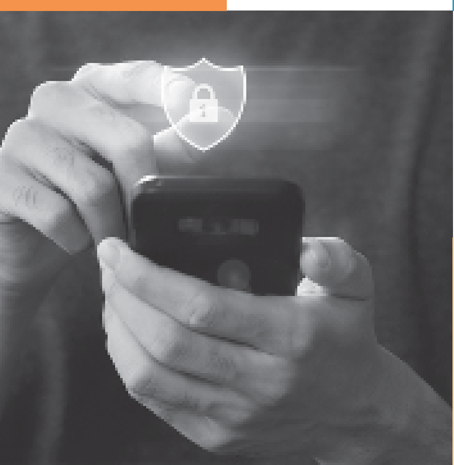
TPLInsurance
ANNUAL REPORT 2024

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EFFICIENT
EFFORTLESS
EMPOWERING

For over two decades, TPL Insurance has been a trusted name in the industry, delivering protection that is efficient in its processes, effortless in its customer experience, and empowering in its approach. By leveraging advanced InsurTech solutions and a legacy of excellence, we simplify insurance for our customers, making it hassle-free and seamless. Our focus remains on enabling individuals and businesses to thrive by providing protection that is both comprehensive and convenient, ensuring peace of mind in an ever-evolving world.

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ANNUAL GENERAL MEETING

OUR VISION

To evolve as a dominant insurance player in Pakistan by exploring profitable niches through deployment of cutting-edge technology and proficient human capital.

OUR MISSION

To combine strategic marketing with efficient operational execution; providing incomparable service and product innovations to create sustainable value for our stakeholders.

OUR VALUES

COMPASSION

We let our customer needs guide us and inspire us to provide innovative solutions.

AGILITY

We are adaptive, striving for innovation and committed to improvement.

FIDELITY

We remain loyal and steadfast in our commitment to our business and our patrons.

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2024 IN REVIEW

PACRA maintained the IFS rating at AA

Won Best InsurTech at Pakistan Digital Awards 2024

Won Best Auto Insurance at the 18th Consumers Choice Awards 2024.

InsurTech of the Year Winner 2023

General Insurance Winner 2023

With continuous technological advancements and a focus on digital transformation, TPLI remains at the forefront of Pakistan's InsurTech landscape, delivering smarter, faster, and more user-friendly insurance solutions across both mobile and web platforms.

Launched Pakistan's first Pet Insurance

Diversified portfolio through Pakistan's first cattle fattening fund

Premium achieved over 5 billion

Maintained Loss Ratio at 48%

Achieved 22% increase in Brand Recognition

Insured over 17,000+ animals in Livestock Insurance

CEO'S MESSAGE

Mr. Muhammad Aminuddin
CEO, TPL Insurance

"We will further enhance efficiency, expand strategic partnerships, and solidify our position as Pakistan's most forward-thinking insurance provider"

Dear Stakeholders,

2024 was a year of strategic growth and transformation for TPL Insurance. Despite market challenges, we reinforced our leadership through operational excellence, innovation, and a customer-first approach.

Achieving a Gross Written Premium (GWP) of Rs. 5.02 billion—a 23% increase—demonstrates the customers' trust placed in us and our ability to deliver diverse, innovative solutions. Our loss ratio improved to 48%, and profit before tax reached Rs. 145 million, reflecting financial strength and sustainability. Strengthened reinsurance partnerships nearly doubled our per-risk capacity for Fire insurance while expanding catastrophe coverage, reaffirming stability. Diversification remained a priority, with the introduction of cyber insurance, Pakistan's first-ever pet insurance, cattle fattening, & livestock insurance. Our agriculture-focused solutions are not only shaping the industry but also driving meaningful economic impact by empowering farmers and rural communities. In motor insurance, despite reduced bank financing, we remained committed to efficiency and tailored coverage, ensuring continued customer protection.

Alongside these achievements, we evolved our brand positioning to better align with the needs of today's customers. With the introduction of a fresh brand identity, we placed a stronger emphasis on living life easily and fully—removing financial stress and integrating insurance seamlessly into modern lifestyles. TPL Insurance is no longer just about protection; it is about enabling people to live confidently, whether they are securing their future, their health, or their adventures. This was complemented by vibrant visuals that depict a future-ready generation—individuals who travel, explore, invest, and grow—reshaping insurance from something traditional to something empowering.

Our investments in digital innovation and process optimization have enhanced operational efficiency, allowing us to deliver smarter, faster, and more intuitive services. Cross-selling strategies expanded our reach, while branding initiatives strengthened our market presence, making TPL Insurance synonymous with trust, ease, and financial security.

Looking ahead, we will continue to push boundaries with intelligent automation and data-driven processes to optimize service delivery and customer engagement. Our focus remains on strengthening key growth areas such as cyber insurance, agriculture, and corporate solutions while leading with innovation. We will further enhance efficiency, expand strategic partnerships, and solidify our position as Pakistan's most forward-thinking insurance provider. I extend my sincere gratitude to our shareholders, partners, and customers for their trust and support. The future is bright, and together, we will make 2025 a landmark year for TPL Insurance.

Warm Regards,

Muhammad Aminuddin
CEO, TPL Insurance

Visit our website to see the CEO's video message:
https://tplinsurance.com/ceo-message/

BOARD OF DIRECTORS

Mr. Jameel Yusuf Ahmed S. St.
Director / Chairman

Mr. Muhammad Ali Jameel
Director

Mr. Muhammad Aminuddin
CEO

Ms. Naila Kassim
Director

Rana Assad Amin
Director

Ms. Ayla Majid
Director

Mr. Aqueel E. Merchant
Director

Mr. Benjamin Brink
Director

MANAGEMENT TEAM

Muhammad Aminuddin
Chief Executive Officer

Syed Ali Hassan Zaidi
Chief Operating Officer

Yousuf Zohaib Ali
Chief Financial Officer

Imtiaz Ahmed
Chief Digital Officer

Wajiha Hafeez
Chief Information Officer

Zia Mehdi
Chief Underwriting Officer

Hashim Sadiq Ali
Chief Internal Auditor

Sohail Kassamali
General Counsel

Shayan Mufti
Company Secretary & Deputy General Counsel

Aurangzeb Javed Siddiqui
Head of Retail and FI Sales

Akif Zia Malik
Head of Corporate Sales

Tariq Rafiq
Head of Reinsurance

Sania Naqvi
Head of Human Resources

Anam Ana
Head of CSR & ESG

Farzana Abdullah-Tahir
Head of Brand & Digital Marketing

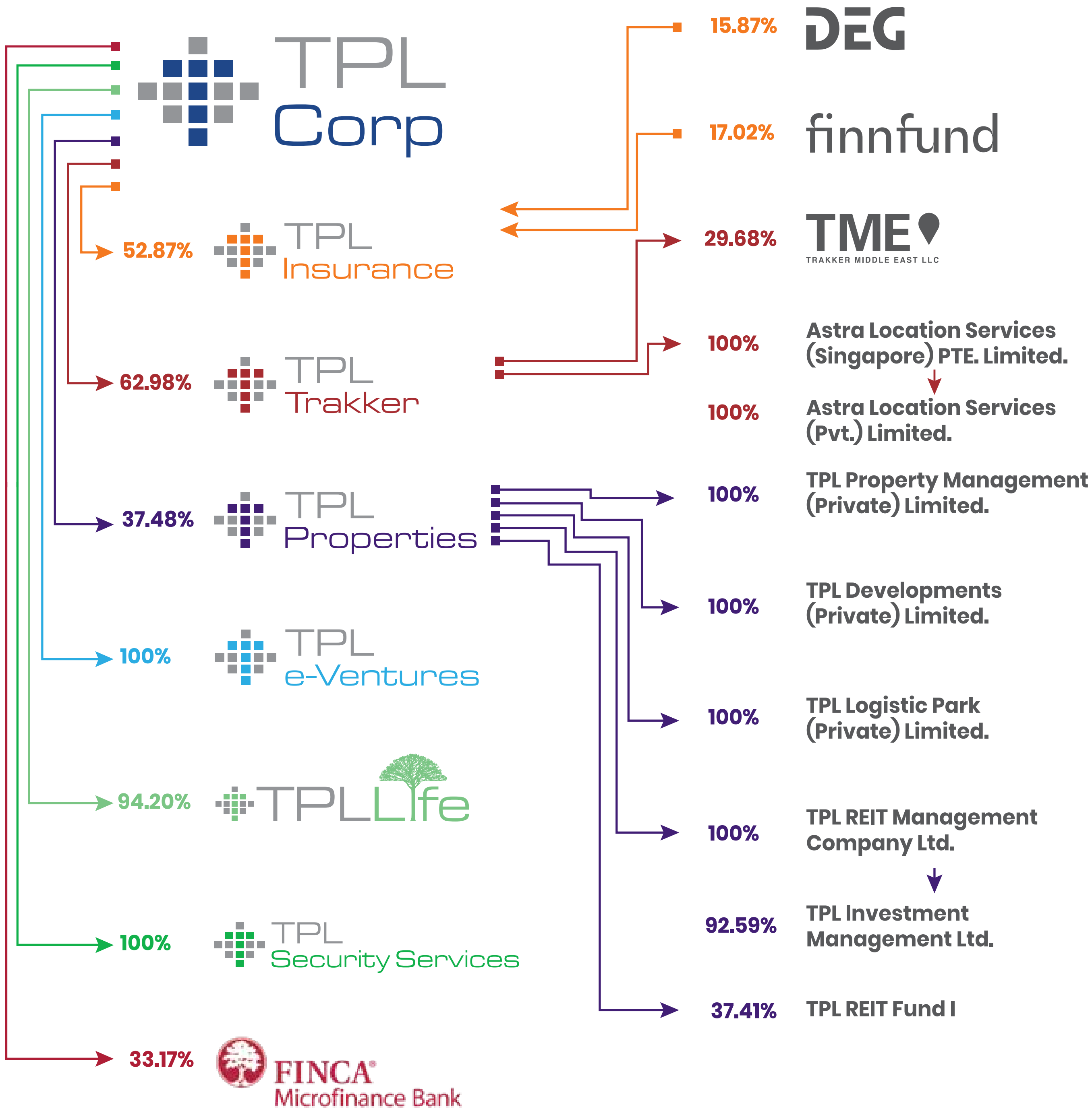
SOLAR PV SYSTEM INSURANCE

#LIVINGEASY

HOME INSURANCE

#LIVINGEASY

GROUP ARCHITECTURE



As of 31st December, 2024

COMPANY PROFILE

TPLInsurance

TPL Insurance (TPLI) is transforming Pakistan's insurance sector with state-of-the-art InsurTech solutions and a 24/7 Contact Center, ensuring seamless access to financial protection. Offering a comprehensive range of General Insurance products including Auto, Fire, Marine, Health, Home, Travel, Mobile, Cyber Risk, Engineering, and Agriculture, TPLI provides both Conventional and Takaful (Islamic) solutions. The company maintains a strong AA rating from PACRA and partners with global reinsurers like Hannover Re and IFAS to ensure robust risk management.

With deep integrations across a vast network of business partners, from emerging startups to established enterprises, TPLI is reshaping the traditional insurance ecosystem. Its advanced mobile app is among Pakistan's leading InsurTech platforms, offering real-time policy issuance, claim processing, self-surveys, renewals, and payments. The company continues to drive innovation with customer-centric solutions like DrivePro (usage-based insurance), CarCulator (customized Auto coverage), and Area Yield Index Crop Insurance.

TPL Insurance is also the first in the industry to introduce Buy Now, Pay Later (BNPL) insurance, allowing customers to pay premiums in easy 3- or 6-month installments with zero interest. This groundbreaking initiative enhances accessibility, making insurance more affordable and flexible for individuals and businesses alike.

AUTO INSURANCE

#LIVINGEASY

BIKE INSURANCE

#LIVINGEASY

PRODUCT PORTFOLIO

AUTO

A range of auto insurance covers to protect customer vehicles:

Comprehensive Cover
Vehicle is covered for all accidental and rain water damages, accessory theft or theft/snatching of vehicle along with third party claims. Complete coverage throughout the year with bundle value add-ons, exclusively designed for TPLI customers.

2T
Vehicle coverage for theft/snatching and Third-Party Liabilities with affordable prices and free value-added features for old vehicles. Favorable for customers who take care of their vehicles and maintain them.

Secure T
Protects old vehicle (over 3 years old) for Total Loss, theft/snatching, Third-Party and Terrorism perils. Secure T is affordable and provides complete reassurance for any major accidental or theft claims.

Drive Pro
Comprehensive coverage with telematics features to track individual driving score, view driving violation data, spot areas for improvement on the go, and earn points for safe driving. Earned points can be redeemed on the TPLI Mobile App to get discounts.

Zero-Depreciation Comprehensive
Comprehensive insurance coverage for 3 years and older vehicles, with benefits of saving depreciation charges, which are generally applicable on accidental and accessory theft claims.

Self-Insurance
Comprehensive coverage and sharing of claim burden up to 10% of vehicle value, with a 25% discount on comprehensive package.

Platinum Drive
The product is designed for brand new zero meter locally assembled motorcars. The product offers full comprehensive coverage against the loss or damage to the motorcar along with inbuilt additional coverage of (Car 4 Car, Zero Depreciation, Evac, Personal Accident Coverage, Drive Pro and Mechanical Breakdown Coverage up to Rs 50,000/-)

Carculator
"Carculator" catering to diverse preferences with the ability to add on additional coverage options at affordable rates. This ensures that customers only pay for the coverage they genuinely need, rather than being constrained by a one-size-fits-all insurance policy.

BIKE

Coverage of motorbikes from any unfortunate events while commuting or being stationary. Easy to avail via the TPLI Mobile App.

Smart Ride Plus (Comprehensive)
Protects motorbikes from a wide range of risks including theft, total loss, accidental damage and Third-Party liability.

Smart Ride
Safeguards your bike from theft and total loss.

HOME

Home Cover protects home structure and contents from unexpected events such as burglary, house-breaking, natural calamities, riots, andaccidents, with flexible coverage under three variants: Home Owner, Tenant and Landlord. Comprehensive protection for valuables, covering a variety of household items, including cash and jewelry. Coverage also includes loss or damage to your property.

MOBILE

Protection from accidental damage or physical loss in case of theft or armed robbery. Coverage includes the following:

- Accidental and/or physical damage to screen up to 10% of depreciated value
- Theft /armed robbery of mobile phones up to depreciated value
- Maximum sum insured - Rs. 100,000/-

TRAVEL

Comprehensive services available for trips anywhere in the world. Packages include complete solutions for emergencies during travel, specially covering hospitalization, where payments are made directly to the hospital.

Domestic Travel Cover
From loss of baggage to medical emergencies and trip cancellation, coverage provides assistance to make the trip easier.

International Travel Cover
Cover against the widest range of emergencies, including flight delays, unexpected injuries, baggage loss, emergency return to home, hijacking, trip cancellation and baggage delays.

Hajj/Umrah
While you perform Hajj/Umrah, we take care of any unforeseen incidents that might happen, allowing you to focus on your tasks while we focus on protecting you.

Ziarat
A comprehensive package covering all kinds of emergencies during Ziarat.

Student Guard
Students can get covered against incidents related to health and travel accidents in a foreign country. Coverage includes flight delays, personal liabilities and assistance.

PROPERTY

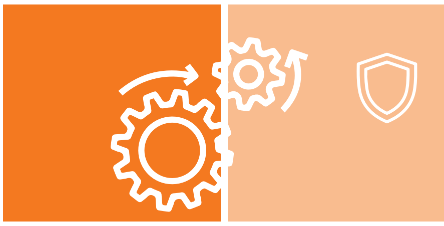
We provide a comprehensive range of insurance products designed to safeguard against financial losses caused by damage or loss of insured assets across the following product lines:

- Fire and Allied Perils
- Business Interruption following Fire & Allied Perils Insurance
- Comprehensive Machinery Insurance (CMI)
- Civil Engineering Complete Risk (CECR)
- Property All Risks
- Hotel Owners All Risks
- Terrorism

MARINE

TPLI's Marine Insurance addresses the needs of importers & exporters, local manufacturers, excavation contractors, property developers, truckers or even a specialist operation, our coverages are essential to protecting business properties in an ever-changing market.

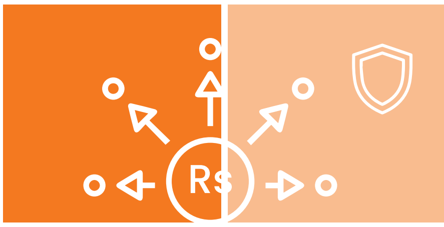
Marine Liability products provide coverages for charterers, marina operators, ship repairers, stevedores, terminal operators and wharfingers on both a primary and excess basis. Technologically advanced, fast solutions for marine cargo import, export and inland transit. Comprehensive coverage for goods in transit for manufacturers, importers & exporters, commodity traders operating locally and internationally, logistics companies and more.



ENGINEERING

Products designed to safeguard against financial losses resulting from sudden and unexpected physical damage or loss to insured assets, including machinery, contractor equipment, and assets related to engineering projects during the construction or erection phases.

- Erection All Risks
- Contractors Plant & Machinery
- Machinery Breakdown
- Advance Loss of Profit
- Electronic Equipment
- Boiler & Pressure Vessel
- Deterioration of Stock due to temperature variation



LIABILITIES

It protects individuals or businesses from financial losses arising from legal claims or lawsuits due to their actions, negligence or obligations. It covers the costs associated with legal defense, settlements or judgments.

- Public Liability/Third party
- Commercial General Liability
- Professional Indemnity
- Medical Malpractice
- Employer Liability
- Directors & Officers Liability

INDEMNITY BONDS

Bonds Insurance, also referred to as Surety Bonds, is a form of insurance that ensures the fulfillment of a contractor's obligations or guarantees their performance under a contract.

- Bid Bond
- Mobilization Advance Bond
- Performance Bond
- Supply Bond

FINANCIAL LINES

We offer a wider range of coverages to safeguard the financial institutions against the financial losses occurred due to theft of their customer and/or account holder currencies, gold by forcible and violent means, forgery, embezzlement of banks employees and computer-related crimes.

- Bankers Blanket Bond
- Safe Deposit Box Insurance
- Electronic & Computer Crime
- Plastic Card

SPECIALIZED INSURANCE

It refers to products designed to cover unique and emerging risks for industries, including safeguards against losses resulting from cyberattacks, data breaches, or other cyber-related incidents. This also includes coverage for aircraft, pilots, and passengers, encompassing liability, hull damage, and medical expenses.

- Event Cancellation
- Aviation Insurance
- Fine Arts Insurance
- Cyber Insurance

MISCELLANEOUS INSURANCE

It covers losses due to staff embezzlement, loss of money kept in a vault or during transit, and accidental damage to plate glass and neon signboards.

- Fidelity Guarantee
- Cash in Safe
- Cash In Transit
- Plate Glass
- Neon Signs

AGRICULTURE

Facilitating farmers to overcome underlying risks which are involved in crop cultivation and livestock rearing. Farmers can get financial coverage for crops and livestock against fire, lightning, storms, earthquakes, flooding, landslides, subsidence, snowfall and external accidents caused by illness, disease and insects.

Crop

Ensures protection against the loss of crops due to natural disasters, such as hail, drought, and flood. TPLI also provides yield-based crop insurance to farmers through international partners, which complements other risk management instruments, like reducing the negative impacts of various perils that can prevent farmers from thriving, such as having to sell household assets or consume savings, stabilizing farmers' incomes and facilitating farmers' access to credit or increasing farmers' ability for credit repayment.

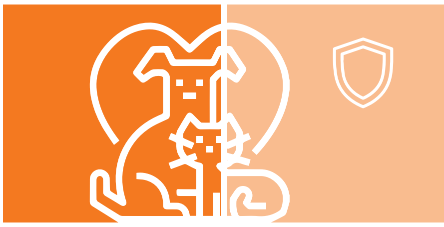
Livestock

Livestock insurance policy covers for losses due to the death of or injuries to the covered livestock. Comprehensive or "Full Mortality" coverage includes a broad peril cover that consists of accidents, sickness, disease, and injury; normally including theft.

HEALTH

Protects customers from the burden of medical treatments in the event of hospitalization, resulting from serious illness or accidents. Patients who are financially vulnerable can avail the micro health product which enables policyholders to get treatment at any hospital across Pakistan as per their convenience. TPLI has one of the largest networks of cashless hospitalization in the Micro Health segment, as well as provides Group Health solutions with digitized claims solutions and wellness programs.

- Family Health Insurance
- Parental Health Insurance
- Domestic Health Insurance
- Micro Health Insurance for Oladoc
- Micro Health Insurance for KraveMart Riders



PET INSURANCE

Experience a groundbreaking leap forward in pet care with Pawsurance for cats and dogs. Be financially prepared for unexpected veterinary bills. Pawsurance offers different plans with varying coverage levels, making it the first in the country to offer comprehensive coverage tailored to the unique healthcare needs for pets between the age of 08 weeks to 08 years.

- Accidents
- Illnesses
- Diagnostics
- Surgery and Specialized Care
- Emergencies and Hospitalization

ENGINEERING INSURANCE

#LIVINGEASY

MARINE INSURANCE

#LIVINGEASY

WINDOW TAKAFUL OPERATIONS

Licensed in 2014, we stand as Pakistan's leading Window Takaful Operator, consistently demonstrating resilience and growth to secure our position among the industry's top-tier players.

Guided by strategic objectives, we are dedicated to providing ethical, Shariah-compliant financial solutions that cater to the evolving needs of our customers. Our offerings are backed by A-rated Re-Takaful partners, ensuring reliability and trust at every step.

Through robust distribution channels, we provide 24/7 service support, offering the fastest claim settlement and processing times in the industry. We continuously strive to expand and enhance our marketing and distribution networks while fostering strong partnerships with aggregators, financial institutions, and providers of Islamic financial products.

Our Window Takaful Operations are governed by a comprehensive Shariah governance framework, overseen by Mufti Talha Iqbal (Shariah Advisor) and Mufti Zakaria Iqbal (Head of Shariah Compliance). Their expertise ensures strict adherence to Islamic principles, reinforcing our unwavering commitment to Shariah compliance and ethical business conduct.

Mobile App

In 2024, TPLI embarked on a complete redesign of its mobile app, transitioning to a React Native tech stack to enhance scalability, improve user experience, and accelerate feature development. This transformation is a major step forward, making the app more responsive, efficient, and aligned with evolving customer needs.

Additionally, several new initiatives were launched to enhance the digital insurance ecosystem:

Surveyor App – A dedicated platform to streamline claim assessments and improve efficiency.

OCR (Optical Character Recognition) Integration – Enables seamless scanning of documents, simplifying data entry and claim processing.

HBL AMC Collaboration – Strengthening our reach in financial services through strategic digital integration.

Key Benefits of the React Native Transition:

Faster Development & Feature Rollouts: A single codebase for iOS and Android accelerates development, reducing time-to-market for new features.

Optimized User Experience (UX): A smoother, faster, and more intuitive interface, ensuring a bug-free engaging experience.

Cross-Platform Consistency: Ensures a uniform experience across devices, minimizing inconsistencies.

Widget Integration: Enables interactive widgets for quick access to policy status, renewal reminders, and claims tracking without opening the app.

Seamless Third-Party Integrations: Enhances compatibility with partners like K-Electric, Bookme, and JazzCash to simplify policy purchases and payments.

Improved Scalability & Maintainability: Supports future growth with easier integration of new insurance products, AI-driven features, and loyalty programs.

Web Enhancements

Alongside the mobile transformation, several key web developments were made to enhance user engagement and lead generation:

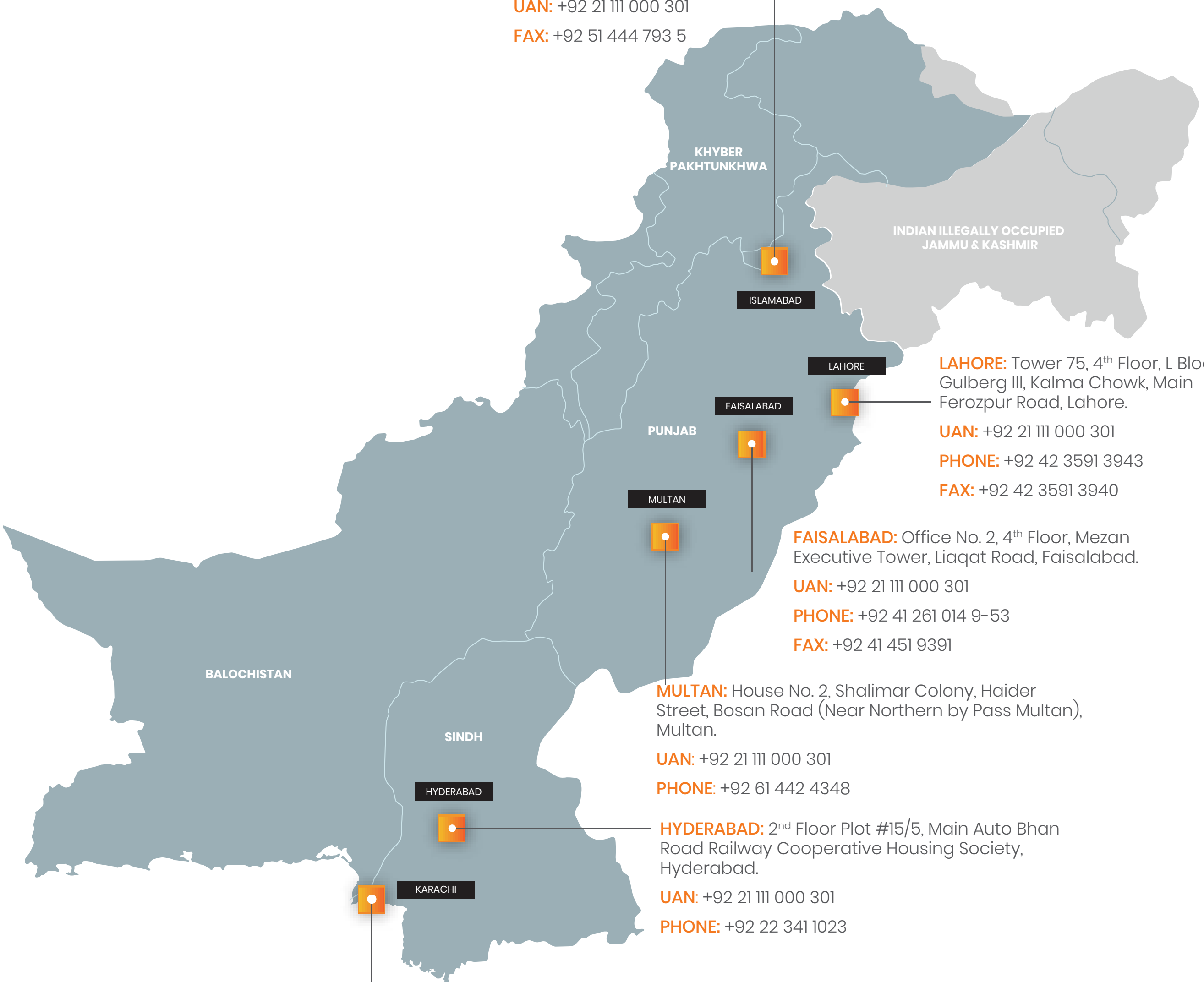
- **Developed multiple product and landing pages** to drive lead generation.
- **Bug fixes and performance optimizations** were implemented for a smoother user experience.
- **Shell-TPLI Collaboration Web Form** was launched for seamless lead generation.
- **Salvage Portal Enhancements** to streamline the auction and salvage process.
- **Pet Insurance Platform** was introduced to expand digital insurance offerings.
- **KAM Portal** is a new platform aimed at further enhancing digital insurance accessibility and automation.

GEOGRAPHICAL PRESENCE

ISLAMABAD: CBC Building, Plot Bk. 12-A, Second Floor (East Side), G-8 Markaz, Islamabad

UAN: +92 21 111 000 301

FAX: +92 51 444 793 5



LAHORE: Tower 75, 4th Floor, L Block, Gulberg III, Kalma Chowk, Main Ferozpur Road, Lahore.

UAN: +92 21 111 000 301

PHONE: +92 42 3591 3943

FAX: +92 42 3591 3940

FAISALABAD: Office No. 2, 4th Floor, Mezan Executive Tower, Liaqat Road, Faisalabad.

UAN: +92 21 111 000 301

PHONE: +92 41 261 014 9-53

FAX: +92 41 451 9391

MULTAN: House No. 2, Shalimar Colony, Haider Street, Bosan Road (Near Northern by Pass Multan), Multan.

UAN: +92 21 111 000 301

PHONE: +92 61 442 4348

HYDERABAD: 2nd Floor Plot #15/5, Main Auto Bhan Road Railway Cooperative Housing Society, Hyderabad.

UAN: +92 21 111 000 301

PHONE: +92 22 341 1023

KARACHI REGISTERED OFFICE: 20th Floor, Sky Tower, East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4, Clifton, Karachi.

UAN: +92 21 111 000 301

PHONE: +92 21 3713 0223

FAX: +92 21 3531 6031-2

BRANCH OFFICES:

Karachi: Plot 19-B, Sindhi Muslim Cooperative Housing Society (SMCHS), Near Roomi Masjid, Shahrah-e-Faisal, Karachi.

UAN: +92 21 111 000 301

PHONE: +92 21 3713 0223

FAX: +92 21 3531 6031-2

KARACHI: Export Processing Zone (EPZ) Landhi: Plot No. N-4, Sector B-III, Export Processing Zone, Landhi, Karachi.

AREA YIELD INDEX CROP INSURANCE

#LIVINGEASY

LIVESTOCK INSURANCE

#LIVINGEASY

SWOT ANALYSIS

S
STRENGTHS

- Achieved PKR 5 billion GWP, with a diversified portfolio of retail and corporate customers demonstrating financial resilience and market leadership.
- End-to-end digitization, including automation of repetitive tasks, CRMs, and task tracking systems.
- Diverse product portfolio focusing on digital-first products.
- Second-largest operator of Window Takaful in Pakistan.
- Strong foreign stakeholder backing, fostering innovation and market confidence.

W
WEAKNESSES

- Low brand awareness among Gen Z and underserved rural areas.
- Limited reinsurance capacities to handle larger risks.
- Smaller corporate customer base compared to competitors, restricting growth in high-value sectors.

O
OPPORTUNITIES

- Use digital platforms and CRMs to build awareness and improve customer engagement.
- Expand partnerships with digital aggregators to enhance customer reach.
- Tap into microinsurance and small-to-medium corporate segments to diversify revenues.
- Continue innovating products like Cyber Insurance, Pet Insurance, and Tractor Insurance to capture niche markets.

T
THREATS

- Political and economic instability impacting purchasing power and market growth.
- Competition from digital-only insurers offering faster, low-cost services.
- Shrinking global reinsurance capacities, limiting underwriting flexibility.
- Low awareness of insurance amongst the masses.

PESTEL ANALYSIS

Political

The improving political landscape in Pakistan has contributed to greater economic stability, fostering a more predictable business environment. With the formation of a stable government and policy continuity, investor confidence has strengthened, creating opportunities for economic recovery and sectoral growth. The insurance industry, which is highly sensitive to regulatory changes and macroeconomic conditions, is expected to benefit from clearer policy direction and regulatory stability.

Economic

Building on the economic stabilization and gradual recovery observed in 2024, the 2025 economic outlook remains mixed, with declining interest rates easing borrowing costs and encouraging business expansion. Lower financing costs in 2024 could gradually revive sectors such as auto financing, which had previously slowed due to high interest rates, positively impacting motor insurance growth. Additionally, inflationary pressures have started to ease, improving consumer purchasing power and increasing demand for discretionary financial products, including insurance.

Social

Demographic shifts, including the growing Gen Z population, have changed consumer expectations. According to recent reports customers prioritize speed, transparency, and ease of use. TPL Insurance has responded with automation, real-time task tracking, and a focus on digital platforms to enhance customer experience while expanding awareness through targeted campaigns.

Technological

Technological advancements have provided opportunities to improve operational efficiency and customer engagement. TPL Insurance's adoption of IoT-enabled telematics, CRM systems, and automation tools has streamlined processes, reduced redundancy, and improved customer satisfaction. These innovations position TPL Insurance as a leader in InsurTech adoption in Pakistan.

Environmental

Climate-related risks, such as flooding, continue to challenge the insurance sector. TPL Insurance's tailored products, such as Yield-Based Crop Insurance and Digital Livestock Insurance, provide critical support to vulnerable segments while helping mitigate environmental risks.

Legal

Regulatory changes introduced in 2024 are driving significant reforms, with the SECP proposing revised minimum capital requirements to enhance financial stability and risk-bearing capacity. Stricter AML/KYC regulations now mandate enhanced customer due diligence, driving insurers to adopt digital compliance solutions. The government's push for mandatory motor insurance is expected to boost industry-wide premium volumes and motor insurance penetration, creating new growth opportunities. Additionally, the implementation of IFRS 17 is transforming financial reporting, liability measurement, and revenue recognition, requiring insurers to align with international standards for greater transparency.

PORTER'S 5 FORCES

Threat of New Entrants

Pakistan's insurance sector continues to see the emergence of digital-first players. These entrants leverage technology to simplify operations and offer tailored services, posing a challenge to established companies. TPL Insurance maintains its edge through its end-to-end digital capabilities, including automated processes, CRMs, and task-tracking tools, enabling efficiency and superior service delivery.

Bargaining Power of Suppliers

Reinsurance providers, tech vendors, hospitals, and workshops play a critical role in shaping costs. Shrinking global reinsurance capacities further amplify supplier power. TPL Insurance mitigates this by securing reinsurance agreements and leveraging its in-house technology capabilities to reduce external dependencies.

Bargaining Power of Customers

Customers' expectations for fast claims, transparency, and affordability have increased. The company's investment in technology and customer centric services improves customer loyalty and meets their diverse needs. TPL Insurance addresses these demands through automation, real-time task tracking, and a diversified portfolio offering niche products such as Director and Officers Liability, Cyber Insurance, and Agri-Insurance.

Threat of Substitute Products and Services

Traditional insurance is increasingly facing competition from fintech alternatives that provide alternative risk management tools. TPL Insurance counters this by introducing specialized products like Yield-Based Crop Insurance and Digital Livestock Insurance while increasing customer awareness through targeted campaigns. By leveraging digital platforms and personalized solutions, the company mitigates this substitution threat effectively.

Rivalry Among Existing Competitors

Pakistan's insurance market remains intensely competitive, with traditional players and new entrants vying for market share. TPL Insurance maintains a competitive advantage through its focus on retail customer segment, advanced CRMs, partnerships with digital aggregators and innovative marketing campaigns.

SIGNIFICANT CHANGES FROM PRIOR YEARS

TPL Insurance remains committed to innovation, diversification, and operational excellence, continuously enhancing its product offerings and expanding its reach across all insurable segments of Pakistan. The company's focus on customer-centric and tech-driven solutions has enabled it to sustain growth and improve service standards, even amidst economic volatility and industry challenges.

Business Growth & Market Expansion

2024 marked a significant milestone, with TPL Insurance achieving a PKR 5 billion Gross Written Premium (GWP)—a testament to its expanding market presence and strong financial performance. The company successfully diversified its corporate portfolio, introducing guarantee products to broaden its footprint in the commercial insurance sector. Additionally, TPL Insurance capitalized on agriculture insurance opportunities, further strengthening its Yield-Based Crop Insurance and Livestock Insurance, ensuring financial protection for farmers and agribusinesses.

Product Innovation & New Launches

Continuing its commitment to product innovation, TPL Insurance launched several new insurance solutions to cater to evolving customer needs. Cyber Insurance was introduced to address the rising risks of digital security threats, Pet Insurance expanded the company's footprint into lifestyle protection, and enhancements in Motorway Insurance and Health Insurance offerings provided greater value to customers. These additions, along with an enhanced Agri and Livestock Insurance portfolio, have strengthened TPL Insurance's position as a leader in specialized insurance solutions.

Navigating Industry & Internal Challenges

The motor insurance segment faced stagnant growth due to reduced auto financing by banks, which impacted vehicle sales and insurance penetration. Despite these challenges, TPL Insurance maintained its market presence by adapting its strategy and focusing on used car insurance and non-bank-financed vehicle segments. Internally, human capital efficiency and retention remained a focal point, as the company reinforced its commitment to employee training, upskilling, and leadership development. As a service-driven industry, the company recognizes that its human capital is its greatest asset. Therefore, initiatives for skill enhancement and workforce optimization were prioritized to sustain operational efficiency.

Operational & Customer Experience Enhancements

To improve operational efficiency and customer satisfaction, TPL Insurance deployed an advanced CRM system, optimizing customer interactions, claims processing, and policy management. This digital transformation is aimed at reducing turnaround times, improving service consistency, and enhancing customer engagement through data-driven insights.

Brand Awareness & Market Penetration

TPL Insurance launched the "Jiyo Befikr" campaign to expand awareness of general insurance, moving beyond our stronghold in auto insurance. With the message "Insurance that fits your lifestyle – Jiyo Befikr / Live Fully," we simplified insurance, eased financial fears, and positioned TPL Insurance as an enabler of a stress-free life. Through precision-targeted OOH, TV, radio, and digital channels, the campaign highlighted financial security, fast claims, and diverse products. As the year progressed, the message evolved from Living Fully to Living Easily, culminating in "Jiyo Easy"—reinforcing TPL Insurance as a trusted partner in making insurance effortless.

PAWSURANCE

#LIVINGEASY

HEALTH INSURANCE

#LIVINGEASY

CALENDAR OF MAJOR EVENTS

2024

January
- Launched Insurance Guarantee, OEM alliance with Honda Atlas Cars
- Improvement in Retakaful treaty limits of the Company for Property business by 61%

February
- Board of Directors meeting to review and approve Annual Financial Statements for the year ended Dec 31, 2023

March
- Agreement signed with Regal Automobiles, Yadea (E-bikes) and Ghandhara Industries Ltd. to forge strategic partnership for innovative solutions in Auto Sector

April
- Board of Directors meeting to review Condensed Financial Statements for the quarter ended Mar 31, 2024
- Annual General Meeting of the Shareholders of the Company
- OEM Alliance formed with MGJW automobiles

May
- PACRA maintained the IFS rating at AA
- Launched Platinum Drive as a Premium Telematics based Auto Insurance
- Corporate Cyber Insurance Launched

June
- Launched Pakistan's First Pet Insurance
- Pakistan Digital Awards – Won Best InsurTech 2024
- Launched rebranding campaign "Jiyo Befikr"

July
- OEM alliances formed with Ghandara Industries, Ghandara Automobiles

August
- Board of Directors meeting to review Condensed Financial Statements for the half year ended June 30, 2024
- Improvement in Retakaful treaty limits of the Company for Property business by 50%

September
- Signed with Jazz Mosafir for embedding Travel Insurance

October
- Identified as leading InsurTech at Digital Leaders Conference
- Won the Best Auto Insurance for Consumers Icon Award as part of the 18th Consumers Choice Awards
- Won Brand of the Year Awards in General Insurance and InsurTech categories
- Board of Directors meeting to review Condensed Financial Statements for the nine months ended Sep 30, 2024

November
- Awarded 1st CSR Award by PCP
- Mobile App downloads crossed 400K mark
- Agreement signed with Indus Motor Company for Toyota Protection Program
- Signed with FameWheels for Motor and Bike Insurance

December
- Board of Directors meeting to review and approve budget for the Year 2025
- Launched Pakistan's First Insurance on Metaverse
- Safe Deposit and locker insurance launched

OTHER INFORMATION

BANKERS

- Al-Baraka Bank Pakistan Ltd.
- Askari Bank Limited
- Bank Alfalah Limited.
- 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.
- Khushhali Microfinance Bank Ltd.
- MCB Bank Ltd.
- Meezan Bank Ltd.
- Mobilink Micro Finance Bank Ltd.
- National Bank of Pakistan
- Samba Bank Ltd.
- Silk Bank Ltd.
- Soneri Bank Ltd.
- Bank Makramah Ltd.
- Telenor Micro Finance Bank Ltd.
- The Bank of Punjab
- United Bank Ltd.

