



IGI
Holdings

IGI Holdings Limited

greater
than itself

Half Year Report
June 30, 2019

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Company Information

Board of Directors

Syed Babar Ali (Chairman)
Mr. Shamim Ahmad Khan
Syed Yawar Ali
Syed Shahid Ali
Syed Hyder Ali
Ms. Faryal Jooma
Mr. Tahir Masaud

Chief Executive Officer

Mr. Tahir Masaud

Chief Financial Officer

Syed Awais Amjad

Company Secretary

Mr. Yasir Ali Quraishi

Audit Committee

Ms. Faryal Jooma (Chairperson)
Mr. Shamim Ahmad Khan
Syed Yawar Ali
Mr. Syed Hyder Ali
Mr. Yasir Ali Quraishi (Secretary)

Human Resources & Remuneration Committee

Syed Yawar Ali
Syed Shahid Ali
Syed Hyder Ali
Mr. Tahir Masaud
Mr. Muhammad Adnan (Secretary)

Auditors

M/s. A.F. Ferguson & Co.,
Chartered Accountants

Legal Advisors

Hassan & Hassan
Access World Law Company
Chaudhary Abdul Rauf & Co.
S. & B. Durrani Law Advocates
Haidermota & Co.
Jurists & Arbitrators Advocates & Consultants
Lexicon Law Firm
Mian Law Associates
Mohsin Tayedaly & Co.
Mughees Law Associates
Orr, Dignam & Co.
Fazleghani Advocates
SMGD Law Associates
Ijaz Ahmed & Associates

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
State Bank of Pakistan
Summit Bank
United Bank Limited

Shares Registrar

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

Registered & Head Office

7th Floor, The Forum,
Suite Nos. 701-713, G-20,
Block 9, Khayaban-e-Jami,
Clifton, Karachi – 75600,
Pakistan.
www.igi.com.pk/holding

Contact

UAN: (021) 111-308-308
Fax: 92-21-35301706

Directors' Report to the Shareholders on Unconsolidated Condensed interim financial statements

The Directors of your Company take pleasure in presenting report for the half year ended June 30, 2019 together with the unconsolidated condensed interim financial statements (un-audited).

Company performance review

— Rupees in thousands —

	Half year ended June 30, 2019	Half year ended June 30, 2018
Operating revenue	797,453	1,884,614
Profit before taxation	687,468	1,815,781
Taxation	28,308	(82,325)
Profit after taxation	715,776	1,733,456
Earnings per share (in rupees)	5.02	12.18

The Company has earned operating revenue of Rs 797.4 million during the period against Rs 1,884.6 million and profit after tax of Rs 715.7 million compared to profit after tax of Rs 1,733.5 million during corresponding period of 2018. Earnings per share for the period stood at Rs 5.02 compared to Rs 12.18 for corresponding period of 2018. The decline in profit is attributable to decline in dividend income from subsidiaries.

IGI Holdings is operating as a holding company and derives value for its shareholders from its subsidiaries. The four subsidiaries are: namely IGI General Insurance Limited, IGI Life Insurance Limited, IGI Investments (Private) Limited and IGI Finex Securities Limited. Dividend income constitutes major source of income of the Company, and as a result, its income pattern will follow dividend distribution pattern of its subsidiaries.

We value the support and patronage received from our business partners and all stakeholders.

For and on behalf of the Board



Shamim Ahmad Khan
Director

Lahore: August 28, 2019



Tahir Masaud
Chief Executive Officer

Lahore: August 28, 2019

**Unconsolidated
Condensed Interim
Financial Statements
for the Half Year Ended
June 30, 2019**

Independent Auditor's Review Report to the members of IGI Holdings Limited on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **IGI Holdings Limited** ("the Company") as at June 30, 2019 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of profit or loss and other comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated statement of cash flows, and notes to the condensed interim unconsolidated financial statements for the half-year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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 interim financial statements based on our review. The figures of the condensed interim unconsolidated statement of profit or loss and condensed interim unconsolidated statement of profit or loss and other comprehensive income for the quarters ended

June 30, 2019 and June 30, 2018 have not been reviewed and we do not express a conclusion on them.

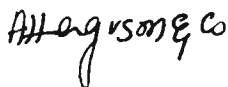
Scope of Review

We conducted our review in accordance with the 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 the 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 are 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 review resulting in this independent auditor's review report is **Noman Abbas Sheikh**.



Chartered Accountants

Karachi

Dated: August 28, 2019

Unconsolidated Condensed Interim Statement of Financial Position (Un-audited)

as at June 30, 2019

	Note	Un-audited	Audited
		June 30, 2019	Dec. 31, 2018
(Rupees in thousand)			
ASSETS			
Non-current assets			
Fixed assets	7	1,756	2,044
Investments	8	14,817,677	14,820,667
Long-term deposits		1,736	4,461
Deferred tax asset		85,170	55,485
		14,906,339	14,882,657
Current assets			
Loans and advances		10,200	10,200
Deposits and prepayments		4,690	5,644
Other receivables	9	226,512	226,512
Taxation recoverable		62,193	54,694
Cash and bank balances		25,007	6,990
		328,602	304,040
Total assets		15,234,941	15,186,697
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 200,000,000 ordinary shares of Rs. 10 each		2,000,000	2,000,000
Issued, subscribed and paid up share capital		1,426,305	1,426,305
Unappropriated profit		4,410,079	4,114,637
Reserves		7,764,863	7,764,863
Deficit on revaluation of financial assets at fair value through other comprehensive income		(10,548)	-
Total equity		13,590,699	13,305,805
Non-current liabilities			
Long term loans -secured	10	750,000	900,000
Current liabilities			
Current portion of long term loans - secured	10	300,000	300,000
Short term loan		318,251	409,623
Unclaimed dividend		40,755	32,748
Trade and other payables	11	235,236	238,521
		894,242	980,892
Total liabilities		1,644,242	1,880,892
TOTAL EQUITY AND LIABILITIES		15,234,941	15,186,697
CONTINGENCIES AND COMMITMENTS			
	12		

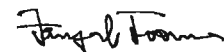
The annexed notes from 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited)

for the Half Year and Quarter Ended June 30, 2019

	Note	Half Year Ended		Quarter Ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
(Rupees in thousand)					
Operating revenue	13	797,453	1,884,614	203,349	57,895
Other income		1,294	8,918	1,181	6,487
Total income		798,747	1,893,532	204,530	64,382
General and administrative expenses		(39,662)	(39,637)	(20,290)	(23,188)
Finance costs		(78,617)	(47,681)	(35,545)	(22,819)
		(118,279)	(87,318)	(55,835)	(46,007)
		680,468	1,806,214	148,695	18,375
Reversal of provision for bad and doubtful loans and advances / lease losses		7,000	9,567	5,100	5,217
Profit before taxation		687,468	1,815,781	153,795	23,592
Taxation					
- Current		1,377	16,586	1,344	24,617
- Deferred		(29,685)	-	(29,685)	-
- Prior		-	65,739	-	65,739
		(28,308)	82,325	(28,341)	90,356
Profit / (loss) after taxation		715,776	1,733,456	182,136	(66,764)
(Rupees)					
Earnings / (loss) per share - basic and diluted	16	5.02	12.18	1.28	(0.47)

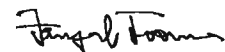
The annexed notes from 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

**Condensed Interim Unconsolidated Statement of Profit or Loss and
Other Comprehensive Income (Un-audited)**
for the Half Year and Quarter Ended June 30, 2019

	Half Year Ended		Quarter Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees in thousand)			
Profit / (loss) after taxation	715,776	1,733,456	182,136	(66,764)
Other comprehensive income				
Items that may be reclassified to condensed interim unconsolidated statement of profit or loss subsequently				
Net unrealised deficit on revaluation of financial assets classified as 'available for sale'	-	(325)	-	(3,234)
Items that will not be reclassified to condensed interim unconsolidated statement of profit or loss subsequently				
Net unrealised deficit on revaluation of financial assets classified as 'fair value through other comprehensive income'	(2,990)	-	(2,449)	-
Total comprehensive income / (loss) for the period	712,786	1,733,131	179,687	(69,998)

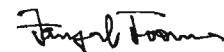
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Chief Executive Officer



Chief Financial Officer



Director

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited) for the Half Year Ended June 30, 2019

	Issued, subscribed and paid-up share capital	Proposed shares to be issued on amalgamation	Reserves			Unappropriated profits	Deficit on revaluation of financial assets at fair value through other comprehensive income	Total
			Capital reserves		Revenue reserves			
			Premium on issue of shares	Other capital reserves	General reserve			
(Rupees in thousand)								
Balance as at January 1, 2018 (audited)	1,226,895	411,659	35,762	33,267	7,297,545	4,361,029	-	13,366,157
Profit after taxation for the half year ended June 30, 2018	-	-	-	-	-	1,733,456	-	1,733,456
Other comprehensive loss for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the half year ended June 30, 2018	-	-	-	-	-	(325)	-	(325)
Transactions with owners directly recorded in equity	-	-	-	-	-	1,733,131	-	1,733,131
Issuance of shares under scheme of amalgamation								
Final dividend for the year ended December 31, 2016 - Rs. 8 per share approved on March 02, 2018	13,370	(411,659)	398,289	-	-	-	-	-
Final dividend for the year ended December 31, 2017 - Rs. 4 per share approved on April 27, 2018	-	-	-	-	-	(992,213)	-	(992,213)
	-	-	-	-	-	(496,106)	-	(496,106)
Balance as at June 30, 2018 (un-audited)	13,370	(411,659)	398,289	-	-	(1,488,319)	-	(1,488,319)
Profit after taxation for the half year ended December 31, 2018	1,240,265	-	434,051	33,267	7,297,545	4,605,841	-	13,610,969
Other comprehensive income for the half year ended December 31, 2018	-	-	-	-	-	66,591	-	66,591
Total comprehensive income for the half year ended December 31, 2018	-	-	-	-	-	325	-	325
Transactions with owners directly recorded in equity	-	-	-	-	-	66,916	-	66,916
Interim dividend for the year ending December 31, 2018 at the rate of Rs. 3 per share approved on October 26, 2018	-	-	-	-	-	(372,080)	-	(372,080)
Issuance of bonus shares at the rate of 15%	186,040	-	-	-	-	(186,040)	-	-
	186,040	-	-	-	-	(558,120)	-	(372,080)
Balance as at December 31, 2018 (audited)	1,426,305	-	434,051	33,267	7,297,545	4,114,637	-	13,305,805
Effect of change in accounting policy - net of tax (note 4.1.1)	-	-	-	-	-	7,558	(7,558)	-
Profit after taxation for the half year ended June 30, 2019	-	-	-	-	-	715,776	-	715,776
Other comprehensive loss for the half year ended June 30, 2019	-	-	-	-	-	-	(2,990)	(2,990)
Total comprehensive income for the half year ended June 30, 2019	-	-	-	-	-	715,776	(2,990)	712,786
Transactions with owners directly recorded in equity								
Final dividend for the year ended December 31, 2018 - Rs. 3 per share approved on March 29, 2019	-	-	-	-	-	(427,892)	-	(427,892)
	-	-	-	-	-	(427,892)	-	(427,892)
Balance as at June 30, 2019 (un-audited)	1,426,305	-	434,051	33,267	7,297,545	4,410,079	(10,548)	13,590,699

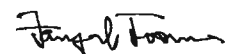
The annexed notes from 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Condensed Interim Cash Flow Statement (Un-audited)

for the Half Year Ended June 30, 2019

	Half Year Ended	
	June 30, 2019	June 30, 2018
	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	687,468	1,815,781
Adjustments for :		
Depreciation	288	302
Finance cost	78,617	47,681
Gain on disposal of fixed assets	(2)	(777)
Reversal of provision for bad and doubtful loans and advances / lease losses - specific - net	(7,000)	(9,567)
Return on bank balances and term deposits	(1,292)	(8,141)
Dividend income	(797,453)	(1,883,451)
	(726,842)	(1,853,953)
	(39,374)	(38,172)
Changes in working capital		
Decrease in current assets		
Deposits, payments and other receivables	954	2,403
Long term deposits	2,725	(45)
(Decrease) / increase in current liabilities		
Trade and other payables	7,692	(18,282)
	11,371	(15,924)
	(28,003)	(54,096)
Net recovery from loans and advances	7,000	9,567
Tax paid	(8,876)	(9,566)
Net cash used in operating activities	(29,879)	(54,095)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on disposal of fixed assets	2	1,014
Dividend received	797,453	1,947,946
Profit / return received	1,292	8,141
Net cash generated from investing activities	798,747	1,957,101
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(419,885)	(1,438,651)
Long term loan repayment	(150,000)	(150,000)
Financial charges paid	(89,594)	(63,561)
Payment of current portion of long term loan	-	(69,860)
Net cash used in financing activities	(659,479)	(1,722,072)
Net increase in cash and cash equivalents	109,389	180,934
Cash and cash equivalents at beginning of the period	(402,633)	22,312
Cash and cash equivalents at end of the period	(293,244)	203,246

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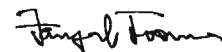
The annexed notes from 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Notes to and Forming Part of the Condensed Interim Unconsolidated Financial Statements (Un-audited)

1 STATUS AND NATURE OF BUSINESS

IGI Holdings Limited ("the Company"), a Packages Group Company, was incorporated as a public limited company in 1953 under Companies Ordinance, 1984 (now Companies Act, 2017) and is quoted on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 7th floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The objects of the Company include to act as our investment holding company and for that purpose invest, acquire, sell and hold the securities and financial instruments subject to compliance by relevant laws prevailing in Pakistan from time to time.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim unconsolidated 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.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2018.

