askarilife

REPORT FOR THE PERIOD ENDED

JUNE 30, 2021

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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. Naveed Mukhtar (Retd.)-Chairman
Maj. Gen. Muhammad Muazzam Ali Goraya (Retd)
Air Vice Marshal Muhammad Athar Shams (Retd)
Malik Riffat Mahmood
Javed Yunus
Ayesha Rafique
Tariq Hameed
Jehanzeb Zafar- CEO

Board Committees

Audit Committee:

Tariq Hameed	Chairman
Maj. Gen. Muhammad Muazzam Ali Goraya (Retd)	Member
Malik Riffat Mahmood	Member
Syeda Haajra Nazish Jafri	Secretary

Investment Committee:

Malik Riffat Mahmood	Chairman
Air Vice Marshal Muhammad Athar Shams (Retd)	Member
Jehanzeb Zafar	Member
Noman Noor Muhammad	Member
Rehan Mobin	Member
Syeda Haajra Nazish Jafri	Secretary

Ethics, Human Resource Remuneration & Nomination Committee:

Ayesha Rafique	Chairperson
Maj. Gen. Muhammad Muazzam Ali Goraya (Retd)	Member
Air Vice Marshal Muhammad Athar Shams (Retd)	Member
Jehanzeb Zafar	Member
Salman Ahmad Saeed	Secretary

Management Committees

Risk Management & Compliance Committee:

Air Vice Marshal Muhammad Athar Shams (Retd)	Chairman
Tariq Hameed	Member
Jehanzeb Zafar	Member
Noman Noor Muhammad	Member
Rehan Mobin	Member
Atif Shamim Syed	Member & Secretary

Underwriting & Reinsurance Committee:

Air Vice Marshal Muhammad Athar Shams (Retd)	Chairman
Jehanzeb Zafar	Member
Noman Noor Muhammad	Member
Sumair Sarwar	Member & Secretary

Claim Settlement Committee:

Maj. Gen. Muhammad Muazzam Ali Goraya (Retd)	Chairman
Jehanzeb Zafar	Member
Rehan Mobin	Member
Bushra Aftab	Member & Secretary

Appointed Actuary
Shujat Siddiqui, MA, FIA, FPSA
Akhtar & Hasan (Pvt.) Ltd.

Legal Advisor
Saiduddin & Co

External Auditor
RSM Avais Hyder Liaquat Nauman- Chartered Accountants
(Chartered Accountants)

Registered Office
8th Floor Army Welfare Trust, AWT plaza, The Mall, Rawalpindi

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Emerald Tower, Officer No 1104, 11th Floor, Plot G-19, Block 5, KDA Improvement Scheme No. 5
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D.H.A., Phase VII,
Karachi-75500
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Fax: +92 (021) 35310191
E-mail: secretariat@thk.com.pk
Web: www.thk.com.pk

Directors' Review

We are pleased to present the unaudited financial statements for the half year ended June 30, 2021. The external auditors of the Company have performed limited scope review on these financial statements and have issued unqualified opinion.

Financial Highlights

Financial Statement Line item	30-Jun-2021	30-Jun-2020
	Rs. in ('000)	
Gross premium revenue	296,760	141,241
Investment and other income	33,573	36,423
Net Insurance Benefits	56,037	56,221
Acquisition expense	133,379	77,934
Marketing and administration expenses	89,072	89,750
Other expenses	4,574	7,206
(Loss)/profit after tax	(99,779)	(109,208)
Loss per share	(0.66)	(0.99)

Financial Analysis of the Company

Gross Premium:

The new strategy put into action has started showing results. In the half year of 2021, the gross premium written by your Company stood at Rs.296.76 million which is an increase of 110% compared to Rs. 141.24 million in first half of 2020.

The Individual and Group life business has increased to Rs.172.42 million and Rs.124.34 million from Rs. 63.91 million and 77.34 million respectively for same period of 2020.

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

Investment:

The Investment income (including returns on Bank Deposits) for the half year of 2021 is Rs33.57 million as compared to Rs 36.42 million for the same period of 2020.

The Company's Investment portfolio currently stands at Rs.858.12 million, as compared to Rs 909.45 million as at 31 December 2020. The decrease in investment portfolio is because of payments to support business operations. 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 half year of 2021 is Rs 56.04 million as compared to Rs 56.22 million for the same period of 2020. The Company has also revamped and modernized claims processing which makes it convenient for corporate customer and policyholders to process their claims.

Expenses:

The Marketing & Administration expenses for the first half year of 2021 decreased by 1% of Rs.89.07 million as compared to Rs 89.75 million for the same period of 2020. Other expenses stood at Rs.4.6 million compared to Rs. 7.2 million in the same period of 2020.The management of your Company is confident that investments made in development of new infrastructure will prove to be greatly beneficial in the long run.

Along with the increase in topline revenue, loss after tax for the half year of 2021 has decreased to Rs.99.78 million as compared to Rs. 109.21 million for the same period of 2020.

Challenges faced by the insurance industry:

Imposition Sales tax:

The insurance industry continues to face a 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 industry considers it has a reasonable strong case on the merit in the constitutional petition and the writ petition filed in the Honourable High Courts

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

Future Outlook

Your Company is continuing to focus on branding, development and expansion of distribution network to promote new marketing strategy and launching of competitive products which will help in achieving growth in premium income in the long term with sustainable cost.

The fourth wave of Covid-19 has gripped the country. The mass immunization efforts of the government have raised hopes of defying the situation and aiding the economic turnaround. The government has implemented a policy of restricted business activities along with implementation of SOPs. This has affected the sales of the Company as well. The management will remain cautious and will closely monitor the situation as 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.

We assure you of our best efforts to deliver sustainable, profitable growth in a challenging and competitive business environment in order to reach a 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 the Reinsurer for their continued guidance and support to the Company's management towards the betterment of our business processes. The Board also wishes to sincerely thank the Company's loyal policyholders and corporate clients for placing their trust and confidence in our organization.

Finally, we thank our shareholders and staff members, whose loyalty and dedication to 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: **August 25, 2021**

ڈائریکٹرز کی نظر ثانی

ہم ۳۰ جون ۲۰۲۱ء کو ختم ہونے والی پہلی ششماہی کیلئے غیر آڈٹ شدہ مالیاتی حسابات پیش کرنے میں خوشی محسوس کرتے ہیں۔ کمپنی کے خارجی آڈیٹرز نے ان مالیاتی حسابات پر محدود حد تک نظر ثانی کی ہے اور غیر مشروط رائے پیش کی ہے۔

مالیاتی سرخیاں

مالیاتی حساب کے سلسلے سے متعلق مد	۳۰ جون ۲۰۲۱ء	۳۰ جون ۲۰۲۰ء
	'000 روپوں میں	
مجموعی پریمیم سے آمدنی	296,760	141,241
سرمایہ کاری اور دیگر آمدنی	33,573	36,423
خالص بیمہ فوائد	56,037	56,221
اخراجات برائے حصول	133,379	77,934
مارکیٹنگ اور انتظامی اخراجات	89,072	89,750
دیگر اخراجات	4,574	7,206
بعد از ٹیکس (نقصان) فائدہ	(99,779)	(109,208)
فی حصص نقصان	(0.66)	(0.99)

کمپنی کا مالی تجزیہ

مجموعی پریمیم

اپنائی گئی نئی حکمت عملی نے اپنے نتائج ظاہر کرنا شروع کر دیئے ہیں۔ ۲۰۲۱ء کی پہلی ششماہی میں کمپنی کا مجموعی پریمیم 296.76 ملین روپے رہا، جو ۲۰۲۰ء کے 141.24 ملین روپے کے مقابلے میں 110 فیصد تک بڑھ گیا ہے۔

انفرادی لائف کا کاروبار اور گروپ لائف کاروبار ۲۰۲۰ء کے اسی دورانئے کے بالترتیب 63.91 ملین روپے اور 77.34 ملین روپے سے بڑھ کر 172.42 ملین روپے اور 124.34 ملین روپے ہو گیا۔

