

AA

**ASPIRINGLY
DETERMINED &
OPTIMISTIC**

**3rd
Quarter
REPORT
2020**

60
Years of
Excellence

CONTENTS

COMPANY INFORMATION

02

Corporate
Information

03

Committees
Composition

04

Key Management
Personnel

05

Banks &
Leasing Companies

06

Directors' Review Report
To The Members

09

ممبرز کو
ڈائریکٹرز رپورٹ

CONDENSED INTERIM FINANCIAL INFORMATION

11

Condensed Interim
Statement of
Financial Position

12

Condensed Interim
Profit and
Loss Account

13

Condensed Interim
Statement of
Comprehensive Income

14

Condensed Interim
Cash Flow Statement

16

Condensed Interim
Statement of
Changes in Equity

17

Notes to and Forming
Part of these Condensed
Interim Financial
Statements

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM FINANCIAL INFORMATION

34

Condensed Interim
Statement of
Financial Position

36

Condensed Interim
Profit and Loss
Account

37

Condensed Interim
Statement of
Comprehensive Income

38

Condensed Interim
Cash Flow Statement

40

Condensed Interim
Statement of Changes in
Shareholders Equity
and Participants'
Takaful Fund

41

Notes to and Forming
Part of these Condensed
Interim Financial
Statements

CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN

Javaid Sadiq

CHIEF EXECUTIVE OFFICER

Muhammed Rahat Sadiq

DIRECTORS

Khawas Khan Niazi

Huma Waheed

Agha Ali Imam

Jamil Ahmed Khan

Syed Rahat Ali Shah

ADVISOR TO BOARD

Mian M.A.Shahid
(Chairman UIG)

ADVISORS

Sardar Khan

(Former Managing Director
Universal Insurance Company
Limited)

Major General (R) Asif Duraiz
Akhtar

COMPANY SECRETARY

Athar A. Khan

CHIEF FINANCIAL OFFICER

Maqbool Ahmad

CHIEF INTERNAL AUDITOR

Abdul Mannan Munir

AUDITORS

M/S. Ilyas Saeed & Co.
Chartered Accountants

LEGAL ADVISORS

Mohammed Farooq Sheikh
(Advocate)

Mian Asghar Ali
(Advocate)

TAX ADVISOR

M/S. Sarwars Chartered
Accountants

CREDIT RATING AGENCY (PACRA)

INSURER FINANCIAL STRENGTH

AA (Double A) The Rating
Denotes a very strong capacity to
meet policyholder and contract
obligations. Risk factors are
modest, and the impact of any
adverse business and economic
factors is expected to be very
small.

COMPANY'S SHARE REGISTRAR

M/S. F.D.Registrar
Services(SMC-Pvt) Ltd.
1705,17th Floor, Saima Trade
Center, I.I.Chundrigar Road,
Karachi.

WEB PRESENCE

www.theunitedinsurance.com



REGISTERED OFFICE

204, 2nd Floor, Madina City Mall,
Abdullah Haroon Road, Saddar
Karachi.

TEL: 021-35621460-2,
021-35221803-4

FAX: 021-35621459

Email:
info@theunitedinsurance.com

HEAD OFFICE

UIG House, 6-D, Upper Mall,
Lahore

TEL: 042-35776475

UAN: 92-42-111-000-014

FAX: 92-42-35776486, 35776487

Email:
uicp@theunitedinsurance.com

COMMITTEES COMPOSITION

Ethics, Human Resource & Remuneration Committee:

Name of Member	Category
Mr. Jamil Ahmed Khan	Chairman
Mr. Javaid Sadiq	Member
Mr. Muhammed Rahat Sadiq	Member
Mr. Wakeel Ahmed Mirza	Secretary

Underwriting Committee:

Name of Member	Category
Mr. Khawas Khan Niazi	Chairman
Mr. S. M. Qaisar Imam	Member
Mr. Aamir Hameed	Member
Mr. Tayyab Bashir	Secretary

Risk Management & Compliance Committee:

Name of Member	Category
Mr. Javaid Sadiq	Chairman
Ms. Huma Waheed	Member
Syed Rahat Ali Shah	Member
Mr. Waqar Tanveer	Secretary

Investment Committee:

Name of Member	Category
Mr. Jamil Ahmed Khan	Chairman
Mr. Agha Ali Imam	Member
Mr. Muhammed Rahat Sadiq	Member
Mr. Tajammal Iqbal	Member
Mr. Maqbool Ahmad	Secretary

Claims Settlement Committee:

Name of Member	Category
Ms. Huma Waheed	Chairperson
Mr. Tajammal Iqbal	Member
Mr. Kamran Zaman	Member
Mr. Rizwan Safdar	Secretary

Audit Committee:

Name of Member	Category
Mr. Agha Ali Imam	Chairman
Mr. Khawas Khan Niazi	Member
Syed Rahat Ali Shah	Member
Mr. Maqbool Ahmad	CFO
Mr. Abdul Mannan Munir	Internal Auditor (Secretary)

Reinsurance & Co-insurance Committee:

Name of Member	Category
Mr. Muhammed Rahat Sadiq	Chairman
Mr. Aamir Hameed	Member
Mr. Tayyab Bashir	Member
Mr. Abrar Ahmad Minhas	Secretary

KEY MANAGEMENT PERSONNEL

CONVENTIONAL BUSINESS

HEAD OF CONVENTIONAL BUSINESS

Tajammal Iqbal

CHIEF OPERATING OFFICER

Aamir Hameed

SR. EXECUTIVE DIRECTOR UNDERWRITING

S.M. Qaiser Imam

SR. EXECUTIVE DIRECTOR / GROUP COUNTRY MANAGER

Dr. Murtaza Mughal

JOINT DIRECTOR OPERATION

Tayyab Bashir

HEAD OF CORPORATE COMPLIANCE

Ali Hassan Bhatti

SR. GENERAL MANAGER RE-INSURANCE

Abrar Ahmed Minhas

CHIEF INFORMATION SECURITY OFFICER

Munir Ahmad

GENERAL MANAGER HR & R

Wakeel Ahmed Mirza

GENERAL MANAGER HEALTH/ TRAVEL

Kashif Shafique

GENERAL MANAGER ADMINISTRATION

Maj.(R) Nadeem Iqbal Naz

DEPUTY GENERAL MANAGER CLAIMS

Kamran Zaman

A.G.M UNDERWRITING

Manzoor Hussain Mirza

A.G.M REINSURANCE

Naeem Ahmed Babar

CHIEF MANAGER (WEB)

Mohammad Arshad

CHIEF MANAGER (AGRI)

Zulfiqar Ahmed

SR. MANAGER COORDINATION

Tahira Ashar

WINDOW TAKAFUL OPERATIONS

HEAD OF TAKAFUL OPERATIONS

Shakeel Ahmed

SHARIAH ADVISOR

Mufti Farhan Farooq

SHARIAH COMPLIANCE OFFICER

Saad Munir Malik

EXECUTIVE DIRECTORS (MARKETING)

Muhammad Rafique Khan

Zarar Ahmed Butt

Mian Kashif Rasheed

Ch. Aslam Feroze

Rizwan-UL-Haq

Shafaqat Ali Goraya

Hassan Nadeem

Ch. Shamas-ul-Haq

Kh. Adnan Hassan

Muhammad Mazhar Shah

Malik Khurram Mansoor

Nauman-ul-Haq

Tanveer Ahmad Bhatti

JOINT DIRECTORS (MARKETING)

Aslam Rajpoot

Mian Muhammad Rafi

Faisal Javaid

Muhammad Mohsin ullah

Chaudhary Iqbal Tahir

Zafar Mahmood

Hassan Bin Dawood

Malik Azhar Ahmad

Mujeeb-ur-Rehman Khokhar

Zahid Mukhtar Paracha

Mian Muhammad Asif

Raheel Zia

Rana Muhammad Ashraf

Shahid Hussain Chishti

Junaid Akhtar Samoo

Mumtaz Ahmad Kahlon

BANKS & LEASING COMPANIES

BANKS

State Bank of Pakistan
National Bank of Pakistan
Bank Al-Habib Limited
Soneri Bank Limited
Bank Alfalah Limited
Meezan Bank Limited
SME Bank Limited
The Bank of Khyber
Summit Bank Limited
Silk Bank Limited
Samba Bank Limited
Zarai Taraqiati Bank Limited
Sindh Bank Limited
The Bank of Punjab
First Women Bank Limited
The Punjab Provincial Cooperative Bank Limited
Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
United Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Standard Chartered Bank (Pakistan) Limited
Barclays Bank PLC, Pakistan
Habib Metropolitan Bank Limited
Karakoram Cooperative Bank Limited
JS Bank Limited
Bank Islami Pakistan Limited
Bank of Azad Jammu and Kashmir
MIB Islamic Bank Limited

LEASING COMPANIES

Orix Leasing Company Limited
Crescent Standard Modaraba

MICRO FINANCE BANKS

APNA Microfinance Bank Limited
Khushhali Microfinance Bank Limited
Pak-Oman Microfinance Bank Limited
The First Microfinance Bank Limited
Waseela Microfinance Bank Limited
U Microfinance Bank Limited
Tameer Microfinance Bank Limited
NRSP Microfinance Bank Limited
Telenor Microfinance Bank Limited
Mobilink Microfinance Bank Limited

DIRECTORS' REVIEW REPORT TO THE MEMBERS

Dear Fellow Members!

We are pleased to present the unaudited condensed interim financial statement for the nine months period ended September 30, 2020. The directors of "The United Insurance Company of Pakistan Limited" are pleased to announce the financial results for the nine months period ended September 30, 2020 along with the figures for the same period ended September 30, 2019.

Performance Overview Conventional – (Nine Months Period Ended September 30, 2020)

The company's gross premium income and net premium income for the nine months ended September 30, 2020 stands at Rs. 3,137.235 million and Rs. 1,752.442 million, respectively. Whereas during the comparative period of nine months ended September 30, 2019, gross premium income was Rs. 3,262.822 million and net premium income was Rs. 1,881.725 million. These figures reflect the commitment of our team members in tough economic environment in the country. The business of our company is sound and stable due to our concerted efforts and by the grace of God.

Underwriting results for the nine months ended September 30, 2020 are being reported as Rs. 627.969 million, whereas for the same period in the previous year 2019 it was reported as Rs. 504.518 million. This is commendable achievement of our staff and the field force due to which the underwriting results improved further.

The company's profit before tax has increased during the first nine months of 2020 by 9.97% from Rs. 622.829 million in 2019 to Rs. 684.897 million in 2020. Similarly, profit after tax being reported amounts to Rs. 514.143 million in nine months ended September 30, 2020. Whereas profit after tax for the same period in 2019 was Rs. 467.244 million.

The earnings per share (EPS) of the company which includes both basic and diluted stands at Rs. 1.74/- per share for nine months ended September 30, 2020 as compared to Rs. 1.58/- per share in 2019 reflecting a slight improvement.

Investment income has slightly decreased to Rs. 40.923 million for the first nine months ended September 30, 2020 compared to Rs. 42.818 million during first nine months ended September 30, 2019 due to investment in associate companies/Bank for long term benefit. Management and Other expenses increased slightly by 3.80% as compared to 2019.

Performance Overview Takaful Operations - (Nine Months Period Ended September 30, 2020)

The following financial data reflects the performance of Window Takaful Operations during the nine months ended September 30, 2020.

There was a slight decrease of contribution of 23.92% in the gross written contribution, compared to the nine months ended September 30, 2019. The gross written contribution for the nine months ended September 30, 2020 decreased from Rs. 887.663 million in 2019 compared to Rs. 675.311 in 2020 due to Covid19 crises.

Investments of operators fund are increased by Rs. 49.530/- million during the nine months ending September 30, 2020 and stands at Rs.146.480/-.

General and management expenses of the operator increased from Rs. 84.157 million in 2019 to Rs. 84.815 million in 2020.

State of Company's Business affairs

Directors of the Company:

Following are the names of persons who were/are Directors at any time during the financial period being reported:

- Mr. Javaid Sadiq,
- Mr. Muhammed Rahat Sadiq,
- Mr. Khawas Khan Niazi,
- Miss. Huma Waheed,
- Mr. Agha Ali Imam,
- Mr. Jamil Ahmad Khan
- Syed Rahat Ali Shah

Risks and Uncertainties Facing the Business:

Pandemic adversely affected the whole economy of our country, similarly Insurance business was also effected by covid-19. Companies were not able to underwrite motor insurance of new motor vehicles business due to closure of motor industry during covid-19. However, each industry is trying to recover from this phase and things are getting better day by day.

Finally, there will be a relatively high risk of digitalization and new technology related issues to be addressed in the post corona crises as much of the business sectors and specifically insurers will adopt the digital and financial technology

to digitalize service. Technology will be more of both an opportunity as well as risk from customers and compliance perspective. Fundamental economic and technological changes call for new types of coverage, revamped policies, and alternative distribution platforms. Yet adaptation has been slow going for the insurance industry.

