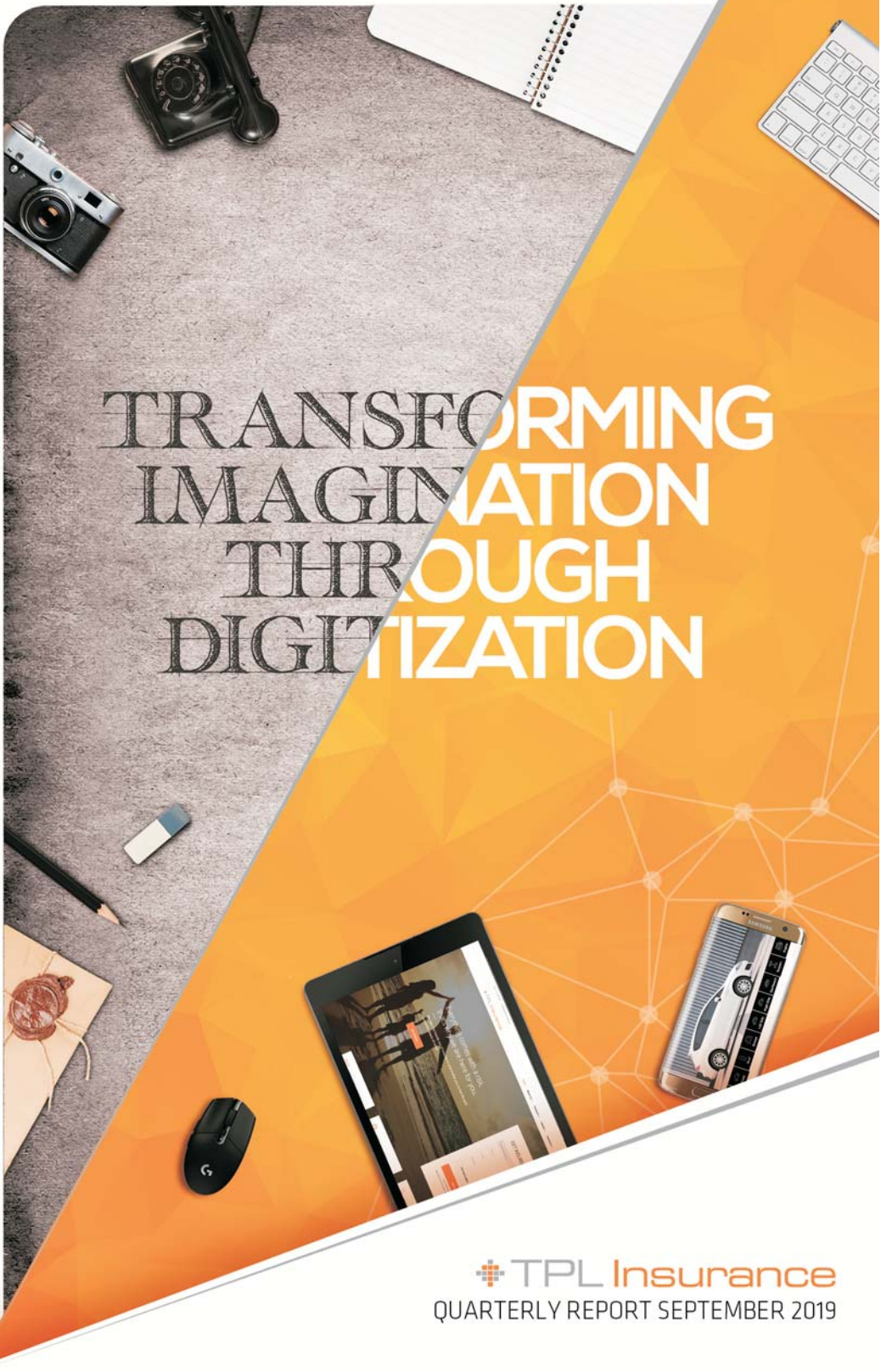
TRANSFORMING IMAGINATION THROUGH DIGITIZATION



TPL Insurance

QUARTERLY REPORT SEPTEMBER 2019

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Company Information

BOARD OF DIRECTORS

Mr. Jameel Yusuf (S.St.)	Chairman
Mr. Muhammad Ali Jameel	Director
Ms. Naila Kassim	Director
Mr. Andrew Borda	Director
Mr. Rana Assad Amin	Director
Mr. Waqar Ahmed Malik	Director
Syed Nadir Shah	Director
Mr. Muhammad Aminuddin	Chief Executive Officer

BOARD COMMITTEES

Ethics, Human Resources, Remuneration & Nomination Committee

Syed Nadir Shah	Chairman
Mr. Ali Jameel	Member
Mr. Rana Assad Amin	Member
Mr. Waqar Ahmed Malik	Member
Mr. Nader Nawaz	Secretary

Investment Committee

Mr. Ali Jameel	Chairman
Mr. Andrew Borda	Member
Mr. Waqar Ahmed Malik	Member
Mr. Muhammad Aminuddin	Member
Syed Kazim Hasan	Secretary

Audit Committee

Syed Nadir Shah	Chairman
Mr. Rana Assad Amin	Member
Mr. Andrew Borda	Member
Mr. Yousuf Zohaib Ali	Secretary

MANAGEMENT COMMITTEES:

Risk Management and Compliance Committee

Mr. Waqar Ahmed Malik	Chairman
Syed Kazim Hasan	Member
Mr. Muhammad Aminuddin	Member
Ms. Shayan Mufti	Secretary

Underwriting Committee

Mr. Andrew Borda	Chairman
Syed Kazim Hasan	Member
Mr. Shumail Iqbal	Secretary

Claim Settlement Committee

Mr. Muhammad Aminuddin	Chairman
Syed Ali Hassan Zaidi	Member
Syed Kazim Hasan	Member
Mr. Ovais Alam	Secretary

Reinsurance & Co-insurance Committee

Mr. Andrew Borda	Chairman
Mr. Athar Abbas	Member
Ms. Shadab Khan	Secretary

BANKERS

Al-Baraka Bank Pakistan Ltd.
Bank Al Habib Ltd.
Bank Islami Pakistan Ltd.
Dubai Islamic Bank Pakistan Ltd.
Faysal Bank Ltd.
Habib Bank Ltd.
Habib Metropolitan Bank Ltd.
JS Bank Ltd.
MCB Bank Ltd.
Meezan Bank Ltd.
Mobilink Micro Finance Bank Ltd.
National Bank of Pakistan
Silk Bank Ltd.
Summit Bank Ltd.
Telenor Micro Finance Bank Ltd.
United Bank Ltd.
Samba Bank Ltd.
MCB Islamic Bank Ltd.

AUDITORS

EY Ford Rhodes
Chartered Accountants

LEGAL ADVISOR

Lari & Co.
Maritime & Insurance Advocates

SHARE REGISTRAR

THK Associates (Pvt) Limited
1st Floor, 40-C, Block-6, P.E.C.H.S.
Karachi-75400, Pakistan.
Tel: 021.34168270
UAN: 021.111.000.322
Fax: 021.34168271

REGISTERED OFFICE

11 th & 12 th Floor, Centrepoint,
Off Shaheed-e-Millat Expressway,
Adjacent KPT Interchange Flyover,
Karachi, Postal Code: 74900
Fax: 021.35316032
UAN: 021.111.000.301
Tel: 021.37130223

WEB PRESENCE

www.tplinsurance.com

Geographical Presence

KARACHI

Head Office
TPL Insurance Ltd.
11th & 12th Floor, Centrepoint,
Off Shaheed-e-Millat Expressway,
Near K.P.T. Interchange Flyover,
Karachi - 74900
Tel: 021.37130223
Fax: 021.35316031-2
UAN: 021.111.000.301

LAHORE

Branch Office Lahore
51-M, Denim Road,
Quaid-e-Azam Industrial Estate,
Kot Lakhpat, Lahore.
Tel: 042.35209000
UAN: 042.111.000.301
Fax: 042.35157233

ISLAMABAD

Branch Office Islamabad
55-B, 10th Floor (South) ISE Tower,
Jinnah Avenue, Blue Area,
Islamabad.
UAN: 051.111.000.301
Fax: 051.2895073

FAISALABAD

Branch Office Faisalabad
Office No. 4-02, 4th Floor,
Meezan Executive Tower,
Civil Lines, Faisalabad.
UAN: 051.111.000.301
Tel: 041.8501471-3
Fax: 041.8501470

MULTAN

Branch Office Multan
Haider Street, Shalimar Colony
Northern Bypass-Boson Road,
Multan.
UAN: 061.111.000.301
Fax: 061.44243451

HYDERABAD

Branch Office Hyderabad
2nd Floor, Plot # 15/5,
Main Auto Bhan Road,
Cooperative Housing Society,
Hyderabad.
Tel: 022.3411023-6

Directors' Report

For the nine months period ended September 30, 2019

On behalf of the Board of Directors, I am pleased to present the condensed interim financial statements of the Company for the nine months period ended September 30, 2019.

During the period, the Company reported Gross Written Premium of Rs. 1,875 million Vs Rs. 1,820 million at Q3 2018 (including Window Takaful Operations). The increase of 3% over prior year is despite current challenging market conditions. Motor is still dominant portfolio of our book and current macroeconomic policies of increase in discount rates and devaluation of Pak Rupee has impacted motor vehicle industry causing sharp decline by about 40% in demand for fresh motor insurance. The Motor Gross premium including Takaful business recorded an increase by 5% from Rs. 1,534 million of last year whilst Property and Marine business increased by about 30% to Rs.187 million from Rs.143 million of last year. Health business was down from Rs.143 million of last year to Rs.73 million mainly attributable to our micro health business.

Given current challenges, the Company is focusing on other retail market segments and micro products. The Company continues to invest in digitization initiatives of its underwriting and claims operations, which will result in cost efficiencies in future. As a result of these initiatives the consolidated Profit before Tax is recorded at Rs.15 million viz. conventional reported a loss before tax of Rs. 62 million (Q3 2018: Profit before tax of Rs. 29 million) while Participants' Takaful reported a surplus of Rs. 77 million (Q3 2018: deficit of Rs. 3 million).

We would like to thank all our stakeholders, business partners, Pakistan Stock Exchange, SECP and staff for their continued support.