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

سرمایہ کاری

۲۰۲۱ء کی پہلی ششماہی کے لئے سرمایہ کاری کی آمدنی (بشمول بینک میں موجود رقوم پر منافع)، ۲۰۲۰ء کے اسی دورانئے کے 36.42 ملین روپے کے مقابلے میں 33.57 ملین

روپے رہی۔

کمپنی کی سرمایہ کاری کا حجم، دسمبر ۲۰۲۰ء کے پچھلے سال کے 909.45 ملین روپے کے مقابلے میں موجودہ طور پر 858.12 ملین روپے ہے۔ سرمایہ کاری حجم میں کمی کی وجہ کاروباری آپریشنز میں مدد کے لئے کی گئی ادائیگیوں کے باعث ہے۔ 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 اسی ششماہی کے 56.22 ملین روپے کے مقابلے میں، ۲۰۲۱ء کی پہلی ششماہی کے لئے، مجموعی خالص بیمہ فوائد کے اخراجات 56.04 ملین روپے رہے۔ کمپنی نے کلیمز کے طریقہ کار کو بھی جدید کر دیا ہے جو کارپوریٹ صارفین اور پالیسی کے حامل افراد کے لئے ان کے کلیمز پر عمل درآمد کو آسان بناتا ہے۔

اخراجات

مارکیٹنگ اور انتظامی اخراجات، ۲۰۲۰ء کی اسی ششماہی کے مقابلے میں جو کہ 89.75 ملین روپے تھے، 1 فیصد کمی سے ۲۰۲۱ء کی پہلی ششماہی میں 89.07 ملین روپے رہے۔ دیگر اخراجات، ۲۰۲۰ء کی اسی ششماہی کے 7.2 ملین روپے کے مقابلے میں، 4.6 ملین روپے رہے۔ آپ کی کمپنی کی انتظامیہ پُر اعتماد ہے کہ کمپنی کے نئے انفراسٹرکچر کے فروغ میں کی جانے والی سرمایہ کاریاں آنے والے وقتوں میں کمپنی کے لئے بہت ہی زیادہ فائدہ مند ثابت ہونگی۔

بالائی سطح پر آمدنی میں اضافے کے ساتھ ہی، ۲۰۲۱ء کی اسی ششماہی کے 109.21 ملین روپے کے مقابلے میں، بعد از ٹیکس نقصان 99.78 ملین روپے تک کم ہو گیا۔

بیمہ صنعت کو درپیش چیلنجز

سیلز ٹیکس کا اطلاق

صوبائی ریونیو اتھارٹیوں کی جانب سے صوبائی سیلز ٹیکس کے اطلاق کے سلسلے میں بیمہ صنعت کو چیلنج کا سامنا جاری ہے۔ بیمہ صنعت نے اجتماعی طور پر انشورنس ایسوسی ایشن آف پاکستان کے فورم کے ذریعے پاکستان میں بیمے کے پھیلاؤ کو بڑھانے کے لئے تکنیکی بنیادوں پر صوبائی سیلز ٹیکس کی چھوٹ کے لئے متعلقہ اتھارٹیز سے اس مسئلے کو اٹھایا ہے۔ بیمہ صنعت سمجھتی ہے کہ معزز ہائی کورٹس میں داخل کی گئی آئینی پٹیشن اور رٹ پٹیشن میں میرٹ پر اس کا ایک مناسب طور پر مضبوط کیس ہے۔

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

مستقبل پر نظر

آپ کی کمپنی برانڈنگ، مارکیٹنگ کی نئی حکمت عملی کو بڑھانے کیلئے برانچ نیٹ ورک کے فروغ اور پھیلاؤ اور تقابلی مصنوعات کے آغاز پر مسلسل توجہ مرکوز کئے ہوئے ہے جو کمپنی کو آنے والے وقتوں میں قابل برداشت اخراجات کے ساتھ پریمیم کی آمدنی کی نشوونما کے حصول میں مدد کرے گی۔

کووڈ 19 کی چوتھی لہر نے ملک کو گرفت میں لیا ہوا ہے۔ حکومت کی بڑے پیمانے پر امیونیزایشن کی کوششوں سے صورت حال کا مقابلہ کرنے کی اور معاشی بہتری کی امید بڑھ گئی ہے۔ حکومت نے ایس او پیز کے نفاذ کے ساتھ ساتھ محدود کاروباری سرگرمیوں کی پالیسی کا نفاذ بھی کیا ہوا ہے۔ اس سے کمپنی کی سیلز پر بھی اثر پڑا ہے۔ انتظامیہ اس سلسلے میں محتاط رہے گی اور صورت حال کی غور و فکر سے نگرانی کرے گی کیونکہ، ہماری رائے میں، لوگ اپنی آمدنی اور بچتوں کے سلسلے میں زیادہ خطرے کے خلاف ہونگے جو کہ بیمہ حیات کی پروڈکٹس کو لوگ جس طرح سمجھتے ہیں آنے والے وقتوں میں اس پر ایک مثبت تاثر قائم ہوگا۔

ہم انڈسٹری میں ممتاز مقام تک پہنچنے کے لئے چیلنجنگ اور تقابلی کاروباری ماحول میں قابل برداشت، منافع بخش نشوونما پیش کرنے کے لئے آپ کو اپنی بہترین کوششوں کا یقین دلاتے ہیں۔

اظہار تشکر

ڈائریکٹرز، ہمارے کاروبار کے طریقہ ہائے جات کی بہتری کے لئے کمپنی کی انتظامیہ کی حمایت اور مسلسل رہنمائی کیلئے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور ری انشورر کے مشکور ہیں۔ بورڈ کمپنی کے خیر خواہ 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 اور عملے کے ارکان 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

ڈائریکٹر

چیف ایگزیکیٹو آفیسر

۲۵ اگست ۲۰۲۱ء

RSM

RSM Avais Hyder Liaquat Nauman
Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF ASKARI LIFE ASSURANCE COMPANY LIMITED

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Askari Life Assurance Company Limited as at June 30, 2021 and the related condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed financial statements for the six months period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed 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 this condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Emphasis of Matter

We draw attention to note 15.1.3 to the financial statements, which describes that the Company has challenged the scope and applicability of the provincial sales tax on services on the premium from life insurance business.

Our conclusion is not qualified in respect of this matter.

RSM Avais Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM

Other Matter

The figures for the quarters ended June 30, 2021 and June 30, 2020 in the condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's report is Adnan Zaman.

RSM Avais Hyder Liaquat

Chartered Accountants
Karachi
Date: 25 AUG 2021

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ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT JUNE 30, 2021

	Note	June 30, 2021 Un-Audited	December 31, 2020 Audited
		-------(Rupees in '000')------	
ASSETS			
Property and equipment	6	**24,735**	30,467
Right of use assets	7	**21,046**	31,568
Intangible assets	8	**836**	1,332
Investments			
Equity securities	9	**10,520**	10,640
Government securities	10	**715,831**	772,472
Mutual funds	11	**52,893**	39,838
Other fixed income securities		**19,600**	-
Loans secured against life insurance policies		**6,612**	6,612
Insurance receivables		**50,412**	38,412
Other loans and receivables		**14,344**	12,279
Taxation - payments less provision		**18,697**	17,082
Prepayments		**2,492**	2,967
Cash and bank	12	**59,275**	86,503
TOTAL ASSETS		**997,293**	1,050,172
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES ATTRIBUTABLE TO COMPANY'S EQUITY HOLDERS			
Share capital		**1,501,720**	1,501,720
Money ceded to Waqf Fund		**500**	500
Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)		**(1,079,375)**	(971,482)
Unrealised gain on available-for-sale financial assets	13	**1,926**	2,373
Accumulated losses		**(74,128)**	(82,242)
TOTAL EQUITY		**350,643**	450,869
LIABILITIES			
Insurance liabilities	14	**484,016**	428,241
Retirement benefit obligations		**22,318**	18,151
Premium received in advance		**14,221**	9,677
Insurance / reinsurance payables		**60,755**	63,478
Other creditors and accruals		**40,527**	43,291
Lease liability against right of use assets		**24,813**	36,465
TOTAL LIABILITIES		**646,650**	599,303
TOTAL EQUITY AND LIABILITIES		**997,293**	1,050,172
CONTINGENCIES AND COMMITMENTS	15		