Future Outlook

In 2020 Pakistan has taken significant steps towards improving the ease of doing business climate and CPEC has shifted in next gear. Various construction related activities are started which will give to rise to sales, employment opportunities and growing of businesses.

We continue to have a positive outlook on the long term growth potential of the business, however we do foresee certain headwinds in the short term owing to coronavirus crises in the form of Rupee depreciation, higher inflation which might have an impact on the future results. The management remains fully committed towards managing these challenges and delivering sustainable profitable growth capitalizing on our strong brands, management capabilities and operational excellence. The United Insurance Company of Pakistan Limited relies on innovation to grow its business. We continue to develop innovative products, efficient delivery channels, on-line retail systems and state-of-the-art contact center.

CSR and Company's Business Impact on Environment:

The vision of CSR at UIC outlines our role as a socially responsible corporate citizen that will endeavor to participate in programs that benefit the society at a large and also those who need special assistance. Our objective, which we have been positively fulfilling for decades, is to operate our business in an economically, socially, and environmentally sustainable manner, to introduce and participate in programs that benefit the community. To enhance the quality of life for those in need and to create a community goodwill is how we aim to enhance our company as a socially responsible corporate citizen.

We comply with the law, ethical standards, and international norms for implementing CSR in our business activities. Being accountable for our actions is what we embrace here at UIC.

Adequacy of Internal Control:

The management of UIC is responsible for the establishment and maintenance of the system of internal control in order to identify and manage risks faced by the company. We have designed sound system of internal controls to adequately provide reasonable reassurance that the assets are safeguarded against unauthorized disposition. A proper and reliable accounting records are available for use which is safeguarded through adequate control mechanisms. There is complete and significant internal control system is rooting up for the progress and prosperity of company so that there could not be any kind of mismanagement can happen and if there is any question raise then due to quick and efficient internal control solution will dissolve all the negative matter.

Acknowledgement

We wish to thank our valued customers for their faith in our products and services and sincerely hope that they will continue their support, care and confidence in our leadership. We also take this opportunity to thank our bankers and regulatory bodies for providing us with their valuable support throughout this period.

Due to the great and strong reassurance of our customers, banks, and clients the rating agency PACRA has maintained the rating of AA which shows and raised the professional commitment of our company therefore The United Insurance Company Of Pakistan Limited enrich with spectacular confidence and reputed commitment to meet the every desire of our stakeholders.

Finally, we wish to thank our staff whose dedication and commitment has been a source of strength for the company. For and on behalf of the Board.



Muhammed Rahat Sadiq
Chief Executive Officer

Date: October 27, 2020



Javid Sadiq
Chairman

Date: October 27, 2020

ٹیکنالوجی ایک رسک بھی ہے اور ایک نیا موقع بھی ہے۔ مالیاتی اور ٹیکنالوجی میں بنیادی تبدیلیوں نے نئی قسم کی انشورنس پالیسیوں کی ضرورت کو بڑھا دیا ہے۔ تاہم انشورنس انڈسٹری کے لئے یہ تبدیلیاں سست رفتار عمل ہے اور اس پر بتدریج عمل پیرا ہو جائے گا۔

مستقبل کا جائزہ:

2020 میں پاکستان نے کاروبار میں آسانی پیدا کرنے کے لئے بہت ضروری اقدامات کے لئے ہیں۔ سی پیک اپنے اگلے مرحلے میں داخل ہو چکا ہے جس سے پاکستان کی انشورنس انڈسٹری کے لئے بہترین مواقع پیدا ہوں گے۔ ہم بزنس کی مسلسل کامیاب ترقی کے لئے بہت پر امید ہیں تاہم کورونا وائرس کی وجہ سے روپے کی قدر میں قلیل مدتی گراؤ، بڑھتی ہوئی مہنگائی اور مجموعی معاشی سستی خطرے کا باعث ہیں۔ کمپنی کی انتظامیہ ان حالات کے دوران بھی مجموعی گروتھ کو حاصل کرنے میں کوشاں ہے۔ یونائیٹڈ انشورنس کمپنی آف پاکستان نئی پروڈاکٹس کے ذریعے گروتھ کی پالیسی پر عمل پیرا ہے جو کہ ہمارا خاصہ ہے۔ ہم نئی پروڈاکٹس کی تیاری، ن لائن فروخت کے نظام اور بہترین رابطہ نظام دینے کیلئے کوششیں جاری رکھیں گے جس میں جلد کامیابی حاصل ہوگی۔

سی۔ ایس۔ آر اور کمپنی کے کاروبار کا ماحول پر اثر:

یو۔ آئی۔ سی۔ ایس۔ آر کا اولین مقصد ایسے پروگرام مرتب کرنا ہے جس سے سوسائٹی کو مثبت فوائد حاصل ہو سکیں، خاص طور پر ایسے لوگوں کو فوائد پہنچانا ہے جو اس کے مستحق ہیں۔ ہمارا مقصد جس پر ہم پچھلے کئی عشروں سے عمل کر رہے ہیں وہ مستحق افراد کی مدد کر کے معاشرے کو مثبت فوائد پہنچانا ہے۔ مستحق افراد کے معیار زندگی کو بہتر کر کے ہم معاشرے میں ذمہ دار شہری کا بھرپور کردار ادا کر رہے ہیں۔ سی۔ ایس۔ آر کو نافذ کرنے کیلئے ہم بین الاقوامی روایات، اخلاقی اقدار اور قوانین کا بھرپور احترام کرتے ہیں

اندرونی احتسابی نظام کی مضبوطی:

IIC کی انتظامیہ کمپنی میں اندرونی احتساب کا مضبوط نظام مرتب کرنے کی ذمہ دار ہے۔ ہم نے مضبوط اندرونی احتسابی نظام بنایا ہوا ہے تاکہ اثاثہ جات کی حفاظت کو یقینی بنایا جاسکے۔ مکمل اور بااعتماد مالیاتی گوشوارے استعمال کے لیے موجود ہیں اور اندرونی کنٹرول میں باحفاظت ہیں۔

اعتراف:

ہم اپنے کسٹمرز کے شکر گزار ہیں کہ انہوں نے ہماری خدمات پر بھرپور اعتماد کا اظہار کیا ہے۔ ہم اپنے بینکرز اور ریگولیٹری اداروں کا بھی شکریہ ادا کرتے ہیں جنہوں نے ہمیں اس عرصے میں اپنا قیمتی ساتھ مہیا کیا۔ کسٹمر اور بنکس کے تعاون سے پیکرا نے ہماری ایف ایف ایس ریٹنگ AA کر دی ہے جو ہماری کمپنی کی پروفیشنل کمٹمنٹ اور کسٹمر کی ضروریات کو پورا کرنے سے حاصل ہوئی ہے۔ آخر میں ہم اپنے سٹاف کی بھی بھرپور کاوشوں کے شکر گزار ہیں جو کمپنی کے لئے بھرپور طاقت کا باعث ہے۔

بورڈ کی جانب سے



جاوید صادق

چیئرمین

مورخہ 27 اکتوبر 2020



محمد راحت صادق

کمپنی کا سربراہ

مورخہ 27 اکتوبر 2020

محترم اراکین!

ہم 2020 کے نو ماہ کی مالیاتی رپورٹ کو پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔ دی یونائیٹڈ انشورنس کمپنی آف پاکستان لمیٹڈ کے ڈائریکٹرز 2020 کے نو ماہ کی مالیاتی نتائج کا اعلان کرتے ہوئے خوشی محسوس کرتے ہیں۔

2020 کے پہلے نو ماہ میں روایتی کاروباری کارکردگی کا جائزہ:

کمپنی کا خام بیمہ اور خالص بیمہ 30 ستمبر، 2020 پر بالترتیب 3,137.235 ملین روپے اور 1,752.442 ملین روپے ریکارڈ کیا گیا ہے جبکہ 2019 کے پہلے نو ماہ میں خام بیمہ 3,262.822 ملین روپے اور خالص بیمہ 1,881.725 ملین روپے رہا تھا۔ یہ اعداد و شمار ٹیم ممبرز کی کٹمنٹ کو ظاہر کرتے ہیں۔ کمپنی کا کاروبار خدا کی مہربانی سے ترقی کر رہا ہے۔ ستمبر 30، 2020 کے ذمیمہ نویسی نتائج 627.969 ملین روپے رہے جو کہ 2019 کے اسی عرصہ میں 504.518 ملین روپے رپورٹ ہوئے تھے۔ ذمیمہ نویسی نتائج میں بہتری رہی ہے۔ یہ انتظامی اور مارکیٹنگ سٹاف کی بہتری کامیابی ہے۔ 2020 کے نو ماہ میں قبل از ٹیکس منافع 9.97 فیصد اضافہ سے 684.897 ملین روپے رہا جو کہ 2019 میں 622.829 ملین روپے تھا۔ اسی طرح بعد از ٹیکس منافع 512.143 ملین روپے رہا جو کہ 2019 میں 467.244 ملین روپے تھا۔ کمپنی کی فی حصص آمدنی 1.74 روپے ریکارڈ کی گئی جو کہ 2019 میں 1.58 روپے فی حصص تھی۔ جو کہ معمولی بہتری کے بارے میں بتاتی ہے۔

2020 کے پہلے نو ماہ میں سرمایہ کاری آمدن معمولی کمی کے ساتھ 40.923 ملین روپے ریکارڈ ہوئی جبکہ 2019 میں سرمایہ کاری آمدن 42.818 ملین روپے تھی۔ اس کی وجہ ایسوسی ایٹ کمپنی میں زیادہ سرمایہ کاری ہے جس سے مستقبل بعید کے فوائد متوقع ہیں۔

کمپنی کے انتظامی اخراجات میں 2019 کی نسبت 3.80 فیصد اضافہ دیکھنے میں آیا۔

2020 کے پہلے نو ماہ میں تکافل کاروباری کارکردگی کا جائزہ:

کمپنی کے خام عطیات میں 2019 کی نسبت 23.92 فی صد کمی واقع ہوئی۔ کمپنی کے خام عطیات 2019 میں 887.633 ملین روپے سے کم ہو کر 2020 میں 675.311 ملین روپے ریکارڈ کئے گئے۔ خام عطیات میں کمی کو ووڈ 19 کی وجہ سے ہوئی۔ تکافل آپریشنز کی مجموعی سرمایہ کاری 2020 کی پہلے نو ماہ میں 49.530 ملین روپے اضافہ سے بڑھ کر 146.480 ملین روپے رہی۔

کمپنی کے انتظامی اخراجات 2019 میں 84.157 ملین روپے سے بڑھ کر 2020 میں 84.815 ملین روپے ہو گئے ہیں۔

کمپنی کے کاروباری معاملات کا جائزہ:

کمپنی کا بورڈ آف ڈائریکٹرز درج ذیل اشخاص پر مشتمل ہے:

- ★ جناب جاوید صادق صاحب
- ★ جناب راحت صادق صاحب
- ★ جناب خواص خان نیازی صاحب
- ★ محترمہ ہما وحید صاحبہ
- ★ جناب آغا علی امام صاحب
- ★ جناب جمیل احمد خان صاحب
- ★ جناب سید راحت علی شاہ صاحب

کاروبار کو درپیش رسکی اور غیر یقینی عوامل:

کوووڈ 19 نے پورے ملک کی معاشی سرگرمیوں کو متاثر کیا ہے اس طرح انشورنس انڈسٹری بھی اس وبا کی وجہ سے متاثر ہوئی ہے۔ انشورنس کمپنیاں موٹر کے کاروبار کی ذمیمہ نویسی نہیں کر سکیں ہیں کیونکہ تمام موٹر انڈسٹری کوووڈ 19 کے دنوں میں بند پڑی رہی ہے۔ تاہم انشورنس انڈسٹری ریکوری کر رہی ہے اور حالات دن بدن بہتر ہو رہے ہیں۔ تمام کمپنیوں کو ڈیجیٹل بزنس سے متعلق رسک پر توجہ دینی ہوگی اور کورونا وائرس کے اختتام پر نئی ٹیکنالوجی کے استعمال اور ڈیجیٹل مالیاتی ٹیکنالوجی پر کام کرنا ہوگا۔ قوانین کی تعمیل اور کسٹمرز کو سروس دینے کے لحاظ سے

