b>	<b>3,618,244</b>	<b>5,512,913</b>	<b>9,891,078</b>
Investment Income	18	1,143,879	459,249	3,146,878	1,078,888
Modarib's shares from PTF		806,348	400,143	1,748,667	850,718
Other expenses		(250,000)	(280,500)	(750,000)	(811,000)
<b>Profit for the period</b>		<b>2,723,432</b>	<b>4,197,136</b>	<b>9,658,458</b>	<b>11,009,684</b>

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



Ismail H. Zakaria  
Chairman



Muhammad Omar Bawany  
Director



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Haroon A. Shakoor  
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Company Secretary



A. Razak Ahmed  
Chief Executive &  
Managing Director

Karachi 30th October, 2019

## Condensed Interim Statement Of Comprehensive Income (Un Audited)

For The Nine Months Period Ended September 30, 2019

	Quarter ended September 30		Nine months ended September 30,	
	2019	2018	2019	2018
	Rupees		Rupees	
<b>Operators Fund</b>				
Profit for the period	<b>2,723,432</b>	4,197,136	<b>9,658,458</b>	11,009,684
Other Comprehensive income Items that will not be reclassified to profit and loss				
Surplus/(Deficit) on revaluation of available for sale securities	<b>284,712</b>	(6,037)	<b>281,194</b>	128,765
Total comprehensive income for the period	<b><u>3,008,144</u></b>	<u>4,191,099</u>	<b><u>9,939,652</u></b>	<u>11,138,449</u>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial statements.



**Ismail H. Zakaria**  
Chairman

Karachi 30th October, 2019



**Muhammad Omar Bawany**  
Director



**Irfan Zakaria Bawany**  
Director



**Haroon A. Shakoore**  
Chief Accountant and  
Company Secretary



**A. Razak Ahmed**  
Chief Executive &  
Managing Director

## Condensed Interim Statement Of Change in Fund (Un Audited)

For The Nine Months Period Ended September 30, 2019

	Operator's Fund			
	Statutory Fund	(Accumulated loss) / Profit	Surplus / (Defecit) on revaluation of AFS investments	Total
	(Rupees)			
Balance as at 1st January 2018	50,000,000	(402,391)	(819,636)	48,777,973
Total comprehensive income for the period ended September 30, 2018	-	11,009,684	128,765	11,138,449
<b>Balance as at September 30, 2018</b>	<b>50,000,000</b>	<b>10,607,293</b>	<b>(690,871)</b>	<b>59,916,422</b>
<b>Balance as at January 01, 2019</b>	<b>50,000,000</b>	<b>7,512,358</b>	<b>6,607</b>	<b>57,518,965</b>
Total comprehensive income for the period ended September 30, 2019	-	9,658,458	281,194	9,939,652
<b>Balance as at September 30, 2019</b>	<b>50,000,000</b>	<b>17,170,816</b>	<b>287,801</b>	<b>67,458,617</b>

	Participants Takaful Fund			
	Ceded money	(Accumulated loss) / Profit	Surplus/(Defecit) on revaluation of AFS investments	Total
	(Rupees)			
Balance as at 1st January 2018	500,000	10,212,062	-	10,712,062
Surplus for the period ended September 30, 2018	-	17,012,364	-	17,012,364
<b>Balance as at September 30, 2018</b>	<b>500,000</b>	<b>27,224,426</b>	<b>-</b>	<b>27,724,426</b>
<b>Balance as at 1st January, 2019</b>	<b>500,000</b>	<b>31,938,022</b>	<b>-</b>	<b>32,438,022</b>
Surplus for the period ended September 30, 2019	-	19,879,340	-	19,879,340
<b>Balance as at September 30, 2019</b>	<b>500,000</b>	<b>51,817,362</b>	<b>-</b>	<b>52,317,362</b>

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.

