

QUARTERLY REPORT

Quarter Ended September 30, 2021
(Un-Audited)

**SERVING
RELIABLY**



Reliance Insurance
Company Limited



Window Takaful

Reliance Insurance Company Limited

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Reliance Window Takaful Operations

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COMPANY INFORMATION



BOARD OF DIRECTORS

CHAIRMAN
IRFAN ZAKARIA BAWANY

DIRECTORS

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

CHIEF EXECUTIVE & MANAGING DIRECTOR

A. RAZAK AHMED

CHIEF FINANCIAL OFFICER

HAROON A. SHAKOOR

COMPANY SECRETARY & COMPLIANCE OFFICER

GHULAM HAIDER

AUDIT COMMITTEE

TASNEEM YUSUF	CHAIRPERSON
IRFAN ZAKARIA BAWANY	MEMBER
MUHAMMAD OMAR 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

ETHICS, HUMAN RESOURCE & REMUNERATION COMMITTEE

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

CREDIT RATING

A (SINGLE A) BY 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, 2021.

During the period under review, your Company underwrote gross premium of Rs. 462.353 million inclusive of Takaful Contribution of Rs. 53.297 million as against Rs. 407.383 million including Takaful Contribution of Rs. 50.745 million for the corresponding period of last year – increase of 13.49%. The Net Premium Revenue for nine months period stood at Rs. 212.580 million against Rs.195.299 million of previous year reflecting an increase of 8.85%.

Net claims incurred increase from Rs.37.95 million to Rs.46.01 million compared to corresponding period of last year – an increase of 21.24%. Underwriting profit for the period stood at Rs.19.779 million compared to previous year's underwriting profit of Rs.17.192 million.

Investment income for the nine months period surged to Rs.66.795 million compared to Rs. 54.478 million of previous year, due to positive sentiments prevailing at the Pakistan Stock Exchange as at 30th September 2021. Dividend Income increased from Rs.35.102 million to 48.712 million showing increase of 13.610 million. Profit before Tax during the period stood at Rs.62.113 million compared to Rs. 51.384 million for the corresponding period of last year. Earnings per share (EPS) for the current period stood at Re. 0.78 against Re. 0.76 (Re-stated) of the corresponding period of previous year.

The reported Participants Takaful Fund Deficit is Rs.(0.525) million against Surplus Rs.8.219 million of the corresponding period of last year. Operator's profit of Rs.7.854 million against Rs.12.993 million of corresponding period of last year, showing decrease of Rs.5.139 million. Operator's Accumulated profit stood at Rs.34.387 million against Rs.28.973 million of last year, showing increase by Rs. 5.414 million.

Future Outlook:

Business development in current scenario is quite challenging. Inflation is likely to remain high in the coming months due to energy tariff hikes rising food prices and potential expansionary policies. Although the times are challenging, bolder and more creative thinking is necessary. We are confident that our team will leave no stone unturned and would endeavour to bring positive results.

Acknowledgement:

We would like to thank the Board of Directors for their valuable guidance and suggestions to improve upon the company's business. We would also like to thank our valued customers for their patronage and support, all re-insurers, Securities and Exchange Commission of Pakistan and State Bank of Pakistan for their guidance and assistance to the company.

Karachi: 28th October, 2021

By order of the Board



A. RAZAK AHMED
Chief Executive & Managing Director

QUARTER ENDED
SEPTEMBER 30, 2021  **03**

ڈائریکٹرز کا جائزہ

بنام حصص یافتگان
ریلائنس انشورنس کمپنی لمیٹڈ

ڈائریکٹرز بمسرت کمپنی کے غیر آڈٹ شدہ حسابات تیسری سہ ماہی برائے مدت ختمہ 30 ستمبر 2021 پیش کرتے ہیں۔

زیر جائزہ مدت کے دوران، آپ کی کمپنی نے مجموعی پربینیم 462.353 ملین روپے (بشمول نکافل تحریری شراکت داری 53.297 ملین روپے) انڈر رائٹ کیا ہے جو کہ گزشتہ سال کی اسی مدت کے مجموعی پربینیم 407.383 ملین روپے (بشمول نکافل تحریری شراکت داری 50.745 ملین روپے) کے مقابلے میں 13.49 فیصد زائد ہے۔ نو ماہ کے عرصے کے لیے خالص پربینیم آمدنی 212.580 ملین روپے ہے جبکہ گزشتہ سال اسی مدت میں خالص پربینیم آمدنی 195.299 ملین روپے تھی جو کہ گزشتہ سال کے مقابلے میں 8.85 فیصد اضافہ ظاہر کرتی ہے۔

نیٹ کلیم 37.95 ملین روپے سے بڑھ کر 46.01 ملین روپے رہے جو کہ گزشتہ سال کے مقابلے میں 21.24 فیصد اضافہ ظاہر کرتا ہے۔ انڈر رائٹنگ منافع 19.779 ملین روپے ہوا جو کہ گزشتہ سال 17.192 ملین روپے تھا۔

30 ستمبر 2021 کو پاکستان اسٹاک ایکسچینج میں مثبت رجحان کی وجہ سے، سرمایہ کاری کی آمدنی میں نو ماہ کی مدت کے لیے 66.795 ملین روپے ہے جبکہ پچھلے سال اسی مدت میں 54.478 ملین روپے تھے۔ ڈیویڈنڈ آمدنی 35.102 ملین روپے سے بڑھ کر 48.712 ملین روپے رہی جو کہ 13.610 ملین روپے کا اضافہ ظاہر کرتی ہے اس مدت کے لئے قبل از ٹیکس منافع گزشتہ سال کے 51.384 ملین روپے سے بڑھ کر 62.113 ملین روپے رہا۔ فی حصص آمدن 0.78 روپے ہے جو کہ گزشتہ سال اسی مدت کے لیے (Re-stated) 0.76 روپے تھی۔


ونڈو نکافل آپریشن سے زیر جائزہ مدت کے لیے شراکت داروں کا زائد نکافل فنڈ گزشتہ سال کے 18.219 ملین روپے کے مقابلے میں (0.525) ملین روپے خسارہ رہا۔ آپریٹنگ منافع 7.854 ملین روپے رہا جبکہ پچھلے سال زیر جائزہ مدت کے لیے 12.993 ملین روپے تھا۔ جو کہ گزشتہ سال کے مقابلے میں 5.139 فیصد کی ظاہر کرتا ہے۔ آپریٹنگ منافع گزشتہ سال کے 28.973 ملین کے مقابلے میں 34.387 ملین رہا جو 5.414 ملین روپے کا اضافہ ظاہر کر رہا ہے۔

مستقبل پر ایک نگاہ

موجودہ منظر نامے میں کاروباری ترقی کافی مشکل ہے۔ توانائی کے نرخوں میں اضافہ، خوراک کی بڑھتی ہوئی قیمتوں اور ممکنہ توسیعی پالیسیوں کی وجہ سے آنے والے مہینوں میں مہنگائی بلند رہنے کا امکان ہے۔ اگرچہ وقت مشکل ہے اس لیے جرات مندانہ اور زیادہ تخلیقی سوچ ضروری ہے۔ ہمیں یقین ہے کہ ہماری ٹیم کوئی کسر نہیں چھوڑے گی اور مثبت نتائج لانے کی کوشش کرے گی۔

اظہار تشکر

ہم کمپنی کے کاروباری امور کو بہتر بنانے کے لیے بورڈ آف ڈائریکٹرز کی قیمتی رہنمائی اور تجاویز کے لیے شکر گزار ہیں۔ ساتھ ہی اپنے قابل قدر گاہکوں کو ان کی سرپرستی اور مدد کے لیے اور تمام ری انشورنس، ہیکلوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان نے کمپنی کی رہنمائی اور مدد کے لیے بھی شکر گزار ہیں۔



بجلم بورڈ

اے رزاق احمد

چیف ایگزیکٹو اور مینجنگ ڈائریکٹر

کراچی: 28 / اکتوبر 2021



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 all classes of traditional and non-traditional lines.