For and on behalf of the Board of Directors

Muhammad Aminuddin
Chief Executive Officer
October 28, 2019

ڈائریکٹرز رپورٹ:

30 ستمبر 2019ء کو ختم ہونے والی نو ماہی کے لئے

بورڈ آف ڈائریکٹرز کی طرف سے میں 30 ستمبر 2019ء کو ختم ہونے والی نو ماہی کے لئے کمپنی کے کنڈینسڈ عبوری مالیاتی گوشوارے پیش کرنے پر خوشی محسوس کر رہا ہوں۔

اس مدت کے دوران، کمپنی نے مجموعی تحریر کردہ پریمیم 1,875 ملین روپے حاصل کیا جو کہ پچھلے سال 2018 کی تیسری سہ ماہی میں 1,820 ملین روپے (بشمول شراکت ونڈو تکافل آپریشنز) تھا۔ موجودہ مشکل مارکیٹ حالات کے باوجود گزشتہ سال سے 3 فیصد کا اضافہ ہوا۔ موٹر ہماری کتاب کا اب بھی اہم پورٹ فولیو ہے اور موجودہ اقتصادی پالیسیوں ڈسکاؤنٹ شرح میں اضافہ اور روپیہ کی قدر میں کمی کے سبب گاڑیوں کی طلب میں تقریباً 40 فیصد کمی ہوئی جس کی وجہ سے موٹر وانشورنس انڈسٹری متاثر ہوئی ہے۔ تکافل کاروبار سمیت موٹر کا مجموعی پریمئم گزشتہ سال کے 1,534 ملین روپے سے 5 فیصد تک زیادہ ہوا جبکہ پراپرٹی اور میرین کاروبار میں گزشتہ سال کے 143 ملین روپے سے 187 ملین روپے تک تقریباً 30 فیصد اضافہ ہوا۔ ہیلتھ بزنس بنیادی طور پر ہمارے مائیکرو ہیلتھ بزنس کے سبب گزشتہ سال کے 143 ملین روپے سے کم ہو کر 73 ملین روپے ہو گیا۔

موجودہ مشکلات کے پیش نظر، کمپنی دیگر ریٹیل مارکیٹ سیگمنٹس اور مائیکرو مصنوعات پر توجہ مرکوز کر رہی ہے۔ کمپنی نے اپنے انڈر رائٹنگ اور کلیمز آپریشنز کو ڈیجیٹائز کرنے کے لئے اپنے بنیادی ڈھانچے میں سرمایہ کاری جاری رکھی ہوئی ہے، جس کی وجہ سے مستقبل میں اخراجات کی بچت ہوگی۔ ان بنیادی اقدامات کے نتیجے میں مجموعی منافع قبل از ٹیکس 15 ملین روپے درج ہوا جس میں کنویشنل کا 62 ملین روپے کا مجموعی نقصان قبل از ٹیکس (Q3 2018: منافع قبل از ٹیکس 29 ملین روپے) اور پارٹیسپنٹس کے تکافل 77 ملین روپے کا مجموعی منافع قبل از ٹیکس (Q3 2018: 3 ملین روپے کی کمی) شامل ہیں۔

ہم اپنے تمام اسٹیک ہولڈرز، کاروباری شراکت دار، پاکستان اسٹاک ایکسچینج، SECP اور اسٹاف کی مسلسل مدد کرنے پر شکریہ ادا کرنا چاہتے ہیں۔

برائے اور من جانب بورڈ آف ڈائریکٹرز

محمد امین الدین
چیف ایگزیکٹو آفیسر
28 اکتوبر 2019ء

FINANCIAL
STATEMENTS

Condensed Interim Statement of Financial Position

As at 30 September 2019

	Note	30 September 2019	(Audited) 31 December 2018
		---------- (Rupees) ----------	
ASSETS			
Property and equipment	6	373,800,865	120,491,630
Intangible assets		10,066,571	9,107,599
Investments			
Equity securities and mutual fund units	7	110,073,618	250,569,554
Government Securities	8	115,392,115	192,555,107
Debt securities	9	100,000,000	30,000,000
Term deposits		20,000,000	200,000,000
Loans and other receivables	10	320,252,923	348,807,642
Insurance / reinsurance receivables		189,481,167	147,146,207
Reinsurance recoveries against outstanding claims		30,822,905	10,529,385
Salvage recoveries accrued		26,964,978	57,187,621
Deferred commission expense		63,523,651	91,084,451
Deferred taxation		28,637,305	31,981,982
Taxation - provision less payment		-	13,721,203
Prepayments		203,739,217	225,089,727
Cash and bank balances		475,165,638	153,052,811
		2,067,920,953	1,881,324,921
Total assets of General Takaful Operations - Operator's Fund		365,634,252	370,022,394
Total assets		2,433,555,205	2,251,347,315
EQUITY AND LIABILITIES			
Equity			
Ordinary share capital		938,662,610	938,662,610
Share premium - net of share issuance cost		8,033,837	8,033,837
Unappropriated profits / Accumulated losses		(82,954,059)	16,898,950
Available-for-sale reserve		(11,700,170)	(26,697,564)
Total Equity		852,042,218	936,897,833
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		165,761,075	136,343,591
Unearned premium reserves		634,174,537	636,445,691
Unearned reinsurance commission		35,638,075	19,506,278
Premium received in advance		4,457,139	4,629,066
Insurance / reinsurance payables		169,308,474	122,268,570
Other creditors and accruals	12	397,925,838	226,217,448
Taxation - provision less payment		5,784,457	-
Total Liabilities		1,413,049,595	1,145,410,644
Total equity and liabilities		2,265,091,813	2,082,308,477
Total liabilities of General Takaful Operations - Operator's Fund		168,463,392	169,038,838
Total equity and liabilities		2,433,555,205	2,251,347,315
Contingencies and commitment	11		

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

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

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the nine months period ended 30 September 2019

	Note	For the three months period ended		For the nine months period ended	
		30 September 2019	30 September 2018	30 September 2019	30 September 2018
		(Rupees)			
Net insurance premium	13	270,047,503	317,794,540	832,080,029	957,552,152
Net Insurance claims	14	(114,567,135)	(141,070,779)	(313,625,049)	(399,399,572)
Net commission expense	15	(25,631,649)	(36,035,388)	(92,265,840)	(98,411,896)
Insurance claims and commission expense		(140,198,784)	(177,106,167)	(405,890,889)	(497,811,468)
Management expenses		(105,408,762)	(94,041,265)	(303,669,233)	(338,544,996)
Underwriting results		24,439,957	46,647,108	122,519,907	121,195,688
Investment income	16	10,828,085	8,280,237	9,493,164	26,126,205
Other income		27,043,726	54,436,545	74,820,295	158,220,518
Other expenses		(24,043,624)	(73,773,043)	(97,387,884)	(208,063,151)
Results of operating activities		38,268,144	35,590,847	109,445,482	97,479,260
Financial charges		(7,841,399)	(74,209)	(19,991,318)	(943,661)
Profit before tax from General Insurance Operations		30,426,745	35,516,638	89,454,164	96,535,599
Loss before tax from Window Takaful Operations		(60,239,061)	(34,027,135)	(151,324,016)	(67,963,007)
(Loss) / profit before tax for the period		(29,812,316)	1,489,503	(61,869,852)	28,572,592
Income tax expense		(5,350,519)	(950,343)	(14,173,195)	(14,917,822)
(Loss) / profit after tax		(35,162,835)	539,160	(76,043,047)	13,654,770
Other comprehensive income:					
Unrealised loss on available-for-sale investments during the period - net		3,101,290	(12,969,989)	(1,477,577)	(24,023,015)
Less: net (gain) / loss transferred to profit and loss on disposal / redemption / Impairment of investment		839,114	(742,430)	22,829,543	(5,762,173)
		3,940,404	(13,712,419)	21,351,966	(29,785,188)
Related tax impact		(1,103,282)	3,976,603	(6,354,572)	7,871,130
Other comprehensive income / (loss) for the period		2,837,122	(9,735,816)	14,997,394	(21,914,058)
Total comprehensive income / (loss) for the period		(32,325,714)	(9,196,656)	(61,045,653)	(8,259,288)
(Loss) / earning (after tax) per share - Rupees		(0.37)	0.01	(0.81)	0.15

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

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

Condensed Interim Statement of Changes in Equity (Unaudited)

For the nine months period ended 30 September 2019

	Share capital	Reserves						Total
		Capital reserve			Revenue reserves			
		Share premium	Share issuance cost	Net share premium	Unappropriated profit / (accumulated loss)	Loss on revaluation of available-for-sale investments	Total	
	(Rupees)							
Balance as at January 1, 2018	755,158,990	147,579,495	(8,903,161)	138,676,334	253,917,562	(26,446,916)	227,470,646	1,121,305,970
Net profit for the period	-	-	-	-	13,654,770	-	13,654,770	13,654,770
Change in fair value of available for sale investments	-	-	-	-	-	(21,914,058)	(21,914,058)	(21,914,058)
Total comprehensive income / (loss) for the period	-	-	-	-	13,654,770	(21,914,058)	(8,259,288)	(8,259,288)
Bonus shares issued during the period	183,503,620	(130,642,497)	-	(130,642,497)	(52,861,123)	-	(52,861,123)	-
Balance as at September 30, 2018	938,662,610	16,936,998	(8,903,161)	8,033,837	214,711,209	(48,360,974)	166,350,235	1,113,046,682
Balance as at January 1, 2019 as reported	938,662,610	16,936,998	(8,903,161)	8,033,837	16,898,950	(26,697,564)	(9,798,614)	936,897,833
Effect of change in accounting policy (Note - 3.1.1)	-	-	-	-	(23,809,962)	-	(23,809,962)	(23,809,962)
Balance as at January 1, 2019 as restated	938,662,610	16,936,998	(8,903,161)	8,033,837	(6,911,012)	(26,697,564)	(33,608,576)	913,087,871
Net loss for the period	-	-	-	-	(76,043,047)	-	(76,043,047)	(76,043,047)
Change in fair value of available for sale investments	-	-	-	-	-	14,997,394	14,997,394	14,997,394
Total comprehensive income / (loss) for the period	-	-	-	-	(76,043,047)	14,997,394	(61,045,653)	(61,045,653)
Balance as at September 30, 2019	938,662,610	16,936,998	(8,903,161)	8,033,837	(82,954,059)	(11,700,170)	(94,654,229)	852,042,218