  
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A. Razak Ahmed  
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Managing Director

Karachi 30th October, 2019

## Condensed Interim Statement of Cash Flows (Un Audited)

For The Nine Months Period Ended September 30, 2019

	30-Sep-19			30-Sep-18
	Operator's Fund	Participants' Fund	Aggregate	Aggregate
	(Rupees)			
<b>Operating Cash Flows</b>				
<b>a) Takaful activities</b>				
Contribution received	-	53,869,756	53,869,756	67,508,271
Retakaful contribution paid	-	(12,937,473)	(12,937,473)	(13,667,240)
Claims paid	-	(5,956,588)	(5,956,588)	(13,237,706)
Retakaful and other recoveries received	-	250,425	250,425	5,739,702
Commission paid	(9,852,310)	-	(9,852,310)	(9,978,212)
Management expenses paid	(14,607,487)	(14,337)	(14,621,824)	(9,726,497)
Retakaful rebate received	-	5,186,707	5,186,707	4,227,529
Wakala fee received / (paid)	29,026,852	(29,026,852)	-	-
Net cash flow from takaful activities	4,567,055	11,371,638	15,938,693	30,865,847
<b>b) Other operating activities</b>				
Income tax paid	(866,623)	-	(866,623)	(293,487)
Other payments on operating assets	941,455	-	941,455	1,143,122
Other receipts in respect of operating assets	-	327,417	327,417	230,185
Net cash flow from other operating activities	74,832	327,417	402,249	1,079,820
<b>Total cash flow from all operating activities</b>	4,641,887	11,699,055	16,340,942	31,945,667
<b>Investment activities</b>				
Mudaraba shares received / (paid)	1,748,667	(1,748,667)	-	-
Payments for investments made	(374,751)	-	(374,751)	-
Profit received	3,371,212	4,797,905	8,169,117	2,934,877
<b>Total cash flow from investing activities</b>	4,745,128	3,049,238	7,794,366	2,934,877
Net cash inflows from all activities	9,387,015	14,748,293	24,135,308	34,880,544
Cash and cash equivalent at the beginning of the period	51,844,717	67,138,244	118,982,961	76,418,689
Cash and cash equivalent at the end of the period	61,231,732	81,886,537	143,118,269	111,299,233

## Condensed Interim Statement of Cash Flows (Un Audited)

For The Nine Months Period Ended September 30, 2019

	30-Sep-19			30-Sep-18
	Operator's Fund	Participants' Fund	Aggregate	Aggregate
	(Rupees)			
<b>Reconciliation to profit and loss Account</b>				
<b>Operating cash flows</b>	4,641,887	11,699,055	16,340,942	31,945,667
(decrease) / Increase in assets other than cash	(235,185)	24,519,892	24,284,707	24,658,592
Decrease/(Increase) in liabilities other than running finance	356,211	(18,962,606)	(18,606,395)	(31,787,894)
Investment income	4,895,545	2,622,999	7,518,544	3,205,683
<b>Surplus for the period</b>	<u>9,658,458</u>	<u>19,879,340</u>	<u>29,537,798</u>	<u>28,022,048</u>
<b>Cash for the purpose of the statement of cash flows consists of:</b>				
<b>Cash and other equivalents</b>				
Cash and other equivalents	-	24,390	24,390	31,797
Cash at bank	61,231,732	81,862,147	143,093,879	111,267,436
	<u>61,231,732</u>	<u>81,886,537</u>	<u>143,118,269</u>	<u>111,299,233</u>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial statements.



**Ismail H. Zakaria**  
Chairman



**Muhammad Omar Bawany**  
Director



**Irfan Zakaria Bawany**  
Director



**Haroon A. Shakoor**  
Chief Accountant and  
Company Secretary



**A. Razak Ahmed**  
Chief Executive &  
Managing Director

Karachi 30th October, 2019



## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

### 1. LEGAL STATUS AND NATURE OF BUSINESS

Reliance Insurance Company Limited (the Operator) has been allowed to undertake Window Takaful Operations (WTO) on May 25, 2016 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on May 30, 2016 under the Waqf deed with a Cede money of Rs. 500,000. The Waqf deed and PTF policies (Waqf Rules) which govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund are 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 condensed interim financial statements of the Operator are prepared such that the financial position and results from the operations of Waqf and the Operator are shown separately.