Reliance Insurance is 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 & Sabotage 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, (MBD, CAR, EAR), Money Takaful, Liability (Public & Private) Takaful and Personal & Group Accident Takaful, etc.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN AUDITED)

AS AT SEPTEMBER 30, 2021

	Note	(Un-audited) September 30, 2021	(Audited) December 31, 2020
Rupees			
ASSETS			
Property and equipment	6	70,250,832	70,210,045
Investments			
Equity securities	7	726,420,580	715,380,268
Debt securities	8	70,120,000	60,000,000
Term deposits	9	38,400,243	38,136,495
		834,940,823	813,516,763
Loan and other receivables	10	23,299,289	6,552,337
Insurance / Reinsurance receivables	11	243,448,574	231,779,728
Reinsurance recoveries against outstanding claims		217,011,134	181,534,773
Deferred Commission Expense		49,268,018	55,989,900
Deferred taxation	12	4,285,944	2,540,125
Prepayments	13	126,835,659	139,837,094
Taxation - net		-	283,156
Cash & Bank	14	106,853,081	111,310,340
Total Assets Window Takaful - Operation's fund		105,628,562	100,419,539
TOTAL ASSETS		1,781,821,916	1,713,973,800

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN AUDITED)

AS AT SEPTEMBER 30, 2021

	Note	(Un-audited) September 30, 2021	(Audited) December 31, 2020
Rupees			
EQUITY AND LIABILITIES			
Capital and reserves attributable to company's equity holder			
Ordinary share capital	15	603,518,810	561,412,850
General reserves		270,000,000	250,000,000
Unappropriated profit		166,804,850	181,859,678
Surplus on revaluation of available for sale investment		2,048,530	4,361,869
Total Equity		1,042,372,190	997,634,397
LIABILITIES			
Underwriting Provisions			
Outstanding claims including IBNR		251,347,296	223,490,851
Unearned premium reserves		240,863,112	269,351,727
Unearned Reinsurance Commission		27,070,258	30,887,523
Insurance / Reinsurance Payables		172,868,579	147,241,085
Other Creditors and Accruals	16	25,195,904	24,242,502
Taxation - net		1,190,819	-
Total Liabilities Window Takaful - Operation's fund		20,913,758	21,125,715
Total Liabilities		739,449,726	716,339,403
CONTINGENCIES AND COMMITMENTS	17	-	-
TOTAL EQUITY AND LIABILITIES		1,781,821,916	1,713,973,800

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


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Haroon A. Shakoor
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 28th October, 2021

QUARTER ENDED
SEPTEMBER 30, 2021  07

CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Note	Quarter ended September 30		Nine months ended September 30	
		2021	2020	2021	2020
		(Rupees)		(Rupees)	
Net insurance premium	18	68,969,353	78,351,029	212,580,090	195,299,526
Net insurance claims	19	(15,983,902)	(22,372,055)	(46,012,169)	(37,954,763)
Net Commission	20	(15,662,760)	(14,830,144)	(43,887,982)	(37,534,039)
Insurance claims and acquisition expenses		(31,646,662)	(37,202,199)	(89,900,151)	(75,488,802)
Management Expenses		(32,714,668)	(30,044,615)	(102,900,784)	(102,618,557)
Underwriting results		4,608,023	11,104,215	19,779,155	17,192,167
Investment Income	21	17,083,100	46,620,338	66,795,179	54,478,259
Other income		2,012,916	-	2,333,713	-
Other expenses		(12,139,584)	(11,549,729)	(34,648,349)	(33,278,821)
		6,956,432	35,070,609	34,480,543	21,199,438
Results of operating activities		11,564,455	46,174,824	54,259,698	38,391,605
Profit from takaful operations-Operator's Fund		2,260,919	974,847	7,854,211	12,992,909
Profit before taxation		13,825,374	47,149,671	62,113,909	51,384,514
Taxation					
Current taxation		(5,142,921)	(3,501,464)	(15,911,587)	(14,022,228)
Deferred taxation		1,133,563	(10,171,941)	848,810	8,276,872
		(4,009,358)	(13,673,405)	(15,062,777)	(5,745,356)
Profit after taxation		9,816,016	33,476,266	47,051,132	45,639,158
Earnings after tax per share -			Restated		Restated
basic and diluted	22	0.16	0.55	0.78	0.76

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


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Haroon A. Shakoor
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 28th October, 2021

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Quarter ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	(Rupees)		(Rupees)	
Profit after tax	9,816,016	33,476,266	47,051,132	45,639,158
Other Comprehensive Income				
Items that will not be reclassified to profit and loss subsequently				
Surplus / (Deficit) on revaluation of available for sale investments	849,231	5,440,850	(1,763,014)	(2,891,026)
Reclassification adjustment related to loss on disposal / redemption of available for sale investments	-	(1,498,474)	(1,291,824)	(4,858,139)
Surplus / (Defecit) on revaluation of available for sale investments - Window Takaful	228,608	224,672	(155,510)	(291,378)
Impact of related deferred taxation	(312,574)	(1,208,444)	897,009	2,503,969
	765,265	2,958,604	(2,313,339)	(5,536,574)
Total comprehensive income for the period	10,581,281	36,434,870	44,737,793	40,102,584

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


Irfan Zakaria Bawany
Chairman

Karachi: 28th October, 2021


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Haroon A. Shakoor
Chief Financial Officer




A. Razak Ahmed
Chief Executive & Managing Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Share capital	General reserves	Surplus/(Deficit) on revaluation of AFS investments	Unappropriated profit	Total
	(Rupees)				
Balance as at January 01, 2020	561,412,850	250,000,000	8,752,130	113,364,249	933,529,229
Total comprehensive income for the period ended September 30, 2020	-	-	(5,536,574)	45,639,158	40,102,584
Balance as at September 30, 2020	<u>561,412,850</u>	<u>250,000,000</u>	<u>3,215,556</u>	<u>159,003,407</u>	<u>973,631,813</u>
Balance as at January 01, 2021	561,412,850	250,000,000	4,361,869	181,859,678	997,634,397
Transfer to general reserves	-	20,000,000	-	(20,000,000)	-
Issurance of bonus shares	42,105,960	-	-	(42,105,960)	-
Total comprehensive (loss)/income for the period ended September 30, 2021					
Profit after tax	-	-	-	47,051,132	47,051,132
Other comprehensive income	-	-	(2,313,339)	-	(2,313,339)
	-	-	(2,313,339)	47,051,132	44,737,793
Balance as at September 30, 2021	<u>603,518,810</u>	<u>270,000,000</u>	<u>2,048,530</u>	<u>166,804,850</u>	<u>1,042,372,190</u>

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

 **Irfan Zakaria Bawany**
Chairman
 **Mohammad Omar Bawany**
Director
 **Noor M. Zakaria**
Director
 **Haroon A. Shakoor**
Chief Financial Officer
 **A. Razak Ahmed**
Chief Executive & Managing Director

Karachi: 28th October, 2021

CONDENSED INTERIM STATEMENT CASH FLOW (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021





	September 30, 2021	September 30, 2020
	(Rupees)	
Operating cash flow		
a) Underwriting activities		
Premium received	399,004,160	333,174,141
Reinsurance premium paid	(189,328,171)	(143,491,388)
Claims paid	(204,395,668)	(114,906,589)
Reinsurance and other recoveries received	150,763,583	67,305,668
Commission paid	(84,412,409)	(75,837,459)
Commission received	43,429,044	39,468,086
Management expenses paid	(102,900,784)	(102,618,557)
Net cash flow from underwriting activities	12,159,755	3,093,902
b) Other operating activities		
Income tax paid	(14,437,612)	(10,053,345)
Other operating payments	(28,453,233)	(28,038,829)
Loans disbursed	23,790	48,875
Net cash flow from other operating activities	(42,867,055)	(38,043,298)
Net cash flow from all operating activities	(30,707,300)	(34,949,396)
Investment activities		
Profit / return / dividend received	45,979,983	40,755,541
Payments for investments	(99,370,009)	(257,682,847)
Proceeds from sale / redemption of investments	84,908,952	250,814,838
Fixed capital expenditures	(14,340,433)	(487,447)
Proceeds from disposal of property and equipment	9,071,548	999,739
Total cash flow from investing activities	26,250,041	34,399,824

