



REPORT FOR THE PERIOD ENDED SEPTEMBER 30, 2020

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VISION

To be a trusted, globally acknowledged, top rated Financial Solutions Providing Company.

MISSION

To uplift the financial well-being of Policy Holders, Customers, Advisors, Employees; and Shareholder profitability by continuously reinforcing deep commitment to our Core Values.

CORE VALUES

1. FINANCIAL ACUMEN

We believe in empowering our customers through need based packaged financial solutions to cater specific needs with an extensive distribution network.

2. CUSTOMER CARE

We believe in creating value for society by optimizing customer experience through superior financial advisory that makes positive difference in our customer's life.

3. ETHICAL CONDUCT

We believe in exhibiting and ensuring honesty and integrity at all times by encouraging open communication, transparency and humility.

4. SUSTAINABILITY

We believe in generating revenue from multiple channels to build a strong asset base for long term sustainable income and growth for the Trust.

COMPANY INFORMATION

Board of Directors

Lt Gen.Najib Ullah Khan, (Retd)
Maj Gen. Imtiaz Hussain Sherazi, (Retd)
Maj Gen. Akhtar Iqbal, (Retd)
Mr. Malik Riffat Mahmood

Mr. Javed Yunus
Ms. Ayesha Rafique
Mr. Tariq Hameed

MANAGEMENT

Mr. Jehanzeb Zafar
Mr. Noman Muhammad
Mr. Rehan Mobin
Mr. Salman Ahmad Saeed
Mr. Syed Jawaid Raza
Mr. Hasan Askari
Mr. Atif Usman Mallick
Ms. Syeda Haajra Nazish Jafri

Chief Executive Officer
Chief Operating Officer
Chief Financial Officer
Head of HR & Admin
Head of IT
Head of Bancassurance
Head- Internal Audit
Company Secretary

Board Committees

Audit Committee:

Mr.Tariq Hameed
Maj Gen. Imtiaz Hussain Sherazi, (Retd)
Mr. Malik Riffat Mehmood
Ms. Syeda Haajra Nazish Jafri

Chairman
Member
Member
Company Secretary

Investment Committee:

Mr. Malik Riffat Mehmood
Maj Gen. Akhtar Iqbal, (Retd)
Mr. Jehanzeb Zafar
Mr. Noman Noor Muhammad
Mr. Rehan Mobin

Chairman
Member
Member
Member
Member

Ethics, Human Resource Remuneration & Nomination Committee:

Ms. Ayesha Rafique
Maj Gen. Akhtar Iqbal, (Retd)
Maj Gen. Imtiaz Hussain Sherazi, (Retd)
Mr. Jehanzeb Zafar
Mr. Salman Ahmad Saeed

Chairman
Member
Member
Member
Secretary

Management Committees:

Risk Management & Compliance Committee:

Maj. Gen Akhtar Iqbal, (Retd)	Chairman
Mr. Tariq Hameed	Member
Mr. Jehanzeb Zafar	Member
Mr. Noman Noor Muhammad	Member
Mr. Rehan Mobin	Member
Mr. Sandeep Kumar Rajpal	Member & Secretary

Underwriting & Reinsurance Committee:

Maj Gen. Akhtar Iqbal, (Retd)	Chairman
Mr. Jehanzeb Zafar	Member
Mr. Noman Noor Muhammad	Member
Mr. Sumair Sarwar	Member & Secretary

Claim Settlement Committee:

Maj Gen. Imtiaz Hussain Sherazi (Retd)	Chairman
Mr. Jehanzeb Zafar	Member
Mr. Rehan Mobin	Member
Ms, Bushra Aftab	Member & Secretary

Appointed Actuary

Shujat Siddiqui, MA, FIA, FPSA
Akhtar & Hasan (Private) Limited

Legal Advisor

Saiduddin & Co

External Auditor

RSM Avais Hyder Liaquat Nauman
(Chartered Accountants)

Registered Office

8th Floor, Army Welfare Trust, AWT Plaza, The Mall, Rawalpindi,
Pakistan.

Head Office

Office No.1104, 11th Floor at Emerald Tower, Plot No. G-19, Block 5, KDA Improvement
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35630422 - 35630429

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Share Registrar

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P.E.C.H.S, Karachi-75400

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E-mail: secretariat@thk.com.pk

Web: www.thk.com.pk

Directors' Review

We are pleased to present the unaudited financial statements for the period year ended September 30, 2020.

Financial Highlights

Description	September 30, 2020	September 30, 2019
	Rs. in ('000)	
Gross premium revenue	278,102	172,159
Investment and other income	52,865	55,617
Net Insurance Benefits	89,286	44,758
Acquisition expense	94,886	112,171
Marketing and administration expenses	156,626	169,430
Other expenses	13,523	6,979
Loss after tax	(168,640)	(192,531)
Loss per share	(1.53)	(1.75)

Financial Analysis of the Company

During the nine months ended September 30, 2020, the gross premium written was as follows:

Line of Business	Gross Premium Rupees. in '000		Variance %
	2020	2019	
Individual Life	80,997	71,783	13%
Single Premium	23,588	12,867	83%
Group Life Policies	173,517	87,509	98%
Total	278,102	172,159	62%

Gross Premium

In the nine months ended September 30, 2020, the gross premium written by your Company stood at Rs.278.10 million which increased by 62% from comparative period of 2019 which was Rs.172.16 million.

There is a positive development in Group life business where premium has increased by Rs.86.01 million and individual life business has increased by Rs 9.21 million as compared to the same period of 2019.

Our Sales teams of individual life and group life have actively pursued business effectively and targeting due share of business by launching of competitive products in the market.

By the grace of Allah the number of COVID cases decreased during the quarter however the Pandemic still has its grip over the world. The government has introduced smart lockdown which had its impact on the economic activity of the country and operations of Insurance Sector has also been negatively affected.

The Company has signed Banassurance Partnership Agreements with Silk Bank Limited and Samba Bank in order to channelize sale through banking sector. The management is optimistic that this will have a positive impact on the Bancassurance business of the company.

Investment:

The Investment and other income for the nine months of 2020 is Rs.52.87 million as compared to the same of 2019 of Rs. 55.62 million, the 5% reduction in current period income due to reduction of discount-rates by the government in 2020.

The Company's Investment and Bank portfolio currently stood at 648.70 million, as compared to the last year of December, 2019 of Rs 623.45 million. The company is constantly looking for new investment opportunities and also considering the current economic and political situation of the country.

Net Insurance Benefits

The overall net insurance benefits expense for the nine months ended of 2020 is Rs 89.29 million as compared to the same period of 2019 of Rs 44.76 million, representing the increase of 99%. The increase is mainly due to expansion of business during the period. The Company has also revamped and modernized the claims processing which make it convenient for the corporate customer/policyholders to process their claims.

Expenses:

The Marketing & administration expenses for the nine months of 2020 are reduced to Rs 156.63 million as compared to the same period of 2019 of Rs 169.43 million mainly due to the impact of lockdown during Covid-19. The other expenses stood at Rs.13.52 million and Rs.6.98 million in 2019, the increase in other expenses was relate to the payment of statutory fees. The management of your Company is confident that investments made in development of new infrastructure of the Company will prove to be greatly beneficial for the Company in the long run.

The Loss after tax for the nine months ended September 30, 2020 is Rs.168.64 million as compared to Rs. 192.53 million in the corresponding period last year.

Challenges faced by the insurance industry:

Imposition Sales tax:

The insurance industry continues to face the biggest challenge with respect of imposition of provincial sales taxes by the provincial revenue authorities. The insurance industry collectively through the forum of the Insurance Association of Pakistan (IAP) has taken up the issue with the respective authorities for the exemption of provincial sales taxes on technical grounds in order to enhance insurance penetration in Pakistan.

The details of the same have been mentioned in note 15.1.3 of the financial statements.

Future Outlook

Your Company will continue to focus on branding, development and expansion of distribution network to promote new marketing strategies and launching of competitive products which will help the company in achieving the growth in premium amount in the long run.

On August 26, 2020, the Company had announced Right Share Issue of Rs 400 million i.e. 40 million shares of Rs 10 each. This will support the growth of the Company in the future. The process will be completed by the end of 2020.

The Pandemic-COVID-19 is expected to have an impact on the awareness and acceptability of life insurance products in the country. The Company is eyeing opportunities arising post Pandemic as it has highlighted that health or life risk can easily be converted as financial risk therefore, in our opinion, people will be more risk averse towards their income and savings which will have a positive impact on the way customers perceive life insurance products in the long run.

Our target remains to deliver sustainable, profitable growth in challenging and competitive business environment in order to reach leading position in the industry.

Acknowledgment

The directors would like to take this opportunity to extend their gratitude to the Securities and Exchange Commission of Pakistan (SECP) and Reinsurers for their continued support. The Board also wishes to thank the policyholders and corporate clients for placing their trust and confidence in our organization.

Finally, thanks to of our shareholders, whose loyalty and dedication for the company is a source of encouragement for us to make Askari Life a strong and dependable financial institution and a symbol of trust for the marketplace.