### 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

#### 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:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under Companies Act 2017 and

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

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

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

These condensed interim financial statements does not include all the information and disclosures required in the annual financial statements. Accordingly these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2018.

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

#### 2.2 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or at amortized cost.

These condensed interim financial statements have been prepared under the accrual basis of accounting except for cash flow statement.

These condensed interim financial statements have been presented in Pak Rupees which is also the Operator's functional currency.

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

### 2.3 NEW STANDARDS AND AMENDMENTS

There are certain new standards and amendments to existing standards which have been effective during the period; however these are either irrelevant or do not have significant impact on these condensed interim financial statements hence not detailed in these financial statements.

During the period IFRS 9 has been effective for the periods ending on or after June 30, 2019; however amendment has been introduced in IFRS 4 'Insurance Contracts' with respect to application of IFRS 9 'Financial Instruments'. The amendments address issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9 till the effective date of new IFRS 17 whereas the overlay approach allows an entity to apply IFRS 9 from its effective date to remove from profit or loss the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied. The Operator has adopted the temporary exemption accordingly it assumes itself exempt from the application of IFRS 9 and IFRS 17 until 31 December 2021.

Further there has been new standards and amendments to existing standards that are not yet effective except as stated above which are also either irrelevant or do not have material impact therefore not detailed in these condensed interim financial statements.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed interim financial statements are in line with the audited annual financial statements for the year ended December 31, 2018.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the condensed interim financial statements, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2018.

### 5. FINANCIAL RISK MANAGEMENT

The Operator's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2018.

	OPF		PTF	
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
<b>6. INVESTMENT - EQUITY SECURITIES</b>	(Rupees)			
Available for sale Mutual funds	<u>10,079,963</u>	<u>9,424,018</u>	<u>-</u>	<u>-</u>
<b>7. LOANS AND OTHER RECEIVABLES</b>				
Wakala and mudarib fees receivables	<u>7,832,209</u>	8,908,496	-	-
Advance Income tax	<u>1,803,554</u>	936,931	-	-
Accrued income	<u>-</u>	224,334	-	426,239
	<u>9,635,763</u>	<u>10,069,761</u>	<u>-</u>	<u>426,239</u>

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

8. TAKAFUL / RE-TAKAFUL RECEIVABLES	OPF		PTF	
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
	(Rupees)			
Contribution due but unpaid - Considered good	-	-	<b>17,802,506</b>	1,795,849
Amount due from other takaful / retakaful operators	-	-	<b>9,762,294</b>	4,495,649
-Considered good	-	-	<b>27,564,800</b>	6,291,498
<b>9. Prepayments</b>				
Prepaid re-takaful contribution ceded	-	-	<b>10,692,070</b>	9,700,554
<b>10. CASH AND BANK DEPOSITS</b>				
<b>Cash and other equivalents</b>				
Stamps in hand	-	-	<b>24,390</b>	19,900
<b>Cash at bank</b>				
Saving accounts	<b>61,231,732</b>	51,844,717	<b>81,862,147</b>	67,118,344
	<b>61,231,732</b>	51,844,717	<b>81,886,537</b>	67,138,244
<b>11. OTHER CREDITORS AND ACCRUALS</b>				
Accrued Expenses	<b>75,000</b>	523,750	-	-
Other payables	<b>1,592,015</b>	201,810	<b>1,900,716</b>	1,573,299
	<b>1,667,015</b>	725,560	<b>1,900,716</b>	1,573,299
<b>12. CONTINGENCIES AND COMMITMENTS</b>				
There were no contingencies and commitments as at the September 30, 2019.				