The annexed notes from 1 to 31 form an integral part of these 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 SIX MONTHS PERIOD ENDED JUNE 30, 2021

	Note	Half Year ended		Quarter ended	
		June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
		--------(Rupees in '000')-------		--------(Rupees in '000')-------	
Gross premium / contribution revenue		296,760	141,241	156,036	45,430
Re insurance premium / contribution ceded		(101,438)	(55,185)	(53,133)	(22,740)
Net premium / contribution revenue	16	195,322	86,056	102,903	22,690
Investment income	17	30,875	29,882	15,993	14,690
Net fair value gains / (losses) on financial assets at fair value	18	(134)	563	301	2,476
Other income	19	2,832	5,978	816	2,304
		33,573	36,423	17,110	19,470
Total income		228,895	122,479	120,013	42,160
Insurance benefits		218,428	129,626	97,304	77,035
Reinsurance recoveries		(162,391)	(73,405)	(69,411)	(43,809)
Net insurance benefits expense	20	56,037	56,221	27,893	33,226
Net change in insurance liabilities (other than outstanding claims)		45,391	398	29,194	(1,679)
Acquisition expenses	21	133,379	77,934	68,988	28,198
Marketing and administration expenses	22	89,072	89,750	46,792	44,177
Other expenses	23	4,574	7,206	2,629	5,568
Total expenses		272,416	175,288	147,603	76,264
Loss before tax		(99,558)	(109,030)	(55,483)	(67,330)
Income tax expense		(221)	(178)	(110)	(123)
Loss for the period		(99,779)	(109,208)	(55,593)	(67,453)
Other comprehensive income:					
Unrealised gain on remeasurement of available-for-sale financial assets	13	(447)	(777)	(163)	(1,375)
		(447)	(777)	(163)	(1,375)
Total comprehensive loss for the period		(100,226)	(109,985)	(55,756)	(68,828)
Loss per share - Rupees		(0.66)	(0.99)	(0.37)	(0.61)

The annexed notes from 1 to 31 form an integral part of these financial statements.

Chief Financial Officer | Chief Executive Officer | Director | Director | Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED JUNE 30, 2021

	Note	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
		-------(Rupees in '000')--------	
Operating Cashflows			
(a) Underwriting activities			
Insurance premium / contribution received		289,580	129,794
Claims paid		(150,094)	(78,717)
Commission paid		(67,785)	(26,984)
Marketing and administrative expenses paid		(156,410)	(151,395)
Net cash used in underwriting activities		(84,709)	(127,302)
(b) Other operating activities			
Income tax paid		(1,835)	(2,127)
Other operating payments		(1,711)	(15,246)
Gratuity paid		(1,541)	-
Other operating receipts		7,169	1,494
Net cash flow / (used in) from other operating activities		2,082	(15,879)
Total cash used in from all operating activities		(82,627)	(143,181)
Investment activities			
Profit received		30,252	33,568
Dividend received		1,867	1,390
Payment for purchase of investments		(1,783,320)	(711,853)
Proceeds from disposal of investments		1,806,851	676,564
Addition to property and equipment		(2,685)	(1,682)
Addition to intangible assets		-	(105)
Proceeds from sale of property and equipment		2,434	9,102
Total cash flow generated from / (used in) from investing activities		55,399	6,984
Financing activities			
Proceeds from issuance of shares		-	100,000
Total cash generated from financing activities		-	100,000
Net increase in cash and cash equivalents		(27,228)	(36,197)
Cash and cash equivalents at beginning of period		86,503	112,844
Cash and cash equivalents at end of period	12	59,275	76,647
Reconciliation to profit and loss account			
Operating cash flows		(82,627)	(143,181)
Depreciation expense on property and equipment		(6,036)	(6,166)
Amortisation expense on intangible assets		(496)	(492)
Depreciation on right of use asset		(6,315)	(9,074)
Profit on disposal of property and equipment		1,019	1,576
Dividend and other investment income		32,614	34,284
Increase in assets other than cash		72,667	60,902
(Increase) in liabilities		(110,471)	(47,620)
Net fair value gain /(losses) on financial assets at fair value		(134)	563
Loss after taxation		(99,779)	(109,208)

The annexed notes from 1 to 31 form an integral part of these 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 SIX MONTHS PERIOD ENDED JUNE 30, 2021

	Note	Share Capital	Revenue reserves		Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)	Money Ceded to Waqf Fund	Other Reserves	Total Equity
			Accumulated losses				Unrealised gain on available-for-sale financial assets	
		(Rupees in '000')						
Balance as at January 1, 2020		1,101,720	(86,415)		(732,558)	500	800	284,047
Total comprehensive loss for the period		-	(109,208)		-	-	-	(109,208)
Change in fair value of available for sale investments		-	-		-	-	(777)	(777)
Deficit for the period in statutory funds		-	109,590		(109,590)	-	-	-
Balance as at June 30, 2020		1,101,720	(86,033)		(842,148)	500	23	174,062
Balance as at January 1, 2021		**1,501,720**	**(82,242)**		**(971,482)**	500	**2,373**	**450,869**
Total comprehensive loss for the period		**-**	**(99,779)**		**-**	**-**	**-**	**(99,779)**
Change in fair value of available for sale investments		**-**	**-**		**-**	**-**	**(447)**	**(447)**
Deficit for the period in statutory funds		**-**	**107,893**		**(107,893)**	**-**	**-**	**-**
Balance as at June 30, 2021		**1,501,720**	**(74,128)**		**(1,079,375)**	**500**	**1,926**	**350,643**

The annexed notes from 1 to 31 form an integral part of these financial statements.

Chief Financial Officer | Chief Executive Officer | Director | Director | Chairman

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.

Army Welfare Trust as a Holding Company holds 66.65% (December 31, 2020: 66.65%) 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

Company's Board of Directors in its meeting held on October 24, 2018 approved the contribution of seed money of Rs. 50 million from share holder's fund for the commencement of window takaful operation. The Window Takaful Operation is also approved by SECP and Company has also established Individual Family Takaful and Group Family Takaful Funds.

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 and 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 and 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, 2020.

6 PROPERTY AND EQUIPMENT

	June 30, 2021 (Un-Audited)	December 31, 2020 (Audited)
	--------Rupees in '000'--------	
Property and equipments	**24,735**	30,467
	24,735	30,467

	June 30, 2021 (Un-Audited)		June 30, 2020 (Un-Audited)	
	Addition	**Deletion**	Addition	Deletion
	----------Rupees in '000' ----------			
Furniture & fixture	-	-	220	-
Office equipment	-	-	14	53
Computer and accessories	439	421	1,448	394
Vehicles	2,246	2,246	-	975
	2,685	**2,667**	**1,682**	**1,422**

7 RIGHT TO USE OF ASSETS

	June 30, 2021 (Un-Audited)	December 31, 2020 (Audited)
	--------Rupees in '000'--------	
Right of use assets	**21,046**	31,568
	21,046	31,568

	June 30, 2021 (Un-Audited)		June 30, 2020 (Un-Audited)	
	Addition / Adjusment	**Deletion**	**Addition / Adjusment**	Deletion
	----------Rupees in '000' ----------			
Right to use of assets	-	10,588	43	9,009
	-	10,588	**43**	**9,009**

8 INTENGIBLE ASSETS

	June 30, 2021 (Un-Audited)	December 31, 2020 (Audited)
	--------Rupees in '000'--------	
Intangible assets	**836**	1,332
	836	1,332

	June 30, 2021 (Un-Audited)		June 30, 2020 (Un-Audited)	
	Addition	**Deletion**	Addition	Deletion
	----------Rupees in '000' ----------			
Intangible assets	-	-	105	-
	-	-	**105**	**-**