These condensed interim unconsolidated financial statements are unaudited and are being submitted to shareholders in accordance with the Pakistan Stock Exchange Limited Regulations and section 237 of the Companies Act, 2017.

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

The Company has applied the following amendment for the first time for their accounting period commencing January 1, 2019:

Effective from January 1, 2019, the Company has adopted IFRS 9: 'Financial Instruments' which has replaced IAS 39, 'Financial Instruments: Recognition and Measurement.'

The impacts of adoption of IFRS 9 are further given in note 4.1.1.

There are certain other new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2019, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim unconsolidated financial statements.

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

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

- | | Effective date
(period beginning on or after) |
|---|--|
| - IAS 1 - 'Presentation of financial statements' (amendments) | January 1, 2020 |
| - IAS 8 - 'Accounting policies, changes in accounting estimates and errors' | January 1, 2020 |

There are certain other new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2019, but are considered not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim unconsolidated financial statements.

2.4 Cost convention

These condensed interim unconsolidated financial statements of the Company have been prepared under the historical cost convention, except that certain investments have been marked to market and are carried at fair value.

3 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim unconsolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim unconsolidated financial statements are presented in Pakistani rupees, which is the Company's functional and presentation currency.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2018 except for the changes mentioned in note 4.1 below.

- 4.1 Effective from January 1, 2019, the Company has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on 'expected credit losses' (ECL) approach rather than 'incurred credit losses' approach, as previously given under IAS 39. The ECL has impact on all the assets of the Company which are exposed to credit risk.

All equity investments are required to be measured in this condensed interim unconsolidated statement of financial position at fair value, with gains and losses recognised in condensed interim unconsolidated statement of profit or loss, except where an irrevocable election has been made at the time of initial recognition to measure the investment at fair value through other comprehensive income "(FVOCI)".

The Company has made an irrevocable election on initial recognition, on an instrument-by-instrument basis, to present changes in fair value in other comprehensive income rather than profit or loss (except for equities that give the Company significant influence over an investee according to IAS 27, which can only be accounted for under IFRS 9 if they are measured at "fair value through profit or loss"). When this election is used, fair value gains and losses recognised in other comprehensive income are not subsequently reclassified to profit or loss, including on disposal. Accordingly, investments carried as available for sale have been designated as investments at fair value through other comprehensive income from January 1, 2019 using modified retrospective restatement approach and comparative have not been restated as permitted under specific transitional provisions in the standard. The impacts of above change are disclosed in note 4.1.1.

Dividends are recognised in condensed interim unconsolidated financial statements of profit or loss unless they clearly represent a recovery of part of the cost of an investment, in which case they directly reduce the carrying amount of the investment.

IFRS 9 removes the ability to measure unquoted equity investments at cost where fair value cannot be determined reliably. However, IFRS 9 indicates that, in limited circumstances, cost might be used as an estimate of fair value where:

- more recent available information is insufficient to determine fair value;
- there is a wide range of possible fair value measurements; and
- cost represents the best estimate of fair value within that range.

Accordingly, based on the information about the performance and operations of investees in determining whether cost is representative of fair value, management has decided to record its unquoted equity instruments at cost as cost represents the best estimate of fair value of such securities.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements

4.1.1 Impacts of IFRS 9

Impact on condensed interim unconsolidated statement of financial position

	December 31, 2018	Change	January 1, 2019
Investments classified as 'available for sale'	9,077	(9,077)	-
Investments classified as 'fair value through 'other comprehensive income'	-	9,077	9,077
Unappropriated profit	4,114,637	7,558	4,122,195
Deficit on revaluation of investments at 'fair value through 'other comprehensive income'	-	(7,558)	(7,558)

This change in accounting policy has no impact on condensed interim unconsolidated statement of profit and loss and condensed interim unconsolidated statement of cash flows.

5 SIGNIFICANT ESTIMATES AND JUDGMENTS

The basis and the methods used for critical accounting estimates and judgments adopted in these condensed interim unconsolidated 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.

6 FINANCIAL RISK MANAGEMENT

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

7 FIXED ASSETS

Note	Un-audited	Audited
	June 30, 2019	Dec. 31, 2018
	(Rupees in thousand)	
Furniture, fixtures and office equipments	82	136
Leasehold improvements	271	352
Motor vehicles- owned	1,403	1,556
7.1	<u>1,756</u>	<u>2,044</u>

7.1 Movement in fixed assets

Opening written down value	2,044	2,981
Add:		
Additions during the period / year	-	-
	2,044	2,981
Less :		
Net book value of assets disposed of / transferred during the period / year	-	345
Depreciation for the period / year	288	592
	288	937
Closing written down value	<u>1,756</u>	<u>2,044</u>

8 INVESTMENTS

- Investments in subsidiaries	8.1	14,811,590	14,811,590
- Investments at fair value through other comprehensive income	8.2	6,087	9,077
		<u>14,817,677</u>	<u>14,820,667</u>

8.1 Investments in subsidiaries

	Un-audited				Audited			
	June 30, 2019				December 31, 2018			
	Number of shares	Cost	Impairment / provision (note 8.1.1)	Carrying amount	Number of shares	Cost	Impairment / provision (note 8.1.1)	Carrying amount
	(Rupees in thousand)				(Rupees in thousand)			
Quoted								
IGI Life Insurance Limited (note 8.1.2)	57,846,319	858,831	-	858,831	57,846,319	858,831	-	858,831
Unquoted								
IGI Finex Securities Limited (note 8.1.3)	52,000,000	441,883	(289,603)	152,280	52,000,000	441,883	(289,603)	152,280
IGI General Insurance Limited (note 8.1.4)	191,838,400	1,918,384	-	1,918,384	191,838,400	1,918,384	-	1,918,384
IGI Investments (Pvt.) Limited (note 8.1.5)	118,820,950	11,882,095	-	11,882,095	118,820,950	11,882,095	-	11,882,095
Total		<u>15,101,193</u>	<u>(289,603)</u>	<u>14,811,590</u>		<u>15,101,193</u>	<u>(289,603)</u>	<u>14,811,590</u>

	Un-audited	Audited
	June 30, 2019	Dec. 31, 2018
	(Rupees in thousand)	
8.1.1 Movement in provision		
Opening balance	289,603	136,732
Charge for the period / year	-	152,871
Closing balance	<u>289,603</u>	<u>289,603</u>

8.1.2 This represents 81.967% (December 31, 2018: 81.967%) holding in IGI Life Insurance Limited having market value of Rs 34.53 (December 31, 2018: Rs 47.10) per share. Subsequent to half year ended June 30, 2019, the shareholders of the company in their Extra Ordinary General meeting held on July 29, 2019, approved subscription of right shares proposed to be issued by IGI Life Insurance Limited to the extent of Rs. 1 billion.

During the year ended December 31, 2017, 824,910 shares were withheld by IGI Life Insurance Limited at the time of issuance of bonus as issuance of bonus shares had been made taxable through Finance Act, 2014.

The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withheld bonus shares at the rate of 5 percent. In accordance with the requirements of the Ordinance these shares shall only be released if the Company deposits tax equivalent to 5% of the value of the bonus shares issued. The value of tax is computed on the basis of day-end price on the first day of book closure. In this regard, a suit was filed by the Company in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by the Company and a stay order was granted by the High Court of Sindh in favour of the Company.

During the period, the above suit was dismissed by the single bench of the Honourable High Court of Sindh on account of decisions made by the single bench in similar cases earlier and vacated the stay order earlier granted by the Court.

The Company has filed an appeal on June 27, 2019 in front of larger bench at the Honorable High Court of Sindh against the above judgement issued by the single bench and has also obtained stay order against initiation of any recovery proceedings on the basis of judgement made by the single bench of the Honorable High Court of Sindh.

The Company has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the Company.

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements

8.1.3 This represents 100% (December 31, 2018: 100%) holding in IGI Finex Securities Limited having break - up value of Rs 5.10 per share on the basis of audited financial statements for the year ended December 31, 2018.

8.1.4 This represents 100% (December 31, 2018: 100%) holding in IGI General Insurance Limited having break - up value of Rs 12.00 (December 31, 2018: Rs 11.70) per share on the basis of unaudited condensed interim financial statements for the half year ended June 30, 2019.

8.1.5 This represents 100% (December 31, 2018: 100%) holding in IGI Investments (Pvt.) Ltd having break - up value of Rs 309.04 (December 31, 2018: 399.44) per share on the basis of unaudited condensed interim financial statements for the half year ended June 30, 2019.

		Un-audited	Audited
		June 30, 2019	Dec. 31, 2018
		(Rupees in thousand)	
8.2 Investments at fair value through other comprehensive income	Note		
Debt instrument - term finance certificates	8.2.1	-	-
Equity instruments		6,087	9,077
		<u>6,087</u>	<u>9,077</u>

8.2.1 These term finance certificates have been fully impaired.

9 OTHER RECEIVABLES

Net investment in finance lease	9.1	219,982	219,982
Withholding tax on bonus shares	9.2	6,530	6,530
		<u>226,512</u>	<u>226,512</u>

9.1 This also includes residual values relating to net investment in finance lease.

9.2 This represents 50% of the amount paid by the Company to revenue authority in relation to the charge and collection of income tax on issuance of bonus shares by IGI Life Insurance Limited (as more fully explained in note 8.1.2).

		Un-audited	Audited
		June 30, 2019	Dec. 31, 2018
		(Rupees in thousand)	
10 LONG TERM LOANS			
Secured			
Loan		1,050,000	1,200,000
Less: current maturity of loan		(300,000)	(300,000)
	10.1	<u>750,000</u>	<u>900,000</u>

10.1 The Company obtained a long term loan amounting to Rs. 1,500 million from Habib Bank Limited in 2017 for the purpose of injecting equity in its subsidiary IGI General Insurance Limited. The loan carries markup rate at 6 month KIBOR + 0.03% per annum. Principal repayment is to be made in 10 equal semi-annual installments starting from the 6th month after the disbursement and subsequently, every six months thereafter. The facility is secured against pledge of certain shares held by IGI Investment (Pvt) Limited (one of the subsidiary of the Company against a commission). During the period, the Company has made principal repayment of Rs 150 million.

11 TRADE AND OTHER PAYABLES

	Note	Un-audited	Audited
		June 30, 2019	Dec. 31, 2018
(Rupees in thousand)			
Certificates of deposit	11.1	594	614
Deposits under lease contracts	11.2	200,583	200,583
Accrued expenses		17,228	23,844
Others		16,831	13,480
		<u>235,236</u>	<u>238,521</u>

- 11.1 This represents certificates of deposit acquired by the Company as part of the amalgamation of IGI Investment Bank Limited (the Investment Bank) with and into IGI Insurance Limited as at December 31, 2016 that has subsequently been retained by the Company as part of the Scheme of Arrangement.

