



Half Yearly Report June 30,

2019

تکافل

TAKAFUL

Window Operation



Table of Contents

COMPANY OVERVIEW

Company Information	02
---------------------	----

CORPORATE GOVERNANCE

Chairman's Review (English)	04
Chairman's Review (Urdu)	07
Directors' Review (English)	08
Directors' Review (Urdu)	09
Pattern of Shareholding	10

CONDENSED INTERIM FINANCIAL STATEMENTS

Auditor's Review Report	12
Interim Statement of Financial Position	13
Interim Profit and Loss Account	14
Interim Statement of Comprehensive Income	15
Interim Cash Flow Statement	16
Interim Statement of Changes in Equity	18
Notes to and Forming Part of the Condensed Interim Financial Statements	19

CONDENSED INTERIM FINANCIAL STATEMENTS WINDOW TAKAFUL OPERATIONS

Independent Auditor's Review Report	37
Interim Statement of Financial Position	38
Interim Profit and Loss Account	39
Interim Statement of Comprehensive Income	40
Interim Cash Flow Statement	41
Interim Statement of Changes in Fund	42
Notes to and Forming Part of the Condensed Interim Financial Statements	43

OTHER INFORMATION

Company Offices	53
-----------------	----



Company Information

Board of Directors

Yusuf H. Shirazi
Chairman

Ali H. Shirazi
Director

Frahim Ali Khan
Director

M. Habib-ur-Rahman
Director

Hasan Reza ur Rahim
Director

Roohi R. Khan
Director

Babar Mahmood Mirza
Chief Executive Officer

Muhammad Afzal
Company Secretary

Audit Committee

Hasan Reza ur Rahim
Chairman

Ali H. Shirazi
Member

Frahim Ali Khan
Member

Muhammad Afzal
Secretary

Saleem Mahmood Akhtar
Chief Internal Auditor

Ethics, Human Resource & Remuneration Committee

Roohi R. Khan
Chairperson

Ali H. Shirazi
Member

Babar Mahmood Mirza
Member

Qudsia Naheed
Secretary

Investment Committee

Ali H. Shirazi
Chairman

Frahim Ali Khan
Member

M. Habib-ur-Rahman
Member

Babar Mahmood Mirza
Member

Rashid Amin
Member

Muhammad Afzal
Secretary

Underwriting, Reinsurance & Co-insurance Committee

Ali H. Shirazi
Chairman

Babar Mahmood Mirza
Member

Rashid Amin
Member

Muhammad Saeed
Member

Syed Irtiza Kazmi
Secretary

Claims Settlement Committee

Frahim Ali Khan
Chairman

Babar Mahmood Mirza
Member

Syed Irtiza Kazmi
Member

Muhammad Saeed
Secretary

Risk Management & Compliance Committee

Babar Mahmood Mirza
Chairman

Rashid Amin
Member

Muhammad Saeed
Member

Muhammad Aasim Gul
Secretary

Information Technology (IT) Committee

Babar Mahmood Mirza
Chairman

Rashid Amin
Member

Muhammad Saeed
Member

Wasim Ahmed
Secretary

Management Committee

Babar Mahmood Mirza
Chief Executive Officer

Rashid Amin
Chief Financial Officer

Abbas Sajjad
General Manager Sales & Marketing

Muhammad Saeed
Head of Claims

Qudsia Naheed
Head of HR & Admin

Abdul Razzaq Ghauri
Head of IT

Syed Irtiza Kazmi
Head of Underwriting

Syed Nasir Hussain
Vice President Reinsurance

Shariah Advisor

Mufti Zeeshan Abdul Aziz

Compliance Officer

Muhammad Aasim Gul

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.
Agha Faisal Barrister at Law
RIAA Barker Gillette

Tax Advisor

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Share Registrar

Hameed Majeed Associates (Pvt.) Limited
H. M. House, 7- Bank Square,
Shahrah-e-Quaid-e-Azam, Lahore
Tel: (92-42) 37235081-82
Fax: (92-42) 37358817

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Islami Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
NRSP Microfinance Bank
Sindh Bank Limited
Soneri Bank Limited
Summit Bank Limited
The Bank of Punjab
FINCA Microfinance Bank Limited
Mobilink Microfinance Bank Limited

Registered & Head Office

63/A, Block - XX, Phase III (Commercial),
Khyaban-e-Iqbal, DHA, Lahore.
Tel: (92-42) 37132611-18,
Fax: (92-42) 37132622
E mail: info@ail.atlas.pk
Website: www.ail.atlas.pk



Chairman's Review

It gives me great pleasure to present the un-audited accounts of your Company for the half year ended June 30, 2019.

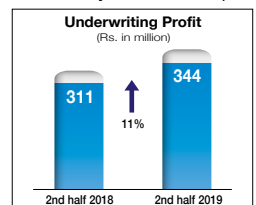
The Economy

The pace of economic growth slowed down considerably during FY19. This was mainly in response to the policy measures taken to curb the budget and trade deficits. These measures affected the performance of the industrial sector and dampened manufacturing activities in the country. The outgoing fiscal year witnessed growth of 3.3%, missing the target of 6.2%. The target was based on sectoral growth projections for agriculture, industry, and services, which lagged behind and as it turned out the agriculture sector registered a growth rate of 0.85% against the target of 3.8%, industrial sector 1.4% against 7.6% and the services sector 4.7% against 6.5%. Major challenges during FY19, were runaway imports and swelling trade and current account deficits. These put pressure on the country's foreign currency reserves, which got some cushion from around USD 9.2 billion in deposits placed with the State Bank of Pakistan by Saudi Arabia, the UAE and China. Reflecting the pressure Pak Rupee continued with its declining trend against USD and closed at Rs. 160. Keeping in view the rising inflation and slow pace of fiscal consolidation, the State Bank of Pakistan raised the benchmark interest rate to eight years high of 13.25% in July 2019. Fundamental policy decisions include Increase in energy tariffs to stop further accumulation of circular debt, reduction in imports through regulatory duties and withdrawal of tax relaxations given in the previous federal budget. Stock market continued its bearish trend during January – June, 2019, where the benchmark 100 index declined by 7.5%.

On the external front the current account deficit showed steady improvement narrowing 29% to USD 12.68 billion in the first 11 months of FY19 mainly due to contraction in imports and growth in remittance inflows. The deficit stood at USD 17.92 billion in the same period of last year. Remittances from overseas Pakistani workers continued to be a key revenue source improving to USD 21.84 billion compared to USD 19.91 billion of FY18, up 9.7%. Towards the end of FY19, the government reached an agreement with the International Monetary Fund (IMF) for a loan of USD 6 billion over a period of 39 months. This, along with the deposits placed with the central bank by friendly countries, is expected to help Pakistan meet its payment obligations, import payments and debt servicing, over the next many months.

The Company

The overall economic slowdown, particularly contraction in import, also affected Company's topline during the period under review. Gross premium for the half year ended June 30, 2019 stood at Rs. 1.278 billion against Rs. 1.404 billion for the same period last year, down 9%. Despite decrease in gross premium a marginal improvement was witnessed in the net premium which stood at Rs. 735.157 million against Rs. 723.428 million of the same period last year. Sound underwriting policies resulted in increase in underwriting profit to Rs. 344.540 million compared to Rs. 310.576 million in the same period last year, up 11%. Investments stood at Rs. 3.025 billion and the Company earned investment income of Rs. 53.610 million against Rs. 168.741 million of the corresponding period last year. This drop in investment income was mainly due to lesser dividend income and realized loss in equity securities. The Company earned profit before tax of Rs. 430.867 million against Rs. 484.150 million in the same period last year, down 12%, mainly due to decline in investment income. After providing for tax, the profit after tax stood flat at Rs. 309.341 million compared to Rs. 308.670 million in the same period last year.



Future Outlook

Faced with a large gap in the external account, the incumbent government has embarked on stabilization policies to reduce current account deficit; expand revenue base and document the economy; and improve governance in the public sector. The IMF package remains critical in reactivating fresh funding lines from multilateral agencies. After short-term jitters, the policy of market-based exchange rate regime, measures to expand the narrow tax base and unflinching drive to document the economy would restore durable macroeconomic stability that in turn will boost investors' confidence.

The size of the country's population and the low level of insurance penetration offer considerable long-term growth potential. Rising income levels and an expanding middle class should increase demand for household insurance going forward. Motor insurance coverage could also be further boosted by government efforts to crack down on compulsory third-party insurance evasion. Once the economy regains its balance, the fundamentals are still strong enough to push it towards the sustainable growth path and the management of your Company is well equipped to avail all the opportunities existing in the market to maintain its growth momentum and generate consistent returns for its shareholders:

ع ایسی صحیح ہے نو رو کو میں نہیں جانتا میں نہیں مانتا

Acknowledgement

I would like to thank the Board of Directors, Mr. Babar Mahmood Mirza, the Chief Executive Officer and his team for their efforts, dedication and sincerity of purpose. I would also express my gratitude to all the reinsurers, our valued clients, banks and SECP for their support and guidance to the Company.



Yusuf H. Shirazi



735.157 ملین روپے رہا۔ بہترین ذمہ نویس پولیسوں پر عمل درآمد کے نتائج ذمہ نویس منافع میں اضافے کی صورت میں ظاہر ہوئے، جہاں ذمہ نویس منافع گزشتہ سال اسی مدت کے 310.576 ملین روپے کے مقابلے میں 11 فیصد اضافے کے ساتھ 344.540 ملین روپے رہا۔ زیر جائزہ مدت کے دوران، سرمایہ کاری کی مارکیٹ قدر 3.025 بلین روپے رہی اور کمپنی نے سرمایہ کاری کے ذریعے آمدنی کی صورت میں 53.610 ملین روپے حاصل کیے جو کہ گزشتہ سال اسی مدت کے دوران 168.741 ملین روپے تھے۔ سرمایہ کاری کے ذریعے آمدنی میں کمی کا سبب کم ڈیویڈنڈ آمدنی اور ایکویٹی سیکیورٹیز میں خسارہ ہے۔ کمپنی کا قلیل از ٹیکس منافع سرمایہ کاری کے ذریعے آمدنی میں کمی کے باعث 430.867 ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے دوران 484.150 ملین روپے تھے۔ ٹیکس ادا ٹیکوں کے بعد، منافع 309.341 ملین روپے پر موجود ہے جو کہ گزشتہ سال اسی مدت کے دوران 308.670 ملین روپے تھا۔

مستقبل کے خدو خال

موجودہ حکومت نے کرنٹ اکاؤنٹ خسارے میں کمی، محصولات بڑھانے اور معیشت کو دستاویز اور پبلک سیکٹر میں گورننس بہتر بنانے کے لیے استحکامی پالیسیاں جاری کی ہیں۔ آئی ایم ایف کا پیکیج کثیر الجہتی ایجنسیوں سے مالی اعانت کو دوبارہ متحرک کرنے کے لیے اہم ہے۔ قلیل المدت میں پیش آنے والی مشکلات، مارکیٹ پر مبنی ایچ بی سی کی پالیسی کا نظام، ٹیکس وصولی کے دائرہ کار کو بڑھانے اور معیشت کی کارکردگی کو دستاویزات میں منتقل کرنے کی کوششوں سے مائیکرو اکنامک استحکام حاصل ہوگا، جس سے سرمایہ کار کا اعتماد بحال ہوگا۔

ملک کی آبادی کا حجم اور انشورنس تک رسائی طویل المدت میں خاطر خواہ مکمل ترقی کی نشاندہی کرتی ہے۔ متوسط طبقے میں بڑھتی ہوئی آمدنی اور اخراجات سے گھریلو مقاصد کی انشورنس میں اضافہ ہونا چاہئے۔ حکومت نے گاڑیوں کی خریداری میں تیسرے فریق پر کریک ڈاؤن کیا ہے جس سے گاڑیوں کی انشورنس بڑھنے کی توقع ہے۔ ہماری معیشت کے بنیادی خدو خال اتنے مستحکم ہیں کہ ایک بار معیشت اپنا توازن حاصل کر لے تو وہ اسے ترقی کے مستحکم راستے پر ڈھیل سکتے ہیں۔ آپ کی کمپنی کی انتظامیہ اپنی ترقی کی رفتار کو برقرار رکھتے ہوئے مارکیٹ میں موجود ترقی کے مواقع سے زیادہ سے زیادہ فائدہ اٹھانے اور شیئر ہولڈرز کے لیے مستقل منافع کے حصول کے لیے پوری طرح لیس ہے؛

ایسی صبح بے نور کو میں نہیں جانتا میں نہیں مانتا

اظہار تشکر

میں اس موقع پر بورڈ آف ڈائریکٹرز، چیف ایگزیکٹو آفیسر جناب بابر محمود مرزا اور ان کی ٹیم کا شکر گزار ہوں جنہوں نے پوری دیانت داری اور خلوص کے ساتھ خدمات انجام دیں ہیں۔ میں اس موقع پر اپنے ری انشوررز، معزز کسٹمرز، بینکوں اور سیکیورٹیز اینڈ ایچ بی سی کمیشن آف پاکستان کا بھی شکریہ ادا کرنا چاہتا ہوں جنہوں نے ہر قدم پر ہماری راہنمائی کی اور ساتھ نبھایا۔



یوسف ایچ شیرازی

چیسر مین کا جائزہ

میں نہایت مسرت کے ساتھ 30 جون 2019 کو مکمل ہونے والے نصف سال کے لیے آپ کی کمپنی کے غیر پڑتا شدہ حسابات پیش کر رہا ہوں۔