The United Insurance Company of Pakistan Limited

Condensed Interim Financial Information

For The Nine Months Period Ended September 30, 2020

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited
		September 30, 2020	December 31, 2020
----- Rupees -----			
ASSETS			
Property and equipment	5	1,222,431,094	1,245,611,799
Intangible assets	6	2,142,025	2,636,894
Investment property	7	5,072,831	5,270,660
Investment in subsidiary and associate	8	1,733,119,154	1,567,352,894
Investments			
Equity securities	9	34,266,760	57,369,264
Debt securities	10	473,471,492	296,004,052
Term deposits	11	360,097,872	377,887,755
Loans and other receivables	12	213,299,868	126,656,853
Total assets in window takaful operations	12 A	717,657,047	708,353,645
Insurance / Reinsurance receivables	13	1,123,320,396	881,519,739
Reinsurance recoveries against outstanding claims	24	1,715,410,815	1,413,623,096
Salvage recoveries accrued		-	-
Deferred commission expense/acquisition cost	25	174,108,038	240,000,231
Deferred taxation	14	-	-
Taxation-payment less provisions		-	-
Prepayments	15	807,878,336	994,650,033
Cash & bank	16	538,762,577	266,125,644
Total Assets		9,121,038,304	8,183,062,559
EQUITY AND LIABILITIES			
Capital and reserve attributable to Company's equity holders			
Ordinary share capital	17	2,950,000,000	2,601,016,820
Share premium		-	-
Reserves	18	59,811,254	49,898,833
Unappropriated profit		994,597,593	786,630,047
Total Equity		4,004,408,847	3,437,545,700
Surplus on revaluation of fixed assets		391,488,245	434,295,629
LIABILITIES			
Total liabilities in window takaful operations	12 A	2,082,154	1,994,399
Underwriting provisions			
Outstanding claims including IBNR	24	2,292,245,005	1,891,240,875
Unearned premium reserves	23	1,452,471,271	1,550,169,310
Premium deficiency reserves		6,130,838	37,161,886
Unearned reinsurance commission	25	112,802,505	187,662,197
Retirement benefit obligations		-	-
Deferred taxation	14	186,420,371	175,738,714
Borrowings	19	86,124,863	77,823,296
Premium received in advance		-	-
Insurance / reinsurance payables	20	209,924,373	165,321,214
Other creditors and accruals	21	121,305,741	67,739,837
Taxation - provision less payment		255,634,091	156,369,502
Total Liabilities		4,725,141,212	4,311,221,230
Total Equity And Liabilities		9,121,038,304	8,183,062,559
CONTINGENCY(I)ES AND COMMITMENT(S)	22	-	-

The annexed notes from 1 to 40 form an integral part of these condensed interim financial statements.



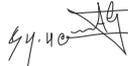
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF PROFIT & LOSS ACCOUNT

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Note	Un-Audited		Un-Audited	
		Quarter Ended		Nine Months Ended	
		September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
----- Rupees -----					
Net insurance premium	23	580,694,430	574,978,821	1,752,441,544	1,881,725,229
Net insurance claims	24	(109,898,694)	(174,896,105)	(425,239,668)	(765,277,937)
Premium deficiency		25,526,912	(7,961,171)	31,031,048	28,035,890
Net commission and other acquisition costs	25	(20,572,707)	(109,708,709)	(69,361,560)	(92,313,608)
Insurance claims and acquisition expenses		(104,944,489)	(292,565,985)	(463,570,180)	(829,555,655)
Management expenses	26	(242,807,977)	(155,663,461)	(660,902,184)	(547,651,368)
Underwriting results		232,941,964	126,749,375	627,969,180	504,518,206
Investment income	27	14,325,223	13,709,456	40,922,931	42,818,154
Rental income	28	684,000	573,000	2,052,000	1,719,000
Other income	29	5,533,868	11,883,014	21,146,546	27,346,463
Other expenses	30	(3,677,483)	(92,415,533)	(19,449,234)	(107,770,301)
		16,865,608	(66,250,064)	44,672,243	(35,886,684)
Results of operating activities		249,807,572	60,499,311	672,641,423	468,631,522
Finance cost	31	(3,658,500)	(4,492,611)	(10,765,644)	(12,992,306)
Share of profit from associate		2,597,464	6,891,105	15,766,260	25,079,384
Profit from window takaful operations		3,050,242	136,160,739	7,254,601	142,110,534
Profit before tax for the period		251,796,778	199,058,544	684,896,640	622,829,134
Income tax expense	32	(70,952,076)	(61,500,047)	(170,753,297)	(155,585,085)
Profit after tax for the period		180,844,702	137,558,497	514,143,343	467,244,049
Earnings (after tax) per share - basic and diluted (Restated)	33	0.61	0.47	1.74	1.58

The annexed notes from 1 to 40 form an integral part of these condensed interim financial statements.



Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Un-Audited		Un-Audited	
	Quarter Ended		Nine Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	----- Rupees -----			
Profit after tax	180,844,702	137,558,497	514,143,343	467,244,049
Other comprehensive income/ (loss) for the year:				
Items to be re-classified to profit and loss account in subsequent period:				
Unrealized (loss) / gain on revaluation of available for sale investments net of deferred tax	13,752,888	(2,825,753)	468,397	(11,045,302)
Realized (gain) / loss on revaluation of available for sale investments net of deferred tax	8,106,784	-	8,168,325	(2,300,561)
Realized gain / (loss) on revaluation of available for sale mutual fund net of deferred tax	(2,831)	-	(116,644)	(5,390)
Share of other comprehensive (loss)/income from takaful:	-	-	-	-
Unrealized (loss) / gain on revaluation of available for sale investments net of deferred tax	5,661,604	(2,193,364)	(5,281,686)	(11,721,846)
Realized (gain) / loss on revaluation of available for sale investments net of deferred tax	-	-	6,674,029	7,387,760
	27,518,445	(5,019,117)	9,912,421	(17,685,338)
Items not to be re-classified to profit and loss account in subsequent period:				
Incremental depreciation net of deferred tax	15,064,596	122,671	42,404,505	368,067
Incremental depreciation net of deferred tax - WTO	135,273	-	402,878	-
	15,199,869	122,671	42,807,383	368,067
Share of other comprehensive loss from associate	-	-	-	-
Total comprehensive income for the period	223,563,016	132,662,050	566,863,147	449,926,778

The annexed notes from 1 to 40 form an integral part of these condensed interim financial statements.



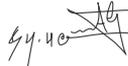
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Un-Audited September 30, 2020	Un-Audited September 30, 2019
----- Rupees -----	

OPERATING CASH FLOWS

a) Underwriting activities

Insurance premium received	2,978,933,706	3,071,325,463
Reinsurance premium paid	(1,248,301,603)	(1,287,496,500)
Claims paid	(1,150,897,011)	(1,433,229,044)
Reinsurance and other recoveries received	741,374,037	876,073,249
Commission paid	(294,785,180)	(368,181,804)
Commission received	291,315,813	251,153,118
Management expenses paid	(526,777,403)	(481,582,517)
Net cash flow from underwriting activities	790,862,359	628,061,966

b) Other operating activities

Income tax paid	(68,811,930)	(65,316,092)
General expenses paid	(19,449,234)	(107,770,301)
Other operating receipts/(payments)	(70,101,426)	175,464,995
Loan to employees and agents	(1,395,694)	(3,312,240)
Net cash flow from other operating activities	(159,758,283)	(933,639)
Total cash flow from all operating activities	631,104,076	627,128,327

INVESTMENT ACTIVITIES

Investment income received	39,468,681	23,749,128
Rental income received	2,052,000	1,719,000
Net assets in window takaful operations	(9,215,648)	(142,110,534)
Sale/(purchase) of investment & fixed deposits	(297,411,827)	(537,315,026)
Fixed capital expenditure	(103,677,271)	(21,147,598)
Proceeds from disposal of property and equipment	12,781,000	24,535,612
Net cash flow from investing activities	(356,003,066)	(650,569,419)

FINANCING ACTIVITIES

Finance lease charges paid	(10,765,645)	(12,992,307)
Increase / decrease in finance liabilities	8,301,567	(22,928,739)
Dividends paid	-	-
Net cash flow from financing activities	(2,464,078)	(35,921,046)
Net cash (outflow)/ inflow from all activities	272,636,933	(59,362,137)
Cash and cash equivalents at the beginning of the period	266,125,644	542,588,730

Cash and cash equivalents at the end of the period	538,762,577	483,226,593
---	--------------------	--------------------

CONDENSED INTERIM CASH FLOW STATEMENT

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Un-Audited September 30, 2020	Un-Audited September 30, 2019
	----- Rupees -----	
Reconciliation of Profit and Loss Account		
Operating cash flows	631,104,076	627,128,326
Depreciation / amortization	(113,462,355)	(65,636,324)
Lease finance charges	(10,765,644)	(20,462,324)
Profit on disposal of property and equipment	(1,307,315)	15,425,692
Dividend income	564,168	589,019
Gain & other investment income	40,358,763	42,229,135
Share of profit from associate	15,766,260	25,079,384
Income from window takaful operations	7,254,601	142,110,534
Increase / (decrease) in assets other than cash	358,550,771	291,904,234
(Increase) / decrease in liabilities other than borrowings	(413,919,981)	(591,123,626)
Profit after Taxation for the period	514,143,343	467,244,049

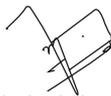
The annexed notes from 1 to 40 form an integral part of these condensed interim financial statements.



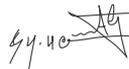
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Attributable to Equity Holders of the Company						Total
	Share capital	Capital reserve	Reserve for issue of bonus shares	General reserve	Available for sale reserve	Unappropriated profit	
	----- Rupees -----						
Balance as at January 01, 2019	2,261,753,760	-	-	75,115,917	(16,911,458)	723,538,082	3,043,496,301
Transfer to reserve for issue of final bonus shares	-	-	339,263,060	-	-	(339,263,060)	-
Bonus shares reserve capitalized	339,263,060	-	(339,263,060)	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-	-
Cash Dividend paid relating to 2018	-	-	-	-	-	-	-
Total comprehensive income for the period							
Profit after tax for the nine months period ended September 30, 2019	-	-	-	-	-	467,244,049	467,244,049
Other comprehensive income	-	-	-	-	(17,685,338)	368,067	(17,317,271)
	-	-	-	-	(17,685,338)	467,612,116	449,926,778
Balance as at September 30, 2019 (Un-audited)	2,601,016,820	-	-	75,115,917	(34,596,796)	851,887,138	3,493,423,079
Balance as at January 01, 2020 (Audited)	2,601,016,820	-	-	75,115,917	(25,217,084)	786,630,047	3,437,545,700
Transfer to reserve for issue of final bonus shares	-	-	348,983,180	-	-	(348,983,180)	-
Bonus share reserve capitalized	348,983,180	-	(348,983,180)	-	-	-	-
Cash Dividend paid relating to 2019	-	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-	-
Total comprehensive income for the period							
Profit after tax for the nine months period ended September 30, 2020	-	-	-	-	-	514,143,343	514,143,343
Other comprehensive income	-	-	-	-	9,912,421	42,807,383	52,719,804
	-	-	-	-	9,912,421	556,950,726	566,863,147
Balance as at September 30, 2020 (Un-audited)	2,950,000,000	-	-	75,115,917	(15,304,663)	994,597,593	4,004,408,847

The annexed notes from 1 to 40 form an integral part of these condensed interim financial statements.



Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

1 LEGAL STATUS AND NATURE OF BUSINESS

The United Insurance Company of Pakistan Limited (hereinafter called "the company") was incorporated on October 20, 1959, as a Public Limited Company under the Defunct Companies Act, 1913, now the Companies Act, 2017, and its shares are quoted on Pakistan Stock Exchange Limited. The Registered Office of the company is situated at 204, 2nd floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi, in the province of Sindh, and its Head Office is located in Lahore, in the province of Punjab. The principal activity of the company is General Insurance Business and it qualifies as a domestic insurance company under Insurance Ordinance, 2000 and undertakes Fire, Marine, Motor, Crop and Miscellaneous General insurance. The company has been allowed to work as Window Takaful Operator on August 18, 2014 by Securities and Exchange Commission of Pakistan under Takaful Rules, 2012 to carry on Islamic General Takaful in Pakistan. It has not transacted any insurance business outside Pakistan.

For the purpose of carrying on the takaful business, the company has formed a Waqf/Participants' Takaful Fund (PTF) on June 09, 2014 under a trust deed. The trust deed governs the relationship of shareholders and policy holders for management of takaful operations.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and the requirements of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, Takaful Accounting Regulations, 2019 and the Takaful Rules, 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 and the directives issued by SECP. Wherever the requirements of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, Takaful Accounting Regulations, 2019 and the Takaful Rules 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of the standard, the requirements of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, Takaful Accounting Regulations, 2019 and the Takaful Rules 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 and the requirements of the said directives take precedence.

These condensed interim financial statements does not include all the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2019.

2.1 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except that certain financial instruments are carried at fair value, freehold land and building is stated at revalued amount and staff retirement benefits are stated at present value.

2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani rupees which is the Company's functional currency and presentation currency. All financial information presented in Pakistani rupees are rounded off to nearest rupees unless otherwise stated.