CONDENSED INTERIM STATEMENT CASH FLOW (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

Note	September 30, 2021	September 30, 2020
	(Rupees)	
Financing activities		
Dividend paid	-	-
Net cash flow all activities	(4,457,259)	(549,572)
Cash and cash equivalent at the beginning of the period	111,310,340	131,227,604
Cash and cash equivalent at the end of the period	106,853,081	130,678,032
Reconciliation to profit and loss account		
Operating cash flows	(30,707,300)	(34,949,396)
Depreciation expense	(7,561,811)	(9,055,896)
Profit on disposal of property, plant and equipment	2,333,713	-
Profit on disposal of investments	2,771,530	7,474,279
Dividend income	48,712,292	35,102,183
Other investment income	15,311,357	11,901,797
Increase in assets other than cash	30,810,610	25,148,605
(Decrease) in liabilities other than borrowings	(23,322,280)	(11,252,194)
Deferred taxation	848,810	8,276,872
Profit before tax from Takaful operations-Operators' Fund	7,854,211	12,992,909
Profit after taxation	47,051,132	45,639,158
Cash and cash equivalent consists of:		
Cash and equivalents	79,195	540,793
Current and other accounts	106,773,886	130,137,239
14	106,853,081	130,678,032

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

				
Irfan Zakaria Bawany Chairman	Mohammad Omar Bawany Director	Noor M. Zakaria Director	Haroon A. Shakoor Chief Financial Officer	A. Razak Ahmed Chief Executive & Managing Director

Karachi: 28th October, 2021



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

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. 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 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, SECP Takaful Rules 2017 and General Takaful Accounting Regulations, 2019;

Where the provisions of and directives issued under Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017, SECP Takaful Rules 2017 and General Takaful Accounting Regulations, 2019 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, SECP Takaful Rules 2017 and General Takaful Accounting Regulations, 2019 have been followed.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended 31 December, 2020.

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.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

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.

- 2.3.1** IFRS 9 'Financial Instruments' and amendment (effective for period ended on or after June 30, 2019). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Further, IFRS 4 provides two alternative options in relation to application of IFRS 9 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. The overlay approach allows an entity applying IFRS 9 from the 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 Company has adopted the temporary exemption option which allows the Company to defer the application of IFRS 9 until the application IFRS 17. For the companies adopting the temporary exemption, the IFRS 4 requires certain disclosures which have been disclosed as follows:

Temporary exemption from application of IFRS 9

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

Fair value of financial assets as at September 30, 2021 and change in fair value during the period

	September 30, 2021	December 31, 2020	Change during the nine months ended Sept. 30, 2021
	(Rupees)		
Financial assets with contractual cash flows that meet the SPPI criteria excluding those held for trading			
Debt securities - Pakistan Energy Sukuk - Held to maturity	70,120,000	-	70,120,000
Financial assets that do not meet the SPPI Criteria			
Equity Securities / Mutual Funds - Available for sale	297,274,043	301,492,656	(4,218,612)
Equity Securities / Mutual Funds - Held for trading	429,146,537	432,489,870	(3,343,333)

Carrying value of all other financial assets approximates to their fair values since these either have short term maturity or are frequently repriced.

- 2.3.2** 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.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

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, 2020.

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, 2020.

5. FINANCIAL AND 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, 2020.

	Note	September 30, 2021	December 31, 2020
(Rupees)			
6. PROPERTY AND EQUIPMENT			
Operating assets	6.1	70,250,832	70,210,045
6.1 Operating assets			
Opening written down value		70,210,045	83,029,726
Additions and transfers during the period / year at cost			
Furniture & fixtures		193,000	-
Motor Vehicles		13,944,783	-
Office Equipments		76,000	527,447
Computer Equipments		126,650	87,225
		14,340,433	614,672
Written down value of disposal during the period / year			
Motor Vehicles		(6,737,835)	(1,396,360)
Depreciation for the period / year		(7,561,811)	(12,037,993)
Closing written down value		70,250,832	70,210,045
7. EQUITY SECURITIES			
Available for sale			
Related parties		5,177,027	5,608,117
Mutual funds		213,323,349	268,918,021
Other listed securities		78,773,668	67,437,575
		297,274,044	341,963,713
Held for trading			
Listed securities		429,146,536	373,416,555
		726,420,580	715,380,268

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Note	September 30, 2021	December 31, 2020
		(Rupees)	
8. DEBT SECURITIES			
Held to maturity			
Pakistan Energy Sukuk II	8.1 & 8.2	<u>70,120,000</u>	<u>60,000,000</u>
8.1	These carry profit at the rate of 6 months KIBOR (-) 0.10 and will mature on 20 May 2030 (December 31, 2020: 6 months KIBOR (-) 0.10) due on maturity.		
8.2	Pakistan Energy Sukuk II having face value Rs.65 million (December 31, 2020: Rs.60 million) are placed with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000.		
	Note	September 30, 2021	December 31, 2020
		(Rupees)	
9. TERM DEPOSIT			
Deposit maturing within 12 months	9.1	<u>38,400,243</u>	<u>38,136,495</u>
9.1	These carry profit at the rate of 5% to 6.50% per annum (December 31, 2020: 5% to 12% per annum) payable on maturity.		
		September 30, 2021	December 31, 2020
		(Rupees)	
10. LOANS AND OTHER RECEIVABLES			
Considered good			
Loan to employees		<u>905,290</u>	929,080
Deposits		<u>627,351</u>	606,441
Advance against vehicles		<u>6,485,000</u>	3,135,500
Accrued Investment income		<u>15,281,648</u>	1,881,316
		<u>23,299,289</u>	<u>6,552,337</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

Note	September 30, 2021	December 31, 2020
	(Rupees)	
11. INSURANCE / REINSURANCE RECEIVABLE		
Due from insurance contract holders		
Considered good	241,131,562	231,079,551
Considered doubtful	12,361,742	12,361,742
	<u>253,493,304</u>	<u>243,441,293</u>
Less: Allowance for impairment of receivables from Insurance contract holders	<u>(12,361,742)</u>	<u>(12,361,742)</u>
	<u>241,131,562</u>	<u>231,079,551</u>
Due from other insurers/reinsurers - considered good	2,317,012	700,177
	<u>243,448,574</u>	<u>231,779,728</u>
12. DEFERRED TAXATION		
Deferred tax credits / (debits) arising in respect of:		
Provision for impairment of doubtful receivables from insurance contract holders	3,584,905	3,584,905
Unrealized gain on held for trading investments	(2,913,255)	(2,950,257)
Impairment loss on available for sale investments	4,253,643	3,441,835
Surplus / (Deficit) on revaluation of available for sale securities	(639,349)	(1,536,358)
	<u>4,285,944</u>	<u>2,540,125</u>
Reconciliation of deferred tax		
Opening provision	2,540,125	(4,370,718)
Credit to statement of profit or loss	848,810	4,875,086
Credit / (Debit) to other comprehensive income	897,009	2,035,757
Closing balance	<u>4,285,944</u>	<u>2,540,125</u>
13. PREPAYMENTS		
Prepaid reinsurance premium ceded	125,457,246	137,083,112
Prepaid rent	321,987	76,000
Prepaid miscellaneous expenses	963,682	2,259,982
Others	92,744	418,000
	<u>126,835,659</u>	<u>139,837,094</u>
14. CASH AND BANK DEPOSITS		
Cash and other equivalents		
Cash in hand, Policy stamps and bond paper in hand	79,195	279,708
Current and other bank accounts		
Current accounts	47,120,874	54,652,125
Saving accounts	59,653,012	56,378,507
	<u>106,773,886</u>	<u>111,030,632</u>
	<u>106,853,081</u>	<u>111,310,340</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

- 14.1 These accounts carry profit at rates range from 4.50 % to 6% (December 31, 2020: 5% to 9%) per annum.