AUDITORS

BDO Ebrahim & Co.
Chartered Accountants

LEGAL ADVISOR

Lari & Co.
Maritime & Insurance Advocates

SHARE REGISTRAR

THK Associates (Pvt) Limited
Plot No. 32-C, Jami Commercial
Street 2, DHA Phase VII, Karachi -
75500
Tel: +92-21-35310191-6
Fax: +92-21-35310190

REGISTERED OFFICE

20th Floor, Sky Tower – East Wing
Dolmen City, HC-3, Abdul Sattar
Edhi Avenue, Block No. 4 Clifton
Karachi, Karachi East, Sindh
Fax: +92-21-35316032
UAN: +92-21-111-000-301
Tel: +92-21-34390300-5,
+92-21-37130223

WEB PRESENCE

Website: www.tplinsurance.com
Facebook: insurancetpl
Instagram: tplinsurance
Linkedin: tplinsurance

HORIZONTAL ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024

Balance Sheet	2024	2023	2022	2021	2020	2019
	------------------ Rupees in million ------------------					
Property and equipment	321.4	300.8	422.0	401.2	257.5	429.1
Investments	2,081.8	2256.5	1,740.0	1,390.4	920.8	729.4
Loans and other receivables	543.8	537.6	344.5	355.3	95.8	287.9
Insurance / reinsurance receivables	904.0	733.5	633.1	611.8	418.7	308.3
Reinsurance and other recoveries against outstanding claims	770.2	744.3	596.8	486.6	371.7	89.8
Deferred commission expense	298.5	260.6	238.9	181.2	179.5	156.8
Deferred taxation	-	4.7	-	-	16.4	44.1
Prepayments	547.1	474.2	413.8	305.1	319.3	218.3
Taxation - payments less provision	-	-	12.9	8.0	8.1	-
Cash and bank balances	2,472.1	1996.5	1,569.4	1,046.4	913.4	702.4
Total Assets	**7,939.0**	**7,308.7**	**5,971.4**	**4,786.0**	**3,501.2**	**2,966.1**
Issued, subscribed and paid up share capital	1983.9	1983.9	1,983.9	1,171.9	938.7	938.7
Accumulated (losses) / profits	481.1	459.9	(59.8)	(65.3)	(164.5)	(114.0)
Share premium - net of share issuance cost	42.8	42.8	42.8	221.2	8.0	8.0
Other capital reserves	124.6	124.6	124.6	77.6	24.1	-
Other comprehensive income reserve	110.25	69.6	107.5	189.0	(7.3)	-
Available-for-sale reserve	-	-	-	-	-	(29.7)
Total Shareholders' Fund	**2,742.8**	**2,680.8**	**2,199.0**	**1,594.3**	**799.0**	**803.0**
Participant's Takaful Fund	7.7	(42.6)	(54.7)	(67.5)	41.4	(48.9)
Total Equity	**2,750.5**	**2,638.2**	**2,144.3**	**1,526.8**	**840.4**	**754.1**
Provision for outstanding claims [including IBNR]	1,051.8	952.5	827.0	574.2	525.3	252.5
Provision for unearned premium	2,442.7	2,023.8	1,888.9	1,688.8	1,379.7	1,211.2
Premium deficiency reserves	11.0	9.0	-	3.4	2.5	-
Deferred commission income	130.9	90.6	79.6	63.0	63.3	41.4
Deferred taxation	37.2	-	10.4	36.9	-	-
Premiums received in advance	12.3	5.3	22.8	26.5	18.0	15.7
Insurance / reinsurance payables	463.2	430.4	380.4	322.0	275.0	206.9
Other creditors and accruals	716.1	840.0	382.7	345.0	267.4	193.7
Taxation - provision less payments	183.0	188.7	-	-	-	14.0
Lease liability against right-of-use asset	140.0	130.2	235.3	199.4	129.6	276.6
Total Shareholders' Equity and Liabilities	**7,939.0**	**7,308.7**	**5,971.4**	**4,786.0**	**3,501.2**	**2,966.1**

Profit and Loss Account	2024	2023	2022	2021	2020	2019
	------------------ Rupees in million ------------------					
Net insurance premium (Net of Premium Deficiency Reserve)	3,422.1	3,075.7	2,970.4	2,397.6	2,162.6	2,136.2
Net Insurance claims	(1,656.3)	(1,506.4)	(1,415.4)	(1,112.7)	(970.1)	(882.9)
Net commission expense	(350.7)	(301.4)	(269.1)	(221.5)	(198.1)	(274.4)
Management expenses	(1,378.2)	(1,422.8)	(1,100.6)	(945.5)	(878.1)	(867.2)
Underwriting results	**36.9**	**(154.9)**	**185.3**	**117.9**	**116.3**	**111.7**
Investment income	388.8	445.5	84.9	78.7	90.5	80.9
Other income	78.9	86.2	61.8	32.2	113.5	71.2
Financial charges	(29.0)	(24.7)	(30.9)	(26.8)	(35.2)	(29.6)
Other expenses	(331.0)	(258.4)	(236.0)	(207.1)	(205.6)	(178.2)
Surplus on merger	-	1,078.9	-	-	-	-
Profit / (Loss) before tax for the year	**144.7**	**1,172.6**	**65.1**	**(5.2)**	**79.4**	**56.0**
Taxation	(73.1)	(45.5)	(46.8)	(4.5)	(39.7)	(25.5)
Profit / (Loss) after tax	**71.6**	**1,127**	**18.3**	**(9.7)**	**39.7**	**30.5**
Profit / (Loss) after tax attributable to shareholders	21.3	1,114.9	5.5	99.2	76.8	(107.2)
Profit / (Loss) after tax attributable to PTF	50.3	12.1	12.8	(108.9)	(37.1)	137.7

VERTICAL ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024

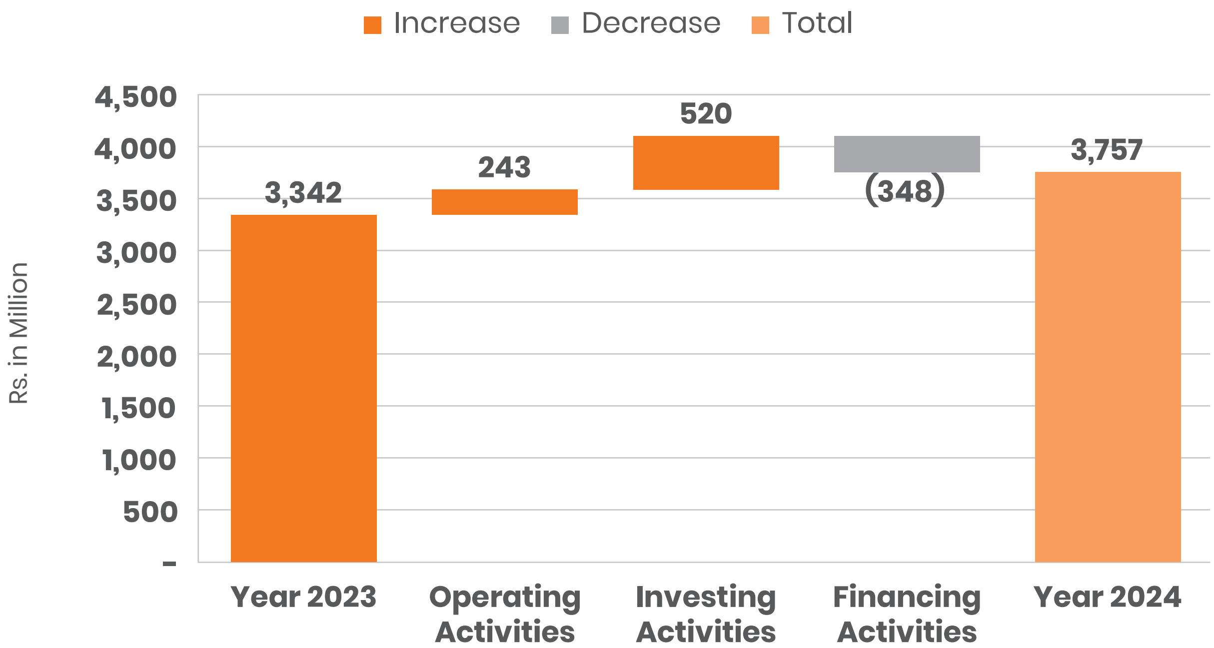
Balance Sheet	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**
Property and equipment	4.1%	4.1%	7.1%	8.4%	7.4%	14.5%
Investments	26.2%	30.9%	29.1%	29.1%	26.3%	24.6%
Loans and other receivables	6.9%	7.4%	5.8%	7.4%	2.7%	9.7%
Insurance / reinsurance receivables	11.4%	10.0%	10.6%	12.8%	12.0%	10.4%
Reinsurance and other recoveries against outstanding claims	9.7%	10.2%	10.0%	10.2%	10.6%	3.0%
Deferred commission expense	3.8%	3.6%	4.0%	3.8%	5.1%	5.3%
Deferred taxation	0.0%	0.1%	0.0%	0.0%	0.5%	1.5%
Prepayments	6.9%	6.5%	6.9%	6.4%	9.1%	7.4%
Taxation - payments less provision	0.0%	0.0%	0.2%	0.2%	0.2%	0.0%
Cash and bank balances	31.1%	27.3%	26.3%	21.9%	26.1%	23.7%
Total Assets	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Issued, subscribed and paid up share capital	25.0%	27.1%	33.2%	24.5%	26.8%	31.7%
Accumulated (losses) / profits	6.1%	6.3%	-1.0%	-1.4%	-4.7%	-3.8%
Share premium - net of share issuance cost	0.5%	0.6%	0.7%	4.6%	0.2%	0.3%
Other capital reserves	1.6%	1.7%	2.1%	1.6%	0.7%	0.0%
Other comprehensive income reserve	1.3%	1.0%	1.8%	4.0%	-0.2%	0.0%
Available-for-sale reserve	0.0%	0.0%	0.0%	0.0%	0.0%	-1.0%
Total Shareholders' Fund	**34.5%**	**36.7%**	**36.8%**	**33.3%**	**22.8%**	**27.1%**
Participant's Takaful Fund	0.1%	-0.6%	-0.9%	-1.4%	1.2%	-1.7%
Total Equity	**34.6%**	**36.1%**	**35.9%**	**31.9%**	**24.0%**	**25.4%**
Provision for outstanding claims [including IBNR]	13.3%	13.0%	13.9%	12.0%	15.0%	8.5%
Provision for unearned premium	30.8%	27.7%	31.6%	35.3%	39.4%	40.8%
Deferred commission income	1.7%	1.2%	1.3%	1.3%	1.8%	1.4%
Premium deficiency reserves	0.1%	0.1%	0.0%	0.1%	0.1%	0.0%
Deferred taxation	0.5%	0.0%	0.2%	0.8%	0.0%	0.0%
Premiums received in advance	0.2%	0.1%	0.4%	0.6%	0.5%	0.5%
Insurance / reinsurance payables	5.8%	5.9%	6.4%	6.7%	7.9%	7.0%
Other creditors and accruals	9.0%	11.5%	6.4%	7.2%	7.6%	6.5%
Taxation - provision less payments	2.3%	2.6%	0.0%	0.0%	0.0%	0.5%
Lease liability against right-of-use asset	1.8%	1.8%	3.9%	4.2%	3.7%	9.3%
Total Shareholders' Equity and Liabilities	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Profit and Loss Account	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**
Net insurance premium (Net of premium deficiency reserve)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Net Insurance claims	-48.4%	-49.0%	-47.7%	-46.4%	-44.9%	-41.3%
Net commission expense	-10.3%	-9.8%	-9.1%	-9.2%	-9.2%	-12.9%
Management expenses	-40.3%	-46.3%	-37.1%	-39.4%	-40.6%	-40.6%
Underwriting results	**1.1%**	**-5.0%**	**6.2%**	**4.9%**	**5.4%**	**5.2%**
Investment income	11.4%	14.5%	2.9%	3.3%	4.2%	3.8%
Other income	2.3%	2.8%	2.1%	1.3%	5.3%	3.3%
Financial charges	-0.9%	-0.8%	-1.0%	-1.1%	-1.6%	-1.4%
Other expenses	-9.7%	-8.4%	-8.0%	-8.6%	-9.5%	-8.3%
Surplus on merger	0.0%	35.1%	0.0%	0.0%	0.0%	0.0%
Profit / (Loss) before tax for the year	**4.2%**	**38.1%**	**2.2%**	**-0.2%**	**3.7%**	**2.6%**
Taxation	-2.1%	-1.5%	-1.6%	-0.2%	-1.8%	-1.2%
Profit / (Loss) after tax	**2.1%**	**36.6%**	**0.6%**	**-0.4%**	**1.8%**	**1.4%**

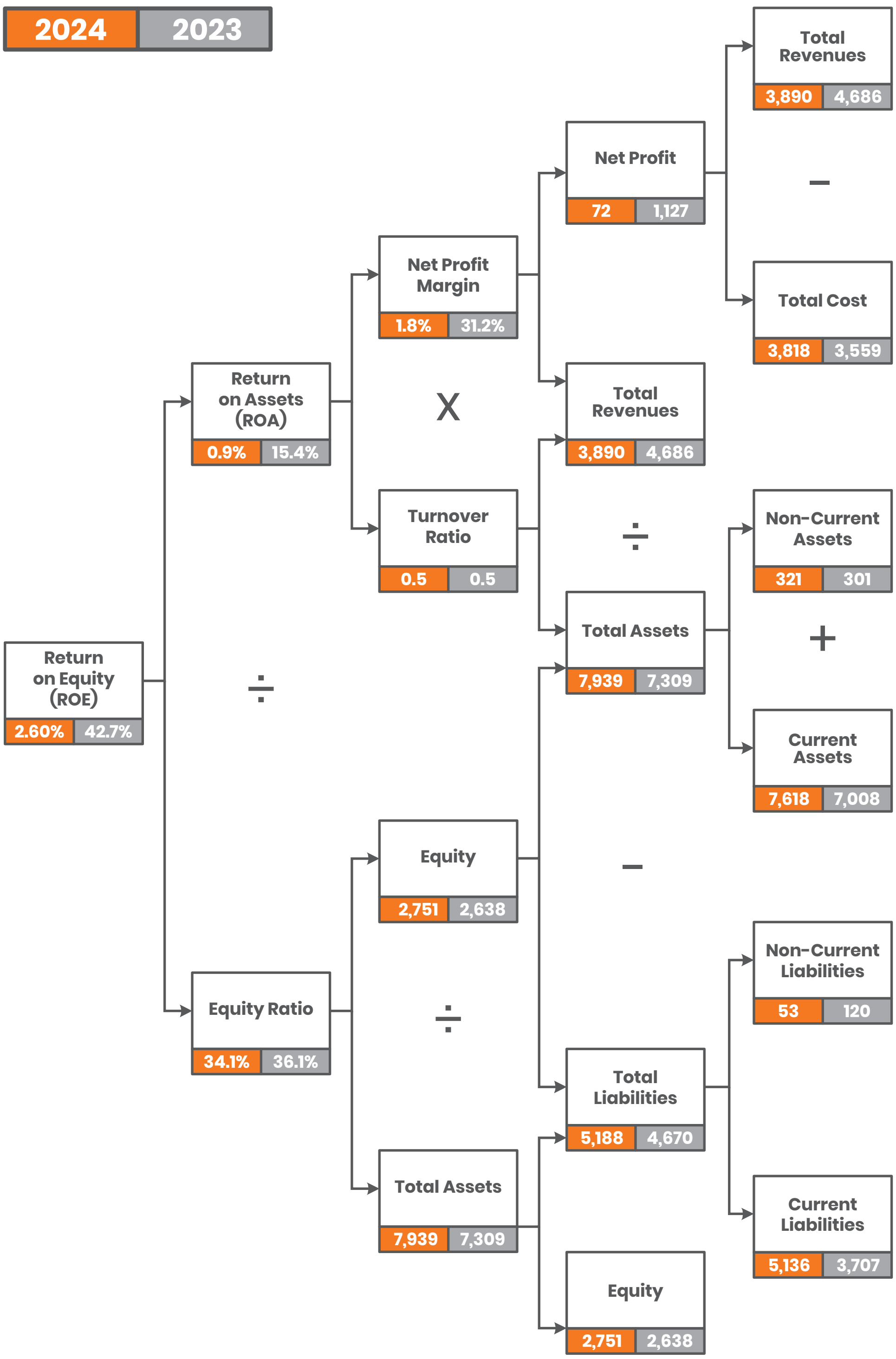
CASHFLOW ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023	2022	2021	2020	2019
	---------------------Rs. In Million					---------------------
Net Cashfows from Operating Activities	242.7	(76.9)	321.4	(36.3)	494.2	349.0
Net Cashflows from Investing Activities	519.8	1,553.3	277.9	165.0	(418.1)	411.5
Net Cashflows from Financing Activities	(348.2)	(529.7)	420.0	259.3	(210.1)	(240.0)
Net Cash Inflow / (Outflow)	**414.4**	**946.7**	**1,019.3**	**388.0**	**(134.0)**	**520.5**
Cash and cash equivalent at the start of the year	3,342.4	2,395.7	1,376.4	988.4	1,122.4	601.9
Cash and cash equivalent at the end of the year	**3,756.8**	**3,342.4**	**2,395.7**	**1,376.4**	**988.4**	**1,122.4**

CASH & CASH EQUIVALENT



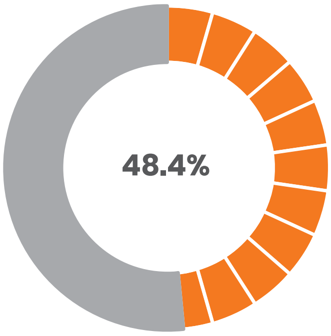
DUPONT ANALYSIS

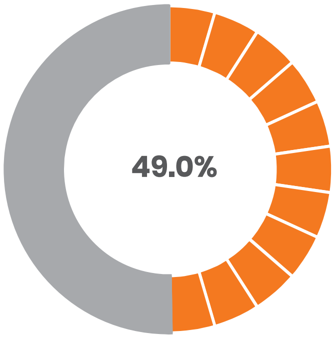


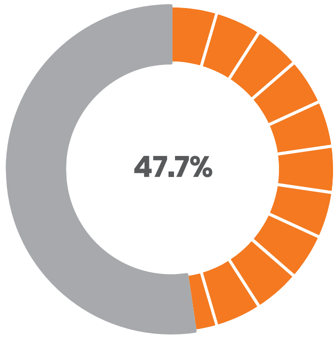
RATIO ANALYSIS

2024	2023	2022

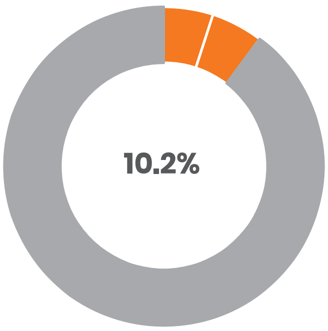
Claim Ratio %

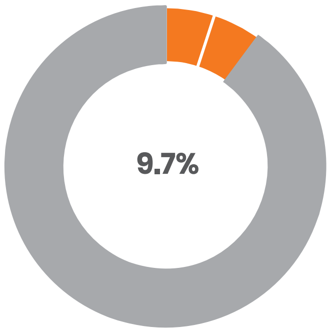


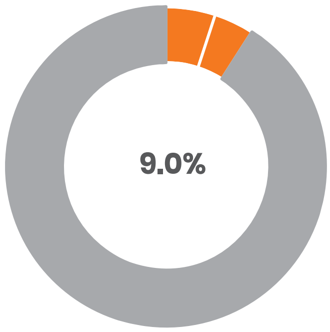




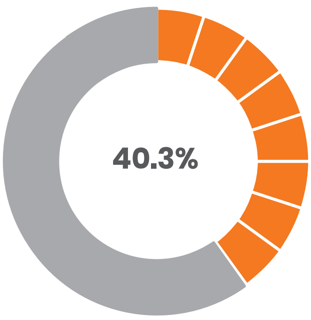
Commission Ratio %

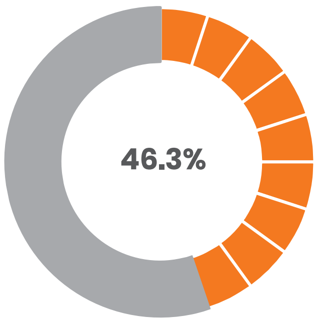


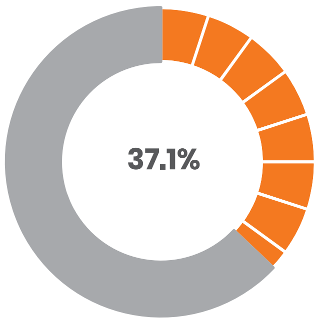




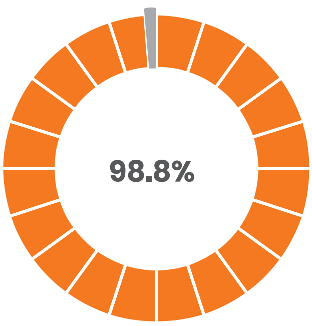
Management Expense Ratio %

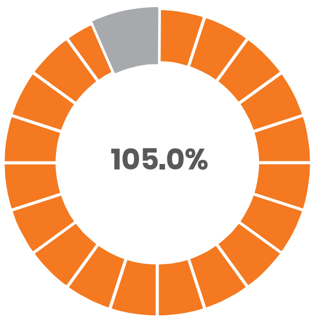


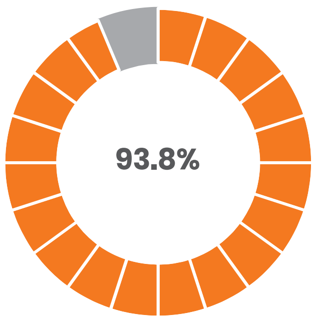




Combined Ratio %







RATIO ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024

		2024	2023	2022	2021	2020	2019
Profitability							
Profit Before Tax / Gross Premium	%	2.9%	28.7%	1.7%	-0.2%	2.9%	2.2%
Profit Before Tax / Net Premium	%	4.2%	38.1%	2.2%	-0.2%	3.7%	2.6%
Profit After Tax / Gross Premium	%	1.4%	27.6%	0.5%	-0.4%	1.4%	1.2%
Profit After Tax / Net Premium	%	2.1%	36.6%	0.6%	-0.4%	1.8%	1.4%
Underwriting Result / Gross Premium	%	0.7%	-3.8%	4.8%	3.6%	4.2%	4.5%
Underwriting Result / Net Premium	%	1.1%	-5.0%	6.2%	4.9%	5.4%	5.2%
Profit Before Tax / Total Income	%	3.7%	32.5%	2.1%	-0.2%	3.4%	2.4%
Profit After Tax / Total Income	%	1.8%	31.2%	0.6%	-0.4%	1.7%	1.3%
Combined ratio	%	98.9%	105.0%	93.8%	95.1%	94.6%	94.8%
Reinsurance premium ceded on gross premium (%)	%	24.5%	22.8%	19.8%	17.6%	19.1%	13.4%
Reinsurance claim recovery percentage	%	15.2%	16.6%	14.7%	18.0%	27.1%	26.8%
Retention ratio	%	75.5%	77.2%	80.2%	82.4%	80.9%	86.6%
Net Claims / Net Premium	%	48.4%	49.0%	47.7%	46.4%	44.9%	41.3%
Management Expenses / Net Premium	%	40.3%	46.3%	37.1%	39.4%	40.6%	40.6%
Net Profit Margin	%	1.8%	31.2%	0.6%	-0.4%	1.7%	1.3%
Return to Shareholders							
Return on Equity	%	2.6%	42.8%	0.9%	-0.6%	4.7%	4.0%
Return on Capital Employed	%	2.6%	40.9%	0.8%	-0.6%	4.1%	3.0%
Return on Assets	%	0.9%	15.4%	0.3%	-0.2%	1.1%	1.0%
Earnings / (Loss) Per Share attributable to Shareholders' Fund	Rs.	0.11	5.62	0.03	0.85	0.82	(1.14)
Price Earning Ratio	Times	109.8	2.6	609.7	35.1	37.0	NA
Price to Book Ratio	Times	0.9	1.1	1.5	2.2	3.6	3.0
Breakup value per share	Rs.	13.8	13.5	11.1	13.6	8.5	8.6
Market Data							
Market Price per share at the end of the year	Rs.	11.8	14.5	16.8	29.7	30.3	25.7
Market Price per share - Highest during the year	Rs.	20.0	22.2	34.9	44.5	35.8	29.7
Market Price per share - Lowest during the year	Rs.	9.1	13.2	15.4	23.4	16.0	18.3
Performance / Liquidity							
Current Ratio	Times	1.5	1.5	1.5	1.3	1.2	1.3
Cash / Current Liabilities	%	48.1%	44.8%	42.7%	31.5%	34.3%	36.3%
Total Assets Turnover	Times	0.5	0.5	0.5	0.5	0.7	0.8
Fixed Assets Turnover	Times	12.1	12.0	7.4	6.3	9.2	5.3
Total Liabilities / Equity	Times	1.9	1.8	1.8	2.1	3.2	2.9
External liability ratio	%	65%	64%	64%	68%	76%	75%
Cashflow from Operations Margin	%	7.1%	-2.5%	10.8%	-1.5%	22.9%	16.3%
No. of days in Premium Receivable	Days	66	66	60	68	56	45
No. of days in Claim Settlement	Days	62	50	59	29	58	67
Paid-up Capital / Total Assets	%	25.0%	27.1%	33.2%	24.5%	26.8%	31.6%
Earning assets / Total Assets	%	57.4%	58.2%	55.4%	50.9%	52.4%	48.3%
Shareholders' Equity / Total Assets	%	34.5%	36.7%	36.8%	33.3%	22.8%	27.1%

COMMENTS ON KEY FINANCIAL DATA

Performance Ratios

- Claim ratio improved by 1% from 49% to 48% due to efficient claim evaluation mainly on health and motor portfolio.
- Commission ratio increased 1% at 10% in comparison to last year.
- Expense ratio decreased from 46.3% to 40.3% during the year.
- Combined ratio decreased by 6.2% at 98.8% against last year at 105%
- Company's book value per share has increased to Rs. 13.86 per share from Rs. 13.5 per share a year before.

Balance sheet

- The Company's total assets have grown 2.8X to Rs. 7.93 billion at the end of 2024 from Rs. 2.9 billion at the end of 2019.
- Shareholders' equity has increased by over Rs. 2.0 billion to Rs. 2.75 billion over the past 6 years.

Profit and loss Account

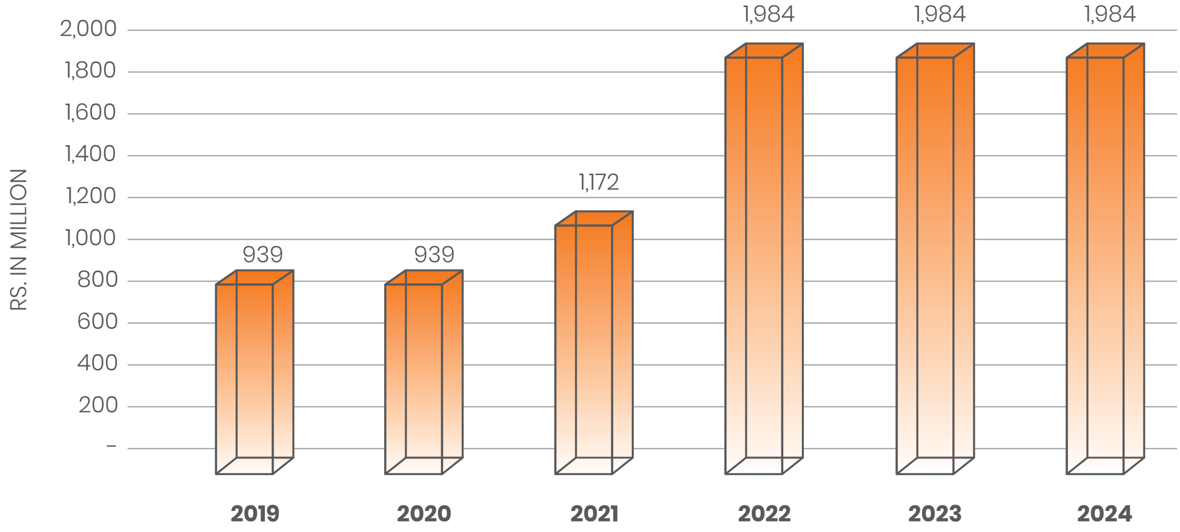
- The gross and net premium have reported growth of 101% and 61% respectively over the period of six years. During the year, gross and net written premium have reported growth of 23% and 10% respectively.

Cash Flows

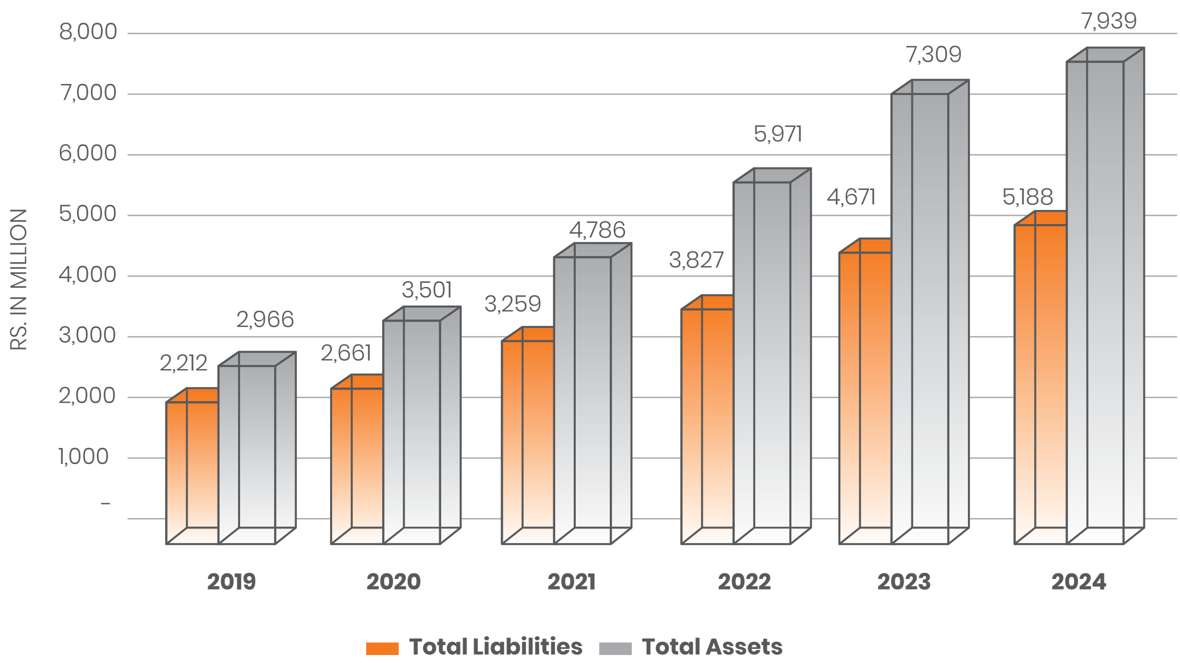
- During the year, the Company generated net cash flow of Rs. 414.4 million. The company maintains strong liquidity position to carry out its operations smoothly.