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

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

Condensed Interim Statement of Cash Flow (Unaudited)

For the nine months period ended 30 September 2019

	30 September 2019	30 September 2018
	---------- (Rupees) ----------	
Operating cash flow		
(a) Underwriting activities		
Insurance premium received	957,634,861	1,071,679,386
Reinsurance premium paid	(146,608,081)	(131,327,124)
Claims paid	(427,784,246)	(553,927,975)
Reinsurance and other recoveries received	163,434,927	200,680,078
Commission paid	(122,220,496)	(132,014,638)
Commission received	53,687,206	22,637,792
Management and other expenses paid	(269,551,348)	(496,069,452)
Net cash flow from / (used in) underwriting activities	208,592,823	(18,341,933)
(b) Other operating activities		
Income tax paid	(12,065,705)	(32,695,019)
Other operating payments	(21,752,930)	(222,623,072)
Loans advanced	(3,418,651)	(3,565,000)
Loan repayment received	5,432,342	2,207,557
Net cash used in other operating activities	(31,804,944)	(256,675,533)
Total cash used in all operating activities	176,787,879	(275,017,466)
Investment activities		
Profit / return received	32,519,574	26,652,917
Dividend received	64,798	-
Payment for investments	(446,864,300)	(350,613,991)
Proceeds from investments	617,514,707	576,436,407
Proceeds from sale of property, plant and equipment	9,000	900,000
Fixed capital expenditure	(25,635,896)	(73,957,668)
Total cash generated from investing activities	177,607,883	179,417,665
Financing activities		
Cash Dividend Paid	(1,584,005)	-
Lease obligation paid	(198,681,276)	-
Financial charges paid	(12,017,654)	(943,661)
Total cash generated used in financing activities	(212,282,935)	(943,661)
Net cash used in all activities	142,112,827	(96,543,463)
Cash and cash equivalents at beginning of period	353,052,811	483,592,489
Cash and cash equivalents at end of period	495,165,638	387,049,026

Condensed Interim Statement of Cash Flow (Unaudited)

For the nine months period ended 30 September 2019

	30 September 2019	30 September 2018
	---------- (Rupees) ----------	
Reconciliation to profit and loss account		
Operating cash flows	176,787,879	(275,017,466)
Depreciation / amortization / bad debt expense	(82,820,773)	(13,109,588)
Income tax paid	12,065,705	32,695,019
Provision for taxation	(14,173,195)	(14,917,822)
Financial charges	(19,991,318)	(943,661)
Investment Income	9,493,164	26,126,205
Share of loss from Window Takaful Operations - Operator's Fund	(151,324,016)	(67,963,007)
Increase in assets other than cash	119,207,920	274,565,664
(Increase) / decrease in liabilities other than borrowings	(125,288,413)	52,219,427
Profit after taxation	(76,043,047)	13,654,770

Definition of cash

Cash comprises of cash in hand, policy stamps, bank balances and term deposits which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

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

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

Notes to the Condensed Interim Financial Statements

For the nine months period ended 30 September 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

TPL Insurance Limited (the Company) was incorporated in Pakistan in 1992 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017) to carry on general insurance business. The Company was allowed to work as Window Takaful Operator on 04 September 2014 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The Company is listed at Pakistan Stock Exchange Limited. The principal office of the Company is located at 12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi, Pakistan. The Company is owned 94.23% by TPL Corp Limited.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under Companies Act 2017; and

- Provisions of and directives issued under Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017.

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

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

2.3 In terms of the requirements of the Takaful Rules 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator's Fund of the General Takaful Operations of the Company have been presented as a single line item in the statement of financial position and statement of comprehensive income of the Company respectively.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation adopted in the preparation of these condensed interim financial statements are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended 31 December 2018 except for the following;

3.1 New Standards and Ammendments

3.1.1 IFRS 16 "Leases"

The company has adopted IFRS 16 “Leases” with effect from 01 January 2019. IFRS 16 supersedes IAS 17 Leases and sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single "on balance sheet" model.

The Company has lease contracts for various items of property and equipment. Before the adoption of IFRS 16, the Company classified each of its leases (as lessee) at the inception date as an operating lease. In an operating lease, the leased property / equipment was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under other receivables and other liabilities, respectively.

The Company has elected to apply IFRS 16 retrospectively, recognising the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of unappropriated profits at the date of initial application.

Under IFRS 16, the Company, as a Lessee, has recognised right-of-use asset representing its right to use the underlying asset and lease liability representing its obiligation to make lease payments.

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company also provides tracker devices to Window Takaful Operations - Participant Takaful (WTO - PTF) Fund under rental arrangement. The Company classifies such arrangement as a finance lease by reference to the right-of-use asset arising from the head lease and accordingly, books a receivable from WTO - PTF being the present value of lease payments to be received over the lease term.

The effects of adoption of IFRS 16 as at 01 January 2019 and at 30 September 2019 are as follows:

	As at 30 September 2019	As at 01 January 2019
Impact on Statement of Financial Position	---------- (Rupees) ----------	
Increase in fixed assets - right-of-use assets	257,729,769	92,597,078
Increase in other receivables	27,290,976	45,783,214
Decrease in advances and other prepayments	(105,566,653)	(99,629,742)
Increase in total assets	179,454,092	38,750,550
(Increase) / decrease in other liabilities -		
Increase in lease liability against right-of-use assets	(266,620,130)	(127,505,500)
Decrease in unearned rental income	44,774,000	52,565,999
Decrease in accrued rent	24,757,978	12,378,989
Decrease in net assets	(17,634,060)	(23,809,962)

Impact on Statement of Comprehensive Income	For the Nine Months period ended 30 September 2019 (Rupees)
Increase in financial charges - lease liability against right-of-use assets	(19,470,209)
(Increase) / decrease in administrative expenses	
- Depreciation on right-of-use assets	(81,412,486)
- Rent, rates and taxes	46,487,238
- Tracker Rental expense	142,783,198
	107,857,950
Increase / (decrease) in other income	
- Takaful Rental income	(84,264,000)
- Interest income	2,052,161
	(82,211,839)
Increase in profit	**6,175,902**

3.1.2 Amendment to IFRS 17 "Insurance Contracts" - Applying IFRS 9 "Financial Instruments" with IFRS 17 "Insurance Contracts"

The company has taken the benefit of temporary exemption of applying IFRS 9 "Financial Instruments" with IFRS 17 "Insurance Contracts" as allowed under IFRS.

3.2 There are certain new standards, amendments to the approved accounting standards and new interpretations that are mandatory for current accounting period. However, these do not have any significant impact on the Company's financial reporting and therefore have not been detailed in these condensed interim financial information.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting polices. The estimates / judgments and associated assumptions used in the preparation of the condensed interim financial statements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5 FINANCIAL AND INSURANCE RISK MANAGEMENT

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

		Note	(Unaudited) 30 September 2019	(Audited) 31 December 2018
6	**PROPERTY AND EQUIPMENT**		---------- (Rupees) ----------	
	Operating Assets	6.1	110,503,364	112,939,895
	Capital work-in-progress		5,567,735	7,551,735
	Right of use Assets	6.2	257,729,766	-
			373,800,865	120,491,630
6.1	**Operating Assets**			
	Written down value at the beginning of the period / year as reported		112,939,895	58,046,793
	Additions and transfers during the period / year - at cost			
	- Office equipments		20,500	377,562
	- Motor vehicles		-	74,637,754
	- Computer equipments		23,816,154	4,781,144
	- Furniture and fixtures		178,862	6,142,783
			24,015,516	85,939,243
	Written down value of disposals / write-offs during the period / year		(131,405)	(2,360,025)
	Depreciation for the period / year		(26,320,642)	(28,686,116)
			(26,452,047)	(31,046,141)
	Written down value at the end of the period / year		110,503,364	112,939,895
6.2	**Right of use Assets**			
	Written down value at the beginning of the period / year as reported		-	-
	Effect of change in accounting policy (Note 3)		92,597,078	-
	Written down value at the beginning of the period / year as restated		92,597,078	-
	Additions and transfers during the period / year - at cost			
	- Building		197,964,281	-
	- Tracking devices		48,580,893	-
			246,545,174	-
	Depreciation for the period / year		(81,412,486)	-
	Written down value at the end of the period / year		257,729,766	-

7 INVESTMENT IN EQUITY SECURITIES AND MUTUAL FUNDS
- Available-for-Sale

	---------- (Unaudited) ----------				---------- (Audited) ----------			
	30 September 2019				31 December 2018			
	Cost	Impairment / Provision	Revaluation surplus / (deficit)	Carrying Value	Cost	Impairment / Provision	Revaluation surplus / (deficit)	Carrying Value
	---------- (Rupees) ----------							
Related party								
Listed shares								
TPL Properties Limited (3% holding)	100,000,000	-	(16,688,800)	83,311,200	100,000,000	-	(20,519,200)	79,480,800
	100,000,000	-	(16,688,800)	83,311,200	100,000,000	-	(20,519,200)	79,480,800
Others								
Listed shares								
Business Industrial Insurance Company	251,260	(251,260)	-	-	251,260	(251,260)	-	-
Bank of Punjab Limited	357,727	(294,024)	3,711	67,414	357,727	(294,024)	28,837	92,540
Hub Power Company Limited	357,000	-	350,500	707,500	357,000	-	500,900	857,900
Bank of Khyber	162,975	-	6,145	169,120	162,975	-	33,800	196,775
Summit Bank Limited	514,765	(505,645)	-	9,120	514,765	(501,645)	-	13,120
	1,643,727	(1,050,929)	360,356	953,154	1,643,727	(1,046,929)	563,537	1,160,335
Mutual funds								
AKD Opportunity	-	-	-	-	95,312,797	(21,192,841)	-	74,119,956
Alfalah GHP Stock Fund	-	-	-	-	68,825,591	-	(17,646,477)	51,179,114
Faysal Asset Allocation	22,267,400	(8,378,380)	78,270	13,967,290	44,970,104	(13,948,969)	-	31,021,135
UBL Stock Advantage	16,957,212	(5,115,238)	-	11,841,974	16,957,212	(3,348,998)	-	13,608,214
	39,224,612	(13,493,618)	78,270	25,809,264	226,065,704	(38,490,808)	(17,646,477)	169,928,419
	140,868,339	(14,544,547)	(16,250,174)	110,073,618	327,709,431	(39,537,737)	(37,602,140)	250,569,554

		Note	(Unaudited) 30 September 2019	(Audited) 31 December 2018
8	**INVESTMENT IN GOVERNMENT SECURITIES**		---------- (Rupees) ----------	
	Held to maturity			
	Treasury Bills		-	98,374,678
	Pakistan Investment Bonds (PIBs)	8.1	115,392,115	94,180,429
			115,392,115	192,555,107

8.1 These represent five and ten years Pakistan Investment Bonds having face value of Rs. 120 million (market value of Rs. 112.717 million) [31 December 2018: Rs. 95 million (market value of Rs. 91.240 million)]. These carry mark-up ranging from 7.75% to 12% (31 December 2018: 7.75% to 12%) per annum and will mature between 18 August 2021 to 12 July 2023. These have been deposited with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of Section 29 of the Insurance Ordinance 2000 and circular No. 15 of 2008 dated 7 July 2008 issued by the Securities and Exchange Commission of Pakistan.