9 INVESTMENTS IN EQUITY SECURITIES

	June 30, 2021 (Un-Audited)				December 31, 2020 (Audited)			
	Cost	Unrealised Gain	Impairment	Fair Value	Cost	Unrealised Gain / (Loss)	Impairment	Fair Value
	Rupees in '000'							
AVAILABLE FOR SALE								
Related party								
Listed Shares								
East West Insurance Company Limited	281	346	-	627	281	284	-	565
Others								
Listed Shares								
Kohat Cement Company Limited	340	197	-	537	340	230	-	570
D. G. Khan Cement Company Limited	512	-	(158)	354	512	-	(168)	344
Habib Bank Limited	1,351	-	(494)	857	1,351	-	(425)	926
Ghandhara Industries Limited	1,633	-	(517)	1,116	1,633	-	(327)	1,306
Millat Tractor Limited	744	20	-	764	744	-	(55)	689
Bifo Industries Limited	350	-	(109)	241	350	-	(82)	268
Descon Oxychem Limited	101	55	-	156	101	109	-	210
Packages Limited	2,221	(40)	-	2,181	2,221	167	-	2,388
Al-Shaheer Corporation	78	-	(28)	50	78	-	(39)	39
Friesland Campina Engro Pakistan Limited	323	22	-	345	323	-	(76)	247
Ferozsons Laboratories Limited	1,958	1,217	-	3,175	1,958	1,016	-	2,974
AGP Limited	103	14	-	117	103	11	-	114
	9,995	1,831	(1,306)	10,520	9,995	1,817	(1,172)	10,640

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

	June 30, 2021 (Un-Audited)	December 31, 2020 (Audited)
	Rupees in '000'	
Opening balance	(1,172)	(3,320)
(Provision) / reversal for the period	(134)	2,148
Closing balance	(1,306)	(1,172)

10 INVESTMENTS IN GOVERNMENT SECURITIES

	June 30, 2021 (Un-Audited)					December 31, 2020 (Audited)		
	Maturity Year	Effective Yield (%)	Face Value	Principal Repayment	Carrying Value	Effective Yield (%)	Face Value	Carrying Value
	Rupees in '000'							
HELD TO MATURITY								
10 year Pakistan Investment Bond	18-Aug-21	12.37%	16,000	on Maturity	15,992	12.37%	16,000	15,964
10 year Pakistan Investment Bond	19-Jul-22	12.63%	10,500	on Maturity	10,435	12.63%	10,500	10,407
10 year Pakistan Investment Bond	19-Jul-22	12.52%	8,200	on Maturity	8,158	12.52%	8,200	8,140
10 year Pakistan Investment Bond	21-Apr-26	9.19%	10,000	on Maturity	9,829	9.19%	10,000	9,815
10 year Pakistan Investment Bond	21-Apr-26	8.07%	22,500	on Maturity	23,107	8.07%	22,500	23,157
10 year Pakistan Investment Bond	21-Feb-29	11.21%	39,200	on Maturity	39,379	11.21%	39,200	39,386
10 year Pakistan Investment Bond	09-Dec-30	7.81%	42,200	on Maturity	40,285	7.81%	42,200	40,216
03 Months Treasury Bills	14-Jan-21	7.16%	-	on Maturity	-	7.16%	36,690	36,590
03 Months Treasury Bills	11-Feb-21	7.14%	-	on Maturity	-	7.14%	55,905	55,449
03 Months Treasury Bills	11-Feb-21	7.10%	-	on Maturity	-	7.10%	41,100	40,767
03 Months Treasury Bills	25-Feb-21	7.13%	-	on Maturity	-	7.13%	71,150	70,380
03 Months Treasury Bills	25-Mar-21	7.11%	-	on Maturity	-	7.11%	325,735	320,492
03 Months Treasury Bills	09-Sep-21	7.31%	295,695	on Maturity	291,548	0.00%	-	-
03 Months Treasury Bills	17-Jun-21	7.43%	-	on Maturity	-	-	-	-
06 Months Treasury Bills	03-Jun-21	7.18%	-	on Maturity	-	7.18%	72,240	70,115
06 Months Treasury Bills	12-Aug-21	7.47%	100,585	on Maturity	99,708	-	-	-
06 Months Treasury Bills	26-Aug-21	7.49%	73,825	on Maturity	72,971	-	-	-
06 Months Treasury Bills	02-Dec-21	7.58%	74,965	on Maturity	72,628	-	-	-
12 Months Treasury Bills	06-May-21	7.25%	-	on Maturity	-	7.25%	5,520	5,385
12 Months Treasury Bills	04-Nov-21	7.53%	5,730	on Maturity	5,583			
5 Years GOP Sukuks	09-Dec-25	7.07%	26,200	on Maturity	26,208	7.07%	26,200	26,209
					715,831			772,472

11 INVESTMENTS IN MUTUAL FUNDS

	June 30, 2021 (Un-Audited)			December 31, 2020 (Audited)		
	Cost	Unrealised gain	Carrying Value	Cost	Unrealised gain	Carrying Value
	Rupees in '000'					
AVAILABLE FOR SALE						
NBP islamic money market fund	120	(1)	119	114	3	117
NBP income opportunity fund	12,214	81	12,295	11,459	547	12,006
Alhamra islamic money market fund	7,517	-	7,517	5,543	-	5,543
ABL islamic cash fund	7,516	-	7,516	5,541	-	5,541
Alfalah islamic rozana amdani fund	7,464	-	7,464	5,543	-	5,543
Faysal halal amdani fund	7,722	12	7,734	5,540	6	5,546
NBP islamic daily dividend fund	7,461	-	7,461	5,542	-	5,542
AL-Ameen Islamic Cash Fund	2,784	3	2,787	-	-	-
	52,798	95	52,893	39,282	556	39,838

12 CASH AND BANK

	June 30, 2021 (Un-Audited)	December 31, 2020 (Audited)
	------- Rupees in '000' -------	
Cash and Stamps	526	234
Cash at bank		
- current account	16,520	11,788
- saving account	42,229	74,481
Cash and cash equivalents	59,275	86,503

13 UNREALIZED GAIN ON AVAILABLE FOR SALE FINANCIAL ASSETS

	Note	June 30, 2021 (Un-Audited)	December 31, 2020 (Audited)
		------- Rupees in '000' -------	
Investment in equity securities	9	1,831	1,817
Investment in mutual funds	11	95	556
		1,926	2,373

13.1 Movement in balance

Opening balance	2,373	800
Unrealised (gain)/loss for the year	(447)	1573
Closing balance	1,926	2373

14 INSURANCE LIABILITIES

Reported outstanding claims (including claims in payment)	14.1	125,311	114,927
Incurred but not reported claims (IBNR)	14.2	2,024	1,967
Investment component of account value policies / certificates	14.3	333,767	284,028
Liabilities under individual conventional insurance /takaful contracts	14.4	3,532	2,926
Liabilities under group insurance / group family takaful contracts (other than investment linked)	14.5	7,179	5,196
Other insurance / family takaful liabilities	14.6	12,203	19,197
		358,705	313,314
		484,016	428,241

14.1 Reported outstanding claims

Gross of reinsurance /re takaful		
Payable within one year	272,932	203,812
Payable over a period of time exceeding one year	10,387	11,172
	283,319	214,984
Recoverable from reinsurance / re takaful		
Receivable within one year	(148,296)	(90,109)
Receivable over a period of time exceeding one year	(9,712)	(9,948)
	(158,008)	(100,057)
Net reported outstanding claims	125,311	114,927

14.2 Incurred but not reported claims

Gross of reinsurance	8,415	9,582
Reinsurance recoveries	(6,391)	(7,615)
Net of reinsurance	2,024	1,967

14.3 Investment component of universal life and account value policies / certificates

Investment component of account value policies	333,767	284,028

14.4 Liabilities under individual conventional insurance / takaful contracts

Gross of reinsurance	**3,631**	2,941
Reinsurance credit	**(99)**	(15)
Net of reinsurance	**3,532**	2,926

14.5 Liabilities under group insurance / Group family takaful contracts (other than Investment linked)

Gross of reinsurance	**49,267**	55,296
Reinsurance credit	**(42,088)**	(50,100)
Net of reinsurance	**7,179**	5,196

14.6 Other insurance liabilities

Gross of reinsurance	**14,002**	20,492
Reinsurance recoveries	**(1,799)**	(1,295)
	12,203	19,197

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 a 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 it's customers. The amount of sales tax involved is around Rs. 50.02 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.

Further, subsequent to filling 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.