13. NET CONTRIBUTION REVENUE	PTF	
	September 30, 2019	September 30, 2018
	(Rupees)	
Written Gross Contributions	<b>69,876,413</b>	79,120,642
Add: Unearned Contributions reserve opening	<b>46,707,287</b>	37,302,496
Less: Unearned Contributions reserve closing	<b>(43,463,123)</b>	(45,820,023)
Contributions earned	<b>73,120,577</b>	70,603,115
Less: Re-takaful Contributions ceded	<b>25,838,955</b>	22,573,796
Add: Prepaid re-takaful Contributions opening	<b>9,700,554</b>	8,848,312
Less: Prepaid re-takaful Contributions closing	<b>(10,692,070)</b>	(9,331,784)
Re-takaful expense	<b>24,847,439</b>	22,090,324
Net Contributions Revenue	<b>48,273,138</b>	48,512,791

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

### 14. WAKALA EXPENSE

	PTF	
	September 30, 2019	September 30, 2018
	(Rupees)	
Gross Wakala fee	27,950,565	31,648,256
Add: Deferred wakala fee opening	18,682,915	14,920,998
Less: Deferred wakala fee closing	(17,385,249)	(18,328,010)
	<u>29,248,231</u>	<u>28,241,244</u>

### 15. NET TAKAFUL CLAIMS EXPENSE

Claim Paid	5,956,588	13,237,706
Add: Outstanding claims including IBNR closing	10,465,939	6,336,164
Less: Outstanding claims including IBNR opening	(5,824,170)	(7,444,085)
Claims expense	10,598,357	12,129,785
Less: Re-takaful and other recoveries received	250,425	5,739,702
Add: Re-takaful and other recoveries in respect of outstanding claims closing	4,119,411	2,711,482
Less: Re-takaful and other recoveries in respect of outstanding claims opening	(566,671)	(4,844,862)
Re-takaful and other recoveries revenue	3,803,165	3,606,322
Net claims expenses	<u>6,795,192</u>	<u>8,523,463</u>

### 16. DIRECT EXPENSES

Fire and property damage	1,684	5,791
Marine, Aviation and Transport	530	3,873
Motor	11,792	70,463
Miscellaneous	331	2,076
	<u>14,337</u>	<u>82,203</u>

### 17. RE-TAKAFUL REBATE

Gross rebate from retakaful operators	5,186,707	4,227,529
Add: Unearned retakaful rebate Opening	1,803,108	1,574,843
Less: Unearned retakaful rebate Closing	(1,948,852)	(1,731,966)
	<u>5,040,963</u>	<u>4,070,406</u>

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

18. INVESTMENT INCOME	OPF		PTF	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	(Rupees)			
Income from available for sale investments				
Dividend income	440,883	-	-	-
Profit on bank deposits	2,705,995	1,078,888	4,371,666	2,126,795
	<u>3,146,878</u>	<u>1,078,888</u>	<u>4,371,666</u>	<u>2,126,795</u>
<b>19. WAKALA FEE INCOME</b>				
Gross wakala fee	27,950,565	31,648,256	-	-
Add: Unearned wakala fee opening	18,682,915	14,920,998	-	-
Less: Unearned wakala fee closing	(17,385,249)	(18,328,010)	-	-
	<u>29,248,231</u>	<u>28,241,244</u>	<u>-</u>	<u>-</u>
<b>20. COMMISSION EXPENSE</b>				
Commission paid or payable	9,852,310	9,978,212	-	-
Add: Deferred commission expense opening	5,588,944	4,444,553	-	-
Less: Deferred commission expense closing	(5,563,423)	(5,329,643)	-	-
Commission expenses	<u>9,877,831</u>	<u>9,093,122</u>	<u>-</u>	<u>-</u>

### 21. RELATED PARTY TRANSACTIONS

Related parties comprise of associated companies, entities under common control, entities with common directors, major shareholders and key management personnel of the company. Transactions with related parties are carried out at arm's length prices determined under "Comparable uncontrolled price method".