			(Unaudited) 30 September 2019	(Audited) 31 December 2018
9	**INVESTMENT IN DEBT SECURITIES**			
	- Available For Sale		---------- (Rupees) ----------	
	Term Finance Certificates:			
	- Dubai Islamic Bank Pakistan Limited - Sukuks	9.1	30,000,000	30,000,000
	- JS Bank Limited	9.1	20,000,000	-
	- Habib Bank Limited	9.1	50,000,000	-
			100,000,000	30,000,000

9.1 These carry mark-up ranging from KIBOR+1.60% to KIBOR+2.25% per annum.

10	**LOANS AND OTHER RECEIVABLES**			
	Considered good			
	Advance to a related party		140,000,000	200,000,000
	Receivable from related parties		97,813,556	76,950,470
	Advance to an agent		730,505	-
	Deposit for hospital enlistment		5,290,000	5,290,000
	Accrued investment income		5,583,640	6,361,552
	Loan and advance to employees		3,537,677	4,634,838
	Placement with a company		25,000,000	25,000,000
	Receivable from Participant's Takaful Fund		1,552,629	18,706,960
	Advance Ijara Rentals		7,600,000	7,600,000
	Security Deposit		4,799,447	3,932,734
	Lease receivable against right-of-use given to WTO - PTF	3.1.1	27,290,977	-
	Other receivable		1,054,492	331,088
			320,252,923	348,807,642
	Considered doubtful			
	Margin deposit placed against purchase of shares - unsecured		8,500,000	8,500,000
	Receivable in respect of sublet of offices		884,936	884,936
	Provision against doubtful debt		(9,384,936)	(9,384,936)
			-	-
			320,252,923	348,807,642

11 CONTINGENCIES AND COMMITMENT

There is no change in the status of the contingencies and commitments and is same as disclosed in the financial statements of the Company as at and for the year ended 31 December 2018.

		(Unaudited) 30 September 2019	(Audited) 31 December 2018
12	OTHER CREDITORS AND ACCRUALS	---------- (Rupees) ----------	
	Commission payable	11,890,818	31,850,865
	Creditors	16,844,241	23,547,998
	Federal Insurance Fee	1,005,571	1,052,708
	Federal Excise Duty (FED) - net	20,583,924	14,499,288
	Margin deposit from customers	7,894,997	4,208,313
	Unearned Monitoring Fee / Rentals from Window Takaful Operations	11,193,497	65,707,498
	Unearned service income	-	5,843,734
	Withholding tax payable	13,429,712	3,968,503
	Advance tax on premium	4,587,534	5,691,084
	Accrued Expenses	42,188,277	61,782,699
	Dividend Payable	1,548,409	3,132,414
	Payable to Provident Fund	1,518,176	4,770,815
	Lease obligation against right-of-use assets	265,080,140	-
	Others	160,542	161,529
		397,925,838	226,217,448

		(Unaudited) For the three months period ended		(Unaudited) For the nine months period ended	
		30 September 2019	30 September 2018	30 September 2019	30 September 2018
13	NET INSURANCE PREMIUM	---------- (Rupees) ----------		---------- (Rupees) ----------	
	Written net premium	349,486,543	322,294,012	1,000,363,758	1,027,448,154
	Add: Unearned premium reserve opening	619,566,818	677,709,564	636,445,691	671,873,202
	Less: Unearned premium reserve closing	(634,174,537)	(652,720,235)	(634,174,537)	(652,720,235)
	Premium earned	334,878,824	347,283,341	1,002,634,912	1,046,601,121
	Less: Reinsurance premium ceded	95,396,729	73,619,263	216,100,002	137,579,482
	Add: Prepaid reinsurance premium opening	107,773,472	35,440,711	92,793,761	31,040,660
	Less: Prepaid reinsurance premium closing	(138,338,880)	(79,571,173)	(138,338,880)	(79,571,173)
	Reinsurance expense	64,831,321	29,488,801	170,554,883	89,048,969
	Net insurance Premium	270,047,503	317,794,540	832,080,029	957,552,152
14	NET INSURANCE CLAIMS EXPENSE				
	Claims paid/ payable	147,235,233	194,127,147	427,784,245	553,927,975
	Add: Outstanding claims including IBNR closing	165,761,076	199,373,382	165,761,076	199,373,382
	Less: Outstanding claims including IBNR opening	(149,893,693)	(217,800,693)	(136,343,591)	(129,515,223)
	Claims expense	163,102,616	175,699,836	457,201,730	623,786,134
	Less: Reinsurance and other recoveries received	56,802,206	75,064,974	153,505,804	200,680,078
	Add: Reinsurance and other recoveries in respect of outstanding claims net of impairment - closing	57,787,883	85,424,317	57,787,883	85,424,317
	Less: Reinsurance and other recoveries in respect of outstanding claims net of impairment - opening	(66,054,608)	(125,860,234)	(67,717,006)	(61,717,833)
	Reinsurance and other recoveries revenue	48,535,481	34,629,057	143,576,681	224,386,562
	Net insurance claims expense	114,567,135	141,070,779	313,625,049	399,399,572
15	NET COMMISSION EXPENSE				
	Commissions paid or payable	31,471,731	52,674,008	102,260,450	137,258,815
	Add: Deferred commission - opening	72,974,944	76,002,796	91,084,451	61,621,674
	Less: Deferred commission - closing	(63,523,651)	(88,101,985)	(63,523,651)	(88,101,985)
	Commission expense	40,923,024	40,574,819	129,821,250	110,778,504
	Less: Commission from reinsurers				
	Commission received or receivable	24,640,812	14,178,796	53,687,207	22,637,793
	Add: Deferred commission - opening	26,288,638	4,990,140	19,506,278	4,358,320
	Less: Deferred commission - closing	(35,638,075)	(14,629,505)	(35,638,075)	(14,629,505)
	Commission from reinsurance	15,291,375	4,539,431	37,555,410	12,366,608
	Net Commission expense	25,631,649	36,035,388	92,265,840	98,411,896

16 INVESTMENT INCOME	(Unaudited) 30 September 2019	(Unaudited) 30 September 2018
	---------- (Rupees) ----------	
Dividend and Mark-Up Income		
Dividend Income	64,798	-
Return on Debt Securities	26,533,957	6,822,870
Return on Term Deposits	5,985,616	13,565,021
	32,584,371	20,387,891
Net realized gains / (losses) on investments - Available-for-sale		
Loss on disposal/redemption of mutual funds	(19,534,508)	5,762,173
Total investment income	13,049,863	26,150,064
Impairment in value of available-for-sale securities		
- Mutual Funds	(3,237,682)	-
- Equities	(4,000)	-
less: Investment related Expenses	(315,017)	(23,859)
	9,493,164	26,126,205

17 TRANSACTIONS WITH RELATED PARTIES

17.1 The related parties comprise Parent Company, associated undertakings, common directorships, employees provident fund, directors and key management personnel. The balances with / due from and transactions with related parties are as follows:

17.2 Balances and transactions with related parties

	(Unaudited) 30 September 2019	(Unaudited) 30 September 2018
	---------- (Rupees) ----------	
TPL Trakker Limited - (associated company)		
Opening balance - receivable	69,336,860	31,369,420
Interest charged during the period	37,684,916	28,289,876
Net expenses charged - group shared costs	(33,714,812)	(14,232,519)
Rent and other services on tracking units	(216,714,389)	(204,796,294)
Net payment made by the Company	203,998,457	343,401,097
Closing balance - receivable	60,591,032	184,031,580
Advance to TPL Trakker Limited - (associated company)		
Opening balance - receivable	200,000,000	200,000,000
Payments received during the period	(60,000,000)	-
Closing balance - receivable	140,000,000	200,000,000

This represents advance to a related party. A special resolution of the shareholders authorising the Company to extend advance upto Rs.300 million was passed in Annual General Meeting of the Company held on 21 April, 2019. The balance carries interest at the rate of 1 year KIBOR + 3.5% with a floor of 10% per annum.