Note	September 30, 2021	December 31, 2020		
			(Rupees)	
15. SHARE CAPITAL				
Authorized Capital				
75,000,000 Ordinary shares of Rs.10 each	<u>750,000,000</u>	<u>750,000,000</u>		
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL				
	September 30, 2021	December 31, 2020		
	(Number of shares)			
	1,156,680	1,156,680	Ordinary shares of Rs.10 each allotted for consideration paid in cash	11,566,800
	59,195,201	54,984,605	Ordinary shares of Rs.10 each allotted as fully paid bonus shares	549,846,050
	<u>60,351,881</u>	<u>56,141,285</u>		<u>561,412,850</u>
16. OTHER CREDITORS AND ACCRUALS				
Accrued expenses	2,421,537	3,467,271		
Unpaid and unclaimed dividend	2,170,665	2,170,665		
Other creditors	20,603,702	18,604,566		
	<u>25,195,904</u>	<u>24,242,502</u>		
17. CONTINGENCIES AND COMMITMENTS				
17.1 Contingencies				
a.	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 the regard with consultation of tax advisor as it is confident that the case will be decided in the Company's favor.			
b.	The Assistant Commissioner (AC) Sindh Revenue Board has passed an order for assessment under section 23(1) and (1A) of the Sindh Sales Tax on Services Act, 2011 (the Act) in respect of audit for the tax year December 2016 levied Sindh Sales tax at Rs.110 Million on exempt marine activities and re-insurance under foreign treaties. The company have filed an appeal before the Commissioner-Appeals –SRB and in view of the tax advisor contesting the matter no eventual financial impact is likely to arise.			

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

17.2 Commitments

The Company is committed to minimum rental payments for each of the following period as follows:

	September 30, 2021	December 31, 2020
	(Rupees)	
Not more than one year	-	2,569,613

	September 30, 2021	September 30, 2020
	(Rupees)	

18. NET INSURANCE PREMIUM

Written Gross Premium	409,056,171	356,637,934
Add: Unearned premium reserve opening	269,351,727	292,211,950
Less: Unearned premium reserve closing	(240,863,112)	(277,869,656)
Premium earned	437,544,786	370,980,228
Less: Reinsurance premium ceded	213,338,830	175,953,579
Add: Prepaid reinsurance premium opening	137,083,112	132,009,972
Less: Prepaid reinsurance premium closing	(125,457,246)	(132,282,849)
Reinsurance expense	224,964,696	175,680,702
Net Insurance Premium	212,580,090	195,299,526

19. NET INSURANCE CLAIMS EXPENSE

Claim Paid	204,395,668	114,906,589
Add: Outstanding claims including IBNR closing	251,347,296	150,139,342
Less: Outstanding claims including IBNR opening	(223,490,851)	(153,319,708)
Claims expense	232,252,113	111,726,223
Less: Reinsurance and other recoveries received	150,763,583	67,305,668
Add: Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	217,011,134	118,879,167
Less: Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	(181,534,773)	(112,413,375)
Reinsurance and other recoveries revenue	186,239,944	73,771,460
Net claims expenses	46,012,169	37,954,763

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	September 30, 2021	September 30, 2020
	(Rupees)	
20. NET COMMISSION EXPENSE		
Commission paid or payable	84,412,409	75,837,459
Add: Deferred commission expense opening	55,989,900	62,977,589
Less: Deferred commission expense closing	(49,268,018)	(59,184,722)
Net Commission	91,134,291	79,630,326
Less: Commission received or recoverable	43,429,044	39,468,086
Add: Unearned Reinsurance Commission	30,887,523	34,581,713
Less: Unearned Reinsurance Commission	(27,070,258)	(31,953,512)
Commission from reinsurers	47,246,309	42,096,287
	<u>43,887,982</u>	<u>37,534,039</u>
21. INVESTMENT INCOME		
Income from equity securities		
Dividend income		
Available for sale investments	21,423,509	18,985,025
Held for trading investments	27,288,783	16,117,158
	<u>48,712,292</u>	<u>35,102,183</u>
Income from debt securities - Held for maturity		
Return on debt securities	3,629,733	2,101,959
Income from deposits		
Return on term deposits and saving accounts	4,560,127	6,832,981
	<u>56,902,152</u>	<u>44,037,123</u>
Net realised gains on investments		
Realised gains on		
Available for sale investments	1,646,765	4,872,204
Held for trading investments	1,124,765	2,602,075
	<u>2,771,530</u>	<u>7,474,279</u>
Net unrealised gain on held for trading investment	10,045,707	743,208
Total investment income	<u>69,719,389</u>	<u>52,254,610</u>
Less:		
Impairment in value of available for sale equity securities	(2,799,337)	2,288,796
Investment related expenses	(124,873)	(65,147)
Net investment income	<u>66,795,179</u>	<u>54,478,259</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	September 30, 2021	September 30, 2020
	(Rupees)	
22. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after tax	47,051,132	45,639,158
Weighted average number of shares of Rs. 10 each	60,351,881	60,351,881
Earning per share - Rupees	0.78	0.76

22.1 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.

22.2 Weighted average numbers of shares have been restated due to issuance of bonus shares.

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	September 30, 2021	September 30, 2020
		(Rupees)	
Transactions during the period			
Associate companies	Premium underwritten	24,077,360	10,948,130
	Premium collected	67,445,417	64,198,877
	Claims paid	14,316,207	26,112,524
	Dividend received	-	18,329
Key management personnel	Remuneration and other benefits	22,963,965	23,560,965
Staff retirement benefits	Contribution to provident fund	2,572,709	2,373,224
Balances as at period end			
Associate companies	Premium due but unpaid	29,795,892	23,857,284
	Provision for outstanding claims	88,846,520	15,471,520

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

24. SEGMENT INFORMATION

	September 30, 2021				Total
	Fire & property damage	Marine, aviation & Transport	Motor (Rupees)	Misc	
Gross written premium (inclusive of Administrative surcharge)	206,893,563	125,402,547	62,676,234	14,083,827	409,056,171
Insurance premium earned	231,091,681	120,484,155	70,549,334	15,419,616	437,544,786
Insurance premium ceded to reinsurers	(128,795,594)	(82,362,312)	(4,755,501)	(9,051,289)	(224,964,696)
Net insurance premium	102,296,087	38,121,843	65,793,833	6,368,327	212,580,090
Commission income	30,101,687	14,639,823	-	2,504,799	47,246,309
Net underwriting income	132,397,774	52,761,666	65,793,833	8,873,126	259,826,399
Insurance claims	(87,990,785)	(117,060,710)	(26,100,988)	(1,099,630)	(232,252,113)
Insurance claims recovered from reinsurers	74,052,397	109,586,042	1,776,955	824,550	186,239,944
Net claims	(13,938,388)	(7,474,668)	(24,324,033)	(275,080)	(46,012,169)
Commission expense	(59,707,975)	(21,544,085)	(6,906,662)	(2,975,569)	(91,134,291)
Management expense	(49,517,090)	(18,453,128)	(31,847,936)	(3,082,630)	(102,900,784)
Net insurance claims & expenses	(123,163,453)	(47,471,881)	(63,078,631)	(6,333,279)	(240,047,244)
Underwriting result	9,234,321	5,289,785	2,715,202	2,539,847	19,779,155
Net Investment Income					66,795,179
Other income					2,333,713
Other expenses					(34,648,349)
Profit from takaful operations-Operators' Fund					7,854,211
Profit before taxation					62,113,909
Segment assets	249,372,948	92,931,769	160,389,342	15,524,430	518,218,489
Unallocated assets					1,263,603,427
					1,781,821,916
Segment liabilities	344,723,569	128,465,303	221,716,056	21,460,375	716,365,303
Unallocated liabilities					23,084,423
					739,449,726