Details of the transactions with related parties during the period are as follows:

Relation with the Company	Nature of transaction	September 30, 2019	September 30, 2018
		(Rupees)	
Transaction during the period			
Associated companies	Contribution underwritten	4,992,426	-
	Contribution collected	4,348,568	-
	Contribution due but unpaid	2,040,722	-
Key management personnel	Remuneration and other benefits	1,350,000	1,350,000

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

### 22. SEGMENT INFORMATION

	September 30, 2019				Total
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	
	(Rupees)				
Gross written Contributions (inclusive of Administrative surcharge)	20,551,904	9,508,666	36,985,617	2,830,226	69,876,413
Contributions earned	17,466,886	9,192,720	42,149,248	4,311,723	73,120,577
Takaful contribution ceded to retakaful operators	(11,797,334)	(7,406,654)	(2,444,451)	(3,199,000)	(24,847,439)
Net contribution	5,669,552	1,786,066	39,704,797	1,112,723	48,273,138
Rebate from re-takaful	2,649,646	1,703,531	-	687,786	5,040,963
Net revenue	8,319,198	3,489,597	39,704,797	1,800,509	53,314,101
Takaful claims	(2,919,071)	(1,904,543)	(5,774,743)	-	(10,598,357)
Takaful claims recovered from retakaful operators	2,189,303	1,613,862	-	-	3,803,165
Net claims	(729,768)	(290,681)	(5,774,743)	-	(6,795,192)
Wakala expense	(6,986,755)	(3,677,088)	(16,859,699)	(1,724,689)	(29,248,231)
Direct expense	(1,684)	(530)	(11,792)	(331)	(14,337)
Net takaful claims & expenses	(7,718,207)	(3,968,299)	(22,646,234)	(1,725,020)	(36,057,760)
<b>Underwriting result</b>	<b>600,991</b>	<b>(478,702)</b>	<b>17,058,563</b>	<b>75,489</b>	<b>17,256,341</b>
Net Investment income					4,371,666
Modarib's shares					(1,748,667)
Surplus for the period					19,879,340
Segment assets - PTF	7,018,833	2,211,127	49,154,033	1,377,537	59,761,530
Unallocated assets - PTF					81,886,537
Unallocated assets - OPF					86,510,881
					228,158,948
Segment liabilities - PTF	10,491,654	3,305,162	73,474,766	2,059,123	89,330,705
Unallocated liabilities - OPF					19,052,264
Consolidated total Liabilities					108,382,969

## Notes to the Condensed Interim Financial Statements (Un Audited)

For The Nine Months Period Ended September 30, 2019

	September 30, 2018				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written Contributions (inclusive of Administrative surcharge)	13,614,367	8,302,641	51,924,405	5,279,229	79,120,642
Contributions earned	13,191,318	8,403,459	44,227,719	4,780,619	70,603,115
Takaful contribution ceded to retakaful operators	(9,773,652)	(6,117,546)	(2,643,500)	(3,555,626)	(22,090,324)
Net takaful contributions	3,417,666	2,285,913	41,584,219	1,224,993	48,512,791
Rebate from re-takaful	2,246,681	1,059,265	-	764,460	4,070,406
Net revenue	5,664,347	3,345,178	41,584,219	1,989,453	52,583,197
Takaful claims	(2,128,183)	(1,888,761)	(8,112,841)	-	(12,129,785)
Takaful claims recovered from retakaful operators	1,941,419	1,437,560	227,343	-	3,606,322
Net claims	(186,764)	(451,201)	(7,885,498)	-	(8,523,463)
Wakala expense	(5,276,527)	(3,361,383)	(17,691,087)	(1,912,247)	(28,241,244)
Direct expense	(5,791)	(3,873)	(70,463)	(2,076)	(82,203)
Net takaful claims & expenses	(5,469,082)	(3,816,457)	(25,647,048)	(1,914,323)	(36,846,910)
Surplus before Investment Income	195,265	(471,279)	15,937,171	75,130	15,736,287
Net Investment income					2,126,795
Modarib's shares					(850,718)
Surplus for the period					17,012,364
<b>31-Dec-18</b>					
Segment assets - PTF	2,082,164	1,397,271	30,932,706	829,498	35,241,638
Unallocated assets - PTF					67,564,483
Unallocated assets - OPF					76,927,440
Consolidated total assets					179,733,561
Segment liabilities - PTF	4,157,523	2,789,975	61,764,317	1,656,284	70,368,099
Unallocated liabilities - OPF					19,408,475
Consolidated total Liabilities					89,776,574