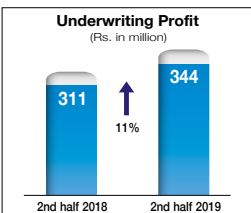
اقتصادیات

مالی سال 2019 کے دوران معاشی ترقی کی رفتار میں خاصی حد تک کمی واقع ہوئی جو کہ بنیادی طور پر بجٹ اور تجارتی خسارے کو روکنے کے لیے اٹھائے گئے پالیسی اقدامات کے نتیجے میں سامنے آئی۔ جس کے باعث صنعتی شعبے کی کارکردگی اور ملک میں مینوفیکچرنگ سرگرمیاں بھی متاثر ہوئیں۔ گزشتہ مالی سال جی ڈی پی کی شرح میں 3.3 فیصد کا اضافہ ہوا جو کہ مقرر کردہ ہدف 6.2 فیصد سے کم ہے۔ یہ ہدف زراعت، صنعت اور سروسز کے شعبوں میں ترقی کے تخمینوں پر مبنی تھا جو مقررہ حد تک نہ پہنچ سکا، جس کے بعد زراعت کے شعبے نے 3.8 فیصد کے ہدف کے مقابلے میں 0.85 فیصد کی ترقی کی ظاہر کی، صنعتی شعبے نے 7.6 فیصد کے مقابلے میں 1.4 فیصد اور سروسز کے شعبے نے 6.5 فیصد کے مقابلے میں 4.7 فیصد کی ترقی درج کی۔ مالی سال 2019 کے دوران، کم ہوتی درآمدات، تجارت میں کمی اور کرنٹ اکاؤنٹ خسارے جیسے بڑے چیلنجز کا سامنا رہا۔ ان چیلنجز نے ملک کے غیر ملکی کرنسی کے ذخائر پر بھی دباؤ ڈالا، جسے سعودی عرب، متحدہ عرب امارات اور چین کی جانب سے اسٹیٹ بینک آف پاکستان کے پاس رکھے جانے والے تقریباً 9.2 بلین امریکی ڈالر کے ذخائر سے کچھ تقویت ملی۔ اس دباؤ کے پیش نظر پاکستانی روپے کی قدر میں بدستوری کا رجحان جاری رہا اور امریکی ڈالر کے مقابلے میں پاکستانی روپیہ 160 روپے کی بلند سطح پر بند ہوا۔ بڑھتی ہوئی افراط زر اور مالی استحکام کی سست روی کو مد نظر رکھتے ہوئے، اسٹیٹ بینک آف پاکستان نے جولائی 2019 میں شرح سود بڑھا کر 13.25 فیصد کر دیا جو کہ آٹھ سالوں میں بلند ترین سطح ہے۔ پالیسی کے بنیادی فیصلوں میں گردش قرضوں میں مزید اضافے کو روکنے کے لیے توانائی کے ٹیرف میں اضافہ، ریگولیٹری ڈیولپمنٹ کے ذریعے درآمدات میں کمی اور پچھلے وفاقی بجٹ میں فراہم کی گئی ٹیکس چھوٹ کی واپسی شامل ہے۔ اسٹاک مارکیٹ میں جنوری تا جون 2019 کے دوران مندی کا رجحان جاری رہا، جہاں بیچ مارک 100 اینڈیکس میں 7.5 فیصد کمی دیکھنے میں آئی۔

بیرون محاذ پر کرنٹ اکاؤنٹ خسارے نے کچھ بہتری کے آثار ظاہر کرنے شروع کئے ہیں، جو کہ مالی سال 2019 کے پہلے 11 مہینوں میں 29 فیصد کمی کے ساتھ 12.68 بلین امریکی ڈالر رہا، جس کی بنیادی وجہ درآمدات میں کمی اور ترسیلات زر میں اضافہ ہے۔ جبکہ گزشتہ سال اسی مدت کے دوران خسارہ 17.92 بلین امریکی ڈالر تھا۔ بیرون ملک مقیم پاکستانیوں کی ترسیلات زر ہمیشہ سے آمدنی کا اہم ذریعہ رہا ہے۔ جس نے مالی سال 2018 کے 19.91 بلین امریکی ڈالر کے مقابلے میں 9.7 فیصد کی ترقی کے ساتھ 21.84 بلین امریکی ڈالر کی بہتری ظاہر کی۔ مالی سال 2019 کے اختتام کے قریب حکومت نے بین الاقوامی مالیاتی فنڈ (IMF) کے ساتھ 39 ماہ کے مدت کے لیے 6 بلین امریکی ڈالر کے قرضے کا معاہدہ کر لیا۔ اس کے ساتھ ساتھ دوست ممالک کی جانب سے سینٹرل بینک میں رکھے گئے ذخائر کے ذریعے پاکستان کو اپنی ادائیگی کی ذمہ داریوں، درآمدی ادائیگیاں اور قرضوں کی فراہمی کو پورا کرنے کے لیے اگلے کئی ماہ تک مدد ملنے کی توقع ہے۔

کمپنی

مجموعی معاشی صورت حال اور خصوصاً درآمدات میں کمی نے زیر جائزہ مدت کے دوران کمپنی کی ٹاپ لائن کو بھی متاثر کیا ہے۔ 30 جون 2019 کو ختم ہونے والے نصف سال کے لیے مجموعی پریمیوم گزشتہ سال اسی مدت کے دوران 1.404 بلین روپے کے مقابلے میں 9 فیصد کمی کے ساتھ 1.278 بلین روپے رہا۔ مجموعی پریمیوم میں کمی کے باوجود نیٹ پریمیوم میں قدرے بہتری دیکھنے میں آئی جو گزشتہ سال اسی مدت کے دوران 723.428 بلین روپے کے مقابلے میں



Directors' Review

The directors have pleasure in submitting the half yearly report of the Company together with the un-audited accounts reviewed by the auditors and the auditors report for the period ended June 30, 2019.

	<u>June 30,</u> <u>2019</u>	<u>June 30,</u> <u>2018</u>
The overall business figures are:	(Rupees in thousand)	
Net premium	735,157	723,428
Net claims	197,944	245,740
Investment and other income	75,774	177,705
Net commission	70,230	74,906
Expenses of management	262,903	242,018
Financial results are as follows:		
Profit before tax	430,867	484,150
Less: Provision for taxation	121,526	175,480
Profit after tax	<u>309,341</u>	<u>308,670</u>

Contribution of Rs. 153.294 million (2018: Rs. 89.952 million) was written in Participants' Fund account during the period ended June 30, 2019.

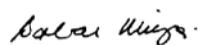
Chairman's Review

The accompanying Chairman's Review deals with the performance of the Company during the period and future outlook. The directors of the Company endorse the contents of the review.

We express our deep appreciation and thanks to our valued clients, bankers, reinsurers and SECP for the cooperation extended to us.

We also commend the dedicated services rendered by the company's officers, staff and field force.

For and on behalf of the
Board of Directors



Babar Mahmood Mirza
Chief Executive

Lahore: August 27, 2019

ڈائریکٹرز کی جانب سے جائزہ

ڈائریکٹرز نہایت مسرت کے ساتھ 30 جون 2019 کو ختم ہونے والی ششماہی کے لیے کمپنی کی رپورٹ بمعہ آڈیٹرز کی جانب سے جائزہ لیے گئے غیر پڑتال شدہ اکاؤنٹس اور آڈیٹرز کی رپورٹ پیش کر رہے ہیں۔

30 جون 2018	30 جون 2019	مجموعی کاروباری اعداد و شمار یہ ہیں:
روپے '000 میں		
723,428	735,157	خالص پربیم
245,740	197,944	خالص کلیمز
177,705	75,774	سرماہ کاری اور دیگر ذرائع سے حاصل آمدنی
74,906	70,230	خالص کمیشن
242,018	262,903	انتظامی امور کے اخراجات
		مالیاتی نتائج درج ذیل ہیں:
484,150	430,867	قبل از ٹیکس منافع
175,480	121,526	کم: ٹیکس تصفیقات
308,670	309,341	بعد از ٹیکس منافع

30 جون 2019 کو ختم ہونے والی مدت کے دوران 153.294 ملین روپے (سال 2018: 89.952 ملین روپے) کی شراکت داری پارٹسپٹ فنڈ اکاؤنٹ میں کی گئی۔

چیئرمین کی جانب سے جائزہ

چیئرمین کا جائزہ اس مدت کے دوران کمپنی کی کارکردگی اور مستقبل کے خدوخال کو ظاہر کرتا ہے۔ کمپنی کے ڈائریکٹرز اس رپورٹ کی مندرجات کی توثیق کرتے ہیں۔

ہم اپنے معزز کسٹمرز، بینکرز، ری انشوررز اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے تعاون پر تہہ دل سے شکر گزار ہیں۔

ہم کمپنی کے آفیسرز، اسٹاف اور فیلڈ فورس کی وقف کردہ خدمات کو بھی سراہتے ہیں۔

بورڈ آف ڈائریکٹرز کے لیے اور جانب سے

Balal Hussain

بارگھومرزا
چیف ایگزیکٹو

لاہور: 27 اگست 2019

Pattern of Shareholding

As at June 30, 2019

Number of shareholders	Shareholding		Shares held
	From	To	
246	1	100	4,964
173	101	500	44,407
100	501	1000	69,491
286	1001	5000	684,559
102	5001	10000	722,830
50	10001	15000	612,905
42	15001	20000	710,165
11	20001	25000	236,123
10	25001	30000	279,224
20	30001	35000	649,195
8	35001	40000	295,072
6	40001	45000	254,420
6	45001	50000	286,641
5	50001	55000	262,279
4	55001	60000	232,579
6	60001	65000	374,415
2	65001	70000	137,146
1	70001	75000	72,129
4	75001	80000	308,106
8	85001	90000	698,362
2	90001	95000	184,217
1	100001	105000	101,932
4	105001	110000	436,220
1	110001	115000	112,750
1	120001	125000	121,000
1	125001	130000	128,566
1	135001	140000	139,500
1	140001	145000	143,595
1	145001	150000	150,000
3	150001	155000	458,712
1	160001	165000	164,639
1	170001	175000	173,115
1	175001	180000	176,000
1	185001	190000	187,000
1	190001	195000	194,483
1	195001	200000	200,000
1	210001	215000	214,600
1	220001	225000	224,318
1	280001	285000	282,700
1	285001	290000	288,189
1	395001	400000	400,000
1	400001	405000	401,500
1	430001	435000	433,400
1	995001	1000000	995,500
1	1490001	1495000	1,494,188
1	2120001	2125000	2,122,269
1	2175001	2180000	2,176,806
1	58135001	58140000	58,137,308
<hr/> <hr/>			<hr/> <hr/>
1,124			77,177,519

Shareholders' Information

As at June 30, 2019

Categories of Shareholders	Shares held	Percentage
Director, Chief Executive and their spouse and minor children	1,225	0.00%
Associated Companies, undertakings and related parties	60,259,578	78.08%
NIT and ICP	582	0.00%
Banks, Development Finance Institutions Non-Banking Financial Institutions	1,711,600	2.22%
Insurance Companies	2,352,806	3.05%
Modaraba and Mutual Funds	-	0.00%
Shareholders holding 5% and above	58,137,308	75.33%
General Public :		
a. Local	11,212,805	14.53%
b. Foreign	-	0.00%
Others :		
Joint Stock Companies	72,761	0.09%
Others	1,566,162	2.03%





Independent Auditor's Review Report

To the members of Atlas Insurance Limited Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Atlas Insurance Limited as at June 30, 2019 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim cash flow statement, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended June 30, 2019 and June 30, 2018 have not been reviewed, as we are required to review only the cumulative figures for the six-month period then ended June 30, 2019.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Hammad Ali Ahmad.

A. F. Ferguson & Co.
Chartered Accountants

Lahore

Dated: August 27, 2019

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92(21) 32415007/32427938/32424740; <www.pwc.com/pk>

• KARACHI • LAHORE • ISLAMABAD

Condensed Interim Statement of Financial Position (Unaudited)

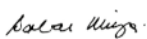
As at June 30, 2019

	Note	June 30, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited)
Assets			
Property and equipment	8	114,976	82,080
Investments			
Equity securities	9	2,923,252	3,638,943
Debt securities	10	101,685	73,704
Loan and other receivables	11	27,928	14,052
Insurance / reinsurance receivables	12	397,863	332,681
Reinsurance recoveries against outstanding claims	20	409,000	454,431
Salvage recoveries accrued		2,785	2,435
Deferred commission expense / acquisition cost	21	74,822	80,233
Prepayments	13	486,093	550,697
Cash and bank	14	884,480	1,327,987
		5,422,884	6,557,243
Total assets from window takaful operations - Operator's fund		122,299	108,484
Total assets		5,545,183	6,665,727
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital	15	771,775	701,614
Reserves	16	1,808,024	2,104,563
Unappropriated profit		309,749	654,699
Total equity		2,889,548	3,460,876
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	20	695,208	727,887
Unearned premium reserves	19	930,590	1,060,806
Unearned reinsurance commission	21	108,999	116,648
Retirement benefit obligations		11,637	9,249
Deferred taxation		223,263	358,875
Premium received in advance		27,333	178,520
Borrowings	17	18,389	-
Insurance / reinsurance payable		212,467	330,450
Other creditors and accruals	18	372,340	357,361
Taxation - provision less payment		16,862	22,218
Total liabilities		2,617,088	3,162,014
Total liabilities from window takaful operations - Operator's fund		38,547	42,837
Total equity and liabilities		5,545,183	6,665,727
Contingencies and commitments	7		

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahrim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

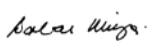
For the Six Months ended June 30, 2019

	Note	Six months ended		Three months ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
(Rupees in thousand)					
Net insurance premium	19	735,157	723,428	363,948	367,129
Net insurance claim expense	20	(197,944)	(245,740)	(89,483)	(128,478)
Net commission and other acquisition income	21	70,230	74,906	38,621	40,334
Insurance claims and acquisition expenses		(127,714)	(170,834)	(50,862)	(88,144)
Management expenses	22	(262,903)	(242,018)	(133,161)	(114,649)
Underwriting results		344,540	310,576	179,925	164,336
Investment income	23	53,610	168,741	20,926	112,395
Rental income		-	900	-	450
Other income		22,164	8,064	10,095	4,008
Other expenses	24	(6,050)	(9,003)	(2,978)	(5,415)
Results of operating activities		414,264	479,278	207,968	275,774
Finance cost		(1,502)	(84)	(1,109)	-
Profit before tax from window takaful operations - Operator's fund	26	18,105	4,956	9,516	3,693
Profit before tax for the period		430,867	484,150	216,375	279,467
Income tax expense		(121,526)	(175,480)	(50,744)	(107,932)
Profit after tax for the period		309,341	308,670	165,631	171,535
		Restated		Restated	
		Rupees			
Earnings (after tax) per share	25	4.01	4.00	2.15	2.22

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahrim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

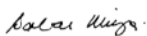
For the Six Months ended June 30, 2019

	Six months ended		Three months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees in thousand)			
Profit after tax for the period	309,341	308,670	165,631	171,535
Other comprehensive (loss) for the period:				
<i>Items that may be subsequently reclassified to profit and loss account:</i>				
Un-realized loss on available for sale investments - net of deferred tax	(389,539)	(333,921)	(398,536)	(318,220)
Other comprehensive income / (loss) from window takaful operations - Operator's fund	-	781	(245)	809
Other comprehensive loss for the period	(389,539)	(333,140)	(398,781)	(317,411)
Total comprehensive loss for the period	<u>(80,198)</u>	<u>(24,470)</u>	<u>(233,150)</u>	<u>(145,876)</u>