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	September 30, 2020				Total
	Fire & property damage	Marine, aviation & Transport	Motor (Rupees)	Misc	
Gross written premium (inclusive of Administrative surcharge)	183,659,295	94,257,379	65,049,430	13,671,830	356,637,934
Insurance premium earned	190,129,983	86,152,729	79,954,212	14,743,304	370,980,228
Insurance premium ceded to reinsurers	(108,751,316)	(53,106,758)	(4,444,742)	(9,377,886)	(175,680,702)
Net insurance premium	81,378,667	33,045,971	75,509,470	5,365,418	195,299,526
Commission income	27,115,257	12,499,059	13,341	2,468,630	42,096,287
Net underwriting income	108,493,924	45,545,030	75,522,811	7,834,048	237,395,813
Insurance claims	(80,057,530)	(5,687,395)	(24,110,630)	(1,870,668)	(111,726,223)
Insurance claims recovered from reinsurers	69,643,418	2,711,321	13,914	1,402,807	73,771,460
Net claims	(10,414,112)	(2,976,074)	(24,096,716)	(467,861)	(37,954,763)
Commission expense	(50,150,912)	(18,782,177)	(7,834,623)	(2,862,614)	(79,630,326)
Management expense	(42,759,763)	(17,363,738)	(39,675,841)	(2,819,215)	(102,618,557)
Net insurance claims & expenses	(103,324,787)	(39,121,989)	(71,607,180)	(6,149,691)	(220,203,646)
Underwriting result	5,169,137	6,423,041	3,915,631	1,684,358	17,192,167
Net Investment Income					54,478,259
Other income					-
Other expenses					(33,278,821)
Profit from takafal operations-Operators' Fund					12,992,909
Profit before taxation					51,384,514
December 31, 2020					
Segment assets	206,501,602	69,207,509	182,057,252	14,898,459	472,664,822
Unallocated assets					1,241,308,978
					1,713,973,800
Segment liabilities	302,782,198	101,475,250	266,940,763	21,844,812	693,043,023
Unallocated liabilities					23,296,380
					716,339,403



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

25. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 28th October, 2021 by the Board of Directors of the Company.

26. GENERAL

Figures have been rounded off to the nearest rupee.



Irfan Zakaria Bawany
Chairman



Mohammad Omar Bawany
Director



Noor M. Zakaria
Director



Haroon A. Shakoor
Chief Financial Officer



A. Razak Ahmed
Chief Executive & Managing Director

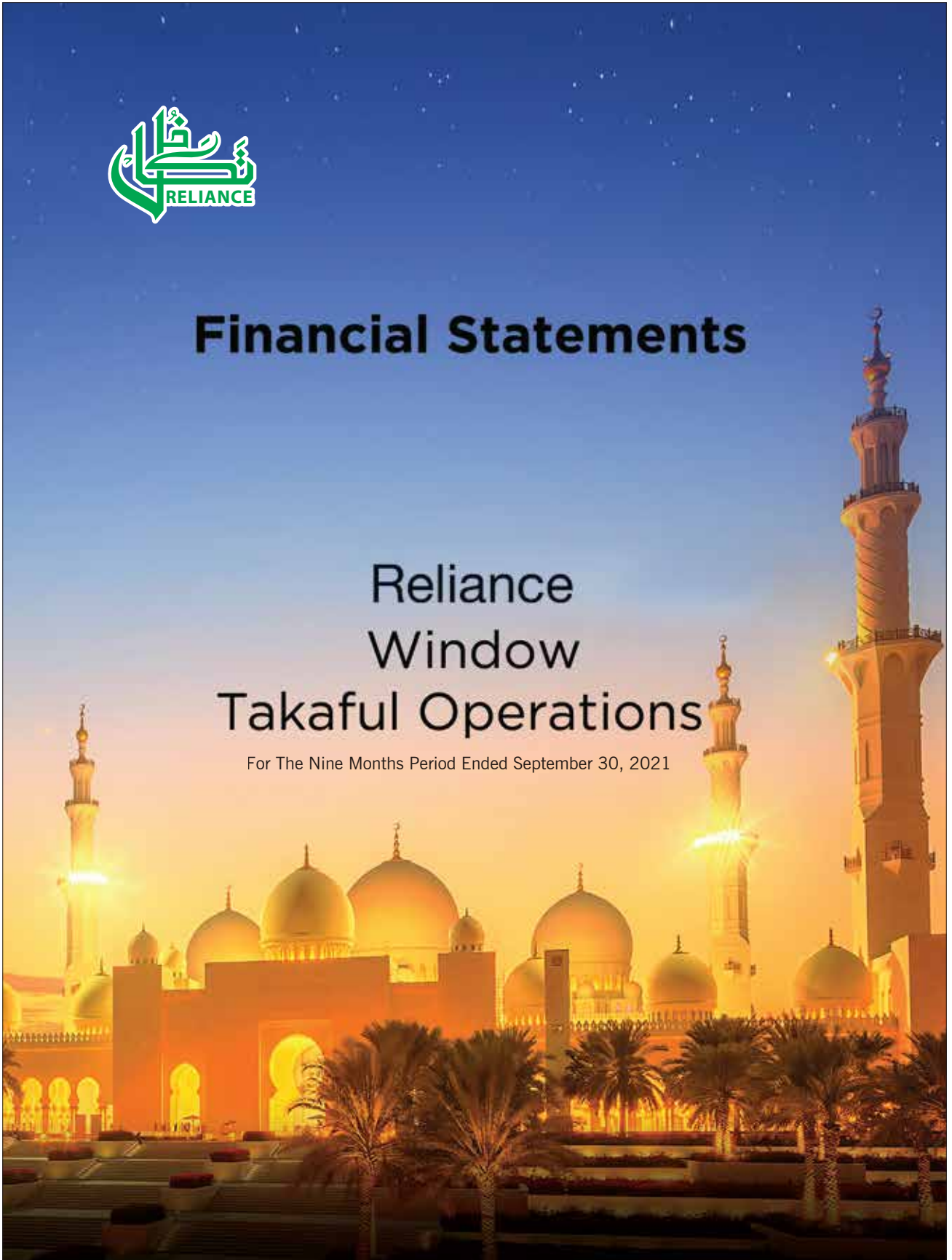
Karachi: 28th October, 2021



Financial Statements

Reliance Window Takaful Operations

For The Nine Months Period Ended September 30, 2021



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN AUDITED)

AS AT SEPTEMBER 30, 2021

	Note	OPF		PTF	
		(Un-audited) September 30, 2021	(Audited) December 31, 2020	(Un-audited) September 30, 2021	(Audited) December 31, 2020
		(Rupees)		(Rupees)	
ASSETS					
Investment					
Equity securities	6	22,066,169	21,193,201	11,064,196	10,606,512
Takaful / Re-takaful receivables	7	-	-	41,157,574	21,162,660
Deferred wakala fee		-	-	12,646,758	10,064,441
Receivable from PTF	8	8,695,800	4,802,908	-	-
Accrued investment income		309,936	311,460	254,811	343,466
Retakaful recoveries against outstanding claims		-	-	22,343,289	22,797,076
Deferred Commission Expense		5,319,829	3,781,962	-	-
Prepayments	9	-	423,750	17,852,370	11,177,581
Cash and Bank	10	69,236,828	69,906,258	54,842,613	76,989,468
TOTAL ASSETS		105,628,562	100,419,539	160,161,611	153,141,204

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN AUDITED)

AS AT SEPTEMBER 30, 2021

Note	OPF		PTF	
	(Un-audited) September 30, 2021	(Audited) December 31, 2020	(Un-audited) September 30, 2021	(Audited) December 31, 2020
	(Rupees)		(Rupees)	
FUND AND LIABILITIES				
Operator's Fund				
Statutory Fund	50,000,000	50,000,000	-	-
Accumulated profit	34,387,085	28,810,595	-	-
Surplus on revaluation of available for sale investments	327,719	483,229	-	-
	84,714,804	79,293,824	-	-
Participants' Takaful Fund (PTF)				
Cede Money	-	-	500,000	500,000
Accumulated Surplus	-	-	75,438,135	75,964,019
	-	-	75,938,135	76,464,019
Liabilities				
PTF Underwriting Provisions				
Outstanding claims including IBNR	-	-	35,823,490	38,799,678
Unearned contribution reserves	-	-	31,616,894	25,161,104
Reserve for unearned re-takaful rebate	-	-	3,667,072	2,207,592
Unearned wakala fees	12,646,758	10,064,441	-	-
Takaful / Retakaful payables	-	-	2,466,718	4,638,381
Other creditors and accruals	6,298,323	6,420,647	1,953,502	1,067,522
Taxation - provision less payments	1,968,677	4,640,627	-	-
Payable to OPF	-	-	8,695,800	4,802,908
Total Liabilities	20,913,758	21,125,715	84,223,476	76,677,185
Contingencies and Commitments	-	-	-	-
TOTAL FUND AND LIABILITIES	105,628,562	100,419,539	160,161,611	153,141,204