PERFORMANCE AT A GLANCE

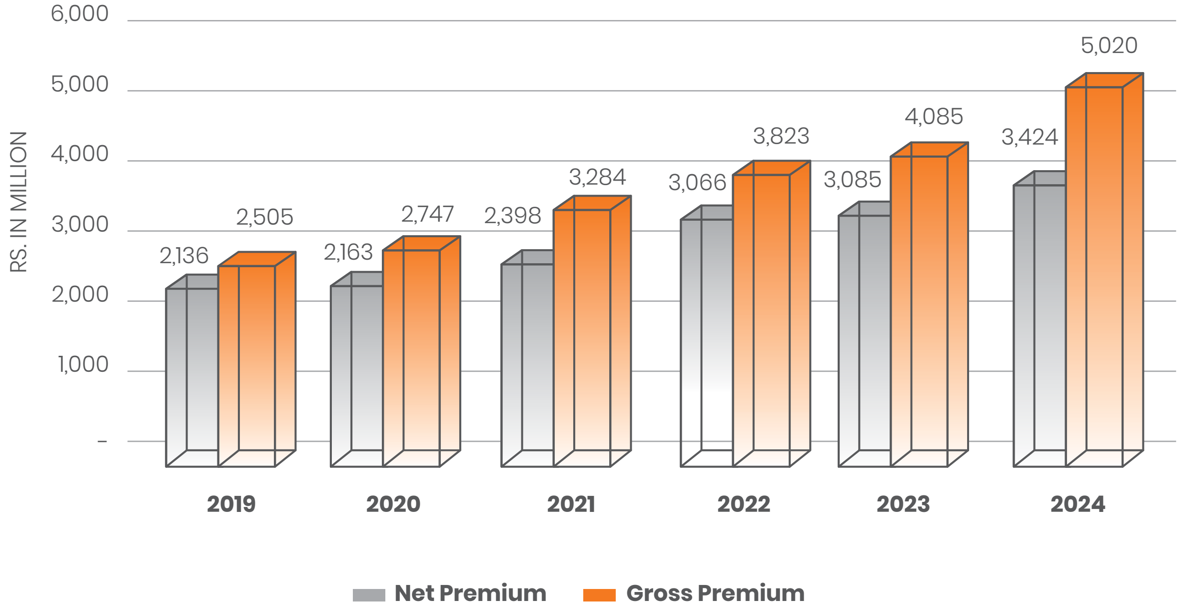
SHARE CAPITAL



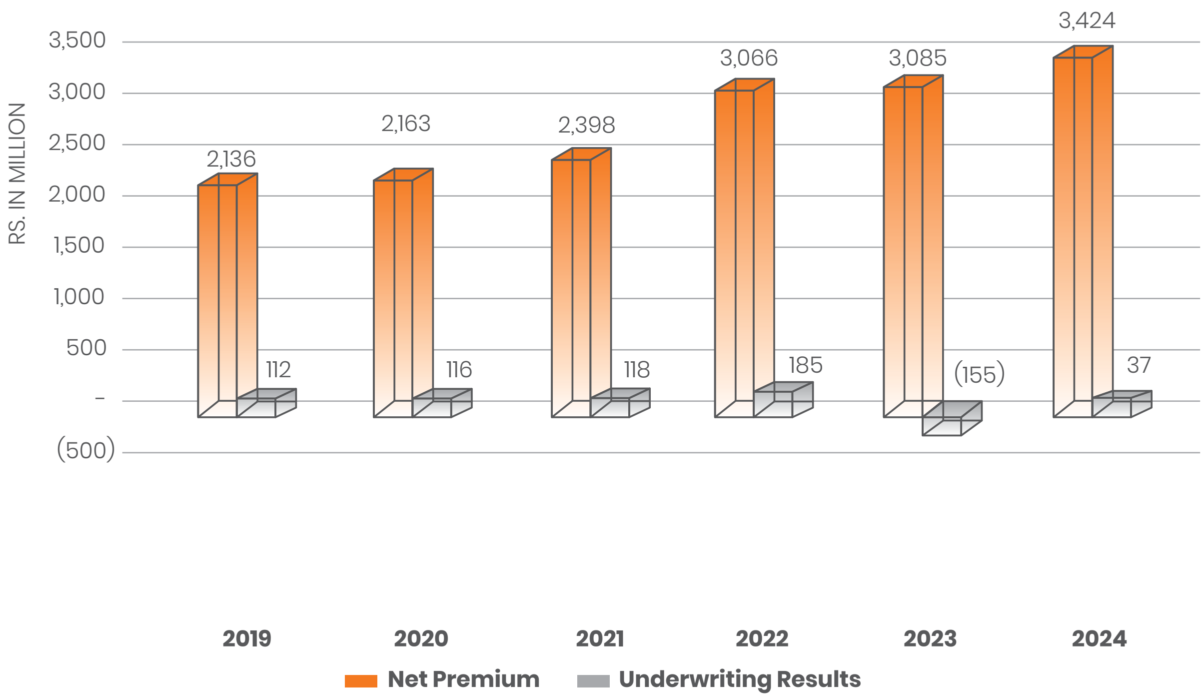
ASSETS AND LIABILITIES



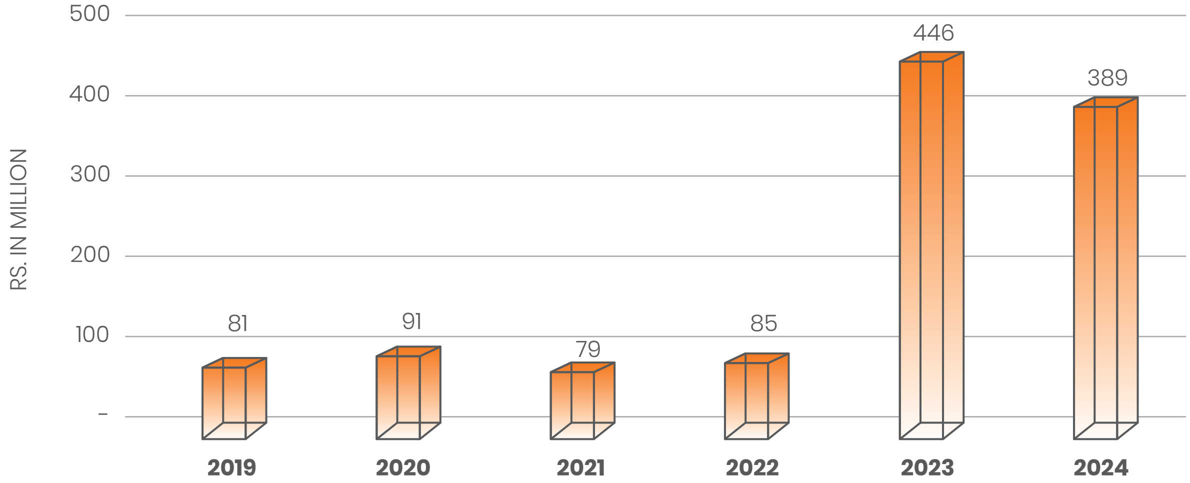
GROSS PREMIUM VS. NET PREMIUM



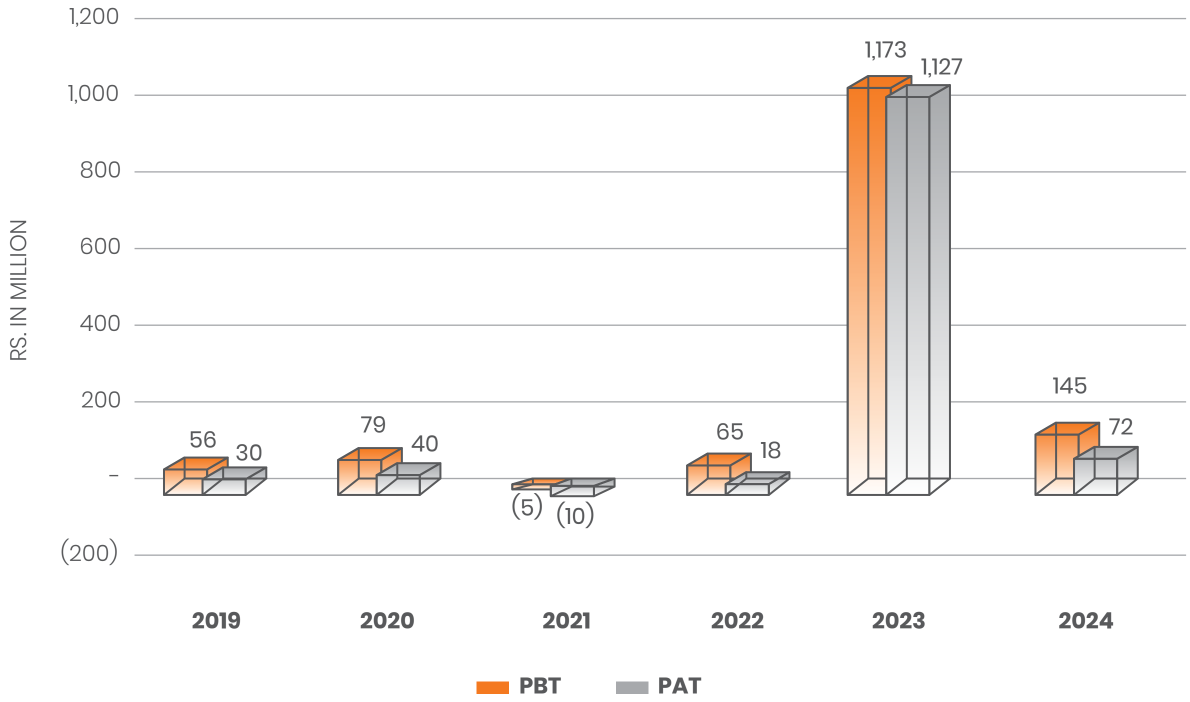
NET PREMIUM VS. UNDERWRITING RESULTS



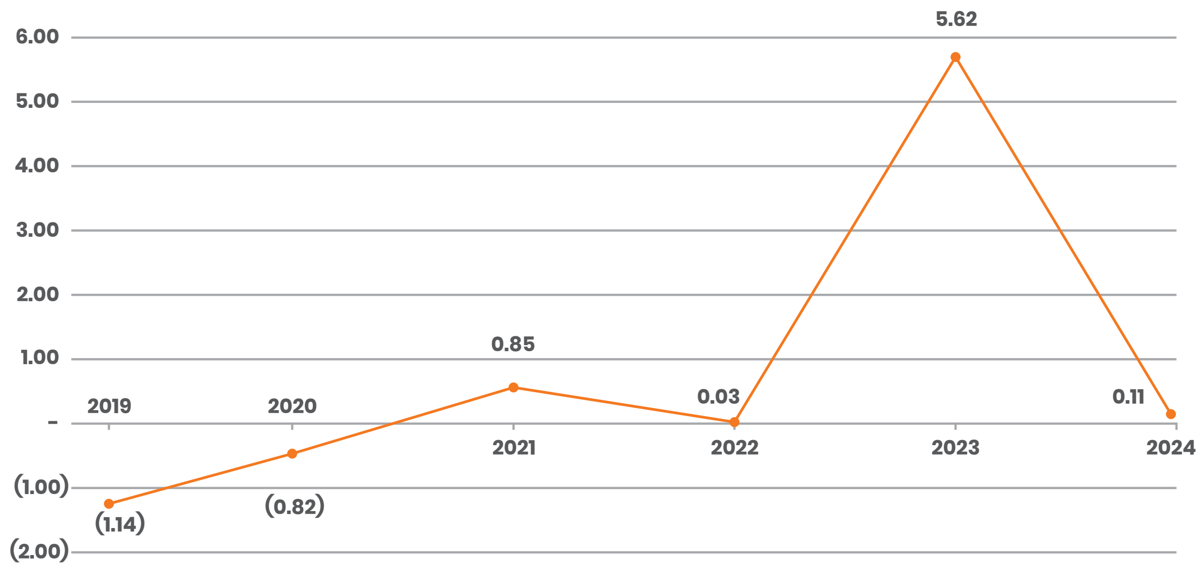
INVESTMENT INCOME



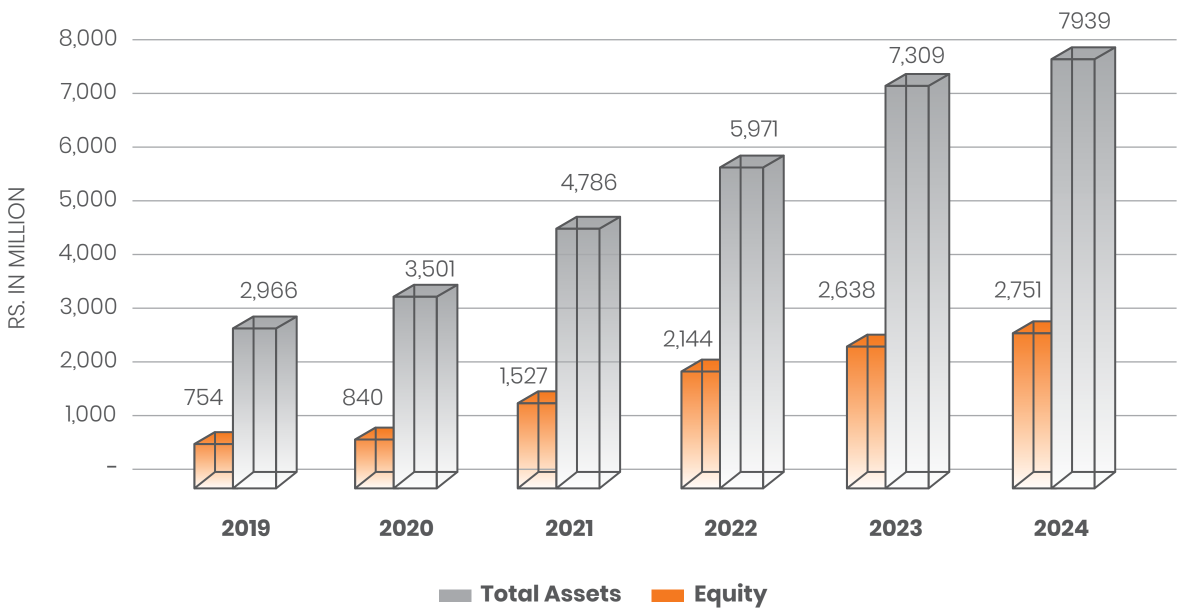
PBT VS. PAT



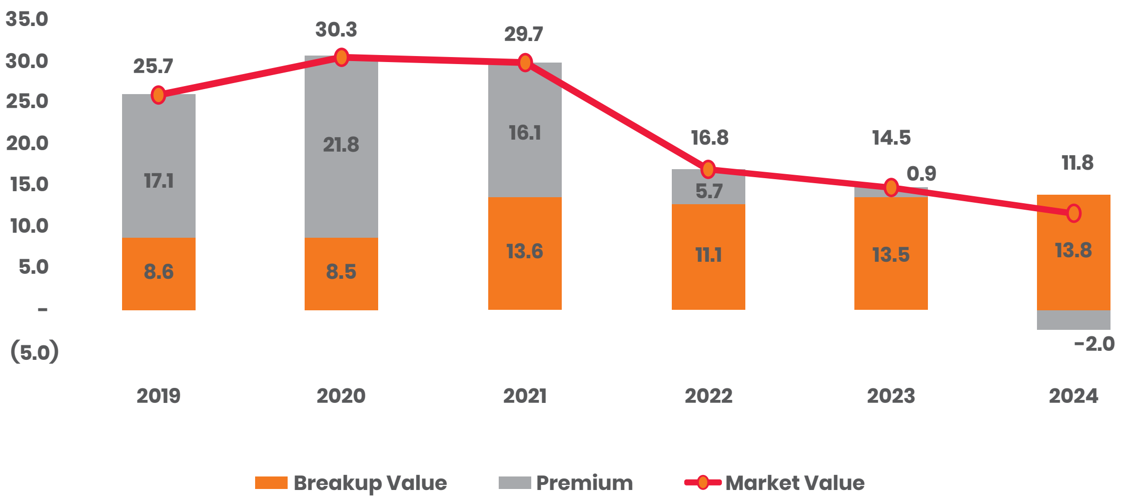
EARNING PER SHARE (RUPEES)



EQUITY VS. TOTAL ASSETS



BREAKUP VALUE VS. MARKET VALUE (RUPEES)



SHARE PRICE SENSITIVITY ANALYSIS

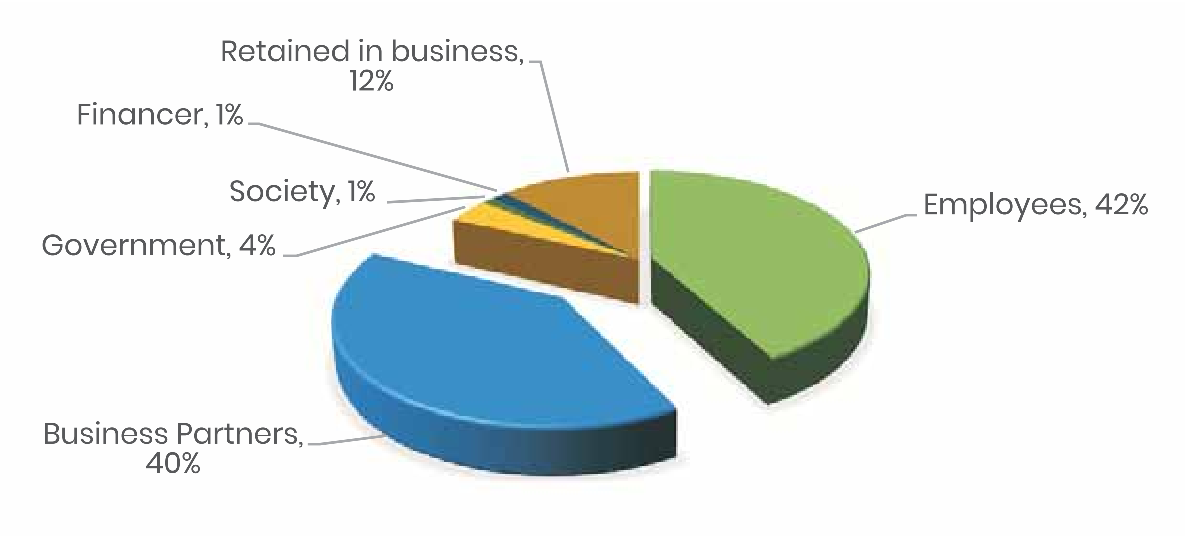
	Max Price (Rs.)	Min Price (Rs.)	Average Volume	Closing Price (Rs.)
January	14.74	9.41	148,000	10.76
February	14.43	10.01	131,368	11.50
March	14.70	11.1	87,050	14.48
April	20.00	13.5	684,250	18.40
May	18.32	14.51	23,749	14.81
June	15.75	13.33	80,954	14.34
July	15.00	10.07	81,278	10.55
August	11.50	10.11	19,194	10.45
September	11.47	9.3	62,032	10.17
October	10.39	9.05	12,737	9.70
November	11.15	8.3	85,405	10.49
December	12.98	9.44	213,866	11.79

STATEMENT OF VALUE ADDITION AND ITS DISTRIBUTION

	2024		2023	
Wealth Generated	**(Rupees)**	**%**	**(Rupees)**	**%**
Net premium earned	3,424,144,365		3,084,669,251	
Commission from reinsurers	238,322,754		176,750,729	
Investment and other income	467,771,355		1,610,476,787	
	4,130,238,474		4,871,896,768	
Less: Claims, Expenses and charge of premium deficiency reserve (excluding employees remuneration, donation, depreciation and taxes)	(2,123,836,308)		(1,935,860,577)	
	2,006,402,166	**100%**	**2,936,036,190**	**100%**

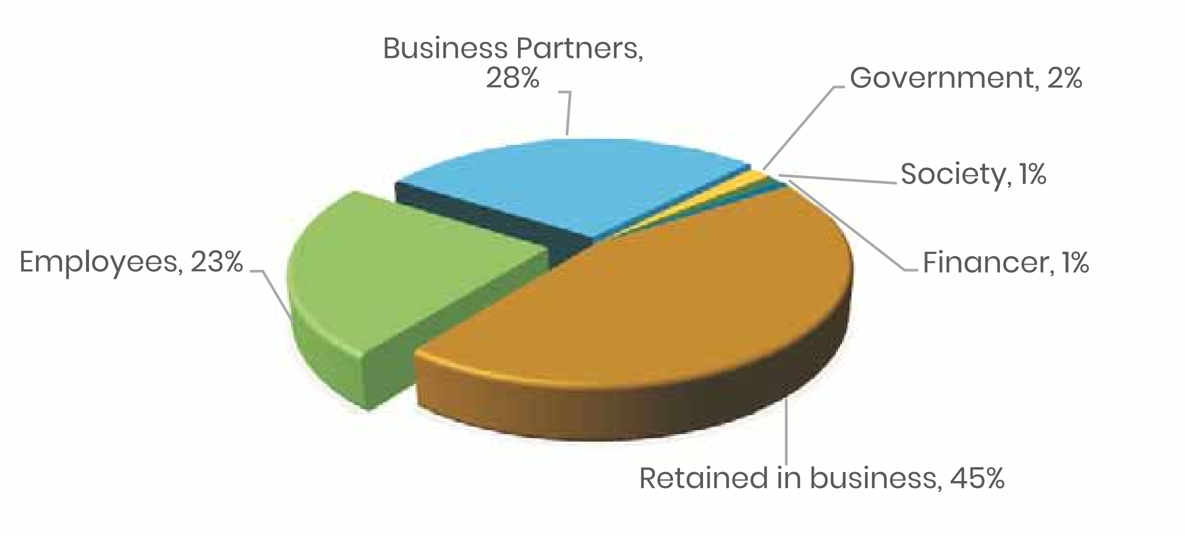
	2024		2023	
Wealth Distributed	**(Rupees)**	**%**	**(Rupees)**	**%**
To employees	842,520,504	42%	688,123,474	23%
To business partners	801,311,556	40%	828,577,933	28%
To government	73,071,470	4%	45,470,433	2%
To society	20,234,854	1%	33,772,912	1%
To financer	28,984,846	1%	24,713,426	1%
Retained in business				
Depreciation and amortization	168,651,155	8%	188,358,624	6%
Retained profit / loss	71,627,782	4%	1,127,019,388	38%
	240,278,937	12%	1,315,378,012	45%
	2,006,402,166	**100%**	**2,936,036,190**	**100%**

2024



Retained in business, 12%
Financer, 1%
Society, 1%
Government, 4%
Employees, 42%
Business Partners, 40%

2023



Business Partners, 28%
Government, 2%
Society, 1%
Financer, 1%
Employees, 23%
Retained in business, 45%

STATEMENT OF CHARITY ACCOUNT

	2024	2023	2022
	------ Rupees in Million ------		
Education	1.95	1.68	1.10
General Donations	2.07	1.84	2.98
Health Care and Environment	16.21	30.25	5.65
Total	**20.23**	**33.77**	**9.73**

STAKEHOLDERS' ENGAGEMENT

TPL Insurance Limited convenes Annual and Extraordinary General Meetings in accordance with the Companies Act, 2017. The Company's quarterly financial reports, annual reports and complete financial statements are published and hosted on the Company's website (www.tplinsurance.com). This transparency allows shareholders to remain connected with the Company as well as reaffirm their trust in the Company's promising performance and growth. Additionally, it facilitates potential investors in making their investment choices. In compliance with the Listed Companies (Code of Corporate Governance) Regulations and the Listing Regulations of the stock exchange, the Company notifies information to the Stock Exchange and the Securities and Exchange Commission of Pakistan regarding the dates of Board of Directors meetings and financial results in a timely manner.

Minority Shareholders

In order to ensure that the minority shareholders of the Company attend the general meetings of the Company, notices are circulated to the shareholders well in advance. The notices of the general meeting are published in widely circulated newspapers of the country and the same are published in both English and Urdu.

Customers

The Company's philosophy has always been to keep its customers and policy holders above all. The Company, with its customer-centric service philosophy, offers multiple round the clock platforms such as the call center, website, mobile app & WhatsApp. Our dedicated teams for sales, claims, renewals, and customer services have been acknowledged and awarded for observing, maintaining and raising the Quality and Standard in the industry. The Company also reaches out and engages its customers and policy holders through social media and its website in order to get feedback and eradicate grievances (if any). This results in solidifying our customer's trust and satisfaction.

Banks

The Company holds true to its values and relationships. We partner with various forerunners of finance and banking industry and forge relations in the FI sector. This collaboration is always aimed at providing mutual benefits.

Media

Events, achievements, product launches, expansions, briefings, press releases and advertisements keep the Company in the news often. The Company has a strong presence in the media and its promotional and social activities are thoroughly covered and published in various forms including print, radio, TV, digital, etc.

Regulators

In compliance with applicable laws and regulations, the Company's statutory returns and forms are filed with various regulatory bodies and federal and provincial taxation authorities periodically. The Company ensures that all requirements are met and complied with.

Analysts

The Company is recognized by Pakistan Credit Rating Agency (PACRA) with a rating of "AA".

Steps taken by the Board towards Stakeholders' Engagement:

The Company ensures adequate level of engagement of its stakeholders and, in this regard, does maintain a policy covering the interest of its stakeholders including institutional investors, minority shareholders, customers, banks, media, regulators, analysts and others. In order to solicit and understand the views of its stakeholders, the Company holds corporate briefing sessions at least once in a year and post the same on its website for the disclosure to its stakeholders.

ISSUES RAISED IN THE LAST AGM AND DECISIONS TAKEN

No major issues were raised by the shareholders during the last Annual General Meeting (the "Meeting") held on April 25, 2024. The following matters were taken up in the meeting as per the agenda, and were approved and the decisions taken were implemented in due course:

ORDINARY BUSINESS:

1. To approve the minutes of the Extraordinary General Meeting held on June 27, 2023.

2. To receive, consider and adopt the Annual Audited Financial Statements of the Company together with the Directors', Auditors' and Chairman's Review Report thereon for the year ended December 31, 2023.

3. To appoint Auditors for the year ending December 31, 2024 and fix their remuneration. M/s. BDO Ebrahim & Co., Chartered Accountants retire and being eligible, have offered themselves for re-appointment.

4. To elect directors of the Company for a three-year term.

5. To ratify the payment of interim cash dividend of Rs. 3/- per ordinary share (i.e. 30%), already paid to the shareholders for the year ended December 31, 2023 as approved by the Board of Directors.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize the Company for renewal of advance of Rs. 300 million to the associated company TPL Trakker Limited.

STATEMENT OF ADHERENCE WITH THE INTERNATIONAL INTEGRATED REPORTING FRAMEWORK

The Integrated Reporting System has been introduced by TPL Insurance to provide an overview of the philosophy of its business to explain the relation between its financial and non-financial information, in order to enhance the users' understanding of how the company is operating to improve its performance in the interest of stakeholders.

This Integrated Reporting Framework facilitates sustainable value creation over the long term by minimizing risks, improving harmony, generating cost efficiencies, and making capital allocation more efficient. The Company is well aware that information needs of stakeholders' are changing in keeping with the dynamic environment we operate in. Investors in particular are increasingly becoming interested in the past performance as well as non-financial information which is becoming more and more relevant for ascertaining the future potential. Accordingly, the company has enhanced its disclosures of non-financial information in this Annual Report. This report is developed in accordance with the International Integrated Reporting Council's (IIRC) principle based International Integrated Reporting <IR> Framework to communicate with all our stakeholders with a concise and transparent assessment of the company to perform and create sustainable value.

In Annual Report 2024, we have covered following elements of International Integrated Reporting Framework.

- Organizational Overview
- Governance
- Risk and Opportunities
- Financial Performance
- Future Outlook
- Basis of Preparation and Presentation
- CSR Report

In the future, we will continue to make improvements to this report so as to make it even easier to understand, while taking into account the opinions of stakeholders regarding this report.

SHARIAH ADVISOR'S PROFILE

MUFTI MUHAMMAD TALHA IQBAL

Mufti Muhammad Talha Iqbal is a qualified and certified Islamic scholar and recognized Mufti from **Jamia Darul-Uloom Karachi**, a premier institution of Pakistan for quality religious education and leading institute for promoting Islamic Economic and Finance setting up the guidelines of Islamic Banking and Takaful system. He has Takhassus fil Ifta / Specialization in Fatwa (Islamic jurisprudence) and has vast experience in Islamic Fiqh and Islamic Financial Services.

Mufti Muhammad Talha is associated with Window Takaful Operation of TPL Insurance limited as its Shariah Advisor and has been instrumental in the development of its operations in both retail and corporate segments. His deep knowledge of corporate related matters and understanding the demand of the dynamic market in the light of Shariah Principles is of immense value to the organization. He was awarded degree of PGD from centre for Islamic Economics (CIE). He also serves as teacher of Dars-e-Nizami at Jamiah Darul-Uloom Karachi since 2006 and is a faculty member of Centre for Islamic Economics (CIE) since 2010.

COMPOSITION OF BOARD AND MANAGEMENT COMMITTEES

A. At present the Board includes:

Category	Names
Independent Director(s)	Mr. Aqueel E. Merchant
Executive Director(s)	Mr. Muhammad Aminuddin (Chief Executive Officer)
Non-Executive Director(s)	Mr. Jameel Yusuf S.St Mr. Muhammad Ali Jameel, Rana Assad Amin
Nominated Director	Mr. Benjamin Brink
Female Independent Director	Ms. Naila Kassim
Female Nominated Director	Ms. Ayla Majid

B. Board Committees

1) Ethics, HR, Remuneration and Nomination Committee

Ms. Naila Kassim	Chairperson
Mr. Muhammad Ali Jameel	Member
Rana Assad Amin	Member
Ms. Ayla Majid	Member
Mr. Nader Nawaz	Secretary

2) Investment Committee

Mr. Muhammad Ali Jameel	Chairman
Rana Assad Amin	Member
Mr. Muhammad Aminuddin	Member
Mr. Benjamin Brink	Member
Mr. Yousuf Zohaib Ali	Secretary

3) Audit Committee

Mr. Aqueel E. Merchant	Chairman
Rana Assad Amin	Member
Mr. Muhammad Ali Jameel	Member
Ms. Ayla Majid	Member
Mr. Hashim Sadiq Ali	Secretary

C. Management Committees

1) Underwriting Committee

Mr. Aqueel E. Merchant	Chairman
Syed Ali Hassan Zaidi	Member
Ms. Shumail Iqbal	Secretary

2) Claim Settlement Committee

Mr. Benjamin Brink	Chairman
Mr. Tariq Ali Farooqui	Member
Mr. Yousuf Zohaib Ali	Member
Mr. M. Kumail Mushtaq Ali	Member
Ms. Ayla Majid	Member
Mr. Owais Alam	Secretary

3) Reinsurance & Coinsurance Committee

Mr. Aqueel E. Merchant	Chairman
Syed Ali Hassan Zaidi	Member
Mr. Muhammad Aminuddin	Member
Mr. Zia Mehdi	Secretary

4) Risk Management & Compliance Committee

Ms. Ayla Majid	Chairperson
Ms. Naila Kassim	Member
Mr. Muhammad Aminuddin	Member
Mr. Kamran Rafique Shaikh	Member
Mr. Benjamin Brink	Member
Syed Ali Hassan Zaidi	Secretary

TERMS OF REFERENCE - BOARD AND MANAGEMENT COMMITTEES

1. Audit Committee

The Audit Committee is responsible for:

(a) recommending the appointment of external auditors by the Company's shareholders and shall consider any question of resignation or removal of external auditors, audit fees and provision by external auditors of any service to the Company in addition to audit of its financial statements;

(b) determining appropriate measures to safeguard the Company's assets;

(c) reviewing preliminary announcements of results prior to publication;

(d) reviewing quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on: (i) major judgmental areas; (ii) significant adjustments resulting from the audit; (iii) the going-concern assumption; (iv) any changes in accounting policies and practices; (v) compliance with applicable accounting standards; and (vi) compliance with statutory and regulatory requirements;

(e) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);

(f) reviewing management letter issued by external auditors and management's response thereto;

(g) ensuring coordination between the internal and external auditors of the Company;

(h) reviewing the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;

(i) consideration of major findings of internal investigations and management's response thereto;

(j) ascertaining the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective;

(k) reviewing the Company's statement on internal control systems prior to endorsement by the Board of Directors;

(l) instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;

(m) determination of compliance with relevant statutory requirements;

(n) monitoring compliance with the best practices of corporate governance and identification of significant violations thereof; and

(o) consideration of any other issue or matter as may be assigned by the Board of Directors.

2. Ethics, Human Resource, Remuneration and Nominations Committee

The Ethics, HR, Remuneration and Nominations Committee is responsible for:

(a) proposing a remuneration approach and related policies;

(b) preparing remuneration reports and disclosures on compensation practices, on an annual basis but at least prior to the convening of the annual general meeting for the immediate preceding year;

(c) reviewing and making recommendations to the Board of directors regarding the specific remuneration, retirement, succession planning of the Board members, the CEO, senior management and key officers;

(d) reviewing and approving training needs assistance at all levels of the organization;

(e) establishing code of business and corporate ethics that are circulated to all the staff members;

(f) implementing the Board's policy on Board's renewal so that the Board individually and collectively continues to maintain target skill levels and independence;

(g) making recommendations to the Board with regard to the nomination for appointment or reappointment of members of the Board consistent with appropriate criteria established in their profile and any succession plans;

(h) ensuring proper orientation of Board members in respect of their responsibilities; and

(i) establishing a mechanism for the formal assessment of the effectiveness of the Board as a whole as well as the contribution of individual Board members along with ongoing training to fulfil their role requirements.

3. Investment Committee

The Investment Committee is responsible for:

(a) setting investment policies (subject to approval of the Board) and guidelines, including policies and guidelines regarding asset classes, asset allocation ranges, and prohibited investments in compliance with regulatory requirements;

(b) overseeing investment and reinvestment of the funds and keeping it within and under the limits of solvency as laid down under Insurance Ordinance 2000 and rules framed thereunder;

(c) monitoring the management of the funds by reviewing written reports from investment staff and by discussions with investment staff at Committee meetings that focus on the primary determinants of returns, including asset allocation and investment strategy;

(d) evaluating investment performance based on a comparison of actual returns and benchmarks as the Board or Committee may from time to time select. The evaluation will take into account compliance with investment policies and guidelines and risk levels;

(e) conducting a quarterly performance evaluation of the Committee and report its findings to the Chairman of the Board.

4. Risk Management and Compliance Committee

The Risk Management Committee is responsible for:

(a) overseeing the activities of the Risk Management function of the Company, and making appropriate recommendations to the Board;

(b) assisting the Board in implementation of the decisions taken by the Board to mitigate probable risks falling within the scope of the risk management function;

(c) assessing, quantifying, monitoring and controlling the nature, significance and interdependence of the risks (at individual level and aggregate level) to which the Company is or may be exposed and shall also manage them accordingly;

(d) ensuring that the Company's Risk Management system is well integrated into its organization structure, decision making process and corporate culture and that there is a clear link to other functions;

(e) assisting the Board in its oversight of the risk profile, Risk Management framework and the risk reward strategy determined by the Board;

(f) reviewing and approving the Company's Risk Management policy including risk appetite and risk strategy;

(g) reviewing the adequacy and effectiveness of risk management and controls;

(h) assisting in oversight of management's process for the identification of significant risks across the Company and the adequacy of prevention, detection and reporting mechanisms;

(i) reviewing Company's compliance level with applicable laws and regulatory requirements that may impact the Company's risk profile;

(j) periodically reviewing changes in the economic and business environment, including emerging trends and other factors relevant to the Company's risk profile;

(k) reviewing and recommending approval of the Board risk management procedures and controls for new products and services.

5. Underwriting Committee

The Underwriting Committee is responsible for:

(a) reviewing periodically the policies and guidelines governing the Company's insurance and reinsurance underwriting;

(b) reviewing periodically the policies and guidelines regarding the Company's agent, broker, insured, ceding Company, and reinsurer counterparty risk in connection with its insurance and reinsurance underwriting activities;

(c) evaluating the Company's professional and development plans for key insurance and reinsurance underwriting and actuarial functions;

(d) performing such other responsibilities regarding the Company's insurance and reinsurance underwriting activities or policies or other matters as the Board may from time to time assign the Committee.

6. Claims Settlement Committee

The Claims Settlement Committee is responsible for:

(a) establishing, implementing and maintaining the claims processing time;

(b) claims monitoring and ensuring the transparency, fairness and equality;

(c) reviewing and analysing periodically the feedback & complaints obtained through the mechanism;

(d) reviewing claims for suggesting corrective underwriting measures;

(e) ensuring that salvage sales made are at their optimum price and with transparency.

7. Reinsurance and Coinsurance Committee

The Reinsurance and Coinsurance Committee is responsible for:

(a) monitoring on an ongoing basis the processes and procedures, policies and guidelines, counterparty risk and risk appetite of the Company;

(b) ensuring adequate reinsurance protection is available to the Company;

(c) monitoring exposure to reinsurers and ensuring the reinsurance placements are not concentrated to minimise credit risk;

(d) performing such other responsibilities regarding the Company's insurance and reinsurance underwriting activities or policies or other matters as the Board may from time to time assign the Committee;

(e) monitoring that proper commissions are charged on outward cessions.

DIRECTORS TRAINING PROGRAMME

All Directors on the Board are fully conversant with their duties and responsibilities as Directors of the Company. Six (06) out of the Seven (07) Directors of the Company have undertaken the Directors' Training Program (DTP) from Securities and Exchange Commission of Pakistan (SECP) approved institutions whereas one (1) Director stands exempted from the requirement of certification of DTP.

The names of the Directors who have obtained the DTP Certification are as follows:

1. Mr. Rana Assad Amin
2. Mr. Jameel Yusuf Ahmed
3. Ms. Ayla Majid
4. Mr. Benjamin Brink
5. Ms. Naila Kassim
6. Mr. Aqueel E. Merchant

The following Director(s) have been granted exemption from the DTP Certification from SECP are as follows:

1. Mr. Ali Jameel

Further to the above, the Company is also complying with the requirement of Head of Departments and Female Executives to undertake DTP.

OTHER DIRECTORSHIPS OF THE COMPANYS' EXECUTIVE DIRECTORS

None of the Executive Director hold any directorship in any other company.

ROLE OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and responsibilities of the Chairman and the Chief Executive Officer are distinct and complementary. The same are set out below:

Chairman

The Chairman is in charge of the leadership of the Board. In particular, he is responsible for the following which include but are not limited to:

- to set the agenda and tone of the meetings of the Board in order to stimulate productive debate and ensure appropriate decision making regarding issues pertinent to those areas which are considered by the Board;
- to set a performance-oriented agenda which is largely fixated on strategising, value creation and answerability;
- to manage the meetings of the Board to make sure that suitable time is allowed for discussion of all items on the agenda;
- to ensure that complex or contentious issues are dealt with meritoriously, making sure in particular that non-executive directors have sufficient time to consider them;
- to ensure the constructive running of the Board and its relevant committees while in compliance of the maximum standards set by the Code of Corporate Governance;
- to ensure active, accurate and timely communication with shareholders and Board members alike regarding, inter alia, the performance of the Company;
- to ensure that the Board defines, to the best of its ability, the extent of the significant risks the Company can afford to and is willing to take in the employment of its devised plans;
- to warrant that the members review, consistently and continuously, the effectiveness of risk management and internal control systems.

Chief Executive Officer

The Chief Executive Officer is responsible to lead the business, supervising it within the authorities delegated to him by the Board. He oversees the implementation and development of the devised policies. In particular, he is responsible for the following which includes but is not limited to:

- to lead, in conjunction with the Board, the development of the Company's strategy;
- to lead and oversee the implementation of the Company's long and short term plans in accordance with its strategy;
- to ensure the Company is appropriately organised and appropriately staffed and to enable it to achieve the approved strategy;
- to assess the principal risks of the Company and to ensure that these risks are being monitored and managed;
- to ensure that the Company has appropriate systems to enable it to conduct its activities both lawfully and ethically;
- to ensure that the Company maintains high standards of corporate citizenship and social responsibility wherever/ whenever it does business;

- to act as a liaison between management and the Board and to provide information to the Board to enable the Directors to form appropriate judgments;
- to communicate effectively with shareholders, employees, Government authorities, other stakeholders and the public;
- to keep abreast of all material undertakings and activities of the Company and all material external factors affecting the Company, and ensure the integrity of all public disclosures by the Company;
- in concert with the Chairman, to develop focused agendas to be discussed by the Board in its meetings;
- to request that special or general meetings of the Board and shareholders be called when appropriate;
- to sit on committees of the Board where appropriate as determined by the Board;
- to abide by specific internally established control systems and authorities, to lead by personal example and encourage all employees to conduct their activities in accordance with all applicable laws and the Company's standards and policies, including its environmental, safety and health policies.

POLICY OF RELATED PARTY TRANSACTIONS

The Board has duly approved the Company's policy for related party transaction which complies with all applicable laws, including the Companies Act, 2017, the Companies (Related Party Transaction and Maintenance of Records) Regulations, 2018 and the listing regulations of the exchange.

The Board gave its approval to the policy which outlines the conditions relating to the nature of related party relationships, potential risks and mitigating measures, pricing limitation applicable in case of certain related party transactions.

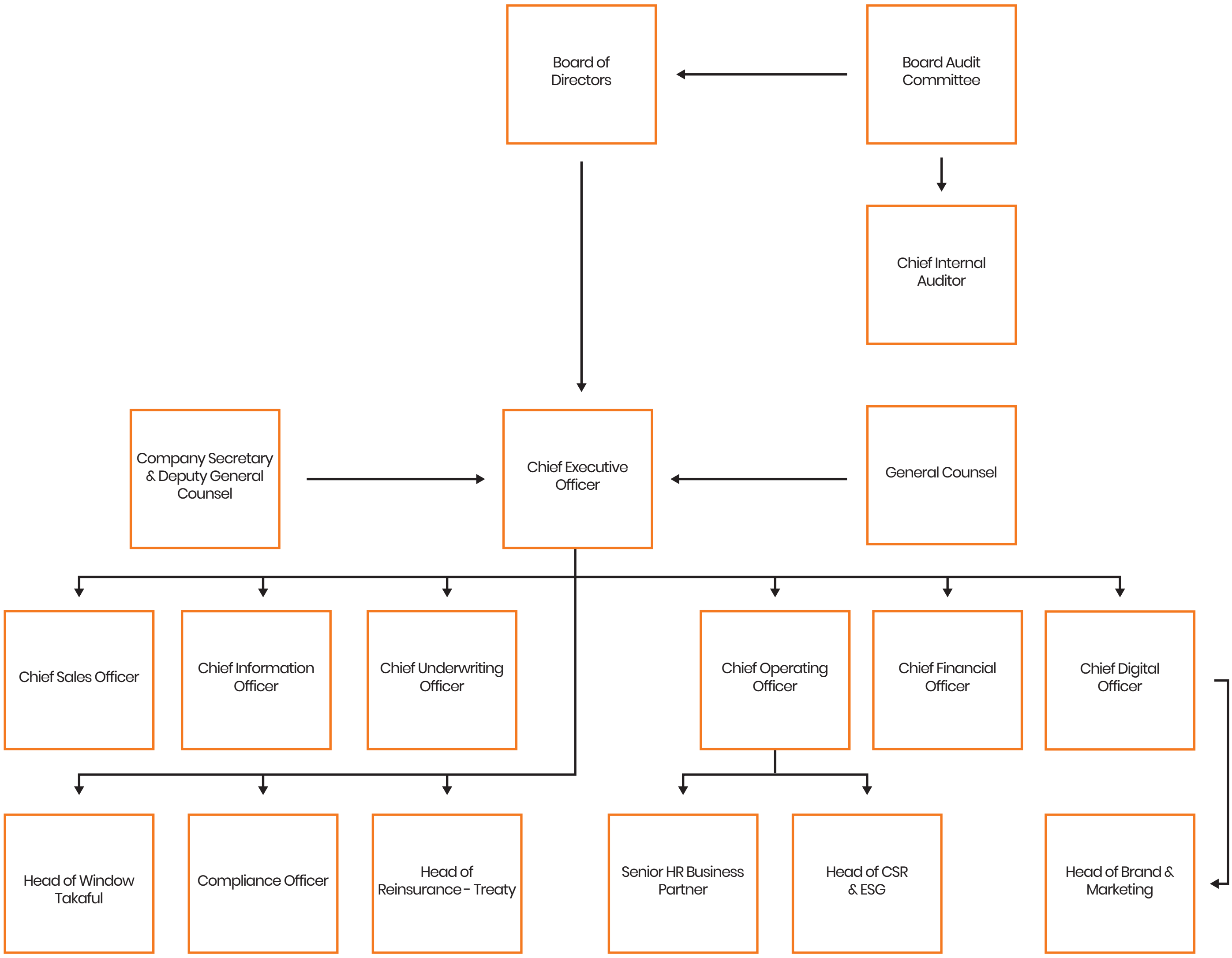
The Board oversees the Company's compliance with legal and regulatory requirements in relation to related party transactions. It has established general standards for approving transactions with related parties at different levels, as well as identifying which transactions require the members' approval and, where appropriate, recommending the same to the members.

The Board considers and reviews the following minimum information for its approval for related party transactions

- name of related party, the interested or concerned persons or directors;
- nature of relationship, interest or concern in the related party;
- detail, description, terms and conditions of transactions;
- amount of transactions;
- timeframe or duration of the transaction or contracts or arrangements;
- pricing policy; and
- recommendations of the audit committee, where applicable.

The Company engaged in a number of related party transactions throughout the year in accordance with the fair and equitable/arm's-length principle, which were examined and authorized by the Board upon the recommendation of the Board Audit Committee.

ORGANIZATION CHART



WHISTLE BLOWING POLICY SPEAK UP WITH CONFIDENCE

TPL Insurance upholds the utmost standards of business ethics and management practices in its operations. The company is dedicated to the highest levels of transparency, integrity, and accountability.

Directors and employees often identify situations requiring corrective measures within the company. The Whistle Blowing Policy (the **"Policy"**) aims to ensure that not just directors and employees, but also any other individuals - such as vendors, customers, subcontractors, consultants, trainees, shareholders, former employees, or any other external parties can easily voice their concerns about potential violations without any apprehension of facing retaliation. The Policy, serves as a means to swiftly and directly notify the Management of any unethical conduct, suspected fraud, misconduct, or irregularities in the company's practices that do not align with TPL's Code of Conduct (CoC) or the local laws. This mechanism is designed to provide responsible individuals with the assurance that they can report such concerns without the risk of victimization or retaliation.

The Policy expects all individuals affiliated with TPL to uphold TPL's core values and its corporate mission. The underlying principle of this Policy is to promote a collective sense of responsibility for safeguarding the company's business interests. It offers a channel for reporting matters directly to the Whistle Blowing Committee, with provisions for confidential reporting. This Policy establishes a vigil mechanism, allowing every employee and individuals mentioned above to report legitimate concerns.