TPL Properties Limited- common directorship		
Opening balance - receivable	5,215,569	11,763,149
Rent invoices received during the period	(61,134,684)	(28,471,672)
Payment made during the period	61,134,684	28,471,672
Other movement	-	(9,601,744)
Expenses incurred by the company	676,920	2,387,850
Closing balance - receivable	5,892,489	4,549,255
Virtual World (Private) Limited - common		
Opening accrued outsourcing expenses	(10,000,000)	(644,000)
Services received during the period	(16,262,999)	(14,247,665)
Payments made during the period	19,814,823	8,891,665
Closing accrued outsourcing expenses	(6,448,176)	(6,000,000)
TRG Pakistan Limited		
Balance at the beginning and end of the period - receivable	884,936	884,936
Provision for doubtful debt	(884,936)	(884,936)
Centrepoint Management Services (Private) Limited - common directorship		
Opening balance - payable	660,043	1,812,001
Maintenance charges expensed during the period	14,757,471	8,266,896
Maintenance charges paid during the period	(11,741,423)	(8,266,896)
Other movement during the period	-	(1,191,797)
Services received during the period	4,703,925	7,662,608
Payments made during the period	(6,391,344)	(7,424,542)
Closing balance - payable	1,988,672	858,270

17.2 **Balances and transactions with related parties (continued)**

	(Unaudited) 30 September 2019	(Unaudited) 30 September 2018
	---------- (Rupees) ----------	
TPL Security Services (Private) Limited - common directorship		
Opening balance - receivable	1,934,239	719,357
Expenses incurred by the company	958,846	1,014,617
Services received during the period	(1,556,728)	(672,800)
Payments made during the period	-	672,800
Closing balance - receivable	1,336,357	1,733,974
TPL Direct Insurance Limited Employees Provident Fund		
Opening balance - payable	4,770,815	3,323,344
Charge for the period	20,966,703	19,495,228
Contribution made during the period	(24,219,342)	(20,741,247)
Closing balance - payable	1,518,176	2,077,325
TPL Life Insurance Limited - common directorship		
Opening balance - receivable / (payable)	(896,108)	1,561,209
Expenses incurred on behalf of the company	2,214,176	4,974,596
Services received from the company	(5,195,056)	(7,167,272)
Net payments made during the period	3,740,025	26,539,690
Closing balance - receivable / (payable)	(136,963)	25,908,223
TPL Maps - common directorship		
Opening balance - receivable	1,186,671	-
Expenses incurred on behalf of the company	81,637	666,684
Closing balance - receivable	1,268,308	666,684
TPL Rupiya - common directorship		
Opening balance - receivable	43,662	-
Expenses incurred on behalf of the company	-	32,820
Closing balance - receivable	43,662	32,820
TPL Corp - parent company		
Opening balance - receivable	129,577	-
Expenses incurred on behalf of the company	28,599,937	-
Closing balance - receivable	28,729,514	-
TPL e-Venture Pvt. Limited - common directorship		
Opening balance - receivable	-	-
Expenses incurred on behalf of the company	89,157	23,735
Closing balance - receivable	89,157	23,735
Window Takaful Operations - Participant Takaful Fund		
Opening balance - receivable	18,706,959	14,608,836
Rental and other services charges	95,590,000	121,130,000
Payments received from PTF - net	(112,744,330)	(136,011,605)
Closing balance - receivable / (payable)	1,552,629	(272,769)

17.3 Remuneration to the key management personnel are in accordance with the terms of their employment. Contribution to the provident fund is in accordance with the Company's staff services rules and other transactions with the related parties are in accordance with the agreed terms.

18. SEGMENT REPORTING

	(Unaudited) For the nine months period ended 30 September 2019					
	Fire & property damage	Marine, aviation & transport	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Gross Written Premium (inclusive of Administrative Surcharge)	75,450,071	40,077,919	822,690,894	34,953,040	27,191,834	1,000,363,758
Insurance premium earned	48,145,094	40,319,998	809,594,451	81,995,353	22,580,016	1,002,634,912
Insurance premium ceded to reinsurers	(39,687,137)	(9,300,530)	(111,439,602)	-	(10,127,613)	(170,554,883)
Net insurance premium	8,457,957	31,019,468	698,154,849	81,995,353	12,452,403	832,080,029
Commission income	8,290,005	2,426,367	25,574,666	-	1,264,372	37,555,410
Net underwriting income	16,747,962	33,445,835	723,729,515	81,995,353	13,716,775	869,635,439
Insurance claims	(17,302,595)	(28,709,599)	(403,897,181)	(6,038,649)	(1,253,706)	(457,201,730)
Insurance claims recovered from reinsurers / salvage	15,888,903	6,992,109	119,927,870	-	767,799	143,576,681
Net Claims	(1,413,692)	(21,717,490)	(283,969,311)	(6,038,649)	(485,907)	(313,625,049)
Commission expense	(9,094,346)	(5,481,059)	(69,123,625)	(41,002,962)	(5,119,258)	(129,821,250)
Management expenses	(22,903,534)	(12,166,005)	(249,735,070)	(10,610,303)	(8,254,321)	(303,669,233)
Net insurance claims and expenses	(33,411,572)	(39,364,554)	(602,828,006)	(57,651,914)	(13,859,486)	(747,115,532)
Underwriting result	(16,663,610)	(5,918,719)	120,901,509	24,343,439	(142,711)	122,519,907
Investment income						9,493,164
Other income						74,820,295
Other expenses						(97,387,884)
Results of operating activities						109,445,482
Financial charges						(19,991,318)
Profit before tax from General Insurance Operations						89,454,164
Loss before tax from Window Takaful Operations - Operator's Fund						(151,324,016)
Loss before tax for the period						(61,869,852)

	(Unaudited) For the nine months period ended 30 September 2018					
	Fire & property damage	Marine, aviation & transport	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Gross Written Premium (inclusive of Administrative Surcharge)	53,566,798	37,768,085	812,902,047	103,352,552	19,858,672	1,027,448,154
Insurance premium earned	59,982,021	36,021,817	868,597,224	67,640,909	14,359,150	1,046,601,121
Insurance premium ceded to reinsurers	(46,846,096)	(17,879,365)	(23,032,174)	(663,233)	(628,101)	(89,048,969)
Net insurance premium	13,135,925	18,142,452	845,565,050	66,977,676	13,731,049	957,552,152
Commission income	7,053,533	4,283,749	935,838	-	93,488	12,366,608
Net underwriting income	20,189,458	22,426,201	846,500,888	66,977,676	13,824,537	969,918,760
Insurance claims	(59,412,530)	(18,479,533)	(532,786,854)	(7,300,279)	(5,806,938)	(623,786,134)
Insurance claims recovered from reinsurers / salvage	55,064,584	6,818,081	162,233,202	-	270,695	224,386,562
Net Claims	(4,347,946)	(11,661,452)	(370,553,652)	(7,300,279)	(5,536,243)	(399,399,572)
Commission expense	(11,811,188)	(5,733,299)	(58,870,099)	(31,309,791)	(3,054,127)	(110,778,504)
Management expenses	(17,650,303)	(12,444,614)	(267,851,881)	(34,054,749)	(6,543,449)	(338,544,996)
Net insurance claims and expenses	(33,809,437)	(29,839,365)	(697,275,632)	(72,664,819)	(15,133,819)	(848,723,072)
Underwriting result	(13,619,979)	(7,413,164)	149,225,256	(5,687,143)	(1,309,282)	121,195,688
Investment income						26,126,205
Other income						158,220,518
Other expenses						(208,063,151)
Results of operating activities						97,479,260
Financial charges						(943,661)
Profit before tax from General Insurance Operations						96,535,599
Loss before tax from Window Takaful Operations - Operator's Fund						(67,963,007)
Profit before tax for the period						28,572,592

19 GENERAL

Figures have been rounded off to the nearest Rupee.

20 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on 28 October 2019 by the Board of Directors of the Company.

Director	Director	Chief Financial Officer	Chief Executive Officer	Chairman

ANNEXURE A

WINDOW TAKAFUL OPERATIONS

Condensed Interim Statement of Financial Position

As at 30 September 2019

	Note	(Unaudited) 30 September 2019			(Audited) 31 December 2018		
		(Rupees)			(Rupees)		
		Operator's Fund	Participants' Takaful Fund	Aggregate	Operator's Fund	Participants' Takaful Fund	Aggregate
ASSETS							
Equipment	6	-	62,407,019	62,407,019	-	-	-
Investments							
Mutual Funds	7	-	-	-	-	82,945,792	82,945,792
Government Securities		-	-	-	-	100,278,988	100,278,988
Debt securities	8	-	20,000,000	20,000,000	-	20,000,000	20,000,000
Term deposits		-	400,000,000	400,000,000	-	150,000,000	150,000,000
		-	420,000,000	420,000,000	-	353,224,780	353,224,780
Other receivables including Qard-e-Hasna to PTF of Rs. 246.9 million (2018 : 246.9 million)	9	267,109,926	-	267,109,926	291,265,473	3,057,128	294,322,601
Accrued Investment Income		-	6,434,281	6,434,281	24,310	4,386,460	4,410,770
Takaful/ retakaful receivable		-	167,725,151	167,725,151	-	151,157,841	151,157,841
Retakaful recoveries against outstanding claims		-	7,261,815	7,261,815	-	3,230,000	3,230,000
Salvage recoveries accrued		-	42,844,500	42,844,500	-	55,827,364	55,827,364
Deferred Wakala expense		-	148,321,535	148,321,535	-	120,781,703	120,781,703
Deferred commission expense		96,546,384	-	96,546,384	73,685,941	-	73,685,941
Prepayments		-	38,506,497	38,506,497	-	100,218,439	100,218,439
Bank balances		1,977,942	122,086,181	124,064,123	5,046,670	93,824,559	98,871,229
Total assets		365,634,252	1,015,586,979	1,381,221,231	370,022,394	885,708,274	1,255,730,668
EQUITY AND LIABILITIES							
RESERVES ATTRIBUTABLE TO:							
- OPERATOR'S FUND (OF)							
Statutory Fund		50,000,000	-	50,000,000	50,000,000	-	50,000,000
Accumulated Losses		(205,514,525)	-	(205,514,525)	(50,801,948)	-	(50,801,948)
		(155,514,525)	-	(155,514,525)	(801,948)	-	(801,948)
- WAQF / PARTICIPANTS' TAKAFUL FUND (PTF)							
Ceded money		-	2,000,000	2,000,000	-	2,000,000	2,000,000
Accumulated deficit		-	(108,986,813)	(108,986,813)	-	(173,589,343)	(173,589,343)
Unrealized gain on available-for-sale investments		-	-	-	-	1,311,533	1,311,533
Balance of WAQF / PTF		-	(106,986,813)	(106,986,813)	-	(170,277,810)	(170,277,810)
LIABILITIES							
PTF Underwriting provisions							
Outstanding claims (including IBNR)		-	152,862,885	152,862,885	-	139,070,744	139,070,744
Unearned contribution reserve		-	580,002,367	580,002,367	-	511,363,901	511,363,901
Unearned retakaful commission		-	2,867,030	2,867,030	-	4,727,505	4,727,505
Unearned Wakala Fee		148,321,535	-	148,321,535	120,781,703	-	120,781,703
Qard-e-Hasna	5	-	246,900,000	246,900,000	-	246,900,000	246,900,000
Contribution received in advance		-	6,160,085	6,160,086	-	4,066,280	4,066,280
Takaful / retakaful payable		-	70,227,606	70,227,606	-	67,060,239	67,060,239
Other creditors and accruals	10	18,130,316	62,001,190	80,131,506	17,834,328	64,090,456	81,924,784
Payable to TPL Insurance Limited		352,685,385	1,552,629	354,238,014	201,785,504	18,706,959	220,492,463
Taxation - provision less payments		2,011,541	-	2,011,541	30,422,807	-	30,422,807
Total Liabilities		521,148,777	1,122,573,792	1,643,722,569	370,824,342	1,055,986,084	1,426,810,426
Total fund and liabilities		365,634,252	1,015,586,979	1,381,221,231	370,022,394	885,708,274	1,255,730,668