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


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Haroon A. Shakoor
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 28th October, 2021

CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

Note	Quarter ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	(Rupees)		(Rupees)	
Participants' Takaful Fund - (PTF)				
Contribution earned	9,568,601	10,382,829	28,105,138	36,323,284
Less: Contributions ceded to retakaful	(9,456,025)	(8,510,812)	(25,046,541)	(23,413,186)
Net contributions revenue	13 112,576	1,872,017	3,058,597	12,910,098
Retakaful rebate earned	14 1,804,839	1,743,367	5,008,220	4,729,544
Net underwriting income	1,917,415	3,615,384	8,066,817	17,639,642
Net claims - reported / settled - IBNR	15 (700,968)	(5,938,133)	(10,173,655)	(13,117,619)
Other direct expenses	(5,023)	(45,904)	(330,388)	(132,587)
(Deficit) / Surplus before investment income	1,211,424	(2,368,653)	(2,437,226)	4,389,436
Investment income	16 1,081,654	1,201,213	3,185,570	6,382,542
Less: Modarib's share of investment income	17 (432,662)	(480,485)	(1,274,228)	(2,553,017)
(Deficit) / Surplus transferred to accumulated surplus	1,860,416	(1,647,925)	(525,884)	8,218,961
Operator's Fund - (OPF)				
Wakala fee	18 6,379,068	6,921,886	18,736,757	24,215,521
Commission expenses	19 (2,682,824)	(2,626,911)	(7,610,916)	(8,687,291)
General, administrative and management expenses	(2,597,303)	(4,656,079)	(7,760,435)	(9,082,380)
	1,098,941	(361,104)	3,365,406	6,445,850
Modarib's shares of PTF investment income	432,662	480,485	1,274,228	2,553,017
Investment income	16 1,185,716	1,105,466	4,170,977	4,744,042
Direct expenses	(456,400)	(250,000)	(956,400)	(750,000)
Profit before taxation	2,260,919	974,847	7,854,211	12,992,909
Taxation	(655,666)	-	(2,277,721)	-
Profit after taxation	1,605,253	974,847	5,576,490	12,992,909

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


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Haroon A. Shakoor
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 28th October, 2021

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Quarter ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	(Rupees)		(Rupees)	
Participants' Takaful Fund - (PTF) (Deficit)/Surplus during the period	1,860,416	(1,647,925)	(525,884)	8,218,961
Other comprehensive income: Unrealised loss on available-for-sale investments	-	-	-	(2,585)
Total comprehensive (loss) / income for the period	<u>1,860,416</u>	<u>(1,647,925)</u>	<u>(525,884)</u>	<u>8,216,376</u>
Operator's Fund				
Profit after tax for the period	1,605,253	974,847	5,576,490	12,992,909
Other Comprehensive income (Deficit) on revaluation of available for sale securities	360,540	(287,860)	(155,510)	(291,378)
Total comprehensive income for the period	<u>1,965,793</u>	<u>686,987</u>	<u>5,420,980</u>	<u>12,701,531</u>

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


Irfan Zakaria Bawany
Chairman

Karachi: 28th October, 2021


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Haroon A. Shakoor
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

CONDENSED INTERIM STATEMENT OF CHANGES IN FUND (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Operator's Fund			Total
	Statutory Fund	(Accumulated loss) / Profit	Surplus / (Defecit) on revaluation of AFS investments	
	(Rupees)			
Balance as at 1st January 2020	50,000,000	15,980,348	600,440	66,580,788
Total comprehensive income for the period ended September 30, 2020	-	12,992,909	(291,378)	12,701,531
Balance as at September 30, 2020	50,000,000	28,973,257	309,062	79,282,319
Balance as at January 01, 2021	50,000,000	28,810,595	483,229	79,293,824
Total comprehensive income for the period ended September 30, 2021	-	5,576,490	(155,510)	5,420,980
Balance as at September 30, 2021	50,000,000	34,387,085	327,719	84,714,804

	Participants Takaful Fund			Total
	Cede money	(Accumulated loss) / Profit	Surplus/(Defecit) on revaluation of AFS investments	
	(Rupees)			
Balance as at 1st January 2020	500,000	58,586,636	-	59,086,636
Surplus/(deficit) for the period ended September 30, 2020	-	8,218,961	(2,585)	8,216,376
Balance as at September 30, 2020	500,000	66,805,597	(2,585)	67,303,012
Balance as at January 01, 2021	500,000	75,964,019	-	76,464,019
(Deficit) for the period ended September 30, 2021	-	(525,884)	-	(525,884)
Balance as at September 30, 2021	500,000	75,438,135	-	75,938,135

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


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Noor M. Zakaria
Director


Haroon A. Shakoor
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 28th October, 2021

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021






	OPF		PTF	
	September 30, 2021 (un-audited)	September 30, 2020 (un-audited)	September 30, 2021 (un-audited)	September 30, 2020 (un-audited)
	(Rupees)			
Operating Cash Flows				
a) Takaful activities				
Contribution received	-	-	40,845,794	50,769,630
Retakaful contribution paid	-	-	(41,436,016)	(26,374,473)
Claims / Benefits paid	-	-	(22,329,883)	(13,323,510)
Retakaful and other recoveries received	-	-	9,633,827	5,280,053
Commission paid	(9,148,783)	(7,469,091)	-	-
Retakaful rebate received	-	-	6,467,700	4,411,035
Wakala fee received / (paid)	17,360,301	27,582,599	(17,360,301)	(27,582,599)
Modarib received / (paid)	1,340,109	2,553,017	(1,340,109)	(2,553,017)
Net cash flows from takaful activities	9,551,627	22,666,525	(25,518,988)	(9,372,881)
b) Other operating activities				
Income tax paid	(4,949,671)	(1,464,300)	-	-
General and other expenses paid	(8,716,835)	(9,832,380)	(330,388)	(132,587)
Other operating payments	423,750	2,532,079	-	-
Other operating receipts	(122,324)	-	885,980	(1,390,407)
Net cash flow from other operating activities	(13,365,080)	(8,764,601)	555,592	(1,522,994)
Total cash flow from all operating activities	(3,813,453)	13,901,924	(24,963,396)	(10,895,875)
Investment activities				
Profit / return received	2,912,139	3,211,882	2,647,118	5,831,768
Dividend received	1,260,362	1,768,352	627,107	466,868
Payments for investments made	(1,028,479)	(10,917,811)	(457,684)	(10,468,157)
Total cash flows from investing activities	3,144,022	(5,937,577)	2,816,541	(4,169,521)
Net cash flows from all activities	(669,430)	7,964,347	(22,146,855)	(15,065,396)
Cash and cash equivalent at the beginning of the period	69,906,258	59,237,051	76,989,468	102,537,065
Cash and cash equivalent at the end of the period	69,236,828	67,201,398	54,842,613	87,471,669

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	OPF		PTF	
	September 30, 2021 (un-audited)	September 30, 2020 (un-audited)	September 30, 2021 (un-audited)	September 30, 2020 (un-audited)
	(Rupees)			
Reconciliation to profit and loss Account				
Operating cash flows	(3,813,453)	13,901,924	(24,963,396)	(10,895,875)
Dividend income	1,258,838	1,532,160	538,452	550,774
Other investment income	2,912,139	3,211,882	2,647,118	5,831,768
Increase / (Decrease) in assets other than cash	5,007,009	(8,670,795)	28,798,233	8,326,029
Increase / (Decrease) in liabilities other than borrowings	211,957	3,017,738	(7,546,291)	4,406,265
Profit / Surplus / (Deficit) for the period	5,576,490	12,992,909	(525,884)	8,218,961
Attributed to				
Operatot's Fund	5,576,490	12,992,909	-	-
Participants' Takaful Fund	-	-	(525,884)	8,218,961
	5,576,490	12,992,909	(525,884)	8,218,961

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

Irfan Zakaria Bawany Chairman
Mohammad Omar Bawany Director
Noor M. Zakaria Director
Haroon A. Shakoor Chief Financial Officer
A. Razak Ahmed Chief Executive & Managing Director

Karachi: 28th October, 2021



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

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 (OPF) are approved by the Shariah Advisor of the Operator.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements are prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved 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 are notified under Companies Act 2017.
- Provisions of and directives issued under Companies Act, 2017, Insurance Ordinance 2000, the Takaful Rules 2012 and the General Takaful Accounting Regulations, 2019.