The Policy strengthens the Management's commitment and cooperation in protecting the interests of those who choose to report actual or potential violations of the Code of Conduct (CoC) and applicable laws. This commitment also ensures that the Policy is not subject to misuse.

Disclosure in Confidence with Confidence

1. AIM AND SCOPE OF THE POLICY

(a) This Policy aims to:

- Provide avenues for Directors, employees or any other persons including vendors, contractors, sub- contractors, consultants, trainees, shareholders, customers, former employees or any other third parties to raise concerns and receive feedback on any action taken;
- Provide avenues for Directors, employees or any other persons to report breach of Company's policies
- Reassure Directors, employees or any other persons that they will be protected from retaliation or victimization for blowing the whistle in good faith.

(b) There are existing procedures in place to enable employees to lodge a grievance relating to their own employment. This Policy is intended to cover concerns that fall outside the scope of other procedures. That concern may be about an act or omission that:

- is unlawful or in breach of any law;
- is against the Company's Polices;
- falls below established standards or practices; or
- Amounts to improper conduct, unethical behavior or suspected fraud.
- To motivate the Company's employees to act with honesty and loyalty, independently safeguarding the Company from potential financial or reputational harm resulting from fraudulent, immoral, unethical, or malicious activities or misconduct by certain dishonest individuals.

2. SAFEGUARDS

(a) Harassment or Victimization

The Company recognizes that the decision to report a concern can be a difficult one to make, not least because of the fear of retaliation from those responsible for the malpractice or from superiors. The Company will not tolerate harassment or victimization and will take action to protect individuals when they raise a concern in good faith. In case a whistle blower is already the subject of any disciplinary action, those procedures will not be halted as a result of their whistle blowing.

(b) Confidentiality

The Company affirms that all such matters will be handled in confidence, and the identity of the whistle blower shall remain undisclosed unless unavoidable circumstances necessitate such disclosure. This may include situations where revealing the whistle blower's identity is crucial and required in court of law, or when disclosing the complaint report is essential for those individuals with a legitimate need to know in order to conduct a thorough investigation.

(c) Anonymous Allegations

Individuals may raise concerns anonymously. Concerns expressed anonymously will be evaluated by the Company for investigation. In exercising this discretion, the factors to be taken into account would include:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from attributable sources.

d) False Allegations

In the event that the whistle blowing raises an allegation in good faith, and the subsequent investigation does not find any evidence against the allegation, no repercussion will be imposed on the whistle blower. However, should the complaint be determined to be malicious or vexatious, made in bad faith, disciplinary measures will be implemented against the whistle blower.

3. RAISING A CONCERN - PROCEDURE

(a) Operational concerns shall be raised with the Line Manager or Skip Line Manager. The whistle blowing mechanism should be reserved for potentially serious or sensitive issues involving a material breach of the Company's Code of Business Conduct and Practice.

(b) Employees should first address the concerns with the relevant Line Manager or Skip Line Manager. In the event, the Line Manager or Skip Line Manager is the subject of the complaint; employees can directly contact the Whistle Blowing Committee. The said officer will then forward the concern to the appropriate body formed by the Company for such purposes.

(c) It is advised to raise any concerns in writing. In the case of serious concerns, the whistle blower may also directly approach the Chairperson of the Whistle Blowing Committee, who can be reached out through the following email id:

nader.nawaz@tplcorp.com

Alternatively, individuals can also use any of the following channels to report a concern:

- Write to Manager
- Email at whistleblow@tplcorp.com; or
- Call at this number 021-37130227; or
- Visit the website www.tplcorp.com

(d) The background and history of the concern, names, dates and places where possible, should be set out in the complaint along with the reason why the individual is particularly concerned about the situation.

(e) The complainant is not expected to prove the truth of allegation, but should be able to demonstrate that there are sufficient grounds for concern. All concerns must be raised immediately. This will support investigation process and enable faster implementation of corrective actions, if any.

4. HOW THE COMPLAINT WILL BE DEALT WITH

(a) The concerns raised may:

- form the subject of an independent inquiry;
- be investigated internally;
- be referred to the external Auditor; or
- be referred to the police; if required.

(b) Upon receipt of a concern, an initial enquiry will be made to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may also be resolved by an agreed action without the need for investigation.

(c) After the concern has been evaluated, the Company will write to the complainant:

- acknowledging that the concern has been received;
- indicating how it is proposed to be dealt with;
- informing whether further investigations will take place, and if not, why not.

(d) The amount of contact between the body considering the issues and the complainant will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from the complainant.

(e) The Company will take steps to protect the whistle blower from victimization and minimize any difficulties which a person reporting under whistle blowing may experience as a result of raising a concern.

(f) The Company accepts and would take such steps as may be required to assure the whistle blower that the matter has been appropriately addressed.

5. REPORTING

The concerns raised under whistle blowing shall be reported periodically to Whistle Blowing Committee of the Company.

6. ADDRESS FOR REPORTING AND COMMUNICATION

Email: whistleblow@tplcorp.com

Write to: Whistle Blowing Committee

Address: TPL Corp, 20th Floor, Sky Tower-East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Ave, Block 4 Clifton, Karachi, Pakistan.

Call: 021-37130227

Web: www.tplcorp.com

PROCESS FLOW

Complaint

Raise issue with the Immediate Line Manager

Immediate LM or next level / Department Head reports matter & action(s) taken to resolve to area compliance officer & Group Head of Audit

Raise issue with next level
Or
Departmental Head

Raise issue with Group Business Unit/ or Area Regional Senior Management or through third party hotline

The Hotline captures issue details and forwards them to the Internal Audit Group, the relevant Business Unit/Area, or regional compliance, as well as the relevant senior HR management for further investigation. Concerns within a specific Business Unit, area, or region will be appropriately communicated to their management, as well as the heads of global functions if required.

In substantial cases, additional supervision will be provided by the Group Head of Internal Audit, the SVP Group General Counsel, the Group Compliance Officer, and the Group SVP HR.

Examine the initial findings or allegations and make decisions in consultation with the pertinent groups, such as Business Unit or regional compliance officers, internal audit, and HR, to determine whether to proceed with a comprehensive investigation or close the case.

Communicate with reporter

Determine the approach for conducting additional investigations, which may involve engaging local HR, internal audit, legal, compliance, and potentially specialized external resources.

Communicate with reporter

ANNEXURE A:

TPL Insurance Limited
Whistle Blowing Form

Note: We assure that all of your information will be securely preserved within our database while maintaining strict confidentiality.

Anonymous ☐ Disclosed ☐

Title. Mr. ☐ Ms. ☐

If other, please specify. ______________________________

Is the person submitting the complaint an/a?

- Employee
- Customer
- Vendor
- Other

If other, please specify. ______________________________

First Name: ______________________________

Last Name: ______________________________

CNIC Number: ______________________________

Phone Number: ______________________________

Cell Number: ______________________________

Email Address: ______________________________

Mailing Address: ______________________________

____

Would you like to schedule a meeting / telephone call with our representative to discuss your concern?

Yes ☐ No ☐ **Incident Report:**

Location:

CODE OF BUSINESS CONDUCT AND ETHICAL PRINCIPLES

1. Ethical Obligations

TPL Insurance strives to maintain a positive work environment where employees treat each other with respect and courtesy. Certain guidelines of acceptable conduct such as responsibility and diligence towards work duties, courteous and civil behavior towards colleagues and customers alike, and high standards of integrity and honesty must be observed by all employees of the organization at all times. This includes avoiding using abusive or insulting language in communication (verbal or written). Any language which is deemed offensive by normal standards and practice is prohibited.

2. Code of Conduct

It is our aim to establish business principles for the professional conduct of the employees of TPL Insurance. All employees are liable for disciplinary action if found in violation of the policies. In general, the use of good judgment, based on high ethical principles, is the standard of acceptable conduct.

The successful business operation and reputation of TPL Insurance is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of TPL Insurance is dependent upon our customers' trust and we are dedicated to preserving that trust. The employees owe a duty to TPL Insurance customers, and shareholders to act in a way that will merit the continued trust and confidence of the public. TPL Insurance complies with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

3. Conflict of Interest

TPL Insurance's policy regarding possible conflict of interest is based on the principle that an employee's decision in the course of business must be made solely in the best interests of the company. In reaching these decisions, an employee should not be influenced by personal or family considerations which might consciously (or unconsciously) affect his or her judgment as to what is in the best interest of the company. Each employee has an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This document establishes only the framework within which the company wishes the business to operate. As a principle, relatives are not hired. On a later occasion if it is found out that a relative was hired with prior knowledge of an employee, this could become a ground for termination.

4. Child Labor and Worker Exploitation Policy

TPL Insurance does not use child or forced labor in any of its operations or facilities. TPL Insurance does not tolerate unacceptable worker treatment, such as exploitation of minors, physical punishment or abuse, or involuntary servitude. TPL Insurance expects its suppliers and contractors with whom the company does business with to uphold the same standards. TPL Insurance does not commit to exposing workers to situations in or outside of the workplace that are hazardous, unsafe, or unhealthy. TPL Insurance does not hire any employee under the age of eighteen (18) years for employment.

5. Confidentiality

All employees must protect confidential information, and prevent such information from being improperly disclosed to any person inside or outside the organization. All employees are prohibited from disclosing confidential information obtained from their position at the company to any person or using such information with the intention of obtaining personal benefits. Employees should not communicate or transmit confidential or sensitive information through external online communications services, such as the internet. Interaction with competitors beyond the approved level will be regarded as gross misconduct. The company shall take appropriate disciplinary actions in cases of negligence or non-compliance with the above policy.

6. Privacy of Records

It is vital that all employees maintain the utmost confidentiality with regards to work and employee information. All employees must ensure that the organization's work files are returned to their appropriate location at the end of each working day. All aspects of the employee records and information must be treated in the strictest confidence. Any violation will be treated as gross misconduct under the service rules. Access to HR files is provided to relevant HR officials, heads of departments, internal and external auditors, chief financial officer and chief executive officer. The HR files are only accessible to be viewed in the HR department of the company's premises.

7. Environmentally Friendly

We are committed to running our business in an environmentally sound and sustainable manner. Accordingly, our aim is to ensure that, our processes and services have the minimum adverse impact commensurate with legitimate needs of the business.

8. Bribery and Fraud

Bribery is not tolerated in any form or manner and any such incident shall be immediately reported to the HR department. While representing the TPL Insurance, the employee is strictly prohibited from offering, paying, soliciting or accepting bribes in cash or kind. External and internal bribery risks are regularly and systematically assessed and preventative measures are in place to avoid such matters. Engaging in fraudulent activities is a fundamental breach of the company's core value of honesty. The company treats it as the most serious breach of discipline. The management has established and consistently maintains and further develops sufficient controls to ensure that risk of fraud is properly identified, monitored and mitigated.

9. Gifts, Entertainment and Gratuities

We conduct our business on the basis of the superior value of goods and services we buy and sell. Our policy on gifts, entertainment and gratuities is designed to preserve and maintain the Company's reputation as a global enterprise, which acts with integrity and bases decisions only on legitimate business considerations. Receiving gifts, entertainment or other gratuities from people with whom we do business is generally not acceptable because doing so would imply an obligation on the part of the Company and potentially pose a conflict of interest.

10. Misconduct

The acts listed below are considered as misconduct and an employee found guilty of the same may be liable for termination of service without notice and benefits:

- Habitual late attendance
- Absent from duty without information for more than 03 days.
- Habitual negligence or neglect of work
- Insubordination or disobedience of senior member of the employee
- Resorting to strike or instigating other employees to stop working or go slow or spreading discontentment
- Giving or possessing classified/unclassified information to unauthorized persons
- Any act bringing disrepute to the company
- Any fraudulent act or forgery or another criminal act
- Misuse of company assets
- Non-adherence to the Code of Conduct

The company shall initially suspend the service of an employee without pay (up to a maximum of fourteen (14) days') in case of misconduct, during the pendency of the proceedings initiated.

11. Health and Fire Safety

To build awareness on the health, safety and environment standards, the organization on regular basis, provides relevant information and trainings to its employees. The Administration / Security department ensures a safe and healthy environment, conduct regular fire drills, so as to prepare every employee of the organization in the case of emergency situation. There are emergency exit routes, fire exits and fire extinguishers placed strategically throughout the company's premises. The employees will further have the opportunity to receive training and attend briefings on the proper use of firefighting equipment in their respective areas.

12. Environmental Safety

All employees are requested to ensure a safe work environment is maintained at all times. The use of alcohol, chewing of betel nut, illegal drugs may seriously affect a person's ability to perform their duties in a proper and safe manner and therefore are strictly prohibited while on duty both on and off premises. Smoking is prohibited on all office premises.

13. Legal Proceedings

It is essential that an employee, who becomes involved in any legal proceedings, whether civil or criminal, should immediately inform his or her superior with a copy of the proceedings to the HR department in writing. Failure to do so may result in termination of employment.

14. Compliance

Compliance with business ethics and conduct is the responsibility of every employee. Disregarding or failing to comply with the standard of business ethics and conduct determined by the Company could lead to disciplinary action, including but not limited to the possible termination of employment. It is the responsibility of the HR department and all the immediate line managers to ensure that the principles embodied in this code are communicated to, understood and observed by all the employees.

SUCCESSION PLANNING

Our succession planning process covers the following areas:

Step 1 - Identify Key Positions

Criteria for key positions include:

- Positions that require specialized job skills or expertise.
- High-level leadership positions.
- Positions that are considered "critical" to the organization.

Step 2 - Build Job Profiles for each Key Position

Determine the key success factors of the job and how proficient the job holder would need to be. This information can be obtained several ways, including performing on the job analysis or gathering critical information during the performance appraisal process. The information that is gathered includes the knowledge, skills, abilities, and attributes that the current employee in a position possesses that allow for competent and efficient performance of the function.

Step 3 - Competency Gap Analysis

- Using relevant tools, gather data on current employee competencies for the key positions.
- Analyze the difference between current employee competencies and future needs.
- Document findings for development opportunities.

Step 4 - Development Opportunities

- Assess the abilities and career interests of employees.
- Candidates should demonstrate high potential or ability that will enable them to achieve success. at a higher level within the organization.

Step 5 - Individual Development Plans

- Design a plan for each candidate - developmental plans should be available for candidates and then incorporated into their performance management plans. Plans may include identifying career paths for high-potential candidates and others who have the interest and ability to move upward in the organization.
- Provide development opportunities - This can be accomplished through job assignments, training, or on job rotation, and it is one of the best ways for employees to gain additional knowledge and skills.

Step 6 - Maintain Skills Inventory

- Continually monitor skills and needs to determine any gaps and develop plans to meet deficiencies.
- Keep an inventory of current and future needs and maintain the information for individual and group development.

POLICY FOR ACTUAL AND PERCEIVED CONFLICT OF INTEREST

TPL Insurance Limited ensures highest standards of ethics, integrity, safeguards the interest and reputation of the Company and protects against instances of improper behavior that could harm employees due to conflict of interest. The purpose of the policy is to ensure that everyone working for or on behalf of the Company, including the Directors and Employees, adhere to and uphold the rules of conduct and ethical business practices. The objective is to assist employees in performing their duties in an environment that is free from any improper influence and in taking all reasonable precautions to avoid being in an actual, apparent or potential conflict of interest. Additionally, the Policy provides guidance and details on how to identify and report any conflicts of interest.

POLICY FOR SAFETY OF RECORDS OF THE COMPANY

TPL Insurance Limited ensures that comprehensive and accurate records of all activities and decisions are created, managed and kept in accordance with the relevant legislation. The Company guarantees the security of records in the following manner:

- The Company has a documented business continuity plan (BCP) / Disaster Recovery Plan (DRP). These plans guarantee that business operations will continue in the event of a catastrophe and explain how to keep corporate records secure.
- Every department of the Company is responsible for ensuring to generate backup logs on the Server on a daily basis.
- The Company has sophisticated equipment in place that enables electronic retrieval of printed data that can be readily extracted.

POLICY ON DIVERSITY, EQUITY & INCLUSION

1.1 INTRODUCTION

TPL Insurance is committed to supporting, developing and promoting a diverse and inclusive culture, in all of its practices and activities, where everyone thrives, feels included, respected, valued and confident in sharing their unique ideas, abilities and perspectives. This policy outlines our commitment to diversity, acceptable behaviors expected from all employees and the actions being taken by TPL Insurance to ensure equal opportunities for all free from discrimination based upon values of dignity, courtesy and respect.

1.2 PURPOSE

To foster a culture through diverse initiatives and interventions that promotes a diverse, empowered workforce with equal access to opportunities at TPL Insurance, enabling them to achieve results effectively in alignment with the Company's vision and mission.

1.3 SCOPE

This policy shall be applicable to all employees of TPL Insurance and its affiliates, subsidiaries and associates.

1.4 DEFINITIONS

1.4.1 DIVERSITY

Diversity in the employment context is defined to mean and include the collective mixture of differences and similarities that includes, for example, individual and organizational characteristics, values, beliefs, experiences, backgrounds, preferences, and behaviors.

1.4.2 EQUITY

Equity in the workplace refers to fair and equitable treatment in access, opportunity and advancement for all individuals. Work in this area includes identifying and working to eliminate barriers to fair treatment for disadvantaged groups, from the team level through systemic changes in organizations and industries.

1.4.3 INCLUSION

The extent to which each person in an organization feels welcomed, respected, supported and valued as a team member. This means ensuring that everyone's voice is heard, opinions are considered and value to the team is evident.

1.5 POLICY STATEMENT

1.5.1 COMMITMENT TO DIVERSITY AND INCLUSION

TPL Insurance is dedicated to supporting, promoting and developing diversity and inclusion across all levels of the Company. We believe that a diverse workforce enhances our creativity, innovation, and ability to serve our customers effectively.

1.5.2 EQUAL OPPORTUNITY

TPL Insurance provides equal opportunity to all employees and applicants without discrimination based on ethnicity, color, religion, caste, class, creed, race, domicile, gender, disability or age. All our existing policies and practices ensure that hiring, promotions, advancement opportunities, compensation and other employment decisions are based solely on merit and business needs.

1.5.3 RECRUITMENT AND HIRING PROCESSES

At TPL Insurance, we are committed to fostering a transparent and unbiased hiring process. Our approach is strictly merit-based, ensuring that every candidate has equal access to opportunities, irrespective of their background or any other factor/aspect. We firmly uphold the principles of diversity, equity, and inclusion in all stages of our recruitment process-attracting, shortlisting, and hiring. We have a hiring policy with commitment to women empowerment access to differently-abled candidates for all the open positions. This commitment aligns with our core values, as we strive to create an inclusive workplace where everyone can thrive.

1.5.4 LEARNING AND DEVELOPMENT OPPORTUNITIES

We are committed to building a knowledgeable, skilled and diverse workforce that drives innovation and success. We ensure that all learning and development opportunities promote inclusivity, support career growth, encourage continuous learning and promote our values. We are dedicated to providing equal learning and development opportunities that cater to the diverse needs of our workforce.

1.5.5 CAREER PROGRESSION

We adopt fair and equitable practices to support career progression of all our employees. Decisions regarding career progression are made based on performance, merit and potential, free from biases or subjective influences. At TPL Insurance, Career progression opportunities are offered through various initiatives, including mentorship programs, leadership development programs, skill development initiatives, performance reviews, talent classification and succession planning. Our aim is to create an environment where talent thrives and reaches its full potential.

1.5.6 EMPLOYEE BENEFITS AND SUPPORT PROGRAMS

TPL's commitment to equity extends across the organization through the benefits we offer. Our benefits are designed with the best interest of our employees in mind, ensuring support during major life changes to foster a balanced work-life environment. Employees are entitled to paid wedding, maternity and paternity leaves to facilitate them during significant life events. Our daycare facility further supports working mothers and single parents in transitioning back to their workplace. Employees are granted paid pilgrimage leaves to fulfill their religious obligations. To support female and differently-abled employees, a fuel allowance is provided, enhancing their mobility and ensuring they feel supported.

1.5.7 HARASSMENT

At TPL Insurance, we have a zero tolerance policy towards harassment of any kind. We are committed to maintaining a workplace culture free from all forms of harassment, discrimination and bullying. We uphold a detailed Sexual Harassment Policy. Employees are encouraged to report any incidents immediately to the Human Resources department, their line managers, or through the channels mentioned in the policy, with the assurance of confidentiality and a prompt, thorough investigation. For detailed information on reporting mechanisms, behaviors that qualify as harassment, and other specifics, employees should refer to our separate Sexual Harassment Policy.

1.5.8 ACCEPTABLE BEHAVIORS

- All employees must treat each other with respect and dignity. There is zero tolerance for harassment, bullying, and discrimination of any form at TPL Insurance
- All employees are expected to demonstrate cultural sensitivity and respect towards diverse traditions, practices, and viewpoints

- Use language that is inclusive and respectful of all individuals, avoiding terms or phrases that may be considered offensive or exclusionary
- Employees should actively seek to understand and collaborate with colleagues from diverse backgrounds, fostering an environment of teamwork and mutual respect
- Contribute to a supportive and welcoming environment for all employees. Offer help and encouragement to colleagues as needed

1.5.9 ACCOUNTABILITY AND REPORTING

Employees are encouraged to report any incidents of discrimination or non-inclusive behavior they face or witness to their Line Manager, Human Resources Business Partner or the Human Resources Department.

1.5.10 COMMITTEE

In order to facilitate the employees and ensure effectiveness of the policy, a committee has been formed (refer to Annexure B5).

Management Rights:

The management of the company has the right to revert, change, amend, nullify or cancel all or any parts of this policy without prior notice.

ANNEXURE B5

Diversity, Equity and Inclusion Policy		
S.no	Designation	Role
1.	Chief Operating Officer - TPL Insurance	Member
2.	Executive Director - TPL Corp	Member
3.	Deputy General Counsel	Member
4.	Head Human Resources	Member
5.	Senior Manager - Learning & DEI	Secretary

POLICY ON RETENTION OF BOARD FEE BY THE EXECUTIVE DIRECTOR IN OTHER COMPANIES

The Executive Director of the Company (TPL Insurance), Mr. Muhammad Aminuddin, is not a director on the board of any other company. However, the directors are remunerated in accordance with the respective company's policies and as authorized by their Board of Directors.

PERFORMANCE MANAGEMENT POLICY

1.1 INTRODUCTION

At TPL Insurance, we believe that performance management is a critical tool for driving excellence, aligning individual contributions with organizational objectives, and fostering professional growth. This policy establishes a structured and transparent framework for evaluating employee performance, setting clear expectations, providing feedback, and recognizing contributions.

1.2 PURPOSE

The purpose of this policy is to ensure a fair, consistent, and comprehensive approach to evaluating employee performance. It aims to:

- Align individual performance with organizational goals.
- Provide employees with clear expectations and regular feedback.
- Recognize and reward high performance.
- Identify and address performance gaps through targeted development initiatives.
- Support career progression and succession planning within the company.

1.3 SCOPE

This policy applies to all permanent and confirmed employees of TPL Insurance.

1.4 ELIGIBILITY

All employees who have completed a minimum of six months of service at TPLI are eligible to participate in the formal performance evaluation process. Employees on probation will receive feedback through informal assessments conducted by their immediate supervisors.

1.5 PERFORMANCE EVALUATION PROCESS

1.5.1 Performance Planning and Objective Setting

- At the start of each fiscal year, senior management announces corporate objectives and business plans. Based on this, division heads are required to formulate departmental action plans.
- Employees are expected to set their individual performance goals in alignment with their department's objectives. These objectives will serve as the foundation for performance assessments, salary increments, and career progression.

1.5.2 Annual Performance Review

- Employee performance evaluations are conducted annually.
- The evaluation process includes assessments by immediate supervisors and self-assessments by employees.
- The CEO/COO/HR evaluates the performance of department heads.

1.5.3 Quarterly Performance Check-Ins

- Regular review meetings are encouraged to track progress, provide feedback, and make necessary course corrections.
- These discussions serve as a mechanism for motivation, engagement, and identifying areas for improvement.

1.6 PERFORMANCE RATINGS

Employees are rated on the below scale:

- Needs Improvement (NI): Performance does not meet expectations; intervention and improvement plans are required.

- Meets Expectations (ME): Performance consistently meets job requirements.
- Exceeds Expectations (EE): Performance surpasses job standards and contributes positively to team objectives.
- Outstanding (O): Performance consistently exceeds expectations, demonstrating exceptional contributions beyond job requirements.

1.7 PERFORMANCE AWARDS AND PROMOTIONS

- Employees demonstrating exceptional performance and leadership may be considered for promotions or performance-based rewards.
- Promotions are recommended by department heads, immediate supervisors, HR, and the CEO based on merit and capability.
- Employees must serve at least 24 months in a role before being eligible for promotion unless exceptional performance warrants an accelerated promotion.

1.8 PERFORMANCE IMPROVEMENT AND DEVELOPMENT

1.8.1 Performance Improvement Plans (PIP)

- Employees with sustained underperformance may be placed on a formal improvement plan.
- The PIP includes clear performance expectations, support mechanisms, and a defined review period.
- If performance does not improve within the designated timeframe, further actions may be considered, including reassignment or termination.

1.8.2 Training and Development

- Performance evaluations help identify skills gaps and training needs.
- Employees will be encouraged to participate in professional development programs, workshops, and mentoring opportunities.
- Career progression within the organization is supported through targeted development initiatives At TPLI, we are committed to fostering a fair and transparent work environment that values the input and concerns of all employees.

1.9 GRIEVANCE HANDLING DURING PERFORMANCE APPRAISALS

At TPL, we are committed to a fair and transparent appraisal process. Employees who disagree with their performance ratings have the following recourse:

- Informal Resolution: Employees should first discuss concerns with their immediate supervisor for clarification.
- Formal Appeal: If concerns persist, employees may file a written grievance with HR within 10 calendar days of receiving their appraisal feedback.
- HR Review: HR will conduct an independent review, including discussions with relevant parties, to ensure a fair resolution.
- Final Decision: Employees will receive formal feedback from HR on the outcome of their grievance..

1.10 ADDITIONAL OBJECTIVES OF PERFORMANCE EVALUATION

Performance evaluations serve multiple purposes, including:

- Supporting managerial decisions regarding training, transfers, promotions, or terminations.
- Strengthening the hiring process by identifying role-specific performance criteria.
- Providing employees with constructive feedback and opportunities for improvement.
- Enhancing employee engagement and morale through goal setting and recognition.

1.11 PROMOTIONS POLICY

Promotions will be recommended by the Department Head/Immediate Supervisor/HR and CEO based on merit and ability to assume higher responsibility. Normally awarded during annual appraisal however, appointing authority may promote at any time during the year. Gap of at least 24 month between 2 promotions for the same individual is required. It is at appointing authority's discretion however to grant a double promotion in case of outstanding performance which is duly approved by HR and CEO.

Management Rights:

The management of the company has the right to revert, change, amend, nullify or cancel all or any parts of this policy without prior notice.

INVESTOR GRIEVANCE POLICY

TPL Insurance has a clear and comprehensive procedure for handling investor grievances and subsequently addressing those grievances. Our compliance team undertakes to guarantee that the investors are provided with quality and professional services.

The Company has set the following guidelines to handle investor queries and complaints:

- timely responses to investor grievances;
- fair treatment of all investors;
- corrective measures to be taken instantly to avoid complaints in the future.

In such circumstances, the Company Secretary is the primary contact. The investors may directly write to the Company Secretary at the following address:

The Company Secretary
TPL Insurance Limited
20th Floor, Sky Tower - East Wing
Dolmen City, HC-3
Abdul Sattar Edhi Avenue
Block 4, Clifton
Karachi
Pakistan

Shareholders may present their enquiries in respect of their shareholding, dividends or share certificates etc. directly to the Share Registrar at the following address:

THK Associates (Private) Limited
Plot no. 32-C
Jami Commercial Street 2
D.H.A Phase VII
Karachi 75500
Pakistan

Tel: 0092 (021) 35310191-6

For general questions or complaints, investors may also send an email to the designated email address info@tplinsurance.com. Alternatively, an investor may contact the Securities & Exchange Commission of Pakistan Complaint Cell by using the interactive link on the company website if they are dissatisfied with the Company's or the share registrar's answer to their complaint.

INFORMATION SECURITY GOVERNANCE FRAMEWORK

TPL Insurance is dedicated to enhancing its internal controls for what matter it has an approved information security policy and information security framework in place. The framework aims to define an information security governance principles by defining the roles and responsibilities, acceptable practices, protocols and procedures to enhance that TPL Insurance is protected against emerging cyber threats.

The frameworks entails the following aspects:

- Information Security Roles and Responsibilities
- Risk Management
- Access Management
- Acceptable Use of Network & Communication
- Security Operation Network
- Asset Management
- Network Security
- Incident Response

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

A questionnaire that assesses the performance of the Board of Directors as a whole as well as that of individual directors has been established by the Company's Board as a method for the Board to review its own performance on an annual basis.

The said questionnaire is prepared in accordance with the Code of Corporate Governance and is circulated to all the Directors covering, inter alia, the following areas:

- Fiduciary Duties
- Business Strategy
- Compliance with the Law
- Participation on the Board
- Corporate Reporting

This performance evaluation exercise aids the Company's Board in assessing its procedures and efficiency with the goal of guaranteeing a more effective and efficient operation and its functions, with an emphasis on succession planning, the composition of the Board and the utilization of the Board's time.

PERFORMANCE REVIEW OF THE CEO

The Board of Directors appoint the Chief Executive Officer (CEO) for a tenure of three (3) years. The operational, financial and strategic goals are set by the Board's Ethics, Human Resources, Remuneration and Nomination Committee to assess his performance. The Committee evaluates and monitors the CEO's performance annually.

CHAIRMAN'S REVIEW REPORT

It is my privilege to present to our esteemed members an overview of the performance of TPL Insurance Limited (the "Company") and its Board of Directors. The Board's strategic leadership and guidance have been pivotal in steering the Company through the challenges posed by the country's economic downturn. Despite these obstacles, the Company has maintained its profitability and expanded into new business lines during the financial year ended December 31, 2024.

Throughout the year, the Board has remained actively engaged in safeguarding the Company's profitability while providing strategic direction to the Management. Our focus has remained on expansion, innovation, and operational excellence, leading to the diversification of sales channels and enhanced product accessibility. These initiatives have contributed to increasing insurance penetration in underserved markets, demonstrating our commitment to prudent financial management and shareholder value.

Our Board comprises professionals with diverse expertise, industry knowledge, and experience, offering invaluable support to the Management team, which continues to drive the Company's consistent and positive growth. This collective strength enables the Board to provide expert guidance and ensure the highest standards of corporate governance, transparency, and accountability. Throughout the year, the Board's sub-committees have met regularly, reinforcing robust audit processes, human resource management, and remuneration structures.

On behalf of the Board, I extend my sincere appreciation to our valued shareholders, dedicated management team, employees, and all stakeholders. Your unwavering support and commitment have been instrumental in the Company's success. As we look ahead, we remain confident in our continued growth and profitability, paving the way for long-term sustainability.

Jameel Yusuf S.St.
Chairman of the Board
As of December 31, 2024

Internal Audit Function

The Company's Internal Audit Function ('the Function') comprises of Chief Internal Auditor (CIA), Manager and supporting staff. The CIA reports directly to the Board Audit Committee ('the Committee') in accordance with requirements of Code of Corporate Governance (COCG). He is also Secretary of the Committee and attended all Committee meetings held during the year on quarterly basis.

The Terms of Reference (TORs) of the Committee are laid down in accordance with the requirements of COCG which are also approved by the Board of Directors ('the BOD'). Further, the Company have also approved Internal Audit Charter and Internal Audit Manual which specifies the objective, authority, responsibility, audit approach and methodology etc. of the Function. The Committee ensures that the Function complies with all regulatory requirements with regard to Internal Audit.

Internal Audit department performs risk-based audit, as per the risk register, of different functions and departments of the Company according to audit plan approved by the Committee and submit its finding on a quarterly basis to the management and the Committee. Internal Audit Team have unrestricted access to management, staff, information systems and data files to ensure transparency and effectiveness of their audit processes.

Composition of the Committee

The Committee comprises of four members, three of which are non-executive directors and one independent director who is the chairman of the Committee. The Chief Internal Auditor serves as the secretary of the Committee.

All of the members of the Committee have relevant knowledge and experience in finance and accounting matters and most of them also fulfil the definition of being 'financially literate'. Further, the BOD is satisfied that the members of the Committee are competent and possess necessary skills and experience required to fulfil their responsibilities.

The Committee convened four meetings during the year.

The Chief Executive Officer (CEO), Chief Operating Officer (COO) and Chief Financial Officer (CFO) attended the Committee meetings by invitation.

Review of Financial Results

The Committee reviews the annual and interim financial statements of the Company before these financial statements are recommended by the Committee to the BOD for approval in accordance with Terms of Reference of the Committee.

The Committee also reviews the External Auditors' Reports on half yearly and annual financial statements of the Company and management letter issued by external auditors and the management's response to the observations highlighted by external auditors.

Committee's approach towards Risk Management

The Committee is delegated with the authority from the BOD to provide independent oversight of the Company's financial reporting and internal control systems, and the adequacy of the external and internal audits. The Committee is provided with sufficient resources to perform its duties including support, as necessary, from the Function, the external auditors, legal counsel and management in examining all matters relating to the Company's adopted accounting policies and practices, and in reviewing all material financial, operational and compliance controls.

Internal Audit

(A) Significant Observations/ Improvements highlighted by the Function

During the year, the Function performed audit of multiple areas and summary of suggestions for improvement are as follows:

- Ensure that approved policies and Standard Operating Procedures are in place for each function.
- Increased efficiency in management of cash-flows.
- KYC requirements are fulfilled.
- Rectification of system inaccuracies.
- Strengthen controls over processes and improve efficiency.
- Commission paid and received on facultative arrangements should be aligned
- Treasury management with timely recording and reconciliations.
- Fixed asset management.
- Enhancement in Insurance Coverage with proper inspection.
- Proper monitoring of Premium Recovery and collection recording.

The management has been very co-operative during the course of the audits and suggestions highlighted above has been agreed/ adopted.

(B) Opinion of the Internal Audit

Based on the scope of reviews undertaken and the sample tests performed during the year, significant assurance can be given on the overall adequacy and effectiveness of the organization's framework of governance, risk management and control, however improvements required have been suggested to the management.

(C) Separate Meeting with Internal Audit

The Committee held an independent meeting with the Internal Auditor during the year without the presence of management. Resource need was highlighted, which needs to be taken into account while Budget preparation.

Review of Internal Control Systems

The Committee reviews the effectiveness of the Company's policies and procedures regarding internal control systems by reviewing the work of the Function and the Company's external auditors, and regular reports from management including those on risk management, regulatory compliance and legal matters. In conjunction with the Risk Committee and based on opinion of Internal Audit given above, the Committee reviewed and concur with the management confirmation that the Company's risk management and internal control systems were effective for the year ended December 31, 2024. The Committee is satisfied that the Company has adopted necessary control mechanisms to ensure that it satisfactorily complies with the requirements of the COCG in respect of internal control systems.

Review of Accounting, Financial Reporting and Internal Audit Functions

The Committee has reviewed and is satisfied with the adequacy of the resources, staff qualifications and experience, training programs and budget of the Company's accounting, financial reporting and internal audit functions.

Review of Related Party Transactions

The Committee has reviewed these transactions and confirmed that the transactions entered into by the Company are in accordance with the applicable requirements.

External Auditors

The Committee has reviewed and discussed all Key Audit Matters and other issues identified during the external audit with the External Auditors and management, along with the methods used to address the same.

The Committee held an independent meeting with the External Auditors during the year without the presence of management.

The Management Letter is required to be submitted within 45 days of the date of the Auditors' Report on the financial statements under the listing regulations and will be discussed accordingly in the Committee meeting following the receipt of the management letter.

Being eligible for appointment under the listing regulations, the Committee has recommended the appointment of M/s. Grant Thornton Anjum Rahman Chartered Accountants, as an External Auditor of the Company for the year ending December 31, 2025 on fees to be approved by the BOD.

The Committee has reviewed the external auditors' independence and objectivity. External auditors have shown their willingness and confirmed that they have been given satisfactory rating under Quality Control Review program of the Institute of Chartered Accountants of Pakistan.

For and on behalf of

Board Audit Committee

Aqueel E. Merchant
Chairman Board Audit Committee
24 February 2025

DIRECTORS' REPORT

On behalf of the Board of Directors of TPL Insurance Limited ("the Company"), I am pleased to present the Annual Report of the Company for the year ended December 31, 2024.

ECONOMIC REVIEW

During 2024, Pakistan's economy registered moderate recovery reflected by a GDP growth of 2.38% against previous year's contraction of 0.21%. Agriculture emerged as a main driver of economic growth, registering a growth of 6.25%. Industrial and services sectors also showed resilience posting growth of 1.21%. Current account deficit remained under control resulting in improvement in foreign exchange reserves. The fiscal sector progressed towards stability, propelled by consolidation efforts and targeted reforms. Rupee remained mostly stable against dollar, during the year. Auto industry reported motor vehicle sales of 97,417 units in 2024 as opposed to 58,561 units in previous year, an increase of 66%.

Equity market reported robust growth during the year. The benchmark index increased 86% during the year to 115,126 (2023: 62,451).

BUSINESS REVIEW

GROSS WRITTEN PREMIUM

The Company has been allowed by SECP to report its results on consolidated basis i.e. conventional accounts clubbed with Takaful accounts on line by line basis. This reflects true reflection of the Company's performance as a whole which is also imperative from the investors' point of view.

During the year, by crossing the Rs. 5 billion mark, the company reported Consolidated Gross Written Premium ("GWP") of Rs. 5,020 Million registering growth of 23% YoY. The premium includes contribution written by window takaful operations of the Company which amounts to Rs. 2,525 Million (2023: Rs. 1,918 Million).

Year	Consolidated Gross written premium (Rs. In Millions)	Growth %
2018	2,408.7	5%
2019	2,505.3	4%
2020	2,746.9	10%
2021	3,284.0	20%
2022	3,823.0	16%
2023	4,085.0	7%
2024	**5,020.0**	**23%**

The Company's motor portfolio stood at Rs 3,217 Million (2023: 2,738 Million), reflecting growth of 17% YoY. Non-motor segment continued to grow during the year. Fire portfolio registered growth of 29% at Rs. 849 Million (2023: Rs. 658 Million). Marine segment reported growth of 108% at Rs. 168.1 Million, while Miscellaneous portfolio reported growth of 98% YoY.

In 2024, TPL Insurance achieved a major milestone, surpassing PKR 5 billion in Gross Written Premium (GWP), driven by portfolio diversification, digital transformation, and market expansion. Despite challenges in the motor insurance segment, growth remained strong through new product launches, including Cyber, Pet, and Guarantee Insurance, alongside strengthened Agri and Livestock Insurance offerings.

Operational efficiency was enhanced through advanced CRM systems, automation, and AI-driven analytics, improving service delivery and claims processing. The "Jiyo Befikr" marketing campaign expanded insurance awareness in Tier II cities, reinforcing TPL Insurance's vision of financial inclusion.

With a commitment to innovation, efficiency, and sustainable growth, TPL Insurance continues to lead Pakistan's insurtech evolution, ensuring value for customers, partners, and stakeholders.