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the Six Months ended June 30, 2019

	June 30, 2019	June 30, 2018
	(Rupees in thousand)	
Operating cash flows		
a) Underwriting activities		
Insurance premium received	1,023,191	1,211,967
Reinsurance premiums paid	(736,731)	(524,625)
Claims paid	(426,682)	(351,723)
Reinsurance and other recoveries received	259,753	158,468
Commissions paid	(76,271)	(60,170)
Commissions received	151,924	160,291
Management expenses paid	(273,913)	(203,341)
Other underwriting payments	(1,753)	(678)
Other underwriting receipts	14,820	14,646
Net cash (used in) / generated from underwriting activities	(65,662)	404,835
b) Other operating activities		
Income tax paid	(123,116)	(132,825)
Other operating payments	(11,729)	(13,325)
Other operating receipts	44,060	7,480
Loan repayment received	8	11
Net cash used in other operating activities	(90,777)	(138,659)
Total cash (used in) / generated from all operating activities	(156,439)	266,176
Investment activities		
Profit / return received	24,893	10,231
Dividend received	86,549	139,695
Payments for investments	(1,207,750)	(471,444)
Proceeds from investments	1,320,098	610,240
Fixed capital expenditure	(30,103)	(24,175)
Proceeds from sale of property and equipment	4,171	4,881
Total cash generated from investing activities	197,858	269,428
Financing activities		
Dividends paid	(481,219)	(443,263)
Payment of lease liability against right-of-use assets	(3,707)	-
Total cash used in financing activities	(484,926)	(443,263)
Net cash generated from all activities	(443,507)	92,341
Cash and cash equivalents at the beginning of the period	1,327,987	702,252
Cash and cash equivalents at the end of the period	884,480	794,593

Condensed Interim Cash Flow Statement (Unaudited)

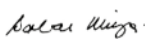
For the Six Months ended June 30, 2019

	June 30, 2019	June 30, 2018
Reconciliation to condensed interim profit and loss account		
Operating cash flows	(156,439)	266,176
Depreciation expense	(10,067)	(9,213)
Loss on disposal of property and equipment	(48)	(223)
(Loss) / profit on disposal of investments	(47,307)	36,394
Accrued investment income	10,751	-
Other investment income	100,085	141,979
Rental and other income	22,212	9,187
Interest expensed on lease liability against right-of-use assets	(1,119)	-
Increase in assets other than cash	31,408	477,726
Decrease / (increase) in liabilities other than borrowings	284,482	(543,320)
Other adjustments		
Provision for impairment of receivable from insurance contract holders	(11,956)	(13,259)
Decrease / (increase) in provision for unearned premium	66,996	(44,980)
Decrease / (increase) in commission income unearned	7,649	(17,050)
Increase / (decrease) in provision for deferred commission expense	(5,411)	297
Profit from window takaful operations for the period - Operator's fund	18,105	4,956
Profit after tax for the period	309,341	308,670

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Changes in Equity (Unaudited)

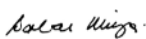
For the Six Months ended June 30, 2019

	Attributable to equity holders of the Company							Total
	Issued, subscribed and paid up share capital	Capital reserves			Revenue reserves		Unappropriated profit	
		Capital reserve	Investment fair value reserve	Reserve for exceptional losses	General reserves	Investment fluctuation reserve		
	(Rupees in thousand)							
Balance as at December 31, 2017 (audited)	701,614	2,251	1,797,580	2,164	880,649	3,000	659,785	4,047,043
Profit after taxation for the six month ended June 30, 2018	-	-	-	-	-	-	308,670	308,670
Net unrealised loss on revaluation of available for sale investments - net of deferred tax	-	-	(333,921)	-	-	-	-	(333,921)
Other comprehensive income from Window takaful operations (OPF)	-	-	781	-	-	-	-	781
Total comprehensive loss for the six month ended June 30, 2018	-	-	(333,140)	-	-	-	308,670	(24,470)
Transferred to general reserve	-	-	-	-	208,000	-	(208,000)	-
Final dividend for the year ended December 31, 2017 @ 65% (Rs. 6.5 per share)	-	-	-	-	-	-	(456,049)	(456,049)
Balance as at June 30, 2018 (unaudited)	701,614	2,251	1,464,440	2,164	1,088,649	3,000	304,406	3,566,524
Profit after taxation for the six month ended December 31, 2018	-	-	-	-	-	-	356,898	356,898
Re-measurement loss on defined benefit obligation - net of tax	-	-	-	-	-	-	(6,605)	(6,605)
Net unrealised loss on revaluation of available for sale investments - net of deferred tax	-	-	(455,089)	-	-	-	-	(455,089)
Other comprehensive loss from Window takaful operations (OPF)	-	-	(852)	-	-	-	-	(852)
Total comprehensive loss for the six month ended December 31, 2018	-	-	(455,941)	-	-	-	350,293	(105,648)
Transferred to general reserve	-	(2,251)	-	(2,164)	4,415	-	-	-
Balance as at December 31, 2018 (audited)	701,614	-	1,008,499	-	1,093,064	3,000	654,699	3,460,876
Profit after taxation for the six month ended June 30, 2019	-	-	-	-	-	-	309,341	309,341
Net unrealised loss on revaluation of available for sale investments - net of deferred tax	-	-	(389,539)	-	-	-	-	(389,539)
Other comprehensive income from Window takaful operations (OPF)	-	-	-	-	-	-	-	-
Total comprehensive loss for the six month ended June 30, 2019	-	-	(389,539)	-	-	-	309,341	(80,198)
Transferred to general reserve	-	-	-	-	93,000	-	(93,000)	-
Bonus shares issued for the year ended December 31, 2018 @ 10% per share	70,161	-	-	-	-	-	(70,161)	-
Final dividend for the year ended December 31, 2018 @ 70% (Rs. 7.0 per share)	-	-	-	-	-	-	(491,130)	(491,130)
Balance as at June 30, 2019 (unaudited)	771,775	-	618,960	-	1,186,064	3,000	309,749	2,889,548

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Notes to the Condensed Interim Financial Statements (Unaudited)

For the Six Months ended June 30, 2019

1 Legal status and nature of business

Atlas Insurance Limited (the Company) was incorporated as a public limited company on September 06, 1934 under the Companies Act, 1913 (now the Companies Act, 2017) and is listed on the Pakistan Stock Exchange. The Company is engaged in general insurance business. The registered office of the Company is situated at 63/A, Block - XX, Phase III (Commercial), Khyaban-e-Iqbal, Defence Housing Authority, Lahore, Pakistan. The Company is a subsidiary of Shirazi Investments (Private) Limited.

The Company was granted license to work as Window Takaful Operator (WTO) dated March 02, 2016 by the Securities and Exchange Commission of Pakistan (SECP) under Takaful Rules, 2012 to carry on Window Takaful Operations in Pakistan.

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

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

2.2 Basis of preparation

The disclosures made in these condensed interim financial statements have been limited based on the requirements of the International Accounting Standard 34 'Interim Financial Reporting'. Accordingly these condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2018.

As per the requirements of Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated July 09, 2015, the assets, liabilities and profit / loss of the Operator's Fund (OPF) of the Window Takaful Operations of the Operator have been presented as a single line item in the condensed interim statement of financial position and condensed interim profit and loss account and condensed interim statement of comprehensive income of the Company respectively.

Further, a separate set of the condensed interim financial statements of the Window Takaful Operations has been annexed to these condensed interim financial statements as per the requirements of Takaful Rules, 2012.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors of the Company in accordance with the requirements of the Code of Corporate Governance for Insurers, 2016 issued by the SECP.

2.3 Basis of measurement

These condensed interim financial statements have been prepared under historical cost convention, except that certain investments that are carried at fair market value and the recognition of certain employee retirement benefits that are measured at present value.

2.4 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani rupees (Rs.), which is the Company's functional and presentation currency.

3 Standards, amendments and interpretations to accounting and reporting standards

3.1 Standards, amendments and interpretations to accounting and reporting standards that are effective in the current period

IFRS 16, the accounting standard for leases, became effective for annual reporting periods commencing on or after January 01, 2019. The impact on the Company's condensed interim financial statements is disclosed in note 4.1.1 below.

3.1.2 Standards, interpretations and amendments effective in the current period but are not relevant

In addition to the above, there are certain new and amended standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 01, 2019 but are considered not to be relevant or to have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

3.2 Standards, amendments and interpretations to accounting and reporting standards that are not effective in the current period

3.2.1

The following standards, amendments and interpretations to accounting and reporting standards would be effective for the dates mentioned below against the respective standards, amendments and interpretations:

Standards, amendments and interpretations	Effective date (period beginning on or after)
- IAS 1, Presentation of Financial Statements (Amendments)	January 01, 2020
- IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 01, 2020
- IFRS 17, Insurance contracts	January 01, 2022
- IFRS 9, Financial instruments	January 01, 2022*

* The management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details relating to temporary exemption from the application of IFRS 9 is given in note 5 to these condensed interim financial statements

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

3.2.2

In addition to the above, there are certain new standards, amendments and interpretations to accounting and reporting standards that are mandatory for the Company's accounting periods beginning on or after January 01, 2020 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

4 Summary of significant accounting policies

The accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended December 31, 2018 except for changes in accounting policies as disclosed in note 4.1 below:

4.1 Change in accounting policy

4.1.1 First time adoption of IFRS 16 - Leases

During the period, IFRS 16 - Leases became applicable on the Company. IFRS 16 replaces existing guidance on accounting for leases, including IAS 17, Leases, IFRIC 4, Determining whether an Arrangement contains a Lease, SIC-15, Operating Leases - Incentive, and SIC-27, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 introduces an on-balance sheet lease accounting model for leases entered by the lessee. A lessee recognizes a right-of-use asset representing its right of using the underlying asset and a corresponding lease liability representing its obligations to make lease payments.

Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as either finance or operating leases.

The Company has adopted IFRS 16 from January 01, 2019, and has not restated comparatives for 2018 reporting period, as permitted under the specific transitional provisions in the standard.

On adoption of IFRS 16, the Company recognised certain lease liabilities which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Company's incremental weighted average borrowing rate of 11.52% per annum as of January 01, 2019. The lease liability is subsequently measured at amortised cost using the effective interest rate method.

	<u>Note</u>	<u>June 30,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>January 01,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>
Total lease liability recognised	17	<u>18,389</u>	<u>18,524</u>

On adoption of IFRS 16, the associated right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid lease payments recognised in the statement of financial position immediately before the date of initial application.

The right-of-use assets recognised subsequent to the adoption are measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use assets are depreciated on a straight line basis over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use assets are reduced by impairment losses, if any, and adjusted for certain remeasurement of lease liability.

	<u>Note</u>	<u>June 30,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>January 01,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>
--	-------------	---	--

The recognised right-of-use assets relate to the following types of assets:

Property	8.6	<u>17,114</u>	<u>21,616</u>
		<u>June 30,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>January 01,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>

The effect of this change in accounting policy is as follows:

Impact on condensed interim statement of financial position

Assets

Increase in assets - right-of-use assets	17,114	21,616
Decrease in other assets - trade deposits and short term prepayments	(1,267)	(3,092)
Increase in deferred tax - net	370	-
Increase in total assets	16,217	18,524

Equity and Liabilities

Increase in lease liability against right-of-use assets	18,389	18,524
Decrease in taxation - provision less payment	(367)	-
Increase in total liabilities	18,022	18,524
Decrease in net assets	<u>(1,805)</u>	<u>-</u>

Impact on condensed interim profit and loss account**For the six months ended June 30, 2019 (Rupees in thousand)**

(Increase) / decrease in administrative expenses	
Increase in depreciation on right-of-use assets	(6,956)
Decrease in rent expense	5,533
	(1,423)
Increase in finance cost	(1,119)
	<hr/>
Decrease in profit before tax for the period	(2,542)
Decrease in income tax expense for the period	737
Decrease in profit after tax for the period	<hr/> <u>(1,805)</u>

Earnings per share for the six months ended June 30, 2019 are Rs. 0.02 per share lower as a result of the adoption of IFRS 16.

While implementing IFRS 16, the Company has used a single discount rate methodology for a portfolio of leases with similar characteristics. The Company has opted not to recognise right-of-use assets for leases of low value or short term leases, having remaining lease term of less than 12 months as at January 01, 2019. The payments associated with such leases are recognised as an expense on a straight line basis over the lease term.

5 Temporary exemption from application of IFRS 9

As an insurance company, the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosure, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 29.1 to these condensed interim financial statements.

6 Critical accounting estimates and judgments

The preparation of condensed interim financial statements in conformity with accounting and reporting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the annual audited financial statements of the Company as at and for the year ended December 31, 2018.

7 Contingencies and commitments**7.1 Contingencies**

- 7.1.1** The tax authorities had raised demand amounting to Rs. 117,817 (thousand) against the Company for the tax years 2009 to 2014, that primarily pertained to the rate of tax on dividend, rental income and WWF. Commissioner Inland Revenue (Appeals) [CIR (A)] partially upheld the decision and reduced the demand to Rs. 59,722 (thousand). The Company filed appeals against the CIR(A) decision before the Appellate Tribunal Inland Revenue (ATIR) wherein the decision of CIR(A) was upheld. The Company has filed a reference application against the decision of ATIR before the Honorable Lahore High Court which is currently pending adjudication. No provision has been recognized in the condensed interim financial statements since the Company, along with its legal counsel, believes that there are meritorious grounds that the case will be decided in favor of the Company.

7.1.2 For tax year 2005, the Tax authorities disputed the Company's treatment on certain issues disallowing expenses, creating a demand of Rs. 70,698 (thousand). The Company filed appeal before CIR(A) which was decided in favor of the Company. Department filed appeal against CIR(A) before ATIR which is pending adjudication. No provision has been recognized in the condensed interim financial statements since the Company, along with its legal counsel, believes that there are meritorious grounds that the case will be decided in favor of the Company.