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

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

- 2.2 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 2020.
- 2.3 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.

2.4 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.

2.5 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 condensed financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

IFRS 9 'Financial Instruments' and amendment (effective for period ended on or after June 30, 2019). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Further, IFRS 4 provides two alternative options in relation to application of IFRS 9 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. The overlay approach allows an entity applying IFRS 9 from the 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 which allows the Operator to defer the application of IFRS 9 until the application IFRS 17. For the companies adopting the temporary exemption, the IFRS 4 requires certain disclosures which have been disclosed as follows:

Temporary exemption from application of IFRS 9

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

Fair value of financial assets as at September 30, 2021 and change in fair value during the period

	September 30, 2021	December 31, 2020	Change during the nine months ended Sept. 30, 2021
	(Rupees)		
Financial assets that do not meet the SPPI Criteria			
- Equity Securities / Mutual Funds - Available for sale OPF	22,066,169	22,242,670	(176,502)
- Equity Securities / Mutual Funds - Available for sale PTF	11,064,196	11,064,196	-

Carrying value of these financial assets approximates to their fair values since these assets are short term in nature or are frequently repriced to market rate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and method of computation adopted in preparation of condensed interim financial statements are consistent with those followed in preparation of the annual financial statement of the operator for the year ended 31 December 2020.

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, 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

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, 2020.

6. INVESTMENT - EQUITY SECURITIES

Available for sale	OPF		PTF	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
	(Rupees)			
Mutual funds	<u>22,066,169</u>	<u>21,193,201</u>	<u>11,064,196</u>	<u>10,606,512</u>
7. TAKAFUL / RE-TAKAFUL RECEIVABLES				
Contribution due but unpaid - considered good	-	-	<u>22,723,657</u>	10,271,766
Amount due from other takaful / retakaful operators-considered good	-	-	<u>18,433,917</u>	10,890,894
	<u>-</u>	<u>-</u>	<u>41,157,574</u>	<u>21,162,660</u>
8. RECEIVABLE FROM PTF				
Wakala fee	<u>8,429,051</u>	4,470,278	-	-
Modarib fee	<u>266,749</u>	332,630	-	-
	<u>8,695,800</u>	<u>4,802,908</u>	<u>-</u>	<u>-</u>
9. PREPAYMENT				
Prepaid re-takaful contribution ceded	-	-	<u>17,852,370</u>	11,177,581
Prepaid expenses	-	423,750	-	-
	<u>-</u>	<u>423,750</u>	<u>17,852,370</u>	<u>11,177,581</u>
10. CASH AND BANK				
Cash and Cash Equivalents				
Stamps in hand	-	-	<u>13,930</u>	83,970
Cash at bank				
Saving accounts	<u>69,236,828</u>	69,906,258	<u>54,828,683</u>	76,905,498
	<u>69,236,828</u>	<u>69,906,258</u>	<u>54,842,613</u>	<u>76,989,468</u>
11. OTHER CREDITORS AND ACCRUALS				
Audit fee payable	<u>75,000</u>	100,000	-	-
Other payables	<u>6,223,323</u>	6,320,647	<u>1,953,502</u>	1,067,522
	<u>6,298,323</u>	<u>6,420,647</u>	<u>1,953,502</u>	<u>1,067,522</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at the September 30, 2021 (31 December 2020: NIL).

13. NET CONTRIBUTION

	PTF	
	September 30, 2021	September 30, 2020
	(Rupees)	
Written Gross Contributions	53,297,685	50,745,540
Less: Wakala Fee	(18,736,757)	(24,215,521)
Contribution Net of Wakala Fee	34,560,928	26,530,019
Add: Unearned contributions reserve opening	25,161,104	53,579,610
Less: Unearned contributions reserve closing	(31,616,894)	(43,786,345)
Contributions earned	28,105,138	36,323,284
Re-takaful contributions ceded	31,721,330	22,009,811
Add: Prepaid re-takaful contributions opening	11,177,581	12,813,627
Less: Prepaid re-takaful contributions closing	(17,852,370)	(11,410,252)
Re-takaful expense	25,046,541	23,413,186
Net contributions	3,058,597	12,910,098
14. RE-TAKAFUL REBATE		
Retakaful rebate received or recoverable	6,467,700	4,411,035
Add: Unearned retakaful rebate Opening	2,207,592	2,390,941
Less: Unearned retakaful rebate Closing	(3,667,072)	(2,072,432)
	5,008,220	4,729,544
15. TAKAFUL BENEFITS / CLAIMS EXPENSE		
Benefits / Claim Paid	22,329,883	13,323,510
Add: Outstanding benefits / claims including IBNR closing	35,823,490	28,327,809
Less: Outstanding benefits / claims including IBNR opening	(38,799,678)	(9,719,558)
Claims expense	19,353,695	31,931,761
Less: Re-takaful and other recoveries received	9,633,827	5,280,053
Add: Re-takaful and other recoveries in respect of outstanding claims closing	22,343,289	14,538,213
Less: Re-takaful and other recoveries in respect of outstanding claims opening	(22,797,076)	(1,004,124)
Re-takaful and other recoveries revenue	9,180,040	18,814,142
Net Takaful benefits / claims expenses	10,173,655	13,117,619

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	OPF		PTF	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	(Rupees)			
16. INVESTMENT INCOME				
Income from equity securities - available for sale investments				
Dividend Income	1,258,838	1,532,160	538,452	550,774
Profit on bank deposits	2,912,139	3,211,882	2,647,118	5,831,768
	4,170,977	4,744,042	3,185,570	6,382,542

17. MODARIB'S FEE

The Operators' manage the participants' investments as a Modarib and charge 40% Modarib's share of the investment income earned by PTF.

18. WAKALA FEE

The Operators' manage the general takaful operations for the participants and charges 40% for motor, fire and property damage and others etc. of the gross contribution written net off administrative surcharge on co-takaful inward as wakala fee against the services.

	OPF	
	September 30, 2021	September 30, 2020
	(Rupees)	
19. WAKALA FEE INCOME		
Gross wakala fee	21,319,074	20,298,216
Add: Unearned wakala fee opening	10,064,441	21,431,843
Less: Unearned wakala fee closing	(12,646,758)	(17,514,538)
	18,736,757	24,215,521
20. COMMISSION EXPENSE		
Commission paid or payable	9,148,783	7,469,091
Add: Deferred commission expense opening	3,781,962	6,786,091
Less: Deferred commission expense closing	(5,319,829)	(5,567,891)
Commission expenses	7,610,916	8,687,291

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

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:

Relationship with the company	Nature of transaction	September 30, 2021	September 30, 2020
		(Rupees)	
Associated companies	Contribution underwritten	12,071,513	4,889,669
	Contribution collected	8,762,780	5,590,793
	Contribution due but unpaid	16,650,063	7,141,604
Key management personnel	Remuneration and other benefits	1,507,500	1,417,500