CLAIMS ANALYSIS

In 2024, claim ratio improved by 1% and reported at 48%. The improvement is attributed to motor portfolio where claim ratio improved from 45% to 43%, as a result of effective claim management. Health business reported claim ratio of 85% (2023: 87%), while Fire and Marine portfolios reported claim ratios of 21% and 45% respectively (2023: 9% and 24% respectively).

YEARLY CLAIMS INCURRED	
Year	**% of Earned Premium**
2018	43%
2019	44%
2020	45%
2021	46%
2022	48%
2023	49%
2024	**48%**

REINSURANCE

The Company continues to have strong relationship with reinsurance partners. The Company has treaty arrangements with blue-chip AA and A rated reinsurers. Keeping in view the growing portfolios, the Company continues to focus on increasing treaty capacities in all classes of business. During the year, the Company has enhanced its natural catastrophe cover for Takaful motor class from Rs. 750 Million to Rs. 1 Billion and Rs. 1.2 Billion for conventional segment. The Fire natural catastrophe capacity of conventional class has been extended to Engineering class as well. We also increased our Property/Engineering and marine capacities significantly in Takaful books. Capacities stand at Rs. 2.42 Billion for conventional and 1.4 Billion for Takaful.

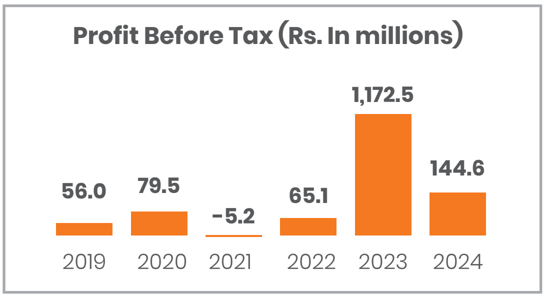
WINDOW TAKAFUL OPERATIONS

The Company's Window Takaful Operations (WTO) continue to grow and has underwritten contributions amounting to Rs. 2,525 Million (2023: Rs. 1,918 Million), reporting YoY growth of 32%. The consolidated assets of operator fund and participant takaful fund amounts to Rs. 2,669 Million (2023: Rs. 1,879 Million). The Company continues to maintain 2nd position in motor takaful market.

During the year, the Participant Takaful Fund reported a surplus of Rs. 50 Million (2023: Rs. 12 Million).

FINANCIAL REVIEW

PROFITABILITY AND GROWTH



The Company has recorded a consolidated pre-tax profit of Rs 145 Million (2023: Rs. 1,172 Million). The results include pre-tax surplus attributable to Participants' Takaful Fund amounting to Rs. 72 Million (2023: Surplus of Rs. 24 Million). The profit attributable to shareholders' fund amounted to Rs. 21 Million (2023: Profit of Rs. 1,115 Million). The pre-tax and post-tax basic earning per share are Rs. 0.36 and Rs. 0.11 respectively (2023: Rs. 5.91 and Rs. 5.62).

Last year's profit included a one-off surplus on acquisition of Pakistan Branch of New Hampshire Insurance Company Limited during the year amounting to Rs. 1,079 Million.

INVESTMENTS

As at 31 December 2024, investments made by the Company (including investments made by Participant's Takaful Fund) stands at Rs. 2,082 Million (2023: Rs. 2,256 Million). These mainly comprise of investments in term deposits amounting to 1,285 Million (2023: 1,346 Million), investment in government securities amounting to Rs. 248 Million (2023: Rs. 241 Million), investment in corporate debt instruments amounting to Rs. Nil (2023: Rs. 250 Million) and investment in equities and mutual funds amounting to Rs. 549 Million (2023: 419 Million). The aggregate market value of these investments is Rs. 2,084 Million (2023: Rs. 2,243 Million).

CASH & BANK BALANCES

The cash and bank balances of the Company stands at Rs. 2,472 Million (2023: Rs. 1,996 Million). This includes cash and bank balances of Participants' Takaful Fund amounting to Rs. 24 Million (2023: Rs. 36 Million).

DIVIDEND

The Board of Directors don't recommend any distribution (2023: Cash Dividend of Rs. 3 per share @30%).

INSURER FINANCIAL STRENGTH (IFS) RATING

During the year, The Pakistan Credit Rating Agency Ltd (PACRA) has maintained the Insurers Financial Strength (IFS) rating of the Company at AA with a stable outlook.

KEY FINANCIAL DATA FOR THE LAST SIX YEARS

Income Statement **(Rs. In Millions)**

	2024	2023	2022	2021	2020	2019
Gross premium written	5,020	4,085	3,823.1	3,284.0	2,746.9	2,505.3
Net premium revenue	3,424	3,085	3,066.0	2,398.4	2,163.1	2,136.2
Underwriting expenses	(3,387)	(3,240)	(2,880.7)	(2,280.5)	(2,046.8)	(2,024.5)
Underwriting results	**36.9**	**(154.8)***	**185.3**	**117.8**	**116.3**	**111.7**
Investment income and other income	467.7	531.5	146.7	110.8	204.1	152.1
Other expenses	(359.8)	(283.1)	(267.0)	(233.9)	(240.8)	(207.8)
Surplus on merger	-	1,079	-	-	-	-
Profit / (Loss) before tax for the year	**144.6**	**1,172**	**65.1**	**(5.2)**	**79.6**	**56.0**
Profit / (Loss) after tax	**71.6**	**1,127**	**18.3**	**(9.7)**	**39.8**	**30.5**
Other Comprehensive Income	40.6	(38.0)	(81.5)	196.4	22.4	(4.4)
Total Comprehensive Income	**112.2**	**1,089**	**63.3**	**62.2**	**26.1**	**34.7**

*Includes impact of one-off marketing expense

Balance Sheet **(Rs. In Millions)**

	2024	2023	2022	2021	2020	2019
Paid up share capital	2,027	2,027	2,027	1,393.1	946.7	946.7
Retained Earnings / Accumulated (losses)	481.1	459.8	(59.8)	(26.2)	(164.5)	(114.0)
Other comprehensive income reserve	110.2	69.4	107.5	189.0	(7.3)	(29.7)
Other capital reserves	124.6	124.6	124.6	77.6	24.1	-
Participant's Takaful Fund	7.7	(42.6)	(54.7)	(67.5)	41.4	(48.9)
Total Equity	**2,750.6**	**2,638.2**	**2,145.4**	**1,566**	**840.4**	**754.1**

	2024	2023	2022	2021	2020	2019
Investments	2,081.6	2,256	1,740.0	1,390.4	920.8	729.4
Fixed assets	321.3	300.8	422.0	401.2	257.5	426.5
Capital work in progress	-	-	-	-	-	2.6
Cash and bank deposits	2,472.1	1,996.5	1,569.4	1,046.4	913.4	702.4
Other assets	3,064.0	2,755.4	2,241.0	1,987.1	1,409.5	1,105.2
Total Assets	**7,939.0**	**7,308.7**	**5,972.5**	**4,825.2**	**3,501.2**	**2,966.1**
Underwriting liabilities	3,636.4	3,075.8	2,795.6	2,393.3	1,970.8	1,505.1
Other liabilities	1,552.0	1,594.7	1,031.5	929.9	690.0	706.9
Total Liabilities	**5,188.4**	**4,670.5**	**3,827.1**	**3,259.2**	**2,660.8**	**2,212.0**

AUDITORS

M/s BDO Ebrahim & Company, Chartered Accountants ("BDO") retire in the forthcoming Annual General Meeting. In accordance with the SECP's requirement to have external auditors of the subsidiaries consistent with the auditors of the parent company the Audit Committee recommends appointment of M/s Grant Thornton Anjum Rahman Chartered Accountants as auditors of the Company for the year ending 31 December 2025, at a fee to be mutually agreed.

RELATED PARTY TRANSACTIONS

The related party transactions were placed before the Board of Audit Committee and approved by the Board, being executed on an arm's length basis. These transactions were in line with the International Financial Reports Standards and the Companies Act, 2017.

ANTIMONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM

The Company is working towards ensuring compliance of the Anti-Money Laundering and Counter-financing of Terrorism Regulations, 2018 and in this regard the Board of Directors' of the Company have also approved the AML/CFT Policy.

CORPORATE SOCIAL RESPONSIBILITY

At TPL, we are committed to making a positive impact on society through initiatives that focus on healthcare, education, gender equality, environmental sustainability, and community welfare. We believe in fostering a future where individuals and communities thrive, guided by inclusivity, ethical practices, and sustainability.

Our efforts include programs that empower women through capacity-building initiatives and mentorship opportunities, helping them unlock their full potential both professionally and personally. We have collaborated with organizations to provide vocational training for women in underserved areas, enabling them to achieve financial independence. Additionally, we support educational institutions and healthcare programs to ensure better opportunities for underprivileged communities.

We also place great emphasis on employee welfare, ensuring comprehensive healthcare coverage, skill development workshops, and activities that promote work-life balance and mental well-being. By creating a supportive environment, we strive to enhance the overall employee experience and satisfaction.

On the environmental front, TPL continues to work toward reducing its carbon footprint through sustainable waste management, energy conservation measures, and initiatives that promote green spaces. These efforts are aligned with our Environmental and Social Action Plan (ESAP), reflecting our dedication to responsible business practices.

Looking ahead to 2025, TPL aims to deepen its social impact by drawing inspiration from international best practices and further strengthening its local partnerships. Through these efforts, we continue to drive meaningful change and contribute to a sustainable and inclusive future for all.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board is fully aware of its corporate responsibilities as envisaged under the Code of Corporate Governance, prescribed by the Securities and Exchange Commission of Pakistan and is pleased to certify that:

- The financial statements prepared by the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of accounts.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, International Financial Reporting Standard and other regulations (including but not limited to the Shariah guidelines /principles) as applicable in Pakistan, have been followed in the preparation of the financial statements and any departure there from have been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- The fundamentals of the Company are strong and there are no doubts about Company's ability to continue as a going concern.
- The Company has followed the best practices of the Corporate Governance and there has been no material departure there from.

- Key operating and financial data for the last six years in summarized form, is included in this annual report.

- Significant deviations from last year's operating results have been explained in this report.

- Statutory payments on account of taxes, duties, levies and charges outstanding are in the normal course of business.

- The board is duly complying in respect of the Directors' Training Program as referred under the Clause 19(1)(i) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

- The value of investments of provident fund on the basis of unaudited financial statements of the provident fund as on 31 December 2024 is Rs. 115 Million (2023: Rs. 101.6 Million).

DIRECTORS' REMUNERATION

The Board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act 2017. The details of remuneration to directors is mentioned in notes to the Financial Statements.

Composition of Board of Directors and Committee are disclosed in Statement of Compliance with Code of Corporate Governance.

INSURANCE ORDINANCE 2000

As required under the Insurance Ordinance 2000 and rules framed there under, the Directors confirm that:

- In their opinion and to the best of their belief, the annual statutory accounts of the Company set out in the forms attached with this statement have been drawn up in accordance with Insurance Ordinance 2000 and Insurance Rules made there under.

- The Company has at all times in the year complied with the provisions of the Ordinance and the rules made there under relating to the paid up capital, solvency and reinsurance arrangements; and as at the date of the statement, it continues to be in compliance with the provisions of the Ordinance and rules framed there under as mentioned above.

CODE OF CONDUCT

The Company ensures that all its activities are carried out in a transparent manner strictly following the code of business ethics with zero tolerance.

ENVIRONMENTAL SOCIAL AND GOVERNANCE

The company has an environmental, Social and Governance ("ESG") policy explicating its responsibility and demonstrating its commitment to sustainability and responsible governance. Risk Committee of the Board is responsible for development of frameworks to ensure the effective implementation in furtherance of these cardinal principles.

The Company possesses and has implemented a comprehensive Anti-Harassment policy to ensure a safe, respectful and inclusive work environment for all employees irrespective of gender. The Board's Risk Committee oversees its enforcement and address any related issue that may arise. We are continuously working to enhance the frameworks and procedures in order to ensure that all reports of harassment are handled anonymously.

PATTERN OF SHARE - HOLDING

Statement of pattern of share-holding of the Company as at 31 December 2024 is as follows:

Shareholder's Category	Number of Shares Held	Percentage of Shareholding
Parent Company - TPL Corp Limited & TPL Holding	106,345,506	53.60%
Foreign Companies	65,262,510	32.90%
Directors and Senior Management Officer	2,855,274	1.44%
Mutual Funds	5,765,493	2.9%
General Public (Local)	11,305,923	5.7%
General Public (Foreign)	787,126	0.4%
Others	6,072,630	3.1%
Total	**198,394,462**	**100.00%**

TRADING IN COMPANY'S SHARES

There was no trading in shares of the Company by major shareholder, Directors, CEO, CFO, Company Secretary, Head of Internal Audit, other employees and their spouses and minor children during the year.

BOARD MEETINGS

Board of Directors comprises of 2 female and 5 male directors as follows:

Category	Name
Independent Director(s)	Mr. Aqueel E. Merchant
Executive Director(s)	Mr. Muhammad Aminuddin (Chief Executive Officer)
Non-Executive Director(s)	Mr. Jameel Yusuf S.St Mr. Muhammad Ali Jameel Rana Assad Amin
Nominated Director	Mr. Benjamin Brink
Female Independent Director	Ms. Naila Kassim
Female Nominated Director	Ms. Ayla Majid

The Board of Directors held Five (05) meetings in 2024. The attendance is indicated as follows:

S. NO.	NAME OF DIRECTOR	MEETINGS ATTENDED
1	Mr. Jameel Yusuf (S.St)	**5**
2	Mr. Ali Jameel	**5**
3	Mr. Benjamin Brink	**4**
4	Rana Assad Amin	**5**
5	Ms. Ayla Majid	**5**
6	Ms. Naila Kassim	**5**
7	Mr. Aqueel E. Merchant	**5**
8	Mr. Muhammad Aminuddin, Chief Executive Officer	**5**

FUTURE OUTLOOK

As Pakistan moves toward economic stability and market recovery, TPL Insurance remains focused on expansion, innovation, and operational excellence. The company is diversifying sales channels, strengthening partnerships with banks, dealerships, and digital platforms, and enhancing product accessibility to increase insurance penetration across underserved markets.

Portfolio expansion into agriculture, pet, guarantee, and premium customer insurance will allow TPL Insurance to cater to evolving market needs, while microinsurance solutions will drive financial inclusion. Operational efficiency remains a key focus, with investments in CRM systems, automation, and employee upskilling to streamline service delivery and enhance customer engagement through cross-selling and upselling strategies.

While technology-led innovation presents immense opportunities, market dynamics, regulatory shifts, and climate-related risks continue to shape the industry landscape. By remaining agile, data-driven, and customer-centric, TPL Insurance is well-positioned to navigate industry challenges, sustain long-term growth, and solidify its market leadership in the years ahead.

ACKNOWLEDGEMENT

We would like to thank the shareholders of the Company for the confidence they have reflected in us. We also appreciate the valued support and guidance provided by the Pakistan Stock Exchange, Federal Board of Revenue, Provincial Revenue Authorities, Central Depository Company and Securities and Exchange Commission of Pakistan over time. We would also express our sincere thanks to the employees, strategic partners, vendors, bankers and customers for their support in pursuit of our corporate objectives.

For and on behalf of the Board of Directors,

Muhammad Aminuddin
Chief Executive Officer

Jameel Yusuf (S.St)
Chairman

25 February 2025

MANAGEMENT RESPONSIBILITIES TOWARDS FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the requirements of Insurance Ordinance, 2000 and, Companies Act, 2017, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but do so. Board of directors are responsible for overseeing the company's financial reporting process.

GENDER PAY GAP STATEMENT UNDER SECP'S CIRCULAR 10 OF 2024

Following is the gender pay gap calculated for the year ended December 31, 2024;

i. Mean Gender Pay Gap: 6%
ii. Median gender Pay Gap: -10%

*The Statement is issued in compliance of SECP Circular No. 10 of April 17, 2024 regarding disclosure of gender pay gap data in annual report.

Muhammad Amin Uddin
Chief Executive Officer

Date: February 25, 2025

PATTERN OF SHAREHOLDING
AS OF DECEMBER 31, 2024

No. of Shareholders	From	To	Shares Held	Percentage
410	1	100	3571	0.0018
51	101	500	15671	0.0079
130	501	1000	108732	0.0548
152	1001	5000	388455	0.1958
31	5001	10000	236459	0.1192
9	10001	15000	113176	0.0570
16	15001	20000	264124	0.1331
5	20001	25000	118198	0.0596
9	25001	30000	257039	0.1296
5	30001	35000	162593	0.0820
3	35001	40000	113204	0.0571
1	40001	45000	40371	0.0203
4	45001	50000	194684	0.0981
1	50001	55000	51351	0.0259
1	55001	60000	57500	0.0290
1	60001	65000	61500	0.0310
2	65001	70000	136500	0.0688
1	70001	75000	72433	0.0365
1	80001	85000	80716	0.0407
1	100001	105000	104000	0.0524
1	105001	110000	108000	0.0544
1	125001	130000	128375	0.0647
1	130001	135000	132000	0.0665
1	265001	270000	270000	0.1361
1	300001	305000	303765	0.1531
1	345001	350000	349500	0.1762
1	545001	550000	547990	0.2762
1	600001	605000	603000	0.3039
1	645001	650000	650000	0.3276
1	665001	670000	668250	0.3368
1	675001	680000	676970	0.3412
1	695001	700000	700000	0.3528
1	705001	710000	707142	0.3564
1	715001	720000	715887	0.36
1	750001	755000	753941	0.3800
1	775001	780000	776966	0.3916
1	1085001	1090000	1087124	0.5480
1	1250001	1255000	1254108	0.6321
1	1375001	1380000	1379599	0.6954
1	1495001	1500000	1496502	0.7543
1	2340001	2345000	2343560	1.1813
1	2495001	2500000	2500000	1.2601
1	2590001	2595000	2590275	1.3056
1	2720001	2725000	2720250	1.3711
1	2910001	2915000	2912788	1.4682
1	3495001	3500000	3500000	1.7642
1	6555001	6560000	6555586	3.3043
1	6995001	7000000	7000000	3.5283
1	24345001	24350000	24348127	12.2726
1	31485001	31490000	31488750	15.8718
1	33770001	33775000	33773760	17.0235
1	62770001	62775000	62771970	31.6400
866	**Company Total**		**198,394,462**	**100.00**

CATEGORY OF SHAREHOLDING

AS OF DECEMBER 31, 2024

Particulars	No of Folio	No of Shares	Percentage
DIRECTORS, CEO & THEIR SPOUSE AND MINOR CHILDREN	**4**	**2,723,274**	**1.37**
MR. JAMEEL YOUSUF		837	0.00
MR. ALI JAMEEL		837	0.00
MUHAMMAD AMINUDDIN		2,720,250	1.37
AYLA MAJID		1,350	0.00
SENIOR MANAGEMENT OFFICER	**1**	**132,000**	**0.07**
SYED ALI HASSAN ZAIDI		132,000	0.07
ASSOCIATED COMPANIES	**8**	**106,345,506**	**53.60**
TPL HOLDINGS (PRIVATE) LIMITED		1,453,936	0.73
TPL CORP LIMITED		104,891,570	52.87
MUTUAL FUNDS	**6**	**5,765,493**	**2.91**
CDC - TRUSTEE HBL INVESTMENT FUND		32,109	0.02
CDC - TRUSTEE HBL GROWTH FUND		20,608	0.01
CDC - TRUSTEE AKD OPPORTUNITY FUND		2,343,560	1.18
CDC - TRUSTEE NBP STOCK FUND		2,590,275	1.31
PEARL SECURITIES LIMITED - MF		25,000	0.01
CDC - TRUSTEE GOLDEN ARROW STOCK FUND		753,941	0.38
GENERAL PUBLIC (LOCAL)	**809**	**11,305,923**	**5.70**
GENERAL PUBLIC (FORGEIN)	**19**	**787,126**	**0.40**
OTHERS	**17**	**6,072,630**	**3.06**
TOYOTA HYDERABAD MOTORS		45,106	0.02
BONUS FRACTION B-2018		255	0.00
CDC STAY ORDER CASES WITH FRACTON		547,990	0.28
BONUS FRACTION B-2019		226	0.00
M-LIBERTY INSURANCE BROKERS (PRIVATE) LIMITED		349,500	0.18
BULK MANAGEMENT PAKISTAN (PVT.) LTD.		2,912,788	1.47
NCC - PRE SETTLEMENT DELIVERY ACCOUNT		2,000	0.00
WESTBURY (PRIVATE) LTD		1,254,108	0.63
SARFRAZ MAHMOOD (PRIVATE) LTD		675	0.00
MAPLE LEAF CAPITAL LIMITED		1	-
RAO SYSTEMS (PVT.) LTD.		128,375	0.06
FEDERAL BOARD OF REVENUE		22,590	0.01
DJM SECURITIES LIMITED		700,000	0.35
SUMYA BUILDERS & DEVELOPERS		57,500	0.03
FALCON-I (PRIVATE) LIMITED		1	-
TOYOTA SAHARA MOTORS (PVT) LTD		51,351	0.03
PARADIGM FACTORS (PRIVATE) LIMITED		164	0.00
FOREIGN COMPANIES	**2**	**65,262,510**	**32.90**
DEG-DEUTSCHE INVESTITIONS-UND ENTWICKLUNGSGESELLSCHAFT MBH		31,488,750	15.87
FINNISH FUND FOR INDUSTRIAL COOPERATION LTD		33,773,760	17.02
Company Total	**866**	**198,394,462**	**100.00**

BDO

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Pakistan

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of TPL Insurance Limited (the Company)

Review Report on the Statement of Compliance with Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance for Insurers, 2016 (the Code) and Listed Companies (Code of Corporate Governance) Regulation, 2019 (the Regulations) prepared by the Board of Directors of **TPL Insurance Limited** for the year ended December 31, 2024 in accordance with the requirements of regulation 36 of the Regulations and provision lxxvi of the Code.

The responsibility for compliance with the Code and the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and the Regulations, and report if it does not and to highlight any non-compliance with the requirements of the Code and Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code and the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Code and Regulations as applicable to the Company for the year ended December 31, 2024.

Further, we highlighted below instance of non-compliance with the requirement of the Code as reflected in the paragraph 15 of the statement of compliance:

S.No.	Reference	Description
1	Vii	The appointment of directors were approved by the Securities and Exchange Commission of Pakistan (SECP) on October 21, 2024 subject to conditions, to be fulfilled, under the Insurance Companies (Sound and Prudent Management) Regulations, 2012.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer

KARACHI
DATED: 03 April 2025
UDIN: CR2024100678rD3Blz6p

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

FOR THE YEAR ENDED DECEMBER 31, 2024

This statement is being presented in compliance with the Code of Governance for Insurers, 2016 **("2016 Code")** and Listed Companies (Code of Corporate Governance) Regulations, 2019 **("2019 Code")** (Collectively referred to as the **"Codes"**) for the purpose of establishing a framework of good governance, whereby an insurer is managed in compliance with the best practices of corporate governance.

TPL Insurance Limited (the "Company") has applied the principles contained in the Code in the following manner:

1. The total number of directors are 7 as per the following

   a. Male: 5
   b. Female: 2

2. The Company ensures representation of Independent and Non-Executive Directors and facilitates representing the minority's interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director(s)	Mr. Aqueel E. Merchant
Executive Director(s)	Mr. Muhammad Aminuddin (Chief Executive Officer)
Non-Executive Director(s)	Mr. Jameel Yusuf S.St Mr. Muhammad Ali Jameel, Rana Assad Amin
Nominated Director	Mr. Benjamin Brink
Female Independent Director	Ms. Naila Kassim
Female Nominated Director	Ms. Ayla Majid

   All Independent Directors meet the criteria of independence as laid down under the Codes.

   NOTE: With regard to compliance with Regulation 6 of the CCG, it may be noted that the Company has not rounded up the fraction, as one, since the Board considers it already has a satisfactory representation of Independent Directors. There are currently seven non-executive directors, who are not involved in the day-to-day management of the company. The company aims to emphasize the significant presence of independent perspectives on the Board, ensuring a balanced and diverse decision-making process that takes into account the interests of various stakeholders

3. The Directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.

4. All the resident Directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of stock exchange, has been declared as a defaulter by a stock exchange.

5. The Company has prepared a Code of Conduct, and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.

6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained by the Company.

7. All powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ Shareholders as empowered by the relevant provisions of the Act and the Codes.

8. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirement of the Companies Act, 2017 and the Codes with respect to frequency, recording and circulating minutes of meeting of the Board.

9. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and the Codes. The Board has duly complied with the Directors' Training Program requirement and the criteria as prescribed in the 2019 Code.

10. The Board has established a system of sound internal control, which is effectively implemented at all levels within the Company. The Company has adopted and complied with all the necessary aspects of internal controls given in the 2016 Code.

11. An orientation of the Board of Directors was conducted to apprise them of their duties and responsibilities including the fiduciary duties as contained in the Companies Act, 2017.

12. The Board approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and condition of employment and complied with relevant requirements of the Codes.

13. The Directors' Report for this year has been prepared in compliance with the requirements of the 2016 Code and fully describes the salient matters required to be disclosed.

14. The Financial Statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.

15. The Directors, Chief Executive Officer and other Executives do not hold any interest in the shares of the Company other than disclosed in the pattern of shareholding. SECP vide letter No. LRD/LD-ISMW/041-Approvals/2024/247 dated October 21st, 2024 granted conditional approval for appointment for directors and further directed the Company to allot qualifying shares to Independent Directors and a Non-Executive Director. Additionally, the SECP instructed the Company to update the active tax-paying status of an Executive Director with the Federal Board of Revenue (FBR) and report accordingly. The shares will be allotted to the respective Directors in accordance with Section 153 of the Companies Act, 2017, in due course, and the updated tax-paying status will be shared with the SECP accordingly.

16. The Company has complied with all the corporate and financial reporting requirements of the 2016 Code.

17. The Board has formed the following Management Committees:

Underwriting Committee:

Name of the Member	Category
Mr. Aqueel E. Merchant	Chairman
Syed Ali Hassan Zaidi	Member
Mr. Shumail Iqbal	Secretary

Claim Settlement Committee:

Name of the Member	Category
Mr. Benjamin Brink	Chairman
Mr. Tariq Ali Farooqui	Member
Mr. Yousuf Zohaib Ali	Member
Mr. Muhammad Kumail Mushtaq Ali	Member
Ms. Ayla Majid	Member
Mr. Owais Alam	Secretary

Reinsurance and Co-insurance Committee:

Name of the Member	Category
Mr. Aqueel E. Merchant	Chairman
Mr. Muhammad Aminuddin	Member
Syed Ali Hassan Zaidi	Member
Mr. Zia Mehdi	Secretary

Risk Management and Compliance Committee:

Name of the Member	Category
Ms. Ayla Majid	Chairperson
Ms. Naila Kassim	Member
Mr. Muhammad Aminuddin	Member
Mr. Kamran Rafique Shaikh	Member
Mr. Benjamin Brink	Member
Syed Ali Hassan Zaidi	Secretary

18. The Board has formed the following Board Committees:

Ethics, HR, Remuneration and Nomination Committee:

Name of the Member	Category
Ms. Naila Kassim	Chairperson
Mr. Muhammad Ali Jameel	Member
Rana Assad Amin	Member
Ms. Ayla Majid	Member
Mr. Nader Nawaz	Secretary

Compensation Committee

Name of the Member	Category
Mr. Aqueel E. Merchant	Chairman
Mr. Rana Assad Amin	Member
Mr. Nader Nawaz	Secretary

Investment Committee:

Name of the Member	Category
Mr. Muhammad Ali Jameel	Chairman
Rana Assad Amin	Member
Mr. Muhammad Aminuddin	Member
Mr. Benjamin Brink	Member
Mr. Yousuf Zohaib Ali	Secretary

19. The Board has formed an Audit Committee. It comprises of four members of whom one is an independent director, one is nominated director, and two are non-executive directors and with three member of the audit committee duly qualifying the requirement of being financially literate. The Chairman of the Committee is an independent director The composition of the Audit Committee is as follows:

Audit Committee:

Name of the Member	Category
Mr. Aqueel E. Merchant	Chairman
Rana Assad Amin	Member
Mr. Muhammad Ali Jameel	Member
Ms. Ayla Majid	Member
Mr. Hashim Sadiq Ali	Secretary

20. The terms of references of the Committees have been formed, documented and advised to the Committees for Compliance. The frequencies of the meetings are as follows:

Name of Committee	Frequency of Meeting
Underwriting Committee	Quarterly
Claim Settlement Committee	Quarterly
Reinsurance and Co-insurance Committee	Quarterly
Risk Management and Compliance Committee	Quarterly
Ethics, HR, Remuneration and Nomination Committee / Compensation Committee	Half Yearly
Investment Committee	Quarterly
Audit Committee	Quarterly

21. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company and is involved in the internal audit function on a regular basis.

22. The Chief Executive Officer, Chief Financial Officer, Compliance Officer, Company Secretary and the Head of Internal Audit possess such qualification and experience as is required under the 2016 Code. Moreover, the persons heading the underwriting, claim, reinsurance and risk management departments possess qualification and experience of direct relevance to their respective functions, as required under Section 12 of the Insurance Ordinance. 2000 (Ordinance No. XXXIX of 2000):

Name of Person	Designation
Mr. Muhammad Aminuddin	Chief Executive Officer
Mr. Yousuf Zohaib Ali	Chief Financial Officer
Mr. Kamran Rafique Shaikh	Compliance Officer
Ms. Shayan Mufti	Company Secretary
Mr. Hashim Sadiq Ali	Head of Internal Audit
Mr. Zia Mehdi	Head of Underwriting
Mr. Ovais Alam	Head of Claims
Mr. Tariq Rafiq	Head of Reinsurance
Syed Ali Hassan Zaidi	Chief Operating Officer
Syed Ali Hassan Zaidi	Head of Grievance Dept.
Syed Ali Hassan Zaidi	Head of Risk Management

23. The statutory auditors of the Company have been appointed from the panel of auditors approved by the Commission in terms of Section 48 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000). The statutory auditors have confirmed that they have been given a satisfactory rating under the Quality Control Review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the

firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with the international Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.

24. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Codes or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

25. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provisions of the 2016 Code.

26. The Board ensures that the risk management system of the Company is in place as per the requirements of the 2016 Code. The Company has set up a risk management function/ department, which carries out its tasks as covered under the 2016 Code.

27. The Company has been rated by PACRA and the rating assigned by the rating agency on May 3, 2024 is AA with stable outlook.

28. The Board has set up a grievance department/function, which fully complies with the requirements of the 2016 Code.

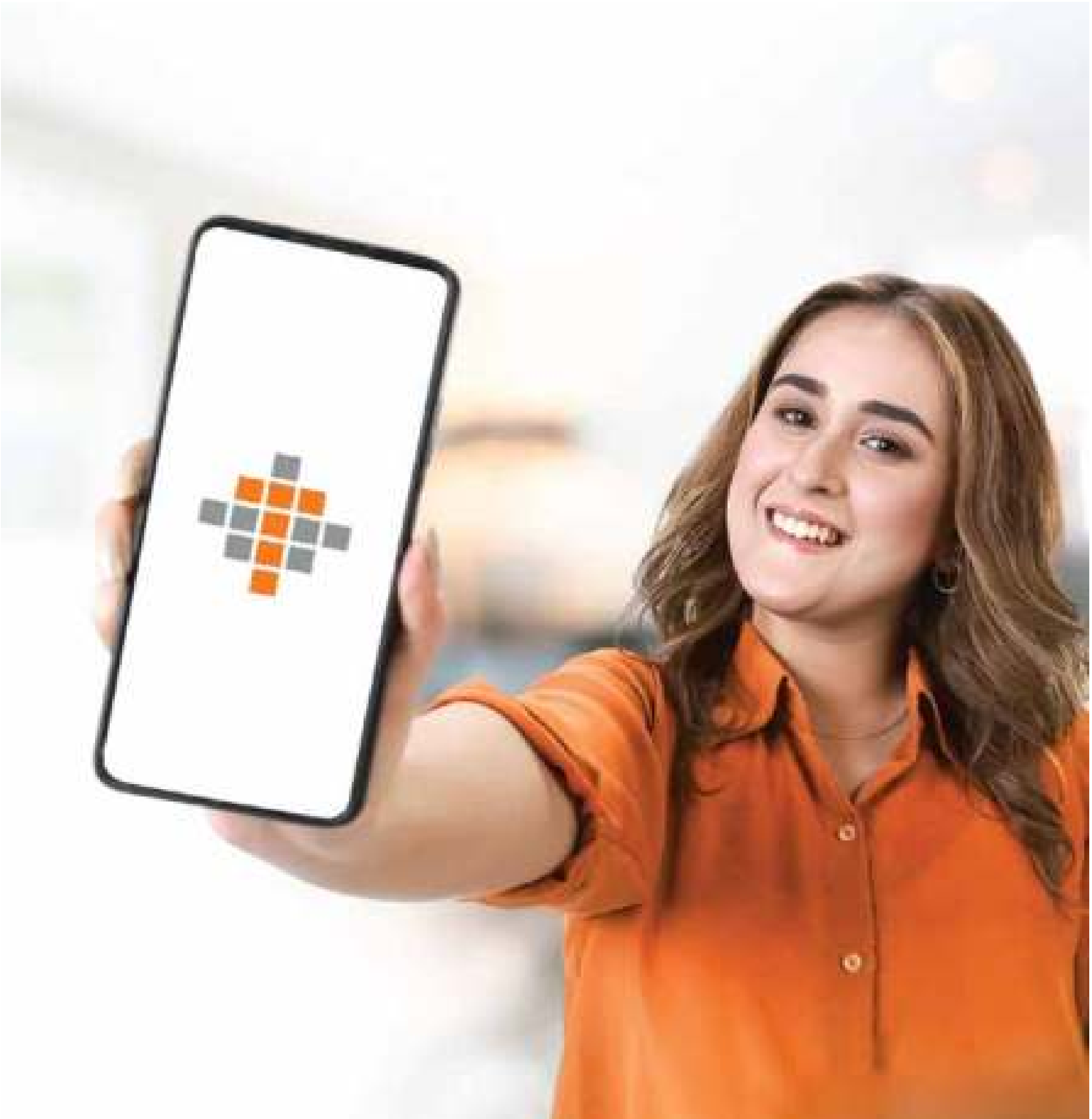
29. The Company has obtained exemption/relaxation from the Securities and Exchange Commission of Pakistan ("SECP") in respect of the requirements of General Window Takaful Operations and the Conventional Insurance Companies operating Window Takaful Operations to present separate Income Statements and Balance Sheets for Conventional and Takaful Operations. This exemption was granted by the SECP through letter ID/PRDD/GTR/2024/3161 dated April 15, 2024. As per this approval, the Company is permitted to consolidate the financial statements of conventional and Window Takaful Operations (including PTF) on a line-by-line basis, effective until the period ending on December 31, 2024.

30. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the 2019 Code other material principles contained in the 2016 Code have been complied with.

By Order of the Board

Chairman
Date: February 25, 2025

MOBILE INSURANCE



#LIVINGEASY

TRAVEL INSURANCE

#LIVINGEASY

SUSTAINABILITY REPORT 2024

TPL CARES

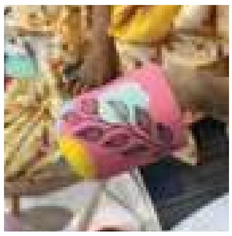
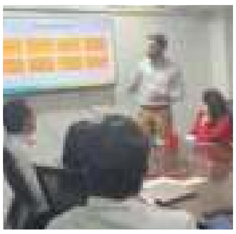
We are committed to enriching lives and building a better community. TPL Cares is the Group's CSR platform, devoted to making a lasting impact through initiatives in healthcare, education, inclusion, gender equality, and environmental sustainability. Initiatives throughout the year are as follows:









ANNUAL GIVING

At TPL, we remain steadfast in our commitment to uplifting the community and driving meaningful change. Through our annual giving initiatives, we continue to support numerous charitable causes and organizations that address critical societal challenges, enrich lives, and create sustainable impact. By dedicating resources to these efforts, we aim to contribute to a brighter and more equitable future for all.

Community Partners:

TPL's contributions reflect our unwavering dedication to empowering communities and uplifting lives. We are proud to have partnered with esteemed organizations that add significant value to their respective areas of work. This year, our support extended to:

over PKR **9.2 million**

disbursed in supporting our communities

- Family Educational Services Foundation
- Ida Rieu Welfare Association
- Sindh Institute of Urology and Transplantation (SIUT)
- Zafar & Atia Foundation Charitable Trust
- The Health Foundation
- Patients Welfare Foundation (Creek General Hospital)
- Green Crescent Trust
- Jafaria Disaster Cell (JDC Welfare Organization)
- Karwan-e-Hayat
- Society for the Prevention & Cure of Blindness
- SADA Welfare Foundation
- The Citizens Foundation (TCF)
- NOWPDP
- Family Education Services Foundation (Deaf Reach School)
- RIMS Hospital
- Saylani Welfare Trust (SWT)
- SOS Children's Village Karachi

Patients' Aid Foundation (PAF)

In addition to our community partnerships, we proudly contributed PKR 10 million to the Patients' Aid Foundation (PAF) for the renovation of the Accident & Emergency Ward at Jinnah Postgraduate Medical Center (JPMC). This contribution supports the Foundation's mission to provide essential, high-quality healthcare to less-privileged patients, free of cost, ensuring access to critical care for those in need.

Contributed
PKR **10** million
for the renovation of the Accident & Emergency Ward at JPMC

TCF Cycle for Change

TPL Insurance proudly participated as a Silver Sponsor in the Cycle for Change (CFC) event, a transformative fundraiser hosted by the Supporters of TCF since 2021. This initiative aligns with TPLI's commitment to supporting quality education and creating brighter future for children across Pakistan.

As a Silver Saddle Package sponsor, TPL Insurance contributed Rs. 615,000, covering the educational expenses of 15 students for an entire year. This sponsorship underscores our dedication to empowering underprivileged children with the tools and opportunities they need to thrive.

Provided
PKR
615,000
to fully cover the annual educational expenses of 15 students.

International Day of Sign Languages with Deaf Reach School

TPLI & other group employees visited Deaf Reach School, Karachi, to celebrate the International Day of Sign Languages, fostering inclusivity and raising awareness about sign language.

15 volunteers engaged with 200 students through interactive sign language sessions, arts and crafts, sports, board games, and a motivational session emphasizing the message that abilities, not disabilities, define potential. 60 Volunteer hours were spent during this activity.

Over 60
volunteer hours
spent engaging

200
students

Volunteer Program

Throughout the year, our employees have volunteered at NGOs and charitable institutions to bring a positive change in society. Since inception, this program has recorded over 465 volunteer hours showcasing our collective commitment to community service and empowerment.

Over
465
volunteer hours
dedicated to various social initiatives

Universal Children's Day: Inspiring Young Minds

In celebration of Universal Children's Day, TPL hosted 40 students from SOS Children's Village Karachi at the TPL Mangrove Biodiversity Park. The event aimed to inspire the younger generation about environmental conservation and the critical role of mangroves in sustaining ecosystems. The two-hour field trip featured a mangrove walk, nature journaling activities and mangrove plantation drive, conducted in collaboration with Sindh Forestry Department.

A dedicated team of 12 volunteers from various departments contributed 24 volunteer hours, ensuring a seamless and impactful experience for the children.