On behalf of the Board of Directors



Director



Chief Executive Officer

Date: October 28, 2020

ڈائریکٹر رپورٹ

ہم سال ۲۰۲۰ء کی تیسری سہ ماہی کیلئے، جس کا اختتام ۳۰ ستمبر ۲۰۲۰ء کو ہوا، غیر آڈٹ شدہ شدہ مالیاتی حسابات پیش کرنے میں خوش محسوس کرتے ہیں۔

مالیاتی سرخیاں

تفصیلات	۳۰ ستمبر ۲۰۲۰ء	۳۰ ستمبر ۲۰۱۹ء
	000 روپوں میں	
مجموعی پرمیٹیم سے آمدنی	278,102	172,159
سرمایہ کاری سے آمدنی اور دیگر سے آمدنی	52,865	55,617
خالص بیرونی فوائد	89,286	44,758
اخراجات برائے حصول	94,886	112,171
مارکیٹنگ اور انتظامی اخراجات	156,626	169,430
دیگر اخراجات	13,523	6,979
بعد از ٹیکس (تقصان) فائدہ	(168,640)	(192,531)
نی حصص نقصان	(1.53)	(1.75)

کمپنی کا مالی تجزیہ:

۳۰ ستمبر ۲۰۲۰ء کو ختم ہونے والی تیسری سہ ماہی کے دوران، مجموعی پرمیٹیم درج ذیل رہا:

مجموعی پرمیٹیم

000 روپوں میں

کاروباری مد	2020	2019	فرق فیصد
انفرادی لائف	80,997	71,783	13%
سنگل پرمیٹیم	23,588	12,867	83%
گروپ لائف پالیسیاں	173,517	87,509	98%
مکمل مجموعہ	278,102	172,159	62%

مجموعی پرمیٹیم

۲۰۲۰ء کی تیسری سہ ماہی میں، آپ کی کمپنی کا مجموعی پرمیٹیم 278.10 ملین روپے رہا، جو ۲۰۱۹ء کے اسی دورانیے کے 172.16 ملین روپے کے مقابلے میں 62 فیصد تک بڑھ گیا ہے۔

گروپ لائف کاروبار میں مثبت نشوونما دیکھنے میں آئی جس میں پرمیٹیم 86.01 ملین روپے سے بڑھ گیا اور انفرادی لائف کا کاروبار ۲۰۱۹ء کے اسی دورانیے کے مقابلے میں 9.21 ملین روپے سے بڑھ گیا۔

ہماری انفرادی لائف اور گروپ لائف کی سیلزمیوں نے کاروبار کیلئے اور مارکیٹ میں تقابلی مصنوعات کا آغاز کر کے کاروبار میں ضروری شرکت کو ہدف بنانے کے لئے مستعد طور پر موثر جدوجہد کی ہے۔

اللہ کے کرم سے اس سہ ماہی کے دوران COVID19 کے کیسز کم ہوئے ہیں گوکہ اس عالمی وباء نے ابھی بھی دنیا پر اپنی گرفت رکھی ہوئی ہے۔ حکومت نے انسارٹ لاک ڈاؤن متعارف کرایا ہے جس کا ملک کی معاشی سرگرمی پر اثر ہوا اور بیمہ سیکٹر کے معاملات بھی منفی طور پر متاثر ہوئے ہیں۔

بینکنگ سیکٹر کے ذریعے اپنی فروخت کو چیلنجز کو نبھانے کیلئے کمپنی نے سلک بینک اور سامبا بینک کے ساتھ بینکشلز شراکتی معاہدوں پر دستخط کئے ہیں۔ انتظامیہ پر امید ہے کہ اس کمپنی کے بینکشلز کاروبار پر ایک مثبت اثر پڑے گا۔

سرمایہ کاری

۲۰۲۰ء کے نو مہینوں کے لئے سرمایہ کاری اور دیگر آمدنی ۲۰۱۹ء کے اسی دورائے کے 55.62 ملین روپے کے مقابلے میں 52.87 ملین روپے رہی۔ موجودہ دورائے میں آمدنی میں 5 فیصد کمی ۲۰۲۰ء میں حکومت کی جانب سے ڈسکاؤنٹ کے نرخوں میں کمی کے باعث ہے۔

کمپنی کی سرمایہ کاری اور بینک کا حجم، دسمبر ۲۰۱۹ء کے 623.45 ملین روپے کے مقابلے میں موجودہ طور پر 648.7 ملین روپے رہا۔ کمپنی مسلسل سرمایہ کاری کے نئے مواقع کی تلاش میں کوشاں ہے اور ملک کی موجودہ معاشی اور سیاسی صورت حال پر بھی توجہ مبذول کئے ہوئے ہے۔

خالص بیمہ فوائد

۲۰۲۰ء کی تیسری سہ ماہی ختم ہونے پر ۲۰۱۹ء کے اسی دورائے کے 44.76 ملین روپے کے مقابلے میں، مجموعی خالص بیمہ فوائد کیا اخراجات 89.29 ملین روپے رہے، یعنی ان میں 99 فیصد اضافہ سامنے آیا۔ یہ اضافہ خاص طور پر اس دورائے میں کاروبار بڑھانے کی وجہ سے ہوا ہے۔ کمپنی نے گیمز کے طریقہ کار کو بھی تبدیل اور جدید کر دیا ہے جو کارپوریٹ صارف/پالیسی کے حامل افراد کے لئے ان کے گیمز پر عمل درآمد کو آسان بناتا ہے۔

اخراجات

مارکیٹنگ اور انتظامی اخراجات، ۲۰۱۹ء کے اسی دورائے کے مقابلے میں جو 169.43 ملین روپے تھے، ۲۰۲۰ء کی تین سہ ماہیوں کے اختتام پر 156.63 ملین روپے تک کم ہو گئے جس کی اصل وجہ COVID19 کے دوران لاک ڈاؤن کا اثر رہا۔ دیگر اخراجات 13.52 ملین روپے اور ۲۰۱۹ء میں 6.98 ملین روپے رہے، دیگر اخراجات میں اضافے کا تعلق آئینی فیس سے تھا۔ آپ کی کمپنی کی انتظامیہ پر اعتماد ہے کہ کمپنی کے نئے انفراسٹرکچر کے فروغ میں کمی جانے والی سرمایہ کاریاں آنے والے وقتوں میں کمپنی کے لئے بہت ہی زیادہ فائدہ مند ثابت ہوگی۔

پچھلے سال کے اسی دورائے میں 192.53 ملین روپے کے مقابلے میں ۲۰۲۰ء کی تیسری سہ ماہی میں بعد از ٹیکس نقصان 168.64 ملین روپے رہا۔

بیمہ صنعت کو ورپیش چیلنجز:

سیلزمیوں کا نفاذ:

صوبائی ریونیو اتھارٹیوں کے جانب سے صوبائی سیلزمیوں کے نفاذ سے متعلق بیمہ صنعت کو سب سے بڑے چیلنج کا مسلسل سامنا ہے۔ بیمہ صنعت نے انشورنس ایسوسی ایشن آف پاکستان کے فورم کے ذریعے مجموعی طور پر پاکستان میں بیمہ کی شمولیت میں اضافے کے لئے تکنیکی بنیادوں پر صوبائی سیلزمیوں کی چھوٹ کیلئے متعلقہ

اتھارٹیوں کے ساتھ اس مسئلے کو اٹھایا ہے۔

اس کی تفصیلات مالیاتی بیانات کے نوٹ 15.1.3 میں پیش کی گئی ہیں۔

مستقبل پر نظر

آپ کی کمپنی نے ری براڈنگ، مارکیٹنگ کی نئی حکمت عملی کو بڑھانے کیلئے تقسیمی میٹ ورک کی براڈنگ، اس کے فروغ اور پھیلاؤ اور تقابلی مصنوعات کے آغاز پر مسلسل توجہ مرکوز کئے ہوئے ہے جو کمپنی کو آنے والے وقتوں میں پرمیٹیم کی رقم میں نشوونما کے حصول میں مدد کرے گی۔

۲۶ اگست ۲۰۲۰ء کو، کمپنی نے 400 ملین روپے کے رائج حصص اعلان کیا تھا یعنی 10 روپے فی حصص کے 40 ملین حصص۔ اس سے مستقبل میں کمپنی کو پروان چڑھنے میں مدد ملے گی۔ عمل درآمد ۲۰۲۰ء کے اختتام تک مکمل ہو جائے گا۔

COVID19 کی وباء سے ملک میں بیمہ حیات کی پروڈکٹس سے آگاہی اور ان کی قبولیت پر اثر پڑنے کا امکان ہے۔ کمپنی اس وبا کے بعد پیدا ہونے والے مواقع پر نظر رکھے ہوئے ہے کیونکہ اس سے یہ بات واضح ہوئی ہے کہ صحت یا زندگی کا خطرہ بے آسانی مالیاتی خطرے میں تبدیل ہو سکتا ہے چنانچہ ہماری رائے میں، لوگ اپنی آمدنی اور بچتوں کے سلسلے میں خطرے کو بھانپ پائیں گے جو کہ بیمہ حیات کی مصنوعات کو لوگ جس طرح سمجھتے ہیں آنے والے وقتوں میں اس پر ایک مثبت تاخیر قائم ہوگا۔

ہمارا ہدف آپ کی کمپنی کو انڈسٹری میں ممتاز مقام تک پہنچنے کے لئے چیلنجنگ اور تقابلی کاروبار میں قابل برداشت، منافع بخش نشوونما پیش کرنا ہے۔