22. SEGMENT INFORMATION

22.1 PTF

	September 30, 2021				Total
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	
	(Rupees)				
Gross Contributions (inclusive of Administrative surcharge)	30,284,742	11,685,551	10,923,834	403,558	53,297,685
Wakala fee	(7,973,650)	(4,737,079)	(5,919,458)	(106,570)	(18,736,757)
Takaful contributions earned	11,960,476	7,105,621	8,879,185	159,856	28,105,138
Takaful contributions ceded to re-takaful operators	(13,631,013)	(9,101,009)	(2,117,293)	(197,226)	(25,046,541)
Net takaful contribution	(1,670,537)	(1,995,388)	6,761,892	(37,370)	3,058,597
Retakaful Rebate	2,872,586	2,093,231	-	42,403	5,008,220
Net underwriting income	1,202,049	97,843	6,761,892	5,033	8,066,817
Takaful claims	(10,236,938)	469,776	(9,586,533)	-	(19,353,695)
Takaful claims recoveries from re-takaful	7,996,839	(231,000)	1,414,201	-	9,180,040
Net claims	(2,240,099)	238,776	(8,172,332)	-	(10,173,655)
Other direct expenses	(95,548)	(41,563)	(192,220)	(1,057)	(330,388)
Net takaful claims & expenses	(2,335,647)	197,213	(8,364,552)	(1,057)	(10,504,043)
(Deficit) before investment income	(1,133,598)	295,056	(1,602,660)	3,976	(2,437,226)
Net Investment income					3,185,570
Modarib's shares					(1,274,228)
(Deficit) for the period					(525,884)
Corporate Segment assets	27,184,352	11,824,489	54,692,701	298,449	93,999,991
Corporate Unallocated assets					66,161,620
					160,161,611
Segment liabilities	23,792,086	10,348,942	47,867,740	261,206	82,269,974
Unallocated liabilities					1,953,502
Consolidated total Liabilities					84,223,476

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

PTF

	September 30, 2020				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Gross written contributions (inclusive of Administrative surcharge)	16,594,819	9,275,453	24,628,744	246,524	50,745,540
Wakala fee	(7,110,952)	(4,185,899)	(12,653,506)	(265,164)	(24,215,521)
Takaful contributions earned	10,666,430	6,278,851	18,980,259	397,744	36,323,284
Takaful contributions ceded to re-takaful operators	(11,953,709)	(8,181,599)	(2,787,417)	(490,461)	(23,413,186)
Net takaful contributions	(1,287,279)	(1,902,748)	16,192,842	(92,717)	12,910,098
Retakaful rebate	2,742,326	1,881,768	-	105,450	4,729,544
Net underwriting income	1,455,047	(20,980)	16,192,842	12,733	17,639,642
Takaful claims	(309,200)	(5,779,761)	(25,378,575)	(464,225)	(31,931,761)
Takaful claims recovered from re-takaful	239,400	4,623,798	13,602,775	348,169	18,814,142
Net claims	(69,800)	(1,155,963)	(11,775,800)	(116,056)	(13,117,619)
Other direct expenses	(20,798)	(8,154)	(103,019)	(616)	(132,587)
Net takaful claims & expenses	(90,598)	(1,164,117)	(11,878,819)	(116,672)	(13,250,206)
Surplus before investment income	1,364,449	(1,185,097)	4,314,023	(103,939)	4,389,436
Net Investment income					6,382,542
Modarib's shares					(2,553,017)
Surplus for the period					8,218,961
December 31, 2020					
Corporate Segment assets	7,435,543	3,306,783	54,211,332	248,099	65,201,758
Corporate Unallocated assets					87,939,446
					153,141,204
Segment liabilities	8,622,451	3,834,632	62,864,878	287,702	75,609,663
Unallocated liabilities					1,067,522
					76,677,185

22.2 OPF

	September 30, 2021				
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	Total
	(Rupees)				
Wakala Fee	7,973,650	4,737,079	5,919,458	106,570	18,736,757
Commission Expenses	(3,837,248)	(2,278,815)	(1,463,371)	(31,482)	(7,610,916)
Management Expenses	(2,244,318)	(976,263)	(4,515,021)	(24,833)	(7,760,435)
	(6,081,566)	(3,255,078)	(5,978,392)	(56,315)	(15,371,351)
	1,892,084	1,482,001	(58,934)	50,255	3,365,406
Mudarib share of PTF Investment Income					1,274,228
Investment Income					4,170,977
Direct expenses					(956,400)
Profit before taxation					7,854,211
Taxation					(2,277,721)
Profit after tax					5,576,490
Corporate segment assets	1,598,328	710,819	11,653,151	53,331	14,015,629
Corporate unallocated assets					91,612,933
Total Assets					105,628,562
Corporate segment liabilities	3,657,382	1,590,867	7,358,356	40,153	12,646,758
Corporate unallocated liabilities					8,267,000
Total Liabilities					20,913,758

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

OPF


	September 30, 2020				Total
	Fire & property damage	Marine, aviation & Transport	Motor	Misc	
	(Rupees)				
Wakala Fee	7,110,952	4,185,899	12,653,506	265,164	24,215,521
Commission Expenses	(3,442,965)	(2,022,029)	(3,140,449)	(81,848)	(8,687,291)
Management Expenses	(1,424,698)	(558,548)	(7,056,946)	(42,188)	(9,082,380)
	(4,867,663)	(2,580,577)	(10,197,395)	(124,036)	(17,769,671)
	<u>2,243,289</u>	<u>1,605,322</u>	<u>2,456,111</u>	<u>141,128</u>	<u>6,445,850</u>
Mudarib share of PTF Investment Income					2,553,017
Investment Income					4,744,042
Direct expenses					(750,000)
Profit before taxation					<u>12,992,909</u>
Taxation					-
Profit after tax					<u>12,992,909</u>
December 31, 2020					
Corporate segment assets	<u>1,027,334</u>	<u>456,883</u>	<u>7,490,125</u>	<u>34,279</u>	9,008,620
Corporate unallocated assets					91,410,919
Total Assets					<u>100,419,539</u>
Corporate segment liabilities	<u>1,147,739</u>	<u>510,430</u>	<u>8,367,976</u>	<u>38,296</u>	10,064,441
Corporate unallocated liabilities					11,061,274
Total Liabilities					<u>21,125,715</u>

23. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 28th October, 2021 by the Board of Directors of the Company.

24. GENERAL

Figures have been rounded off to the nearest rupee.

 Irfan Zakaria Bawany Chairman	 Mohammad Omar Bawany Director	 Noor M. Zakaria Director	 Haroon A. Shakoor Chief Financial Officer	 A. Razak Ahmed Chief Executive & Managing Director
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Karachi: 28th October, 2021



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.
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Web : www.relianceins.com

Mr. A. Razak Ahmed
Chief Executive & Managing Director

Direct : 34539413, 34539414
Extension : 204

Mr. Haroon A. Shakoor
Chief Financial Officer

Direct : 34539409
Extension : 203

Mr. Ghulam Haider
Company Secretary & Compliance Officer

Extension : 209

Mr. Syed Rizwan Akhtar
Executive Vice President (Operations)

Direct : 34304067
Extension : 210

Mr. Mohammad Omar Zubair
Chief Commercial Officer

Direct : 34304068
Extension : 212

Mr. Muhammad Siddique
Deputy Chief Manager (Claims)

Direct : 34550403
Extension : 208

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 Naveed Jan
Deputy Chief Manager (Internal Audit)

Extension : 208

Mr. Muhammad Masood Alam
Manager (Administration)

Direct : 34539411
Extension : 206

OFFICES

South Zone Offices & Branches

Business Plaza Branch

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Executive Vice President

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Fax (021) 32421314, 32421317

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Mr. Zafar A. Pasha
Executive Vice President

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Namco Centre Branch

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Mr. Iqbal Umer Bawany
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Mr. Rizwan Ahmed Khan
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Hyderabad Branch

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Tilak Road, Hyderabad.

Mr. Abdullah Ahmed
Regional Manager

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North Zone Offices & Branches

Zonal Office, Lahore (North Zone)

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Mr. Hassan Sabih
Chief Manager

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Direct (042) 37354689
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Regional Office, Lahore

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Mr. Waseem John
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Gulberg Branch

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Mr. Muhammad Javed Ahmad
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Al-Rehman Branch

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Mr. Nisar Ahmed Chughtai
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Garden Town Branch

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Mr. Muhammad Zaman
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Empress Tower Branch

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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

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Manager Marketing

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Taj Plaza Branch

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United Plaza Branch

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Mr. Abdul Karim Siddiqi
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Peshawar Branch

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3rd Floor, Saddar Road, .
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Mr. Shah Mast Khan
Assistant Vice President

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Regional Office Multan

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Opp. Civil Hospital, Abdali Road,
Multan.

Mr. Syed Mohsin Bukhari
Assistant Vice President

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Hasilpur Branch

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Mr. Muhammad Shafi Anjum
Senior Vice President

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OFFICES

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Sialkot.

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Gojra Branch

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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



Reliance Insurance Company Limited

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