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the nine months period ended 30 September 2019

	Note	For the three months period ended		For the nine months period ended	
		30 September 2019	30 September 2018	30 September 2019	30 September 2018
Participants' Takaful Fund		---------- (Rupees) ----------		---------- (Rupees) ----------	
Net takaful contribution	11	258,690,709	257,394,080	739,132,001	736,647,167
Net takaful claims	12	(139,306,127)	(128,332,836)	(362,271,171)	(370,652,508)
Wakala fee	14	(75,092,795)	(79,944,019)	(215,156,883)	(257,795,820)
Direct expenses	3.1.1	(32,250,055)	(39,415,834)	(107,461,204)	(116,734,167)
Underwriting result		12,041,730	9,701,391	54,242,743	(8,535,328)
Investment income net of mudarib's fee of Rs. 10.67 (2018: Rs. 2.42) million		12,413,039	2,682,710	24,886,542	5,650,117
Results of operating activities		24,454,771	12,384,101	79,129,286	(2,885,211)
Financial charges	3.1.1	(1,042,101)	-	(2,052,162)	-
Surplus / (deficit) for the period		23,412,670	12,384,101	77,077,124	(2,885,211)
Other comprehensive income :					
-Unrealised gain / (loss) on available-for-sale investments		(2,579,130)	(791,199)	388,151	1,334,404
-Realized (gain) / loss transferred to profit for the period upon sale / redemption of available-for-sale investments		-	-	(1,699,684)	(51,535)
Total other comprehensive income / (loss)		(2,579,130)	(791,199)	(1,311,533)	1,282,869
Total comprehensive income / (loss) for the period		20,833,540	11,592,902	75,765,591	(1,602,342)
Operator's Fund					
Wakala fee	14	75,092,795	79,944,019	215,156,883	257,795,820
Net commission expense	13	(42,793,589)	(25,240,679)	(114,078,809)	(70,353,655)
Management expenses		(70,831,599)	(65,061,370)	(205,595,485)	(192,155,648)
		(38,532,393)	(10,358,030)	(104,517,411)	(4,713,483)
Investment income including mudarib's fee of Rs. 10.67 (2018: Rs. 2.42) million		5,359,435	1,273,975	10,747,246	4,078,577
		(33,172,958)	(9,084,055)	(93,770,165)	(634,906)
Other expenses		(27,066,103)	(24,943,080)	(57,553,851)	(67,328,101)
Loss before taxation		(60,239,061)	(34,027,135)	(151,324,016)	(67,963,007)
Taxation - net		(1,206,783)	(1,015,225)	(3,388,561)	(3,273,430)
Loss after tax for the period		(61,445,844)	(35,042,360)	(154,712,577)	(71,236,437)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		(61,445,844)	(35,042,360)	(154,712,577)	(71,236,437)

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

Condensed Interim Statement of Changes in Fund (Unaudited)

For the nine months period ended 30 September 2019

	Operator's Fund			
	Statutory Fund	Accumulated profit / (loss)	Unrealized gain / (loss) on revaluation of available for sale investments - net of tax	Total
	(Rupees)			
Balance as at 1 January 2018	50,000,000	65,536,539	-	115,536,539
Net loss for the period	-	(71,236,437)	-	(71,236,437)
Balance as at 30 September 2018	50,000,000	(5,699,898)	-	44,300,102
Balance as at 1 January 2019	50,000,000	(50,801,948)	-	(801,948)
Net loss for the period	-	(154,712,577)	-	(154,712,577)
Balance as at 30 September 2019	50,000,000	(205,514,525)	-	(155,514,525)

	Participants' Takaful Fund			
	Ceded Money	Accumulated deficit	Unrealized gain / (loss) on revaluation of available for sale investments - net of tax	Total
	(Rupees)			
Balance as at 1 January 2018	2,000,000	(193,753,691)	(9,900,875)	(201,654,566)
Deficit for the period	-	(2,885,211)	-	(2,885,211)
Unrealized gain on revaluation of - available-for-sale investments	-	-	1,282,869	1,282,869
Total comprehensive surplus / (deficit) for the period	-	(2,885,211)	1,282,869	(1,602,342)
Balance as at 30 September 2018	2,000,000	(196,638,902)	(8,618,006)	(203,256,908)
Balance as at 1 January 2019 as reported	2,000,000	(173,589,343)	1,311,533	(170,277,810)
Effect of change in accounting policy (Note - 3.1.1)	-	(12,474,594)	-	(12,474,594)
Balance as at 1 January 2019 as restated	2,000,000	(186,063,937)	1,311,533	(182,752,404)
Surplus for the period	-	77,077,124	-	77,077,124
Unrealized gain on revaluation of - available-for-sale investments	-	-	(1,311,533)	(1,311,533)
Total comprehensive surplus for the period	-	77,077,124	(1,311,533)	75,765,591
Balance as at 30 September 2019	2,000,000	(108,986,813)	-	(106,986,813)

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

Condensed Interim Statement of Cash Flow (Unaudited)

For the nine months period ended 30 September 2019

	Operator's Fund	Participants' Takaful Fund	30 September 2019 Aggregate	30 September 2018 Aggregate
	(Rupees)			
Operating activities				
(a) Takaful activities				
Contributions received	-	832,260,503	832,260,503	820,250,652
Retakaful contribution paid	-	(36,013,379)	(36,013,379)	(26,788,452)
Claims paid	-	(432,465,253)	(432,465,253)	(415,072,325)
Retakaful and other recoveries received	-	93,722,672	93,722,672	99,678,790
Commission paid	(141,443,700)	-	(141,443,700)	(96,231,762)
Commission received	4,647,785	-	4,647,785	-
Wakala fees received	218,812,897	-	218,812,897	210,838,593
Wakala fees paid	-	(218,812,897)	(218,812,897)	(210,838,593)
Mudarib fees received	(5,000,000)	-	(5,000,000)	5,096,164
Mudarib fees paid	-	5,000,000	5,000,000	(5,096,164)
Net cash inflow from takaful activities	77,016,982	243,691,647	320,708,629	381,836,903
(b) Other operating activities				
Income tax paid	(33,966,338)	-	(33,966,338)	(4,613,216)
Direct expenses paid	-	(47,450,762)	(47,450,762)	(119,545,698)
Management and other expenses paid	(194,697,446)	-	(194,697,446)	(289,552,777)
Other operating receipts / (payments)	148,496,489	(60,828,414)	87,668,075	128,933,915
Net cash outflow from other operating activities	(80,167,295)	(108,279,176)	(188,446,471)	(284,777,776)
Total cash generated from / (used in) all operating activities	(3,150,313)	135,412,471	132,262,158	97,059,127
Investment activities				
Profit / return received	81,585	35,575,953	35,657,538	8,960,612
Payment for investment in Mutual Funds	-	(25,000,000)	(25,000,000)	-
Payment for investment in Government Securities	-	(24,750,000)	(24,750,000)	-
Proceeds from sale of Mutual Funds	-	111,081,063	111,081,063	(23,322,738)
Proceeds from sale of Government Securities	-	122,414,135	122,414,135	-
Total cash (used in) / generated from investing activities	81,585	219,321,151	219,402,736	(14,362,126)
Financing activities				
Lease obligation paid	-	(68,635,165)	(68,635,165)	-
Financial charges paid	-	(7,836,835)	(7,836,835)	-
Total cash used in financing activities	-	(76,472,000)	(76,472,000)	-
Net cash generated from all activities	(3,068,728)	278,261,622	275,192,894	82,697,001
Cash and cash equivalent at beginning of the period	5,046,670	243,824,559	248,871,229	193,645,447
Cash and cash equivalent at end of the period	1,977,942	522,086,181	524,064,123	276,342,448

Condensed Interim Statement of Cash Flow (Unaudited)

For the nine months period ended 30 September 2019

	Operator's Fund	Participants' Takaful Fund	30 September 2019 Aggregate	30 September 2018 Aggregate
	---------- (Rupees) ----------			
Reconciliation to profit and loss account				
Operating cash flows	(3,150,313)	135,412,471	132,262,158	97,059,127
Depreciation / amortization / bad debt expense	(34,412,861)	(86,395,202)	(120,808,063)	(9,576,199)
Income tax paid	33,966,338	-	33,966,338	4,613,216
Provision for taxation	(3,388,561)	-	(3,388,561)	(3,273,430)
Investment Income excluding mudarib's fee	81,585	35,552,203	35,633,788	9,728,694
Financial charges	-	(2,052,162)	(2,052,162)	-
Increase / (decrease) in assets other than cash	1,295,103	(29,612,978)	(28,317,875)	(50,770,785)
(Increase) / decrease in liabilities	(149,103,868)	24,172,791	(124,931,077)	(121,902,271)
Surplus / (Deficit) after taxation	(154,712,577)	77,077,124	(77,635,453)	(74,121,648)
Attributed to:				
Operators' Fund			(154,712,577)	(71,236,437)
Participants' Takaful Fund			77,077,124	(2,885,211)
			(77,635,453)	(74,121,648)

Definition of cash

Cash comprises of cash in hand, policy stamps, bank balances and term deposits which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

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

Notes to the Condensed Interim Financial Statements

For the nine months period ended 30 September 2019

1 STATUS AND NATURE OF BUSINESS

1.1 TPL Insurance Limited (the Company or the Operator) was incorporated in Pakistan in 1992 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017) to carry on general insurance business. The Operator was allowed to work as Window Takaful Operator (the Operator) on 04 September 2014 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The Operator is listed at Pakistan Stock Exchange Limited. The principal office of the Operator is located at 12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi, Pakistan.