### 23. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue on 30th October, 2019 by the Board of Directors of the Company.

### 24. GENERAL

Figures have been rounded off to the nearest rupee.



**Ismail H. Zakaria**  
Chairman

Karachi 30th October, 2019



**Muhammad Omar Bawany**  
Director



**Irfan Zakaria Bawany**  
Director



**Haroon A. Shakoor**  
Chief Accountant and  
Company Secretary



**A. Razak Ahmed**  
Chief Executive &  
Managing Director

## Offices

### Head Office

"Reliance Insurance House"  
181-A, Sindhi Muslim Co-operative  
Housing Society,  
Karachi.

PABX : 34539415-17  
Fax : 34539412  
E-mail : reli-ins@cyber.net.pk.  
ric-re@cyber.net.pk.  
www.relianceins.com

**Mr. A. Razak Ahmed**  
Chief Executive & Managing Director

Direct : 34539413, 34539414  
Extension : 204

**Mr. Haroon A. Shakoor**  
Chief Accountant &  
Company Secretary

Direct : 34539409  
Extension : 203

**Mr. Syed Rizwan Akhtar**  
Executive Vice President (Operations)

Direct : 34304067  
Extension : 210

**Mr. Muhammad Ishaque Azim**  
Vice President (Underwriting)

Direct : 34304068  
Extension : 212

**Mr. Muhammad Siddiq**  
Chief Manager

Direct : 34550403  
Extension : 208

**Mr. Ghulam Haider**  
Vice President (Compliance)

Extension : 209

**Mr. Najamullah Khan**  
Head of Takaful

Direct : 34557079  
Extension : 201

**Mr. Muhammad Kashif Wadiwala**  
Shariah Compliance Officer

Extension : 216

**Mr. Ghulam Mujaddid**  
Chief Manager (Accounts)

Extension : 205

**Mr. Abdul Rahim Patni**  
Deputy Chief Manager (Reinsurance)

Direct : 34539411  
Extension : 215

**Mr. Muhammad Saleem Memon**  
Deputy Chief Manager (Investment/shares)

Extension : 214

**Mr. Muhammad Masood Ali**  
Deputy Chief Manager (I.T. Deptt.)

Extension : 202

**Mr. Muhammad Masood Alam**  
Manager (Administration)

Direct : 34539411  
Extension : 206

**Mr. Mahmood Shuja Baig**  
Manager (Internal Audit)

Extension : 208

### South Zone Offices & Branches

#### Business Plaza Branch

407, 4th floor, Business Plaza,  
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**Mr. Muhammad Iqbal Dhedhi**  
Executive Vice President

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Fax (021) 32421314, 32421317

#### Tariq Road Branch

Room No. A-2 & A-3,  
1st Floor, Rahat Jo Daro,  
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Main Tariq Road, Karachi.

**Mr. Zafar A. Pasha**  
Executive Vice President

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34525376, 34322642  
Fax (021) 34522829

#### Namco Centre Branch

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Karachi.

**Mr. Iqbal Umer Bawany**  
Vice President

Ph (021) 32624504, 32624427  
Fax (021) 32624783

#### Land Mark Plaza Branch

405, 4th Floor, Land Mark Plaza,  
Off. I. I. Chundrigar Road,  
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Assistant Vice President

Ph (021) 32628777, 32628778  
Fax (021) 32628779

#### M. A. Jinnah Road Branch

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M. A. Jinnah Road, Karachi.