2.3 Standards, interpretations, and amendments effective in 2020

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretation:

**NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Standards, Amendments and Interpretations		IASB effective date (Annual periods beginning on or after)
IAS-1	First - Adoption of International Financial Reporting Standards	01 January, 2020
IFRS-9	Financial Instrument – Pre-replacement issues in the context of the IBOR reform (Amendment)	01 January, 2020
IFRS-9	Financial Instruments – Annual Improvements to IFRS Standards 2018–2020 (Amended)	01 January, 2020
IFRS-16	Leases – Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.	01 January, 2020
IFRS 7	Financial Instrument (Disclosure) – Pre-replacement issues in the context of the IBOR reform (Amendment)	01 January, 2020
IFRS-3	Business Combination – Amendments to clarify the definition of a business	01 January, 2020
IFRS-3	Business Combination – Amendments to clarify reference to the Conceptual Framework	01 January, 2020
IAS-8	Accounting policies, Change in Accounting Estimates and Error amendments.	01 January, 2020
IFRS-3	Business Combinations – Amendments	01 January, 2020

2.4 Standards, interpretations, and amendments not effective at year end

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

IFRS -1	First-time Adoption of International Financial Reporting Standards – Annual Improvements to IFRS Standards 2018–2020).	01 January, 2022
IFRS-4	Insurance Contracts – Extension of the Temporary Exemption from Applying IFRS 9 (Amended)	01 January, 2023
IAS 16	Property, Plant and Equipment – Prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. (Amendments).	01 January, 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets – costs to include when assessing whether a contract is onerous (Amendments)	01 January, 2022
IFRS-17	Insurance Contracts	01 January, 2023

The Company expects that the adoption of the above standards will have no material effect on the Company's condensed interim financial statements.

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial statements as at September 30, 2020 are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2019.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements at and for the year ended December 31, 2019.

	Note	Un-Audited	Audited
		September 30, 2020	December 31, 2019
----- Rupees -----			
5 PROPERTY AND EQUIPMENT			
Operating assets at net book value - Owned	5.1	1,109,094,853	1,107,761,799
Operating assets at net book value - Right-of-use assets	5.2	113,336,241	137,850,000
		1,222,431,094	1,245,611,799
5.1 Opening net book value			
		1,107,761,799	706,678,243
Add: Additions made during the period at cost		65,456,271	34,435,554
Add: Revaluation surplus made during the period at cost		-	439,178,644
Add: Transfers made during the period at cost		68,523,280	17,000,000
Add: Accumulated depreciation reversed on disposals made during the period		20,821,771	32,492,293
Less: Disposals made during the period at cost		(34,910,086)	(41,759,903)
Less: Accumulated depreciation reversed on matured assets made during the period		(22,923,387)	(10,111,110)
Less: Depreciation for the period		(95,634,795)	(70,151,922)
		1,333,053	401,083,556
Closing net book value		1,109,094,853	1,107,761,799
5.2 Opening net book value			
		137,850,000	67,963,077
Add: Additions made during the period at cost		38,221,000	74,544,575
Add: Revaluation surplus made during the period at cost		-	23,249,565
Less: Transfers made during the period at cost		(68,523,280)	(17,000,000)
Add: Accumulated depreciation reversed on matured assets made during the period		22,923,387	10,111,110
Less: Depreciation for the period		(17,134,862)	(21,018,327)
		(24,513,755)	69,886,923
Closing net book value		113,336,241	137,850,000

**NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited
		September 30, 2020	December 31, 2019
----- Rupees -----			
6 INTANGIBLE ASSETS			
Opening net book value		2,636,894	3,515,859
Add: Additions made during the period at cost		-	-
Less: Amortization for the period		(494,869)	878,965
		(494,869)	(878,965)
Net book value		2,142,025	2,636,894
7 INVESTMENT PROPERTY			
Opening net book value		5,270,660	2,447,702
Add: Additions made during the period at cost		-	3,000,000
Less: Depreciation for the period		(197,829)	177,042
		(197,829)	2,822,958
Net book value		5,072,831	5,270,660
8 INVESTMENT IN SUBSIDIARY AND ASSOCIATE			
Investment in associate	8.1	707,949,938	692,183,678
Share deposit money		763,015,264	613,015,264
Advance for purchase of shares	8.2	262,153,952	262,153,952
		1,733,119,154	1,567,352,894

8.1 Particulars of investment in associate

	September 30, 2020	December 31, 2019	Face value per share		
	Number of shares		(Rupees)		
	153,073,308	153,073,308	10	8.1.1	707,949,938
					692,183,678

- 8.1.1** Market value of investment and percentage of holding in associate are Rs.3,748,765,313/- and 44.50% respectively (2019: Rs.3,721,212,117/- and 44.50%). 153,073,310/- (2019: 153,073,310/-) number of shares in associate are freezed with CDC under the provision of section 10 (2) of Micro finance Institutions Ordinance, 2001.

**NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Note	Un-Audited	Audited
	September 30, 2020	December 31, 2019

----- Rupees -----

8.1.2 Movement of investment in associate

Beginning of the year	692,183,678	421,189,277
Add: Purchased during the year	-	247,175,750
	692,183,678	668,365,027
Share of profit of associate	15,766,260	23,818,651
Share of other comprehensive income of associate	-	-
Closing balance	707,949,938	692,183,678

8.1.3 Summarised financial information extracted from the financial statements of the associate as at September 30, 2020 and 2019 is given below:

Total assets	25,722,479,162	18,780,054,487
Total liabilities	(23,664,252,100)	(17,131,498,683)
Net assets	2,058,227,062	1,628,503,619
Company's share of net asset of associate	915,911,043	724,684,110
Total revenue	2,513,186,396	2,118,509,215
Company's share of total revenue	1,118,367,946	942,736,601
Profit / (loss) after taxation	35,429,797	56,358,166

8.2 These advances have been given for the purchase of shares of M/s. Apna Microfinance Bank Limited to the other sponsors / shareholders of M/s. Apna Microfinance Bank Limited.

9 EQUITY SECURITIES

Available for sale		34,266,760	57,369,264
Listed shares	9.1	40,644,850	72,740,304
Less: unrealized loss on revaluation of investment		(6,378,090)	(18,382,847)
Carrying value		34,266,760	54,357,457
Mutual Funds		-	2,847,519
Add: unrealized gain on revaluation of investment		-	164,288
Carrying value		-	3,011,807
Carrying value		34,266,760	57,369,264

9.1 Cost of ordinary shares of quoted companies as at September 30, 2020 is Rs. 40,644,850/- (2019: Rs. 72,740,304/-)

10 DEBT SECURITIES

Pakistan Investment Bonds - Held to maturity	10.1	312,316,330	296,004,052
Treasury Bills		161,155,162	-
		473,471,492	296,004,052

**NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited
		September 30, 2020	December 31, 2019
----- Rupees -----			
10.1		The Pakistan Investment Bonds amounting to Rs. 298,600,000/- (2019: Rs. 283,700,000/-) are placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of clause (a) of the sub-section 2 of section 29 of the Insurance Ordinance, 2000.	

11 TERM DEPOSITS

The term deposits comprise of the following:			
		360,097,872	377,887,755
Deposits maturing within 12 months			
Deposits maturing after 12 months		-	-
		360,097,872	377,887,755

12 LOANS AND OTHER RECEIVABLES - Considered good

Receivable from related parties	12.1	59,462,529	20,176,103
Rent receivable		1,144,500	1,053,500
Accrued investment income		23,815,407	22,361,157
Lease security deposits		10,968,550	5,235,400
Other security deposits		31,988,629	40,895,348
Loans to employees		16,293,118	14,897,424
Branch balance receivable		3,532,453	8,697,793
Other receivable		66,094,682	13,340,128
Less: provision for impairment of loans and receivables		-	-
		213,299,868	126,656,853

12.1 This represents amount due from M/s United Track System (Pvt) Ltd. an associated undertaking. (2019: Rs. 20,176,103/-).

12A Investment in window takaful operations (WTO)

Total assets in operator's fund		717,657,047	708,353,645
Total liabilities in operator's fund		(2,082,154)	(1,994,399)
Net assets in window takaful operations (WTO)	12A.1	715,574,894	706,359,246

12A.1 Movement of Investment in Window Takaful Operations (WTO)

Balance at beginning of the year		706,359,246	576,098,500
Share of profit from window takaful operations (WTO)		7,254,601	125,476,048
Share of other comprehensive income / (loss) from window takaful operations (WTO)		1,961,047	4,784,698
		715,574,894	706,359,246

**NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited
		September 30, 2020	December 31, 2019
		----- Rupees -----	
13	INSURANCE / REINSURANCE RECEIVABLES		
	- Unsecured and considered good		
	Due from insurance contract holders	727,420,317	569,119,377
	Less : Provision for impairment of receivables from insurance contract holders	-	-
	Due from other insurers / reinsurers	395,900,079	312,400,362
	Less : Provision for impairment of due from other insurers / reinsurers	-	-
		1,123,320,396	881,519,739
14	DEFERRED TAXATION		
	Deferred tax liability	186,420,371	175,738,714
15	PREPAYMENTS		
	Prepaid reinsurance premium ceded	23 800,124,659	989,711,038
	Prepaid rent	7,753,677	4,938,995
	Prepaid miscellaneous expenses	-	-
		807,878,336	994,650,033
16	CASH & BANK		
	Cash and cash equivalents		
	- Cash in hand	135,779	233,755
	Policy & revenue stamps, bond papers	-	-
	Cash at bank		
	- Current accounts	318,700,620	166,480,752
	- Saving accounts	219,926,178	99,411,137
		538,626,798	265,891,889
		538,762,577	266,125,644

NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS
 For The Nine Months Period Ended September 30, 2020 (Un-Audited)

17 SHARE CAPITAL

17.1 Authorized share capital

September 30, 2020	December 31, 2019	Note	Un-Audited	Audited
			September 30, 2020	December 31, 2019
(Number of shares)			----- Rupees -----	
300,000,000	300,000,000	Ordinary shares of Rs. 10/- each	3,000,000,000	3,000,000,000

17.2 Issued, subscribed and paid-up share capital

10,963,475	10,963,475	Ordinary shares of Rs. 10/- each fully paid in cash	109,634,750	109,634,750
284,036,525	249,138,207	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	2,840,365,250	2,491,382,070
295,000,000	260,101,682		2,950,000,000	2,601,016,820

Reconciliation of issued, subscribed and paid up share capital

260,101,682	226,175,376	At the beginning of the period	2,601,016,820	2,261,753,760
34,898,318	33,926,306	Bonus shares issued during the period	348,983,180	339,263,060
295,000,000	260,101,682		2,950,000,000	2,601,016,820

18 RESERVES

General reserves		75,115,917	75,115,917
Available for sale reserve		(15,304,663)	(25,217,084)
		59,811,254	49,898,833

19 BORROWINGS

Liabilities against assets subject to finance lease	19.1	86,124,863	77,823,296
--	------	-------------------	-------------------

19.1 Opening Balance

Add: Disbursement during the period		14,607,172	83,249,172
Less: Repaid during the period		(6,305,605)	(57,624,751)
		8,301,567	25,624,421
Closing Balance		86,124,863	77,823,296

20 INSURANCE / REINSURANCE PAYABLES

Due to insurance contract holders		-	-
Due to other insurers / reinsurers		209,924,373	165,321,214
		209,924,373	165,321,214

**NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited
		September 30, 2020	December 31, 2019
----- Rupees -----			
21	OTHER CREDITORS AND ACCRUALS		
	Federal excise duty/sales tax	17,575,573	16,800,000
	Federal insurance fee	7,596,438	2,875,321
	Accrued expenses	2,650,216	4,987,011
	Other tax payables	61,006,551	19,149,353
	Unpaid and unclaimed dividend	1,501,813	1,501,813
	Provident fund contribution	2,935,354	1,320,409
	Auditors' remuneration	-	3,075,000
	Others	28,039,796	18,030,930
		121,305,741	67,739,837
22	CONTINGENCY(IES) AND COMMITMENT(S)		
22.1	Contingencies		
	There is no change in the status of contingent liabilities since the end of last annual reporting period December 31, 2019.		
22.2	Commitments in respect of operating ljarah		
	There are following commitments on balance sheet date		
	For future ljarah rentals payable	22.2.1	12,351,976
			20,266,546
22.2.1	Commitments for rentals under ljarah contracts in respect of vehicles are as follows:		
	Not later than one year	8,224,548	8,389,625
	Later than one year and not later than five years	4,127,428	11,876,921
	Later than five years	-	-
		12,351,976	20,266,546

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Note	Un-Audited		Un-Audited	
	Quarter Ended		Nine Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	----- Rupees -----		----- Rupees -----	
23	NET INSURANCE PREMIUM			
Written Gross Premium	1,178,446,727	1,433,303,592	3,137,234,646	3,262,821,900
Add: Unearned premium reserve - Opening	1,320,589,278	1,215,427,959	1,550,169,310	1,535,651,678
Less: Unearned premium reserve - Closing	1,452,471,271	1,593,155,516	1,452,471,271	1,593,155,516
Premium earned	1,046,564,734	1,055,576,035	3,234,932,685	3,205,318,062
Less: Reinsurance premium ceded	314,484,917	571,588,789	1,292,904,762	1,461,560,040
Add: Prepaid reinsurance premium - Opening	951,510,045	729,559,729	989,711,038	682,584,097
Less: Prepaid reinsurance premium - Closing	800,124,658	820,551,304	800,124,659	820,551,304
Reinsurance expense	465,870,304	480,597,214	1,482,491,141	1,323,592,833
	580,694,430	574,978,821	1,752,441,544	1,881,725,229

24 NET INSURANCE CLAIMS EXPENSE

Claims Paid	213,260,637	583,933,862	1,150,897,011	1,433,229,044
Add: Outstanding claims including IBNR - Closing	24.1 2,292,245,005	1,912,584,122	2,292,245,005	1,912,584,122
Less: Outstanding claims including IBNR - Opening	1,692,613,509	1,836,866,056	1,891,240,875	1,719,012,008
Claims expense	812,892,133	659,651,928	1,551,901,141	1,626,801,158
Reinsurance and other recoveries received	150,083,828	334,583,123	824,873,754	801,417,216
Add: Reinsurance and other recoveries in respect of outstanding claims - Closing	1,715,410,815	1,439,373,945	1,715,410,815	1,439,373,945
Less: Reinsurance and other recoveries in respect of outstanding claims - Opening	1,162,501,204	1,289,201,245	1,413,623,096	1,379,267,940
Reinsurance and other recoveries revenue	702,993,439	484,755,823	1,126,661,473	861,523,221
	109,898,694	174,896,105	425,239,668	765,277,937

24.1 The aforesaid includes outstanding claims of Rs. 439,803,954/- (2019: 434,806,235/-) which are payable to a related party.

**NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Note	Un-Audited		Un-Audited		
	Quarter ended		Nine Months Ended		
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	
	----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----	
25	NET COMMISSION AND OTHER ACQUISITION COSTS				
	Commission paid or payable	79,695,678	145,073,414	294,785,180	368,181,804
	Add: Deferred commission expense - Opening	221,575,221	191,741,949	240,000,231	174,654,726
	Less: Deferred commission expense - Closing	174,108,039	199,369,804	174,108,038	199,369,804
	Net Commission	127,162,860	137,445,559	360,677,373	343,466,726
	Commission received or recoverable	50,281,920	113,332,249	216,456,121	283,146,830
	Add: Unearned re-insurance commission -Opening	169,110,738	75,242,910	187,662,197	128,844,597
	Less: Unearned re-insurance commission -Closing	112,802,505	160,838,309	112,802,505	160,838,309
	Commission from reinsurers	106,590,153	27,736,850	291,315,813	251,153,118
		20,572,707	109,708,709	69,361,560	92,313,608
26	MANAGEMENT EXPENSES	242,807,977	155,663,461	660,902,184	547,651,368
27	INVESTMENT INCOME				
	Income from non-trading investments				
	Available for sale	3,051,690	172,500	4,389,586	6,912,737
	Held to maturity	11,614,437	13,546,288	36,960,400	36,084,573
		14,666,127	13,718,788	41,349,986	42,997,310
	(Provision) / Reversal for impairment in value of investment	-	-	-	-
	Investment related expenses	(340,904)	(9,332)	(427,055)	(179,155)
	Net Investment Income	14,325,223	13,709,456	40,922,931	42,818,155
28	RENTAL INCOME	684,000	573,000	2,052,000	1,719,000
29	OTHER INCOME	5,533,868	11,883,014	21,146,546	27,346,463
30	OTHER EXPENSES	3,677,483	92,415,533	19,449,234	107,770,301
31	FINANCE COST				
	Mark-up on finance lease	3,658,500	4,492,611	10,765,644	12,992,306

NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS
 For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Un-Audited		Un-Audited	
	Quarter ended		Nine Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	----- Rupees -----		----- Rupees -----	
32 TAXATION				
For the period				
-Current	52,052,145	65,519,788	164,074,079	146,364,846
-Prior period's	-	-	-	5,102,386
-Deferred	18,899,931	(4,019,742)	6,679,218	4,117,852
	70,952,076	61,500,047	170,753,297	155,585,085

33 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares at the period end as follows:

Basic earnings per share

Profit after tax for the period	180,844,702	137,558,497	514,143,343	467,244,049
	Number of shares		Number of shares	
Weighted average number of shares of Rs. 10/- each (Restated)	295,000,000	295,000,000	295,000,000	295,000,000
Earnings per share of Rs. 10/- each- basic and diluted (Restated)	0.61	0.47	1.74	1.58

No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

34 COMPENSATION OF DIRECTORS & EXECUTIVES

Remuneration of Chief executive & Directors during the period	3,203,300	7,411,900	9,611,100	22,196,500
Remuneration of key management personnel during the period	52,552,470	28,365,768	126,852,516	100,027,164

NOTES TO AND FORMING PART OF THESE
CONDENSED INTERIM FINANCIAL STATEMENTS
 For The Nine Months Period Ended September 30, 2020 (Un-Audited)

35 RELATED PARTY TRANSACTIONS

Related parties comprise of chief executive officer, directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions and compensation to key management personnel is on employment terms. The transactions and balances with related parties other than those which have been specifically disclosed elsewhere in these condensed interim financial statements are as follows:

Nature of relationship	Nature of transaction	As at	
		Un-Audited September 30, 2020	Audited December 31, 2019
		----- Rupees -----	
Balances at period end:			
Associated undertakings	(Payable) / receivable at period end	59,462,529	22,607,376
	Investment through equity shares at period end	707,949,938	692,183,678
	Investment through fixed deposits at period end	-	-
	Share deposit money at period end	763,015,264	613,015,264
	Bank deposits at period end	13,096,081	4,511,200
	Claims lodged /payable	439,803,954	434,806,235
Associated persons	Advance for purchase of shares at period end	262,153,952	262,153,952
Key management personnel	Loan to key management personnel period end	16,670,540	14,831,024
Employees' Provident Fund	(Payable to) defined benefit plan period end	2,935,354	1,320,409

Transactions during the period:	Un-Audited Quarter ended		Un-Audited Nine Months Ended		
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	
		----- Rupees -----		----- Rupees -----	
Associated undertakings					
Motor tracking devices purchased during the period	3,927,000	1,368,500	6,774,500	6,698,000	
Motor tracking device charges paid during the period	6,729,030	14,843,960	20,151,740	35,308,415	
Device monitoring charges paid during the period	4,384,000	5,461,000	9,521,000	13,415,000	
Rental income received during the period	430,250	337,500	1,289,250	1,012,500	
Health service charges during the period	1,828,410	-	4,322,160	-	
Interest received on bank deposits during the period	74,310	254,135	222,781	938,731	
Cash deposited in bank deposits during the period	174,871,377	150,298,045	403,942,451	864,120,983	
Cash withdrawals in bank deposits during the period	166,153,337	181,511,013	395,357,571	849,287,285	
Share Deposit money paid during the period	-	-	150,000,000	255,024,369	
Associated persons					
Advance for purchase of shares paid during the period	-	-	-	-	
Key management personnel					
Remuneration of key management personnel during the period	55,755,770	35,777,668	136,463,616	122,223,664	
Employees' Provident Fund					
Employer contribution made during the period	5,229,544	5,411,044	15,333,466	18,506,515	

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

36. SEGMENT INFORMATION

The Company has five primary business segments for reporting purposes namely Fire, Marine, Motor, Crop and Miscellaneous. Assets and liabilities, wherever possible, have been assigned to the following segments based on identification or allocation on the basis of gross premium written by the respective segment. Assets and liabilities of window takatuf operations have been disclosed separately as the requirement of Circular No. 25 of 2015 issued dated July 09, 2015.

	September 2020 (Un-audited)					September 2019						
	FIRE		MARINE		MOTOR		CROP		MISCELLANEOUS		TOTAL	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	
	Rupees -											
	Nine months period ended											
Gross premium	530,421,979	441,445,691	213,055,926	261,442,915	471,724,149	470,778,671	786,112,055	810,217,989	1,135,720,537	1,278,916,834	3,137,234,446	3,262,821,900
Premium earned	583,614,744	616,000,591	229,799,390	226,214,923	400,761,794	509,896,991	787,192,354	573,959,723	1,253,564,383	1,279,245,834	3,254,932,685	3,205,318,062
Premium ceded expense	305,861,167	236,377,503	78,927,904	76,854,736	262,881,274	328,307,751	250,280,280	363,379,360	584,540,516	320,473,462	1,482,447,141	1,325,392,832
Net premium	277,753,577	381,623,088	150,871,486	149,360,187	137,880,520	181,389,240	536,912,074	210,580,363	669,023,867	958,772,352	1,752,444,544	1,881,725,230
Commission income	23,348,395	20,747,402	10,688,962	8,743,626	61,612,291	72,048,430	55,302,738	79,397,035	140,363,427	70,217,623	291,315,813	251,153,116
Net underwriting income	281,101,992	402,370,490	161,560,448	158,103,813	199,492,811	253,437,670	289,977,398	809,387,294	1,028,988,975	2,043,757,357	2,132,878,346	2,132,878,346
Claims expense	789,792,065	381,118,011	38,064,178	52,844,552	73,294,896	320,230,430	223,682,719	283,778,767	427,067,283	588,829,398	1,551,901,141	1,624,801,188
Reinsurance and other recoveries/revenue	675,608,856	279,469,019	25,650,737	27,153,601	15,555,208	140,590,826	132,769,245	202,003,275	277,077,427	212,306,500	1,126,661,473	861,523,221
Net claims	114,183,209	101,648,992	12,413,441	25,690,951	57,739,688	179,639,604	90,913,474	81,775,492	149,989,856	376,522,898	425,239,668	765,277,937
Commission expense	72,560,723	73,727,119	14,831,792	16,366,214	51,407,987	43,604,122	85,864,174	79,410,768	136,012,697	130,358,503	360,677,373	343,466,726
Management expenses	86,969,879	101,633,891	57,383,787	27,062,105	89,658,450	80,555,086	181,162,082	87,714,611	245,727,786	250,685,676	660,902,184	547,651,369
Premium deficiency expense	-	(7,961,171)	(6,130,838)	-	28,763,823	-	8,398,084	27,598,977	-	8,398,084	31,031,048	28,035,890
Net claims & expenses	273,713,811	284,971,173	90,759,858	69,119,270	170,042,523	303,798,812	349,541,446	221,301,894	531,730,339	749,168,993	1,415,788,172	1,628,360,142
Underwriting results	7,388,181	117,399,317	70,800,590	88,984,543	29,450,288	(50,361,142)	242,673,166	68,675,504	277,656,955	279,819,982	627,969,180	504,518,205
Investment income	-	-	-	-	-	-	-	-	-	-	49,922,931	49,922,931
Rental income	-	-	-	-	-	-	-	-	-	-	2,052,000	2,052,000
Other income	-	-	-	-	-	-	-	-	-	-	21,146,546	21,146,546
Other expenses	-	-	-	-	-	-	-	-	-	-	(19,449,234)	(19,449,234)
Finance costs	-	-	-	-	-	-	-	-	-	-	(10,785,644)	(10,785,644)
Share of profit from associate	-	-	-	-	-	-	-	-	-	-	15,766,260	25,079,384
Profit from window takatuf operations	-	-	-	-	-	-	-	-	-	-	7,254,601	142,110,534
Profit before tax for the period	7,388,181	117,399,317	70,800,590	88,984,543	29,450,288	(50,361,142)	242,673,166	68,675,504	277,656,955	279,819,982	684,896,640	622,893,134

	September 2020 (Un-audited)					September 2019						
	FIRE		MARINE		MOTOR		CROP		MISCELLANEOUS		TOTAL	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	
	Rupees -											
Segment assets - Conventional	1,413,743,073	879,179,887	126,338,312	89,953,641	373,392,914	513,386,903	597,495,602	308,763,240	1,301,994,006	1,681,242,400	3,812,963,908	3,472,516,071
Segment assets - Operator	142,126,981	129,677,172	80,105,323	73,175,678	126,926,833	204,570,775	-	23,203,128	154,046,669	-	372,362,265	561,470,294
Unallocated assets - Conventional	-	-	-	-	-	-	-	-	-	-	4,590,417,350	4,002,192,843
Unallocated assets - Operator	-	-	-	-	-	-	-	-	-	-	345,294,783	144,883,351
Consolidated total assets	1,555,870,054	1,008,857,059	206,443,635	163,129,319	500,319,747	717,957,678	597,495,602	331,966,368	1,456,038,012	1,681,242,400	9,121,038,304	8,183,062,559
Segment liabilities - Conventional	1,468,774,794	936,210,502	93,917,689	86,112,994	401,235,983	397,597,669	606,501,427	439,920,094	1,497,013,462	1,934,552,337	4,067,443,154	3,794,393,595
Segment liabilities - Operator	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated liabilities - Conventional	-	-	-	-	-	-	-	-	-	-	655,615,904	514,833,236
Unallocated liabilities - Operator	-	-	-	-	-	-	-	-	-	-	2,082,154	1,994,399
Consolidated total liabilities	1,468,774,794	936,210,502	93,917,689	86,112,994	401,235,983	397,597,669	606,501,427	439,920,094	1,497,013,462	1,934,552,337	4,725,141,212	4,311,221,230

36.1 Segment assets and liabilities

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

37 Impact of Covid-19

"During the year, the World Health Organization declared the Novel strain of Corona virus (Covid-19) a global pandemic and recommended containment and mitigation measures worldwide. The Federal and Provincial governments of Pakistan also took various measures, including imposition of lockdown, from the end of March 2020 to contain the spread of COVID-19. Consequently, imposition of lock down by the Federal and Provincial Governments of Pakistan caused an overall economic slowdown and disruption to various businesses. Going forward, the management is taking all the required actions and will continue to monitor the potential impact and take all the necessary steps possible to mitigate any impact. Although the management of the Company has been regularly conducting in depth analysis and has assessed the COVID impact, yet the Company has been affected from COVID-19 in the form reduction in insurance premium amounts, refunds of premiums as well as increase in claims.