	<u>June 30,</u> 2019 (Unaudited) (Rupees in thousand)	<u>December 31,</u> 2018 (Audited)
7.1.3 Other contingencies		
Claims against the Company not acknowledged as debt	<u>103,842</u>	<u>112,526</u>

7.2 Commitments

7.2.1 Commitments in respect of operating leases

These represent commitments arising from short-term and immaterial leases recognised on a straight-line basis as expense under the practical expedients applied by the Company with respect to IFRS-16. The amount of future payments under these operating leases and the period in which these payments will become due are as follows:

	<u>Note</u>	<u>June 30,</u> 2019 (Unaudited) (Rupees in thousand)	<u>December 31,</u> 2018 (Audited)
Not later than one year		19,831	53,323
Later than one year and not later than five years		<u>12,145</u>	<u>39,253</u>
		<u>31,976</u>	<u>92,576</u>

8 Property and equipment

Operating assets	8.1	97,744	82,045
Capital work in progress	8.5	118	35
Right-of-use asset	8.6	<u>17,114</u>	<u>-</u>
		<u>114,976</u>	<u>82,080</u>

8.1 The breakup of operating assets as at the period / year end is given below:

Freehold building	15,313	1,925
Lease hold improvements	-	14,930
Furniture and fixtures	6,786	6,112
Office equipment	16,008	15,251
Computers equipment	13,261	11,738
Vehicles	<u>46,376</u>	<u>32,089</u>
	<u>97,744</u>	<u>82,045</u>

8.2 Movement of operating assets during the period / year

Opening book value		82,045	89,078
Add: Additions during the period / year	8.3	<u>29,985</u>	<u>32,774</u>
		112,030	121,852
Less: Disposal during the period / year (at book value)	8.4	<u>(4,219)</u>	<u>(20,380)</u>
Depreciation charged for the period / year		<u>(10,067)</u>	<u>(19,427)</u>
		(14,286)	(39,807)
Closing book value		<u>97,744</u>	<u>82,045</u>

	<u>Note</u>	<u>June 30,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>December 31,</u> <u>2018</u> <u>(Audited)</u>
8.3 Additions during the period / year			
Lease hold improvements		-	962
Furniture and fixtures		1,372	222
Office equipment		2,334	1,692
Computers equipment		3,731	4,581
Vehicles		22,548	25,317
		<u>29,985</u>	<u>32,774</u>
8.4 Disposals during the period / year			
Freehold land		-	1,168
Freehold building		-	7,340
Furniture and fixtures		57	834
Office equipment		35	703
Computers equipment		114	609
Vehicles		4,013	9,726
		<u>4,219</u>	<u>20,380</u>
8.5 Capital work in progress			
Advances to suppliers		<u>118</u>	<u>35</u>
8.6 Right-of-use asset			
Opening book value		-	-
Impact of initial adoption of IFRS 16	4	21,616	-
Additions during the period		2,454	-
Depreciation charged during the period	22	(6,956)	-
Closing book value		<u>17,114</u>	<u>-</u>

9 Investments in equity securities

	<u>Note</u>	<u>June 30, 2019 - (Unaudited)</u>			<u>December 31, 2018 - (Audited)</u>		
		<u>Cost</u>	<u>Impairment / provision</u>	<u>Carrying value</u>	<u>Cost</u>	<u>Impairment / provision</u>	<u>Carrying value</u>
Available for sale							
Related parties							
Listed shares	9.1	643,711	-	643,711	643,711	-	643,711
Mutual funds		-	-	-	215,520	-	215,520
		643,711	-	643,711	859,231	-	859,231
Unrealized gain on revaluation as on				941,616			1,282,760
				<u>1,585,327</u>			<u>2,141,991</u>
Others							
Listed shares	9.1	1,419,284	(71,701)	1,347,583	1,329,964	(71,701)	1,258,263
Unlisted shares		500	(500)	-	500	(500)	-
Mutual funds	9.2	60,184	-	60,184	121,704	(947)	120,757
		1,479,968	(72,201)	1,407,767	1,452,168	(73,148)	1,379,020
Unrealized (loss) / gain on revaluation as on				(69,842)			117,932
				<u>1,337,925</u>			<u>1,496,952</u>
				<u>2,923,252</u>			<u>3,638,943</u>

9.1 Listed securities include an amount of Rs. 1,926,983 thousand (2018: Rs. 2,657,964 thousand) being the fair market value under an arrangement permissible under Shariah. Cost of these securities amounts to Rs. 955,932 thousand (2018: Rs. 1,435,793 thousand).

9.2 Mutual funds include an amount of Rs. 21,565 (2018: Rs. 29,887 thousand) being the fair market value under an arrangement permissible under Shariah. Cost of these securities amounts to Rs. 23,588 (2018: Rs. 28,999 thousand).

	<u>Note</u>	<u>June 30,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>December 31,</u> <u>2018</u> <u>(Audited)</u>
--	-------------	---	--

10 Investments in debt securities

Held to maturity

Pakistan Investment Bonds	10.1	81,685	73,704
Term Finance Certificates		20,000	-
		<u>101,685</u>	<u>73,704</u>

10.1 This represents carrying amount of government securities placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of Section 29(2)(a) of the Insurance Ordinance, 2000.

	<u>Note</u>	<u>June 30,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>December 31,</u> <u>2018</u> <u>(Audited)</u>
--	-------------	---	--

11 Loan and other receivables - considered good

Loan to related parties	11.1	472	111
Accrued investment income		13,549	2,790
Security deposits		4,720	3,671
Loans to employees		8	16
Other receivable		9,179	7,464
		<u>27,928</u>	<u>14,052</u>

11.1 Included in loan to related parties are amounts due from executives of Rs. 472 thousand (2018: Rs. 111 thousand). Loans and other receivables are carried at amortized cost using the effective interest rate method.

	<u>Note</u>	<u>June 30,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>December 31,</u> <u>2018</u> <u>(Audited)</u>
--	-------------	---	--

12 Insurance / reinsurance receivables - unsecured and considered good

Due from insurance contract holders	264,065	199,944
Less: Provision for impairment of receivable from insurance contract holders	(14,814)	(2,859)
	249,251	197,085

Due from other insurers / reinsurers	150,571	137,555
Less: Provision for impairment of due from other insurers / reinsurers	(1,959)	(1,959)
	148,612	135,596

13 Prepayments

Prepaid reinsurance premium ceded	19	483,099	546,319
Prepaid rent		2,350	3,722
Prepaid miscellaneous expenses		644	656
		<u>486,093</u>	<u>550,697</u>

14 Cash and bank

Cash at bank

Current accounts		26,501	54,502
Saving accounts	14.1	821,779	1,273,485
Short term deposits	14.2	36,200	-
		<u>884,480</u>	<u>1,327,987</u>

- 14.1 The balance in savings accounts bears mark-up which ranges from 8.00% to 11% (2018: 3.73% to 9%) per annum.
- 14.2 These represents Term Deposit Receipts placed with commercial banks, having maturity period of 91 days (2018: Nil). The mark-up on these deposits is 10.75% (2018: Nil) per annum.

15 Ordinary share capital

15.1 Authorised share capital

June 30, 2019 (Unaudited) (Number of shares)	December 31, 2018 (Audited)		June 30, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited)
80,000,000	80,000,000	Ordinary shares of Rs. 10/- each	800,000	800,000

15.2 Issued, subscribed and paid up share capital

June 30, 2019 (Unaudited) (Number of shares)	December 31, 2018 (Audited)			
70,161,381	70,161,381	Ordinary shares of Rs. 10/- each fully paid in cash	701,614	701,614
		Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	70,161	-
7,016,138	-		70,161	-
<u>77,177,519</u>	<u>70,161,381</u>		<u>771,775</u>	<u>701,614</u>

- 15.2.1 During the period, a 10% issue of bonus shares in the ratio of one bonus share for every ten shares held by the shareholders was proposed in the Board of Directors meeting held on February 27, 2019. The approval of the members for issue of bonus shares was obtained in the Annual General Meeting held on April 26, 2019. The effect of the issue of 7,016,138 bonus shares of Rs. 10 each has been accounted for in these condensed interim financial statements.

	Note	June 30, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited)
--	------	---	-----------------------------------

16 Reserves

Capital reserves

Investment fair value reserve	16.1	618,960	1,008,499
-------------------------------	------	---------	-----------

Revenue reserves

General reserve	1,186,064	1,093,064
Investment fluctuation reserve	3,000	3,000
	<u>1,189,064</u>	<u>1,096,064</u>
	<u>1,808,024</u>	<u>2,104,563</u>

- 16.1 This represents net unrealised gain on re-measurement of available for sale investments at fair value and is not available for distribution. This shall be transferred to profit and loss account on de-recognition of investments.

	<u>Note</u>	<u>June 30,</u> <u>2019</u> <u>(Unaudited)</u> <u>(Rupees in thousand)</u>	<u>December 31,</u> <u>2018</u> <u>(Audited)</u>
--	-------------	---	--

17 Borrowings

Lease liabilities against right-of-use asset	4	18,389	-
--	---	--------	---

18 Other creditors and accruals

Agent commission payable		49,819	42,158
Federal Excise Duty / Sales tax		14,022	23,240
Federal Insurance Fee		2,062	2,336
Payable to related parties		1,023	857
Accrued expenses		23,316	24,025
Other tax payable		3,021	2,164
Unpaid and unclaimed dividend		89,908	79,997
Deposit against performance bonds		128,098	84,038
Donation payable		4,262	9,941
Bonus payable to staff		10,278	41,524
Leave encashment payable		24,660	21,576
Profit commission payable		4,579	9,158
Others		17,292	16,347
		<u>372,340</u>	<u>357,361</u>

<u>Six months ended</u>		<u>Three months ended</u>	
<u>June 30,</u>	<u>June 30,</u>	<u>June 30,</u>	<u>June 30,</u>
<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>

(Rupees in thousand)

19 Net insurance premium

Written gross premium	1,278,212	1,403,923	537,752	736,507
Add: Unearned premium reserve - opening	1,060,806	875,050	1,101,728	915,854
Less: Unearned premium reserve - closing	(930,590)	(993,967)	(930,590)	(993,967)
Premium earned	<u>1,408,428</u>	<u>1,285,006</u>	<u>708,890</u>	<u>658,394</u>
Less: Reinsurance premium ceded	610,051	635,515	218,585	275,769
Add: Prepaid reinsurance premium - opening	546,319	408,367	609,456	497,800
Less: Prepaid reinsurance premium - closing	(483,099)	(482,304)	(483,099)	(482,304)
Reinsurance expense	673,271	561,578	344,942	291,265
	<u>735,157</u>	<u>723,428</u>	<u>363,948</u>	<u>367,129</u>

20 Net insurance claims expense

Claims paid	426,332	352,433	177,115	207,496
Add: Outstanding claims including IBNR - closing	695,208	724,813	695,208	724,813
Less: Outstanding claims including IBNR - opening	(727,887)	(324,385)	(680,416)	(408,926)
Claims expense	<u>393,653</u>	<u>752,861</u>	<u>191,907</u>	<u>523,383</u>
Less: Reinsurance and other recoveries received	241,140	152,549	98,210	101,036
Add: Reinsurance and other recoveries in respect of outstanding claims net of impairment - closing	409,000	505,240	409,000	505,240
Less: Reinsurance and other recoveries in respect of outstanding claims net of impairment - opening	(454,431)	(150,668)	(404,786)	(211,371)
Reinsurance and other recoveries revenue	195,709	507,121	102,424	394,905
	<u>197,944</u>	<u>245,740</u>	<u>89,483</u>	<u>128,478</u>

Note	Six months ended		Three months ended	
	June 30,	June 30,	June 30,	June 30,
	2019	2018	2019	2018

(Rupees in thousand)

21 Net commission and other acquisition expense / (income)

Commission paid or payable	83,932	68,632	45,483	31,111
Add: Deferred commission expense - opening	80,233	61,735	79,070	66,270
Less: Deferred commission expense - closing	(74,822)	(62,032)	(74,822)	(62,032)
Net Commission expense	89,343	68,335	49,731	35,349
Less: Commission received or recoverable	151,924	160,291	61,371	71,331
Add: Unearned Reinsurance commission - opening	116,648	96,212	135,980	117,614
Less: Unearned Reinsurance commission - closing	(108,999)	(113,262)	(108,999)	(113,262)
Commission from reinsurers	159,573	143,241	88,352	75,683
	(70,230)	(74,906)	(38,621)	(40,334)

22 Management expenses

Employee benefit cost	22.1	147,638	142,629	75,615	72,554
Travelling expenses		5,566	3,291	2,473	1,931
Advertisements and sales promotion		8,526	6,397	3,903	3,292
Printing and stationery		3,932	2,984	2,783	649
Depreciation		10,067	9,213	5,415	4,971
Depreciation on right-of-use asset		6,956	-	6,956	-
Rent, rates and taxes		8,300	11,781	1,488	3,667
Electricity, gas and water		2,383	2,159	1,671	1,195
Entertainment		910	659	395	314
Vehicle running expenses		8,915	6,457	5,366	3,797
Office repairs and maintenance		2,351	1,905	1,066	626
Bank charges		239	235	137	133
Postages, telegrams and telephone		4,921	3,992	2,746	2,111
Annual supervision fee of SECP		2,849	2,334	2,842	342
Trackers expense		15,610	19,523	7,561	7,857
Fee and subscriptions		5,044	4,033	(2,660)	(2,301)
Service charges		1,753	678	1,533	565
Provision for doubtful debts		11,956	13,259	4,900	6,987
Miscellaneous		14,987	10,489	8,971	5,959
		262,903	242,018	133,161	114,649

22.1 Employee benefit cost

Salaries, allowances and other benefits		139,832	135,283	71,538	68,696
Charges for post employment benefit		7,806	7,346	4,077	3,858
		147,638	142,629	75,615	72,554

Note	Six months ended		Three months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018

(Rupees in thousand)

23 Investment income

Income from equity securities

Available for sale

Dividend income	97,486	139,932	61,444	112,743
-----------------	--------	---------	--------	---------

Income from debt securities

Held to maturity

Return on debt securities	2,551	2,047	1,308	974
---------------------------	-------	-------	-------	-----

Net realised gain on investments

	100,037	141,979	62,752	113,717
--	---------	---------	--------	---------

Available for sale financial assets

Realised (loss) / gain on equity securities	(47,307)	36,567	(53,259)	8,338
---	----------	--------	----------	-------

Total investment income

	52,730	178,546	9,493	122,055
--	--------	---------	-------	---------

Add / (less): Reversal / (charge) of impairment
in value of available for sale securities

- Equity securities	947	(9,632)	11,433	(9,632)
---------------------	-----	---------	--------	---------

Less: Investment related expenses

	(67)	(173)	-	(28)
--	------	-------	---	------

	53,610	168,741	20,926	112,395
--	--------	---------	--------	---------

24 Other expenses

Legal and professional fee other than
business related

	105	1,725	92	1,625
--	-----	-------	----	-------

Auditor's remuneration

	1,155	1,050	577	525
--	-------	-------	-----	-----

Donations

24.1	4,211	5,650	2,011	3,150
------	-------	-------	-------	-------

Director's fee

	300	400	150	100
--	-----	-----	-----	-----

Others

	279	178	148	15
--	-----	-----	-----	----

	6,050	9,003	2,978	5,415
--	-------	-------	-------	-------

24.1 This amount represents Rs. 4,211 thousand (2018: Rs. 5,650 thousand) donation to Atlas Foundation situated at 2nd Floor, Federation House, Clifton, Karachi - 74000, in which the following directors of the Company are members of its Board of Directors:

Name of Directors

- Mr. Yusuf H. Shirazi

- Mr. Fahim Ali Khan

With the exception of their directorship, the directors and their spouses have no interest in the donee.