اظہار تشکر

ڈائریکٹر مسلسل رہنمائی کیلئے سیکرٹریز اینڈ ایگزیکٹو کمیشن آف پاکستان اور ری انشورر کا شکریہ ادا کرنا چاہیں گے۔ بورڈ کمپنی کے پالیسی ہولڈرز اور کارپوریٹ صارفین کا بھی خلوص دل سے شکریہ ادا کرنا چاہتا ہے جنہوں نے ہمارے ادارے میں اپنا اعتماد اور اعتبار قائم رکھا۔

آخر میں، ہمارے حصص کنندگان کا بھی شکریہ جنکی مسلسل وابستگی اور خیر خواہی عسکری لائف کو ایک مضبوط اور قابل بھروسہ مالیاتی ادارہ اور مارکیٹ کیلئے بھروسے کا نشان بنانے کیلئے ہمارے لئے حوصلہ افزائی کا ایک ذریعہ ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

چیف ایگزیکٹو آفیسر

ڈائریکٹر

۲۸ اکتوبر ۲۰۲۰ء








**Condensed interim financial statements (un-audited)
For the nine months period ended September 30, 2020**

ASKARI LIFE ASSURANCE COMPANY LIMITED

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2020

		September 30, December 31, 2020 2019	
		Un-Audited	Audited
		----- (Rupees in '000) -----	
ASSETS	Note		
Property and equipment	6	33,585	40,806
Right of use assets	7	35,611	56,727
Intangible assets	8	1,579	2,216
Investments			
Equity securities	9	9,286	6,819
Government securities	10	536,700	492,725
Mutual funds	11	11,895	11,067
Loans secured against life insurance policies		6,612	6,651
Insurance receivables		40,706	11,213
Other loans and receivables		14,929	14,222
Taxation - payments less provision		16,597	13,650
Prepayments		626	968
Cash and bank	12	90,817	112,844
TOTAL ASSETS		<u>798,943</u>	<u>769,908</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES ATTRIBUTABLE TO COMPANY'S EQUITY HOLDERS			
Share capital		1,101,720	1,101,720
Money ceded to Waqf Fund		500	500
Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)		(903,878)	(732,558)
Unrealised gain on available-for-sale financial assets	13	1,370	800
Accumulated losses		(83,735)	(86,415)
TOTAL EQUITY		<u>115,977</u>	<u>284,047</u>
Advance against equity		150,000	
LIABILITIES			
Insurance liabilities	14	365,607	345,874
Retirement benefit obligations		18,906	12,177
Premium received in advance		12,232	9,575
Insurance / reinsurance payables		75,052	27,917
Other creditors and accruals		25,721	31,360
Lease liability against right of use assets		35,448	58,958
TOTAL LIABILITIES		<u>532,966</u>	<u>485,861</u>
TOTAL EQUITY AND LIABILITIES		<u>798,943</u>	<u>769,908</u>
CONTINGENCIES AND COMMITMENTS	15		


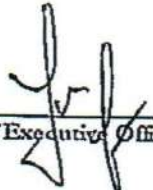
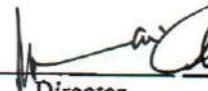


The annexed notes from 1 to 33 form an integral part of the condensed interim financial statements.

				
Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

	Nine months ended		Quarter ended	
	September 30, 2020 (Un-Audited) (Rupees in '000)	September 30, 2019 (Un-Audited) (Rupees in '000)	September 30, 2020 (Un-Audited) (Rupees in '000)	September 30, 2019 (Un-Audited) (Rupees in '000)
Gross premium / contribution revenue	278,102	172,159	136,861	88,541
Re insurance premium / contribution ceded	(139,112)	(62,170)	(83,927)	(41,043)
Net premium / contribution revenue	138,990	109,989	52,934	47,496
Investment income				
Net realised fair value gains / (losses) on financial assets	43,541	51,768	13,659	17,435
Net fair value gains / (losses) on financial assets at fair value	-	104	-	104
Other income	1,563	(1,898)	1,000	(50)
	7,761	5,643	1,783	2,069
Total income	52,865	55,617	16,442	19,552
Insurance benefits	191,855	165,606	69,376	67,048
Reinsurance recoveries	209,434	96,750	79,808	41,498
Net insurance benefits expense	(120,148)	(51,992)	(46,743)	(25,168)
Net change in insurance liabilities (other than outstanding claims)	89,286	44,758	33,065	16,330
Acquisition expenses	5,933	24,418	5,535	16,702
Marketing and administration expenses	94,886	112,171	33,208	47,256
Other expenses	156,626	169,430	50,620	58,941
Total expenses	13,523	6,979	6,317	3,301
Loss before tax	270,968	312,998	95,680	126,200
Income tax expense	(168,399)	(192,150)	(59,369)	(75,482)
Loss for the period	(241)	(381)	(63)	(102)
Other comprehensive income:	(168,640)	(192,531)	(59,432)	(75,584)
Unrealised gain on remeasurement of available-for-sale financial assets	570	297	1,347	(203)
Total comprehensive loss for the period	570	297	1,347	(203)
Loss per share - Rupees	(168,070)	(192,234)	(58,085)	(75,787)
	(1.53)	(1.75)	(0.54)	(0.69)

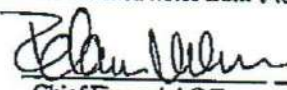
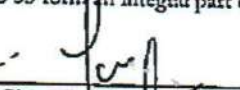
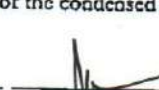
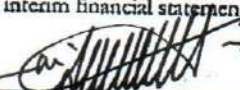

The annexed notes from 1 to 33 form an integral part of the condensed interim financial statements.


 Chief Financial Officer
 
 Chief Executive Officer
 
 Director
 
 Director
 
 Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

	Note	September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)
----- (Rupees in '000) -----			
Operating Cashflows			
(a) Underwriting activities			
Insurance premium / contribution received		251,404	157,321
Claims paid		(167,601)	(75,902)
Reinsurance and other recoveries received		-	3,390
Commission paid		(39,931)	(30,990)
Marketing and administrative expenses paid		(216,399)	(225,214)
Net cash used in underwriting activities		(172,527)	(171,395)
(b) Other operating activities			
Income tax paid		(3,187)	(2,129)
Other operating payments		(4,231)	22,866
Other operating receipts		1,647	(4,529)
Net cash flow / (used in) from other operating activities		(5,771)	16,208
Total cash used in from all operating activities		(178,298)	(155,187)
Investment activities			
Profit received		50,566	56,263
Dividend received		1,390	652
Payment for purchase of investments		(978,107)	(2,417,416)
Proceeds from disposal of investments		932,969	2,572,853
Addition to property and equipment		(6,597)	(42,499)
Addition to intangible assets		(105)	(2,540)
Proceeds from sale of property and equipment		6,155	719
Total cash flow generated from / (used in) from investing activities		6,271	168,026
Financing activities			
Advance received against equity		150,000	-
Proceeds from issuance of shares		-	-
Total cash generated from financing activities		150,000	-
Net increase / (decrease) in cash and cash equivalents		(22,027)	12,839
Cash and cash equivalents at beginning of period		112,844	73,881
Cash and cash equivalents at end of period	12	90,817	86,720
Reconciliation to profit and loss account			
Operating cash flows		(178,298)	(155,187)
Depreciation expense on property and equipment		(14,654)	(5,541)
Amortisation expense on intangible assets		(741)	(446)
Depreciation on right of use asset		(7,474)	(11,701)
Profit on disposal of property and equipment		2,167	617
Dividend and other investment income		49,135	56,898
Increase in assets other than cash		54,799	23,568
(Increase) in liabilities		(75,137)	(98,841)
Net fair value gain / (losses) on financial assets at fair value		1,563	(1,898)
Loss after taxation		(168,640)	(192,531)

The annexed notes from 1 to 33 form an integral part of the condensed interim financial statements.

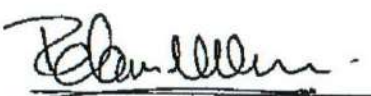
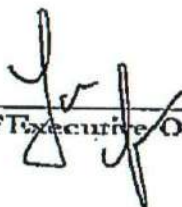









Chief Financial Officer Chief Executive Officer Director Director Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

	Share Capital	Revenue reserves Accumulated losses	Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)	Money Ceded to Waqf Fund	Other Reserves Unrealised gain on available-for- sale financial assets	Total Equity
Note	(Rupees in '000)					
Balance as at January 1, 2019	1,101,720	(103,858)	(452,235)	-	257	545,884
Total comprehensive loss for the period	-	(192,531)	-	-	-	(192,531)
Reclassification adjustment of impairment loss on available for sale investments	-	-	-	-	59	59
Change in fair value of available for sale investments	-	-	-	-	297	297
Deficit for the period in statutory funds	-	206,106	(206,106)	-	-	-
Balance as at September 30, 2019	1,101,720	(90,283)	(658,341)	-	613	353,709
Balance as at January 1, 2020	1,101,720	(86,415)	(732,558)	500	800	284,047
Total comprehensive loss for the period	-	(168,640)	-	-	-	(168,640)
Change in fair value of available for sale investments	-	-	-	-	570	570
Deficit for the period in statutory funds	-	171,320	(171,320)	-	-	-
Balance as at September 30, 2020	1,101,720	(83,735)	(903,878)	500	1,370	115,977

The annexed notes from 1 to 33 form an integral part of the condensed interim financial statements.