During the period ended, the Company has made repayment of deposits amounting to Rs 0.02 million (December 31, 2018: Rs. 4.699 million) along with mark-up, except for two depositors with aggregate deposits amounting to Rs 0.594 million (December 31, 2018: Rs. 0.614 million) since they are untraceable. These certificates of deposits have already matured and mark-up payable on these till maturity is Rs. 0.034 million (December 31, 2018: Rs.0.041 million). In order to secure the amount for repayment of such deposits till the time parties are traced or lien matter is settled, the Company has placed this amount in a money market fund of NAFA with authority to Central Depository Company (CDC) to operate the said account on its behalf and to pay the depositors as and when traced in accordance with the directions of the Securities and Exchange Commission of Pakistan (SECP).

- 11.2 This represents security deposits under lease contracts acquired as part of the amalgamation of IGI Investment Bank Limited with and into IGI Insurance Limited with effect from December 31, 2016 that has subsequently been retained by the Company as part of the Scheme of Arrangement, against which an equivalent amount of residual value is receivable.

12 CONTINGENCIES AND COMMITMENTS

There was no material change in the status of contingencies and commitments as disclosed in the annual financial statements of the Company for the year ended December 31, 2018 except for the following:

Subsequent to the period, the Company has received a notice to amend assessment from Federal Board of Revenue (FBR) for the tax year 2018.

The principal observations raised by FBR were related to applicability of super tax and inadmissible deductions of provision against investments, impairment for doubtful debts and impairment of goodwill. The Company is in the process of submitting its response to the FBR.

13 OPERATING REVENUE

	Note	(Un-audited)	
		Half Year Ended	
		June 30, 2019	June 30, 2018
(Rupees in thousand)			
Dividend income	13.1	797,453	1,883,451
Advisory fee		-	1,163
		<u>797,453</u>	<u>1,884,614</u>
13.1 Subsidiary Companies			
- IGI Life Insurance Limited		-	56,893
- IGI General Insurance Limited		203,348	163,062
- IGI Investments (Pvt.) Limited		594,105	1,663,496
		<u>797,453</u>	<u>1,883,451</u>

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements

Un-audited June 30, 2019	Audited Dec. 31, 2018
(Rupees in thousand)	

14 Cash and cash equivalents

Cash and bank balances	25,007	6,990
Short term loan	(318,251)	(409,623)
	<u>(293,244)</u>	<u>(402,633)</u>

15 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiaries, associates, related group companies, directors of the Company, key management personnel, major shareholders, post employment benefit plans and other related parties. The Company in the normal course of business carries out transactions with various related parties at agreed / commercial terms and conditions. Amounts due to / from and other significant transactions, other than those disclosed else where in these condensed interim unconsolidated financial statements, are as follows:

(Un-audited)

Subsidiary		Associates		Key management personnel (including directors)		Other related parties	
For the half year ended							
June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
(Rupees in thousand)		(Rupees in thousand)		(Rupees in thousand)		(Rupees in thousand)	

Transactions

Dividend Income	797,453	1,883,451	-	-	-	-	-
Commission Expense	3,061	3,082	-	-	-	-	-
Key management personnel compensation	-	-	-	-	-	-	-
Markup expense on long term loan	-	1,630	-	-	1,050	1,150	-
Payment of mark-up on long term loan	-	16,870	-	-	-	-	-
Long term loan repaid	-	69,860	-	-	-	-	-
Receipts against Group Shared Services	6,404	3,630	-	-	-	-	-
Payment against Group Shared Services	7,329	16,977	16,899	-	-	14	-

as at

Subsidiaries		Associates		Key management personnel (including directors)		Other related parties	
(Un-audited) June 30, 2019	(Audited) Dec. 31, 2018	(Un-audited) June 30, 2019	(Audited) Dec. 31, 2018	(Un-audited) June 30, 2019	(Audited) Dec. 31, 2018	(Un-audited) June 30, 2019	(Audited) Dec. 31, 2018
(Rupees in thousand)		(Rupees in thousand)		(Rupees in thousand)		(Rupees in thousand)	

Balances

Investment in shares	14,811,590	14,811,590	-	-	-	-	-
Group shared service payable	2,890	-	-	-	-	-	-
Tax receivable under group taxation	8,469	-	-	-	-	-	-

16 EARNINGS / (LOSS) PER SHARE

	Un-audited		Un-audited	
	Half year ended		Quarter Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees in thousand)		(Rupees in thousand)	
Basic / diluted earnings / (loss) per share				
Profit / (loss) for the period	715,776	1,733,456	182,136	(66,764)
	(Number of shares)		(Number of shares)	
Weighted average number of ordinary shares	142,630,500	142,305,948	142,630,500	142,305,948
	(Rupees)		(Rupees)	
Earnings / (loss) per share	5.02	12.18	1.28	(0.47)

17 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
-
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). The Company has no items to report in this level.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2019, the Company held the following financial instruments measured at fair value:

	(Un-audited)		
	As at June 30, 2019		
	Level 1	Level 2	Level 3
	(Rupees in thousand)		
Assets classified as fair value through other comprehensive income			
Investments	3,369	2,718	-
	(Audited)		
	As at December 31, 2018		
	Level 1	Level 2	Level 3
	(Rupees in thousand)		
Assets classified as available-for-sale			
Investments	6,359	2,718	-

Notes to and forming part of the Unconsolidated Condensed Interim Financial Statements

18 GENERAL

Figures in these condensed interim unconsolidated financial information have been rounded off to the nearest thousand of rupees.

19 CORRESPONDING FIGURES

Comparative information has been rearranged and re classified wherever necessary. There has been no significant reclassification during the current period.

20 DATE OF AUTHORIZATION FOR ISSUE

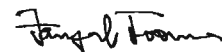
These condensed interim unconsolidated financial statements were authorised for issue on August 28, 2019 by the Board of Directors of the Company.



Chief Executive Officer



Chief Financial Officer



Director

Directors' Report to the Shareholders on Consolidated Condensed Interim Financial Statements

The Directors of your Company take pleasure in presenting report for the half yearended June 30, 2019 along with the consolidated condensed interim financial statements (un-audited).

IGI Holdings being a holding company derives income in the form of dividends from its subsidiaries namely; IGI General Insurance Limited ("IGI General"), IGI Investments (Private) Limited ("IGI Investments"), IGI Life Insurance Limited ("IGI Life") and IGI Finex Securities Limited ("IGI Securities").

Group performance review

	— Rupees in thousands —	
	Half year ended June 30, 2019	Half year ended June 30, 2018
Profit before tax	322,932	947,507
Taxation	(84,294)	(379,990)
Profit after tax	<u>238,638</u>	<u>567,517</u>
Earnings per share (in rupees)	<u>1.67</u>	<u>3.99</u>

During this period, the group achieved profit after tax of Rs 239 million compared to that of Rs 567 million earned during corresponding period of 2018 reflecting a decrease of 58%. The decrease in profit is mainly attributable to decline in dividend income of the Group.

The group achieved earnings per share of Rs 1.67 compared to Rs 3.99 earned during corresponding period of 2018.

Financial Highlights of the subsidiaries are hereunder:

IGI GENERAL INSURANCE LIMITED

During the current period, the Company achieved gross written premium of Rs 2,392 million as compared to Rs 2,249 million during the corresponding period of last year. The net premium increased to Rs 1,215 million from Rs 1,072 million as compared to the corresponding period.

Net claims for the period amounted to Rs 629 million compared to Rs 576 million. Accordingly, the underwriting profits were Rs 116 million as compared to Rs 124 million in the corresponding period.

The Company earned Rs 25 million from its Window Takaful operation during the current period as compared to Rs 7.2 million in the corresponding period.

The Company also recorded investment income of Rs 159 million during the current period as compared to Rs 68 million in the corresponding period of last year.

The Company earned profit after tax of Rs 208 million during the current period compared to Rs 148 million in the corresponding period of last year.

IGI INVESTMENTS (PRIVATE) LIMITED

Income stream of IGI Investments is primarily based on dividend income from its investment portfolio, accordingly, its income pattern follows dividend distribution pattern of its investments. During the current period, IGI Investments

Directors' Report to the Shareholders on Consolidated Condensed Interim Financial Statements

has earned dividend income of Rs 761 million compared to Rs 1,226 million in the corresponding period of 2018. IGI Investments has earned profit after tax of Rs 524 million compared to Rs 984 million in the corresponding period of 2018.

IGI LIFE INSURANCE LIMITED

During the half year ended June 30, 2019, IGI Life wrote net premium of Rs 2,407 million compared to Rs 2,620 million in the corresponding period of 2018 representing 8% decline. IGI Life has reported loss after tax of Rs 183 million as compared to profit after tax of Rs 30 million in the corresponding period of 2018.

The external auditors of the IGI Life have issued a modified conclusion in their review report in respect of the IGI Life for not recording a provision of provincial sales tax on life and health insurance premium in the financial statements for the half year ended June 30, 2019. The provincial sales tax exemption on Group Health Insurance, Health Insurance and Life Insurance premiums was discontinued / withdrawn on various dates.

IGI Life is of the view that the levy of sales tax on life insurance business needs to be reviewed in the interest of sustainability and growth of Life Insurance business in Pakistan. The matter for the renewal of the exemption has been taken up at a collective level by the Insurance Association of Pakistan (IAP) with the sales tax authorities. Further, the IAP has approached the Securities and Exchange Commission of Pakistan (SECP) through its letter dated March 13, 2019 seeking the active support of the SECP so that such taxes are not levied on the insurance industry.

In response to the letter of IAP, SECP has written to Punjab Revenue Authority (PRA) through its letter dated March 13, 2019 highlighting the detrimental effect of application of sales tax on life and group health insurance business would have a detrimental effect on the life and health insurance business. SECP has urged the PRA to take necessary steps in restoring the exemptions previously available to life insurance and health insurance services in Punjab.

Had the sales tax liability been recognized at June 30, 2019, the profit after tax of the Group for the period would have been higher by Rs 55.032 million while sales tax liability as at June 30, 2019 would have been higher by Rs 77.510 million.

Further, the auditors have included an Emphasis of Matter paragraph in their review report in relation to compliance with the minimum solvency requirement as specified by the Insurance Ordinance, 2000 and Insurance Rules, 2017 as at June 30, 2019.

IGI FINEX SECURITIES LIMITED

During the current period, IGI Securities has generated operating revenues of Rs 33 million compared to Rs 45 million in the corresponding period of 2018. It incurred direct and administrative expenses of Rs 58 million compared to Rs 66 million in the corresponding period of 2018. IGI Securities has reported loss after tax of Rs 12 million during the period as compared to loss after tax of Rs 15 million earned during the corresponding period of 2018.

We value the support and patronage extended by our business partners and all stakeholders.