CONTRIBUTED

24

volunteer hours

on this activity

Karachi Down Syndrome Program (KDSP)

TPL continues to support inclusivity and mental health through meaningful initiatives. Our Head of Group Marketing conducted group sessions for parents of children at KDSP, focusing on self-regulation skills, emotional support, group therapy, and guidance on coping strategies. This engagement underscores our dedication to empowering families and fostering a supportive environment. Eight volunteer hours were spent in these impactful sessions.

08

volunteer hours

spent in these transformative sessions

International Day of Persons with Disabilities with NOWPDP

In celebration of the International Day of Persons with Disabilities, TPL conducted a two-day capacity-building workshop at NOWPDP for 20 graduate trainees with hearing and speech difficulties.

The workshops aimed to equip participants with essential skills for workforce integration, covering professional grooming and workplace conduct and workplace etiquettes, including effective communication in professional settings.

A team of three TPL employees dedicated 4.5 hours to facilitate the sessions, with an interpreter ensuring seamless communication.

This initiative underscores TPL's commitment to inclusivity and professional development, fostering opportunities for individuals with diverse abilities to thrive.

DEDICATED

4.5 hours

to facilitating educational sessions

Left to right: Mr. Mehmood Tareen (Founder & Chief Executive, The Professionals Network and Ethical Business), Mr. Majyd Aziz (Former President KCCI, UN Global Compact Network and Employers Federation of Pakistan) and Anam Ana (Senior Manager Sustainability & CSR)

AWARDS AND RECOGNITION

TPL is honored to have received awards recognizing our steadfast commitment and significant contributions to the community. These accolades reflect our ongoing dedication to making a positive impact and underscore the meaningful efforts we put into supporting and uplifting those around us

International CSR Award 2024

TPL Insurance's commitment to social and philanthropic initiatives was honored with the Social Impact Award at the 14th Annual Corporate Social Responsibility Awards, hosted by The Professional Network (TPN). The prestigious ceremony took place on February 19th, 2025, at the Mövenpick Hotel Karachi, celebrating organizations making meaningful contributions to society.

CLIMATE ACTION

TPL is committed to addressing climate change through various initiatives aimed at reducing our carbon footprint and promoting environmental sustainability.

TPL Insurance Digital App

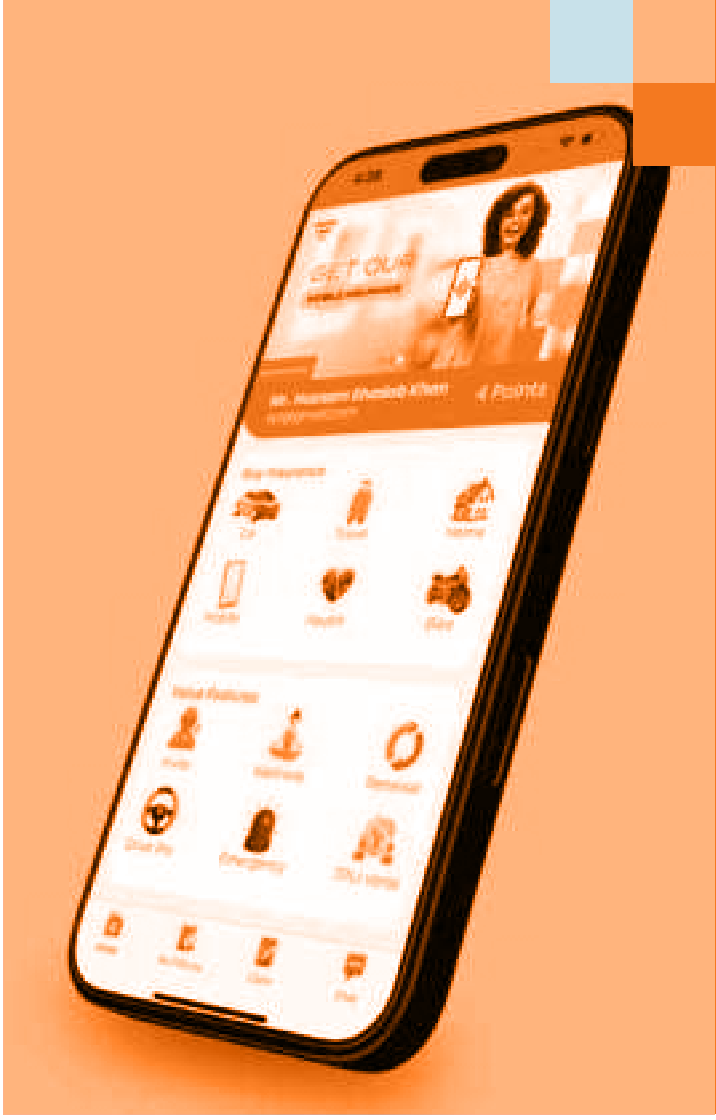
TPL Insurance has a one-stop digital solution to minimize **paper usage** by providing seamless access to insurance services. This application allows customers to buy insurance, view policies, lodge claims, receive status updates and chat with a representative

Approximately
540,000
in application downloads

Sustainable Waste Management

TPL's partnership with GarbageCan (sustainable waste management vendor) is a strategic effort that ensures paper, glass and plastic waste generated at TPL Insurance's office in Karachi is sustainably disposed of in designated landfills or recycled when possible. This has allowed us in reducing our carbon footprint and promoting positive environmental practices in the city.

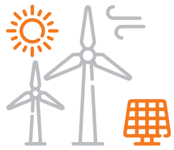
7,000+
Kilograms
waste collected since inception



Alternate Power Generation

TPL Insurance harnessed renewable energy by generating 3,000 KWA of solar power to operate its facilities. This transition enabled the utilization of 2% renewable energy, contributing to a measurable reduction in our overall carbon footprint.

2%
utilization
of renewable energy



World Environment Day Celebration

In partnership with Sindh Forest Department, TPL Property is developing a Mangrove Biodiversity Park, an eco-tourism destination aimed at preserving and enriching a delicate ecosystem. On World Environment Day, TPL Leadership planted 270 Rhizophora mangrove trees, marking the launch of our large-scale plantation project in Korangi Creek. Our long-term goal is to plant 10,000 mangrove trees, promoting coastal resilience, enhancing biodiversity, and encouraging wildlife to return to the area.

270
Rhizophora
mangrove trees planted

WWF-Pakistan's Green Office Program

TPL Insurance is proud to partner with WWF Pakistan as part of the Green Office Programme, furthering our commitment to environmental sustainability and climate change mitigation. This collaboration reflects our dedication to reducing our carbon footprint and promoting responsible business practices.

By adopting this framework, TPL Insurance is not only cutting energy costs and reducing its ecological footprint but also reinforcing its position as an environmentally conscious corporate leader. This initiative aligns with our broader sustainability goals and reflects our commitment to creating a positive impact on the environment.

EMPLOYEE WELL-BEING

At TPL, we prioritize the well-being of our employees by implementing a variety of programs designed to promote positive physical, mental, and emotional health.

Wellness October 2024: Wellness for the Whole You

In October 2024, TPL organized "Wellness for the Whole You: Unplug, Unwind, and Uplift" for our employees, emphasizing mental and physical well-being. The initiative featured a series of awareness sessions, wellness workshops, and recreational activities, fostering a holistic approach to employee health and wellness.

Awareness Sessions

In collaboration with Aga Khan University Hospital (AKUH), TPL Insurance conducted a Breast Cancer Awareness Session to educate employees on breast cancer, early detection methods, and preventive measures. The sessions saw 53 attendees, collectively contributing 53 hours toward spreading crucial awareness.

53 Attendees

53 Hours Contributed

Bake Sale

To support Breast Cancer Awareness and fundraising efforts, we hosted a bake sale featuring four varieties of homemade sweet and savory treats, with all 58 servings completely sold out. The proceeds were donated to Bait-ul-Sukoon Cancer Hospital & Hospice, aiding their mission to provide free, high-quality care to cancer patients.

4 Varieties of Treats

58 Servings Sold

Wellness Workshops

In partnership with DoctHers, we organized wellness workshops led by mental health professionals. These sessions included activities such as meditation, breathing exercises, and relaxation activities, offering employees tools for mental clarity and emotional resilience. The workshops had 43 attendees, who collectively dedicated 43 hours to improving their well-being.

43 Workshop Hours

43 Attendees

Recreational Corners

To complement the workshops, recreational corners were set up at the Insurance Office, providing employees a space to relax and explore their creative side. These corners featured activities like reading, clay potting, painting, and artwork, attracting 60+ participants who contributed a total of 120 hours.

60 Participants

120 Hours Contributed

World Diabetes Day: Promoting Awareness and Healthy Living

To commemorate World Diabetes Day, TPL partnered with RIMS Trauma Hospital to host a diabetes awareness session and offer complimentary on-site medical screenings at its offices, aimed at educating employees about diabetes prevention, management, and healthy lifestyle choices. 65 employees participated.

65 Employees Participated

MANAGEMENT OBJECTIVES, KPI AND SIGNIFICANT CHANGES

1. **Developing an inclusive work culture:** The management aims to foster an organizational culture that is conducive to innovation and excellent customer service. This includes promoting diversity in human capital, such as gender, Gen Z, and people with disabilities, and implementing policies to attract talent from all segments of society.

   KPI

   Diversity Index - Measure the diversity of the workforce by tracking the percentage of employees from underrepresented groups (e.g., gender, Gen Z, people with disabilities) compared to the total workforce.

   Employee Satisfaction Score - Conduct regular surveys to assess employee satisfaction with the organizational culture, focusing on inclusivity, innovation, and opportunities for growth.

2. **Investment in Technology:** To maintain a competitive edge and operational efficiency, the management continues to invest in technology, including customer relationship management (CRM) platforms for enhanced service delivery and workflow automation tools for efficient task management. These advancements enable seamless customer interactions, real-time progress tracking, and data-driven decision-making, ensuring improved responsiveness and service quality.

   KPI

   Technology Adoption Rate - Track the percentage of employees using new technology tools/systems compared to the total workforce, indicating the successful implementation of technology initiatives.

   System Uptime - Measure the availability of critical systems and applications to ensure smooth operations, with targets for minimal downtime.

3. **Focus on Sustainable Financial Growth:** While long-term financial priority is aimed at sustainable and profitable operations, the management recognizes the current growth phase. In the short to medium term, the focus is on delivering sustainable customer growth by improving customer retention and increasing the number of products per customer.

   KPI

   Customer Lifetime Value (CLV) - Calculate the average CLV to assess the long-term value of acquiring and retaining customers, indicating the success of sustainable customer growth strategies.

   Product Penetration Rate - Monitor the percentage of customers who purchase multiple products/services from TPL Insurance, reflecting cross-selling success and improved profitability per customer.

4. **Enhancing Brand Awareness and Positioning:** Management emphasizes improving awareness of TPL Insurance as a household name that provides reliability, convenience, and comfort to its customers. This involves positioning the company's products and value propositions effectively, focusing on innovative products, and differentiating itself from other insurers.

KPI

Brand Recognition Score - Conduct market research to measure brand recognition and perception among target audiences, with the goal of increasing brand awareness over time.

Net Promoter Score (NPS) - Survey customers to gauge their likelihood to recommend TPL Insurance to others, reflecting customer satisfaction and loyalty, which are indicative of effective brand positioning.

5. **Resource Allocation for Growth and Efficiency:** The management acknowledges the need to allocate resources effectively to achieve objectives. This includes prioritizing investments in technology and brand awareness over fixed costs, benchmarking expenses according to industry standards, and preparing efficiency plans to deliver growth while managing fixed costs.

KPI

Technology Investment ROI - Evaluate the return on investment (ROI) for technology initiatives by comparing the benefits gained (e.g., increased efficiency, improved customer experience) to the costs incurred.

Cost-to-Income Ratio - Monitor the ratio of operating expenses to total income to ensure efficient resource allocation and cost management, with the aim of maintaining profitability while achieving growth objectives.

6. **Operational Efficiency Improvement:** The management aims to enhance operational efficiency by streamlining workflows, reducing unnecessary costs, and improving productivity across departments. This includes optimizing resource allocation, leveraging technology for automation, and minimizing process delays to ensure seamless operations.

KPI

Process Automation Rate - Track the percentage of manual processes replaced by automated systems to evaluate efficiency improvements through technology.

Productivity Ratio - Assess the output generated per employee or department against predefined benchmarks to evaluate efficiency and workforce effectiveness.

Turnaround Time for Key Processes - Monitor the average time taken to complete essential business processes to ensure timely execution and operational effectiveness.

Short-Term Objectives (2025-2026)

- **Channel Diversification and Enrichment:** Expand distribution through **banks, partnerships, brokers, direct to customer and embedded insurance models** to enhance market reach.
- **Product Innovation:** Strengthen **micro insurance, agriculture, area yield index, pet, cyber insurance and carculator** offerings to address emerging risks and underserved segments.
- **Operational Efficiency:** Implement **process automation, CRM-driven customer engagement, and AI-based risk assessment** to improve claim processing and customer experience.
- **Regulatory Compliance:** Fully integrate **IFRS 17 and SECP's evolving guidelines,** ensuring transparency in financial disclosures and capital adequacy.

Medium-Term Objectives (2026-2028)

- **Market Expansion:** Extend presence to Tier II & III cities through digital penetration and localized awareness campaigns.
- **Sustainability & ESG Integration:** Strengthen **climate-resilient insurance products,** including **yield-based crop insurance and sustainable auto coverage.**
- **Customer-Centric Digitization:** Enhance **self-service portals, digital claims processing, and AI chat bots** to reduce turnaround times.
- **Cross-sell/Upsell:** Maximize return on existing customers by **increasing product per customer ratio.**

Long-Term Objectives (2028 and Beyond)

- **Industry Leadership in Insurtech:** Pioneer **automated claims management and predictive underwriting** for enhanced security and fraud prevention.
- **Expansion into International Markets:** Explore **business process outsourcing and cross-border digital insurance solutions** to target **Non-Resident Pakistanis (NRPs).**
- **Sustainable Growth & Impact:** Establish TPL Insurance as the **most socially responsible insurer** by expanding **financial inclusion programs and easily available insurance products.**

Resource Allocation Plans to Implement the Strategy

To **successfully implement strategic objectives,** TPL Insurance allocates resources across the following capital areas:

a) Financial Capital

- **Investment in digital transformation,** including **AI-driven underwriting, CRM platforms, and automation tools.**

- **Expansion of sales and distribution models** to increase **GWP of the company.**

- **Brand awareness and recall campaigns to improve acceptability of the brand across all socio-economic segments.**

b) Human Capital

- E**mployee upskilling programs** to drive efficiency.

- **Diversity & Inclusion policies** to enhance workplace culture and attract top industry talent.

- **Leadership development initiatives** ensuring succession planning and managerial excellence.

c) Manufactured Capital

- **Infrastructure investments in IT systems and operational hubs** to improve service accessibility.

- **Enhanced digital claims and policy issuance platforms** to streamline customer journeys.

d) Intellectual Capital

- **Development of proprietary algorithms for risk-based pricing** and **fraud detection.**

- **AI and IoT integration in motor insurance (telematics-based pricing models).**

- **R&D on emerging insurance trends (parametric crop insurance via satellite imagery).**

e) Social & Relationship Capital

- **Partnerships, dealership integrations, and fintech collaborations** to boost financial inclusion.

- **Customer education initiatives on insurance literacy**, ensuring informed decision-making.

- **CSR projects focused on community well-being and disaster relief insurance.**

f) Natural Capital

- **Sustainable insurance products**, including **climate risk insurance for farmers** and cattle fattening livestock insurance programs

- **Reducing the company's carbon footprint through digitalization and paperless processes.**

Capabilities and Resources That Provide a Sustainable Competitive Advantage

TPL Insurance's **sustainable competitive advantage** is driven by:

- **First-Mover Innovation: First company in Pakistan to introduce Pet Insurance,** reinforcing leadership in **specialized insurance offerings.**

- **End-to-End Digitalization:** Industry-leading **AI-powered CRM, automated claims processing, and real-time policy issuance.**

- **Data-Driven Decision Making:** Leveraging **AI and predictive analytics for risk profiling, fraud detection, and customer insights.**

- **Market Diversification:** A **balanced product portfolio** including **motor, health, property, engineering, agriculture, solar, and cyber coverage.**

- **Regulatory Leadership:** Proactively **adapting to IFRS 17, risk-based capital requirements, and SECP compliance frameworks.**

Company's Strategy on Market Development, Product, and Service Development

Market Development Strategy

- **Geographic Expansion:** Penetrate **rural and semi-urban markets through micro insurance and digital distribution models.**

- **Digital-First Approach: Mobile-first and API-integrated insurance platforms** for enhanced customer reach.

Product & Service Development Strategy

- **Niche Market Insurance Solutions: Cyber insurance** for SMEs, **pet, mobile** and **bike insurance** targeting specific segments.

- **AI-Driven Personalized Policies:** Usage-based insurance models via **telematics for motor insurance.**

- **Utilizing AI driven CRMs:** Policy issuance and claim processing automation to streamline customer journey.

Effects of Given Factors on Strategy and Resource Allocation

a) Technological Changes

- **Investment in CRM and task automation tools** has **enhanced service efficiency, marketing effectiveness, and claims resolution speed.**

b) Sustainability Reporting & Challenges

- **Alignment with ESG goals** by introducing **climate-resilient insurance** and **Client Protection Audits**

- **Challenges:** Limited awareness and adoption of **eco-friendly insurance products** require **market education efforts.**

c) Innovation Initiatives

- **Introduction of digital self-service platforms** reducing dependency on physical branches.

- **Predictive underwriting models** using AI for **more accurate risk assessments.**

d) **Resource Shortages (if any)**

- **Skilled workforce gaps in data science and insurtech development** addressed through **employee training and global talent acquisition.**

Business Model (Inputs, Activities, Outputs, and Outcomes)

Business Model Elements	TPL Insurance Approach
Inputs	Financial Capital, Technology Investments, Human Capital
Business Activities	Product Development, Underwriting, Claims Processing, Risk Management
Outputs	Issued Policies, Claims Processed, Market Expansion(Insurance Penetration Expansion)
Outcomes	Increased GWP, Customer Satisfaction, Sustainable Growth, Market Development

Alignment with Forward-Looking Disclosures from Last Year

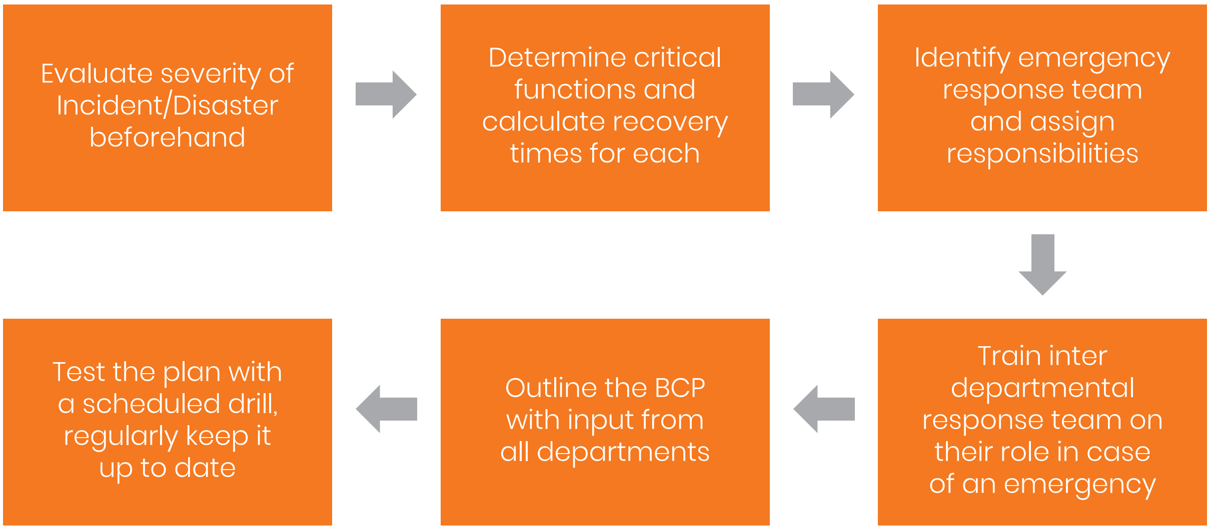
- **Achieved PKR 5 Billion GWP**, aligned with the **growth objectives outlined in last year's report.**
- **Expanded into Tier II & III cities,** fulfilling prior commitments to increase financial inclusion.
- **Rolled out Pet and Cyber Insurance,** delivering on planned **product innovation initiatives.**
- **Enhanced digital claims processing,** aligning with strategic goals of **customer-centric automation.**

BUSINESS CONTINUITY PLAN

Business continuity (BC) refers to maintaining business functions or quickly resuming them in the event of a major disruption, whether caused by a fire, flood, pandemics or malicious attack by cybercriminals. A business continuity plan outlines procedures and instructions an organization must follow in the face of such disasters; it covers business processes, assets, human resources, business partners and more.

The primary objective of a BCP is to strengthen the organization's ability to ensure staff safety and security as well as to maintain continuity of critical functions during a critical incident of any nature. The central elements of BCP are incident management (crisis/emergency/disaster response and recovery) and business continuity.

This Business Continuity Plan is established to safeguard the organization's staff, its assets, its critical operations and its credibility; it follows an all hazards approach, including all risk reflected in the Risk Assessment.



FORWARD LOOKING STATEMENT 2025

As Pakistan moves toward greater economic stability and market recovery, TPL Insurance remains steadfast in its commitment to expansion, innovation, and operational excellence. Our strategic vision for 2025 centers on diversifying sales channels, strengthening partnerships with banks, dealerships, and digital platforms, and enhancing product accessibility for a broader socio-economic spectrum. By optimizing distribution and leveraging new partnerships, we aim to increase insurance penetration across previously underserved segments.

Continuing our focus on portfolio diversification, we are expanding into agriculture, pet, guarantee insurance, and premium customer segmentation, ensuring tailored solutions that address evolving market needs. The introduction of micro insurance products will further enable financial inclusion, making insurance accessible to all income groups.

Operational efficiency remains a core pillar of our growth strategy. We recognize that human capital is our greatest asset, and in 2025, we will focus on enhancing employee productivity through upskilling and workforce optimization. Simultaneously, the integration of CRM systems will streamline service delivery, automate customer engagement, and improve marketing effectiveness to enhance awareness, cross-selling, and upselling within our existing customer base.

Our commitment to stakeholders remains unwavering, as we continue to drive shareholder value, foster strategic alliances, and reinforce customer trust. Through data-driven decision-making, technology-led innovation, and customer-centric solutions, TPL Insurance is poised to strengthen its market leadership and reshape the insurance landscape in Pakistan.

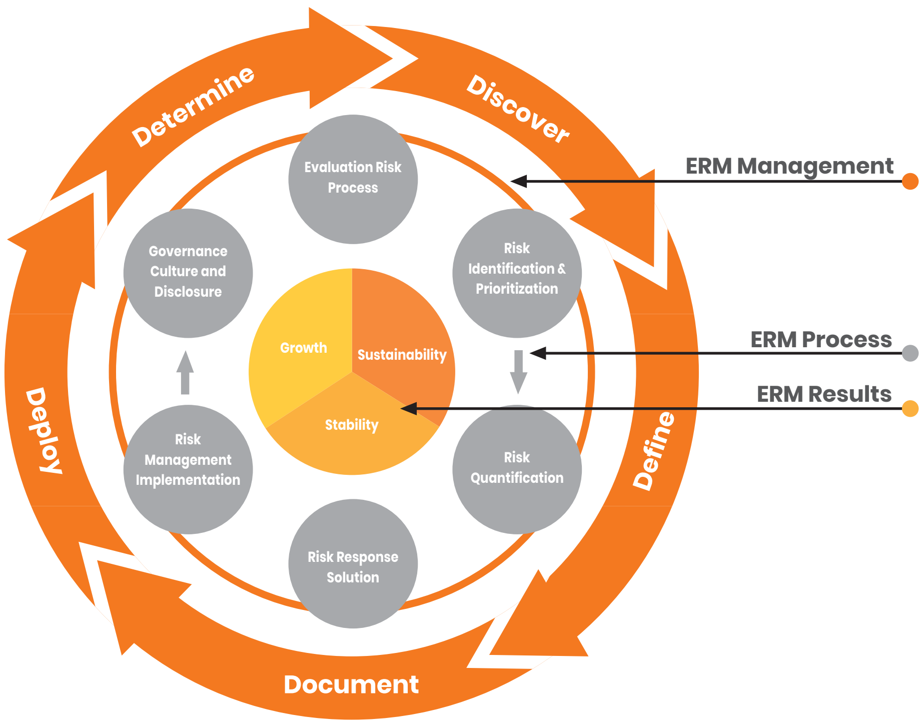
Looking ahead, 2025 presents both opportunities and challenges, and we remain agile in our approach to navigating market dynamics, embracing digital transformation, and sustaining long-term growth. With a firm focus on innovation, efficiency, and expansion, TPL Insurance is prepared to accelerate its trajectory, deliver superior value to stakeholders, and redefine the future of insurance in Pakistan.

ENTERPRISE RISK MANAGEMENT

The Enterprise Risk Management cycle and process has been placed to optimize the risk opportunities, not just to operate as an independent risk control structure. The Board of TPL Insurance (TPLI) approved the Enterprise Risk Management (ERM) Policy prepared by the Risk Management & Compliance Committee, which supervises the risk management and compliance activities with the Company.

The ERM program aims effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations such that all the measures for managing risks entity-wide are addressed and strategic objectives gets achieved. The risk control cycle as a part of ERM program incorporates the following aspects:

- Identification of Risk.
- Quantification & Prioritization of Risk.
- Risk Responses.
- Risk Management Implementation, Evaluation and Reporting.



The Risk Management & Compliance Committees, comprises of six members lead by the chairman, oversees and approves the company-wide risk management practices and provide an infrastructure to address the enterprise-wide risks. Each member has an understanding of risk management expertise commensurate with the Company's size, complexity and capital structure. The committee is responsible for:

- Overseeing the development and implementation of risk management policy / framework which will set the risk management tone in the Company. The policy / framework will provide the guidelines to help in the identification of risks, assess the priorities according to their impacts and likelihoods and implement the relevant procedures to mitigate those risks to an acceptable level.

- Overseeing compliance framework which will report on compliances with legislation and regulations of risks pertaining to the entity.

- Provide an analysis regarding Company's approved risk appetite level and communicate the same to the entire enterprise.

- Review and confirm that all responsibilities outlined in the framework have been carried out.
- Review and monitor the steps taken to mitigate the risks identified.
- Continually, obtain reasonable assurance from the management that all known and emerging risks have been identified, mitigated and managed and monitor the adequacy of risk identification process.
- Make such recommendations with respect to any of the above and other matters as the Committee deems necessary or appropriate.
- Receive and review risk based reports and ensure entity-wide risks are mitigated to an acceptable level.

The risk governance structure is reflected in the following hierarchical chart:

RISK MANAGEMENT METHODOLOGY

The company's risk management policy captures all sorts of risks including but not limited to insurance risk, financial risk, credit risk, operational risk, regulatory risks, technology and cyber risk, people and HR risks, environmental risks, reputational and group-wide risks, that can potentially deviate the company from achieving its strategic business objectives and plans.

Given the imperatives of risk management, the company's ERM policy covers systematic risk management methodology which covers the following phases:

Phase 1: Risk Assessment:

i. Risk Identification
ii. Risk Analysis
iii. Risk Evaluation

Phase 2: Risk Treatment

Phase 3: Review, Monitoring and Reporting

Phase 1: Risk Assessment

Risk Assessment process has covers the following:

i. Risk Identification:

The aim of the risk identification step is to identify a list of risks based on events, threats or vulnerabilities that might create, enhance, prevent, degrade, accelerate or delay the achievement of business's objectives, and to document these possible risks in the risk register.

For documenting the Risk Management activity a risk register template is in place. The process of Risk Analysis, Risk Evaluation and Risk Treatment are documented within the template which comprises of following components:

Risk Category	Risk Description	Likelihood	Impact	Inherent Risk	Existing Control(s)	Perceived Control Effectiveness	Residual Risk	Planned Controls

ii. Risk Analysis

Risk analysis involves consideration of the causes of risk, its consequence and likelihood that those consequences can occur.

Controls represent any process, policy, practice or other actions taken by management which reduce the likelihood of a risk occurring or the potential damage arising from the risk. The risk analysis process involves the assignment of an overall residual risk rating for each risk documented in the risk register through the following three steps.

1 - Analyse the inherent risk

- Assess the likelihood and consequence of a risk event if it were to occur in the absence of controls

2 - Identify and assess controls

- Identify the existing controls in place to address the risk, and assess how effective they are in operation

3 - Analyse the residual risk

- Reassess the likelihood and consequence of a risk event if it were to occur, taking into consideration the effectiveness of the control environment as assessed in Step 2

To support staff in risk assessment, TPL Insurance Limited has adopted standardized criteria and rating scales to be applied across all risk management activities. These criteria and rating scales and their application to the three risk assessment steps outlined above, have been detailed in the following section:

Step 1: Analyze the Inherent Risk

For each risk identified in the risk register, the likelihood of the risk occurring in the absence of controls should be assessed. Likelihood refers to the chance of something happening. The TPL Insurance Limited's risk likelihood criteria are outlined in the following table:

Probability Scale	Guiding Measures
Rare	There is less than 10% chance of occurrence.
Unlikely	There is 11-25% chance that the risk will occur.
Possible	There is 26 - 65% chance that the risk will occur.
Likely	There is 66 - 90% chance that the risk will occur.
Almost Certain	There is more than 90% chance that the risk will occur.

For each risk identified in the risk register, the consequence of the risk occurring in the absence of controls should also be assessed using the Consequence/ Impact Criteria. Consequence refers to the outcome of an event affecting objectives.

Consequence/ Impact Scale	Guiding Measures
Insignificant	The risk may cause temporary operational inefficiency; however, business may be able to run as usual. **Implications** **Financial**: Less than Rs. 10 Million **Operational**: Temporary service disruption.
Minor	The risk is likely to have a limited adverse effect on organizational operations, organizational assets, or individuals; and may cause temporary operational inefficiency. It may arise due to non-compliance with standard operating procedures or their absence etc. **Implications** **Financial**: More than Rs. 10 Million but less than Rs. 50 Million **Operational**: Minor impact on product/ service delivery. **Legal/ Regulatory**: Regulatory/ police investigation of organization and/or Board without adverse findings.
Material	The risk is likely to have a material adverse effect on the organization or individuals associated with the organization (e.g., employees, customers). It may arise due to fundamental control weaknesses, non-compliance of policies, minor errors in financial information, etc. **Implications** **Financial**: More than Rs. 50 Million but less than Rs. 500 Million. **Operational**: Widespread discontent of customers and suppliers. **Brand/ Reputation**: Failure of prominent project, service or product. Localized negative media coverage. Investigation of serious individual misconduct. **Legal/ Regulatory**: Regulatory/ police investigation with adverse findings against organization and/or Board.

Consequence/ Impact Scale	Guiding Measures
Major	The risk is likely to have a serious effect on organizational operations, reputation, organizational assets, or individuals. **Implications** **Financial:** More than Rs.500 Million but less than Rs. 1 Billion **Operational:** Widespread failure or loss of product/service standards. **Brand/ Reputation:** Loss of a large number of customers to competitor organization. Loss of suppliers/ service providers. Loss of significant skills from Board or Senior Management. Sustained public criticism of the organization. **Legal/ Regulatory:** Civil action against organization and/or Board due to negligence. New regulations that impede operations.
Critical	A risk that can prove catastrophic or terminal for the whole organization. It may affect organizational operations, reputation, organizational assets, or individuals; it may lead to loss of significant customer(s), litigations and hefty financial penalties. **Implications** **Financial:** More than Rs. 1 Billion **Operational:** Unable to deliver product/ services. Prohibited from service delivery at any level. **Brand/ Reputation:** Loss of significant number of customers to competitor organization. Collapse of organization. Major inquiry into systemic misconduct. Wholesale resignation of Board Members or Senior Management. **Legal/ Regulatory:** Criminal prosecution of organization and/or Board due to failure to comply with the law. It may be caused due to significant errors in financial information, non-compliance with regulatory requirements, or contractual terms, security breach of mission critical system; significant control weaknesses, etc.

Once a risk likelihood and consequence assessment has been made for each risk in the risk register, the inherent risk rating is then determined by combining the likelihood and indicative consequence level of the risk as per the following matrix.

Likelihood/ Probability

Impact/ Consequence

	Rare	Unlikely	Possible	Likely	Highly Probable
Critical	Low	Medium	High	High	Extreme
Major	Low	Medium	Medium	High	High
Material	Low	Medium	Medium	Medium	High
Minor	Low	Low	Medium	Medium	Medium
Insignificant	Low	Low	Low	Low	Low

Step 2: Identify and Assess Controls

A control is any process, policy, device, practice, or other actions that prevent, detect or mitigate. The controls should be identified and assessed. The assessment of the control's operating effectiveness should be determined using the criteria below.

Control Effectiveness	Description
Unsatisfactory	The control is not applied.
Weak	The control design does not meet the objective; or The control is applied incorrectly.
Satisfactory	The control design meets the objective and the control is usually operational but occasionally not applied when it should be, or not as intended.
Good	The control design meets the objective and the control is operating majority of the time.
Very good	The control design meets the objective and the control is operating effectively.

Step 3: Analyze the Residual Risk

Once the inherent risk and the effectiveness of relevant controls have been considered, the residual risk can be assessed. The residual risk will be determined by following a similar process to analyzing the inherent risk (in Step 1) however, the likelihood and consequence will be reassessed based on the effectiveness of the current controls as assessed in Step 2.

Phase 2: Risk Evaluation

The purpose of risk evaluation is to assist in decision making based on the outcomes of risk analysis, about the risks that need treatment, and the implementation priority for these treatments. TPL Insurance Limited has adopted the following matrix to guide the communication escalation and risk management actions required for risks based on their overall risk rating (as determined in Step 3). However, this matrix is purposely broad and may be added to or amended where appropriate.

Risk Rating	Required action
Extreme	**Intolerable level of risk** • CEO to be informed ASAP and requested to provide urgent attention, guidance and approval of mitigation strategy. • Operations / activity should ideally be discontinued until level of risk is able to be reduced. Written instruction for such activity needs to be provided by the CEO of TPL Insurance Limited.
High	**Tolerable level of risk** • Issues to be highlighted to the CEO and to the Risk Management & Compliance Committee. • Action plan and attention of Senior Management required.
Medium	**Tolerable level of risk** • Action plan and attention of Concerned Manager required.
Low	**Tolerable level of risk** • Manage through routine procedures. • Concerned Manager to be intimated about it and its treatment. • Unlikely to need specific application of resources. • Protection to be sought in case of large impact through rare. ***Please Note:-*** There may be instances where existing control is deemed as effective, therefore, residual risk rating may be computed as LOW; for such instances no risk treatment plans will be required.

Phase 3: Risk Treatment

Risk treatment involves selecting one or more options for modifying risks and implementing those options; once implemented, treatments provide or modify the controls. Generally, there are a number of options when treating a risk:

- Mitigate the risk (e.g. implement controls to reduce the impact and likelihood of any negative event from occurring)
- Avoid the risk (e.g. avoid the activity/partnership/sponsorship altogether);
- Transfer the risk (e.g. obtain a specialized insurance premium, additional contract clause); or
- Accept the risk.

As a range of options may be available to treat a risk, efficiency of treatment and reduction of the overall cost of the risk is an important consideration. Management should consider what approaches are available to treat the risk, the cost-benefit ratio for each viable treatment, and how such treatments will be implemented.

RISKS & OPPORTUNITIES

The Company has taken initiatives to enhance its ERM Policy and Framework to embed risk management policies and procedures within its each departmental core activities and aims to align them with the strategic objectives and risk tolerances to prepare and avert for potential surprises.

Through its innovative practices, wider group engagement and attitude towards challenging market norms, the Company has successfully completed acquisitions by international stakeholders. This was a done through SWOT analysis conducted by relevant parties, placing trust into company's board, management and everyone in order take direct the Company to new heights of success.

The Company has planned on building a new independent function as Risk Management and Actuarial Control to provide integration with operating activities and develop strategic viewpoint. The RMAC function would be headed by a senior risk and actuarial professional, possessing international experience, skills and qualification, in line with the best practices followed globally. This function would provide continuous invaluable feedback actively and shall assist in mitigating surprises in the underwriting and financial performance as well as achieve larger strategic objectives of the Company.

Below mentioned are key risks faced by the Company and their mitigating strategies put in place to alleviate these risks:

Key Risks	Mitigating Strategies
Political and Economic Risks	
Challenges in the business due to the political and economic uncertainty may become a snag in the achievement of Business objectives.	The Company is working on diversifying its insurance portfolio to reduce its exposure to political risk. This is done via active monitoring of the macro-economic indicators and geo-political development. The Company also has established the Strategy & Transformation Department to monitor and devise strategies to minimize exposure to political and economic risks.
Regulatory Risk	
The Company is operating in an industry with high regulations. Failure to meet those regulatory standards and requirements would expose the Company to various penalties and would increase reputational risk. Furthermore, the adoption of IFRS17 standard is a next regulatory risk and an industry-wide challenge for implem-entation with high implementation costs.	The Company is cognizant of its responsibilities and thus has established a Compliance Department which is responsible to keep tracks of important deadlines and ensures all the mandatory requirements are met timely. The Company has setup a steering committee headed by one of its senior management member to oversee the implementation of IFRS 17. The Company has also hired external consultants to assist in the implementation process.
Reinsurance Risks	
Reinsurance risk is the risk that reinsurance partners are unable to discharge their liabilities which makes the Company liable to the insured fully.	The Company only deals with reinsurance counterparties having strong financial strength ratings to minimize these risks. Reinsurance diversification has been considered when assessing RI risks and the Company actively monitors the reinsurance exposures to safeguard its reinsurance assets.

Key Risks	Mitigating Strategies
Investment Risk	
Changes in the macro economic factors may affect the stock market and interest rates which impacts the Company's cash flows	The Company observes a prudent policy to minimize its risks through diversification of its portfolio and dedicating a specialized department to continuously monitor relevant fixed income, mutual funds and equity investments. The investments are set in structure to ensure cash flow requirements are matched and that the investment characteristics are suitable to the liabilities.
Liquidity Risk	
The Company may not be able to meet its financial obligations towards insured.	The Company manages its liquidity by sustaining strong cash flow position and regular monitoring of maturity profile of financial assets and liabilities.
Solvency Risk	
The Company may not be able to meet its Solvency requirements as defined by the commission.	The Company may not be able to meet its Solvency requirements as defined by the commission. The Company has high solvency margin, which are actively monitored on the quarterly basis with focus on change analysis. The Company assesses its solvency position before going into large contracts, keeping view of reinsurance impact.
Cyber Risk	
Any risk of financial loss, disruption or damage to the reputation of TPLI from failure of its information technology systems.	The Company has implemented strong controls including firewall, antivirus solutions and backup and recovery systems to minimize the risks posed by cyber risks.
People & Environment Risk	
People are the single most important asset in any business but they are also the most vulnerable asset.	People are the single most important asset in any business but they are also the most vulnerable asset. At TPLI, High graduate Level Intake as per HR policy with background checks. Market based remuneration and adjustments made at annual appraisals. Long term benefits like PF is offered. Group insurance, health insurance covers are taken for each employee. Training is regularly imparted across the board.