 Chief Financial Officer
 
 Chief Executive Officer
 
 Director
 
 Director
 
 Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

1. LEGAL, STATUS AND NATURE OF BUSINESS

- 1.1** Askari Life Assurance Company Limited (the Company) was incorporated in Pakistan on August 18, 1992 as a public limited company under the repealed Companies Ordinance, 1984 (replaced by Companies Act 2017). Its shares are quoted on Pakistan Stock Exchange. The Company commenced life insurance operations on February 22, 1993 after registration with Controller of Insurance on February 14, 1993. The address of its registered and principal office are 8th Floor, Army Welfare Trust, AWT Plaza, The Mall, Rawalpindi and 11th Floor, Emerald Tower, Plot No. G-19, Block 5, KDA Improvement Scheme No.5, Clifton, Karachi respectively. The major shareholding in the Company was taken over by Army Welfare Trust on October 27, 2017. The geographical locations other than stated above are as under:

Karachi Regional Development Centre: Showroom 4-5, Zubaida Garden Ground Floor, Near Awami Markaz, K.M.C.H.S Main Shahrah e Faisal, Karachi

Lahore Regional Development Center: Plot # 524, Block-15, Sector B-1, Quaid-e-Azam Town Scheme, College Road, Lahore.

Islamabad Regional Development Center: 1st Floor Left side Rizwan Center Plot #85 West, Blue Area Sector F-7/G-7, Islamabad

Army Welfare Trust as a Holding Company holds 54.54% (December 31, 2019: 54.54%) shares of the Company.

- 1.2** The Company is engaged in life insurance and window family takaful business including ordinary life business and accidental and health business.

In accordance with the requirement of Insurance Ordinance, 2000, the Company has established a Shareholder Fund and separate Statutory Funds in respect of each class of its life insurance business. The Statutory Funds established by the Company, in accordance with the advice of Appointed Actuary are as follow:

- Ordinary Life
- Universal Life
- Accidental and Health
- Individual Family Takaful
- Universal Life Family Takaful
- Group Family Takaful

The Company commenced the Window Takaful Operations in 2019. Company's Board of Directors in its meeting held on October 24, 2018 approved the contribution of seed money of Rs. 50 million from shareholder's fund for the commencement of operation. The Window Takaful Operation is also approved by SECP.

- 1.3** The Directors have reasonable expectation that the Company will have the resources to continue its business after taking into account the following matters:

a) As per business plan the losses made in initial years is expected to be recovered as the distribution lines mature and initial setup investments are recovered as per normal business cycle of life insurance companies. As acquisition cost of business in initial years is high, subsequent year renewals will start contributing positively to the bottom line.

b) Management also plan to increase its distribution network through introducing more bancassurance partners and also introduction digital resources for business.

c) Management has also introduced window takaful operations for distribution of shariah compliant product which allows company to capture due market share in Takaful domain.

d) The Parent company has a commitment to provide necessary financial support to the Company, if need arises, to address any liquidity and solvency issues to enable the Company to continue its business.

Further, the company has sufficient assets in excess of the solvency margin required to be maintained under the Insurance Ordinance, 2000 and will be able to discharge its liabilities in the normal course of business.

2 BASIS FOR PRESENTATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Act 2017 and Insurance Accounting Regulations, 2017 provisions of and directives issued under the Companies Act 2017, the Insurance Ordinance, 2000, Insurance Rules, 2017 and the Takaful Rules, 2012. In case requirements differ, the provisions or directives of the Companies Act 2017, Insurance Ordinance, 2000, Insurance Accounting Regulations 2017 Insurance Rules, 2017 and Takaful Rules, 2012 shall prevail.

2.2 Accounting Standards, IFRIC Interpretations and Amendments which became effective during the period

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

3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for valuation of certain investments at their market value.

4 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistan Rupees (rounded upto thousand) which is the Company's functional and presentation currency.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed financial statements are in the line with the audited annual accounts for the year ended December 31, 2019.

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEBER 30, 2020

6 PROPERTY AND EQUIPMENT

	September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
	-----Rupees in '000-----	
Property and equipments	33,585	40,806
	<u>33,585</u>	<u>40,806</u>

	September 30, 2020 (Un-Audited)		September 30, 2019 (Un-Audited)	
	Addition	Deletion	Addition	Deletion
	-----Rupees in '000 -----			
Furniture & fixture	363	-	8,993	-
Office equipment	174	588	5,562	87
Computer and accessories	1,618	658	9,338	120
Vehicles	4,442	5,417	51	1,199
Lease improvements	-	-	18,555	-
	<u>6,597</u>	<u>6,663</u>	<u>42,499</u>	<u>1,406</u>

7 RIGHT TO USE OF ASSETS

	September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
	-----Rupees in '000-----	
Right of use assets	35,611	56,727
	<u>35,611</u>	<u>56,727</u>

	September 30, 2020 (Un-Audited)		September 30, 2019 (Un-Audited)	
	Addition / Adjusment	Deletion	Addition / Adjusment	Deletion
	-----Rupees in '000 -----			
Right to use of assets	43	9,798	71,454	-
	<u>43</u>	<u>9,798</u>	<u>71,454</u>	<u>-</u>

8 INTENGIBLE ASSETS

	September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
	-----Rupees in '000-----	
Intangible assets	1,579	2,216
	<u>1,579</u>	<u>2,216</u>

	September 30, 2020 (Un-Audited)		September 30, 2019 (Un-Audited)	
	Addition	Deletion	Addition	Deletion
	-----Rupees in '000 -----			
Intangible assets	105	-	2,546	-
	<u>105</u>	<u>-</u>	<u>2,546</u>	<u>-</u>

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

9 INVESTMENTS IN EQUITY SECURITIES

	September 30, 2020 (Un-Audited)				December 31, 2019 (Audited)			
	Cost	Unrealised Gain	Impairment	Fair Value	Cost	Unrealised Gain / (Loss)	Impairment	Fair Value
	----- Rupees in '000 -----							
<u>AVAILABLE FOR SALE</u>								
Related party								
Listed Shares								
East West Insurance Company Limited	281	(22)	-	259	281	127	-	408
Others								
Listed Shares								
Kohat Cement Company Limited	340	104	-	444	340	-	(139)	201
D. G. Khan Cement Company Limited	512	-	(203)	309	512	-	(289)	223
Habib Bank Limited	1,351	(187)	(249)	915	1,351	-	(249)	1,102
Ghandhara Industries Limited	1,633	-	(690)	943	1,633	-	(1,100)	533
Millat Tractor Limited	744	-	(199)	545	744	-	(300)	444
Bifo Industries Limited	350	-	(89)	261	350	-	(99)	251
Descon Oxychem Limited	101	124	-	225	101	17	-	118
Packages Limited	2,221	-	(212)	2,009	2,221	-	(626)	1,595
Al-Shaheer Corporation	78	-	(30)	48	78	-	(43)	35
Friesland Campina Engro Pakistan Limited	323	(2)	(85)	236	323	-	(85)	238
Ferozsons Laboratories Limited	1,958	1,025	-	2,983	1,958	-	(386)	1,572
AGP Limited	103	6	-	109	103	-	(4)	99
	9,995	1,048	(1,757)	9,286	9,995	144	(3,320)	6,819

9.1 Movement in accumulated impairment losses on available for sale investments.

	September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
	-----Rupees in '000-----	
Opening balance	(3,320)	(3,369)
(Provision) / reversal for the period	1,563	49
Closing balance	(1,757)	(3,320)

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

10 INVESTMENTS IN GOVERNMENT SECURITIES

September 30, 2020 (Un-Audited)						December 31, 2019 (Audited)		
Maturity Year	Effective Yield (%)	Face Value	Principal Repayment	Carrying Value		Effective Yield (%)	Face Value	Carrying Value
----- Rupees in '000 -----								
<u>HELD TO MATURITY</u>								
Pakistan Investment Bonds								
-10 years	22-Jul-20	12.00%	5,200	on Maturity	-	12.00%	5,200	5,176
-10 years	18-Aug-21	12.00%	16,000	on Maturity	15,950	12.00%	16,000	15,912
-10 years	19-Jul-22	12.00%	18,700	on Maturity	18,525	12.00%	18,700	18,463
-10 years	21-Apr-26	8.75%	32,500	on Maturity	32,991	8.75%	32,500	33,042
-10 years	21-Feb-29	11.21%	39,200	on Maturity	39,390	11.21%	39,200	39,400
-3 years	29-Sep-22	8.00%	24,500	on Maturity	24,932	-		-
					<u>131,788</u>			<u>111,993</u>
Market Treasury Bills								
-03 Months	12-Mar-20	13.34%	71,270	on Maturity	-	13.34%	71,270	69,471
-06 Months	09-Apr-20	13.55%	200,000	on Maturity	-	13.55%	200,000	193,112
-03 Months	22-Oct-20	6.87%	36,085	on Maturity	35,936	-	-	-
-03 Months	19-Nov-20	7.09%	55,000	on Maturity	54,471	-	-	-
-06 Months	08-Oct-20	10.26%	180,000	on Maturity	179,596	-	-	-
-12 Months	08-Oct-20	13.43%	130,000	on Maturity	129,619	13.43%	130,000	118,149
-12 Months	06-May-21	7.25%	5,520	on Maturity	5,290	-	-	-
					<u>404,912</u>			<u>380,732</u>
					<u>536,700</u>			<u>492,725</u>