	Six months ended		Three months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018

(Rupees in thousand)

25 Earnings per share

Profit after tax for the period

	309,341	308,670	165,631	171,535
--	---------	---------	---------	---------

(Number of shares)
(thousand)

(Restated)

(Restated)

Weighted average number of ordinary shares

	77,178	77,178	77,178	77,178
--	--------	--------	--------	--------

(Restated)

(Restated)

(Rupees)

Earnings per share - (basic / diluted)

	4.01	4.00	2.15	2.22
--	------	------	------	------

25.1 There is no dilutive effect on the basic earnings per share of the Company. Number of shares in issue and earnings per share for the period ended June 30, 2018 have been restated, taking the effect of bonus shares at the rate of 10% issued during the current period.

	Six months ended		Three months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
26 Window takaful operations - Operator's fund	(Rupees in thousand)			
Wakala fee	35,047	22,505	19,522	11,685
Management expenses	(7,193)	(11,052)	(3,748)	(4,846)
Net commission and other acquisition costs	(9,185)	(6,796)	(4,783)	(3,354)
Investment (loss) / income	(132)	645	(1,261)	357
Other expenses	(432)	(346)	(214)	(149)
Profit for the period	18,105	4,956	9,516	3,693

27 Transactions with related parties

Related parties comprises of associated entities, entities under common control, entities with common directors, major shareholders, post employment benefit plans and key management personnel, inclusive of directors, and their close family members. Transactions with related parties are carried out on mutually agreed terms and conditions.

Amounts due to / from and other significant transactions, other than those disclosed elsewhere in this condensed interim financial statements, are as follows:

	Period / year end balances	June 30,	December 31,
		2019	2018
Parent company		(Unaudited)	(Audited)
		(Rupees in thousand)	
	Provision for outstanding claims	360	927
	Premium received in advance	428	-
	Due from insurance contract holders	-	469
		Six months ended	
		June 30,	June 30,
		2019	2018
		(Rupees in thousand)	
	Transactions during the period		
	Premium underwritten	217	1,259
	Claims paid	2,077	1,302
	Premium collected	720	769
	Rent paid	-	1,172
	Assets sold	-	42
	Lease liability paid	1,289	-
		June 30, December 31,	
		2019	2018
		(Unaudited)	(Audited)
		(Rupees in thousand)	
Associated companies	Period / year end balances		
	Provision for outstanding claims	228,412	293,409
	Premium received in advance	8,898	105,202
	Due from insurance contract holders	94,878	127,246

		Six months ended	
		June 30,	June 30,
		2019	2018
		(Rupees in thousand)	
Associated companies	Transactions during the period		
	Premium underwritten	494,879	746,392
	Premium collected	571,220	745,894
	Claims paid	163,910	94,149
	Assets purchased	21,124	13,638
	Assets sold	-	1,896
	Lease liability paid	640	-
	Rent paid	-	582
	Expenses paid	530	974
	Donations paid	9,890	9,889
	Dividends received	54,644	98,494
Investments purchased	1,110,570	272,000	
Investments sold	1,277,503	500,846	
Post employment benefit plans	Transactions during the period		
	Contributions in respect of retirement benefit plans	5,673	4,414
		June 30,	December 31,
		2019	2018
		(Unaudited)	(Audited)
		(Rupees in thousand)	
Key management personnel	Period / year end balances		
	Due from insurance contract holders	139	4
		Six months ended	
		June 30,	June 30,
		2019	2018
		(Rupees in thousand)	
Transactions during the period			
	Compensation paid	58,389	57,417
	Claims paid	96	164
	Premium underwritten	374	386
	Assets sold	3,883	1,430
	Premium collected	296	387

28 Segment reporting

The Company has identified four (2018: four) primary operating / business segments for reporting purposes in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017 and Insurance Accounting Regulations, 2017. These include fire and property damage, marine, aviation and transport, motor and miscellaneous class of operating / business segments. As per Insurance Rules, 2017, information for other segments under which business is less than 10%, is classified under miscellaneous class of operating / business segment.

Assets and liabilities, wherever possible, have been assigned to each reportable segment based on specific identification or allocated on the basis of the gross premium written by the segments.

(Unaudited) Six months ended June 30,

	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Premium receivable (inclusive of Federal Insurance Fee and Administrative surcharge)	320,876	352,322	475,818	545,691	366,942	336,197	301,211	362,728	1,464,847	1,596,938
Less: Federal Excise Duty	42,901	42,711	57,773	67,620	42,927	37,409	30,653	31,849	174,254	179,589
Federal Insurance Fee	2,862	3,044	4,090	4,715	2,749	2,412	2,680	3,255	12,381	13,426
Gross written premium (inclusive of Administrative Surcharge)	275,113	306,567	413,955	473,356	321,266	296,376	267,878	327,624	1,278,212	1,403,923
Gross direct premium	264,725	302,267	406,192	464,649	261,238	235,579	263,414	323,413	1,195,569	1,325,908
Facultative inward premium	8,132	2,586	-	85	57,072	58,776	2,618	1,915	67,822	63,362
Administrative surcharge	2,256	1,714	7,763	8,622	2,956	2,021	1,846	2,296	14,821	14,653
	275,113	306,567	413,955	473,356	321,266	296,376	267,878	327,624	1,278,212	1,403,923
Insurance premium earned	411,323	321,104	398,212	454,927	328,751	242,940	270,142	266,035	1,408,428	1,285,006
Insurance premium ceded to reinsurers	(290,359)	(237,363)	(145,379)	(150,411)	(113,985)	(67,953)	(123,548)	(105,851)	(673,271)	(561,578)
Net insurance premium	120,964	83,741	252,833	304,516	214,766	174,987	146,594	160,184	735,157	723,428
Commission income	68,852	58,417	45,458	48,544	17,399	11,076	27,864	25,204	159,573	143,241
Net underwriting income	189,816	142,158	298,291	353,060	232,165	186,063	174,458	185,388	894,730	866,669
Insurance claims	(68,319)	(444,219)	(60,941)	(48,322)	(133,899)	(138,986)	(130,494)	(121,334)	(393,653)	(752,861)
Insurance claims recovered from reinsurers	67,275	428,608	35,965	20,633	64,110	43,363	28,359	14,517	195,709	507,121
Net claims	(1,044)	(15,611)	(24,976)	(27,689)	(69,789)	(95,623)	(102,135)	(106,817)	(197,944)	(245,740)
Commission expense	(32,462)	(22,461)	(11,634)	(9,029)	(32,892)	(21,676)	(12,355)	(15,169)	(89,343)	(68,335)
Management expenses	(53,558)	(52,848)	(78,982)	(81,600)	(76,719)	(51,091)	(53,644)	(56,479)	(262,903)	(242,018)
Net insurance claims and expenses	(87,064)	(90,920)	(115,592)	(118,318)	(179,400)	(168,390)	(168,134)	(178,465)	(550,190)	(556,093)
Underwriting results	102,752	51,238	182,699	234,742	52,765	17,673	6,324	6,923	344,540	310,576
Investment income									53,610	168,741
Rental income									-	900
Other income									22,164	8,064
Finance cost									(1,502)	(84)
Other expenses									(6,050)	(9,003)
Profit before taxation from window takaful operations - Operator's fund									18,105	4,956
Profit before tax for the period									<u>430,867</u>	<u>484,150</u>
									June 30, 2019	December 31, 2018
									(Unaudited)	(Audited)
									(Rupees in thousands)	
Segment assets - Conventional	294,299	380,033	442,956	453,333	343,671	317,596	286,643	265,136	1,367,569	1,416,098
Segment assets - Takaful OPF	5,036	4,464	3,183	2,601	39,847	32,759	1,049	1,072	49,115	40,896
Unallocated assets - Conventional									4,055,315	5,141,145
Unallocated assets - Takaful OPF									73,184	67,588
									<u>5,545,183</u>	<u>6,665,727</u>
Segment liabilities - Conventional	452,501	670,473	681,063	799,791	528,407	560,319	440,725	467,766	2,102,696	2,498,349
Segment liabilities - Takaful OPF	2,921	4,675	1,846	2,726	23,107	34,314	608	1,122	28,482	42,837
Unallocated liabilities - Conventional									514,392	663,665
Unallocated liabilities - Takaful OPF									10,065	-
									<u>2,655,635</u>	<u>3,204,851</u>

(Unaudited) Three months ended June 30,

	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Premium receivable (inclusive of Federal Insurance Fee and Administrative surcharge)	72,124	196,236	239,129	285,910	166,423	155,358	131,074	196,166	608,750	833,670
Less: Federal Excise Duty	8,813	22,943	29,128	35,682	18,596	17,108	9,407	14,362	65,944	90,095
Federal Insurance Fee	609	1,704	2,060	2,480	1,189	1,105	1,196	1,779	5,054	7,068
Gross written premium (inclusive of Administrative Surcharge)	62,702	171,589	207,941	247,748	146,638	137,145	120,471	180,025	537,752	736,507
Gross direct premium	57,177	169,311	203,979	243,345	111,246	107,521	117,609	177,061	490,011	697,238
Facultative inward premium	4,455	1,398	-	-	33,970	28,689	1,795	1,759	40,220	31,846
Administrative surcharge	1,070	880	3,962	4,403	1,422	935	1,067	1,205	7,521	7,423
	62,702	171,589	207,941	247,748	146,638	137,145	120,471	180,025	537,752	736,507
Insurance premium earned	206,741	160,036	201,394	239,354	166,953	127,460	133,802	131,544	708,890	658,394
Insurance premium ceded to reinsurers	(147,227)	(117,953)	(79,501)	(80,406)	(56,589)	(39,039)	(61,625)	(53,867)	(344,942)	(291,265)
Net insurance premium	59,514	42,083	121,893	158,948	110,364	88,421	72,177	77,677	363,948	367,129
Commission income	35,754	29,208	24,857	27,037	13,627	6,608	14,114	12,830	88,352	75,683
Net underwriting income	95,268	71,291	146,750	185,985	123,991	95,029	86,291	90,507	452,300	442,812
Insurance claims	(27,203)	(358,061)	(43,366)	(38,166)	(67,725)	(69,290)	(53,612)	(57,866)	(191,906)	(523,383)
Insurance claims recovered from reinsurers	30,069	347,602	29,795	13,319	37,023	30,102	5,536	3,882	102,423	394,905
Net claims	2,866	(10,459)	(13,571)	(24,847)	(30,702)	(39,188)	(48,076)	(53,984)	(89,483)	(128,478)
Commission expense	(16,827)	(11,701)	(5,635)	(4,513)	(21,280)	(11,902)	(5,989)	(7,233)	(49,731)	(35,349)
Management expenses	(18,829)	(26,711)	(45,020)	(38,566)	(40,057)	(21,349)	(29,255)	(28,023)	(133,161)	(114,649)
Net insurance claims and expenses	(32,790)	(48,871)	(64,226)	(67,926)	(92,039)	(72,439)	(83,320)	(89,240)	(272,375)	(278,476)
Underwriting results	62,478	22,420	82,524	118,059	31,952	22,590	2,971	1,267	179,925	164,336
Net investment income									20,926	112,395
Rental Income									-	450
Other income									10,095	4,008
Other expenses									(2,978)	(5,415)
Finance Cost									(1,109)	-
Profit / (loss) before taxation from window takaful operations - OPF									9,516	3,693
Profit before tax for the period									<u>216,375</u>	<u>279,467</u>

29 Fair value of financial instruments

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value measurement of available for sale investments is based on quoted market prices i.e. level 1 inputs and is equal to the carrying amount. In case of other financial assets and financial liabilities that are expected to be settled within one year, carrying amounts are considered to be a reasonable approximation of their fair values.

29.1 Fair value measurement of financial instruments

Following is the fair value of financial assets as on June 30, 2019 and the change in their fair value during the period ended June 30, 2019:

	Financial instruments with contractual cash flows that meet the SPPI criteria, excluding those held for trading			Other financial instrument*
	Amortised cost	FVOCI	Total	
	(Rupees in thousand)			
Pakistan Investment Bonds				
Opening fair value - December 31, 2018	73,704	-	73,704	-
Additions	8,001	-	8,001	-
Unwinding on debt securities	(20)	-	(20)	-
Closing fair value - June 30, 2019	81,685	-	81,685	-
Term Finance Certificates				
Opening fair value - December 31, 2018	-	-	-	-
Additions	20,000	-	20,000	-
Closing fair value - June 30, 2019	20,000	-	20,000	-
Shares in listed / unlisted equity securities				
Opening fair value - December 31, 2018	-	-	-	3,336,471
Additions	-	-	-	65,713
Increase / (decrease) in fair value	-	-	-	(539,528)
Closing fair value - June 30, 2019	-	-	-	2,862,656
Mutual fund investments				
Opening fair value - December 31, 2018	-	-	-	302,472
Additions	-	-	-	1,114,036
Increase / (decrease) in fair value	-	-	-	11,560
Disposals	-	-	-	(1,367,472)
Closing fair value - June 30, 2019	-	-	-	60,596
Total	101,685	-	101,685	2,923,252

* Other financial instruments are measured at fair value through other comprehensive income.

29.1.1 The fair value of the remaining financial assets are not significantly different from their carrying amounts since these assets are short term in nature or are frequently repriced to market rate.