For and on behalf of the Board



Shamim Ahmad Khan
Director

Lahore: August 28, 2019



Tahir Masaud
Chief Executive Officer

Lahore: August 28, 2019

**Consolidated
Condensed Interim
Financial Statements
for the Half Year Ended
June 30, 2019**

Consolidated Condensed Interim Statement of Financial Position (Un-audited)

	Note	Un-audited	Audited
		June 30, 2019	Dec. 31, 2018
(Rupees in thousand)			
ASSETS			
Non-current assets			
Fixed assets			
- Property and equipment	4	1,344,973	1,052,581
- Intangible asset		583,812	114,074
Investments	5	58,655,205	69,236,040
Long-term deposits		19,066	21,816
		60,603,056	70,424,511
Current assets			
Insurance / takaful / reinsurance / retakaful receivables		1,816,250	1,531,007
Reinsurance recoveries against outstanding claims		932,362	854,042
Current maturity of investments	5	5,731,530	8,643,291
Loans secured against life insurance policies		180,801	181,375
Deferred commission expense		176,166	161,395
Accrued income on investments and deposits		378,331	288,407
Deposits, prepayments, loans, advances and other receivables	6	1,903,377	1,697,599
Wakala fees receivable		92,139	41,763
Taxation recoverable		529,966	546,812
Cash and bank balances		994,206	1,474,583
Non-current asset held for sale		9,110	9,110
		12,744,238	15,429,384
TOTAL ASSETS		73,347,294	85,853,895

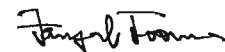
The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

as at June 30, 2019 (un-audited)

Note	Un-audited	Audited
	June 30, 2019	Dec. 31, 2018
	(Rupees in thousand)	

EQUITY AND LIABILITIES

Share capital and reserves

Authorised share capital

200,000,000 ordinary shares of Rs. 10/- each

Issued, subscribed and paid up share capital

Unappropriated profit

Surplus on revaluation of financial assets at fair value
through other comprehensive income

Reserves

Equity Attributable to the equity holders of the parent

Non-controlling interest

TOTAL EQUITY

Surplus on revaluation of property and equipment - net of tax

Non-current liabilities

Insurance liabilities [including policyholders' liabilities and ledger account A & B]

Long term loan

Lease liability

Retirement benefit obligation

Deferred tax liability

Current liabilities

Provision for outstanding claims (including IBNR)

Provision for unearned premium

Premium deficiency reserve

Commission income unearned

Amounts due to other insurers / reinsurers

Unearned Wakalah fee

Premium received in advance

Short term loan

Current portion of long term liabilities and lease liability

Unclaimed dividend

Trade and other payables

Total liabilities

TOTAL EQUITY AND LIABILITIES

CONTINGENCIES AND COMMITMENTS

	2,000,000	2,000,000
	1,426,305	1,426,305
	9,484,679	9,625,830
	26,340,763	39,217,962
	7,764,863	7,764,863
	45,016,610	58,034,960
	186,365	215,642
	45,202,975	58,250,602
	407,838	-
	16,142,277	16,250,548
7	1,083,333	1,399,999
	216,780	109,857
	57,449	57,467
	1,226,113	1,588,683
	18,725,952	19,406,554
	1,923,411	1,782,959
	1,622,655	1,503,062
	20,503	20,503
	143,256	120,932
	1,001,616	726,473
	53,815	21,919
	55,973	49,452
	1,640,461	1,450,518
	633,334	662,935
	43,171	35,165
8	1,872,334	1,822,821
	9,010,529	8,196,739
	27,736,481	27,603,293
	73,347,294	85,853,895

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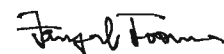
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Chief Executive Officer



Chief Financial Officer



Director

Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)

for the Half Year and quarter ended June 30, 2019

	Note	Half Year Ended		Quarter Ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
		(Rupees in thousand)		(Rupees in thousand)	
Operating revenue	10	4,768,076	4,800,716	2,499,555	2,534,233
Operating expenses	11	(4,548,906)	(4,230,246)	(2,336,303)	(2,236,776)
		219,170	570,470	163,252	297,457
Other income	12	202,494	172,365	109,419	92,743
General and administrative expenses		(155,801)	(157,714)	(89,689)	(79,566)
Other expenses		(195,413)	(112,892)	(100,127)	(48,546)
		70,450	472,229	82,855	262,088
Unrealized gain on fair value through profit and loss investments		(4,414)	(10,644)	(8,532)	(12,542)
Change in insurance liabilities (other than outstanding claims)		130,592	139,467	69,377	191,286
(Surplus) / deficit taken to statutory fund - participating fund - net		(9,754)	(2,511)	(43,540)	(42,972)
Share of profit from associates		136,058	348,966	(147,762)	231,931
Profit / (loss) before taxation		322,932	947,507	(47,602)	629,791
Taxation		(84,294)	(379,990)	(36,653)	(317,285)
Profit / (loss) after taxation		238,638	567,517	(84,255)	312,506
Profit / (loss) after tax attributable to:					
Equity holders of the parent		271,625	557,677	(54,559)	311,797
Non-controlling interest		(32,987)	9,840	(29,696)	7,847
		238,638	567,517	(84,255)	312,506
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
Earnings per share - basic and diluted	15	1.67	3.99	(0.59)	2.20

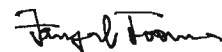
The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited) for the Half Year ended June 30, 2019 (un-audited)

	Half Year Ended		Quarter Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees in thousand)		(Rupees in thousand)	
Profit after taxation	238,638	567,517	(84,255)	312,506
Other comprehensive income that may be reclassifiable to profit or loss				
- Net unrealised deficit on revaluation of financial assets classified as 'fair value through other comprehensive income'	(10,862,983)	(394,941)	(3,299,790)	(5,971,821)
- Change in insurance liabilities - net	167,088	176,490	326,492	334,103
- Share of other comprehensive income / (loss) of associate - net of tax	(2,162,478)	(3,636)	(486,536)	(987,579)
	(12,858,373)	(222,087)	(3,459,834)	(6,625,297)
Total comprehensive income	<u>(12,619,735)</u>	<u>345,430</u>	<u>(3,544,089)</u>	<u>(6,312,791)</u>
Total comprehensive income / (loss) attributable to:				
Equity holders of the parent	(12,590,458)	335,590	(3,512,749)	(6,311,557)
Non-controlling interest	(29,277)	9,840	(31,340)	5,904
	<u>(12,619,735)</u>	<u>345,430</u>	<u>(3,544,089)</u>	<u>345,430</u>

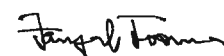
The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Consolidated Condensed Interim Statement of Changes in Equity for the Half Year ended June 30, 2019

	Issued, subscribed and paid-up share capital	Proposed shares to be issued on amalgamation	Reserves			Revenue reserves	Unappropriated Profits	Surplus on revaluation of available for sale investments	Equity attributable to equity holders of the parent	Non-controlling interest	Total
			Capital reserves								
			Premium on issue of shares	Reserve for bonus shares	Other capital reserves						
(Rupees in thousand)											
Balance as at January 1, 2018	1,226,895	411,659	35,762	-	33,267	7,297,545	10,817,902	53,449,002	73,272,032	252,256	73,524,288
Profit after taxation for half year ended June 30, 2018	-	-	-	-	-	-	557,677	-	557,677	9,840	567,517
Other comprehensive income											
- Deficit on revaluation of available for sale investments - net of tax	-	-	-	-	-	-	-	(426,756)	(426,756)	31,815	(394,941)
- Change in Insurance liabilities - net	-	-	-	-	-	-	-	208,305	208,305	(31,815)	176,490
- Share of other comprehensive income of associate - net of tax	-	-	-	-	-	-	-	(3,636)	(3,636)	-	(3,636)
Total comprehensive income for the half year ended June 30, 2018	-	-	-	-	-	-	557,677	(222,087)	335,590	9,840	345,430
Transactions with owners directly recorded in equity											
Issuance of shares under the scheme of amalgamation	13,370	(411,659)	398,289	-	-	-	-	-	-	-	-
Repayment of advance against preference shares	-	-	-	-	-	-	(100,000)	-	(100,000)	-	(100,000)
Final dividend for the year ended December 31, 2016, Rs.8 per share	-	-	-	-	-	-	(992,213)	-	(992,213)	-	(992,213)
Final dividend for the year ended December 31, 2017, Rs. 4 per share	-	-	-	-	-	-	(496,107)	-	(496,107)	-	(496,107)
Final dividend for the year ended December 31, 2017, Re. 1 per share - IGI Life	-	-	-	-	-	-	-	-	-	(12,725)	(12,725)
Balance as at June 30, 2018	1,240,265	-	434,051	-	33,267	7,297,545	9,787,259	53,226,915	72,019,302	249,371	72,268,673
Profit after taxation for the six months ended December 31, 2018	-	-	-	-	-	-	427,458	-	427,458	(26,918)	400,540
Other comprehensive income that may be reclassifiable to profit or loss											
- Deficit on revaluation of available-for-sale investments - net of tax	-	-	-	-	-	-	-	(11,918,298)	(11,918,298)	(138,338)	(12,056,636)
- Change in Insurance liabilities - net	-	-	-	-	-	-	-	246,313	246,313	131,832	378,145
- Share of other comprehensive income / (loss) of associate - net of tax	-	-	-	-	-	-	(24,091)	(2,336,968)	(2,361,059)	-	(2,361,059)
- Re-measurement of post employment benefit obligations - net of tax	-	-	-	-	-	-	(6,676)	-	(6,676)	(305)	(6,981)
Total comprehensive income / (loss) for the six months ended December 31, 2018	-	-	-	-	-	-	396,691	(14,008,953)	(13,612,262)	(33,729)	(13,645,991)
Transactions with owners directly recorded in equity											
Issuance of bonus shares at the rate of 15%	186,040	-	-	-	-	-	(186,040)	-	-	-	-
Interim dividend for the year ending December 31, 2018, Rs. 3 per share	-	-	-	-	-	-	(372,080)	-	(372,080)	-	(372,080)
Balance as at December 31, 2018	1,426,305	-	434,051	-	33,267	7,297,545	9,625,830	39,217,962	58,034,960	215,642	58,250,602
Effect of change in accounting policy - net of tax	-	-	-	-	-	-	7,558	(7,558)	-	-	-
Profit after taxation for half year ended June 30, 2019	-	-	-	-	-	-	271,625	-	271,625	(32,987)	238,638
Other comprehensive income that may be reclassifiable to profit or loss											
- Net unrealised deficit on revaluation of financial assets classified as 'fair value through other comprehensive income'	-	-	-	-	-	-	-	(10,836,573)	(10,836,573)	(26,410)	(10,862,983)
- Change in Insurance liabilities - net	-	-	-	-	-	-	-	136,968	136,968	30,120	167,088
- Share of other comprehensive income / (loss) of associate - net of tax	-	-	-	-	-	-	-	(2,162,478)	(2,162,478)	-	(2,162,478)
Total comprehensive income / (loss) for the half year ended June 30, 2019	-	-	-	-	-	-	271,625	(12,862,083)	(12,590,458)	(29,277)	(12,619,735)
Transfer from surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	7,558	(7,558)	-	-	-
Transactions with owners directly recorded in equity											
Final dividend for the year ended December 31, 2018, Rs. 3 per share	-	-	-	-	-	-	(427,892)	-	(427,892)	-	(427,892)
Balance as at June 30, 2019	1,426,305	-	434,051	-	33,267	7,297,545	9,494,679	26,340,763	45,016,610	186,365	45,202,975

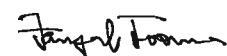
The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Consolidated Condensed Interim Statement of Cash Flows (Un-audited)

for the Half Year ended June 30, 2019

	Half Year Ended	
	Un-audited	Un-audited
	June 30, 2019	June 30, 2018
(Rupees in thousand)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	322,932	947,507
Adjustments for :		
Depreciation and amortization	109,466	69,938
Finance cost	195,413	112,892
Gain on sale of investments	8,082	(42,287)
Loss / (gain) on disposal of property and equipment	(4,455)	(2,772)
Surplus of statutory funds	140,346	223,192
Profit on saving accounts and deposits with exchanges	(124,633)	(108,158)
Unrealized gain on fair value through profit and loss investments	4,414	10,644
Return on government and debt securities	(688,270)	(527,966)
Share of profit from associates	(136,058)	(348,966)
Dividend income	(387,431)	(488,627)
	(883,126)	(1,102,110)
	(560,194)	(154,603)
Changes in working capital		
(Increase) / decrease in current assets		
Deposit, loans and other receivables	(258,967)	(610,564)
Increase/ (decrease) in current liabilities		
Trade and other payables	245,011	226,545
	(574,150)	(538,622)
Income tax paid	(206,098)	(292,067)
Net cash generated from operating activities	(780,248)	(830,689)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(242,511)	(211,725)
Payment for long term deposits	3,300	(5,445)
Proceeds on disposal of property, plant and equipment	7,876	5,194
Proceeds from / (purchase of) investments - net	49,370	(961,748)
Dividends received	787,840	1,285,460
Profits / returns received	754,182	715,174
Net cash (used in) / generated from investing activities	1,360,057	826,910
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(419,885)	(1,440,808)
Long term loan repayment	(316,666)	(150,000)
Repayment / (addition) of lease liability	(25,915)	12,837
Repayment of advance paid against preference shares	-	(100,000)
Finance cost paid	(191,225)	(132,995)
Net cash (used in) / generated from investing activities	(953,691)	(1,810,966)
Net (decrease) / increase in cash and cash equivalents	(373,882)	(1,814,745)
Cash and cash equivalent at beginning of the period	1,660,065	4,200,996
Cash and cash equivalents at end of the period	1,286,183	2,386,251

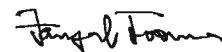
The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Notes to and forming part of the Consolidated Condensed Interim Financial Statements

1 STATUS AND NATURE OF BUSINESS

1.1 The "Group" consist of:

Holding Company

- (i) IGI Holdings Limited

Subsidiary Companies

	Percentage Shareholding
(i) IGI Life Insurance Limited	81.97%
(ii) IGI Finex Securities Limited	100%
(iii) IGI General Insurance Limited	100%
(iv) IGI Investments (Pvt.) Limited	100%

1.2 Holding Company

IGI Holdings Limited ("Holding Company"), a Packages Group Company, was incorporated as a public limited company in 1953 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange Limited. The registered office of the Holding Company is situated at 7th floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The objects of the Holding Company include to act as an investment holding company and to invest, acquire, sell and hold the securities and financial instruments subject to compliance by relevant laws prevailing in Pakistan from time to time.