1.2 For the purpose of carrying on the takaful business, the Operator formed a Waqf / Participant Takaful Fund (PTF) on 20 August 2014 under the Waqf deed. The Waqf deed governs the relationship of Operator and Participants for management of takaful operations.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under Companies Act 2017; and

- Provisions of and directives issued under Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017 and Takaful Rules 2017.

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

2.2 These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable.

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

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation adopted in the preparation of these condensed interim financial statements are consistent with those disclosed in the annual financial statements of the Operator as at and for the year ended 31 December 2018.

3.1 New standards and amendments

3.1.1 IFRS 16 "Leases"

The Operator has adopted IFRS 16 "Leases" with effect from 01 January 2019. IFRS 16 supersedes IAS 17 Leases and sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single "on balance sheet" model.

The Participant Takaful Fund (PTF) has lease arrangement with TPL Insurance Limited for various items of equipment. Before the adoption of IFRS 16, the PTF classified each of its leases (as lessee) at the inception date as an operating lease. In an operating lease, the leased property / equipment was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under other receivables and other liabilities, respectively.

The Operator has elected to apply IFRS 16 retrospectively, recognising the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of unappropriated profits at the date of initial application.

Under IFRS 16, the Operator, as a Lessee, has recognised right-of-use asset representing its right to use the underlying asset and lease liability representing its obiligation to make lease payments.

The Operator recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Operator is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

At the commencement date of the lease, the Operator recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Operator uses the incremental borrowing rate at the lease commencement date if the profit rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of profit and reduced for the lease payments made.

The effects of adoption of IFRS 16 as at 01 January 2019 and at 30 September 2019 (Increase / (Decrease)) are as follows:

Impact on Statement of Financial Position	**As at 30 September 2019**	**As at 01 January 2019**
	---------- (Rupees) ----------	
Increase in fixed assets - right-of-use assets	62,407,018	85,874,620
Decrease in other assets - prepayments	(44,774,000)	(52,566,000)
Increase in total assets	17,633,018	33,308,620
Increase in other liabilities - lease liability against right-of-use assets / other payable	(27,290,976)	(45,783,214)
Decrease in net assets	(9,657,958)	(12,474,594)

Impact on Statement of Comprehensive Income	**For the Nine Months period ended 30 September 2019 (Rupees)**
Increase in financial charges - lease liability against right-of-use assets	(2,052,162)
(Increase) / decrease in administrative expenses	
- Depreciation on right-of-use assets	(79,395,202)
- Tracker rental expense	84,264,000
	4,868,798
	2,816,636

3.1.2 Amendment to IFRS 17 "Insurance Contracts" - Applying IFRS 9 "Financial Instruments" with IFRS 17 "Insurance Contracts"

The company has taken the benefit of temporary exemption of applying IFRS 9 "Financial Instruments" with IFRS 17 "Insurance Contracts" as allowed under IFRS.

3.2 There are certain new standards, amendments to the approved accounting standards and new interpretations that are mandatory for current accounting period. However, these do not have any significant impact on the Company's financial reporting and therefore have not been detailed in these condensed interim financial information.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Operator's accounting polices. The estimates / judgments and associated assumptions used in the preparation of the condensed interim financial statements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

	(Unaudited) 30 September 2019	(Audited) 31 December 2018
5 QARD-E-HASNA	----------(Rupees)----------	
Balance as at the beginning of the period	246,900,000	199,000,000
Qard-e-Hasna provided during the period	-	47,900,000
Balance as at the end of the period	246,900,000	246,900,000

In accordance with the Takaful Rules, 2012, if at any point in time, assets in Participants' Takaful Fund are not sufficient to cover its liabilities, the deficit shall be funded by way of an interest free loan (Qard-e-Hasna) from Operator Fund. In the event of future surplus in the Participants' Takaful Fund to which a Qard-e-Hasna has been made, the Qard-e-Hasna shall be repaid prior to distribution of surplus to participants.The Operator has prepared financial projections of Participants' Takaful Fund and based on such financial projections believes that the Participant Takaful Fund would be able to repay Qard-e-Hasna to Operator's Fund.

	Note	(Unaudited) 30 September 2019	(Audited) 31 December 2018
6 EQUIPMENT		---------- (Rupees) ----------	
Operating Assets		-	-
Right of use Assets	6.1	62,407,019	-
		62,407,019	-
6.1 Right of use Assets			
Written down value at the beginning of the period / year as reported		-	-
Effect of change in accounting policy (Note 3.1.1)		85,874,620	-
Written down value at the beginning of the period / year as restated		85,874,620	-
Additions and transfers during the period / year - at cost			
- Tracking Devices		55,927,602	-
Depreciation for the period / year		(79,395,203)	-
Written down value at the end of the period / year		62,407,019	-

7. INVESTMENT IN MUTUAL FUNDS

Available- For-Sale

PTF	30 September 2019				31 December 2018			
	Cost	Impairment/ Provision	Revaluation surplus/(deficit)	Carrying Value	Cost	Impairment/ Provision	Revaluation surplus/(deficit)	Carrying Value
	----------(Rupees)----------							
Mutual funds								
MCB Arif Habib AlHamra Islamic Stock Fund	-	-	-	-	72,079,965	(15,445,707)	-	56,634,258
AKD Islamic Income Fund	-	-	-	-	25,000,000	-	1,311,534	26,311,534
	-	-	-	-	97,079,965	(15,445,707)	1,311,534	82,945,792

8. INVESTMENT IN DEBT SECURITIES

Available- For-Sale

This represents Term Finance Certificates of Dubai Islamic Bank carrying markup of 3 Months Kibor + 1.75%. PTF holds 4,000 certificates of Rs. 5,000/- each.

9 OTHER RECEIVABLE

	(Unaudited) 30 September 2019		
	OF	PTF	Total
Wakala fee	8,166,548	-	8,166,548
Mudarib fee	2,608,533	-	2,608,533
Taxes and Duties receivable	6,544,819	-	6,544,819
Qard e Hasna	246,900,000	-	246,900,000
Advance to an agent	2,890,026	-	2,890,026
	267,109,926	-	267,109,926

	(Audited) 31 December 2018		
	OF	PTF	Total
Wakala fee	11,822,563	-	11,822,563
Mudarib fee	-	3,057,128	3,057,128
Taxes and Duties receivable	32,542,910	-	32,542,910
Qard e Hasna	246,900,000	-	246,900,000
	291,265,473	3,057,128	294,322,601

10 OTHER CREDITORS AND ACCRUALS

	(Unaudited) 30 September 2019		
	OF	PTF	Total
Creditors	8,656,243	-	8,656,243
Wakala fee payable	-	8,166,548	8,166,548
Modarib fee payable	-	2,608,533	2,608,533
Federal Insurance Fee	-	967,110	967,110
Federal Excise Duty (FED) - net	667,524	11,566,214	12,233,738
Commission payable	1,581,408	-	1,581,408
Taxes and duties payable	-	6,544,819	6,544,819
Lease obligation against right-of-use assets	-	27,290,977	27,290,977
Withholding tax payable	294,878	907,362	1,202,240
Others	6,930,263	3,949,627	10,879,890
	18,130,316	62,001,190	80,131,506

	(Audited) 31 December 2018		
	OF	PTF	Total
Creditors	2,673,420	966,502	3,639,922
Wakala fee payable	-	11,822,563	11,822,563
Modarib fee payable	3,057,128	-	3,057,128
Federal Insurance Fee	-	892,794	892,794
Federal Excise Duty (FED) - net	-	11,084,491	11,084,491
Commission payable	4,102,721	-	4,102,721
Taxes and duties payable	-	32,542,910	32,542,910
Withholding tax payable	2,461,390	3,567,780	6,029,170
Others	5,539,669	3,213,416	8,753,085
	17,834,328	64,090,456	81,924,784

		(Unaudited) For the three months period ended		(Unaudited) For the nine months period ended	
		30 September 2019	30 September 2018	30 September 2019	30 September 2018
11	NET TAKAFUL CONTRIBUTION	----------(Rupees)----------		----------(Rupees)----------	
	Written net contribution	288,901,428	247,363,818	874,313,389	792,629,902
	Add: Unearned contribution reserve opening	571,228,362	526,635,417	511,363,901	477,955,216
	Less: Unearned contribution reserve closing	(580,002,367)	(506,071,344)	(580,002,367)	(506,071,344)
	contribution earned	280,127,423	267,927,891	805,674,923	764,513,774
	Less: Retakaful contribution ceded	11,692,467	16,388,180	59,344,981	27,833,752
	Add: Prepaid retakaful contribution opening	37,057,247	10,191,622	34,510,941	16,078,846
	Less: Prepaid retakaful contribution closing	(27,313,000)	(16,045,991)	(27,313,000)	(16,045,991)
	Retakaful expense	21,436,714	10,533,811	66,542,922	27,866,607
	Net takaful contribution	258,690,709	257,394,080	739,132,001	736,647,167
12	NET TAKAFUL CLAIMS EXPENSE				
	Claims paid/ payable	152,516,991	136,300,209	432,465,254	415,072,325
	Add: Outstanding claims including IBNR closing	152,862,885	154,158,358	152,862,885	154,158,358
	Less: Outstanding claims including IBNR opening	(142,882,270)	(144,722,971)	(139,070,744)	(98,896,694)
	Claims expense	162,497,605	145,735,596	446,257,394	470,333,989
	Less: Retakaful and other recoveries received	24,606,235	41,331,586	92,937,272	99,678,790
	Add: Retakaful and other recoveries in respect of outstanding claims net of impairment - closing	50,106,315	40,256,341	50,106,315	40,256,341
	Less: Retakaful and other recoveries in respect of outstanding claims net of impairment - opening	(51,521,072)	(64,185,167)	(59,057,364)	(40,253,650)
	Retakaful and other recoveries revenue	23,191,478	17,402,760	83,986,223	99,681,481
	Net takaful claims expense	139,306,127	128,332,836	362,271,171	370,652,508
13	NET COMMISSION EXPENSE				
	Commissions paid or payable	45,097,373	32,291,764	143,447,511	82,359,549
	Add: Deferred commission - opening	96,273,618	48,087,803	73,685,941	43,955,293
	Less: Deferred commission - closing	(96,546,384)	(54,216,071)	(96,546,384)	(54,216,071)
	Commission expense	44,824,607	26,163,496	120,587,068	72,098,771
	Less: commission from reinsurers				
	Commission received or receivable	1,601,379	2,691,232	4,647,785	3,329,418
	Add: Deferred commission - opening	3,296,670	856,168	4,727,505	1,040,281
	Less: Deferred commission - closing	(2,867,030)	(2,624,583)	(2,867,030)	(2,624,583)
	Commission from reinsurance	2,031,019	922,817	6,508,260	1,745,116
	Net commission expense	42,793,589	25,240,679	114,078,809	70,353,655
14	NET WAKALA FEE				
	Gross Wakala Fee	86,898,914	60,833,592	242,696,714	207,604,996
	Add: Deferred wakala fee - opening	136,515,415	142,033,128	120,781,703	173,113,525
	Less: Deferred wakala fee - closing	(148,321,535)	(122,922,701)	(148,321,535)	(122,922,701)
	Net wakala fee	75,092,794	79,944,019	215,156,883	257,795,820