	Held to maturity	Available for sale	Total
	(Rupees in thousand)		
30 Movement in investments			
As at beginning of previous year - 2018	72,999	4,860,698	4,933,697
Additions	73,758	1,236,785	1,310,543
Disposals (Sales and redemptions)	(72,999)	(1,230,818)	(1,303,817)
Fair value net losses (excluding net realised losses)	-	(1,167,177)	(1,167,177)
Unwinding on debt securities	(54)	-	(54)
Impairment	-	(60,545)	(60,545)
As at beginning of current period - 2019	<u>73,704</u>	<u>3,638,943</u>	<u>3,712,647</u>
Additions	28,001	1,179,749	1,207,750
Disposals (Sales and redemptions)	-	(1,367,472)	(1,367,472)
Fair value net losses (excluding net realised losses)	-	(528,915)	(528,915)
Unwinding on debt securities	(20)	-	(20)
Reversal of impairment	-	947	947
As at end of current period	<u>101,685</u>	<u>2,923,252</u>	<u>3,024,937</u>

31 Financial and insurance risk management

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

32 Corresponding figures

Corresponding figures have been restated, rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. However, no significant rearrangements have been made.

33 Subsequent events

There are no significant subsequent events that need to be disclosed for the period ended June 30, 2019

34 Date of authorization for issue

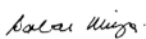
The condensed interim financial statements were authorised for issue on August 27, 2019 by the Board of Directors of the Company.

35 General

Figures in this interim financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

تكاافل

TAKAFUL





Independent Auditor's Review Report

To the Members of Atlas Insurance Limited – Window Takaful Operations Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Atlas Insurance Limited – Window Takaful Operations as at June 30, 2019 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in fund, and condensed interim cash flow statement, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended June 30, 2019 and June 30, 2018 have not been reviewed, as we are required to review only the cumulative figures for the six-month period then ended June 30, 2019.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Hammad Ali Ahmad.

A. F. Ferguson & Co.
Chartered Accountants

Lahore

Dated: August 27, 2019

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92(21) 32415007/32427938/32424740; <www.pwc.com/pk>*



Window Takaful Operations

Condensed Interim Statement of Financial Position (Unaudited)

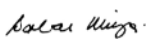
As at June 30, 2019

	Note	OPF June 30, 2019	PTF June 30, 2019 (Unaudited)	Total June 30, 2019 (Rupees in thousand)	Total December 31, 2018 (Audited)
Assets					
Property and equipment	7	1,391	-	1,391	2,157
Intangible assets	8	95	-	95	245
Loans and other receivables	9	1,560	1,195	2,755	3,110
Takaful / retakaful receivables	10	-	22,106	22,106	8,682
Retakaful recoveries against outstanding claims		-	11,632	11,632	3,519
Deferred commission expense / acquisition cost	19	8,692	-	8,692	6,997
Wakala fees receivable		40,423	-	40,423	29,610
Deferred wakala expense	17	-	28,482	28,482	33,715
Prepayments	11	2,350	21,481	23,831	21,418
Cash and bank	12	42,788	206,063	248,851	196,952
		97,299	290,959	388,258	306,405
Qard-e-Hasna to Participants' Takaful Fund		25,000	-	25,000	25,000
Total assets		<u>122,299</u>	<u>290,959</u>	<u>413,258</u>	<u>331,405</u>
Fund and liabilities					
Funds					
Statutory fund / cede money		50,000	500	50,500	50,500
Accumulated profit		33,752	-	33,752	15,647
Accumulated deficit		-	(17,893)	(17,893)	(23,347)
Total funds		83,752	(17,393)	66,359	42,800
Qard-e-Hasna from Operator's Fund		-	25,000	25,000	25,000
Liabilities					
Underwriting provisions					
Outstanding claims (including IBNR)	16	-	48,410	48,410	30,434
Unearned contribution reserves	15	-	131,354	131,354	106,254
Unearned retakaful rebate	18	-	3,943	3,943	3,695
Retirement benefit obligations		378	-	378	509
Contribution received in advance		-	5,590	5,590	7,972
Takaful / retakaful payables		-	47,513	47,513	37,467
Unearned wakala fee	17	28,482	-	28,482	33,715
Wakala fee payable		-	40,423	40,423	29,610
Other creditors and accruals	13	9,687	6,119	15,806	13,949
Total liabilities		38,547	283,352	321,899	263,605
Total fund and liabilities		<u>122,299</u>	<u>290,959</u>	<u>413,258</u>	<u>331,405</u>
Contingencies and commitments	14				

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahrim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Profit & Loss Account (Unaudited)

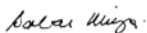
For the Six Months ended June 30, 2019

	Note	Six months ended		Three months ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
(Rupees in thousand)					
PTF revenue account					
Net contribution revenue	15	93,760	43,333	48,524	18,252
Net claims expense	16	(49,887)	(32,578)	(21,758)	(16,959)
Wakala expense	17	(35,047)	(22,505)	(19,522)	(11,685)
Reversal of contribution deficiency reserve		-	1,291	-	-
Retakaful rebate	18	5,348	2,978	2,746	1,536
Takaful claims and acquisition expenses		(79,586)	(50,814)	(38,534)	(27,108)
Direct expenses		(13,643)	(10,595)	(7,680)	(6,945)
Underwriting results		531	(18,076)	2,310	(15,801)
Investment income	20	4,936	1,360	2,935	728
Results of operating activities		5,467	(16,716)	5,245	(15,073)
Finance cost		(13)	-	-	-
Surplus / (deficit) for the period		5,454	(16,716)	5,245	(15,073)
OPF revenue account					
Wakala fee	17	35,047	22,505	19,522	11,685
Net commission and other acquisition costs	19	(9,185)	(6,796)	(4,783)	(3,354)
Management expenses		(7,193)	(11,052)	(3,748)	(4,846)
		18,669	4,657	10,991	3,485
Investment (loss) / income	20	(132)	645	(1,261)	357
Other expenses		(432)	(346)	(214)	(149)
Profit for the period		18,105	4,956	9,516	3,693

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the Six Months ended June 30, 2019

	Six months ended		Three months ended	
	June 30,	June 30,	June 30,	June 30,
	2019	2018	2019	2018

(Rupees in thousand)

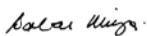
Operator's Fund

Profit for the period	18,105	4,956	9,516	3,693
Other comprehensive (loss) / income:				
<i>Items that may be subsequently reclassified to profit and loss account:</i>				
Un-realized gains / (loss) on available for sale investments - net of deferred tax	-	781	(245)	809
Total comprehensive income for the period	18,105	5,737	9,271	4,502

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations Condensed Interim Cash Flow Statement (Unaudited)

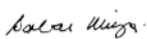
For the Six Months ended June 30, 2019

	June 30, 2019 OPF	June 30, 2019 PTF	June 30, 2019 Total	June 30, 2018 Total
Operating activities				
a) Takaful activities				
Contributions received	-	139,117	139,117	88,535
Re-takaful contributions paid	-	(35,275)	(35,275)	(24,026)
Re-takaful and other recoveries received	-	15,812	15,812	7,363
Claims paid	-	(42,653)	(42,653)	(25,872)
Commissions paid	(9,850)	-	(9,850)	(6,122)
Management expenses paid	(7,556)	(16,083)	(23,639)	(21,649)
Other underwriting receipts	-	3,606	3,606	1,770
Wakala fees received / (paid)	19,000	(19,000)	-	-
Net cash generated from takaful activities	1,594	45,524	47,118	19,999
b) Other operating activities				
Income tax paid	(103)	(643)	(746)	(381)
Net cash used in other operating activities	(103)	(643)	(746)	(381)
Total cash generated from all operating activities	1,491	44,881	46,372	19,618
Investing activities				
Profit / return received	2,709	4,416	7,125	1,380
Payments for investments	(56,824)	-	(56,824)	-
Proceeds from investments	54,558	-	54,558	-
Proceeds from sale of property and equipment	2,078	-	2,078	-
Fixed capital expenditure	(1,410)	-	(1,410)	(154)
Total cash generated from investing activities	1,111	4,416	5,527	1,226
Total cash generated from all activities	2,602	49,297	51,899	20,844
Cash and cash equivalents at the beginning of the period	40,186	156,766	196,952	80,331
Cash and cash equivalents at the end of the period	42,788	206,063	248,851	101,175
Reconciliation to condensed interim profit and loss account				
Operating cash flows	1,491	44,881	46,372	19,618
Depreciation / amortization expense	(248)	-	(248)	(410)
Financial charges expense	(13)	-	(13)	-
Loss on disposal of investments	(2,266)	-	(2,266)	-
Dividend income	499	-	499	-
Other investment income	1,635	4,936	6,571	2,005
Increase in assets other than cash	12,126	17,820	29,946	4,910
Decrease / (increase) in liabilities other than borrowings	4,881	(62,584)	(57,703)	(37,001)
Other adjustments				
Reversal / (charge) of impairment of receivable from takaful contract holders	-	401	401	(882)
Profit / (deficit) for the period	18,105	5,454	23,559	(11,760)

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahrim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Condensed Interim Statement of Changes in Fund (Unaudited)

For the Six Months ended June 30, 2019

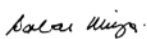
	Operator's Fund (OPF)			
	Statutory fund	Capital reserve	Accumulated Profit / (loss)	Total
		Investment fair value reserve		
	(Rupees in thousand)			
Balance as at December 31, 2017 (audited)	50,000	71	(1,460)	48,611
Profit for the six months ended June 30, 2018	-	-	4,956	4,956
Net unrealized gain on revaluation of available for sale investments - net of deferred tax	-	781	-	781
Total comprehensive income for the period	-	781	4,956	5,737
Balance as at June 30, 2018 (unaudited)	50,000	852	3,496	54,348
Profit for the six months ended December 31, 2018	-	-	12,151	12,151
Net unrealized loss on revaluation of available for sale investments - net of deferred tax	-	(852)	-	(852)
Total comprehensive income for the period	-	(852)	12,151	11,299
Balance as at December 31, 2018 (audited)	50,000	-	15,647	65,647
Profit for the six months ended June 30, 2019	-	-	18,105	18,105
Net unrealized (loss) / gain on revaluation of available for sale investments - net of deferred tax	-	-	-	-
Total comprehensive income for the period	-	-	18,105	18,105
Balance as at June 30, 2019 (unaudited)	50,000	-	33,752	83,752

	Participant's Takaful Fund (PTF)			
	Cede Money	Capital reserve	Accumulated (Deficit) / surplus	Total
		Investment fair value reserve		
	(Rupees in thousand)			
Balance as at December 31, 2017 (audited)	500	-	1,650	2,150
Deficit for the six months ended June 30, 2018	-	-	(16,716)	(16,716)
Total comprehensive loss for the period	-	-	(16,716)	(16,716)
Balance as at June 30, 2018 (unaudited)	500	-	(15,066)	(14,566)
Deficit for the six months ended December 31, 2018	-	-	(8,281)	(8,281)
Total comprehensive loss for the period	-	-	(8,281)	(8,281)
Balance as at December 31, 2018 (audited)	500	-	(23,347)	(22,847)
Surplus for the six months ended June 30, 2019	-	-	5,454	5,454
Total comprehensive income for the period	-	-	5,454	5,454
Balance as at June 30, 2019 (unaudited)	500	-	(17,893)	(17,393)

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Window Takaful Operations

Notes to the Condensed Interim Financial Statements (Unaudited)

For the Six Months ended June 30, 2019

1 Legal status and nature of business

Atlas Insurance Limited (the Operator) was granted a license to undertake Window Takaful Operations (WTO) in Pakistan on March 02, 2016 by the Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012.

For the purpose of carrying on the takaful business, as per requirement of circular 8 of 2014 the Operator transferred Rs. 50,000 thousand in a separate bank account and thereafter, formed a Waqf / Participants' Takaful Fund (PTF) on March 12, 2016 under a Waqf deed with the ceded money of Rs. 500 thousand. The Waqf deed governs the relationship of Operator and Participants for management of takaful operations.

2 Basis of preparation and statement of compliance

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

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

2.2 Basis of preparation

The disclosures made in these condensed interim financial statements have been limited based on the requirements of the International Accounting Standard 34 'Interim Financial Reporting'. Accordingly, these condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2018.

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 OPF and PTF remain separately identifiable.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors of the Operator.

2.3 Basis of measurement

These condensed interim financial statements have been prepared under historical cost convention, except that certain investments that are carried at fair market value and the recognition of certain employee retirement benefits that are measured at present value.

2.4 Functional and presentation currency

These condensed interim financial information are presented in Pakistani (Rs.) which is the Operator's functional and presentation currency.

3 Standards, amendments and interpretations to accounting and reporting standards

3.1 Standards, interpretations and amendments effective in the current period but are not relevant

There are certain new and amended standards and interpretations that are mandatory for the Operator's accounting periods beginning on or after January 01, 2019 but are considered not to be relevant or to have any significant effect on the Operator's operations and are therefore not detailed in these condensed interim financial statements.

3.2 Standards, interpretations and amendments to accounting and reporting standards that are not effective in the current period

3.2.1 General Takaful Accounting Regulations, 2018

The Securities and Exchange Commission of Pakistan (SECP) issued the draft General Takaful Accounting Regulations, 2018 (the Regulation), through S.R.O. 992(I)/2018 dated August 8, 2018.

The draft regulations provide the principles based on which accounting and reporting of general takaful business of general takaful operators and window general takaful operators shall be made. The draft regulations also contain the formats for reporting of financial statements and regulatory returns of general takaful /window takaful operators.

However, the draft Regulations are yet to be made effective and the Operator's financial statements will be aligned with the requirements of the Regulation once notified by the SECP.

3.2.2 IFRS 16 - Leases

Effective from January 1, 2019, the Operator has also adopted IFRS 16: 'Leases' which has replaced IAS 17, 'Leases.' The standard addresses recognition and measurement of leases for both lessor and lessee. The adoption of IFRS 16 does not have any impact on recognition and measurement of leases of the Operator.

3.2.3 In addition to above, the following standards, amendments and interpretations to accounting and reporting standards would be effective for the dates mentioned below against the respective standards, amendments and interpretations:

Standards, amendments and interpretations	Effective date (period beginning on or after)
- IAS 1, Presentation of Financial Statements (Amendments)	January 01, 2020
- IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 01, 2020
- IFRS 17, Insurance contracts	January 01, 2022
- IFRS 9, Financial instruments	January 01, 2022*

* The management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance / takaful. Further details relating to temporary exemption from the application of IFRS 9 are given in note 5 to these condensed interim financial statements.