1.2.1 The Company was earlier operating as 'IGI Insurance Limited'. Pursuant to the Scheme of Arrangement of IGI Insurance Limited sanctioned by the High Court of Sindh through its order dated December 16, 2017 with effect from January 31, 2017, the Insurance segment of IGI Insurance Limited had been transferred to IGI General Insurance Limited (a company incorporated in 2016) along with its associated license to carry out the business of general insurance. The Scheme of Arrangement was effective from January 31, 2017 and essentially entails the following:

- (i) The separation of the Insurance Segment and Investment Segment from IGI Insurance Limited;
- (ii) The transfer to, and vesting in IGI General Insurance Limited (a newly incorporated subsidiary company of IGI Insurance Limited), of the Insurance Segment against the issue of ordinary shares of IGI General Insurance Limited to IGI Insurance Limited;
- (iii) The transfer to, and vesting into IGI Investments (Pvt.) Limited (a newly incorporated subsidiary company of IGI Insurance Limited), of the Investment Segment against the issue of ordinary shares of IGI Investments (Pvt.) Limited to IGI Insurance Limited;
- (iv) The retention of the Retained Undertaking as part of IGI Insurance Limited; and
- (v) Change of name of IGI Insurance Limited to IGI Holdings Limited with effect from date of filing of the certified copy of the order of the Court sanctioning the Scheme of Arrangement with the Registrar of Companies at SECP.

1.2.2 The requirements of the Insurance Ordinance, 2000 and the Securities and Exchange Commission (Insurance) Rules, 2002 were applicable on IGI Holdings Limited until the close of business on January 31, 2017.

1.3 Subsidiary Companies

1.3.1 'IGI Life Insurance Limited ("IGI Life") was incorporated in Pakistan on October 9, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. IGI Life commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. IGI Life is engaged in life insurance, carrying on both participating and non-participating business. IGI Life is also engaged in providing Shariah Compliant family takaful products as an approved Window Takaful Operator.

- 1.3.2 IGI Finex Securities Limited (IGI Finex) was incorporated in Pakistan on June 28, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of IGI Finex is situated at Suite No. 701-713, 7th Floor, the Forum, G-20, Khayaban-e-Jami, Block-9, Clifton, Karachi. IGI Finex has a Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited and is a corporate member of Pakistan Mercantile Exchange Limited. The principal activities of IGI Finex include shares and commodities brokerage, money market and foreign exchange brokerage and advisory and consulting services.
- 1.3.3 IGI General Insurance Limited ("IGI General"), was incorporated as a public limited company on November 18, 2016 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The objects of IGI General include providing general insurance services (mainly Fire, Marine, Motor, Health and Miscellaneous) and general takaful services (mainly Fire, Marine, Motor, Health and Miscellaneous).
- 1.3.4 IGI Investments (Pvt.) Limited ("IGI Investments"), was incorporated as a private limited company on October 31, 2016 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The objects of IGI Investments include investing, acquiring, selling and holding of debt / equity securities.
- 1.4 Holding Company has three associates namely Packages Limited, Dane Foods Limited and Packages Real Estate (Private) Limited. The details of these companies are given in note 8.1 to the consolidated financial statements for the year ended December 31, 2018.

2 BASIS OF PREPARATION

These consolidated condensed interim financial statements are being submitted to the shareholders in accordance with the listing regulations of the Pakistan Stock Exchange and requirements of the Companies Act, 2017.

2.1 Statement of compliance

These condensed interim consolidated 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 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.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2018.

2.2 Accounting Convention

These condensed interim financial statements have been prepared under the historical cost convention except for certain staff retirement benefits which are carried at present value of defined benefit obligation less fair value of plan assets, certain investments which are carried at market value, investment property and building which are carried at fair value.

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

The Group has applied the following amendment for the first time for their accounting period commencing January 1, 2019:

Effective from January 1, 2019, the Group has adopted IFRS 16: 'Leases' which has replaced IAS 17, 'leases.' The standard addresses recognition and measurement of leases for both lessor and lessee. The impacts of adoption of IFRS 16 are further given in note 3.1 below.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

Effective from January 1, 2019, the Group has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on 'expected credit losses' (ECL) approach rather than 'incurred credit losses' approach, as previously given under IAS 39. The ECL has impact on all the assets of the Group which are exposed to credit risk, except for those assets pertaining to insurance business.

Further, IFRS 4 provides two alternative options in relation to application of IFRS 9 for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from the effective date to remove from profit or loss the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied. The Group has adopted the temporary exemption which allows the Group to defer the application of IFRS 9 on insurance business until December 31, 2021.

2.3 Standards, Interpretations and amendments to published accounting and reporting standards that are not yet effective:

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

Standards, amendments or Interpretations

	Effective date (period beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2020
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (amendments)	January 1, 2020

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Group's accounting period beginning on or after January 1, 2020, but are considered not to be relevant or will not have any significant effect on the Group's operations and are therefore not detailed in these consolidated condensed interim financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements of the Group for the year ended December 31, 2018 except for the changes mentioned below:

- 3.1 Effective from January 1, 2019, the Group has adopted IFRS 16, "Leases" which 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 a single, on balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right-of-use of the underlying asset and a 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 finance or operating leases. During the period the Group has changed its accounting policy with respect to leases in accordance with IFRS 16 - "Leases".
- 3.2 For leases previously classified as finance leases the Group recognised the carrying amount of the lease assets and lease liability immediately before transition as the carrying amount of the right-of-use assets and the lease liability at the date of initial application. The measurement principles of IFRS 16 are applied only after that date. The remeasurements to the lease liabilities are recognised as adjustments to the related right-of-use assets immediately after the date of initial application.

3.2.1 Impacts of IFRS 16

	December 31, 2018	Change	January 1, 2019
	(Rupees in thousand)		
Motor vehicles - leased	140,213	(140,213)	-
Right-of-use assets	-	140,213	140,213

- 3.3 The Group has adopted IFRS 16 from January 1, 2019 using the modified retrospective restatement approach, and has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard.
- 3.4 On adoption of IFRS 16, the Group has recognised liabilities in respect of leases which had previously been classified as operating leases under IAS 17 except for certain short term leases in accordance with IFRS 16. These liabilities were initially measured at the present value of the remaining lease payments, discounted using the Group's incremental weighted average borrowing rate as of January 1, 2019. The lease liability is subsequently measured at amortised cost using the effective interest rate method.
- 3.5 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 remeasurements of lease liability.

	Un-audited June 30, 2019 (Rupees in thousand)
Building	51,918
Total lease liability recognised	42,135

	Un-audited Half year ended June 30, 2019 (Rupees in thousand)
Impact on profit and loss account	
Decrease in rent expense	7,483
Increase in finance cost	856
Increase in depreciation expense	6,627

- 3.6 During the period, the Group has changed its accounting policy in respect of subsequent measurement of the carrying amounts of buildings and its related leasehold improvements subsequent to initial recognition. In this respect the Group has decided to follow the revaluation model as allowed under International Accounting Standard "Property, Plant and Equipment" (IAS 16). In accordance with the new policy the buildings and its related leasehold improvements of the Group shall be carried at revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluation of these assets shall be carried out with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Previously, the buildings and its related leasehold improvements were carried at their cost less accumulated depreciation and accumulated impairment losses. In the opinion of the management, the revised policy will result in a more realistic reflection of the value of these assets in the condensed interim statement of financial position. Surplus arising due to change in the value of buildings and its related leasehold improvements has been recognised prospectively. The revaluation of these assets resulted in surplus of Rs 584.348 million as at the date of revaluation.

Surplus arising on revaluation is credited to the surplus on revaluation of property and equipment. This account is shown below equity in these condensed interim statement of financial position. Deficit arising on subsequent revaluation of buildings and its related leasehold improvements is adjusted against the balance in the above mentioned surplus as allowed under the IAS 16. Any deficit in excess of the surplus previously recognised is charged to the condensed interim statement of comprehensive income. The surplus on revaluation of buildings and its related leasehold improvements to the extent of incremental depreciation charged on the related assets is transferred to the unappropriated profit.

Had the accounting policy not been changed, property and equipment and deferred taxation would have been lower by Rs 584.348 million and Rs 169.461 million respectively.

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

	Note	Un-audited	Audited
		June 30, 2019	Dec. 31, 2018
(Rupees in thousand)			
4 PROPERTY AND EQUIPMENT			
Operating assets	4.1	1,300,102	653,535
Capital work in progress		1,344,973	399,046
		<u>2,645,075</u>	<u>1,052,581</u>
4.1 Operating assets			
Furniture, fixtures and office equipments		146,857	157,815
Buildings		890,732	314,145
Right to use asset - Buildings		52,431	-
Motor vehicles- Own		35,858	41,362
Right to use asset - Vehicles		174,224	140,213
		<u>1,300,102</u>	<u>653,535</u>
5 INVESTMENTS			
The investments comprise of the following:			
Investments in associates		14,870,470	17,679,112
Fair value though profit or loss		1,820,908	1,719,378
Held to maturity investments		2,244,668	1,956,665
Fair value though other comprehensive income		45,450,689	56,524,176
		<u>64,386,735</u>	<u>77,879,331</u>
Less: current maturity of investments		<u>(5,731,530)</u>	<u>(8,643,291)</u>
		<u>58,655,205</u>	<u>69,236,040</u>

	Un-audited	Audited
	June 30, 2019	Dec. 31, 2018
(Rupees in thousand)		
6 DEPOSITS, PREPAYMENTS, LOANS, ADVANCES AND OTHER RECEIVABLES		
Advances - considered good	14,461	9,043
Advances / loans to agents - unsecured considered good	523	8,925
Sales tax recoverable	40,536	35,350
Salvage recoverable	69,280	46,148
Advances to employees against expenses - unsecured considered good - executives	-	1,206
Receivable against claim administration services	167,659	144,773
Net investment in finance lease	219,982	219,982
Receivable from clients against purchase of marketable securities and commodity contracts	51,110	57,995
Security deposits and prepayments	263,287	191,053
Prepaid reinsurance premium ceded	704,809	613,174
Exposure deposit with National Clearing Company of Pakistan Limited / Pakistan Stock Exchange Limited	158,577	155,648
Qard-e-hasan to Participant Takaful Fund	28,000	28,000
Experience refund receivable	2,315	-
Others	182,838	186,302
	<u>1,903,377</u>	<u>1,697,599</u>

for the Half Year Ended June 30, 2019 (un-audited)

7 LONG TERM LOAN

Secured

Long term loan
Less: current maturity of long term loan

Note	Un-audited	Audited
	June 30, 2019	Dec. 31, 2018
	(Rupees in thousand)	
7.1	1,716,667	2,033,333
	(633,334)	(633,334)
	<u>1,083,333</u>	<u>1,399,999</u>

7.1 The Group obtained a long term finance facility amounting to Rs. 1,000 million from Allied Bank Limited during 2015 for the purpose of participation in equity investment in Packages Construction (Private) Limited i.e. Packages Mall project, which was fully availed during the year ended December 31, 2016. The loan carries markup rate at 6 month KIBOR + 0.3%. Principal repayment is to be made in 6 equal semi-annual installments starting from the 30th month after the first disbursement and subsequently, six months thereafter. The first disbursement was made on May 6, 2016. The facility is secured against pledge of shares held by the Group.