15.1.5 Before acquisition of the East and West Life Assurance Company (the "EWLA") by Army Welfare Trust (AWT), SECP had imposed penalty of Rs.120,000/- and Rs. 200,000/- on the EWLA vide order No: EMD/Enf/EWLA/2016/4299 and order No: ID/Enf/EWLA/2017/8348 respectively. The appeals on the said orders were filed before the Appellate bench of SECP by EWLA which are pending and the outcome is awaited. The appeals shall be contested by Askari Life Assurance Company Limited (the "Company").

15.1.6 There is a case filed by the Nobel Hospital against the EWLA in learned court, Lahore for the recovery of health insurance bill amounting to Rs. 1.6 million (approx.). After the acquisition, the Company is in coordination with the relevant parties for the possible resolution of the case.

15.1.7 There is outstanding petition filed by the Punjab Employees Social Security Institution (PESSI) against EWLA in Insurance Tribunal, Lahore for the recovery of the group claims of their employees amounting to Rs.11.8 million (approx.).After the acquisition, the Company is in co-ordination with the relevant parties for the possible resolution of the case.

15.2 Commitments

Operating leases	June 30, 2021 (Un-Audited)	December 31, 2020 (Audited)
	------- Rupees in '000' -------	
Not later than one year	**4,702**	5,394
Later than one year and not later than five years	**9,122**	18,623
	13,824	24,017

16 NET INSURANCE PREMIUM / CONTRIBUTION REVENUE	Half year ended		Quarter ended	
	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
	---------- Rupees in '000' ----------			
Gross Premiums / Contributions revenue				
Regular Premium / Contributions Individual Policies*				
First year	**105,122**	31,512	59,313	7,203
Second year renewal	**26,397**	13,060	7,162	4,789
Subsequent year renewal	**11,919**	3,469	6,275	1,373
Single premium / Contribution individual policies	**28,978**	15,865	22,060	6,620
Group policies without cash value	**124,344**	77,335	61,226	25,445
Total Gross Premiums / Contribution	**296,760**	141,241	156,036	45,430
Less: Reinsurance Premium / Contribution Ceded				
On individual life first year business	**3,329**	621	2,858	395
On individual life second year business	**809**	-	809	-
On individual life renewal business	**359**	230	359	154
On group policies	**96,950**	54,344	50,287	22,198
Less : Reinsurance commission on risk premium	**(9)**	(10)	(12)	(7)
Total Reinsurance Premium / Contribution Ceded	**101,438**	55,185	53,133	22,740
Net Premium / Contribution Revenue	**195,322**	86,056	102,903	22,690

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

		Half year ended		Quarter ended	
		June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
		------- Rupees in '000' -------			
17	**INVESTMENT INCOME**				
	Income from equity securities				
	Available for Sale				
	Dividend income	1,932	1,390	1,555	1,377
	Income from debt securities				
	Held to Maturity				
	Return on government securities	28,943	28,492	14,438	13,313
		30,875	29,882	15,993	14,690
18	**NET FAIR VALUE GAINS/ LOSSES ON FINANCIAL ASSETS AT FAIR VALUE**				
	Reversal/(impairment) in value of available for sale investments	(134)	563	301	2,476
19	**OTHER INCOME**				
	Return on bank saving accounts	1,739	4,402	732	1,737
	Return on other bank deposits	74	-	74	-
	Gain on sale of property and equipment	1,019	1,576	10	567
		2,832	5,978	816	2,304
20	**NET INSURANCE BENEFITS**				
	Gross Claims				
	Claims under individual policies				
	by death	2,410	602	1,902	115
	by insured event other than death	220	-	-	-
	by maturity	8,459	18,556	6,423	12,378
	by surrender	13,498	11,512	5,283	6,301
	Total gross individual policy claims	24,587	30,670	13,608	18,794
	Claims under group policies				
	by death	190,341	92,830	82,501	55,278
	by insured event other than death	3,500	6,126	1,195	2,963
	Total gross group policy claims	193,841	98,956	83,696	58,241
	Total gross claims	218,428	129,626	97,304	77,035
	Less: Reinsurance recoveries				
	On Individual life claims	(175)	-	(175)	-
	On Group life claims	(162,216)	(73,405)	(69,236)	(43,809)
	Total reinsurance recoveries	(162,391)	(73,405)	(69,411)	(43,809)
	Net insurance benefit expense	56,037	56,221	27,893	33,226

	Note	Half year ended		Quarter ended	
		June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
		---------- Rupees in '000' ----------			
21 ACQUISITION EXPENSES					
Remuneration to insurance intermediaries on individual policies:					
Commission to agent on first year premiums		56,854	13,676	33,253	3,438
Commission to agent on second year premiums		2,410	1,511	686	533
Commission to agent on subsequent renewal premiums		302	6	167	6
		59,566	15,193	34,106	3,977
Remuneration to insurance intermediaries on group policies:					
Commission		11,545	7,445	6,427	2,162
Other acquisition costs					
Employee benefit cost		39,730	36,600	19,172	14,174
Depreciation on right of use asset		2,571	3,592	1,030	1,796
Advertisements and sales promotion		7,003	1,601	1,452	267
Vehicle running expenses		2,738	2,113	1,443	673
Depreciation on property and equipment		2,041	2,009	1,003	1,500
Repair and maintenance		1,209	487	602	336
Travel and conveyance		671	2,038	273	511
Finance charges on lease liability against right of use asset		246	677	70	294
Electricity, gas and water		731	427	399	163
Ijara rental		985	1,959	591	1,114
Postage, telegrams and telephone		1,211	1,104	598	563
Entertainment		626	402	245	52
Stamp duty		1,099	394	722	263
Rent, rates and taxes		740	56	526	-
Printing and stationery		482	442	302	80
Insurance		150	1,304	-	254
Bank charges		35	12	27	3
Miscellaneous		-	79	-	16
		62,268	55,296	28,455	22,059
		133,379	77,934	68,988	28,198
22 MARKETING AND ADMINISTRATION EXPENSES					
Employee benefit cost		54,382	54,413	27,619	29,094
Advertisements and sales promotion		3,108	454	2,440	-
Depreciation on right of use asset		3,744	5,482	2,172	2,740
Vehicle running expenses		2,859	2,808	1,379	1,177
Travel and conveyance		966	861	598	262
Repair and maintenance		7,202	6,785	3,627	3,694
Depreciation on property and equipment		3,995	4,157	1,985	1,604
Postage, telegrams and telephone		2,423	2,490	1,359	1,244
Printing and stationery		2,546	1,741	1,031	643
Finance charges on lease liability against right of use asset		1,414	2,471	815	1,165
Entertainment		506	1,180	196	9
Ijara rental		1,485	1,941	584	1,098
Rent, rates and taxes		72	10	6	10
Electricity, gas and water		832	744	620	277
Insurance		1,819	2,692	1,589	813
Fees, subscription and periodicals		124	40	62	2
Miscellaneous		461	814	376	62
Amortization of intangible assets		496	492	248	247
Bank charges		154	75	86	36
Annual supervision fee SECP		484	100	-	-
		89,072	89,750	46,792	44,177
23 OTHER EXPENSES					
Legal and professional charges		580	3,572	371	3,326
Appointed actuary fees		2,034	2,034	1,017	1,017
Auditors' remuneration		520	490	326	490
Shariah Advisor Fee		1,050	900	525	525
Director meeting fee		390	210	390	210
		4,574	7,206	2,629	5,568