11 INVESTMENTS IN MUTUAL FUNDS

	September 30, 2020 (Un-Audited)			December 31, 2019 (Audited)		
	Cost	Unrealised gain	Carrying Value	Cost	Unrealised gain	Carrying Value
	----- Rupees in '000 -----					
<u>AVAILABLE FOR SALE</u>						
NBP Islamic money market fund	114	1	115	104	5	109
NAFA income opportunity fund	11,459	321	11,780	10,307	651	10,958
	11,573	322	11,895	10,411	656	11,067

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEBER 30, 2020

12 CASH AND BANK		September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
		----- Rupees in '000 -----	
Stamps in hand		282	49
Cash in hand		85	-
Cash at bank			
- current account		3,067	552
- saving account		87,383	112,243
Cash and cash equivalents		90,817	112,844
13 UNREALIZED GAIN ON AVAILABLE FOR SALE FINANCIAL ASSETS		September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
		----- Rupees in '000 -----	
Investment in equity securities	Note 9	1,048	144
Investment in mutual funds	Note 11	322	656
		1,370	800
13.1 Movement in balance			
Opening balance		800	257
Unrealised gain for the year		570	543
Closing balance		1,370	800
14 INSURANCE LIABILITIES			
Reported outstanding claims (including claims in payment)	14.1	106,750	92,950
Incurred but not reported claims (IBNR)	14.2	812	1,960
Investment component of universal life and account value policies / takaful certificates	14.3	246,016	222,043
Liabilities under individual conventional insurance contracts / family takaful certificates	14.4	2,723	2,897
Liabilities under group insurance / group family takaful contracts (other than Investment linked)	14.5	2,063	8,683
Other insurance / family takaful liabilities	14.6	7,243	17,341
		258,857	252,924
		365,607	345,874
14.1 Reported outstanding claims			
Gross of Reinsurance			
Payable within one year		158,321	113,712
Payable over a period of time exceeding one year		7,611	10,387
		165,932	124,099
Recoverable from Reinsurance			
Receivable within one year		(53,326)	(21,437)
Receivable over a period of time exceeding one year		(5,856)	(9,712)
		(59,182)	(31,149)
Net reported outstanding claims		106,750	92,950

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

	September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
	----- Rupees in '000 -----	
14.2 Incurred but not reported claims		
Gross of reinsurance / re-takaful	6,210	4,746
Reinsurance / re-takaful recoveries	(5,398)	(2,786)
Net of reinsurance	812	1,960
14.3 Investment component of universal life and account value policies / takaful certificates		
Investment component of account value policies / certificates	246,016	222,043
14.4 Liabilities under individual conventional insurance contracts / family takaful certificates		
Gross of reinsurance / re-takaful	2,723	2,897
Reinsurance / re-takaful recoveries	-	-
Net of reinsurance	2,723	2,897
14.5 Liabilities under group insurance / group family takaful contracts (other than Investment linked)		
Gross of reinsurance / re-takaful	65,911	26,770
Reinsurance / re-takaful recoveries	(63,848)	(18,087)
Net of reinsurance	2,063	8,683
14.6 Other insurance / family takaful liabilities		
Gross of reinsurance / re-takaful	7,715	17,837
Reinsurance / re-takaful recoveries	(472)	(496)
Net of reinsurance	7,243	17,341

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

- 15.1.1** There is pending adjudication bearing No 125/2012 before the Session Court, South, Karachi in respect of an employee who was previously working on contract basis at company's Hyderabad branch and committed fraud. As the Company is taken over by AWT (the buyer) it was agreed with the previous management (the seller) that if any stage the Company or any of its director(s) become party and as such any liability is imposed by any Court on the Company or its Director(s) in this regard, the accrued liability would be paid by the sellers to the Company for onward payment to the affectees at earliest. The Company will accordingly ensure timely and fair payment of liability.

That to guarantee the covenants made by the seller above and to fully indemnify the Buyer against any liability/loss the Sellers have furnished in favour of the buyer an irrevocable and unconditional Insurance Guarantee from a AA+ rated insurance company, East West Insurance Company Limited bearing number EWL/HO/PB-009/01/2017 to an amount of PKR 118.467 million. Further to this effect a duly executed and notarized undertaking dated 13-01-2017 has also been furnished by the Sellers to the Federal Insurance Ombudsman.

- 15.1.2** Pakistan Steel Mill had filed instant suit against the Company in respect of the claims of their employees amounting to Rs. 4 million. The claim had been repudiated by the previous management on the grounds of delayed intimation. The Company is contesting the case in and is at the stage of appointment of commissioner. In view of Company's legal consultant, the Company has a prima facie case and unfavourable outcome is not expected.

- 15.1.3** During the year 2019, Sindh Revenue Board (SRB) vide notification No. SRB 3-4/5/2019 dated May 8, 2019 extended the exemption on life insurance till June 30, 2019. With effect from July 1, 2019, life insurance has been made taxable at the rate of 3% on individual life and group life insurance at the rate of 13%. Further, the Punjab Revenue Authority (PRA) also withdrew the exemption on life insurance and made the same subject to Punjab Sales Tax (PST). The Company collectively through the forum of Insurance Association of Pakistan (IAP) had filed a writ / constitutional petition in the Lahore High Court (LHC) and in the High Court of Sindh (HCS) on September 28, 2019 and November 28, 2019 against PRA and SRB respectively.

According to the opinion provided by the legal advisor, the insurance premium does not fall under definition of service rather an insurance policy is a financial arrangement, which is in the nature of contingent contract and not a service upon which sales tax can be levied (and that an insurance company is not rendering a service). The petitions filed in the Punjab and Sindh High Courts also includes the same grounds. It is also the opinion of life insurance companies that a vast majority of premium received from a policy holder, during the life of the policy, is in fact accounted for in the policyholders' investment which cannot be termed as service.

In view of the above the Company has not started invoicing sales tax to its customers. The amount of sales tax involved is around Rs. 28.0 million computed on the basis of risk based premium, as per the advice of the legal advisor. Moreover, based on legal view, sales tax cannot be levied as insurance is not a service.

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Further, subsequent to filing petition, the matters relating to sales tax on life insurance premium were also discussed in the meeting of all the provincial tax authorities i.e. SRB, PRA, BRA and representatives of life insurance industry, where it was agreed to form a joint committee of the insurance representatives to resolve these matters. Based on the above legal opinion and ongoing discussions, the Company considers it has a reasonable strong case on the merit in the constitutional petition and the writ petition filed in the Honourable High Courts.

- 15.1.4** During the year 2019, SECP has conducted the anti-money laundering audit, as a result of which SECP imposed a penalty of Rs. 400,000, vide order No. ID/Enf/EWLA/2017-297 dated March 24, 2020 for the non compliance made by the company. The company has filed an appeal against the said order before the Appellate bench of SECP. The company and its legal advisor is confident that any unfavourable outcome is not expected.

15.2 Commitments

Ijara Financing

	September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
	----- Rupees in '000 -----	
Not later than one year	3,870	5,947
Later than one year and not later than five years	10,429	20,557
	<u>14,299</u>	<u>26,504</u>

	Nine months ended		Quarter ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	----- Un-Audited -----			
	----- Rupees in '000 -----			
Gross Premiums / Contributions revenue				
Regular Premium / Contributions Individual Policies*				
First year	48,507	59,812	16,995	26,523
Second year renewal	27,682	1,037	14,622	25
Subsequent year renewal	4,808	10,934	1,339	2,857
Single premium / Contribution individual policies	23,588	12,867	7,723	6,499
Group policies without cash value	173,517	87,509	96,182	52,637
Total Gross Premiums / Contribution	<u>278,102</u>	<u>172,159</u>	<u>136,861</u>	<u>88,541</u>
Less: Reinsurance Premium / Contribution Ceded				
On individual life first year business	1,383	1,426	762	206
On individual life second year business	317	273	317	-
On individual life renewal business	381	(3,804)	151	161
On group policies	137,047	64,282	82,703	40,685
Less : Reinsurance commission on risk premium	(16)	(7)	(6)	(7)
Total Reinsurance Premium / Contribution Ceded	<u>139,112</u>	<u>62,170</u>	<u>83,927</u>	<u>41,045</u>
Net Premium / Contribution Revenue	<u>138,990</u>	<u>109,989</u>	<u>52,934</u>	<u>47,496</u>

*Individual policies are those underwritten on an individual basis, and include joint life policies underwritten as such.