The Holding Company obtained a long term finance facility amounting to Rs. 1,500 million from Habib Bank Limited during the current year for the purpose of injecting equity in its subsidiary IGI General Insurance Limited. The loan carries markup rate at 6 month KIBOR + 0.03% per annum. Principal repayment is to be made in 10 equal semi-annual installments starting from the 6th month after the disbursement and subsequently, every six months thereafter. The facility is secured against pledge of shares held by IGI Investments (Pvt) Limited one of the subsidiary of the Holding Company.

8 TRADE AND OTHER PAYABLES

Federal excise duty
Federal insurance fee
Agent commission payable
Cash margin
Certificates of deposit
Deposits under lease contracts
Payable against sale of marketable securities
Payable against profit on unutilised funds
Accrued expenses
Payable to National Clearing Company of Pakistan Limited (NCCPL)
Qard-e-hasan to Participant's Takaful Fund
Experience refund payable
Others

Note	Un-audited	Audited
	June 30, 2019	Dec. 31, 2018
	(Rupees in thousand)	
	41,305	29,177
	2,880	1,977
	134,032	221,883
	248,705	265,036
8.1	594	614
8.2	200,583	200,583
	355,251	290,548
	2,548	1,708
	243,406	235,980
	25,648	34,123
	-	28,000
	109,556	98,525
	507,826	414,667
	<u>1,872,334</u>	<u>1,822,821</u>

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

- 8.1 This represents certificates of deposit acquired by the Holding Company as part of the amalgamation of IGI Investment Bank Limited (the Investment Bank) with and into IGI Insurance Limited as at December 31, 2016 that has been retained by the Holding Company as part of the Scheme of Arrangement.

During the period, the Company has repaid a depositor amounting to Rs. 0.020 million along with its related markup.

- 8.2 This represents security deposits under lease contracts acquired as part of the amalgamation of IGI Investment Bank Limited with and into IGI Insurance Limited with effect from December 31, 2016 against which an equivalent amount of residual value is receivable.

9 CONTINGENCIES AND COMMITMENTS

There are no material changes in contingencies and commitments as disclosed in financial statements for the year ended December 31, 2018 except for the following:

9.1 Holding Company

Subsequent to the period, the Holding Company has received a notice to amend assessment from Federal Board of Revenue (FBR) for the tax year 2018.

The principal observations raised by FBR were related to applicability of super tax and inadmissible deductions of provision against investments, impairment for doubtful debts and impairment of goodwill. The Holding Company is in the process of submitting its response to the FBR.

9.2 IGI Life Insurance Limited

Sindh Board of Revenue vide notifications Nos. SRB 3-4/5/2019 and SRB 3-4/16/2019 dated May 8, 2019 and June 27, 2019 respectively has exempted the life and health insurance till June 30, 2020 from the scope of applicability of Sindh Sales Tax on Services (SST) under the Sindh Sales Tax Act, 2011. Due to the aforementioned exemption, contingent liability of the IGI Life as at June 30, 2019 is Nil (December 31, 2018: Rs. 250.762 million).

The provincial sales tax exemption on Group Health Insurance and Life Insurance premiums were discontinued / withdrawn on various dates. IGI Life has not yet billed its customers for provincial Sales Tax on its life insurance and health insurance premiums since the lapse / withdrawal of exemptions on their respective dates, nor has it made any provision for provincial sales tax in these condensed interim financial statements for the half year ended June 30, 2019.

IGI Life is of the view that the levy of sales tax on life insurance business needs to be reviewed in the interest of sustainability and growth of Life Insurance business in Pakistan. The matter for renewal of the exemption has been raised with the Punjab Revenue Authority (PRA) at industry level by Insurance Association of Pakistan. The Securities and Exchange Commission of Pakistan (SECP) being the apex regulator of the insurance industry has also approached provincial revenue authority against the application of sales tax on life and health insurance business. SECP has emphasized that the insurance market in Pakistan is serving an integral component of the economy by providing risk mitigating solutions to the corporate sector. They have also pointed out that most of the individual life insurance policies sold in Pakistan have a predominant savings component and that taxing the gross premium of insurance policies would result in taxing the hard earned savings of the policyholders. IGI Life contends that such tax if charged shall be calculable on the gross amount of premium charged on risk covered in the insurance policy and not on gross premium charged to policyholders that includes amount allocated to policyholders and has sought a legal opinion in support of their contention. In view of this, IGI Life is optimistic about positive response of the provincial revenue authority and no provision in this respect has been made in these consolidated condensed interim financial statements for the half year ended June 30, 2019.

Had the sales tax liability on life insurance and health insurance premium been recorded, the profit after tax in these consolidated condensed interim financial statements would have been lower by Rs. 55.032 million while sales tax liability as at June 30, 2019 would have been higher by Rs. 77.510 million.

Un-audited		
Half year ended		
June 30, 2019	June 30, 2018	
(Rupees in thousand)		
Net premium revenue	3,604,197	3,675,398
Dividend income	387,431	488,629
Return on government securities	667,864	527,966
Fee, commission and brokerage	36,202	49,978
Wakalah fee income	43,894	16,458
Return on debt securities	20,406	-
Gain on sale of securities	8,082	42,287
	<u>4,768,076</u>	<u>4,800,716</u>

Un-audited		
Half year ended		
June 30, 2019	June 30, 2018	
(Rupees in thousand)		
Net claims	3,173,790	3,173,514
Commission expense - net	378,217	347,102
Management expenses	996,899	709,630
	<u>4,548,906</u>	<u>4,230,246</u>

Un-audited		
Half year ended		
June 30, 2019	June 30, 2018	
(Rupees in thousand)		
From financial assets		
Profit on saving accounts and term deposits	117,643	104,793
Income on deposit with exchanges	6,990	3,809
Recoveries against doubtful debt	7,008	9,567
	<u>131,641</u>	<u>118,169</u>
From non-financial assets		
Rental income	-	278
Other income	70,853	53,918
	<u>70,853</u>	<u>54,196</u>
	<u>202,494</u>	<u>172,365</u>

10 OPERATING REVENUE

Net premium revenue
Dividend income
Return on government securities
Fee, commission and brokerage
Wakalah fee income
Return on debt securities
Gain on sale of securities

11 OPERATING EXPENSES

Net claims
Commission expense - net
Management expenses

12 OTHER INCOME**From financial assets**

Profit on saving accounts and term deposits
Income on deposit with exchanges
Recoveries against doubtful debt

From non-financial assets

Rental income
Other income

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

13 TRANSACTIONS WITH RELATED PARTIES

	Associates		Post employment benefit plans		Key management personnel (including directors)		Other related parties	
	(un-audited)							
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees in thousand)		(Rupees in thousand)		(Rupees in thousand)		(Rupees in thousand)	
Transactions								
Premium Underwritten	106,076	102,149	-	-	117	117	151,591	167,594
Premium Collected	122,582	117,909	-	-	117	176	196,808	232,361
Claims Expense	4,552	1,961	-	-	-	-	2,088	2,438
Commission Expense	176	5,375	-	-	-	-	1,039	9,671
Commission Paid	482	3,790	-	-	-	-	1,531	5,453
Investment/ (Disinvestment) in Shares -	-	237,106	-	-	-	-	-	-
Net of Provision for Impairment	-	-	4,795	5,588	-	-	-	-
Charge in respect of Gratuity Fund	-	-	7,450	6,634	-	-	-	-
Charge in respect of Provident Fund	-	-	5,937	5,022	-	-	-	-
Contribution to Gratuity Fund	-	-	7,723	2,708	-	-	-	-
Contribution to Provident Fund	-	-	-	-	1,050	1,150	-	-
Key Management Personnel Compensation	16,899	-	-	-	-	-	-	-
Receipts against group shared services provided	-	-	-	-	-	-	-	-

	Associates		Post employment benefit plans		Key management personnel (including directors)		Other related parties	
	as at							
	(Un-Audited) June 30, 2019	(Audited) Dec. 31, 2018	(Un-Audited) June 30, 2019	(Audited) Dec. 31, 2018	(Un-Audited) June 30, 2019	(Audited) Dec. 31, 2018	(Un-Audited) June 30, 2019	(Audited) Dec. 31, 2018
	(Rupees in thousand)		(Rupees in thousand)		(Rupees in thousand)		(Rupees in thousand)	
Balances								
Premium Receivable	21,800	11,192	-	-	-	297	25,926	14,795
Commission Payable	-	-	-	-	-	-	3,558	4,355
Investment in Shares	14,870,470	17,679,112	-	-	-	-	248,840	401,595
Other Receivable	2,166	4,657	-	-	-	97	-	1,128
Other Payable	-	-	-	-	-	621	-	24
(Payable to)/ receivable from Gratuity Fund	-	-	(21,217)	(57,467)	-	-	-	-
(Payable to)/ receivable from Provident Fund	-	-	(5,105)	(9,292)	-	-	-	-
Receivable against administrative services provided	-	-	-	-	-	-	41,812	24,312

14 SEGMENT REPORTING

The Group's business is organised and managed separately according to the nature of services provided with the following segments:

- Non-life Insurance
- Life Insurance
- Brokerage business
- Investment business

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

(Un-audited)

For the half year ended June 30, 2019																				Brokerage Business	Investment Business	Aggregate Total	
Non-life Insurance										Life Insurance													
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Window Takaful Operations					Life participating	Life non-participating		Investment linked business	Accident and health business		Pension business fund	Takaful window						
					Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous		Individual	Group		Individual	Group		Individual family	Group family	Group health				
(Rupees in thousand)																							
Net premium revenue	84,874	127,736	720,223	177,569	99,466	-	-	-	-	-	18,211	283,188	187,353	529,378	4,496	735,070	26,745	482,222	11,021	156,667	-	-	3,604,197
Pes. commission and brokerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,493	2,709	36,202
Wakalah fee income	-	-	-	-	-	8,831	2,824	20,334	11,174	731	-	-	-	-	-	-	-	-	-	-	-	-	43,894
Investment income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	360,594
Net claims	(24,176)	(39,828)	(363,862)	(164,170)	(38,142)	-	-	-	-	-	(68,645)	(427,827)	(120,719)	(1,112,193)	(132)	(515,630)	(1,468)	(200,597)	(124)	(87,677)	-	-	(3,173,790)
Expenses	(142,648)	(50,798)	(148,223)	(25,538)	(88,129)	(773)	(185)	(2,849)	(2,258)	(58)	(3,347)	(31,790)	(35,039)	(250,287)	(9,315)	(101,498)	-	(108,032)	(2,046)	(14,365)	(58,357)	(14,453)	(1,098,709)
Net commission	41,915	16,727	(82,344)	(6,330)	137	(3,356)	(1,156)	(8,917)	(2,128)	(283)	(1,167)	(26,218)	(17,027)	(90,777)	(2,358)	(45,752)	-	(137,405)	(7,110)	(4,658)	-	-	(378,217)
Net Investment Income - Statutory Fund	-	-	-	-	-	-	-	-	-	-	76,289	291,188	9,312	146,526	942	496	2,309	(70,694)	492	54	-	-	456,894
Other income-net	-	-	-	-	-	-	-	-	-	-	4,349	13,014	1,882	11,150	1,387	9,210	1,027	41,730	1,435	2,864	-	-	87,846
Add: Policyholders' liabilities at the beginning of period	-	-	-	-	-	-	-	-	-	-	1,569,863	6,075,027	88,103	6,219,006	10,020	320,265	106,582	1,721,067	7,529	33,077	-	-	16,160,538
Less: Policyholders' liabilities at the end of the period	-	-	-	-	-	-	-	-	-	-	(1,505,655)	(8,114,895)	(115,634)	(5,557,322)	(8,183)	(428,281)	(134,128)	(1,823,179)	(14,488)	(100,371)	-	-	(15,882,936)
(Surplus)/ deficit taken to statutory fund	-	-	-	-	-	-	-	-	-	-	(9,754)	-	-	-	-	-	-	-	-	-	-	-	(9,754)
Financial Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(108,119)
Segment results	(40,835)	53,837	125,794	(18,468)	(5,268)	4,702	1,473	8,768	6,767	388	144	41,847	8,231	(104,521)	(4,143)	(26,036)	1,067	(114,888)	(3,281)	(24,686)	(24,864)	238,731	126,643
Other operating income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	328,672
Unallocated general and administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(268,441)
Share of profit from associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	138,058
Profit before taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	322,832