15. SEGMENT INFORMATION

		(Unaudited)					
		For the nine months period ended 30 September 2019					
		Fire & property damage	Marine	Motor	Health	Miscellaneous	Aggregate
		(Rupees)					
15.1	**Participants' Takaful Fund**						
	Gross Written Contribution (inclusive of Administrative Surcharge)	34,084,040	9,536,540	792,656,177	37,875,827	160,806	874,313,389
	Takaful contribution earned	23,909,068	9,899,230	738,871,977	32,869,568	125,081	805,674,923
	Takaful contribution ceded to retakaful operators	(22,919,427)	(4,793,843)	(38,829,653)	-	-	(66,542,922)
	Net takaful contribution	989,641	5,105,387	700,042,324	32,869,568	125,081	739,132,001
	Net underwriting income	989,641	5,105,387	700,042,324	32,869,568	125,081	739,132,001
	Takaful claims	(13,064,600)	(1,184,149)	(402,923,260)	(28,892,180)	(193,205)	(446,257,394)
	Retakaful claims and other recoveries	12,354,773	38,889	71,579,561	-	13,000	83,986,223
	Net Claims	(709,827)	(1,145,260)	(331,343,699)	(28,892,180)	(180,205)	(362,271,171)
	Wakala expensed during the period	(6,295,750)	(2,735,554)	(206,085,635)	-	(39,944)	(215,156,883)
	Direct expenses	-	-	(107,461,204)	-	-	(107,461,204)
	Underwriting result	(6,015,936)	1,224,573	55,151,786	3,977,388	(95,068)	54,242,743
	Investment income						24,886,542
	Financial Charges						(2,052,162)
	Surplus for the period						77,077,123
15.2	**Operator's Fund**						
	Wakala fee	6,295,750	2,735,554	206,085,635	-	39,944	215,156,883
	Commission income	2,341,674	26,164	4,140,422	-	-	6,508,260
	Commission expense	(2,604,224)	(1,512,370)	(113,959,848)	(2,481,245)	(29,381)	(120,587,068)
	Management expenses	(8,014,889)	(2,242,525)	(186,393,727)	(8,906,531)	(37,814)	(205,595,485)
	Underwriting result	(1,981,689)	(993,177)	(90,127,519)	(11,387,776)	(27,251)	(104,517,411)
	Investment income						10,747,246
	Other expenses						(57,553,851)
	Loss before taxation						(151,324,016)

	(Unaudited)					
	For the nine months period ended 30 September 2018					
	Fire & property damage	Marine	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
15.3 Participants' Takaful Fund						
Gross Written Contribution (inclusive of Administrative Surcharge)	25,502,755	7,070,485	720,689,789	39,164,233	202,640	792,629,902
Takaful contribution earned	16,219,458	7,197,011	728,311,676	12,654,450	131,179	764,513,774
Takaful contribution ceded to retakaful operators	(11,750,354)	(4,778,722)	(11,337,531)	-	-	(27,866,607)
Net takaful contribution	4,469,104	2,418,289	716,974,145	12,654,450	131,179	736,647,167
Net underwriting income	4,469,104	2,418,289	716,974,145	12,654,450	131,179	736,647,167
Takaful claims	(1,746,068)	(204,009)	(459,995,650)	(8,153,262)	(235,000)	(470,333,989)
Retakaful claims and other recoveries	1,135,788	163,207	98,382,486	-	-	99,681,481
Net Claims	(610,280)	(40,802)	(361,613,164)	(8,153,262)	(235,000)	(370,652,508)
Wakala expensed during the period	(5,708,209)	(2,192,803)	(249,169,108)	(684,495)	(41,205)	(257,795,820)
Direct expenses	-	-	(116,734,167)	-	-	(116,734,167)
Underwriting result	(1,849,385)	184,684	(10,542,294)	3,816,693	(145,026)	(8,535,328)
Investment income						5,650,117
Financial Charges						-
Surplus for the period						(2,885,211)
15.4 Operator's Fund						
Wakala fee	5,708,209	2,192,803	249,169,108	684,495	41,205	257,795,820
Commission income	1,597,241	147,876	-	-	-	1,745,117
Commission expense	(1,512,316)	(1,036,623)	(68,685,772)	(854,880)	(9,181)	(72,098,772)
Management expenses	(6,182,581)	(1,714,083)	(174,715,353)	(9,494,505)	(49,126)	(192,155,648)
Underwriting result	(389,447)	(410,027)	5,767,983	(9,664,890)	(17,102)	(4,713,483)
Investment income						4,078,577
Other expenses						(67,328,101)
Loss before taxation						(67,963,007)

16. TRANSACTIONS WITH RELATED PARTIES - PTF

	(Unaudited) 30 September 2019	(Unaudited) 30 September 2018
TPL Insurance Limited		
Opening balance - payable	18,706,959	14,608,836
Rental and other services charges	95,590,000	121,130,000
Payments made by PTF - net	(112,744,330)	(136,011,605)
Closing balance - payable / (receivable)	1,552,629	(272,769)
Operator's Fund		
Opening balance - payable (including Qard-e-Hasna)	292,842,057	204,908,282
Wakala fee charged during the period	242,696,714	207,604,996
Qard-e-Hasna provided during the period	-	47,900,000
Modarib Fee charged during the period	10,665,661	2,421,479
Taxes and other movement	136,136,019	139,876,671
Payments made during the period	(418,120,551)	(355,831,990)
Closing balance - payable (including Qard-e-Hasna)	264,219,900	246,879,438

17 GENERAL

17.1 Figures have been rounded off to the nearest Rupee.

18 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorised for issue on 28 October 2019 by the Board of Directors of the Operator.

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

OTHER
INFORMATION

PATTERN OF SHAREHOLDING

AS OF 30 SEPTEMBER 2019

No. of Shareholders	From	To	Shares Held	Percentage
225	1	100	1,241	0.0013
38	101	500	9,803	0.0104
104	501	1000	65,254	0.0695
101	1001	5000	197,682	0.2106
14	5001	10000	91,178	0.0971
13	10001	15000	160,172	0.1706
4	15001	20000	70,407	0.0750
4	20001	25000	95,203	0.1014
3	25001	30000	85,717	0.0913
4	30001	35000	129,220	0.1377
2	35001	40000	74,763	0.0796
1	40001	45000	43,307	0.0461
1	50001	55000	51,564	0.0549
1	55001	60000	59,790	0.0637
3	60001	65000	185,985	0.1981
2	80001	85000	164,582	0.1753
1	90001	95000	93,225	0.0993
2	120001	125000	248,600	0.2648
2	160001	165000	322,857	0.3440
1	230001	235000	231,000	0.2461
1	355001	360000	358,641	0.3821
1	360001	365000	360,935	0.3845
1	370001	375000	373,290	0.3977
1	400001	405000	400,020	0.4262
1	405001	410000	405,919	0.4324
1	445001	450000	449,752	0.4791
1	515001	520000	519,654	0.5536
1	560001	565000	563,570	0.6004
1	675001	680000	676,970	0.7212
1	6995001	7000000	7,000,000	7.4574
1	13635001	13640000	13,635,597	14.5266
1	16995001	17000000	17,000,000	18.1109
1	49740001	49745000	49,740,363	52.9907
539	**Company Total**		**93,866,261**	**100**

CATEGORY OF SHAREHOLDING

AS OF 30 SEPTEMBER 2019

Particulars	No of Folio	Balance Shares	Percentage
DIRECTORS, CEO & CHILDREN	**7**	**141,781**	**0.1510**
Mr. Jameel Yousuf (S.St.)		620	0.0007
Mr. Ali Jameel		620	0.0007
Mr. Andrew Borda		1	0.0000
Syed Nadir Shah		620	0.0007
Muhammad Aminuddin		15,000	0.0160
Mr. Waqar Ahmed Malik		124,920	0.1324
ASSOCIATED COMPANIES	**5**	**88,452,950**	**94.233**
TPL CORP LIMITED		87,375,960	93.0856
TPL Holdings (Pvt) Limited		1,076,990	1.1474
MUTUAL FUNDS	**4**	**454,290**	**0.4840**
Golden Arrow Selected Stocks Fund Limited		373,290	0.3977
CDC - Trustee Picic Investment Fund		120	0.0001
CDC - Trustee Picic Growth Fund		483	0.0005
CDC - Trustee Akd Opportunity Fund		80,397	0.0857
GENERAL PUBLIC (LOCAL)	**503**	**3,603,691**	**3.8392**
GENERAL PUBLIC (FORGEIN)	**4**	**246,272**	**0.2624**
OTHERS	**16**	**967,277**	**1.0305**
Toyota Hyderabad Motors		33,412	0.0356
Bonus Fraction B-2018		189	0.0002
CDC Stay Order Cases With Fracton		405,919	0.4324
Bonus Fraction B-2019		168	0.0002
Habib Sugar Mills Ltd		60,062	0.064
Maple Leaf Capital Limited		1	0.000
Pearl Securities Limited		360,935	0.3845
Fawad Yusuf Securities (Pvt.) Limited		329	0.0004
Federal Board Of Revenue		16,734	0.0178
Sherman Securities (Private) Limited		367	0.0004
Falcon-I (Private) Limited		1	0.000
Toyota Sahara Motors (Pvt) Ltd		38,038	0.0405
Paradigm Factors (Private) Limited		17,122	0.0182
Arif Habib Limited- MF		33,000	0.0352
Pearl Securities Limited - MF		1,000	0.0011
COMPANY TOTAL	**539**	**93,866,261**	**100**

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