24 SEGMENTAL INFORMATION

24.1 Revenue Account by Statutory Fund

For the six months period ended June 30, 2021

	Statutory funds					
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	Total
	Rs in '000'					
Income						
Premium / Contributions less reinsurances	24,408	102,697	-	65,094	3,123	195,322
Net investment income	2,909	13,880	273	765	162	17,989
Other income	-	-	-			-
Total net income	27,317	116,577	273	65,859	3,285	213,311
Insurance benefits and expenditure						
Insurance benefits including bonuses, net of reinsurance recoveries	31,871	23,204	-	248	714	56,037
Management expenses less recoveries	56,286	89,901	-	67,369	6,220	219,776
Total insurance benefits and expenditure	88,157	113,105	-	67,617	6,934	275,813
(Deficit)/ surplus of income over claims and expenditure	(60,840)	3,472	273	(1,758)	(3,649)	(62,502)
Add: Policyholders' liabilities at beginning of the period	9,310	287,432	-	15,842	730	313,314
Less: Policyholders' liabilities at end of the period	12,131	300,614	-	45,406	554	358,705
(Deficit)/surplus	(63,661)	(9,710)	273	(31,322)	(3,473)	(107,893)
Movement in policyholders' liabilities	2,821	13,182	-	29,564	(176)	45,391
Transfers from shareholders' fund						
- Capital contributions from shareholders' fund	71,000	6,000	-	31,000	3,000	111,000
- Money ceded to Waqf	-	-	-	-	-	-
Balance of statutory fund at beginning of the period	19,331	291,662	6,227	16,363	1,508	335,091
Balance of statutory fund at end of the period	29,491	301,134	6,500	45,605	859	383,589

For the six months period ended June 30, 2020	Statutory funds					
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful Contracts	Group Family Takaful	Total
	Rs in '000'					
Income						
Premium / Contribution reinsurances	21,765	61,083	-	1,982	1,226	86,056
Net investment income	4,309	17,695	317	-	93	22,414
Total net income	26,074	78,778	317	-	1,319	108,470
Claims and expenditure						
Claims, including bonuses, net of reinsurance recoveries	25,465	30,633	-	-	123	56,221
Management expenses less recoveries	61,942	96,550	-	1,325	1,624	161,441
Total claims and expenditure	87,407	127,183	-	-	1,747	217,662
(Deficit)/surplus of income over claims and expenditure	(61,333)	(48,405)	317	-	(428)	(109,192)
Add: Policyholders' liabilities at beginning of the period	12,994	239,584	-	-	346	252,924
Less: Policyholders' liabilities at end of the period	7,040	245,462	-	607	213	253,322
(Deficit) / Surplus	(55,379)	(54,283)	317	-	(295)	(109,590)
Movement in policyholders' liabilities	(5,954)	5,878	-	607	(133)	398
Transfers from shareholders' fund						
- Capital contributions from shareholders' fund	69,000	56,500	-	-	-	125,500
Balance of statutory fund at beginning of the period	17,374	240,340	5,593	-	818	264,125
Balance of statutory fund at end of the period	25,041	248,435	5,910	-	390	280,433

25 Segment Statement of financial position

	Shareholders' fund	Statutory funds					June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	Total	Total
	---Rs in '000'---							
Property and equipment	24,735	-	-	-	-	-	24,735	30,467
Right of use assets	21,046	-	-	-	-	-	21,046	31,568
Intangible assets	836	-	-	-	-	-	836	1,332
Investments	280,905	82,043	362,738	7,804	38,115	7,639	779,244	822,950
Term deposits	-	-	-	-	19,600	-	19,600	-
Loans secured against life insurance policies	-	1,487	5,125	-	-	-	6,612	6,612
Insurance receivables	-	50,010	-	376	-	26	50,412	38,412
Other loans and receivables	11,201	1,539	300	1,195	90	19	14,344	12,279
Taxation - payments less provision	18,697	-	-	-	-	-	18,697	17,082
Prepayments	2,492	-	-	-	-	-	2,492	2,967
Cash & Bank	3,486	2,117	22,453	875	26,190	4,154	59,275	86,503
Interfund balances	25,017	-	-	-	(25,017)	-	-	-
Total assets	388,415	137,196	390,616	10,250	58,978	11,838	997,293	1,050,172
Insurance liabilities net of reinsurance recoveries	-	75,741	357,971	3,599	45,606	1,099	484,016	428,241
Retirement benefit obligations	22,318	-	-	-	-		22,318	18,151
Premium received in advance	-	547	11,165	-	1,880	629	14,221	9,677
Insurance / reinsurance payables	-	38,137	11,718	152	1,261	9,487	60,755	63,478
Lease liability against right of use assets	24,813	-	-	-	-	-	24,813	43,291
Other creditors and accruals	15,505	5,421	9,249	-	10,034	318	40,527	36,465
Total Liabilities	62,636	119,846	390,103	3,751	58,781	11,533	646,650	599,303

26 WINDOW TAKAFUL OPERATIONS

The statement of financial position of Window Takaful Operations as at June 30, 2021 and its financial performance for the period ended June 30, 2021 is as follows

26.1 Statement of Financial Position
As at June 30, 2021

	Operator's Sub Fund	Statutory funds		Aggregate	Aggregate
		Individual Family Takaful	Group Family Takaful	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	----------Rupees in '000'----------				
Share capital and reserves					
Funds received from Shareholders' Fund	-	-	-	-	-
Capital returned to Shareholders' Fund	-	-	-	-	-
Accumulated Surplus / (Deficit)	1,755	-	-	1,755	2,712
Qard-e-Hasna contributed by the Window Takaful Operator	-	-	-	-	-
Net shareholders' equity	1,755	-	-	1,755	2,712
Balance of statutory fund (including Technical reserves Rs. 23.405 million (December 31, 2020: Rs.16.572 million)	-	44,679	28	44,707	15,160
Deferred liabilities					
Staff retirement benefits	-	-	-	-	-
Creditors and accruals					
Outstanding claims	-	200	545	745	690
Contributions received in advance	-	1,880	629	2,509	204
Amount due to takaful / re-takaful operators	-	1,261	9,487	10,748	6,975
Amounts due to agents	9,234	-	-	9,234	2,628
Accrued expenses	-	-	-	-	-
Other creditors and accruals	1,104	14	-	1,118	247
	10,338	3,355	10,661	24,354	10,744
Total liabilities	10,338	48,034	10,689	69,061	25,904
Commitments	-	-	-	-	-
Total equity and liabilities	12,093	48,034	10,689	70,816	28,616

	Operator's Sub Fund	Statutory funds		Aggregate	Aggregate
		Individual Family Takaful	Group Family Takaful	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	----------Rupees in '000'----------				
Cash and bank deposits					
Cash and others	-	-	-	-	-
Current and other accounts	11,488	15,633	3,223	30,344	17,598
Deposits maturing within 12 months	-	19,600	-	19,600	-
	11,488	35,233	3,223	49,944	17,598
Unsecured loans to employees	-	-	-	-	-
Investments					
Government securities	14,004	6,263	5,581	25,848	3,220
Listed securities	-	-	-	-	-
Open end mutual funds	-	17,849	2,057	19,906	7,704
Provision for diminution in value	-	-	-	-	-
	14,004	24,112	7,638	45,754	10,924
Current assets - others					
Contributions due but unpaid	-	-	26	26	26
Amount due from takaful / re-takaful operators	-	-	-	-	-
Sundry receivables	29	-	-	29	-
Investment income accrued	-	61	19	80	68
Advances and deposits	-	-	-	-	-
Prepayments	-	-	-	-	-
Taxation - payments less provision	-	-	-	-	-
Inter fund balance	(13,428)	(11,372)	(217)	(25,017)	-
	(13,399)	(11,311)	(172)	(24,882)	94
Fixed assets					
Tangible assets					
Furniture & fixture, office equipments	-	-	-	-	-
Motor vehicles	-	-	-	-	-
Right of use	-	-	-	-	-
Computer equipments	-	-	-	-	-
Intangible assets					
Softwares	-	-	-	-	-
	-	-	-	-	-
Total assets	12,093	48,034	10,689	70,816	28,616