(Un-audited)

For the half year ended June 30, 2018																				Brokerage Business	Investment Business	Aggregate Total	
Non-life Insurance										Life Insurance													
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Window Takaful Operations					Life participating	Life non-participating		Investment linked business	Accident and health business		Pension business fund	Takaful window						
					Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous		Individual	Group		Individual	Group		Individual family	Group family	Group health				
(Rupees in thousand)																							
Net premium revenue	83,853	120,533	568,130	145,335	150,032	-	-	-	-	-	20,313	324,074	149,067	727,076	6,284	618,882	-	632,782	12,577	105,460	-	-	3,675,388
Pes. commission and brokerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,733	-	45,733
Wakalah fee income	-	-	-	-	-	4,353	1,335	6,276	4,494	-	-	-	-	-	-	-	-	-	-	-	-	-	16,458
Investment income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78	486,704	486,782
Net claims	(89,180)	(42,440)	(260,231)	(138,218)	(47,492)	-	-	-	-	-	(88,007)	(361,481)	(57,034)	(1,588,879)	(2,263)	(413,257)	(17)	(57,523)	(3,739)	(47,752)	-	-	(3,173,514)
Expenses	(88,356)	(39,876)	(105,736)	(22,847)	(84,368)	(1,029)	(184)	(1,492)	-	(1,685)	(2,453)	(45,284)	(28,638)	(196,128)	(6,557)	(84,246)	-	(48,972)	(306)	(229)	(65,388)	(10,383)	(784,042)
Net commission	35,088	18,951	(59,361)	(5,194)	(20,585)	(1,779)	(661)	(2,290)	-	(780)	(784)	(21,471)	(7,454)	(114,037)	(8,845)	(36,380)	-	(108,300)	(877)	(4,424)	-	-	(338,782)
Net Investment Income - Statutory Fund	-	-	-	-	-	-	-	-	-	-	38,246	126,042	2,817	168,448	493	1,380	(85)	4,846	(48)	(818)	-	-	342,311
Other income-net	-	-	-	-	-	-	-	-	-	-	4,134	7,385	1,820	16,369	31	13,085	3	8,854	17	144	-	-	51,822
Add: Policyholders' liabilities at the beginning of period	-	-	-	-	-	-	-	-	-	-	1,573,079	6,119,817	75,342	8,109,869	11,624	262,524	74,927	1,111,274	5,397	10,502	-	-	17,264,155
Less: Policyholders' liabilities at the end of the period	-	-	-	-	-	-	-	-	-	-	(1,563,037)	(6,050,123)	(113,608)	(7,193,123)	(11,491)	(379,495)	(74,828)	(1,566,554)	(12,232)	(63,938)	-	-	(17,028,429)
(Surplus)/ deficit taken to statutory fund	-	-	-	-	-	-	-	-	-	-	(2,511)	-	-	-	-	-	-	-	-	-	-	-	(2,511)
Financial Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(288)	(63,128)	(63,416)
Segment results	(58,585)	57,368	142,863	(18,725)	(2,403)	1,545	490	2,494	-	2,049	-	98,648	13,112	(38,465)	(8,524)	2,473	(10)	(3,783)	889	(855)	(20,070)	413,183	583,785
Other operating income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	96,494
Unallocated general and administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(81,738)
Share of profit from associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	348,866
Profit before taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	847,507

Notes to and forming part of the Consolidated Condensed Interim Financial Statements (un-audited)

(Un-audited)

June 30, 2019															Brokerage business	Investment Business	Aggregate total						
Non-life Insurance										Life Insurance													
Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous	Window Takaful Operations					Life participating	Life non-participating		Investment linked business	Accident and health business				Pension business fund	Takaful window				
					Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous		Individual	Group		Individual	Group	Individual family	Group family		Group health				
(Rupees in thousand)																							
Segment assets	1,330,333	308,280	533,412	91,560	783,307	-	-	-	-	-	1,946,008	6,542,025	522,706	5,773,045	32,788	511,620	140,855	1,807,519	27,034	71,570	645,020	46,085,802	67,152,984
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,194,310
Consolidated total assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	73,347,294
Segment liabilities	1,371,521	374,222	1,259,409	302,751	885,913	-	-	-	-	-	1,946,008	6,542,025	506,917	5,725,275	32,788	509,930	140,855	1,807,519	27,034	71,570	383,074	2,173,804	24,070,715
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,665,766
Consolidated total liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,736,481

(Audited)

December 31, 2018															Brokerage business	Investment Business	Aggregate total						
Non-life Insurance										Life Insurance													
Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous	Window Takaful Operations					Life participating	Life non-participating		Investment linked business	Accident and health business				Pension business fund	Takaful window				
					Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous		Individual	Group		Individual	Group	Individual family	Group family		Group health				
(Rupees in thousand)																							
Segment assets	1,115,326	278,362	437,384	100,152	798,581	-	-	-	-	-	1,856,920	6,766,543	420,795	6,433,494	49,355	515,307	113,029	1,794,055	14,668	37,189	571,810	60,241,285	81,642,255
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,211,640
Consolidated total assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85,853,895
Segment liabilities	1,134,490	324,583	1,032,419	295,812	855,299	-	-	-	-	-	1,856,920	6,766,543	420,795	5,429,245	49,355	515,307	113,029	1,794,055	14,668	37,189	487,108	2,707,317	23,804,134
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,668,159
Consolidated total liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,693,293

15 EARNINGS PER SHARE

	Un-audited		Un-audited	
	Half year ended		Quarter Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees in thousand)		(Rupees in thousand)	
Basic / diluted earnings per share				
Profit / (loss) for the period	238,638	567,517	(84,255)	312,506
	Number of shares		Number of shares	
Weighted average number of ordinary shares	142,630,500	142,305,948	142,630,500	142,305,948
	(Rupees)		(Rupees)	
Earnings per share	1.67	3.99	(0.59)	2.20

16 GENERAL

Figures in these consolidated condensed interim financial statements have been rounded off to the nearest thousand of rupees. Corresponding figures have been restated / rearranged and reclassified, wherever necessary, for the purpose of comparison.

17 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on August 28, 2019 by the Board of Directors of the Group.

Chief Executive Officer

Chief Financial Officer

Director

Shareholder's Information for the Half Year Ended June 30, 2019 (Un-audited)

Shareholders Category	No. of Shareholder	No. of Shares Held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children	23	42,464,533	29.77
Associated Companies, Undertakings and related Parties	6	53,833,342	37.74
NIT and ICP			
Banks, Development Financial Institutions, Non Banking Financial Institutions	11	6,059,690	4.25
Insurance Companies	9	2,117,669	1.48
Modarabas and Mutual Funds	6	83,026	0.06
Share holders holding 10%	3	66,004,758	46.28
General Public :			
a. local	3,362	24,164,266	16.94
b .Foreign			
Others	145	13,908,024	9.75
Total	3,562	142,630,550	100

Pattern of Shareholding for the Half Year Ended June 30, 2019 (Un-audited)

Number of Shareholders	No. of Shareholdings		Total Shares
	From	To	
1,841	1	100	45,322
611	101	500	142,146
226	501	1,000	157,958
433	1,001	5,000	991,377
148	5,001	10,000	1,061,859
88	10,001	15,000	1,039,747
26	15,001	20,000	450,569
23	20,001	25,000	519,512
16	25,001	30,000	431,662
18	30,001	35,000	587,975
5	35,001	40,000	186,170
7	40,001	45,000	292,518
2	45,001	50,000	96,623
11	50,001	55,000	578,828
9	55,001	60,000	523,120
5	60,001	65,000	315,041
2	65,001	70,000	133,806
3	70,001	75,000	221,837
2	75,001	80,000	153,882
5	80,001	85,000	414,330
2	85,001	90,000	172,647
1	90,001	95,000	92,525
2	95,001	100,000	192,698
1	100,001	105,000	101,890
6	115,000	120,000	694,140
1	125,001	130,000	125,331
2	130,001	135,000	267,232
3	135,001	140,000	413,298
1	140,001	145,000	143,500
1	150,001	155,000	153,000
1	155,001	160,000	158,269
2	160,001	165,000	325,069
2	170,001	175,000	344,669
1	190,001	195,000	191,874
3	195,001	200,000	591,124
2	230,000	235,000	460,000
3	250,001	255,000	761,268
2	255,001	260,000	517,006
1	260,001	265,000	260,170
1	265,001	270,000	268,350
1	275,001	280,000	278,150
1	280,001	285,000	282,785
1	290,001	295,000	292,425
2	325,001	330,000	655,682
2	335,001	340,000	678,360
2	345,001	350,000	696,977
1	375,001	380,000	376,565
1	380,001	385,000	384,729
1	460,000	465,000	460,000
1	490,001	495,000	493,655
1	645,001	650,000	648,550
1	665,001	670,000	667,202
1	670,001	675,000	673,275
2	715,001	720,000	1,437,495
1	730,001	735,000	730,480
1	745,001	750,000	747,500
1	765,001	770,000	767,383
1	825,001	830,000	826,505
1	870,001	875,000	872,850
1	1,110,001	1,115,000	1,110,927
1	1,155,001	1,160,000	1,157,825
1	1,220,001	1,225,000	1,222,688
1	1,265,001	1,270,000	1,266,902
1	1,310,001	1,315,000	1,313,875
1	1,340,001	1,345,000	1,343,103
1	1,405,001	1,410,000	1,409,902
1	1,410,001	1,415,000	1,412,377
1	1,450,001	1,455,000	1,450,528
1	1,930,001	1,935,000	1,932,000
1	2,235,001	2,240,000	2,238,318
1	2,315,001	2,320,000	2,315,493
1	4,485,001	4,490,000	4,489,830
1	5,255,001	5,260,000	5,255,247
1	5,570,001	5,575,000	5,573,737
1	7,160,001	7,165,000	7,164,636
1	9,415,001	9,420,000	9,419,494
1	14,975,001	14,980,000	14,975,406
1	23,980,001	23,985,000	23,982,060
1	27,045,001	27,050,000	27,047,292
3,562			142,630,550

انٹرنیشنل نے رواں سال کی پہلی ششماہی کے دوران 524 ملین روپے کا بعد از ٹیکس منافع حاصل کیا ہے جو سال 2018 کی اسی مدت کے دوران 984 ملین روپے تھا۔

آئی جی آئی لائف انشورنس لمیٹڈ

30 جون 2019 کو اختتام پذیر ہونے والی پہلی ششماہی کے دوران آئی جی آئی لائف نے 2,407 ملین روپے کا خالص پریمیوم ریکارڈ کیا جبکہ سال 2018 کی اسی مدت کے دوران خالص پریمیوم کا حجم 2,620 ملین روپے رہا تھا یعنی رواں سال کی پہلی ششماہی کے دوران اس میں 8 فیصد کمی ریکارڈ کی گئی۔ آئی جی آئی لائف نے زیر جائزہ مدت کے دوران 183 ملین روپے کا بعد از نقصان ظاہر کیا ہے جبکہ سال 2018 کی اسی مدت کے دوران 30 ملین روپے کا بعد از ٹیکس منافع ظاہر کیا تھا۔