The management is in the process of assessing the impact of the above amendments on the financial statements of the Operator.

3.2.4 In addition to the above, there are certain new standards, amendments and interpretations to accounting and reporting standards that are mandatory for the Operator's accounting periods beginning on or after January 1, 2020 but are considered not to be relevant or to have any significant effect on the Operator's operations and are, therefore, not detailed in these condensed interim financial statements.

4 Summary of significant accounting policies

The accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Operator for the year ended December 31, 2018, or otherwise do not have any significant effect on the Operator's operations and are therefore not detailed in these condensed interim financial statements.

5 Temporary exemption from application of IFRS 9

As a takaful operator, the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with takaful. As on reporting dates the fair value of the Operator's financial assets are not significantly different from their carrying amounts since these assets are short term in nature or are frequently repriced to market rate.

6 Critical accounting estimates and judgments

The preparation of condensed interim financial statements in conformity with accounting and reporting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, associated assumptions and judgments are based on

historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the annual audited financial statements of the Operator as at and for the year ended December 31, 2018.

	Note	June 30, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited) (Rupees in thousand)	
7 Property and equipment - OPF				
Operating assets - tangible	7.1	<u>1,391</u>	<u>2,157</u>	
7.1 The breakup of operating assets as at the period / year end is given below:				
Computers equipment		51	173	
Vehicles		<u>1,340</u>	<u>1,984</u>	
		<u>1,391</u>	<u>2,157</u>	
7.2 Movement of property and equipment during the period / year:				
Opening book value		2,157	2,480	
Additions during the period / year	7.3	<u>1,410</u>	<u>214</u>	
		3,567	2,694	
Disposal during the period / year (at book value)	7.4	<u>(2,078)</u>	<u>-</u>	
Depreciation charged for the period / year		<u>(98)</u>	<u>(537)</u>	
		<u>(2,176)</u>	<u>(537)</u>	
Closing book value		<u>1,391</u>	<u>2,157</u>	
7.3 Additions during the period / year				
Computers equipment		-	214	
Vehicles		<u>1,410</u>	<u>-</u>	
		<u>1,410</u>	<u>214</u>	
7.4 Disposals during the period / year				
Computers equipment		114	-	
Vehicles		<u>1,964</u>	<u>-</u>	
		<u>2,078</u>	<u>-</u>	
8 Intangible assets - OPF				
Computer softwares	8.1	<u>95</u>	<u>245</u>	
8.1 Movement of intangible assets during the period / year				
Opening book value		245	545	
Amortization charged for the period / year		<u>(150)</u>	<u>(300)</u>	
Closing book value		<u>95</u>	<u>245</u>	
	OPF	PTF	Total	Total
	June 30,	June 30,	June 30,	December 31,
	2019	2019	2019	2018
		(Unaudited)		(Audited)
		(Rupees in thousand)		
9 Loans and other receivables - considered good				
Accrued investment income	1,527	1,195	2,722	2,777
Loans to employees	33	-	33	333
	<u>1,560</u>	<u>1,195</u>	<u>2,755</u>	<u>3,110</u>

June 30, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited)
---	-----------------------------------

10 Takaful / retakaful receivables - Unsecured and considered good

Due from takaful contract holders	20,050	7,826
Less: Provision for impairment of receivable from takaful contract holders	(481)	(882)
	19,569	6,944
Amount due from other takaful / retakaful operators	2,537	1,738
Less: Provision for impairment of receivables from other takaful / retakaful operators	-	-
	2,537	1,738
	<u>22,106</u>	<u>8,682</u>

	Note	OPF June 30, 2019	PTF June 30, 2019 (Unaudited)	Total June 30, 2019	Total December 31, 2018 (Audited)
11 Prepayments					
Prepaid retakaful contribution ceded		-	20,139	20,139	18,775
Tax deducted at source		1,696	1,288	2,984	2,287
Prepaid miscellaneous expenses		654	54	708	356
		<u>2,350</u>	<u>21,481</u>	<u>23,831</u>	<u>21,418</u>

12 Cash and bank

Cash at bank

Saving accounts	12.1	42,788	201,868	244,656	190,792
Current accounts		-	4,195	4,195	6,160
		<u>42,788</u>	<u>206,063</u>	<u>248,851</u>	<u>196,952</u>

12.1 The rate of profit and loss sharing accounts range from 3.85% to 9.22% (2018: 2.66% to 6.66%) per annum, depending on the size of average deposits.

	OPF June 30, 2019	PTF June 30, 2019 (Unaudited)	Total June 30, 2019	Total December 31, 2018 (Audited)
13 Other creditors and accruals				
Agent commission payable	4,313	-	4,313	3,283
Federal Excise Duty / Sales tax	-	2,157	2,157	1,336
Federal Takaful Fee	-	221	221	163
Other tax payable	1,209	710	1,919	1,241
Leave encashment	368	-	368	1,457
Bonus payable to staff	104	-	104	1,724
Tracker fee payable	-	1,024	1,024	1,460
Payable to related parties	-	-	-	83
Provision for long service award	90	-	90	207
Modarib share of investment	-	1,512	1,512	2,083
Others	3,603	495	4,098	912
	<u>9,687</u>	<u>6,119</u>	<u>15,806</u>	<u>13,949</u>

14 Contingencies and commitments

14.1 Contingencies

There are no outstanding contingencies of Atlas Insurance Limited - Window Takaful Operations (WTO) as on June 30, 2019.

14.2 Commitments

These represent commitments arising from immaterial leases recognised on a straight-line basis as expense under the practical expedients applied by the Operator with respect to IFRS-16. The amount of future payments under these operating leases and the period in which these payments will become due are as follows:

	June 30, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited) (Rupees in thousand)
Not later than one year	6,356	3,263
Later than one year and not later than five years	5,639	4,608
	<u>11,995</u>	<u>7,871</u>

	Six month ended June 30, 2019	June 30, 2018	Three month ended June 30, 2019	June 30, 2018
	(Rupees in thousand)			
15 Net takaful contribution - PTF				
Written gross contribution	153,294	89,952	72,041	47,802
Add: Unearned contribution reserve - opening	106,254	62,743	126,961	70,023
Less: Unearned contribution reserve - closing	(131,354)	(79,599)	(131,354)	(79,599)
Contribution earned	128,194	73,096	67,648	38,226
Less: Retakaful contribution ceded	35,798	29,964	20,119	20,692
Add: Prepaid retakaful contribution - opening	18,775	14,543	19,144	14,026
Less: Prepaid retakaful contribution - closing	(20,139)	(14,744)	(20,139)	(14,744)
Retakaful expense	34,434	29,763	19,124	19,974
	<u>93,760</u>	<u>43,333</u>	<u>48,524</u>	<u>18,252</u>
	Six month ended June 30, 2019	June 30, 2018	Three month ended June 30, 2019	June 30, 2018
	(Rupees in thousand)			
16 Net takaful claims expense - PTF				
Claims paid	42,653	25,872	21,071	13,739
Add: Outstanding claims including IBNR - closing	48,410	19,133	48,410	19,133
Less: Outstanding claims including IBNR - opening	(30,434)	(9,049)	(44,455)	(12,478)
Claims expense	60,629	35,956	25,026	20,394
Less: Retakaful and other recoveries received	2,629	2,829	1,205	2,342
Add: Retakaful and other recoveries in respect of outstanding claims net of impairment - closing	11,632	1,781	11,632	1,781
Less: Retakaful and other recoveries in respect of outstanding claims net of impairment - opening	(3,519)	(1,232)	(9,569)	(688)
Retakaful and other recoveries received	10,742	3,378	3,268	3,435
	<u>49,887</u>	<u>32,578</u>	<u>21,758</u>	<u>16,959</u>
17 Wakala fee / expense				
Gross wakala fee	29,814	27,285	12,095	14,677
Add: Deferred wakala expense / unearned wakala fee - opening	33,715	19,970	35,909	21,758
Less: Deferred wakala expense / unearned wakala fee - closing	(28,482)	(24,750)	(28,482)	(24,750)
	<u>35,047</u>	<u>22,505</u>	<u>19,522</u>	<u>11,685</u>
18 Net rebate on retakaful - PTF				
Retakaful rebate received	5,596	3,439	2,899	1,623
Add: Retakaful rebate - opening	3,695	2,018	3,790	2,392
Less: Retakaful rebate - closing	(3,943)	(2,479)	(3,943)	(2,479)
Net retakaful rebate	<u>5,348</u>	<u>2,978</u>	<u>2,746</u>	<u>1,536</u>

	Six month ended June 30, 2019	June 30, 2018	Three month ended June 30, 2019	June 30, 2018
(Rupees in thousand)				
19 Net commission and other acquisition costs - OPF				
Commission paid / payable	10,880	7,613	4,517	3,647
Add: Deferred commission expense - opening	6,997	6,129	8,958	6,653
Less: Deferred commission expense - closing	(8,692)	(6,946)	(8,692)	(6,946)
Net commission expense	<u>9,185</u>	<u>6,796</u>	<u>4,783</u>	<u>3,354</u>
20 Investment (loss) / income				
Operator's Fund				
- Dividend income	499	-	425	-
- Profit on bank deposits for the period	1,635	645	899	357
	<u>2,134</u>	<u>645</u>	<u>1,324</u>	<u>357</u>
Available for sale financial assets				
Realised losses on				
- Equity securities	(2,266)	-	(2,585)	-
	<u>(132)</u>	<u>645</u>	<u>(1,261)</u>	<u>357</u>
Participant's Takaful Fund				
- Profit on bank deposits for the period	6,582	1,814	3,914	972
- Mudarib's share	(1,646)	(454)	(979)	(244)
	<u>4,936</u>	<u>1,360</u>	<u>2,935</u>	<u>728</u>

21 Transaction with related parties

Related parties comprises of associated entities, entities under common control, entities with common directors, major shareholders, post employment benefit plans and key management personnel, inclusive of directors, and their close family members. The operator in the normal course of business carries out transactions with various related parties. The period end balances and transactions with related parties are as follows:

Amounts due to / from and other significant transactions, other than those disclosed elsewhere in these condensed interim financial statements, are as follows:

		June 30, 2019 (Unaudited) (Rupees in thousand)	December 31, 2018 (Audited)	
Associated companies	Period / year end balances			
	Provision for outstanding claims	241	138	
	Contribution received in advance	-	224	
	Due from takaful contract holder	90	62	
Post employment benefit plans	Transactions during the period			
	Contribution underwritten	1,418	491	
	Contribution collected	1,328	561	
	Claims paid	773	258	
	Dividend received	424	-	
	Investment purchased	56,824	-	
	Investment sold	54,558	-	
	Contributions in respect of retirement benefit plans	95	94	
Key management personnel	Period / year end balances			
	Provision for outstanding claims	28	28	
	Due from takaful contract holder	34	-	

Transactions during the period	Six month ended	
	June 30, 2019	June 30, 2018
	(Rupees in thousand)	
Compensation	-	2,976
Contribution underwritten	61	4
Contribution collected	27	5

22 Segment reporting

The Operator has identified four (2018: four) primary operating / business segments for reporting purposes in accordance with the requirements of the Insurance Ordinance, 2000, Insurance Accounting Regulations, 2017 and the Insurance Rules, 2017. These include fire and property damage, marine, aviation and transport, motor and miscellaneous class of operating / business segments. As per Insurance Rules, 2017, information for other segments under which business is less than 10%, is classified under miscellaneous class of operating / business segment.

Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of the gross contribution written by the segments.

22.1 Operator's Fund (OPF)

	(Unaudited) Six months ended June 30,									
	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Wakala fee	4,441	3,152	2,980	2,468	26,786	16,353	840	532	35,047	22,505
Net commission and other acquisition costs	(1,996)	(1,169)	(1,450)	(1,011)	(5,577)	(4,458)	(162)	(158)	(9,185)	(6,796)
Management expenses	(712)	(1,035)	(457)	(755)	(5,870)	(8,648)	(154)	(554)	(7,193)	(11,052)
	1,733	888	1,073	702	15,339	3,247	524	(180)	18,669	4,657
Investment (loss) / income									(132)	645
Other expenses									(432)	(346)
Profit before tax									18,105	4,956
									June 30, 2019	Dec 31, 2018
									(Unaudited)	(Audited)
									(Rupees in thousand)	
Segment assets	5,036	4,464	3,183	2,601	39,847	32,759	1,049	1,072	49,115	40,896
Unallocated assets									73,184	67,588
									122,299	108,484
Segment liabilities	2,921	4,675	1,846	2,726	23,107	34,314	608	1,122	28,482	42,837
Unallocated liabilities									10,065	-
									38,547	42,837

	(Unaudited) Three months ended June 30,									
	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Wakala fee	2,309	1,604	1,362	1,053	15,424	8,708	427	320	19,522	11,685
Net commission and other acquisition costs	(1,058)	(591)	(734)	(433)	(2,909)	(2,237)	(82)	(93)	(4,783)	(3,354)
Management expenses	(345)	(327)	(245)	(254)	(3,084)	(4,141)	(74)	(124)	(3,749)	(4,846)
	906	686	383	366	9,431	2,330	271	103	10,991	3,485
Investment income									(1,261)	357
Other expenses									(214)	(149)
Profit before tax									9,516	3,693