Opportunities Assessment Developments

The insurance sector in Pakistan has remained dormant. This is reflected in very low level of insurance density and insurance penetration in the country. The Company is proficient of availing all arising opportunities, and focused to digitize its operations by providing innovative insurance solutions to the customers and providing them risk transfer solutions. The Company is also concentrating on the other line of business and to maximize its return on earning assets. This includes development of new lines of business particularly livestock business to participate and safeguard economic growth of the Country. Furthermore, the Company is actively focusing on Area Yield Index Insurance, which provides farmers with financial protection based on regional yield performance. The Company conducted a comprehensive risk and opportunity assessment with partnering companies and understood and assess potential solvency impact.

Materiality Approach

Financial statements are prepared, in all material respects, in accordance with an applicable financial reporting framework. Judgments about materiality are made in the light of surrounding circumstances. The primary purpose for setting overall materiality when preparing the accounts is that it is used to identify performance materiality which is needed.

Key sources of uncertainty

International Financial Reporting Standards require management to make judgments, estimates and assumptions while preparing financial statements which affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Debt Repayment

The Company has not defaulted in payment of any debts and there is not any pending litigation against company, other than in ordinary course of business, as at December 31, 2024.

QUALITY POLICY

TPL Insurance is committed to become the market leader in non-life insurance sector focusing on all client segments by provision of quality services through innovation, product development and customer engagement. Our management team has continual commitment to:

- Providing reliable services in a manner that satisfies customer needs and expectations to achieve the customer satisfaction.
- Communicate the quality policy among the internal and external stakeholders along with the bench mark to surpass the customer expectations.
- Ensuring the performance of all the employees related to their assigned tasks.
- Implement risk management through a process of plan, control and mitigate in line with business requirements and norms.
- Comply as a minimum with all applicable statutory and regulatory requirements for quality management systems.
- To monitor the effectives and effectiveness of the Quality Management System by establishing measurable quality objectives and conduct reviews of Quality Management Systems (QMS)
- Encourage continual improvement using strategy of risk based thinking

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INDEPENDENT AUDITOR'S REPORT

To the members of TPL Insurance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **TPL INSURANCE LIMITED** (the Company), which comprise the statement of financial position as at December 31, 2024, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of comprehensive income, the statement of change in equity, the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2024 and of the profit, its other comprehensive income, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
1.	**Revenue Recognition – Premium Earned and Net Insurance Premium**	
	Refer note 4.2 and 23 to the financial statements relating to revenue recognition policy and net insurance premium respectively. The Company has recognized Rs. 4,601 million of premium earned and Rs. 3,432 million of net insurance premium which represent 91.65% and 68.2% of written gross premium, respectively.	Our audit procedures in respect of this matter included the following: ● Obtained an understanding, including the design and implementation of internal controls over process of capturing, processing in and recording of premium.

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S.No.	Key audit matters	How the matter was addressed in our audit
	The revenue stream comprises of five segments: (i) Fire and property damage, (ii) Marine, aviation and transport, (iii) Motor, (iv) Health and (v) Miscellaneous. We identified revenue recognition as a key audit matter as Premium income is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not be accurately recorded, recognized in the appropriate period and not properly disclosed in the financial statements.	● Assessed the appropriateness of the Company's accounting policy for recording of premium and in line with the requirements of applicable law, accounting and reporting standards; ● Traced the premium recorded on sample basis from the underlying policies issued to insurance contract holders and applying substantive analytical procedures to determine any variations; ● Tested the policies on sample basis where policies were written close to year end and subsequent to year end, and evaluated that these were recorded in the appropriate accounting period; and ● Recalculated the unearned portion of premium income and ensured that appropriate amount has been recorded as provision for unearned premium in liabilities. ● Evaluated that adequate disclosures have been made for facultative premium as the applicable laws and accounting and reporting standards.
2.	**Valuation of outstanding claims including claims incurred but not reported (IBNR)**	
	Refer notes 4.4 and 24 to the financial statements for accounting policy and details in respect of claims liabilities including claims incurred but not reported (IBNR). The Company's claim liabilities represent 20.27% of the Company's total liabilities. Valuation of liabilities for claims involves significant judgment because it requires a number of assumptions to be made with high estimation uncertainty such as loss ratios, trend of historical claims and estimates of the frequency and severity of claims. Claim liabilities are recognized on intimation of the insured event based on management judgment and estimate.	Our audit procedures in respect of this area includes the following: ● Obtained an understanding of the Company's policies and procedures including the design and implementation of internal controls over the capturing, processing and recording of information related to claims. ● Assessed and tested the operating effectiveness of selected key controls relating to the claims handling and reserving process, including controls over completeness and accuracy of the claims estimates recorded;

BDO Ebrahim & Co. Chartered Accountants

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Pakistan

S.No.	Key audit matters	How the matter was addressed in our audit

	The Company maintains provision for IBNR claims based on the advice of an independent actuary. The actuarial valuation process involves significant judgment and the use of actuarial assumptions.	• Performed test of details on amounts recorded for a sample of claims recorded to assess whether the claims are appropriately estimated and recorded in accordance with the requirements of Company's policies and insurance regulations.
		• Assessed the competence, capability and objectivity of the actuary involved by the company to value IBNR reserves for outstanding claims.
		• Reviewed the valuation report of management actuary to:
		  ○ Understand the basis and methodology used for such valuation.
		  ○ Evaluate the completeness and accuracy of source data used for the purpose of valuation.
		• Involved an external actuarial specialist to evaluate the:
		  ○ Relevance and reasonableness of assumptions of management expert's findings and conclusions and their consistency with other evidence;
		  ○ The relevance and reasonableness of assumptions and methods used;
		  ○ The relevance of the source data used.
		• Evaluated the adequacy of disclosures given on outstanding claims including IBNR as per the insurance regulations and applicable accounting and reporting standards.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon.

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Pakistan

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 and the Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

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exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is Zulfikar Ali Causer.

KARACHI
DATED: 04 March 2025
UDIN: AR202410067TGHokj5b1

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	2024	2023
		---------- (Rupees) ----------	
ASSETS			
Property and equipment	6	313,172,218	289,562,608
Intangible assets	7	8,251,406	11,268,873
Investments			
Equity securities and mutual fund units	8	548,745,965	419,453,744
Government securities	9	248,329,807	241,114,000
Debt securities	10	-	250,000,000
Term deposits	11	1,284,673,933	1,345,908,470
Loans and other receivables	12	543,801,232	537,600,391
Insurance / reinsurance receivables	13	904,024,076	733,493,220
Reinsurance recoveries against outstanding claims		486,894,604	493,073,733
Salvage recoveries accrued		283,310,869	251,259,812
Deferred commission expense		298,538,985	260,639,187
Deferred taxation - net	14	-	4,715,073
Prepayments	15	547,143,931	474,154,800
Cash and bank balances	16	2,472,114,002	1,996,505,095
Total assets		7,939,001,028	7,308,749,006
EQUITY AND LIABILITIES			
Equity			
Ordinary share capital	17	1,983,944,620	1,983,944,620
Share premium - net of share issuance cost	18	42,798,048	42,798,048
Other capital reserves	18	124,635,000	124,635,000
Accumulated profits	18	481,193,126	459,883,570
Other comprehensive income reserve	18	110,258,054	69,583,621
Total shareholders' fund		2,742,828,848	2,680,844,859
Participant's Takaful Fund			
Ceded money	19	2,000,000	2,000,000
Accumulated surplus / (deficit)	19	5,734,289	(44,583,937)
Total participant's takaful fund		7,734,289	(42,583,937)
Total equity		2,750,563,137	2,638,260,922
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR		1,051,838,081	952,473,571
Unearned premium reserves		2,442,784,326	2,023,776,566
Unearned reinsurance commission		130,928,529	90,601,307
Premium deficiency reserve		11,035,585	8,995,206
Premium received in advance		12,289,866	5,323,210
Insurance / reinsurance payables	20	463,187,328	430,390,917
Other creditors and accruals	21	716,093,455	839,963,115
Lease liability against right-of-use asset		140,008,405	130,218,766
Deferred taxation	14	37,247,077	-
Taxation - provision less payment		183,025,239	188,745,426
Total liabilities		5,188,437,891	4,670,488,084
Total equity and liabilities		7,939,001,028	7,308,749,006

Contingencies and commitments 22

The annexed notes from 1 to 45 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER | CHAIRMAN | CHIEF EXECUTIVE OFFICER | DIRECTOR | DIRECTOR

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024	2023 (Restated)
		---------- (Rupees) ----------	
Net insurance premium	23	3,424,144,365	3,084,669,250
Net insurance claims expense	24	(1,656,312,983)	(1,506,438,419)
Charge of premium deficiency reserve		(2,040,379)	(8,995,203)
Net commission expense and other acquisition cost	26	(350,687,723)	(301,363,490)
Insurance claims and commission expense		(2,009,041,085)	(1,816,797,112)
Management expenses	27	(1,378,191,475)	(1,422,757,124)
Underwriting results		36,911,805	(154,884,986)
Investment income	28	388,827,558	445,455,205
Other income	29	78,943,797	86,160,574
Other expenses	30	(330,999,062)	(258,388,555)
Results of operating activities		173,684,098	118,342,238
Finance costs	31	(28,984,846)	(24,713,426)
Profit before bargain purchase gain		144,699,252	93,628,812
Gain on bargain purchase of net assets		-	1,078,861,009
Profit before taxation and minimum tax differential		144,699,252	1,172,489,821
Minimum tax differential	32	(29,097,289)	(27,322,416)
Profit before taxation		115,601,963	1,145,167,404
Taxation	33	(43,974,181)	(18,148,019)
Profit after taxation		71,627,782	1,127,019,386
Other comprehensive income:			
Items that will be not reclassified to income statement:			
Changes in fair value of investments classified as financial assets at fair value through other comprehensive income'		57,288,503	(53,414,845)
Related tax impact		(16,614,070)	15,491,025
Other comprehensive income / (loss) for the year		40,674,433	(37,923,820)
Total comprehensive income for the year		112,302,215	1,089,095,566
Earning after tax per share - Rupees	34	0.11	5.62
Net profit attributable to shareholders' fund		21,309,556	1,114,935,288
Net surplus attributable to participants' takaful fund		50,318,226	12,084,098
		71,627,782	1,127,019,386
Other comprehensive income / (loss) attributable to shareholders' fund		40,674,433	(37,923,822)
Other comprehensive loss attributable to participants' takaful fund		-	-
		40,674,433	(37,923,822)

The annexed notes from 1 to 45 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER	CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

	Share capital	Reserves								Total
		Capital reserves					Revenue reserves			
		Net share premium			Other capital reserves (Note 18.1)	Total	Accumulated profit	Unrealized appreciation / (diminution) - fair value through other Comprehensive Income	Total	
		Share premium	Share issuance cost	Net share premium						
	---------- (Rupees) ----------									
Shareholders' Fund:										
Balance as at January 1, 2023	1,983,944,620	111,094,988	(68,296,940)	42,798,048	124,635,000	167,433,048	(59,868,332)	107,507,443	47,639,111	2,199,016,779
Net profit for the year	-	-	-	-	-	-	1,114,935,288	-	1,114,935,288	1,114,935,288
Other comprehensive loss	-	-	-	-	-	-	-	(37,923,822)	(37,923,822)	(37,923,822)
Total comprehensive income / (loss) for the year	-	-	-	-	-	-	1,114,935,288	(37,923,822)	1,077,011,466	1,077,011,466
Dividend Paid	-	-	-	-	-	-	(595,183,386)	-	(595,183,386)	(595,183,386)
Balance as at December 31, 2023	1,983,944,620	111,094,988	(68,296,940)	42,798,048	124,635,000	167,433,048	459,883,570	69,583,621	529,467,191	2,680,844,859
Net profit for the year	-	-	-	-	-	-	21,309,556	-	21,309,556	21,309,556
Other comprehensive income	-	-	-	-	-	-	-	40,674,433	40,674,433	40,674,433
Total comprehensive income for the year	-	-	-	-	-	-	21,309,556	40,674,433	61,983,989	61,983,989
Balance as at December 31, 2024	1,983,944,620	111,094,988	(68,296,940)	42,798,048	124,635,000	167,433,048	481,193,126	110,258,054	591,451,180	2,742,828,848

The annexed notes from 1 to 45 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024

	Ceded money	Accumulated surplus / (deficit)	Total
	----------(Rupees)----------		
Participants' Takaful Fund:			
Balance as at January 1, 2023	2,000,000	(56,668,035)	(54,668,035)
Surplus for the year	-	12,084,098	12,084,098
Balance as at December 31, 2023	2,000,000	(44,583,937)	(42,583,937)
Surplus for the year	-	50,318,226	50,318,226
Balance as at December 31, 2024	2,000,000	5,734,289	7,734,289

The annexed notes from 1 to 45 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

CHAIRMAN

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
	-------- (Rupees) --------	
Operating cash flow		
(a) Underwriting activities		
Insurance premium received	4,848,432,282	3,979,833,426
Reinsurance premium paid	(1,200,594,748)	(894,145,240)
Claims paid	(2,361,991,149)	(2,185,663,600)
Reinsurance and other recoveries received	779,170,747	657,055,601
Commission paid	(594,423,589)	(504,128,524)
Commission received	278,649,976	183,281,277
Management and other expenses paid	(1,575,782,084)	(1,256,100,344)
Net cash flow from underwriting activities	173,461,436	(19,867,404)
(b) Other operating activities		
Income tax paid	(59,898,222)	(72,671,144)
Other operating receipts	130,712,974	21,882,049
Loans advanced	(10,998,416)	(9,410,516)
Loan repayment received	9,432,652	3,133,309
Net cash used in other operating activities	69,248,988	(57,066,302)
Total cash generated from / (used in) all operating activities	242,710,424	(76,933,706)
Investment activities		
Mark up / return received	333,516,485	340,779,042
Dividend received	119,693	32,864,832
Cash received on amalgamation with NHIC	-	218,835,700
Payment for investments	-	(125,915,547)
Proceeds from investments	236,847,151	1,126,617,780
Proceeds from sale of property and equipment	7,425,953	110,800
Fixed capital expenditure	(58,093,858)	(39,989,566)
Total cash generated from investing activities	519,815,424	1,553,303,041
Financing activities		
Cash dividend Paid	(199,095,687)	(338,584,010)
Lease obligation paid	(139,744,227)	(181,924,053)
Financial charges paid	(9,311,564)	(9,171,866)
Total cash used in financing activities	(348,151,478)	(529,679,929)
Net cash generated from all activities	414,374,370	946,689,406
Cash and cash equivalents at beginning of year	3,342,413,565	2,395,724,159
Cash and cash equivalents at end of year	3,756,787,935	3,342,413,565
Reconciliation to statement of comprehensive income		
Operating cash flows	242,710,421	(76,933,706)
Depreciation / amortization / bad debt expense	(138,109,034)	(173,796,533)
Charge of premium deficiency reserve	(2,040,379)	(8,995,206)
Income tax paid	60,529,856	74,739,944
Provision for taxation	(70,097,925)	(41,798,891)
Financial charges	(28,984,846)	(24,713,426)
Investment Income	388,827,560	444,595,646
Surplus on merger	-	1,078,861,009
Increase in assets other than cash	145,896,048	655,072,182
Increase in liabilities other than borrowings	(527,103,919)	(800,011,631)
Profit after taxation	71,627,782	1,127,019,388

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 45 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER | CHAIRMAN | CHIEF EXECUTIVE OFFICER | DIRECTOR | DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 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 September 04, 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 20th Floor, Sky Tower – East Wing, Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4 Clifton, Karachi, Pakistan. The Company is owned 52.87% by TPL Corp Limited. Further 0.73% (December 31, 2023: 0.73%) shares are held by TPL Holdings (Private) Limited, the ultimate parent company.

1.2 The Company operates through the following locations in Pakistan;

Locations	Address
Head Office	19-B, S.M.C.H.S, Karachi Postal Code: 74900.
Lahore Branch	Tower 75, 4th Floor, Near Honda City Sales & Hyundai Central Motors, Kalma Chowk, Lahore.
Islamabad Branch	CBC Building, 2nd Floor, G-8 Markar Islamabad.
Faisalabad Branch	P-6161, West Canal Road, adjacent to Toyota Faisalabad Motors & behind HBL Canal Road Br, Faisalabad.
Multan Branch	Haider Street, Shalimar Colony, Northern Bypass-Boson Road, Multan.
Hyderabad Branch	A-8/9, District Council Complex, Hyderabad.
Export Processing Zone Branch	Plot # N-4, Sector B-III, Phase-1, Export Processing Zone, Landhi, Karachi.

1.3 The status of the Company's compliance with regulatory minimum paid-up capital and solvency requirements is disclosed in note 40.4 and 41 respectively to the financial statements.

2 BASIS OF PREPARATION

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

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

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

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

2.1.1 These financial statements have been prepared in accordance with the format prescribed under Insurance Rules, 2017.

2.1.2 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 Window Takaful Operations (WTO) of the Company were presented as a single line item in the balance sheet and profit and loss account of the Company for the year ended December 31, 2018 respectively. Further, the PTF was not consolidated with the conventional insurance business. The similar requirements have been prescribed by General Takaful Accounting Regulations 2020 issued by SECP. However, as per SECP letter number ID/PRDD/ GTR/2024/3161 dated April 15, 2024, the Company has been granted relaxation from the above requirements and has been allowed line by line consolidation of financial statements of conventional and WTO (including PTF) upto the period ended December 31, 2024. Accordingly, these financial statements represent the consolidated financial position, results of operations and cashflows of the conventional business and WTO (including PTF) for the period ended December 31, 2024.

2.1.3 A separate set of financial statements of the General Takaful operations has been annexed to these financial statements as per the requirements of the Takaful Rules, 2012.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain investments and liabilities for insurance contracts which are carried at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees ('Rupees' or 'Rs.') which is also the Company's functional currency.

3 New standards, interpretations and amendments to published approved accounting standards

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2024

The following standards, amendments and interpretations are effective for the year ended December 31, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	"Effective date (annual periods beginning on or after)"
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	"Effective date (annual periods beginning on or after)"
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2026

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

4.1 Insurance contracts

Insurance contracts are those contracts where the Company (the insurer) has accepted significant insurance risk from another party (the policy holders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its period, even if the insurance risk reduces significantly during this period, unless all rights and liabilities are extinguished or expired.

The Company underwrites non-life insurance contracts that can be categorised into Fire and Property Damage, Marine, Aviation and Transport, Health, Motor and Miscellaneous contracts. Contracts may be concluded for a fixed term of one year, for less than one year and in some cases for more than one year. However, most of the contracts are for twelve months duration. Insurance contracts entered into by the Company under which the contract holder is another insurer (inwards reinsurance) of a facultative nature are included within the individual category of insurance contracts, other than those which fall under Treaty. The insurance risk involved in these contracts is similar to the contracts undertaken by the Company as insurer.

Fire and Property

Fire and Property insurance contracts mainly compensate the customers for damage suffered to their property. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities (business interruption cover).

Marine

Marine, Aviation and Transport class of business provides coverage against loss and damage to goods in transit by any means of conveyance, physical loss or damage to aircraft, ships and liabilities to third parties and passengers arising from their use.

"

Motor

Motor insurance covers physical loss or damage to the vehicle and liabilities to third parties as provided under the requirements of the Motor Vehicle Ordinance, 1965.

Health

Accident and health insurance contracts mainly compensates hospitalization and out-patient medical coverage to the insured.

Miscellaneous

All other insurances like cash in hand, cash in transit, personal accident, travel are included under Miscellaneous Insurance cover.

The company neither issues investments contracts nor does it issue insurance contracts with discretionary participation features (DPF).

These contracts are made with group companies, corporate clients and individuals residing or located in Pakistan.

4.2 Premium

Premium income under a policy is recognized, evenly over the period of insurance from the date of issuance of the policy till the date of its expiry.

Administrative surcharge is recognised over the period of policy.

Revenue from premiums is determined after taking into account the unearned portion of premium by applying 1/24th method as prescribed by the Insurance Accounting Regulations, 2017. The unearned portion of premium income is recognised as liability.

Premium due but unpaid under insurance contracts are recognised when due, at the fair value of the consideration receivable less provision for doubtful debts, if any. If there is objective evidence that the receivable is impaired, the Company reduces the carrying amount of the receivable accordingly and recognizes it as impairment loss.

4.3 Reinsurance contracts

Insurance contracts entered into by the Company with reinsurers for compensation of losses suffered on insurance contracts issued are reinsurance contracts. These reinsurance contracts include both facultative and treaty arrangement contracts and are classified in same categories of insurance contracts for the purpose of these financial statements. The Company recognises the entitled benefits under the contract as various reinsurance assets. Outward reinsurance premiums are accounted for in the same period as the related premiums for the direct or accepted reinsurance business being reinsured.

Reinsurance liabilities represent balances due to reinsurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the provision for outstanding claims or settled claims associated with the reinsurance policies and are in accordance with the related reinsurance contract.

Reinsurance assets are not offset against related insurance liabilities. Income or expenses from reinsurance contract are not offset against expenses or income from related insurance assets.

The deferred portion of reinsurance premium ceded is recognised as a prepayment which is calculated by using 1/24th method as prescribed by the Insurance Rules, 2017.

The Company assesses its reinsurance assets for impairment on statement of financial position date. If there is an objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the statement of comprehensive income.

4.4 Claims expense

Insurance claims include all claims incurred during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, and any adjustments to claims outstanding from previous years.

The Company recognises liability in respect of all claims incurred upto the statement of financial position date which is measured at the undiscounted value of the expected future payments. The claims are considered to be incurred at the time of the incident giving rise to the claim except as otherwise expressly indicated in an insurance contract.

The liability for claims include amounts relating to unpaid reported claims, claims incurred but not reported (IBNR) and expected claims settlement costs. Provision for liability in respect of unpaid reported claims is made on the basis of individual case estimates.

The provision for claims incurred but not reported (IBNR) is made at the statement of financial position date. In accordance with SECP circular no. 9 of 2016, the Company takes actuarial advice for the determination of IBNR claims.

The Company follows Chain ladder method for determination of provision for claims IBNR by analyzing the pattern of the incurred cases (on net of reinsurance basis) of a given accident year in the succeeding development years. Thereafter link ratios of the accumulated incurred claims (benefits) through the development years are used for the estimation of the incurred claims (benefits) ultimately expected.

4.5 Reinsurance recoveries against outstanding claims

Claims recoveries against outstanding claims from the reinsurer and salvage are recognised as an asset at the same time as the claims which give rise to the right of recovery are recognised as a liability and are measured at the amount expected to be received.

4.6 Commission

Commission expense incurred in obtaining and recording policies is deferred and recognised in statement of comprehensive income as an expense in accordance with the pattern of recognition of premium revenue.

Commission income from reinsurers is recognised at the time of issuance of the underlying insurance policy. These are deferred and recognised as liability and recognised in the statement of comprehensive income as revenue in accordance with the pattern of recognition of the reinsurance premiums.

4.7 Premium deficiency reserve

The Company is required as per Insurance Rules, 2017 and IFRS-4, to maintain a provision in respect of premium deficiency for the class of business where the unearned premium reserve is not adequate to meet the expected future liability, after reinsurance, from claims and other expenses, including reinsurance expense, commissions and other underwriting expenses, expected to be incurred after the statement of financial position date in respect of the unexpired policies in that class of business at the statement of financial position date. The charge for premium deficiency reserve is recorded as an expense in the statement of comprehensive income.

For this purpose, loss ratios for each class are estimated based on historical claim development. Judgment is used in assessing the extent to which past trends may not apply in future or the effects of one-off claims. If these ratios are adverse, premium deficiency is determined. Further actuarial valuation has been carried out to determine the amount of premium deficiency reserve in respect of Health insurance as required by SRO 16 (I)/ 2012 issued by Securities and Exchange Commission of Pakistan on January 09, 2012.

4.8 Staff retirement benefits

The Company operates a funded contributory provident fund (defined contribution plan) for all permanent employees. Equal contributions are made by the Company and the employees at the rate 8.33% of basic salary, to the fund.

4.9 Taxation

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also include adjustments, where considered necessary, to provision for tax made in previous years arising from assessments finalised during the current year for such years.

Levy

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. The Company has adopted an approach to account for current tax calculated on taxable income using the notified tax rate as an income tax and for minimum tax on any amount over the current tax calculated on taxable income is accounted for as excess over the current tax and is recognised as a levy as per IFRIC 21/IAS37.

Deferred

Deferred tax is accounted for using the statement of financial position liability method, in respect of temporary differences arising at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The carrying amount of deferred tax asset is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recognised. Unrecognised deferred tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is utilized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date. Deferred tax is charged or credited to the statement of comprehensive income except in the case of items credited or charged to equity in which case it is included in equity.

4.10 Management expenses

Underwriting expenses have been allocated to various classes of business on a basis deemed equitable by the management. Expenses not attributable to the underwriting business are charged as administrative expenses.

4.11 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current estimate.

4.12 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents consists of cash in hand, stamps in hand deposits with banks (except for the deposit placed with statutory requirement) net off short term running finance, and short term maturity of three months or less from the date of acquisition.

4.13 Prepayments

Prepayments are recorded as an assets. It is be amortized as and when due over the period.

4.14 Property and equipment

4.14.1 Operating assets

These are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is charged to income over the useful life of the asset on a systematic basis applying the straight line method at the rates specified in note 5.1 to the financial statements. Depreciation is charged on additions from the month of acquisition and no depreciation is charged in the month of disposal. An item of fixed asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gain and loss on disposal of fixed assets is included in income currently.

The assets residual values, useful lives and methods are reviewed and adjusted, if appropriate at each financial year end.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalised and assets so replaced, if any, are retired. Gain or loss on disposal of fixed asset is included in income currently.

4.14.2 Right of use asset

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are presented within note 5 and are subject to impairment in line with the Company's policy as described in note 4.17.

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 Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities.

4.14.3 Ijara

The rental paid / payable on Ijara under Islamic financial accounting standard - 'Ijara' (IFAS 2) are recorded as expense.

4.14.4 Capital work-in-progress

Capital work-in-progress is stated at cost less any impairment in value.

4.15 Intangible assets

These are stated at cost less accumulated amortisation and impairment, if any. Amortisation is charged to income over the useful life of the asset on a systematic basis applying the straight line method at the rates specified in note 6 to the financial statements. Amortisation is calculated from the month the assets are available for use. While on disposal, no amortisation is charged in the month in which the assets are disposed off. Software development costs are only capitalised to the extent that future economic benefits are expected to be derived by the Company.

4.16 Financial instruments

In accordance with IFRS 9, the Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be 'at fair value through profit or loss' if:

i) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;

ii) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or

iii) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets and liabilities, with the exception of bank balances, loans and advances to employees / counter parties and due to counterparties, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Bank balances and loans and advances to employees / counter parties are recognised when funds are transferred to the banks / employees / counterparties. The Company recognises due to counterparties when funds reach the Company.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded as 'at fair value through profit or loss' in which transaction cost is charged to profit and loss.

Financial assets

The Company classifies its financial assets as subsequently measured 'at amortised cost' or measured 'at fair value through profit or loss' or 'at fair value through other comprehensive income' based on following:

- The entity's business model for managing of the financial assets;
- The contractual cash flow characteristics of the financial asset.

Financial assets measured 'at amortised cost'

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company includes in this category short-term non-financing receivables, accrued income and other receivables.

Financial assets measured 'at fair value through profit or loss'

A financial asset is measured 'at fair value through profit or loss' if:

(a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or

(b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or

(c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets measured 'at fair value through other comprehensive income'

A financial asset is measured 'at fair value through other comprehensive income' if:

(a) Upon initial recognition the Company elects to classify irrevocably its equity investments as equity instruments designated at FVOCI when they need the definition of equity under IAS 32 "Financial Instruments: Presentation" and are not held for trading. The classification is determined on an instrument-by-instrument basis.

(b) Gains and losses on these financial assets are never recycled to profit and loss.

(c) Dividends are recognized as other income in profit and loss when the right of payment has been established except when the company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated as FVOCI are not subject to impairment assessment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Company has:

(a) Transferred substantially all of the risks and rewards of the asset; or

(b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Impairment of financial assets

"The Company holds receivables with no financing component and which have maturities of less than 12 months 'at amortised cost' and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its receivables. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions."

The Company uses credit rating of counter parties / instruments to determine probability of defaults and related allowance for expected credit losses.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.17 Impairment

The carrying amount of assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment of any asset or group of assets. If such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in statement of comprehensive income. An impairment loss is reversed if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

Provisions for impairment are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. Changes in the provisions are recognised as income or expense.

4.18 Foreign currency translations

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the statement of financial position date. Foreign exchange gains and losses on translation are recognized in the statement of comprehensive income. All non-monetary items are translated into rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.19 Revenue recognition

a) Premium

The revenue recognition policy for premiums is given under note 4.2.

b) Commission from reinsurers

The revenue recognition policy for commission from reinsurer is given under note 4.6.

c) Dividend income

Dividend income is recognized when the right to receive the dividend is established.

d) Gain / loss on sale / redemption of investments

Gain / loss on sale / redemption of investments is taken to statement of comprehensive income in the year of sale / redemption.

e) Income on amortized cost investments

Income on amortized cost investments is recognised on a time proportionate basis taking account the effective yield on the investment.

f) Mark up on bank accounts and deposits

Profit on bank accounts and deposits is recognised on accrual basis.

4.20 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses. The Company presents segment reporting of operating results using the classes of business as specified under the Insurance Ordinance, 2000 and the SECP (Insurance) Rules, 2017 as the primary reporting format. These operating segment's results are reported to Chief decision maker.

The Company has five primary business segments for reporting purposes namely, fire and property, marine, health, motor and miscellaneous. The nature and business activities of these segments are disclosed in note no. 4.1.

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them while the carrying amount of certain assets used jointly by two or more segments have been allocated to segments on a reasonable basis. Those assets and liabilities which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities.

4.21 Share capital, reserve and dividend appropriation

Ordinary shares are classified as equity and are recorded at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Dividend declaration and reserve appropriations are recognized when approved.

4.22 Employees share option plan

Eligible employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of share option transactions is determined using intrinsic value method.

That cost is recognised in salaries and benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of income for the year represents the movement in cumulative expense recognised as at the beginning and end of that year. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

4.23 Contingencies

Contingencies are disclosed when the company has possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of entity, or a present obligation that arises from past event but is not recognised because it is not probable that an outflow of recourse embodying economic benefit will be required to settle the obligation or, when amount of obligation cannot be measured with sufficient reliability. Contingencies are reviewed at each statement of financial position date and adjusted to reflect the current estimate.

4.24 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.25 CHANGE IN ACCOUNTING POLICY

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

During the year ended December 31, 2024, the Company changed its accounting policy and adopted approach 2. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have been restated.

	For the year ended December 31, 2023		
	As previously reported	**Restatement**	**As Restated**
Effect on statement of profit or loss			
Minimum tax differential	-	27,322,416	27,322,416
Profit before tax	1,172,489,821	(27,322,416)	1,145,167,404
Taxation	45,470,435	(27,322,416)	18,148,019

The change has been applied retrospectively resulting in reclassification in the statement of profit or loss.

The change do not have any impact on statement of financial position, statement of other comprehensive income, statement of changes in equity and statement of cash flows.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the accounting and reporting 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 financial statements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates / judgments and associated assumptions are reviewed on an ongoing basis. Revision to the accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgment or complexity, or areas where assumption and estimates are significant to the financial statements, or judgments were exercised in application of accounting policies, are as follows:

Reinsurance recoveries against outstanding claims (note 4.5)
Provision against premium due but unpaid - (note 4.2)
Provision for outstanding claims including IBNR (note 4.4)
Premium deficiency reserve (note 4.7)
Provision for current and deferred tax (note 4.9)
Classification of investments and impairment (note 4.16)
Employee share scheme (note 4.22)
Useful lives and residual value of assets and methods of depreciation (note 4.14)
Provision for impairment (note 4.17)
Salvage recoveries - (note 4.5)
Contingencies (note 4.23)

		Note	2024	2023
6.	**PROPERTY AND EQUIPMENT**		------------ (Rupees) ------------	
	Operating assets	6.1	159,037,293	153,138,464
	Right-of-use assets	6.2	154,134,925	136,424,144
			313,172,218	289,562,608

2024

		Cost				Accumulated Depreciation				Written Down Value	Depreciation Rate %
		As at January 1, 2024	Additions	Disposals / Write-offs	As at December 31, 2024	As at January 1, 2024	Charge for the Year	Disposals / Write-offs	As at December 31, 2024	As at December 31, 2024	
6.1	**Operating Assets**	(Rupees)									
	Owned										
	Leasehold Improvements	87,139,738	-	-	87,139,738	27,632,865	13,475,984	-	41,108,849	46,030,889	10 - 20
	Computer equipments	102,348,991	22,898,952	(10,895,771)	114,352,172	83,286,298	13,967,360	(10,603,945)	86,649,713	27,702,459	33.33
	Furniture and fixtures	53,318,244	3,225,000	(1,333,766)	55,209,478	26,196,204	7,390,344	(1,333,766)	32,252,781	22,956,697	10 - 20
	Office equipments	47,635,959	18,156,152	(1,751,108)	64,041,003	21,551,648	10,291,901	(1,639,687)	30,203,862	33,837,141	20
	Motor vehicles	109,386,520	12,640,000	(1,025,864)	121,000,656	88,023,973	5,492,440	(1,025,864)	92,490,549	28,510,107	20
		399,829,452	56,920,104	(15,006,509)	441,743,047	246,690,988	50,618,029	(14,603,262)	282,705,754	159,037,293	

2023

	Cost				Accumulated Depreciation				Written Down Value	Depreciation Rate %
	As at January 1, 2023	Additions	Disposals / Write-offs	As at December 31, 2023	As at January 1, 2023	Charge for the Year	Disposals / Write-offs	As at December 31, 2023	As at December 31, 2023	
	(Rupees)									
Owned										
Leasehold Improvements	84,530,429	2,609,309	-	87,139,738	14,283,664	13,349,201	-	27,632,865	59,506,873	10 - 20
Computer equipments	94,070,383	8,457,108	(178,500)	102,348,991	69,091,608	14,343,440	(148,750)	83,286,298	19,062,693	33.33
Furniture and fixtures	53,051,244	267,000	-	53,318,244	18,858,167	7,338,038	-	26,196,204	27,122,040	10 - 20
Office equipments	41,374,509	6,261,450	-	47,635,959	12,927,940	8,623,708	-	21,551,648	26,084,311	20
Motor vehicles	86,991,821	22,394,699	-	109,386,520	81,885,534	6,138,439	-	88,023,973	21,362,547	20
	360,018,386	39,989,566	(178,500)	399,829,452	197,046,913	49,792,826	(148,750)	246,690,988	153,138,464	

6.1.1 The remaining useful life of material operating assets are estimated to be 6 years.

6.1.2 These includes fully depreciated operating fixed assets having cost of Rs. 161.347 million (2023: Rs. 143.323 million).

6.2 Right-of-use assets

	2024									
	Cost				Accumulated Depreciation				Written Down Value	Depreciation Rate %
	As at January 1, 2024	Additions	Matured (Note 6.2.1)	As at December 31, 2024	As at January 1, 2024	Charge for the Year	Matured (Note 6.2.1)	As at December 31, 2024	As at December 31, 2024	
	(Rupees)									
Owned										
Office premises	186,631,219	17,460,490	(24,129,810)	179,961,899	103,444,824	31,717,107	(7,238,943)	127,922,988	52,038,911	20
Tracking devices	172,480,599	120,211,245	(136,328,216)	156,363,628	122,119,979	81,496,336	(136,328,216)	67,288,099	89,075,529	50
Motor vehicle	-	14,963,040	-	14,963,040	-	3,740,760	-	3,740,760	11,222,280	20
Office equipment	5,394,616	-	-	5,394,616	2,517,488	1,078,923	-	3,596,411	1,798,205	20
	364,506,435	152,634,775	(160,458,026)	356,683,183	228,082,291	118,033,126	(143,567,159)	202,548,258	154,134,925	

	2023									
	Cost				Accumulated Depreciation				Written Down Value	Depreciation Rate %
	As at January 1, 2023	Additions	Matured	As at December 31, 2023	As at January 1, 2023	Charge for the Year	Matured	As at December 31, 2023	As at December 31, 2023	
	(Rupees)									
Owned										
Office premises	186,631,219	-	-	186,631,219	67,942,546	35,502,279	-	103,444,824	83,186,395	20
Tracking devices	206,107,418	34,640,144	(68,266,963)	172,480,599	92,714,907	97,672,035	(68,266,963)	122,119,979	50,360,620	50
Motor vehicle	9,478,000	-	(9,478,000)	-	2,021,973	-	(2,021,973)	-	-	20
Office equipment	5,394,616	-	-	5,394,616	1,438,564	1,078,923	-	2,517,488	2,877,129	20
	407,611,253	34,640,144	(77,744,963)	364,506,435	164,117,989	134,253,237	(70,288,936)	228,082,290	136,424,144	

6.2.1 This represents right of use assets matured at the expiry of the lease term.

6.2.2 The tracking devices are not in possession of the Company.

7 INTANGIBLE ASSETS

	2024									
	Cost				Accumulated Depreciation				Written Down Value	Depreciation Rate %
	As at January 1, 2024	Additions	Disposals /	As at December 31, 2024	As at January 1, 2024	Charge for the Year	Disposals /	As at December 31, 2024	As at December 31, 2024	
	(Rupees)									
Owned										
Software licences	38,594,475	1,173,754	-	39,768,229	27,325,602	4,191,221	-	31,516,823	8,251,406	20

	2023									
	Cost				Accumulated Depreciation				Written Down Value	Depreciation Rate %
	As at January 1, 2023	Additions	Disposals / Write-offs	As at December 31, 2023	As at January 1, 2023	Charge for the Year	Disposals / Write-offs	As at December 31, 2023	As at December 31, 2023	
	(Rupees)									
Owned										
Software licences	34,994,475	3,600,000	-	38,594,475	23,013,042	4,312,560	-	27,325,602	11,268,873	20

7.1 The remaining useful life of material assets are estimated to be 3 years.

7.2 The cost and accumulated amortisation of fully amortised intangible still in use at the year end is Rs. 18.037 million (2023: Rs. 17.636 million).

8 INVESTMENT IN EQUITY SECURITIES AND MUTUAL FUNDS UNITS

	Note	2024 Cost	2024 Impairment / Revaluation	2024 Carrying Value	2023 Cost	2023 Impairment / Revaluation	2023 Carrying Value
		(Rupees)			(Rupees)		
-Classified as 'At fair value through other comprehensive income'							
Related party							
Listed shares							
TPL Properties Limited (3% holding)		100,000,000	157,002,987	257,002,986	100,000,000	122,166,264	222,166,264
		100,000,000	157,002,987	257,002,986	100,000,000	122,166,264	222,166,264
Others							
Listed shares							
The Bank of Punjab		63,703	39,705	103,408	63,703	(1,715)	61,988
Hub Power Company Limited		357,000	951,900	1,308,900	357,000	813,900	1,170,900
Bank of Khyber		162,975	86,901	249,876	162,975	40,891	203,866
Bolan Castings Limited		39,704,010	(2,816,010)	36,888,000	39,704,010	(25,034,010)	14,670,000
Ghani Global Limited		6,411	950	7,361	6,411	(1,479)	4,932
Bank Makramah Limited		9,120	33,280	42,400	9,120	25,600	36,480
		40,303,219	(1,703,274)	38,599,945	40,303,219	(24,156,813)	16,148,166
Unlisted shares							
FMD (Private) Limited	8.1	44,409,024	-	44,409,024	44,409,024	-	44,409,024
		44,409,024	-	44,409,024	44,409,024	-	44,409,024
-Classified as 'At fair value through profit or loss'							
Mutual funds							
AKD Opportunity Fund		88,645,956	41,156,419	129,802,375	78,578,681	10,067,275	88,645,956
AKD Islamic Stock Fund		48,084,334	30,847,301	78,931,635	30,201,536	17,882,798	48,084,334
		136,730,290	72,003,720	208,734,010	108,780,217	27,950,073	136,730,290
		321,442,533	227,303,433	548,745,965	293,492,460	125,959,524	419,453,744

9. INVESTMENT IN GOVERNMENT SECURITIES

	Note	2024	2023
		(Rupees)	
- Classified as 'At amortized cost Pakistan Investment Bonds (PIBs)	9.1	248,329,807	241,114,000

9.1 This represents three, five and ten years Pakistan Investment Bonds having face value of Rs. 263.20 million (market value of Rs. 251.21 million) [2023: Rs. 263.200 million (market value of Rs. 223.84 million)]. These carry mark-up ranging from 7.50% to 10.50% (2023: 7.50% to 10.50%) per annum and will mature between March 26, 2025 to Oct 13, 2027. 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 July 07, 2008 issued by the Securities and Exchange Commission of Pakistan.