Company's management has assessed the possible accounting implications arising from Covid-19 for these condensed interim financial statements, including but not limited to impairment of financial and non- financial assets, and concluded that there has been no material accounting impact of Covid-19 on these condensed interim financial statements. From the very outset of Covid-19, the management has adopted various policies and practices to minimise adverse impact of Covid-19 on the business and is continuously monitoring the situation in order to proactively address any challenges which may arise from Covid-19

38 CORRESPONDING FIGURES

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

39 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on October 27, 2020 by the Board of Directors of the Company.

40 GENERAL

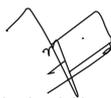
The figures in the condensed interim financial statements have been rounded off to the nearest rupees.



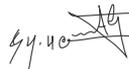
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

**United
Window Takaful
Operations**

United Window Takaful Operations

Condensed Interim Financial Information

For The Nine Months Period Ended September 30, 2020

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited	Un-Audited	Audited
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		OPF		PTF	
----- Rupees -----					
ASSETS					
Property and equipment	5	23,504,448	26,353,040	18,897,628	24,499,629
Intangible assets		-	-	-	-
Investment property		-	-	-	-
Investment in subsidiary and associate		-	-	-	-
Investments					
Equity securities	6	19,340,227	32,949,806	37,155,888	66,198,121
Debt securities	7	61,140,000	-	41,723,800	21,137,973
Term deposits	8	66,000,000	64,000,000	-	-
Loans and other receivables	9	449,339,416	466,714,382	86,937,721	27,530,552
Takaful / Re-takaful receivables	10	-	-	238,625,866	383,814,502
Salvage recoveries accrued		-	-	-	-
Deferred taxation		-	-	-	-
Accrued investment income		-	-	-	-
Taxation - payment less provision		-	-	-	-
Retakaful recoveries against outstanding claims		-	-	131,246,053	132,447,203
Deferred commission expense		77,807,064	103,585,065	-	-
Prepayments	11	-	-	171,146,078	263,204,768
Cash & Bank	12	20,525,892	14,751,352	3,234,964	18,955,176
TOTAL ASSETS		717,657,047	708,353,645	728,967,998	937,787,924

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



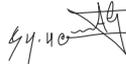
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited	Un-Audited	Audited
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		OPF		PTF	
----- Rupees -----					
EQUITY AND LIABILITIES					
Operator's Fund (OPF)					
Statutory fund	13	50,000,000	50,000,000	-	-
Accumulated profit		669,801,878	661,979,844	-	-
Available for sale reserve		(7,438,994)	(9,400,041)	-	-
Total Shareholders Equity		712,362,884	702,579,803	-	-
Surplus on revaluation of fixed assets		3,212,009	3,779,443	-	-
WAQF/ PARTICIPANTS' TAKAFUL FUND (PTF)					
Ceded money	14	-	-	500,000	500,000
Accumulated surplus/(deficit)		-	-	39,960,668	(32,320,740)
Available for sale reserve		-	-	(17,891,169)	(30,713,913)
Total Participants' Takaful Fund		-	-	22,569,499	(62,534,653)
Qard-e-Hasna		-	-	-	-
LIABILITIES					
PTF Underwriting provisions					
Outstanding claims including IBNR		-	-	180,631,363	183,386,885
Unearned contribution reserves		-	-	159,366,454	249,852,862
Contribution deficiency reserve		-	-	7,924,944	7,924,944
Reserve for unearned retakaful rebate		-	-	33,962,134	54,966,764
		-	-	381,884,895	496,131,456
Retirement benefit obligations		-	-	-	-
Deferred taxation		-	-	-	-
Borrowings		-	-	-	-
Contribution received in advance		-	-	-	-
Takaful / Re-takaful payables	15	-	-	15,875,860	39,519,648
Other creditors and accruals	16	2,082,154	1,994,399	308,637,744	464,671,474
Taxation - provision less payment		-	-	-	-
Accrued expenses		-	-	-	-
Income tax liabilities		-	-	-	-
		2,082,154	1,994,399	324,513,604	504,191,121
TOTAL LIABILITIES		2,082,154	1,994,399	706,398,499	1,000,322,577
TOTAL EQUITY AND LIABILITIES		717,657,047	708,353,645	728,967,998	937,787,924
CONTINGENCY(IES) & COMMITMENT(S)	17	-	-	-	-

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



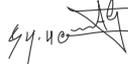
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF PROFIT & LOSS ACCOUNT

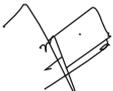
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

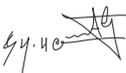
Note	Un-Audited Quarter ended		Un-Audited Nine Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	----- Rupees -----			
Participants' Takaful Fund Revenue Account				
Contributions earned	237,652,075	231,180,627	530,192,335	532,977,398
Less: Contributions ceded to retakaful	(105,098,960)	(104,708,441)	(327,121,457)	(312,012,734)
Net contributions revenue	18 132,553,115	126,472,186	203,070,878	220,964,664
Retakaful rebate earned	19 33,452,135	21,748,172	72,345,177	64,287,348
Net underwriting income	166,005,251	148,220,358	275,416,055	285,252,012
Net takaful claims reported/settled including IBNR	20 (93,137,578)	(126,653,935)	(191,283,243)	(243,909,928)
Reversal / (charge) of contribution deficiency reserve	-	-	-	-
	(93,137,578)	(126,653,935)	(191,283,243)	(243,909,928)
Other direct expenses	21 (5,942,729)	(8,445,323)	(15,066,105)	(27,180,007)
Surplus before investment income	66,924,944	13,121,098	69,066,708	14,162,077
Investment Income	22 451,057	281,720	1,770,963	797,476
Other income	23 170,567	475,111	1,886,478	657,477
Modarib's share of investment income	(442,741)	-	(442,741)	-
Provisions for doubtful contributions (net of Wakala fee)	-	-	-	-
Surplus transferred to accumulated surplus	67,103,827	13,877,929	72,281,408	15,617,030
Operator's Revenue Account				
Wakala fee	24 120,544,528	192,437,273	235,605,398	304,782,308
Commission expense	25 (93,760,666)	(22,117,996)	(146,515,466)	(76,253,034)
General, administrative and management expenses	26 (25,904,562)	(34,654,661)	(84,815,025)	(84,157,339)
	879,299	135,664,616	4,274,907	144,371,935
Modarib's share of investment income	442,741	-	442,741	-
Investment income	27 2,013,068	768,768	5,504,282	3,088,234
Other expenses	28 (313,153)	(316,893)	(3,053,298)	(5,450,834)
Other income	29 28,287	44,248	85,969	101,199
Profit before taxation attributable to shareholders	3,050,242	136,160,739	7,254,601	142,110,534
Taxation	-	-	-	-
Profit after taxation attributable to shareholders	3,050,242	136,160,739	7,254,601	142,110,534

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


Muhammed Rahat Sadiq
Chief Executive Officer


Huma Waheed
Director


Maqbool Ahmad
Chief Financial Officer


Syed Rahat Ali Shah
Director


Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Quarter ended		Nine Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
----- Rupees -----				
PARTICIPANTS' TAKAFUL FUND (PTF)				
Surplus during the period	67,103,827	13,877,929	72,281,408	15,617,030
Other comprehensive income:				
Item to be re-classified to profit and loss account in subsequent period:				
Unrealized loss on revaluation of available for sale investments	16,810,726	(2,432,567)	(17,891,169)	(43,919,616)
Realized loss/(gain) on revaluation of available for sale investments	-	-	30,713,913	16,817,260
Item not to be re-classified to profit and loss account in subsequent period	-	-	-	-
	16,810,726	(2,432,567)	12,822,744	(27,102,356)
Total comprehensive (loss)/ income for the period	83,914,553	11,445,362	85,104,152	(11,485,326)
OPERATOR'S FUND (OPF)				
Profit after tax	3,050,242	136,160,739	7,254,601	142,110,534
Other comprehensive income:				
Item to be re-classified to profit and loss account in subsequent period:				
Unrealized loss on revaluation of available for sale investments	7,974,090	(3,089,245)	(7,438,994)	(16,509,642)
Realized loss on revaluation of available for sale investments	-	-	9,400,041	10,405,296
	7,974,090	(3,089,245)	1,961,047	(6,104,346)
Item not to be re-classified to profit and loss account in subsequent period:				
Incremental depreciation	190,525	-	567,434	-
Total comprehensive income for the period	11,214,857	133,071,494	9,783,082	136,006,188

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



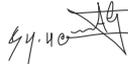
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Un-Audited		Un-Audited	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	OPF		PTF	
	----- Rupees -----			
OPERATING CASH FLOWS				
a) Takaful activities				
Contribution received	-	-	737,276,692	715,475,343
Wakala fee received /(paid)	235,605,398	304,782,308	(235,605,398)	(304,782,308)
Retakaful contribution (paid) / received	-	-	(258,706,556)	(312,433,504)
Claims / Benefits paid	-	-	(354,923,740)	(416,443,769)
Retakaful and other recoveries received	-	-	245,309,394	214,861,449
Commission paid	-	-	-	-
Retakaful rebate received	(120,737,466)	(96,370,823)	51,340,546	64,287,348
Net cash flow from takaful activities	114,867,932	208,411,485	184,690,938	(39,035,440)
b) Other operating activities				
Management and other expenses paid	(84,272,596)	(86,300,265)	(8,405,766)	(17,883,416)
Other operating (payments)/ receipts	17,462,721	(49,034,194)	(214,438,393)	3,504,650
Advances and deposits	-	-	-	-
Net cash flow from other operating activities	(66,809,875)	(135,334,459)	(222,844,158)	(14,378,766)
Total cash flow from all operating activities	48,058,057	73,077,026	(38,153,221)	(53,414,207)
INVESTMENT ACTIVITIES				
Investment income/ (loss) received	5,504,282	4,256,928	1,770,963	807,353
Purchase/ sales for investment / Investment properties	(47,569,374)	(42,608,044)	21,279,150	37,865,206
Fixed capital expenditure	(218,425)	(6,240,586)	(617,104)	(1,931,000)
Total cash flow from investing activities	(42,283,517)	(44,591,702)	22,433,009	36,741,559
FINANCING ACTIVITIES				
Advances against issue of share capital	-	-	-	-
Dividends paid	-	-	-	-
Total cash flow financing activities	-	-	-	-
Net cash flow from all activities	5,774,540	28,485,324	(15,720,212)	(16,672,648)
Cash and cash equivalents at the beginning of the period	14,751,352	3,753,621	18,955,176	29,223,041
Cash and cash equivalents at the end of the period	20,525,892	32,238,945	3,234,964	12,550,392

CONDENSED INTERIM CASH FLOW STATEMENT

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Un-Audited		Un-Audited	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	OPF		PTF	
	----- Rupees -----			
Reconciliation of Profit and Loss Account				
Net cash flow from underwriting activities	48,058,057	73,077,026	(38,153,221)	(53,414,207)
Depreciation expense	(3,067,017)	(2,608,303)	(5,216,601)	(8,639,114)
Increase/ (decrease) in assets other than cash	(43,152,967)	42,632,085	(180,043,812)	112,253,029
(Increase)/ decrease in liabilities other than borrowings	(87,755)	25,921,492	293,924,079	(35,380,155)
Investment income	5,504,282	3,088,234	1,770,963	797,476
Profit for the period	7,254,601	142,110,534	72,281,408	15,617,030
Attributed to				
Operator's Fund	7,254,601	142,110,534	-	-
Participants' Takaful Fund	-	-	72,281,408	15,617,030
	7,254,601	142,110,534	72,281,408	15,617,030

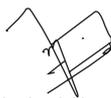
The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.