	Nine months ended		Quarter ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	----- Un-Audited -----			
	----- Rupees in '000 -----			
17 INVESTMENT INCOME				
Income from equity securities				
<i>Available for Sale</i>				
Dividend income	1,391	652	1	1
Income from debt securities				
<i>Held to Maturity</i>				
Return on government securities	42,150	51,116	13,658	17,434
	<u>43,541</u>	<u>51,768</u>	<u>13,659</u>	<u>17,435</u>

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18	NET REALISED FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS	Nine months ended		Quarter ended	
		September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
		----- Un-Audited -----			
		----- Rupees in '000 -----			
	Available for sale				
	Realised gains on mutual funds	-	104	-	104
19	NET FAIR VALUE GAINS/ (LOSSES) ON FINANCIAL ASSETS AT FAIR VALUE				
	Reversal/(impairment) in value of available for sale investments	1,563	(1,898)	1,000	(56)
20	OTHER INCOME				
	Return on bank saving accounts	5,575	4,742	1,173	2,007
	Gain on sale of property and equipment	2,167	617	591	62
	Miscellaneous	19	284	19	-
		7,761	5,643	1,783	2,069
21	NET INSURANCE BENEFITS				
	Gross Claims				
	Claims under individual policies				
	by death	765	881	163	4
	by maturity	24,659	17,948	6,103	5,069
	by surrender	14,758	10,549	3,246	2,306
	Total gross individual policy claims	40,182	29,378	9,512	7,379
	Claims under group policies				
	by death	161,358	64,646	68,528	32,677
	by insured event other than death	7,894	2,726	1,768	1,442
	Total gross group policy claims	169,252	67,372	70,296	34,119
	Total gross claims	209,434	96,750	79,808	41,498
	Less: Reinsurance recoveries				
	On Individual life claims	-	-	-	-
	On Group life claims	120,148	51,992	46,743	25,168
	Total reinsurance recoveries	120,148	51,992	46,743	25,168
	Net insurance benefit expense	89,286	44,758	33,065	16,330
		Nine months ended		Quarter ended	
		September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
		----- Un-Audited -----			
		----- Rupees in '000 -----			
22	ACQUISITION EXPENSES				
	Remuneration to insurance intermediaries on individual policies:				
	Commission to agent on first year premiums	21,464	25,215	7,788	10,936
	Commission to agent on second year premiums	2,773	113	1,262	113
	Commission to agent on subsequent renewal premiums	6	129	-	129
		24,243	25,457	9,050	11,178
	Remuneration to insurance intermediaries on group policies:				
	Commission	13,936	9,489	6,491	6,042
	Stamp duty	652	862	258	369
	Other acquisition costs	56,055	76,363	17,409	29,667
		94,886	112,171	33,208	47,256

Note

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	Note	Nine months ended		Quarter ended	
		September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
23	MARKETING AND ADMINISTRATION EXPENSES	----- Un-Audited ----- ----- Rupees in '000 -----			
	Employee benefit cost	103,122	96,698	34,617	33,732
	Advertisements and sales promotion	2,073	17,982	1,298	2,901
	Depreciation on right of use asset	7,474	6,858	1,992	2,383
	Vehicle running expenses	5,031	7,666	1,719	2,399
	Travel and conveyance	3,021	6,112	1,361	2,627
	Repair and maintenance	9,906	6,789	3,061	3,078
	Depreciation on property and equipment	6,366	5,921	2,209	3,636
	Postage, telegrams and telephone	4,171	3,631	1,412	1,197
	Printing and stationery	2,558	4,105	620	1,404
	Finance charges on lease liability against right of use asset	3,219	2,999	748	1,101
	Entertainment	1,381	1,676	188	601
	Ijara rental	2,292	1,270	351	820
	Rent, rates and taxes	80	1,941	70	290
	Electricity, gas and water	1,287	1,593	543	706
	Insurance	3,030	1,797	338	729
	Fees, subscription and periodicals	234	1,056	194	973
	Miscellaneous	403	598	(411)	138
	Amortisation of intangible assets	741	446	249	169
	Bank charges	137	192	61	57
	Annual supervision fee SECP	100	100	-	-
		<u>156,626</u>	<u>169,430</u>	<u>50,620</u>	<u>58,941</u>
24	OTHER EXPENSES				
	Legal and professional charges	7,977	3,338	4,405	1,773
	Appointed actuary fees	3,051	1,878	1,017	678
	Auditors' remuneration	670	738	180	195
	Shariah Advisor Fee	1,425	500	525	500
	Director meeting fee	400	525	190	155
		<u>13,523</u>	<u>6,979</u>	<u>6,317</u>	<u>3,301</u>

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25 SEGMENTAL INFORMATION

25.1 Revenue Account by Statutory Fund

For the nine months period ended September 30, 2020	Statutory funds					Aggregate	Quarter ended
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	September 30, 2020	September 30, 2020
----- Rs in '000' -----							
Income							
Premium / Contributions less reinsurances	34,456	94,013	-	8,233	2,288	138,990	52,934
Net investment income	6,310	26,159	484	8	119	33,080	10,666
Total net income	40,766	120,172	484	8,241	2,407	172,070	63,600
Insurance benefits and expenditure							
Insurance benefits including bonuses, net of reinsurance recoveries	48,710	39,948	-	-	628	89,286	33,065
Management expenses less recoveries	108,545	133,601	-	3,996	2,029	248,171	86,730
Total insurance benefits and expenditure	157,255	173,549	-	3,996	2,657	337,457	119,795
(Deficit)/ surplus of income over claims and expenditure	(116,489)	(53,377)	484	4,245	(250)	(165,387)	(56,195)
Add: Policyholders' liabilities at beginning of the period	12,994	239,584	-	-	346	252,924	253,322
Less: Policyholders' liabilities at end of the period	5,254	250,122	-	3,187	294	258,857	258,857
(Deficit)/surplus	(108,749)	(63,915)	484	1,058	(198)	(171,320)	(61,730)
Movement in policyholders' liabilities	(7,740)	10,538	-	3,187	(52)	5,933	5,535
Transfers from shareholders' fund							
- Capital contributions from shareholders' fund	114,500	63,500	-	-	-	178,000	52,500
Balance of statutory fund at beginning of the period	17,374	240,340	5,593	-	818	264,125	280,433
Balance of statutory fund at end of the period	15,385	250,463	6,077	4,245	568	276,738	276,738

ASKARI LIFE ASSURANCE COMPANY LIMITED
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	Statutory funds					Aggregate	Quarter ended
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	September 30, 2019	September 30, 2019
For the nine months period ended June 30, 2019							
Income							
	----- Rs in '000' -----						
Premium / Contribution reinsurances	23,226	86,763	-	-	-	109,989	47,496
Net investment income	3,308	20,500	736	-	-	24,544	9,472
Total net income	26,534	107,263	736	-	-	134,533	56,968
Claims and expenditure							
Claims, including bonuses, net of reinsurance recoveries	16,095	28,663	-	-	-	44,758	16,330
Management expenses less recoveries	95,292	176,171	-	-	-	271,463	103,201
Total claims and expenditure	111,387	204,834	-	-	-	316,221	119,531
(Deficit)/surplus of income over claims and expenditure	(84,853)	(97,571)	736	-	-	(181,688)	(62,563)
Add: Policyholders' liabilities at beginning of the period	9,549	169,640	-	-	-	179,189	186,905
Less: Policyholders' liabilities at end of the period	16,542	187,065	-	-	-	203,607	203,607
(Deficit) / Surplus	(91,846)	(114,996)	736	-	-	(206,106)	(79,265)
Movement in policyholders' liabilities	6,993	17,425	-	-	-	24,418	16,702
Transfers from shareholders' fund							
- Capital contributions from shareholders' fund	92,500	114,000	-	500	-	207,000	82,000
Balance of statutory fund at beginning of the period	10,875	170,849	4,989	-	-	186,713	192,588
Balance of statutory fund at end of the period	18,522	187,278	5,725	-	-	212,025	212,025

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26 Segment Statement of financial position

Shareholders' fund	Statutory funds					September 30, 2020 (Un-audited)	December 31, 2019 (Audited)
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	Total	Total
-----Rs in '000-----							
Property and equipment	33,585	-	-	-	-	33,585	40,806
Right of use assets	35,611	-	-	-	-	35,611	56,727
Intangible assets	1,579	-	-	-	-	1,579	2,216
Investments	152,214	80,312	318,053	7,302	-	557,881	510,611
Loans secured against life insurance policies	-	1,487	5,125	-	-	6,612	6,651
Insurance receivables	-	40,330	-	376	-	40,706	11,213
Other loans and receivables	12,078	1,356	300	1,195	-	14,929	14,222
Taxation - payments less provision	16,597	-	-	-	-	16,597	13,650
Prepayments	626	-	-	-	-	626	968
Cash & Bank	63,316	2,016	10,769	820	6,424	90,817	112,844
Interfund balances	1,374	-	-	-	(854)	(520)	-
Total assets	316,980	125,501	334,247	9,693	5,570	6,952	798,943
Insurance liabilities net of reinsurance recoveries	-	45,486	312,922	3,600	3,187	412	365,607
Retirement benefit obligations	18,906	-	-	-	-	-	18,906
Premium received in advance	-	2,140	10,042	-	-	50	12,232
Insurance / reinsurance payables	-	64,124	4,742	17	245	5,924	75,052
Lease liability against right of use assets	35,448	-	-	-	-	-	35,448
Other creditors and accruals	14,525	3,617	6,205	-	1,080	294	25,721
Total Liabilities	68,879	115,367	333,911	3,617	4,512	6,680	485,861

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27 WINDOW TAKAFUL OPERATIONS

The statement of financial position of Window Takaful Operations as at September 30, 2020 and its financial performance for the period ended September 30, 2020 is as follows