22.2 Participants' Takaful Fund (PTF)

(Unaudited) Six months ended June 30,										
	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Contribution receivable (Inclusive of Federal Excise Duty, Federal Takaful Fee and administrative surcharge)	18,044	10,131	11,167	7,469	143,863	81,613	3,769	4,512	176,843	103,725
Less: Federal Excise Duty	2,171	1,207	1,134	795	18,248	10,589	465	281	22,018	12,872
Federal Takaful Fee	155	87	99	67	1,245	705	32	42	1,531	901
Gross written contribution (Inclusive of administrative surcharge)	15,718	8,837	9,934	6,607	124,370	70,319	3,272	4,189	153,294	89,952
Gross direct contribution	14,955	8,206	9,443	6,316	121,394	69,022	3,135	4,132	148,927	87,676
Facultative inward contribution	471	440	42	11	178	56	69	-	760	507
Administrative surcharge	292	191	449	280	2,798	1,241	68	57	3,607	1,769
	15,718	8,837	9,934	6,607	124,370	70,319	3,272	4,189	153,294	89,952
Contribution earned	13,370	9,071	10,190	6,903	102,181	54,827	2,453	2,295	128,194	73,096
Prepaid retakaful contribution ceded	(11,757)	(8,564)	(8,773)	(7,156)	(12,977)	(13,808)	(927)	(235)	(34,434)	(29,763)
Net contribution revenue	1,613	507	1,417	(253)	89,204	41,019	1,526	2,060	93,760	43,333
Rebate from retakaful operators	2,508	1,657	1,926	1,056	734	214	180	51	5,348	2,978
Net underwriting surplus	4,121	2,164	3,343	803	89,938	41,233	1,706	2,111	99,108	46,311
Takaful claims	(205)	341	(10,235)	(116)	(47,201)	(34,556)	(2,988)	(1,625)	(60,629)	(35,956)
Retakaful and other recoveries	322	(216)	8,363	209	2,068	3,398	(11)	(13)	10,742	3,378
Net claims expense	117	125	(1,872)	93	(45,133)	(31,158)	(2,999)	(1,638)	(49,887)	(32,578)
Wakala expense	(4,441)	(3,152)	(2,980)	(2,468)	(26,786)	(16,353)	(840)	(532)	(35,047)	(22,505)
Direct expenses	(114)	(92)	(4)	(69)	(13,524)	(10,389)	(1)	(45)	(13,643)	(10,595)
Reversal of contribution deficiency reserve	-	-	-	1,291	-	-	-	-	-	1,291
Net takaful claims and expenses	(4,438)	(3,119)	(4,856)	(1,153)	(85,443)	(57,900)	(3,840)	(2,215)	(98,577)	(64,387)
Underwriting result	(317)	(955)	(1,513)	(350)	4,495	(16,667)	(2,134)	(104)	531	(18,076)
Investment income									4,936	1,360
Finance cost									(13)	-
Surplus / deficit for the period									5,454	(16,716)
									June 30,	Dec 31,
									2019	2018
									(Unaudited)	(Audited)
									(Rupees in thousand)	
Segment assets	6,380	7,220	4,031	4,210	50,479	52,992	1,329	1,733	62,219	66,155
Unallocated assets									228,740	156,766
									290,959	222,921
Segment liabilities	28,426	24,092	17,966	14,047	224,921	176,841	5,920	5,788	277,233	220,788
Unallocated liabilities									6,119	-
									283,352	220,788

(Unaudited) Three months ended June 30,

	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)									
Contribution receivable (inclusive of Federal Excise Duty, Federal Takaful Fee and administrative surcharge)	8,125	4,123	5,547	3,630	67,715	40,106	1,578	1,304	82,965	55,163
Less: Federal Excise Duty	991	531	579	386	8,458	5,948	180	15	10,208	6,880
Federal Takaful Fee	69	37	49	33	586	398	12	13	716	481
Gross written contribution (inclusive of administrative surcharge)	7,065	3,555	4,919	3,211	58,671	39,760	1,386	1,276	72,041	47,802
Gross direct contribution	6,525	3,386	4,684	3,065	57,080	39,052	1,289	1,263	69,578	46,766
Facultative inward contribution	405	97	17	11	178	-	69	-	669	108
Administrative surcharge	135	72	218	135	1,413	708	28	13	1,794	928
	7,065	3,555	4,919	3,211	58,671	39,760	1,386	1,276	72,041	47,802
Contribution earned	7,077	4,606	5,108	3,014	54,240	29,223	1,223	1,383	67,648	38,226
Prepaid retakaful contribution ceded	(6,228)	(4,353)	(4,390)	(2,422)	(7,985)	(13,074)	(521)	(125)	(19,124)	(19,974)
Net contribution revenue	849	253	718	592	46,255	16,149	702	1,258	48,524	18,252
Rebate from retakaful operators	1,330	841	965	531	349	137	102	27	2,746	1,536
Net underwriting income	2,179	1,094	1,683	1,123	46,604	16,286	804	1,285	51,270	19,788
Takaful Claims	(34)	(10)	(4,930)	5	(16,762)	(19,354)	(3,299)	(1,035)	(25,025)	(20,394)
Retakaful and other recoveries	67	11	3,533	(5)	(301)	3,403	(32)	26	3,267	3,435
Net claims expense	33	1	(1,397)	-	(17,063)	(15,951)	(3,331)	(1,009)	(21,758)	(16,959)
Wakala expense	(2,309)	(1,604)	(1,362)	(1,053)	(15,424)	(8,708)	(427)	(320)	(19,522)	(11,685)
Direct expenses	(37)	(81)	(4)	(62)	(7,638)	(6,762)	(1)	(40)	(7,680)	(6,945)
Net takaful claims and expenses	(2,313)	(1,684)	(2,763)	(1,115)	(40,125)	(31,421)	(3,759)	(1,369)	(48,960)	(35,589)
Underwriting result	(134)	(590)	(1,080)	8	6,479	(15,135)	(2,955)	(84)	2,310	(15,801)
Investment income									2,935	728
Surplus / deficit for the period									<u>5,245</u>	<u>(15,073)</u>

23 Fair value measurement of financial instruments

The Operator measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value measurement of available for sale investments is based on quoted market prices i.e. level 1 inputs and is equal to the carrying amount. In case of other financial assets and financial liabilities that are expected to be settled within one year, carrying amounts are considered to be a reasonable approximation of their fair values.

	<u>Available for sale</u>
	<u>Rupees in</u>
	<u>thousand</u>
24 Movement in investment - OPF	
As at beginning of previous year - 2018	38,479
Additions	673
Disposals (sale and redemptions)	(39,051)
Fair value net gains (excluding net realize gain)	(101)
As at beginning of current period - 2019	<hr style="width: 100%; border: 0.5px solid black;"/> -
Additions	56,824
Disposals (sale and redemptions)	(56,824)
As at end of current period	<hr style="width: 100%; border: 0.5px solid black;"/> <hr style="width: 100%; border: 0.5px solid black;"/> -

25 Financial risk management

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

26 Subsequent events - non adjusting event

There are no significant events that need to be disclosed for the period ended June 30, 2019.

27 Date of authorization for issue

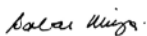
These condensed interim financial statements were authorized for issue on August 27, 2019 by the Board of Directors of the Operator.

28 General

Figures in these interim financial information have been rounded off to the nearest thousand rupees, unless otherwise stated.



Rashid Amin
Chief Financial Officer



Babar Mahmood Mirza
Chief Executive Officer



Ali H. Shirazi
Director



Fahim Ali Khan
Director



Yusuf H. Shirazi
Chairman

Company Offices

HEAD OFFICE

63/A, Block - XX, Phase III (Commercial), Khyaban-e-Iqbal, DHA, Lahore.	UAN: PABX: Fax:	111-245-000 (042) 37132611-18, (042) 37132622
BABAR MAHMOOD MIRZA Chief Executive Officer	Direct: Fax:	(042) 37132600 - 01 (042) 37132623
RASHID AMIN Chief Financial Officer	Direct: Extension:	(042) 37132607 758
MUHAMMAD SAEED Head of Claims	Direct: Extension:	(042) 37132608 777
QUDSIA NAHEED Head of HR & Admin	Direct: Extension:	(042) 37132606 717
ABDUL RAZZAQ GHAURI Head of IT	Direct: Extension:	(042) 37132605 738
SYED IRTIZA KAZMI Head of Underwriting	Direct: Extension:	(042) 37132604 718
SYED NASIR HUSSAIN Vice President Reinsurance	Extension:	715
MUHAMMAD AASIM GUL Head of Accounts & Compliance	Extension:	744
SALEEM MAHMOOD AKHTAR Chief Internal Auditor	Extension:	737

NORTH ZONE OFFICES & BRANCHES

LAHORE

CH. TAYYAB HUSSAIN Circle Chief, Lahore Circle - I	City Branch 64/A, Block - XX, Phase III (Commercial), Khyaban-e-Iqbal, DHA, Lahore.	(042) 37132624 - 26 37132628 - 29 Fax: (042) 37132627
MUHAMMAD MUNIR QAZI Chief Manager	Gulberg Branch Office No. 335, 3rd Floor, Land Mark Plaza, Jail Road, Lahore.	(042) 35775733-4 Fax: (042) 35714514
MUHAMMAD IJAZ Chief Manager	Al-Noor Branch Al-Noor Building, 43-Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	(042) 37237343 Fax: (042) 37358805
KH. MUHAMMAD NADEEM Deputy Chief Manager	Napier Road Branch Nairobi Mansion, Napier Road, Lahore.	(042) 37358190 Fax: (042) 37352560
MUHAMMAD WASEEM PURI Deputy Chief Manager	Mall Road Branch Hafeez Chambers, 85 - Shahrah-e-Quaid- e-Azam, Lahore.	(042) 36305595, 36370838 Fax: (042) 36369576
CH. ZEESHAN AHMED Chief Manager	Main Boulevard Branch Office No-6, 2nd Floor, Al-Hafeez View, 67-D/1, Sir Syed Road, Gulberg-III, Lahore.	(042) 35784309, 37034673 Fax: (042) 35784310
MUSHTAQ AHMED Chief Manager	DHA Branch 63/A, Block - XX, Phase III (Commercial), Khyaban-e-Iqbal, DHA, Lahore.	(042) 37132611-18 Fax: (042) 37132622



RAWALPINDI

SALMAN MUZAFFAR SHAIKH Branch Manager	Rawalpindi Branch 101/13, Bank Road, Grand Hotel Building, P.O. Box 119, Rawalpindi.	(051) 5563413, 5516546 Fax: (051) 5798083
FAWAD HABIB Branch Manager	Rawalpindi Branch - II Office No. SF-18/B, 2nd Floor, Majeed Plaza, Bank Road, Rawalpindi.	(051) 5700460, 5700463 Fax: (051) 5700459

FAISALABAD

MUHAMMAD ASIF AKRAM Chief Manager	Faisalabad Branch 123-B, People's Colony No. 1, D - Ground, Faisalabad.	(041) 8721256, 8734176, 8546338, 8735080 Fax: (041) 8732499
IRSHAD FARRUKH BHATTI Chief Manager	Business Center Branch Room No. 7-B, Ground Floor, The Business Center, New Civil Lines, Faisalabad.	(041) 2619978, 2629978 Fax: (041) 2409978

SIALKOT

REHAN NAZIR GHUMAN Branch Manager	Ugoki Road, Shahabpura, Sialkot.	(052) 3550450, 3550460 Fax: (052) 3550470
--------------------------------------	-------------------------------------	---

ISLAMABAD

ASIM MAJEED Chief Manager	Islamabad Branch Office No. 2, 2nd Floor, Yaseen Plaza, Jinnah Avenue, Blue Area, Islamabad.	(051) 2347047-8 Fax: (051) 2804115
ZAHEER RASHEED Chief Manager	Islamabad - II Branch Office No. 10, 3rd Floor, Huzaifia Centre, Plot No. 32, Sector I-8, Markaz, Islamabad.	(051) 2722223-4 Fax: (051) 4861770

SAHIWAL

RANA MUHAMMAD AAMIR NAZ Deputy Chief Manager	Room No. 1 & 2, 1st Floor, House No. 407, Stadium Road, Sahiwal.	(040) 4222266 Fax: (040) 4222267
---	--	-------------------------------------

MULTAN

Ghulam Ali Office Incharge	Atlas Honda Building, Azmat Wasti Road, Multan.	(061) 4544494 Fax: (061) 4544498
-------------------------------	--	-------------------------------------

SOUTH ZONE OFFICE

Ground Floor, Federation House, Shahrah-e-Firdousi, Main Clifton, Karachi.	UAN: PABX: Fax:	111-245-000 (021) 35378806-7, 35369395-6 (021) 35378515
BABAR MAHMOOD MIRZA Chief Executive Officer	Direct:	(021) 35378757
ABBAS SAJJAD General Manager Sales & Marketing	Direct: Extension:	(021) 35269447 215
M. WAQARUDDIN RAUF Vice President	Extension:	216

MUHAMMAD AFZAL
Company Secretary

Extension:

202

SOUTH ZONE BRANCHES

KARACHI

M. FAROOQ KANDLAWALA
Circle Chief, Karachi Circle - I

Tower Branch
State Life Building No. 7,
Room No. 101, 1st Floor,
G. Allana Road, Karachi.

(021) 32316503,
32201471
Fax: (021) 32315248

ABDUL AZIZ
Chief Manager

Corporate Branch
Room No. 1501, 15th Floor,
K.S. Trade Tower,
Shahrah-e-Liaqat,
Karachi.

(021) 32462131,
32422911
Fax: (021) 32462132

IMRAN SATTAR
Chief Manager

Plaza Branch
3/3 Rimpa Plaza
M.A. Jinnah Road, Karachi.

(021) 32729339,
32720852
Fax: (021) 32749004

KHALID HAMEEDI
Chief Manager

Karachi Branch - I
Ground Floor,
Federation House,
Shahrah-e-Firdousi,
Main Clifton, Karachi.

(021) 35378806-7
35369395-6
Fax: (021) 35378515

INAYATULLAH
Branch Manager

New Challi Branch
Office No. 910, 9th Floor,
UNI Tower, I. I. Chundrighar Road,
Karachi.

(021) 32412796-7
Fax: (021) 32412795

NOUMAN UDDIN
Deputy Chief Manager

DHA Branch
Office No. 18-C, 2nd Floor,
Phase - VII, Khayaban-e-Jami,
DHA, Karachi.

(021) 35319393-94
Fax: (021) 35319395

AJAZ TUFAIL
Branch Manager

NCB - II Branch
Office No. 910, 9th Floor,
UNI Tower, I. I. Chundrighar Road,
Karachi.

(021) 32412798-9
Fax: (021) 32412795

HYDERABAD

ZAFAR AHMAD GHOURI
Circle Chief, Hyderabad Circle

Plot No. 466, Mezzanine Floor,
Al-Abbas Plaza,
Near Kaka Bakery,
Saddar, Hyderabad.

(022) 2782659,
2782660
Fax: (022) 2786410

SUKKUR

ABDUL MAJEED QURESHI
Chief Manager

Near Public School,
Military Road, Sukkur.

(071) 5631056
Fax: (071) 5631057



Atlas Insurance Limited

63/A, Block-XX, Phase III (Comercial)

Khyaban-e-Iqbal, DHA, Lahore.

Tel: (92-42) 37132611-18

Fax: (92-42) 37132622

Email: info@ail.atlas.pk

Website: www.ail.atlas.pk