کمپنی کے بیرونی آڈیٹرز نے اپنی جاری کردہ جائزہ رپورٹ برائے اختتام نصف سال جون 2019 کے مالیاتی گوشواروں میں لائف اور ہیلتھ کے انشورنس پریمیوم پر صوبائی سیکورٹیز ریکارڈ نہیں کرنے پر اپنا ترمیم شدہ نتیجہ اخذ کیا ہے۔ گروپ ہیلتھ انشورنس، ہیلتھ انشورنس اور لائف انشورنس کے پریمیوم پر صوبائی سیکورٹیز میں چھوٹ مختلف تاریخوں میں بند اوپس لے لی گئی تھی۔

کمپنی یہ سمجھتی ہے کہ پاکستان میں لائف انشورنس کے کاروبار اور ترقی کے لئے مزکورہ سیکورٹیز پر جائزہ لینے کی ضرورت ہے۔ چھوٹ کی تجدید کا معاملہ انشورنس ایسوسی ایشن آف پاکستان (IAP) کی طرف سے اجتماعی طور پر سیکورٹیز حکام کے ساتھ اٹھایا گیا۔ مزید یہ کہ، انشورنس ایسوسی ایشن آف پاکستان کی جانب سے سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کو خط مورخہ 13، مارچ 2019 کے ذریعہ فعال حمایت کے حصول کیلئے رائے دی گئی تاکہ انشورنس کی صنعت پر اس طرح کے ٹیکس عائد نہ ہوں۔

IAP کے خط کے جواب میں، SECP نے پنجاب ریونیو اتھارٹی (PRA) کو مورخہ 13، مارچ 2019 کو خط لکھا جس میں لائف اور گروپ ہیلتھ کے کاروبار پر سیکورٹیز کے اطلاق کے نقصان دہ اثر کو اجاگر کیا کہ لائف اور ہیلتھ انشورنس کے کاروبار پر نقصان دہ اثر پڑتا ہے۔ SECP نے PRA پر زور دیا کہ پنجاب میں لائف انشورنس اور ہیلتھ انشورنس سرورسز پر پہلے دی گئی ٹیکس چھوٹ کی بحالی کے لئے فوری اقدامات کرے۔

اگر 30 جون 2019 کو سیکورٹیز کی ذمہ داری کو قبول کر لیا جاتا تو اس مدت میں ٹیکس کے بعد ہونے والا نقصان 55.032 ملین روپے سے زیادہ ہوتا جبکہ، جون 2019 کو سیکورٹیز کے واجبات 77.510 ملین روپے سے زیادہ ہو سکتے تھے۔

مزید برآں آڈیٹرز نے اپنی جائزہ رپورٹ میں ”معاظی کی نزاکت (Emphasis of Matter)“ کا ایک پیراگراف بھی شامل کیا ہے جو کہ، 30 جون 2019 کو انشورنس آرڈینینس 2002 اور انشورنس رولز 2017 میں بیان کی گئی کم از کم سالوینسی کے تقاضوں کی تعمیل کے سلسلے میں ہے۔

آئی جی آئی فائیکس سیکورٹیز لمیٹڈ

زیر جائزہ مدت کے دوران آئی جی آئی سیکورٹیز نے 33 ملین روپے کی پیداواری آمدنی حاصل کی ہے جو سال 2018 کی اسی مدت کے دوران 45 ملین روپے تھی۔ اس مدت کے دوران براہ راست اور انتظامی اخراجات کی مد میں 58 ملین روپے ادا کئے گئے جبکہ سال 2018 کی اسی مدت کے دوران یہ اخراجات 66 ملین روپے تھے۔ آئی جی آئی سیکورٹیز نے 12 ملین روپے کا بعد از ٹیکس نقصان ظاہر کیا ہے جبکہ سال 2018 کی اسی مدت کے دوران بعد از ٹیکس نقصان 15 ملین روپے رہا تھا۔

ہم اپنے بزنس پارٹنرز اور اسٹیک ہولڈروں کی جانب سے فراہم کی جانے والی اعانت اور سرپرستی کی قدر کرتے ہیں۔

برائے اور منجانب



طاہر مسعود

چیف ایگزیکٹو آفیسر

لاہور 28 اگست 2019

Saukhan

شیم احمد خان

ڈائریکٹر

لاہور 28 اگست 2019

ڈائریکٹرز رپورٹ بنام شیئر ہولڈرز

مورخہ 30 جون 2019 کو اختتام پذیر ہونے والی پہلی ششماہی کی رپورٹ ہمراہ (غیر آڈٹ شدہ) منظم عبوری مالیاتی گوشواروں کا خلاصہ پیش کرتے ہوئے آپ کی کمپنی کے ڈائریکٹرز انہماکی مسرت محسوس کر رہے ہیں۔

آئی جی آئی ہولڈنگز ایک ہولڈنگ کمپنی کی حیثیت سے اپنی آمدنی اپنی ذیلی کمپنیوں یعنی آئی جی آئی جنرل انشورنس لمیٹڈ ("آئی جی آئی جنرل")، آئی جی آئی انوسٹمنٹس (پرائیویٹ) لمیٹڈ ("آئی جی آئی انوسٹمنٹس")، آئی جی آئی لائف انشورنس لمیٹڈ ("آئی جی آئی لائف") اور آئی جی آئی فائنانس سیکورٹیز لمیٹڈ ("آئی جی آئی سیکورٹیز") سے ڈیویڈنڈ کی صورت میں حاصل کرتی ہے۔

گروپ کی کارکردگی کا جائزہ

..... روپے ہزاروں میں

30 جون 2018 کو اختتام سال	30 جون 2019 کو اختتام سال
947,507	322,932
(379,990)	(84,294)
567,517	238,638
3.99	1.67

منافع قبل از ٹیکس

ٹیکس کٹوتی

منافع بعد از ٹیکس

آمدنی فی شیئر (روپے)

اس مدت کے دوران گروپ نے 239 ملین روپے کا بعد از ٹیکس منافع حاصل کیا جو سال 2018 کی اسی مدت کے دوران 567 ملین روپے رہا تھا جو بعد از ٹیکس منافع میں 58 فیصد کمی ظاہر کرتا ہے۔ منافع میں کمی آنے کی وجہ محض گروپ کی ڈیویڈنڈ آمدنی میں کمی ہونا ہے۔

سال 2018 کی اسی مدت کے دوران ہونے والی 3.99 روپے فی شیئر کمائی کے مقابل اس سال گروپ کی فی شیئر کمائی 1.67 روپے رہی ہے۔

گروپ کی ذیلی کمپنیوں کی چیدہ چیدہ مالیاتی کارکردگی ذیل میں پیش کی جا رہی ہے:-

آئی جی آئی جنرل انشورنس لمیٹڈ

زیر جائزہ مدت کے دوران کمپنی کا خام قابل وصولی پر بیمہ بڑھ کر 2,392 ملین روپے ہوا جو گزشتہ برس کی اسی مدت کے دوران 2,249 ملین روپے تھا۔ اسی طرح بچت کردہ خالص پر بیمہ میں بھی اضافہ ہوا جو گزشتہ برس اسی مدت کے مقابلے میں 1,072 ملین سے بڑھ کر رواں سال کی پہلی ششماہی کے اختتام پر بڑھ کر 1,215 ملین روپے تک پہنچ گیا۔

زیر جائزہ مدت کے دوران خالص کلیمز کا حجم 629 ملین روپے رہا جو گزشتہ برس 576 ملین روپے رہا تھا۔ اسی طرح انڈر رائٹنگ منافع کا حجم گزشتہ برس اسی مدت کے 124 ملین روپے کے مقابلے میں 116 ملین روپے رہا۔

زیر جائزہ مدت کے دوران کمپنی نے اپنے وینڈو کنفل آپریشنز سے 25 ملین روپے کمائے جبکہ گزشتہ برس اسی مدت کے مقابلے میں اس مدت میں کمپنی کا منافع صرف 7.20 ملین روپے تھا۔

رواں سال کی پہلی ششماہی کے دوران کمپنی نے 159 ملین روپے کی سرمایہ کاری آمدنی حاصل کی جو گزشتہ برس اسی مدت کے دوران 68 ملین روپے رہی تھی۔ گزشتہ برس اسی مدت کے دوران ہونے والے 148 ملین روپے کے منافع کے مقابلے میں رواں برس کی پہلی ششماہی کے دوران کمپنی نے 208 ملین روپے کا منافع بعد از ٹیکس حاصل کیا۔

آئی جی آئی انوسٹمنٹس (پرائیویٹ) لمیٹڈ

آئی جی آئی انوسٹمنٹس کی آمدنی اس کی سرمایہ کاری پورٹ فولیو سے ہونے والی ڈیویڈنڈ آمدنی پر بنیاد کرتی ہے۔ چنانچہ اس کی آمدنی کا اندازہ ہی ہوتا ہے جو اس کی سرمایہ کاریوں کی منافع منقسمہ کی تقسیم کا ہوتا ہے۔ زیر جائزہ مدت کے دوران آئی جی آئی انوسٹمنٹس نے 761 ملین روپے کی ڈیویڈنڈ آمدنی حاصل کی ہے جو سال 2018 میں اسی مدت کے دوران 1,226 ملین روپے تھا۔ آئی جی آئی

ڈائریکٹرز رپورٹ بنام شیئر ہولڈرز

مورخہ 30 جون 2019 کو اختتام پذیر ہونے والی پہلی ششماہی کی رپورٹ ہمراہ (غیر آڈٹ شدہ) غیر منظم عبوری مالیاتی گوشواروں کا خلاصہ پیش کرتے ہوئے آپ کی کمپنی کے ڈائریکٹرز انتہائی مسرت محسوس کر رہے ہیں۔

کمپنی کی کارکردگی کا جائزہ

..... روپے ہزاروں میں.....

30 جون 2018 کو ختم ہونے والا سال	30 جون 2019 کو ختم ہونے والا سال	
1,884,614	797,453	پیداواری آمدنی
1,815,781	687,468	منافع قبل از ٹیکس
(82,325)	28,308	ٹیکس کٹوتی
1,733,456	715,776	منافع بعد از ٹیکس
12.18	5.02	کمائی فی شیئر (روپے)

زیر جائزہ مدت کے دوران کمپنی نے 797.4 ملین روپے کی پیداواری آمدنی حاصل کی ہے جو سال 2018 کی اسی مدت کے دوران 1,884.6 ملین روپے رہی تھی جبکہ بعد از ٹیکس منافع 715.7 ملین روپے حاصل کیا ہے جو سال 2018 کی اسی مدت کے دوران 1,733.4 ملین روپے رہا تھا۔ اس مدت کے دوران فی شیئر کمائی 5.02 روپے رہی جو گزشتہ برس اسی مدت کے دوران 12.18 روپے رہی تھی۔ منافع میں کمی صرف ذیلی کمپنیوں کی جانب سے منافع منقسمہ کی آمدنی میں کمی کے سبب آئی ہے۔

آئی جی آئی ہولڈنگز ایک ہولڈنگ کمپنی کی حیثیت میں کام کر رہی ہے اور اپنے شیئر ہولڈروں کے لئے قدر اپنی ذیلی کمپنیوں سے اخذ کرتی ہے۔ یہ چار ذیلی کمپنیاں ہیں آئی جی آئی جنرل انشورنس لمیٹڈ، آئی جی آئی لائف انشورنس لمیٹڈ، آئی جی آئی انوسٹمنٹس (پرائیویٹ) لمیٹڈ اور آئی جی آئی فنانس سکیورٹیز لمیٹڈ۔ کمپنی کا بڑا ذریعہ آمدنی منافع منقسمہ کی آمدنی ہے چنانچہ اس کی آمدنی کا انداز عموماً وہی ہوتا ہے جو انداز اس کی ذیلی کمپنیوں کی منافع منقسمہ کی تقسیم کا ہوتا ہے۔

اہم اپنے بزنس پارٹنرز اور اسٹیک ہولڈروں کی جانب سے فراہم کی جانے والی اعانت اور سرپرستی کی قدر کرتے ہیں۔

برائے اور منجانب بورڈ



طاہر مسعود

چیف ایگزیکٹو آفیسر

لاہور 28 اگست 2019

Saukhan

شمیم احمد خان

ڈائریکٹر








لاہور 28 اگست 2019










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