27.1 Statement of Financial Position

As at September 30, 2020

Operator's Sub Fund	Statutory funds		Aggregate	Aggregate
	Universal Life Family Takaful	Group Family Takaful	September 30, 2020 (Un-audited)	December 31, 2019 (Audited)
-----Rupees in '000-----				
Share capital and reserves				
Funds received from Shareholders' Fund	-	-	-	-
Capital returned to Shareholders' Fund	-	-	-	-
Accumulated Surplus / (Deficit)	1,335	-	1,335	12
Qard-e-Hasna contributed by the Window Takaful Operator	-	-	-	-
Net shareholders' equity	1,335	-	1,335	12
 Balance of statutory fund (including Technical reserves Rs. 3.481 million (December 31, 2019: Rs.0.346 million))	-	2,680	796	3,476
 Deferred liabilities				
Staff retirement benefits	-	-	-	-
 Creditors and accruals				
Outstanding claims	-	-	118	118
Contributions received in advance	-	-	50	50
Amount due to takaful / re-takaful operators	-	245	5,924	6,169
Amounts due to agents	1,210	-	-	1,210
Accrued expenses	-	-	-	-
Other creditors and accruals	164	-	-	164
	1,374	245	6,092	7,711
 Total liabilities	1,374	2,925	6,888	11,187
 Commitments	-	-	-	-
 Total equity and liabilities	2,709	2,925	6,888	12,522
				1,865

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Operator's Sub Fund	Statutory funds		Aggregate	Aggregate
	Universal Life Family Takaful	Group Family Takaful	September 30, 2020 (Un-audited)	December 31, 2019 (Audited)
-----Rupees in '000-----				
Cash and bank deposits				
Cash and others	-	-	-	-
Current and other accounts	2,862	4,114	6,920	13,896
Deposits maturing within 12 months	-	-	-	-
	<u>2,862</u>	<u>4,114</u>	<u>6,920</u>	<u>13,896</u>
Unsecured loans to employees	-	-	-	-
Investments				
Government securities	-	-	-	-
Listed securities	-	-	-	-
Open end mutual funds	-	-	-	-
Provision for diminution in value	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current assets - others				
Contributions due but unpaid	-	-	-	-
Amount due from takaful / re-takaful operators	-	-	-	-
Sundry receivables	-	-	-	-
Investment income accrued	-	-	-	-
Advances and deposits	-	-	-	-
Prepayments	-	-	-	-
Taxation - payments less provision	-	-	-	-
Inter fund balance	(153)	(1,189)	(32)	(86)
	<u>(153)</u>	<u>(1,189)</u>	<u>(32)</u>	<u>(1,374)</u>
Fixed assets				
Tangible assets				
Furniture & fixture, office equipments	-	-	-	-
Motor vehicles	-	-	-	-
Right of use	-	-	-	-
Computer equipments	-	-	-	-
Intangible assets				
Softwares	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>2,709</u>	<u>2,925</u>	<u>6,888</u>	<u>12,522</u>
	<u>2,709</u>	<u>2,925</u>	<u>6,888</u>	<u>1,865</u>

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27.2 Revenue Account

For the nine months period ended September 30, 2020

Statutory Funds		-----Aggregate-----			
Universal Life Family Takaful	Group Family Takaful	For the nine months ended		For the Quarter ended	
		September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)	September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)
		-----Rupees in '000-----			

27.2.1 Participants' Investment Fund (PIF)

Income

Allocated contribution

Investment income

Total net income

2,913	-	2,913	-	2,322	-
3	-	3	-	3	-
2,916	-	2,916	-	2,325	-

Less: Claims and Expenditure

Claims

Takaful operator fee

-	-	-	-	-	-
100	-	100	-	100	-
100	-	100	-	100	-

Excess of Income over Claims and expenditure

2,816	-	2,816	-	2,225	-
-------	---	-------	---	-------	---

Add : Technical reserves at the beginning of the period

Less : Technical reserves at the end of the period

Deficit retained in PTF

-	-	-	-	607	-
3,029	-	3,029	-	3,029	-
(213)	-	(213)	-	(197)	-

Movement in technical reserves

(2,816)	-	(2,816)	-	(2,225)	-
---------	---	---------	---	---------	---

Surplus before distribution

Movement in technical reserves

2,816	-	2,816	-	2,225	-
-------	---	-------	---	-------	---

Transfers from

Qard-e-Hasna contributed by Window Takaful Operator

-	-	-	-	-	-
---	---	---	---	---	---

Money ceded to Waqf

Balance of PTF at the beginning of the period

-	-	-	-	-	-
-	-	-	-	591	-

Balance of PTF at the end of the period

2,816	-	2,816	-	2,816	-
-------	---	-------	---	-------	---

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27.2 Revenue Account

For the nine months period ended September 30, 2020

Statutory Funds		-----Aggregate-----			
Universal Life Family Takaful	Group Family Takaful	For the nine months ended		For the Quarter ended	
		September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)
-----Rupees in '000-----					

27.2.2 Participants' Takaful Fund (PTF)

Income

Contribution net of retakaful

Net investment income

Other income

5,320	2,288	7,608	-	4,991	-
-	109	109	-	25	-
-	-	-	-	-	-
5,320	2,397	7,717	-	5,016	-

Less: Claims and Expenditure

Claims

Takaful operator fee

-	628	628	-	505	-
5,456	1,779	7,235	-	4,487	-
5,456	2,407	7,863	-	4,992	-

Excess / (Deficit) of Income over Claims and expenditure

(136)	(10)	(146)	-	24	-
-------	------	-------	---	----	---

Add : Technical reserves at the beginning of the period

Less : Technical reserves at the end of the period

Surplus / (deficit) retained in PTF

-	346	346	-	213	-
452	294	746	-	746	-
(588)	42	(546)	-	(509)	-

Movement in technical reserves

136	10	146	-	(24)	-
-----	----	-----	---	------	---

Surplus before distribution

Movement in technical reserves

(136)	(10)	(146)	-	24	-
-------	------	-------	---	----	---

Transfers from

Qard-e-Hasna contributed by Window Takaful Operator

-	-	-	-	-	-
---	---	---	---	---	---

Money ceded to Waqf

Balance of PTF at the beginning of the period

-	-	-	-	-	-
-	806	806	-	636	-

Balance of PTF at the end of the period

(136)	796	660	-	660	-
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ASKARI LIFE ASSURANCE COMPANY LIMITED
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27.2.3 Operators’ Sub Fund (OSF)

	Statutory Funds		Aggregate			
	Universal Life Family Takaful	Group Family Takaful	For the nine months ended		For the Quarter ended	
			September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)	September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)
	-----Rupees in '000'-----					
Income						
Allocation fee	154	-	154	-	123	-
Investment income	5	10	15	-	6	-
Takaful operator fee	5,391	1,779	7,170	-	4,453	-
Certificate admin fee	7	-	7	-	7	-
Wakalat-ul-Istismar	4	-	4	-	4	-
	5,561	1,789	7,350	-	4,593	-
Less: Expenses						
Acquisition cost	3,336	1,588	4,924	-	2,742	-
Administration expenses	663	440	1,103	-	335	-
Total management cost	3,999	2,028	6,027	-	3,077	-
Excess of (expenditure)/over income						
Add : Technical reserves at the beginning of the period	-	-	-	-	-	-
Less : Technical reserves at the end of the period	-	-	-	-	-	-
	-	-	-	-	-	-
Surplus / (Deficit)	1,562	(239)	1,323	-	1,516	-
Movement in technical reserves	-	-	-	-	-	-
Capital Contribution during the period	-	-	-	-	-	-
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	-	-	-	-
Balance of OSF at the beginning of the period	-	12	12	-	(181)	-
Balance of OSF at the end of the period	1,562	(227)	1,335	-	1,335	-

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

27.3 Statement of Contribution

For the nine months period ended September 30, 2020

	Statutory Funds		Aggregate			
	Universal Life Family Takaful	Group Family Takaful	For the nine months ended		For the Quarter ended	
			September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)	September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)
-----'Rupees in '000-----						
Gross Contributions						
Regular contributions individual family takaful*						
- First year	7,108	-	7,108	-	5,263	-
- Second year	-	-	-	-	-	-
- Subsequent year renewal	-	-	-	-	-	-
Single Contribution individual family takaful	1,370	-	1,370	-	1,200	-
Group family takaful contribution without cash value	-	8,057	8,057	-	4,842	-
Total Gross Contributions	8,478	8,057	16,535	-	11,305	-
Participants' Investment Fund						
Allocated regular contribution	1,612	-	1,612	-	1,182	-
Allocated single contribution	1,301	-	1,301	-	1,140	-
	2,913	-	2,913	-	2,322	-
Participant's Takaful Fund (PTF)						
Gross contribution	5,565	8,057	13,622	-	8,983	-
Less: Retakaful Contribution Ceded						
On individual first year business	245	-	245	-	212	-
On individual second year business	-	-	-	-	-	-
On individual renewal business	-	-	-	-	-	-
On group family takaful	-	5,769	5,769	-	3,780	-
Net Contributions	5,320	2,288	7,608	-	4,991	-

*Individual family takaful those underwritten on an individual basis, and includes Joint Life Family takaful underwritten as such.