26.2 Revenue Account
For the six months period ended June 30, 2021

	Statutory Funds		Six Months ended		Quarter ended	
			----------Aggregate----------			
	Universal Life Family Takaful	Group Family Takaful	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
	----------Rupees in '000'----------					
26.2.1 Participants' Investment Fund (PIF)						
Income						
Allocated contribution	30,720	-	30,720	591	22,643	591
Investment income	661	-	661	-	444	-
Total net income	31,381	-	31,381	591	23,087	591
Less: Claims and Expenditure						
Claims	48	-	48	-	48	-
Takaful operator fee	1,779	-	1,779	-	1,514	-
	1,827	-	1,827	-	1,562	-
Excess of Income over Claims and expenditure	29,554	-	29,554	591	21,525	591
Add : Technical reserves at the beginning of the period	15,105	-	15,105	-	22,357	-
Less : Technical reserves at the end of the period	44,646	-	44,646	607	44,646	607
Income retained in PIF	13	-	13	(16)	(764)	(16)
Movement in technical reserves	(29,554)	-	(29,554)	(591)	(21,525)	(591)
Surplus before distribution						
Movement in technical reserves	29,554	-	29,554	591	21,525	591
Transfers from						
Qard-e-Hasna contributed by Window Takaful Operator	-	-	-	-	-	-
Money ceded to Waqf	-	-	-	-	-	-
Balance of PIF at the beginning of the period	15,107	-	15,107	-	23,136	-
Balance of PIF at the end of the period	44,661	-	44,661	591	44,661	591

26.3 Revenue Account
For the six months period ended June 30, 2021

	Statutory Funds		Six Months ended		Quarter ended	
			----------Aggregate----------			
	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2021 (Un-Audited)	Aggregate June 30, 2020 (Un-Audited)	Aggregate June 30, 2021 (Un-Audited)	Aggregate June 30, 2020 (Un-Audited)
	----------Rupees in '000'----------					
26.3.1 Participants' Takaful Fund (PTF)						
Income						
Contribution net of retakaful	34,374	3,123	37,497	2,617	24,786	1,415
Net investment income	4	153	157	84	89	50
Other income	-	-	-	-	-	-
	34,378	3,276	37,654	2,701	24,875	1,465
Less: Claims and Expenditure						
Claims	200	714	914	123	664	123
Takaful operator fee	34,014	2,733	36,747	2,748	24,247	1,448
	34,214	3,447	37,661	2,871	24,911	1,571
Excess / (Deficit) of Income over Claims and expenditure	164	(171)	(7)	(170)	(36)	(106)
Add : Technical reserves at the beginning of the period	737	730	1,467	346	1,048	336
Less : Technical reserves at the end of the period	760	554	1,314	213	1,314	213
Deficit retained in PTF	141	5	146	(37)	(302)	17
Movement in technical reserves	(164)	171	7	170	36	106
Surplus before distribution						
Movement in technical reserves	164	(171)	(7)	(170)	(36)	(106)
Transfers from						
Qard-e-Hasna contributed by Window Takaful Operator	-	-	-	-	-	-
Money ceded to Waqf	-	-	-	-	-	-
Balance of PTF at the beginning of the period	(146)	199	53	806	82	742
Balance of PTF at the end of the period	18	28	46	636	46	636

26.4 Operators' Sub Fund (OSF)

	Statutory Funds		Six Months ended		Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2021 (Un-Audited)	Aggregate June 30, 2020 (Un-Audited)	Aggregate June 30, 2021 (Un-Audited)	Aggregate June 30, 2020 (Un-Audited)
	----------Rupees in '000'----------					
Income						
Allocation fee	1,621	-	1,621	31	1,621	31
Investment income	99	9	108	9	60	6
Takaful operator fee	33,795	2,733	36,528	2,717	23,763	1,417
Certificate admin fee	196	-	196	-	196	-
Wakalat-ul-Istismar	181	-	181	-	181	-
	35,892	2,742	38,634	2,757	25,821	1,454
Less: Expenses						
Acquisition cost	49,362	3,050	52,412	2,182	34,959	895
Administration expenses	18,009	3,170	21,179	768	13,305	625
Total management cost	67,371	6,220	73,591	2,950	48,264	1,520
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)	(31,479)	(3,478)	(34,957)	(193)	(22,443)	(66)
Movement in technical reserves	-	-	-	-	-	-
Capital Contribution during the period	31,000	3,000	34,000	-	16,000	-
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	-	-	-	-
Balance of OSF at the beginning of the period	1,402	1,310	2,712	12	8,198	(115)
Balance of OSF at the end of the period	923	832	1,755	(181)	1,755	(181)

26.5 Statement of Contribution

For the six months period ended June 30, 2021

	Statutory Funds		Six months ended Aggregate		Quarter ended Aggregate	
	Individual Family Takaful	Group Family Takaful	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
	----------'Rupees in '000'----------					
Gross Contributions						
Regular contributions individual family takaful*						
- First year	46,097	-	46,097	1,845	31,715	1,845
- Second year	548	-	548	-	548	-
- Subsequent year renewal	-	-	-	-	-	-
Single Contribution individual family takaful	19,225	-	19,225	170	14,280	170
Group family takaful contribution without cash value	-	8,199	8,199	3,215	4,149	50
Total Gross Contributions	65,870	8,199	74,069	5,230	50,692	2,065
Participants' Investment Fund						
Allocated regular contribution	12,456	-	12,456	430	9,077	430
Allocated single contribution	18,264	-	18,264	161	13,566	161
	30,720	-	30,720	591	22,643	591
Participant's Takaful Fund (PTF)						
Gross contribution	35,150	8,199	43,349	4,639	28,049	1,474
Less: Retakaful Contribution Ceded						
On individual first year business	776	-	776	33	528	33
On individual second year business	-	-	-	-	-	-
On individual renewal business	-	-	-	-	-	-
On group family takaful	-	5,076	5,076	1,989	2,735	26
Net Contributions	34,374	3,123	37,497	2,617	24,786	1,415

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

26.6 Statement of Claims
For the six months period ended June 30, 2021

	Statutory Funds		Six months ended		Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2021 (Un-Audited)	Aggregate June 30, 2020 (Un-Audited)	Aggregate June 30, 2021 (Un-Audited)	Aggregate June 30, 2020 (Un-Audited)
	----------Rupees in '000'----------					
Gross claims						
Participants' Takaful Fund (PTF)						
Claims under individual family takaful (PTF)						
- 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	-	2,000	2,000	-	1,000	-
- by covered event other then death	-	194	194	123	264	123
Total group family takaful claims	-	2,194	2,194	123	1,264	123
Total Gross Claims	-	2,194	2,194	123	1,264	123
Participants' Investment Fund (PIF)						
Claims under individual family takaful						
- by death	-	-	-	-	-	-
- by covered event other then death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	48	-	48	-	48	-
Total gross individual family takaful claims	48	-	48	-	48	-
Participants' Takaful Fund (PTF)						
Claims under individual family takaful						
- by death	200	-	200	-	200	-
- by covered event other then death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	-	-	-	-	-	-
Total gross individual family takaful claims	200	-	200	-	200	-
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	-	1,480	1,480	-	800	-
Net Claims	248	714	962	123	712	123