**Mr. Rizwan Ahmed Khan**  
Branch Manager

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Fax (021) 32722601

#### Hyderabad Branch

1st Floor, Al-Falah Chamber,  
Tilak Road, Hyderabad.

**Mr. Abdullah Ahmed**  
Regional Manager

Ph (022) 2615774  
Fax (022) 2623029



## Offices

### North Zone Offices & Branches

#### Zonal Office, Lahore (North Zone)

4th Floor, Gardee Trust Building. No.2,  
Napier Road, Lahore.

Mr. Hassan Sabih  
Chief Manager

PABX (042) 37239063, 37353292  
37234255, 37351353  
Direct (042) 37354689  
Fax (042) 37312526

#### Regional Office, Lahore

90-A/3, 1st Floor, Canal Park,  
Gulberg-II, Lahore.

Mr. Waseem John  
Branch Manager

Ph (042) 35761077, 35761078  
35763446, 35763447  
Fax (042) 35761235

#### Gulberg Branch

House No.17-A, Block-E/1,  
Gulberg-III, Lahore.

Mr. Muhammad Javeed Ahmed  
Manager

Ph (042) 35752245, 35752989  
35751971, 35756557  
Fax (042) 35756217

#### Al-Rehman Branch

2nd Floor, Al-Rehman Building,  
Regal Cinema Lane, 65, The Mall,  
Lahore.

Mr. Nisar Ahmed Chughtai  
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37354848  
Fax (042) 37247925

#### Garden Town Branch

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New Garden Town, Lahore.

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#### Eden Centre Branch

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43 Ghausal Azam Road, (Jail Road)  
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Mr. Ch. H.S. Asghar  
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Fax (042) 37425649

#### Empress Tower Branch

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46 Empress Road, Lahore.

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Senior Vice President

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Fax (042) 36297255

#### Khan Plaza Branch

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Mr. Sohailuddin Zafar  
Assistant Vice President

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#### Gujrat Branch

Marhaba Tower (Top Floor) Opp.  
Ram Piary Mahal Near Fawara Chawk.,  
Gujrat.

Mr. Abdul Sattar Malik  
Branch Manager

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#### Faisal Complex Branch

3rd Floor, Faisal Complex,  
Bilal Road, Civil Lines, Faisalabad.

Mr. A. Majeed Abid  
Senior Vice President

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2626480  
Fax (041) 2621033

#### Taj Plaza Branch

Room No.16, 2nd Floor, Taj Plaza,  
Kotwali Road, Faisalabad.

Mr. Muhammad Akhlaq  
Vice President

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2615922  
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#### United Plaza Branch

3,3rd Floor, United Plaza,  
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Mr. Abdul Karim Siddiqi  
Vice President

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Fax (051) 4935278

#### Peshawar Branch

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3rd Floor, Saddar Road, .  
Peshawar Cantt.

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Assistant Vice President

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Fax (091) 5284683

#### Regional Office Multan

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Opp. Civil Hospital, Abdali Road,  
Multan.

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#### Hasilpur Branch

27-B, 1st Floor, Main Bazar,  
Hasilpur.

Mr. Muhammad Shafi Anjum  
Senior Vice President

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Fax (062) 2448073

#### Sialkot Branch

Room No.4 & 5, 1st Floor,  
Mughal Plaza, Kutchery Road,  
Sialkot.

-

-

Ph (052) 4296075, 4296076  
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#### Gojra Branch

P-132, Post Office Road,  
Gojra.

Mrs. Shahnaz Akhtar  
Branch Manager

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#### Sukkur

Minara Road, Sukkur.

Mr. Anees Memon  
Resident Representative

Ph (071) 5622619  
Cell 0300-3138090



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**SHARES DEPARTMENT**

181-A, Sindhi Muslim Co-operative Housing Society,  
P.O. Box: 13356, Karachi-74400.  
Ph: 021-34539415-17