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
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27.4 Statement of Claims

For the nine months period ended September 30, 2020

	Statutory Funds		Aggregate		Aggregate	
	Universal Life Family Takaful	Group Family Takaful	For the nine months ended		For the Quarter ended	
			September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)	September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)
	-----Rupees in '000'-----					
Gross claims						
Claims under individual family takaful						
- by death	-	-	-	-	-	-
- by covered event other then death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	-	-	-	-	-	-
Total gross individual family takaful claims	-	-	-	-	-	-
Claims under group family takaful						
- by death	-	-	-	-	-	-
- by covered event other then death	-	-	-	-	-	-
Total group family takaful claims	-	-	-	-	-	-
Total Gross Claims	-	-	-	-	-	-
Participants' Investment Fund (PIF)						
Claims under individual family takaful						
- by death	-	-	-	-	-	-
- by covered event other then death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	-	-	-	-	-	-
Total gross individual family takaful claims	-	-	-	-	-	-
Participants' Takaful Fund (PTF)						
Claims under individual family takaful						
- by death	-	-	-	-	-	-
- by covered event other then death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	-	-	-	-	-	-
Total gross individual family takaful claims	-	-	-	-	-	-
Claims under group family takaful						
- by death	-	1,500	1,500	-	1,500	-
- by covered event other then death	-	328	328	-	205	-
Total group family takaful claims	-	1,828	1,828	-	1,705	-
Less: Retakaful recoveries						
On individual family takaful first year claims	-	-	-	-	-	-
On individual family takaful second year claims	-	-	-	-	-	-
On individual family takaful renewal claims	-	-	-	-	-	-
On group takaful claims	-	1,200	1,200	-	1,200	-
Net Claims	-	628	628	-	505	-

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

27.5 Statement of Expenses

For the nine months period ended September 30, 2020

Operators' Sub Fund	Statutory Funds		Aggregate			
	Universal Life Family Takaful	Group Family Takaful	For the nine months ended		For the Quarter ended	
			September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)	September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)
-----'Rupees in '000-----						
Acquisition costs						
Remuneration to takaful intermediaries on individual family takaful:						
- Commission on first year contributions	3,283	-	3,283	-	2,444	-
- Commission on second year contributions	-	-	-	-	-	-
- Commission on subsequent renewal contributions	-	-	-	-	-	-
- Other benefits to takaful intermediaries	-	-	-	-	-	-
	3,283	-	3,283	-	2,444	-
Remuneration to takaful intermediaries on group family takaful:						
- Commission	-	1,583	1,583	-	268	-
Other acquisition costs:						
Stamp duty	53	5	58	-	30	-
	53	5	58	-	30	-
Total acquisition cost	3,336	1,588	4,924	-	2,742	-
Administration expenses						
Shariah Advisor Fee	171	114	285	-	105	-
Employee benefit cost	409	273	682	-	225	-
Vehicle running expenses	29	20	49	-	19	-
Miscellaneous	-	-	-	-	(32)	-
Printing and stationery	40	26	66	-	4	-
Fees, subscription and periodicals	2	1	3	-	3	-
Rent, rates and taxes	2	1	3	-	3	-
Depreciation on property and equipment	1	-	1	-	1	-
Bank charges	2	1	3	-	3	-
Postage, telegrams and telephone	7	4	11	-	4	-
	663	440	1,103	-	335	-
Gross management expenses	3,999	2,028	6,027	-	3,077	-

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

27.6 Statement of Investment Income

For the nine months period ended September 30, 2020

Statutory Funds		Aggregate			
Universal Life Family Takaful	Group Family Takaful	For the nine months ended		For the Quarter ended	
		September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)	September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)

-----'Rupees in '000-----

Participants' Investment Fund (PIF)

On government securities	-	-	-	-	-
On other fixed income securities and deposits	3	-	3	3	-
Dividend income	-	-	-	-	-
Amortization of discount relative to par	-	-	-	-	-
(Loss)/ gain on sale of investments	-	-	-	-	-
Unrealised (loss) / gain on investments	-	-	-	-	-
Net investment income of PIF	3	3	-	3	-

a

Participants' Takaful Fund (PTF)

On government securities	-	-	-	-	-
On other fixed income securities and deposits	-	109	109	25	-
Dividend income	-	-	-	-	-
Amortization of discount/(premium)	-	-	-	-	-
(Loss)/ gain on sale of investments	-	-	-	-	-
Unrealised (loss) / gain on investments	-	-	-	-	-
Net investment income of PTF	-	109	109	25	-

b

Operators' Sub Fund (OSF)

On government securities	-	-	-	-	-
On other fixed income securities and deposits	5	10	15	6	-
Dividend income	-	-	-	-	-
Amortization of discount/(premium)	-	-	-	-	-
(Loss)/ gain on sale of investments	-	-	-	-	-
Unrealised (loss) / gain on investments	-	-	-	-	-
Net investment income of OSF	5	10	15	6	-

c

Net investment income	(a+b+c)	8	119	127	-	34	-
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ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities,
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Following are the assets which are either measured at fair value or where fair value is only disclosed and is different from their carrying value:

September 30, 2020	Level 1	Level 2	Level 3	Total
Government securities	-	536,700	-	536,700
Listed securities	9,286	-	-	9,286
Open end mutual funds	11,895	-	-	11,895
	21,181	536,700	-	557,881
December 31, 2019				
Government securities	-	492,725	-	492,725
Listed securities	6,819	-	-	6,819
Open end mutual funds	11,067	-	-	11,067
	17,886	492,725	-	510,611

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

29 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

		September 30, 2020 (Un-Audited)	September 30, 2019 (Un-Audited)
		----- (Rupees in '000) -----	
Relationship	Transactions		
Holding company	Premium revenue	550	90
Holding company	Insurance benefits	600	-
Holding company	Advance received against equity	150,000	-
Associated undertaking	Premium revenue	19,861	13,856
Associated undertaking	Insurance benefits	19,731	17,780
Associated undertaking	Expenses and acquisition cost	6,115	4,427
Key Management Personnel	Remuneration	41,726	52,028
Gratuity fund	Expenses	8,110	7,370
Directors	Fee	400	525
Related Party	Balances	September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
Holding Company			
Army Welfare Trust	Due from insurance contract holders	221	188
Army Welfare Trust	Advance against equity	150,000	-
Associated undertakings			
Askari Guards Limited	Due from insurance contract holders	1,465	-
Mobil Askari Pakistan Limited	Due from insurance contract holders	-	6
Askari Fuels	Due from insurance contract holders	3	2
Askari Woolen Mills	Due from insurance contract holders	-	3
Askari Development Holding Pvt Limited	Due from insurance contract holders	-	32
Askari General Insurance Company Limited	Due from insurance contract holders	84	21
AWT Investment	Due from insurance contract holders	20	14
Askari Chartered Aviation Services (ACS)	Due from insurance contract holders	2	2
Fauji Security Services	Due from insurance contract holders	3,354	1
MEDASK	Due from insurance contract holders	6	-
AWT Housing Scheme Karachi	Due from insurance contract holders	2	-

		September 30, 2020 (Un-Audited)	December 31, 2019 (Audited)
		— (Rupees in '000) —	
Blue Lagoon	Due from insurance contract holders	268	-
Askari Seeds	Due from insurance contract holders	4	-
Askari Shoes	Due from insurance contract holders	8	-
Mobil Askari	Due from insurance contract holders	12	-
AWT Plaza Rawalpindi	Due from insurance contract holders	57	-
Army Welfare Sugar Mills	Due to insurance contract holders	14	102
Blue Lagoon	Due to insurance contract holders	-	25
Askari Farms & Seeds Products	Due to insurance contract holders	28	26
Askari Flying Academy	Due to insurance contract holders	-	2
AWT Housing Scheme Lahore	Due to insurance contract holders	1	-
Real Estate (HO)	Due to insurance contract holders	2	-
Service Travel & Tour	Due to insurance contract holders	3	-
Askari Guards Limited	Outstanding claims	2,325	3,056
Paaji Security Services	Outstanding claims	1,400	1,000
Army Welfare Sugar Mills	Outstanding claims	500	1,100
Askari Fuel	Outstanding claims	-	15
AWT Housing Scheme Lahore	Outstanding claims	-	600
East West Insurance Company Limited	Equity investments	259	408
Staff Canteen Fund	Payable to employees	18,906	12,177

30 GENERAL

Figures have been rounded off to the nearest thousand.

31 CORRESPONDING FIGURE

Corresponding figures have been re-arranged and re-classified, wherever necessary. However, there were no significant reclassifications to report.

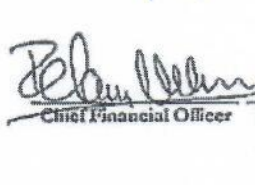
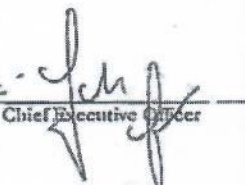
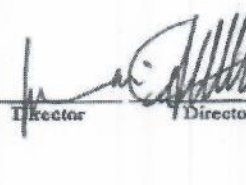

32 IMPACT OF COVID 19 ON FINANCIAL STATEMENTS

The existence of novel corona virus (COVID 19) was confirmed in early 2020 and has spread across the globe, causing disruption to businesses and economic activities. Currently the situation is evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company. The impact of this outbreak on the Company's financial statements, if any, will be considered in the next financial statements.

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Company on

28/10/20

Chief Financial Officer Chief Executive Officer Director Director Chairman

Branch Network

Head office

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