26.7 Statement of Expenses
For the six months period ended June 30, 2021

Operators' Sub Fund	Statutory funds		Six months ended		Quarter ended	
			Aggregate	Aggregate	Aggregate	Aggregate
	Individual Family Takaful	Group Family Takaful	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
	----------Rupees in '000'----------					
Acquisition costs						
Remuneration to takaful intermediaries on individual family takaful:						
- Commission on first year contributions	27,972	-	27,972	839	19,570	839
- Commission on second year contributions	66	-	66	-	66	-
- Commission on subsequent renewal contributions	-	-	-	-	-	-
- Other benefits to takaful intermediaries	-	-	-	-	-	-
	28,038	-	28,038	839	19,636	839
Remuneration to takaful intermediaries on group family takaful:						
- Commission	-	2,535	2,535	1,315	1,227	30
Other acquisition costs:						
Employee benefit cost	13,797	480	14,277	-	9,557	-
Depreciation on right of use asset	-	-	-	-	-	-
Advertisements and sales promotion	2,679	-	2,679	-	1,296	-
Vehicle running expenses	915	23	938	-	645	-
Depreciation on property and equipment	900	-	900	-	472	-
Repair and maintenance	462	-	462	-	311	-
Travel and conveyance	254	-	254	-	156	-
Finance charges on lease liability against right of use a	95	-	95	-	51	-
Electricity, gas and water	281	-	281	-	198	-
Ijara rental	377	-	377	-	279	-
Postage, telegrams and telephone	433	5	438	-	293	-
Entertainment	239	-	239	-	144	-
Stamp duty	356	5	361	28	293	26
Rent, rates and taxes	283	-	283	-	230	-
Printing and stationery	180	1	181	-	136	-
Insurance	58	-	58	-	21	-
Fees, subscription and periodicals	-	-	-	-	-	-
Legal and professional charges	-	-	-	-	-	-
Bank charges	15	1	16	-	14	-
Miscellaneous	-	-	-	-	-	-
	21,324	515	21,839	28	14,096	26
Total acquisition cost	49,362	3,050	52,412	2,182	34,959	895
Administration expenses						
Employee benefit cost	10,311	1,826	12,137	457	7,590	366
Advertisements and sales promotion	540	99	639	-	539	-
Depreciation on right of use asset	-	-	-	-	-	-
Vehicle running expenses	544	96	640	30	384	22
Travel and conveyance	167	30	197	-	141	-
Repair and maintenance	1,185	223	1,408	-	873	-
Depreciation on property and equipment	1,273	240	1,513	-	977	-
Postage, telegrams and telephone	421	77	498	7	330	6
Printing and stationery	622	101	723	62	449	62
Finance charges on lease liability against right of use a	238	44	282	-	192	-
Entertainment	84	16	100	-	54	-
Ijara rental	244	46	290	-	156	-
Rent, rates and taxes	48	6	54	-	2	-
Electricity, gas and water	137	26	163	-	131	-
Insurance	299	57	356	-	322	-
Fees, subscription and periodicals	21	4	25	-	15	-
Miscellaneous	92	16	108	32	90	19
Money ceded to Waqf Fund	-	-	-	-	-	-
Amortisation of intangible assets	81	15	96	-	59	-
Bank charges	46	7	53	-	36	-
Annual supervision fee SECP	79	15	94	-	21	-
Legal and professional charges	96	18	114	-	83	-
Appointed actuary fees	371	66	437	-	268	-
Auditors' remuneration	176	26	202	-	68	-
Shariah Advisor Fee	934	116	1,050	180	525	150
Director meeting fee	-	-	-	-	-	-
	18,009	3,170	21,179	768	13,305	625
Gross management expenses	67,371	6,220	73,591	2,950	48,264	1,520

26.8 Statement of Investment Income
For the six months period ended June 30, 2021

		Six months ended			Quarter ended		
		Statutory fund		Aggregate	Aggregate	Aggregate	Aggregate
		Individual Family Takaful	Group Family Takaful	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
		----------Rupees in '000'----------					
Participants' Investment Fund (PIF)							
On government securities		222	-	222	-	113	-
On other fixed income securities and deposits		109	-	109	-	97	-
Dividend income		330	-	330	-	234	-
Amortization of discount relative to par		-	-	-	-	-	-
(Loss)/ gain on sale of investments		-	-	-	-	-	-
Unrealised (loss) / gain on investments		-	-	-	-	-	-
Net investment income of PIF	a	661	-	661	-	444	-
Participants' Takaful Fund (PTF)							
On government securities		-	32	32	-	17	-
On other fixed income securities and deposits		4	57	61	84	34	50
Dividend income		-	64	64	-	38	-
Amortization of discount/(premium)		-	-	-	-	-	-
(Loss)/ gain on sale of investments		-	-	-	-	-	-
Unrealised (loss) / gain on investments		-	-	-	-	-	-
Net investment income of PTF	b	4	153	157	84	89	50
Operators' Sub Fund (OSF)							
On government securities		-	-	-	-	-	-
On other fixed income securities and deposits		99	9	108	9	60	6
Dividend income		-	-	-	-	-	-
Amortization of discount/(premium)		-	-	-	-	-	-
(Loss)/ gain on sale of investments		-	-	-	-	-	-
Unrealised (loss) / gain on investments		-	-	-	-	-	-
Net investment income of OSF	c	99	9	108	9	60	6
Net investment income	(a+b+c)	764	162	926	93	593	56

27 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:

	Level 1	Level 2	Level 3	Total
June 30, 2021				
Government securities	-	715,831	-	715,831
Listed securities	10,520	-	-	10,520
Open end mutual funds	52,893	-	-	52,893
	63,413	**715,831**	**-**	**779,244**
December 31, 2020				
Government securities	-	772,472	-	772,472
Listed securities	10,640	-	-	10,640
Open end mutual funds	39,838	-	-	39,838
	50,478	**772,472**	**-**	**822,950**

28 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:

		June 30, 2021 (Un-Audited)	June 30, 2020 (Un-Audited)
		----- (Rupees in '000) ----	
Relationship	**Transactions**		
Holding company	Premium revenue	**604**	1,075
Associated undertaking	Premium revenue	**10,756**	15,178
Associated undertaking	Insurance benefits	**9,467**	12,418
Associated undertaking	Expenses and acquisition cost	**2,551**	5,454
Key Management Personnel	Remuneration	**21,958**	25,915
Gratuity Fund	Expenses	**5,991**	4,371
Directors	Fee	**390**	210

Related Party	**Balances**	**June 30, 2021 (Un-Audited)**	December 31, 2020 (Audited)
Holding Company			
Army Welfare Trust	Due from insurance contract holders	**246**	**236**
Associated undertakings			
Askari Guards Limited	Due from insurance contract holders	**5,032**	1,626
Mobil Askari Pakistan Limited	Due from insurance contract holders	**-**	10
Askari Fuels	Due from insurance contract holders	**316**	11
Askari Woolen Mills	Due from insurance contract holders	**110**	-
Askari Development Holding Pvt Limited	Due from insurance contract holders	**4**	-
Askari General Insurance Company Limited	Due from insurance contract holders	**1**	-
AWT Investment	Due from insurance contract holders	**-**	21
Askari Chartered Aviation Services (ACS)	Due from insurance contract holders	**33**	2
Fauji Security Services	Due from insurance contract holders	**4,651**	-
MEDASK	Due from insurance contract holders	**-**	2
Real Estate (Head Office)	Due from insurance contract holders	**-**	-
AWT Housing Scheme Lahore	Due from insurance contract holders	**-**	-
AWT Housing Scheme Peshawar	Due from insurance contract holders	**-**	-

AWT Housing Scheme Sang Jani	Due from insurance contract holders	-	-
AWT Housing Scheme Karachi	Due from insurance contract holders	2	2
AWT Units	Due from insurance contract holders	-	6,470
Askari Shoes	Due from insurance contract holders	-	14
Askari Airport Services	Due from insurance contract holders	17	-
Askari Farms & Seeds	Due from insurance contract holders	-	-
Askari Flying Academy	Due from insurance contract holders	88	-
Askari Lagoon - FSD	Due from insurance contract holders	16	-
Askari Services Travel	Due from insurance contract holders	23	-
Askari Travel & Tour	Due from insurance contract holders	46	-
Askari Welfare Sugar Mills	Due from insurance contract holders	-	-
AWT Plaza Staff	Due from insurance contract holders	69	-
Blue Lagoon	Due from insurance contract holders	120	-
AWT Investment	Due to insurance contract holders	4	-
Askari General Insurance Company Limited	Due to insurance contract holders	-	19
AWT Housing Scheme - Lahore	Due to insurance contract holders	1	1
Army Welfare Sugar Mills	Due to insurance contract holders	17	19
Blue Lagoon	Due to insurance contract holders	-	2
Askari Farms & Seeds Products	Due to insurance contract holders	25	24
Askari Flying Academy	Due to insurance contract holders	-	2
Askari Guards Limited	Outstanding claims	6,441	3,604
Fauji Security Services	Outstanding claims	2,700	900
Army Welfare Sugar Mills	Outstanding claims	1,100	500
AWT Investment	Outstanding claims	-	8,000
Askari Shoes	Outstanding claims	150	-
MEDASK	Outstanding claims	600	-
Askari Fuels	Outstanding claims	150	
Askari Travel & Tours	Accrued expenses	-	180
Askari General Insurance Company Limited	Accrued expenses	2,418	2,418
Gratuity payable to staff	Staff retirement benefits	22,318	18,151
East West Insurance Company Limited	Equity investments	627	565

29 GENERAL

Figures have been rounded off to the nearest thousand.

30 CORRESPONDING FIGURE

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

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Company on 25/8/2021.

Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman

Branch Network

Head office

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