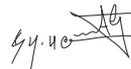
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY AND PARTICIPANTS' TAKAFUL FUND

As At September 30, 2020 (Un-Audited)

Operator's fund	Attributable to Shareholders' of the Company			
	Statutory fund	Accumulated profit	Available sale reserve	Total
	----- Rupees -----			
Balance as at January 01, 2019 (Audited)	50,000,000	536,503,796	(10,405,296)	576,098,500
Profit for the period ended September 30, 2019	-	142,110,534	-	142,110,534
Other comprehensive loss for the period	-	-	(6,104,346)	(6,104,346)
	-	142,110,534	(6,104,346)	136,006,188
Balance as at September 30, 2019 (Un-Audited)	50,000,000	678,614,330	(16,509,642)	712,104,688
Balance as at January 01, 2019 (Audited)	50,000,000	661,979,844	(9,400,041)	702,579,803
Profit for the period ended September 30, 2020	-	7,254,601	-	7,254,601
Other comprehensive income for the period	-	567,434	1,961,047	2,528,481
	-	7,822,035	1,961,047	9,783,082
Balance as at September 30, 2020 (Un-Audited)	50,000,000	669,801,878	(7,438,994)	712,362,884

Participants' Takaful Fund	Attributable to Participants of the PTF			
	Ceded money	Accumulated deficit	Available sale reserve	Total
	Balance as at January 01, 2019 (Audited)	500,000	(47,337,278)	(16,817,260)
Surplus for the period ended September 30, 2019	-	15,617,030	-	15,617,030
Other comprehensive loss for the period	-	-	(27,102,356)	(27,102,356)
	-	15,617,030	(27,102,356)	(11,485,326)
Balance as at September 30, 2019 (Un-Audited)	500,000	(31,720,248)	(43,919,616)	(75,139,864)
Balance as at January 01, 2019 (Audited)	500,000	(32,320,740)	(30,713,913)	(62,534,654)
Surplus for the period ended September 30, 2020	-	72,281,408	-	72,281,408
Other comprehensive income for the period	-	-	12,822,744	12,822,744
	-	72,281,408	12,822,744	85,104,152
Balance as at September 30, 2020 (Un-Audited)	500,000	39,960,668	(17,891,169)	22,569,499

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



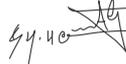
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

1 LEGAL STATUS AND NATURE OF BUSINESS

The United Insurance Company of Pakistan Limited (hereinafter called 'the Company') was incorporated in Pakistan on October 20, 1959, as a Public Limited Company under the Defunct Companies Act, 1913, now the Companies Act, 2017, and its shares are quoted on Pakistan Stock Exchange Limited. The Registered Office of the Company is situated at 204, 2nd floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi, and its Head Office is located in Lahore. The principal activity of the Company is General Insurance Business and it qualifies as a domestic insurance company under the Insurance Ordinance, 2000 and undertakes Fire & Property Damage, Marine aviation & Transport, Motor and Miscellaneous General Insurance.

The United Insurance Company of Pakistan Limited has been allowed to work as Window Takaful Operator (WTO) (hereinafter called "the Operator") through License No. 1 on August 18, 2014 by Securities and Exchange Commission of Pakistan under the Takaful Rules, 2012 to carry on Islamic General Insurance in Pakistan. For the purpose of carrying on takaful business, the Company has formed a Waqf/Participants' Takaful Fund (PTF) on June 09, 2014 under a trust deed. The trust deed governs the relationship of shareholders and policy holders for management of takaful operations. The Operator has not transacted any business outside Pakistan.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

-International Financial Reporting Standards (IFRS) issued by International Accounting Standard Board (IASB) as are notified under the Companies Act, 2017; and

-Provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the General Takaful Accounting Regulations, 2019 and the Takaful Rules, 2012 shall prevail.

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

These financial statements reflect the financial position and results of Window Takaful Operations of both the Operators' Fund (OPF) and the Participants' Takaful Fund (PTF) in a manner that assets, liabilities, income and expenses of the Operator and PTF remains separately identifiable.

2.1 BASIS OF MEASUREMENT

The financial statements have been prepared under the historical cost convention except for certain obligations under employee retirement benefits which are measured at present value and certain financial instruments which are measured at fair value.

2.2 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistani Rupees which is the Operator's functional currency and presentation currency. All figures have been rounded to the nearest rupee, unless otherwise stated.

2.3 Standards, interpretations and amendments effective in (current year)

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretation:

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Standards, Amendments and Interpretations		IASB effective date (Annual periods beginning on or after)
IAS-1	First - Adoption of International Financial Reporting Standards	01 January, 2020
IFRS-9	Financial Instrument – Pre-replacement issues in the context of the IBOR reform (Amendment)	01 January, 2020
IFRS-9	Financial Instruments – Annual Improvements to IFRS Standards 2018–2020 (Amended)	01 January, 2020
IFRS-16	Leases – Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.	01 January, 2020
IFRS-7	Financial Instrument (Disclosure) – Pre-replacement issues in the context of the IBOR	01 January, 2020
IFRS-3	Business Combination – Amendments to clarify the definition of a business	01 January, 2020
IFRS-3	Business Combination – Amendments to clarify reference to the Conceptual Framework	01 January, 2020
IAS-8	Accounting policies, Change in Accounting Estimates and Error amendments	01 January, 2020
IFRS-3	Business Combinations – Amendments	01 January, 2020

2.4 Standards, interpretations, and amendments not effective at year end

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

IFRS -1	First-time Adoption of International Financial Reporting Standards – Annual Improvements to IFRS Standards 2018–2020).	01 January, 2022
IFRS-4	Insurance Contracts – Extension of the Temporary Exemption from Applying IFRS 9 (Amended)	01 January, 2023
IAS 16	Property, Plant and Equipment – Prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. (Amendments).	01 January, 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets – costs to include when assessing whether a contract is onerous (Amendments)	01 January, 2022
IFRS-17	Insurance Contracts	01 January, 2023

The Operator expects that the adoption of the above standards will have no material effect on the Operator's condensed interim financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of the Condensed interim financial Statements, as at September 30, 2020 are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2019.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements at and for the year ended December 31, 2019.

**NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited	
		September 30, 2020	December 31, 2019	
		----- Rupees -----		
5	PROPERTY AND EQUIPMENT			
5.1	Operator's fund			
	Operating assets	5.1.1	23,504,448	26,353,040
5.1.1	Opening net book value -owned		26,353,040	19,845,588
	Add: Additions/transfers/revaluation surplus made during the period at cost		218,425	10,100,632
	Add: Accumulated depreciation reversed on disposals made during the period		-	-
	Less: Accumulated depreciation reversed on matured assets made during the period		-	-
	Less: Disposals made during the period at cost		-	-
	Less: Depreciation for the period		(3,067,017)	(3,593,180)
			(2,848,592)	6,507,452
			23,504,448	26,353,040
5.2	Participants' takaful fund			
	Operating assets	5.2.1	18,897,628	24,499,629
5.2.1	Operating assets at net book value - Owned		24,499,629	33,943,376
	Add: Additions/transfers/revaluation surplus made during the period at cost		853,000	2,507,500
	Add: Accumulated depreciation reversed on disposals made during the period		1,002,504	35,968
	Less: Accumulated depreciation reversed on matured assets made during the period		-	-
	Less: Disposals made during the period at cost		(1,238,400)	(301,500)
	Less: Depreciation for the period		(6,219,105)	(11,685,715)
			(5,602,001)	(9,443,747)
			18,897,628	24,499,629

NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS
 For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Un-Audited September 30, 2020	Audited December 31, 2019
-------------------------------------	---------------------------------

----- Rupees -----

6 INVESTMENT IN EQUITY SECURITIES

6.1 Operator's fund		
Listed shares at cost	20,707,534	36,732,779
Less: unrealized loss on revaluation of investment	(7,047,524)	(9,045,239)
Carrying value	13,660,010	27,687,540
Mutual Funds at cost	6,071,687	5,617,068
Less: unrealized loss on revaluation of investment	(391,470)	(354,802)
Carrying value	5,680,217	5,262,266
	19,340,227	32,949,806

6.2 Participants' takaful fund		
Listed shares at cost	46,142,873	87,097,729
Less: unrealized loss on revaluation of investment	(17,457,449)	(30,458,942)
Carrying value	28,685,424	56,638,787
Mutual Funds at cost	8,904,184	9,814,305
Less: unrealized loss on revaluation of investment	(433,720)	(254,971)
Carrying value	8,470,464	9,559,334
	37,155,888	66,198,121

7 INVESTMENT IN DEBT SECURITIES

7.1 Operator's fund		
Held-to maturity		
Sukuk bonds	61,140,000	-

7.2 Participants' takaful fund		
Held-to maturity		
Sukuk bonds	41,723,800	21,137,973

8 INVESTMENT IN TERM DEPOSITS

8.1 Operator's fund		
Short term deposits	66,000,000	64,000,000

NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Un-Audited September 30, 2020	Audited December 31, 2019
----- Rupees -----	

9 LOANS AND OTHER RECEIVABLES

9.1 Operator's fund - Considered good

Accrued investment income	1,360,242	594,683
Security deposits	4,332,199	4,332,199
Loan to employees	1,305,469	1,285,852
Advance tax	1,372,687	847,920
Other receivables	146,413,618	1,768,500
Wakala fee receivable	294,555,200	457,885,229
	449,339,416	466,714,382

9.2 Participants' takaful fund -Considered good

Receivable from related parties	-	-
Accrued investment income	735,899	-
Security deposits	46,090,375	27,194,948
Advance tax	2,033,923	-
Other receivables	38,077,523	335,604
	86,937,721	27,530,552

10 TAKAFUL / RE-TAKAFUL RECEIVABLES

Participants' takaful fund -Unsecured and considered good

Due from Takaful contract holders	166,531,085	228,496,452
Less: Provision for impairment of receivables from takaful contract holders	-	-
Due from takaful / re-takaful operators	75,126,453	158,349,722
Less: Provision for impairment of receivables from takaful/ retakafuls	(3,031,672)	(3,031,672)
	238,625,866	383,814,502

11 PREPAYMENTS

Participants' takaful fund

Prepaid re-takaful contribution ceded	171,146,078	263,204,768
---------------------------------------	-------------	-------------

NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS
 For The Nine Months Period Ended September 30, 2020 (Un-Audited)

		Un-Audited	Audited
	Note	September 30,	December 31,
		2020	2019
		----- Rupees -----	
12	CASH & BANK		
12.1	Operator's fund		
	Cash in hand	55,127	54,260
	Cash at bank		
	- Current accounts	632,549	13,844,377
	- Saving accounts	19,838,216	852,715
		20,525,892	14,751,352
12.2	Participants' takaful fund		
	Cash at bank		
	- Current accounts	178,483	4,130,050
	- Saving accounts	3,056,481	14,825,126
		3,234,964	18,955,176
13	STATUTORY FUND		
	Statutory reserves	13.1	50,000,000
			50,000,000
13.1	Amount of Rs. 50 million is deposited as statutory reserves to comply with provisions of para 4 of Circular No 8 of 2014 read with section 11(c) of the Takaful Rules, 2012 issued by Securities and Exchange Commission of Pakistan which states that "Every insurer who is interested to commence window takaful business shall transfer an amount of not less than 50 million Rupees to be deposited in a separate bank account for window takaful business duly maintained in a scheduled bank".		
14	CEDED MONEY		
	Waqf money	14.1	500,000
			500,000
14.1	The amount of Rs. 500,000/- has been set apart for Waqf Fund/ Participant Takaful Fund as Waqf money according to the Waqf Deed prepared for the purpose of creation of Waqf Fund/ Participant Takaful Fund.		

NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Note	Un-Audited	Audited	
		September 30, 2020	December 31, 2019	
		----- Rupees -----		
15	TAKAFUL / RETAKAFUL PAYABLES			
	Participant's takaful fund			
	Takaful / re-takaful participants payables	15,875,860	39,519,648	
16	OTHER CREDITORS AND ACCRUALS			
16.1	Operator's fund			
	Commission payable	-	-	
	Provident fund contribution	-	-	
	Auditors' remuneration	-	850,000	
	Other taxes payable	2,082,154	1,144,399	
		2,082,154	1,994,399	
16.2	Participants' takaful fund			
	Federal Excise Duty / Sales tax	10,014,587	3,261,225	
	Federal Takaful Fee	274,436	195,635	
	Other taxes payable	3,240,618	2,687,175	
	Wakala fee payable	294,555,200	457,885,229	
	Other payables	552,903	642,210	
		308,637,744	464,671,474	
17	CONTINGENCY(IES) AND COMMITMENT(S)			
17.1	Contingencies			
	There are no contingencies at the statement of financial position date.			
17.2	Commitments			
	There are following commitments on statement of financial position date:			
	Future Ijarah rentals payable	17.2.1	11,303,989	14,617,664
17.2.1	Commitments for rentals under Ijarah contracts are as follows:			
	Due within one year		6,528,058	6,002,278
	Due after one year but not later than five year		4,775,931	8,615,385
			11,303,989	14,617,664

NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Un-Audited		Un-Audited	
	Quarter ended		Nine Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	----- Rupees -----		----- Rupees -----	
18 NET TAKAFUL CONTRIBUTION				
Written gross contribution	345,997,970	557,661,228	675,311,325	887,662,561
Less: Wakala fee	(120,544,528)	(192,437,273)	(235,605,398)	(304,782,308)
Contribution Net of Wakala Fee	225,453,442	365,223,955	439,705,927	582,880,253
Add: Provision for unearned contribution - Opening	171,565,087	214,602,079	249,852,862	298,742,552
Less: Provision for unearned contribution - Closing	(159,366,454)	(348,645,407)	(159,366,454)	(348,645,407)
Contribution earned	237,652,075	231,180,627	530,192,335	532,977,398
Less: Re-takaful contribution ceded	33,085,376	98,949,392	235,062,768	309,988,833
Add: Prepaid re-takaful contribution - Opening	243,159,662	249,049,506	263,204,768	245,314,358
Less: Prepaid re-takaful contribution - Closing	(171,146,078)	(243,290,457)	(171,146,078)	(243,290,457)
Re-takaful expense	105,098,960	104,708,441	327,121,457	312,012,734
	132,553,115	126,472,186	203,070,878	220,964,664
19 NET REBATE ON RETAKAFUL				
Rebate received or recoverable	8,061,112	20,765,384	51,340,546	67,562,269
Add: Unearned ReTakaful rebate - opening	59,353,157	53,524,507	54,966,764	49,266,798
Less: Unearned ReTakaful rebate - closing	(33,962,134)	(52,541,719)	(33,962,134)	(52,541,719)
	33,452,135	21,748,172	72,345,177	64,287,348
20 NET TAKAFUL CLAIMS				
Claims Paid	106,368,189	144,402,527	354,923,740	416,443,769
Add: Outstanding claims including IBNR - Closing	180,631,363	170,569,730	180,631,363	170,569,730
Less: Outstanding claims including IBNR - Opening	(203,973,390)	(186,822,296)	(183,386,885)	(215,396,440)
Claims expense	83,026,162	128,149,961	352,168,218	371,617,059
Less: ReTakaful and other recoveries received	23,777,628	21,859,337	162,086,125	141,785,504
Add: ReTakaful and other recoveries in respect of outstanding claims - Closing	131,246,053	70,231,804	131,246,053	70,231,804
Less: ReTakaful and other recoveries in respect of outstanding claims - Opening	(165,135,097)	(90,595,115)	(132,447,203)	(84,310,177)
ReTakaful and other recoveries revenue	(10,111,416)	1,496,026	160,884,975	127,707,131
	93,137,578	126,653,935	191,283,243	243,909,928
21 DIRECT EXPENSES				
PTF	5,942,729	8,445,323	15,066,105	27,180,007

NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

	Un-Audited		Un-Audited	
	Quarter ended		Nine Months Ended	
	September 30,	September 30,	September 30,	September 30,
	2020	2019	2020	2019
	----- Rupees -----		----- Rupees -----	
22 INVESTMENT INCOME				
PTF	451,057	281,720	1,770,963	797,476
23 OTHER INCOME				
PTF	170,567	475,111	1,886,478	657,477
24 WAKALA FEE				
Wakala fee	120,544,528	192,437,273	235,605,398	304,782,308
The Operator manages general takaful operations of the participant takaful fund and charge 35% of the gross contribution written in all classes.				
25 NET COMMISSION AND OTHER ACQUISITION COST				
Commission paid or payable	17,933,945	21,688,862	120,737,466	52,469,327
Add: Deferred commission expense - Opening	153,633,786	42,716,883	103,585,065	66,071,456
Less: Deferred commission expense - Closing	(77,807,064)	(42,287,749)	(77,807,064)	(42,287,749)
Net Commission	93,760,666	22,117,996	146,515,466	76,253,034
26 GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES				
OPF	25,904,562	34,654,661	84,815,025	84,157,339
27 INVESTMENT INCOME				
OPF	2,013,068	768,768	5,504,282	3,088,234
28 OTHER EXPENSES				
OPF	313,153	316,893	3,053,298	5,450,834
29 OTHER INCOME				
OPF	28,287	44,248	85,969	101,199

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

The operator has four primary business segments for reporting purposes namely fire and property damage, marine aviation and transport, motor, and health & miscellaneous. Assets and liabilities, wherever possible have been assigned to the following segments based on specific identification or allocated on the basis of contribution written by each segment.

	FIRE AND PROPERTY DAMAGE		MARINE AVIATION AND TRANSPORT		MOTOR		HEALTH & MISCELLANEOUS		TREATY		TOTAL		
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	Un-Audited September 30, 2019	
	Rupees												
Gross written contribution (inclusive of Admin surcharge)	54,204,143	69,673,909	44,793,348	20,063,169	195,820,233	224,536,221	380,493,601	573,389,262	-	-	-	675,311,325	887,662,561
Takaful contribution earned	66,195,385	80,251,103	42,591,634	23,534,517	182,623,614	210,959,959	474,387,101	523,014,127	-	-	-	765,797,733	837,759,706
Takaful contribution ceded to re-takaful	(46,411,608)	(52,421,222)	(22,119,256)	(14,059,387)	(52,441,366)	(28,944,014)	(206,149,227)	(216,588,110)	-	-	-	(327,121,457)	(312,012,733)
Net Takaful contribution	19,783,777	27,829,881	20,472,378	9,475,130	130,182,248	182,015,945	268,237,874	306,426,017	-	-	-	438,676,276	525,746,973
Rebate income	8,615,786	9,800,391	5,880,958	3,419,306	11,950,439	6,885,925	45,897,994	44,181,726	-	-	-	72,345,177	64,287,348
Net underwriting income	28,399,563	37,630,272	26,353,335	12,894,436	142,132,687	188,901,870	314,135,868	350,607,743	-	-	-	511,021,453	590,034,321
Takaful claims	(70,007,391)	(17,476,578)	(11,002,904)	(10,713,106)	(40,659,596)	(95,117,213)	(230,498,327)	(248,310,162)	-	-	-	(352,168,218)	(371,617,059)
Takaful claims recovered from re-takaful	55,143,976	13,184,102	10,301,832	8,050,071	10,059,496	14,339,558	85,379,672	92,133,400	-	-	-	160,884,975	127,707,131
Net claims	(14,863,415)	(4,292,476)	(701,072)	(2,663,035)	(30,600,100)	(80,777,655)	(145,118,656)	(156,176,762)	-	-	-	(191,283,243)	(243,909,928)
Wakala fee	(18,886,813)	(20,897,023)	(15,504,599)	(6,011,197)	(68,054,537)	(78,581,202)	(133,159,449)	(199,292,886)	-	-	-	(235,605,398)	(304,782,308)
Direct expenses	(5,356,093)	(114,909)	(1,674,356)	(33,089)	(5,281,395)	(23,757,162)	(2,754,261)	(3,274,846)	-	-	-	(15,066,105)	(27,180,007)
contribution deficiency expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Takaful claims and expenses	(39,106,321)	(25,304,408)	(17,880,027)	(8,707,321)	(103,936,032)	(183,116,019)	(281,032,365)	(358,744,494)	-	-	-	(441,954,745)	(575,872,243)
Underwriting results	(10,706,758)	12,325,864	8,473,308	4,187,115	38,196,655	5,785,851	33,103,502	(8,136,751)	-	-	-	69,066,708	14,162,078
Net investment income	-	-	-	-	-	-	-	-	-	-	-	1,770,963	797,476
Rental income	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-	1,886,478	657,477
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Mudarib's share of investment income	-	-	-	-	-	-	-	-	-	-	-	(642,741)	-
Result of operating activities-PTF	-	-	-	-	-	-	-	-	-	-	-	72,281,408	15,617,030

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

Segment assets and liabilities	FIRE AND PROPERTY DAMAGE		MARINE AVIATION AND TRANSPORT		MOTOR		HEALTH & MISCELLANEOUS		TREATY		TOTAL	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
	----- Rupees in thousand -----											
OPERATORS' FUND ACCOUNT												
Wakala fee	18,886,813	20,897,023	15,504,599	6,011,197	68,054,537	78,581,202	133,159,449	199,292,886	-	-	235,605,398	304,782,308
Commission expense	(38,451,183)	(14,403,981)	(13,556,994)	(3,489,768)	(46,203,641)	(19,290,438)	(48,305,649)	(39,068,847)	-	-	(146,515,466)	(76,253,034)
General, administrative and management expenses											(84,815,025)	(84,157,339)
Other income											85,969	101,199
Investment income											5,504,282	3,088,234
Other expenses											(3,053,298)	(5,450,834)
Mudarib's share of investment income											442,741	-
Profit before taxation attributable to shareholders											7,254,601	142,110,534
Segment assets - (PTF)	97,714,773	126,267,585	13,765,870	18,988,050	112,647,436	160,100,129	316,889,919	474,110,708	-	-	541,017,997	779,466,474
Unallocated assets - (PTF)											187,950,001	158,321,452
Total assets - (PTF)											728,967,998	937,787,924
Segment assets - (OPF)	142,126,981	129,677,172	80,105,323	73,175,678	126,926,833	204,570,775	23,203,128	154,046,669	-	-	372,362,265	561,470,294
Unallocated assets - (OPF)											345,294,783	146,883,351
Total assets - (OPF)											717,657,047	708,353,645
Segment liabilities - (PTF)	186,903,145	176,007,445	93,908,289	83,214,386	240,195,263	323,135,948	179,530,642	402,704,824	-	-	700,537,338	985,062,604
Unallocated liabilities - (PTF)											5,861,160	15,259,973
Total liabilities - (PTF)											706,398,499	1,000,322,577
Segment liabilities - (OPF)	-	-	-	-	-	-	-	-	-	-	2,082,154	1,994,399
Unallocated liabilities - (OPF)											2,082,154	1,994,399
Total liabilities - (OPF)											2,082,154	1,994,399

**NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS**
For The Nine Months Period Ended September 30, 2020 (Un-Audited)

31 RELATED PARTY TRANSACTIONS

Related parties comprise of directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions and compensation to key management personnel is on employment terms. The transactions and balances with related parties other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Relation with undertaking	Nature of transaction	September 30,	December 31,
		2020	2019
		----- Rupees -----	
Balances at year end:			
Associated undertakings	Receivable/ (payable) at year end	-	-
Key management personnel	Loan to key management personnel	861,669	818,687
Staff retirement benefits plan	(Payable) to defined benefit plan	-	-
	(Payable) to defined contribution plan	-	-
		Quarter Ended	
		September 30,	September 30,
		2020	2019
		Nine Months Ended	
		September 30,	September 30,
		2020	2019
Transactions during the year			
Associated undertakings	Motor tracking devices purchased	348,500	561,000
	Device monitoring charges paid	768,368	4,137,946
	Health service charges paid	(400,000)	900,000
			2,000,000
			2,100,000
Key management personnel	Remuneration of key management personnel	11,451,330	5,239,563
Employees' Provident Fund	Employer's Contributions made during the period	781,002	434,333
			2,745,665
			2,739,340

32 IMPACT OF COVID-19

During the year, the World Health Organization declared the Novel strain of Corona virus (Covid-19) a global pandemic and recommended containment and mitigation measures worldwide. The Federal and Provincial governments of Pakistan also took various measures, including imposition of lockdown, from the end of March 2020 to contain the spread of COVID-19. Consequently, imposition of lock down by the Federal and Provincial Governments of Pakistan caused an overall economic slowdown and disruption to various businesses. The management of the Operator has been regularly conducting in depth analysis and has assessed that there is no material impact of COVID-19 on these condensed interim financial statements. Going forward, the management is taking all the required actions and will continue to monitor the potential impact and take all steps possible to mitigate any effects.

Operator's management has assessed the possible accounting implications arising from Covid-19 for these condensed interim financial statements, including but not limited to impairment of financial and non-financial assets, and concluded that there has been no material accounting impact of Covid-19 on these condensed interim financial statements. From the very outset of Covid-19, the management has adopted various policies and practices to minimise adverse impact of Covid-19 on the business and is continuously monitoring the situation in order to proactively address any challenges which may arise from Covid-19.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2020 (Un-Audited)

33 CORRESPONDING FIGURES

Comparative figures have been rearranged and reclassified, wherever necessary, to facilitate comparisons. No significant reclassifications were made during the current year.

34 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on October 27, 2020 by the Board of Directors of the Company.

35 GENERAL

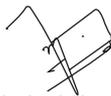
The figures in the condensed interim financial statements have been rounded off to the nearest rupees.



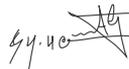
Muhammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Maqbool Ahmad
Chief Financial Officer



Syed Rahat Ali Shah
Director



Javaid Sadiq
Chairman



theunitedinsurance.com

UIG HOUSE

1st Floor, 6-D, Upper Mall, Lahore

UAN: (92-42) 111-000-014

T: (92-42) 35776475-85

F: (92-42) 35776486-87

E: uicpl@theunitedinsurance.com