10 INVESTMENT IN DEBT SECURITIES

	2024	2023
	--------- (Rupees) ---------	
Classified as 'At fair value through other		
Term Finance Certificate		
- JS Bank Limited	-	25,000,000
- U Microfinance Bank Limited	-	100,000,000
- Bank Al Habib Limited	-	50,000,000
- Soneri Bank Limited	-	25,000,000
- Bank Alfalah Limited	-	50,000,000
	-	250,000,000

11 INVESTMENT IN TERM DEPOSITS

	2024	2023
Classified as 'At amortized cost'		
Deposits maturing within 12 months	1,284,673,933	1,345,908,470
Deposits maturing after 12 months	-	-
	1,284,673,933	1,345,908,470

11.1 These carry mark up of 4.50% to 12% per annum (2023: 4% to 20.80% per annum) and have maturities upto May 24, 2025. These also include term deposit amounting to USD 650,000 (2023: USD 550,000).

12 LOANS AND OTHER RECEIVABLES

	Note	2024	2023
		--------- (Rupees) ---------	
Considered good			
Advance to a related party - unsecured	12.1	292,746,351	292,746,351
Receivable from related parties	12.2	28,616,622	6,835,156
Deposit for hospital enlistment	12.3	8,890,000	7,890,000
Accrued investment income		27,198,745	47,072,500
Loan and advance to employees	12.4	10,202,715	8,660,465
Security Deposit		17,860,624	11,097,311
Receivable from tax authorities	12.5	135,986,539	135,986,539
Other receivable		22,299,636	27,312,069
		543,801,232	537,600,391

12.1 This represents advance to a related party TPL Trakker Limited. 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 April 25, 2024. The balance carries mark up at the rate of 1 year KIBOR + 3.5% with a floor of 10% per annum.

12.2 This represents receivable from following related parties:

	2024	2023
	--------- (Rupees) ---------	
TPL Trakker Limited	5,427,538	-
TPL Properties Limited	3,151,837	131,570
TPL Corp	6,121,841	-
TPL Development	268,971	-
TPL REIT Management Company Limited	1,205,999	1,955,517
TPL Security Services (Private) Limited	1,204,712	528,647
Astra Location Services (Private) Limited	5,411,632	1,435,671
TPL Life Insurance Limited	5,824,092	2,783,751
	28,616,622	6,835,156

12.3 These represent refundable deposits placed for various hospital enlistments for services to the policy holders.

12.4 These include loans given to employees for domestic purposes and are secured against provident fund balances of employees. These loans carry mark-up rate ranging from 0% - 5% (2023: 0% - 5%) per annum, and are maturing at various dates until December 2025.

12.5 This includes amounts deposited with sale tax authorities pursuant to the order of the high court. The Company had filed a suit in the High Court challenging the show cause notice of Sindh Revenue Board (SRB) whereby additional sales tax liability of Rs. 103.79 and Rs. 168.179 million respectively were calculated on reinsurance business and other matters from the period from January 2016 to December 2016 and January 2012 to December 2016. The amount deposited represents 50% of the disputed amount. Case details are disclosed in note no. 22.1.1.2 and 22.1.1.3 respectively.

13 INSURANCE / REINSURANCE RECEIVABLES - Unsecured

	2024	2023
	--------- (Rupees)	---------
Due from insurance contract holders		
Considered good	604,052,212	459,514,269
Considered doubtful	88,747,197	79,372,245
Less: provision for impairment of receivables from Insurance contract holders	(88,747,197)	(79,372,245)
	-	-
	604,052,212	459,514,269
Due from other insurers / reinsurers		
Considered good	299,971,864	273,978,951
Considered doubtful	9,754,393	9,754,393
Less: provision for impairment of due from other insurers / reinsurers	(9,754,393)	(9,754,393)
	-	-
	299,971,864	273,978,951
	904,024,076	733,493,220

14 DEFERRED TAXATION - NET

	2024	2023
Deferred debits arising in respect of		
Provision for doubtful debts	28,565,461	25,259,003
Accelerated depreciation	1,045,915	517,485
Deferred credits arising in respect of		
Unrealized gain on investments classified at fair value through profit and loss	(17,724,973)	9,160,886
Unrealised gain on investments classified at fair value through other comprehensive income	(45,036,811)	(28,422,741)
Right of use assets	(4,096,670)	(1,799,560)
	(37,247,078)	4,715,073

14.1 Reconciliation of deferred tax

	2024	2023
Opening balance	4,715,073	(10,377,508)
(Reversal) / charge for the year	(41,962,151)	15,092,581
Closing balance	(37,247,078)	4,715,073

15 PREPAYMENTS

	Note	2024	2023
		--------- (Rupees) ---------	
Prepaid			
- annual monitoring and other charges	15.1	22,738,123	18,737,768
- rent		-	112,602
- reinsurance premium ceded		490,644,761	438,169,029
- subscription		20,549,867	11,061,927
- insurance		13,211,180	6,073,474
		547,143,931	474,154,800

15.1 This includes prepaid annual monitoring charges amounting to Rs. 12.98 million (2023: Rs. 17.36 million) paid to TPL Trakker Limited (Associated company) against the tracking services provided to the insurance policyholders of the Company.

16 CASH AND BANK BALANCES

	Note	2024	2023
		--------- (Rupees) ---------	
Cash and cash equivalents			
- Cash in hand		625,882	595,952
- Policy and revenue stamps, bond papers etc.		343,919	419,070
Cash at bank			
- Current accounts		568,746,054	531,004,056
- Profit and loss sharing accounts	16.1	1,902,398,147	1,464,486,017
		2,471,144,201	1,995,490,073
		2,472,114,002	1,996,505,095

16.1 These accounts carry mark-up ranging between 4.5% to 12% (2023: 4% to 20.58%) per annum.

16.2 These include shariah compliant balance amounting to Rs. 23.971 million (2023: 35.925 million).

16.3 CASH AND CASH EQUIVALENT

	2024	2023
	--------- (Rupees) ---------	
Cash and bank balances	2,472,114,002	1,996,505,095
Term deposit receipts	1,284,673,933	1,345,908,470
	3,756,787,935	3,342,413,565

17 ORDINARY SHARE CAPITAL

17.1 Authorized Capital

2024	2023		2024	2023
-----(Number of Shares)-----			--------- (Rupees) ---------	
250,000,000	250,000,000	Ordinary shares of Rs. 10 each,	2,500,000,000	2,500,000,000

17.2 Issued, subscribed and paid-up share capital

2024	2023		2024	2023
-----(Number of Shares)-----			--------- (Rupees) ---------	
198,394,462	198,394,462	Ordinary shares of Rs. 10 each, fully paid in cash	1,983,944,620	1,983,944,620
198,394,462	198,394,462		1,983,944,620	1,983,944,620

17.3 As at December 31, 2024 shares held by related parties are as follows:

	2024		2023	
	Number of Shares	Holding	Number of Shares	Holding
TPL Corp Limited	104,891,570	52.87%	104,891,570	52.87%
TPL Holdings (Private) Limited	1,453,936	0.73%	1,453,936	0.73%
Directors	1,674	0.00%	1,674	0.00%
	106,347,180	53.60%	106,347,180	53.60%

18 RESERVES

	Note	2024	2023
		--------- (Rupees) ---------	
Capital Reserves			
Share premium		111,094,988	111,094,988
Share issuance cost		(68,296,940)	(68,296,940)
Net share premium		42,798,048	42,798,048
Other capital reserves	18.1	124,635,000	124,635,000
		167,433,048	167,433,048
Revenue Reserves			
Accumulated profit		481,193,126	459,883,570
Other comprehensive income reserve	18.2	110,258,054	69,583,621
		591,451,180	529,467,191
		758,884,228	696,900,239

18.1 Other capital reserves

This represents reserve created in respect of employee share option scheme introduced in 2022, in accordance with the IFRS 2. All options granted to designated employees, have been vested and exercised. There are no further options in issue as at December 31, 2024.

18.2 Other comprehensive income reserve

	2024	2023
	--------- (Rupees) ---------	
Changes in fair value of investments classified as financial	155,294,865	98,006,362
Related deferred tax	(45,036,811)	(28,422,741)
	110,258,054	69,583,621

		Note	2024	2023
19	**PARTICIPANTS' TAKAFUL FUND**		--------- (Rupees)	---------
19.1	**Ceded Money**		2,000,000	2,000,000
19.2	**Accumulated surplus**			
	Balance at the beginning of the year		(44,583,937)	(56,668,035)
	Surplus for the year		50,318,226	12,084,098
	Balance at the end of the year		5,734,289	(44,583,937)
20	**INSURANCE / REINSURANCE PAYABLES**			
	Due to other insurers / reinsurers		463,187,328	430,390,917
21	**OTHER CREDITORS AND ACCRUALS**			
	Commission payable		132,143,958	99,657,270
	Creditors		95,969,016	88,445,981
	Federal Insurance Fee		5,331,723	3,162,824
	Federal Excise Duty (FED) - net		48,841,755	45,142,231
	Margin deposit from customers		230,441,936	26,615,740
	Security deposit from salvage buyers		700,000	700,000
	Withholding tax payable		29,632,367	33,924,965
	Advance tax on premium		476,070	475,986
	Accrued expenses		128,265,639	292,128,054
	Dividend payable		4,310,975	204,626,648
	Payable to related parties	21.1	1,472,823	1,861,371
	Payable to Provident Fund	21.2	5,573,412	4,300,968
	Deposits from customers		4,424,853	11,399,047
	Others	21.3	28,508,929	27,522,030
			716,093,456	839,963,115

21.1 This represents payable to following related parties:

	2024	2023
TPL Properties Management (Private) Limited	1,472,823	1,472,823
TPL Life Insurance Limited	-	388,547
	1,472,823	1,861,370

21.2 The investments made in collective investment schemes, listed equity and listed debt securities out of the provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified there under.

21.3 This includes Rs. 25.06 million (2023: Rs. 25.85 million) in respect of time barred cheques. These time barred cheques include outstanding claims in respect of which cheques aggregating to Rs. 14.02 million (2023: Rs. 20.20 million) have been issued by the Company for claim settlement but the same have not been encashed by the claimant.

The following is the ageing as required by SECP circular 11 of 2014 dated May 19, 2014:

	2024	2023
	--------- (Rupees) ---------	
-More than 6 months	27,689,759	37,565,850
-1 to 6 months (included in provision for outstanding claims)	94,392,225	158,378,501
	122,081,984	195,944,351

Claims not encashed	AGE-WISE BREAKUP 1 to 6 months	7 to 12 months	13 to 24 months	25 to 36 months	TOTAL
2024	94,392,225	6,067,517	6,588,402	15,033,840	122,081,984
2023	158,378,501	11,982,965	12,393,382	13,189,503	195,944,351

22 CONTINGENCIES AND COMMITMENT

22.1 Contingencies

22.1.1 Contingencies related to Sindh Sales Tax (SST)

As at December 31, 2024, four cases pertaining to the matter of Sindh Sales Tax were outstanding. The Total exposure of the cases amounted to Rs. 850.918 million. The details of the cases are mentioned below:

22.1.1.1 Suit No. 1252 of 2016 and CP D-8259 of 2019 – SST on reinsurance obtained from foreign reinsurance during July 2011 to March 2015

SRB, on April 26, 2016, issued a show cause notice to NHIC alleging therein that the NHIC is liable to pay an amount of Rs. 1.220 Billion by way of Sindh Sales Tax on reinsurance obtained by NHIC from foreign reinsurance during the period of July 2011 to March 2015 together with default surcharges and penalty.

NHIC being aggrieved, filed an appeal before the Commissioner (Appeals)-SRB under section 57 of the Sindh Sales Tax on Services Act, 2011. The management has submitted the amount calculated by SRB is not correct and there is factual inaccuracy in the amount quoted in the subject SRB Order that needs rectification. The total amount of foreign reinsurance premium during the period from July 1, 2011 to March 31, 2015 amounts to Rs. 3,087 million as per NHIC record on which sales tax amount works out to Rs. 486 million. SRB in its order dated May 13, 2024 accepted the company's submission and rectified the said demand to Rs. 486 million.

The Company has filed appeal against the said order before Appellate Tribunal, which is pending adjudication. The management accordingly, based on the opinion of its legal advisor believes that, the said demand has no financial implication to the company as it can be claimed as input tax and therefore no provision has been made in these financial statements.

22.1.1.2 Suit No. 1141 of 2018 - SST on reinsurance services from foreigners and other matters January 2016 to December 2016

On May 19, 2018, NHIC received show cause notice (SCN), from Sindh Revenue Board (SRB) alleging therein that NHIC is liable to pay Sindh Sales Tax (SST) on services amounting to Rs. 103.793 million together with default surcharge and penalty. It was alleged in the SCN that NHIC did not charge and deposit sales tax on reinsurance services received from foreign reinsurers from the period January 2016 to December 2016, premium received from other insurance companies during the period January 2016 to December 2016 claiming the same to be exempt income, and stamp duty and FIF for the month of December 2016 amounting to Rs. 73.26 million, Rs. 30.24 million and Rs. 0.28 million respectively. The Company believes that the reinsurance obtained by the NHIC is not subject to Sindh Sales tax on services under the Act. Even if it is treated as taxable, the same can claim as input, thereby negating any financial impact. The company challenged the SCN issued by SRB in SHC. During the year, SHC has disposed off the proceeding on the account of maintainability and directed the company to follow the SCN proceedings with SRB. Till the date of finalization of financial statements no further proceedings have taken place. The management, based on its assessment, and opinion of its legal advisors expects favourable outcome of the matter and therefore no provision for any liability that may result has been made in the financial statements.

22.1.1.3 Suit No. 1091 of 2018 – Short Payment of SST from January 2012 to December 2016:

On April 5, 2018, NHIC received show cause notice (SCN), from Assistant Commissioner SRB alleging therein that NHIC is liable to pay Sindh Sales Tax (SST) on services amounting to Rs. 168.179 million. It was alleged in the SCN that a comparison of the financial statements of NHIC with the monthly Sindh Sales Tax returns filed with the SRB for Tax Years January 2012 to December 2016 reveals that NHIC has short declared sales of approximately Rs. 1.11 billion and has short paid Sindh Sales Tax of Rs. 168.179 million. NHIC contend that alleged short declared sales pertains to sales made in other provinces and related sales tax has been deposited thereon. As a result there is no sales tax liability towards SRB. NHIC challenged the SCN in the SHC. During the year, SHC dismissed the case on the account of maintainability. Since then SRB has not persued further proceedings against the SCN. The management, based on its assessment, and opinion of its legal advisor expects favourable outcome of the matter and therefore no provision for any liability that may result has been made in the financial statements.

22.1.1.4 CP 2086/2021 (New Hampshire Insurance Company Versus Province of Sindh and others) before the High Court of Sindh at Karachi.

On January 30, 2020, NHIC received show cause notice (SCN), from Sindh Revenue Board (SRB) alleging therein that NHIC has received consideration of Rs. 580.91 million, during the period from January 2012 to December 2013, on account of "Commission from re-insurer" and the receipts of commission from re-insurer are subject to Sindh Sales Tax (SST). It, further, has been alleged that NHIC has neither declared nor deposited the Sindh Sales tax (SST) amounting to Rs. 92.946 Million. The Company believes that SRB has attempted to create a tax, which does not exist under the Act. Further, the "commission from re-insurer" is not a commission in the conventional sense, rather it is a business discount/allowance on the premium payable to the reinsurer by the insurer. The company challenged the SCN in SHC. Subsequent to the year end. SHC has dismissed the case on the account of maintainability. Till the date of finalization of these financial statements there are no further proceedings in this case.

The management, based on tax advisor's views, believes that the Company has strong grounds to contest the matter and therefore no provision for any liability that may result has been made in the financial statements.

22.1.1.5 Sindh Revenue Board has withdrawn Sind Sales Tax exemption on corporate health business with effect from July 01, 2023. The Company, along-with other industry player, has challenged the imposition of Sales Tax on corporate health business. The matter is pending adjudication with High Court of Sindh. Contingent liability exposure on this matter as at December 31, 2024 amounts to Rs. 37.3 million (2023: Rs. 28.3 million).

22.1.2 Contingencies related to Income Tax

The returns of income tax have been filed up to and including tax year 2024. Except for the tax years mentioned below, all other assessment years are deemed to be assessed under section 120 of the Income Tax Ordinance,2001 (ITO).

NHIC (now stand amalgamated into TPLI) is contesting various cases related to income tax for several tax years. The main matters are the disallowance of commission paid to reinsurer on account of non deduction of withholding tax, incurred but not received (IBNR) provision and other matters. The details of the cases are as follows:

Tax Year	Details	Contingency as at December 31, 2024 Rs. in '000'
2012	The Additional Commissioner Inland Revenue (ACIR) passed an Order and creating tax demand of Rs. 42.697 million on account of certain additions / disallowances. The NHIC under protest has paid Rs. 30 million and filed an appeal before the Commissioner Inland Revenue-Appeals (CIR- A) which has been decided in favour of NHIC except for disposal of fixed assets and exchange loss against which an appeal has been filed before ATIR which is pending for hearing. The management, based on its assessment, expects favourable outcome of the case.	12,697
2013	On January 22, 2018, the Additional Commissioner Inland Revenue (ACIR) passed an amended Order and raised a demand of Rs. 11.067 million on account of certain additions / disallowances which include disallowance of commission paid to reinsurer on account of non deduction of withholding tax.	8,432

Tax Year	Details	Contingency as at December 31, 2024 Rs. in '000'
	The NHIC under protest paid Rs. 3 million and filed an appeal before the CIR-A which has been decided in favour of the NHIC except for gain on disposal of fixed assets against which management has filed an appeal before the ATIR. The management, based on their assessment, expects favourable outcome of this case.	
2014	On March 18, 2019, the Additional Commissioner Inland (ACIR) passed an amended Order and created an additional tax demand of Rs. 45.231 million on account of certain additions / disallowances against which 10% of demand has been paid by the NHIC. The NHIC has filed appeal before the ATIR against the order of the CIR(A), which is pending adjudication. The management, on the basis of tax advisor views, expects that based on the issues involved and judgements of the higher courts/appellate fora, the NHIC has reasonable chance of a favourable outcome in appeal.	40,708
2015	On April 28, 2018, the Additional Commissioner Inland Revenue (ACIR) passed an amended Order and created an additional tax demand of Rs. 55.930 million on account of certain additions / disallowances. NHIC under protest has paid Rs. 30 million out of the total tax demand. Against the amended assessment Order, the NHIC also filed an appeal before the Commissioner Inland Revenue - Appeals (CIR-A). Pursuant to the appeal, the CIR-A has passed an appellate order whereby issues relating to taxability of dividend income at corporate tax rate, commission expense, provision for IBNR, gain on sale of non-trading assets, interest free loans and provision for defined benefit plan has been decided in favour of the NHIC whereas the matter in respect of advertisement and sales promotion expenses has been remanded back. The NHIC as well as the tax department has filed further appeals before the Appellate Tribunal Inland Revenue (ATIR) against the order of the CIR(A), which are pending adjudication. The management on the basis of tax advisor views, expects that based on the issues involved and judgements of the higher courts/appellate fora, NHIC has reasonable chance of a favourable outcome in appeal.	25,930
2017	On March 15, 2019, the Additional Commissioner Inland Revenue (ACIR) passed an amended Order and created an additional tax demand of Rs. 56.671 million on account of certain additions / disallowances against which] 10% amount was paid by the NHIC. Against the above order, the company filed an appeal before the CIR(A) and also obtained stay against the tax demand. Pursuant to the appeal, the CIR(A) has passed an appellate order whereby issue relating to commission expense has been remanded back whereas the issue of disposal of assets at less than FMV has been decided against the company. The company has filed further appeal before the ATIR against the order of the CIR(A), which is pending adjudication. The management on the basis of tax advisor views, expects that based on the issues involved and judgements of the higher courts/appellate fora, NHIC has reasonable chance of a favourable outcome in appeal.	51,004
2018	The Additional Commissioner Inland Revenue (ACIR) passed an order under section 122(5A) of the Ordinance, whereby an aggregate demand of Rs.10,660,260 was created. Against the above order, the company filed an appeal before the CIR(A) and also obtained stay against the tax demand. Pursuant to the appeal, the CIR(A) has passed an appellate order whereby issue relating to commission expense has been deleted whereas the issue of bad debts written off has been decided against	10,660

Tax Year	Details	Contingency as at December 31, 2024 Rs. in '000'
	the company. The company has filed further appeal before the ATIR against the order of the CIR(A), which is pending adjudication. The Management on the basis of tax advisor views, expects that based on the issues involved and judgements of the higher courts/appellate fora, the NHIC has reasonable chance of a favourable outcome in appeal.	
2019	The Deputy Commissioner Inland Revenue (DCIR) has passed an order under section 161/205 of the Income Tax Ordinance, 2001 wherein tax amounting to Rs.32,602,791 has been levied on certain expenses. Further, penalty and default surcharge of Rs. 3,260,279 and Rs. 7,824,670 under sections 182 and 205 of the Ordinance, respectively have also been levied. The company has challenged the levy of tax on certain expenses before the Commissioner Inland Revenue Appeals, which has been annulled by the Commissioner (Appeals) with directions to re-examine the same which is pending. The Company has not contested certain issues and tax demand arising on such issues aggregating to Rs. 4,60 I ,809 has been paid by the company which has been charged to expense. The management, based on its assessment, expects favourable outcome.	39,086

In light of above cases Company has made a total provision of Rs. 180 million for any liability that may result.

23 NET INSURANCE PREMIUM

		2024	2023
		--------- (Rupees)	---------
	Written net premium	5,020,444,372	4,084,589,781
Add:	Unearned premium reserve opening	2,023,776,567	1,888,870,811
Less:	Unearned premium reserve closing	(2,442,784,326)	(2,023,776,567)
	Premium earned	4,601,436,613	3,949,684,025
Less:	Reinsurance premium ceded	1,229,767,979	931,083,812
Add:	Prepaid reinsurance premium opening	438,169,028	372,099,991
Less:	Prepaid reinsurance premium closing	(490,644,759)	(438,169,028)
	Reinsurance expense	1,177,292,248	865,014,775
	Net insurance premium	3,424,144,365	3,084,669,250

24 NET INSURANCE CLAIMS EXPENSE

		2024	2023
Claims paid / payable		2,361,991,149	2,185,663,601
Add:	Outstanding claims including IBNR closing	1,051,838,081	952,473,567
Less:	Outstanding claims including IBNR opening	(952,473,567)	(827,148,524)
	Claims expense	2,461,355,663	2,310,988,644
Less:	Reinsurance and other recoveries received	779,170,747	657,055,603
Add:	Reinsurance and other recoveries in respect of outstanding claims net of impairment - closing	770,205,473	744,333,540
Less:	Reinsurance and other recoveries in respect of outstanding claims net of impairment - opening	(744,333,540)	(596,838,918)
	Reinsurance and other recoveries revenue	805,042,680	804,550,225
	Net insurance claims expense	1,656,312,983	1,506,438,419

25 CLAIM DEVELOPMENT

Claim development table is included in note 39.1.8 to the financial statements.

26 NET COMMISSION EXPENSE AND OTHER ACQUISITION COST

		2024	2023
		--------- (Rupees) ---------	
	Commissions paid or payable	626,910,275	499,862,486
Add:	Deferred commission - opening	260,639,187	238,890,919
Less:	Deferred commission -	(298,538,985)	(260,639,187)
	Commission expense	589,010,477	478,114,218
Less:	Commission from reinsurers		
	Commission received or receivable	278,649,976	187,733,339
Add:	Unearned commission - opening	90,601,307	79,618,696
Less:	Unearned commission - closing	(130,928,529)	(90,601,307)
	Commission from reinsurance	238,322,754	176,750,728
	Net commission expense and other acquisition cost	350,687,723	301,363,490

27 MANAGEMENT EXPENSES

	Note	2024	2023
		--------- (Rupees) ---------	
Employee benefit costs	27.1	688,825,150	603,988,063
Annual monitoring fee	27.2	44,159,782	46,746,496
Travelling expenses		17,337,137	12,866,583
Business partner engagement expenses		114,098,594	134,448,131
Advertisement and marketing		98,202,485	216,015,584
Printing and stationary		6,489,587	7,882,050
Rent, rates and taxes		12,707,956	15,302,448
Outsourcing expenses		86,488,419	58,284,371
Communication		12,752,665	11,090,657
Utilities		15,233,618	17,082,992
Vehicle running expenses		34,762,701	27,978,569
Repair and maintenance		26,468,045	36,890,491
Depreciation - Operating assets	6.1	50,618,029	49,792,827
Depreciation - Right of use assets	6.2	103,535,729	126,269,279
Amortization expense	7	4,191,221	4,312,560
Annual supervision fee SECP		6,095,492	5,283,145
Bad and doubtful debts		17,000,000	22,000,000
Insurance		23,336,031	17,944,993
Preinspection charges		15,587,605	8,387,261
Others		301,229	190,624
		1,378,191,475	1,422,757,124

27.1 This includes Rs. 756.334 million being salaries and wages (2023: Rs. 583.481 million) and Rs. 32.117 million (2023: Rs. 20.506 million) being contribution to employees' provident fund.

27.2 This includes annual monitoring fee amounting to Rs. 32.618 million (2023: Rs. 41.380 million) charged by TPL Trakker Limited (Associated company) against the tracking services provided to the insurance policy holders of the Company.

	Note	2024	2023
28 INVESTMENT INCOME		--------- (Rupees) ---------	
Dividend and markup income			
Dividend income		6,210,640	32,864,832
Return on debt securities		40,720,565	84,843,553
Return on term deposits and savings account		147,028,300	170,158,750
Return on PLS bank balances		128,955,281	113,441,571
		322,914,786	401,308,706
Net realized gains on investments			
- At fair value through profit and loss			
Realized gain on disposal / redemption of mutual funds and equity securities		-	16,196,426
Net unrealized gains on investments			
- At fair value through profit and loss			
Unrealized gain on valuation of mutual funds		65,912,772	27,950,073
Total investment income		388,827,558	445,455,205
Less: Investment related expenses		-	-
		388,827,558	445,455,205

29 OTHER INCOME

	Note	2024	2023
Interest on advance to a related party	12.1	73,773,470	62,282,872
Others		5,170,327	23,877,702
		78,943,797	86,160,574

30 OTHER EXPENSES

	Note	2024	2023
Employee benefit costs		153,695,354	84,135,411
Legal and professional charges		55,356,405	39,992,406
Auditors' remuneration	30.1	3,839,657	3,609,501
Registration, subscription and association		14,234,093	16,908,649
Donations	30.2	20,234,854	33,772,912
Communication		4,712,400	6,530,177
IT related cost		45,274,734	46,429,165
Utilities		3,943,988	2,658,598
Depreciation - Right of use assets	6.2	14,497,397	7,983,958
Ijarah lease rentals		3,787,104	5,565,797
Others		11,423,076	10,801,981
		330,999,062	258,388,555

30.1 Auditor's Remuneration

	2024	2023
Fee for audit of financial statements	1,250,000	856,680
Fee for review of financial statements	617,826	537,240
Fee for audit of financials for group reporting purpose	646,140	538,450
Special certifications	573,325	523,325
Out-of-pocket expenses	752,366	1,153,806
	3,839,657	3,609,501

30.2 Donations

These include donations made by the Company to the Patient Aid Foundation, SIUT and Zafar and Atia Foundation amounting to Rs. 10 million, Rs. 2.5 million and 1.5 million respectively. None of the directors, sponsor shareholders, key management personnel and their spouses had any interest in the donee, except for Mr. Ali Jameel who is on the Board of Governors of Patient Aid Foundation.

31 FINANCE COSTS

	2024	2023
	--------- (Rupees) ---------	
Bank charges	5,033,308	5,019,730
Mark up expense on lease obligation related to right-of-use assets	23,951,538	19,693,696
	28,984,846	24,713,426

32 MINIMUM TAX DIFFERENTIAL

	2024	2023
Minimum tax differential	29,097,289	27,322,416

This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

33 TAXATION

	Note	2024	Restated 2023
		--------- (Rupees) ---------	
For the year			
Current	33.3	18,626,101	17,749,575
Deferred		25,348,080	398,443
		43,974,181	18,148,018

33.1 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit or loss account, is as follows:

	Note	2024	Restated 2023
		--------- (Rupees) ---------	
Income tax under IAS 12		18,626,101	17,749,575
Income tax levy under IFRIC 21/IAS 37		29,097,289	27,322,416
Current tax liability as per Income Tax Ordinance		47,723,390	45,071,992

33.2 Numerical reconciliation between the applicable tax rate and average effective tax rate is as follows:

	2024	Restated 2023
	--------- (Rupees) ---------	
Applicable tax rate	29%	29%
Others	24%	2%
Average effective tax rate	53%	31%

33.3 The tax rate applicable on the Company for Tax Year 2024 is 29% (2023: 29%) subject to minimum tax @ 1.25% of turnover.

33.4 Relationship between tax expense and accounting profit is not produced for the year as the tax charged was based on minimum tax on turnover in that year.

		2024	2023
34	**EARNINGS PER SHARE – BASIC AND DILUTED**	--------- (Rupees) ---------	
	Profit after tax for the year attributable to shareholders	21,309,556	1,114,935,288
		----(Number of Shares)----	
	Weighted average number of ordinary shares of Rs.10 each	198,394,462	198,394,462
		--------- (Rupees) ---------	
	Earnings per share - basic	0.11	5.62

35 COMPENSATION OF DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements, including all benefits, to the Chief Executive, Directors and Executives / Key Management Personnel of the Company are as follows:

	Chief Executive Officer		Directors		Executives		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	(Rupees)							
Managerial remuneration	45,000,000	34,063,680	-	-	339,428,592	259,159,332	384,428,592	293,223,012
House rent allowance	15,000,000	13,936,320	-	-	113,142,864	85,310,892	128,142,864	99,247,212
Retirement benefits	3,224,712	2,579,784	-	-	18,417,648	13,800,696	21,642,360	16,380,480
Others	-	-	-	-	-	-	-	-
Director fee	-	-	5,700,000	7,200,000	-	-	5,700,000	7,200,000
	63,224,712	50,579,784	5,700,000	7,200,000	470,989,104	358,270,920	539,913,816	416,050,704
Number of persons	1	1	4	4	84	70	89	75

35.1 In addition, the Chief Executive Officer, Directors and Executives are provided with free use of Company maintained cars and share option plan in accordance with their entitlement.

36 TRANSACTIONS WITH RELATED PARTIES

36.1 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:

		2024	2023
36.2	**Balances and transactions with related parties**	--------- (Rupees) ---------	
	TPL Trakker Limited - (associated company)		
	Opening balance - receivable	-	-
	Interest charged during the year	73,773,470	62,282,872
	Net expenses charged - group shared costs	(7,929,931)	(57,152,445)
	Rent and other services on tracking units	(95,934,896)	(138,840,467)
	Adjustment against advance	-	3,395,209
	Insurance services rendered	3,575,244	3,979,863
	Net payments made by the Company	31,943,652	126,334,968
	Closing balance - receivable	5,427,539	-
	Advance to TPL Trakker Limited - (associated company)		
	Opening balance - receivable	292,746,351	296,141,560
	Adjustment against receivable	-	(3,395,209)
	Closing balance - receivable	292,746,351	292,746,351

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 25 April, 2024. The balance carries interest at the rate of 1 year KIBOR + 3.5% with a floor of 10% per annum.

	2024	2023
36.2 Balances and transactions with related parties (continued)	--------- (Rupees)	---------
TPL Properties Limited - common directorship		
Opening balance - receivable / (payable)	131,570	(2,422,484)
Insurance services rendered	308,016	1,489,811
Expenses incurred by the Company	2,712,251	1,064,243
Closing balance - receivable	3,151,837	131,570
TPL Properties Management (Private) Limited - common directorship		
Opening balance - payable	(1,472,823)	(5,472,823)
Payments made by the company	-	4,000,000
Closing balance - payable	(1,472,823)	(1,472,823)
TPL Security Services (Private) Limited - common directorship		
Opening balance - receivable / (payable)	528,647	(279,338)
Expenses incurred by the Company	603,565	(1,324,515)
Services received during the year	(6,030,648)	(3,739,800)
Payments made during the year	6,030,648	5,792,300
Insurance services rendered	72,500	80,000
Closing balance - receivable	1,204,712	528,647
TPL Direct Insurance Limited Employees Provident Fund		
Opening balance - payable	(4,300,968)	(3,121,314)
Charge for the year	(64,010,588)	(47,281,978)
Contribution made during the year	62,738,144	46,102,324
Closing balance - payable	(5,573,412)	(4,300,968)
TPL Life Insurance Limited - common directorship		
Opening balance - receivable	2,783,751	3,802,474
Expenses incurred by the Company	37,260,165	21,781,540
Services received from the Company	(4,996,207)	(300,706)
Insurance services rendered	4,278,149	224,647
Reinsurance services received during the year	-	(7,724,204)
Net payments received during the year	(33,501,766)	(15,000,000)
Closing balance - receivable	5,824,092	2,783,751
TPL Corp Limited - parent company		
Opening balance - payable	(388,547)	(5,735,271)
Expenses incurred on behalf of the company	(46,062,094)	(64,821,331)
Net payments made during the year	52,441,233	70,168,055
Insurance services rendered	131,249	-
Closing balance - receivable / (payable)	6,121,841	(388,547)
Astra Location Services (Private) Limited		
Opening balance - receivable	1,435,671	-
Expenses incurred	3,956,815	1,435,671
Insurance services rendered	19,146	-
Closing balance - receivable	5,411,632	1,435,671

		2024	2023
36.2	**Balances and transactions with related parties (continued)**	--------- (Rupees)	---------
	TPL REIT Management Company Limited - common directorship		
	Opening balance - receivable	1,955,517	698,888
	Expenses incurred by the company	1,050,482	1,256,629
	Payments received during the year	(1,800,000)	-
	Closing balance - receivable	1,205,999	1,955,517
	TPL Development		
	Opening balance - receivable	-	-
	Expenses incurred by the company / (on behalf of the company)	12,501	-
	Insurance services rendered	256,470	-
	Closing balance - receivable	268,971	-

36.3 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.

37 SEGMENT REPORTING

	For the year ended December 31, 2024					
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
	-------------------	-------------------	------------------- (Rupees)	-------------------	-------------------	-------------------
Gross Written Premium (inclusive of administrative surcharge)	848,582,208	168,096,999	3,217,027,354	523,768,264	262,969,548	5,020,444,372
Gross direct premium	733,576,148	162,600,041	3,128,748,299	523,107,109	259,432,530	4,807,464,126
Facultative inward premium	112,454,852	1,893,873	4,036,608	-	-	118,385,333
Administrative surcharge	2,551,208	3,603,085	84,242,447	661,155	3,537,017	94,594,913
Insurance premium earned	774,013,646	162,337,390	2,992,160,567	483,127,410	189,797,600	4,601,436,613
Insurance premium ceded to reinsurers	(678,001,172)	(110,563,176)	(262,405,866)	-	(126,322,035)	(1,177,292,248)
Net insurance premium	96,012,474	51,774,214	2,729,754,701	483,127,410	63,475,565	3,424,144,365
Commission income	128,107,479	27,115,764	64,734,572	-	18,364,939	238,322,754
Net underwriting income	224,119,953	78,889,978	2,794,489,273	483,127,410	81,840,504	3,662,467,119
Insurance claims	(223,533,735)	(98,381,039)	(1,682,831,149)	(412,646,271)	(43,963,469)	(2,461,355,663)
Insurance claims recovered from reinsurers / salvage	203,479,423	75,185,307	505,953,546	2,223,625	18,200,779	805,042,680
Net Claims	(20,054,312)	(23,195,732)	(1,176,877,603)	(410,422,646)	(25,762,689)	(1,656,312,983)
Charge of premium deficiency reserve	-	-	-	(2,040,379)	-	(2,040,379)
Commission expense	(109,914,539)	(25,487,332)	(398,449,891)	(37,778,413)	(17,380,303)	(589,010,477)
Management expenses	(40,348,333)	(21,232,516)	(1,175,839,210)	(113,795,836)	(26,975,581)	(1,378,191,475)
Net insurance claims and expenses	(170,317,184)	(69,915,580)	(2,751,166,703)	(564,037,273)	(70,118,573)	(3,625,555,314)
Underwriting result	53,802,769	8,974,398	43,322,570	(80,909,863)	11,721,931	36,911,805
Investment income						388,827,558
Other income						78,943,797
Other expenses						(330,999,062)
Results of operating activities						173,684,098
Financial charges						(28,984,846)
						144,699,252
Corporate segment assets	923,230,477	156,663,392	1,164,521,543	202,697,296	156,474,873	2,603,587,581
Corporate unallocated assets						5,335,413,447
Total assets						7,939,001,028
Corporate segment liabilities	784,830,147	113,627,892	2,327,522,855	352,367,995	198,246,034	3,776,594,923
Corporate unallocated liabilities						1,411,842,968
Total liabilities						5,188,437,891

	For the year ended December 31, 2023					
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Aggregate
	---------- (Rupees) ----------					
Gross Written Premium						
(inclusive of Administrative Surcharge)	657,837,900	80,726,931	2,737,713,932	475,371,233	132,939,785	4,084,589,781
Gross Direct Premium	645,733,384	75,410,312	2,654,577,369	475,052,786	127,603,254	3,978,377,105
Facultative Inward Premium	9,515,522	3,392,572	6,069,601	-	3,527,173	22,504,868
Administrative Surcharge	2,588,995	1,924,047	77,066,961	318,447	1,809,357	83,707,807
Insurance premium earned	584,203,035	77,391,190	2,758,471,774	395,381,898	134,236,128	3,949,684,025
Insurance premium ceded to reinsurers	(507,816,497)	(49,290,434)	(233,273,751)	-	(74,634,092)	(865,014,774)
Net insurance premium	76,386,538	28,100,756	2,525,198,023	395,381,898	59,602,036	3,084,669,251
Commission income	85,145,739	13,016,487	62,103,157	-	16,485,346	176,750,729
Net underwriting income	161,532,277	41,117,243	2,587,301,180	395,381,898	76,087,382	3,261,419,980
Insurance claims	(276,173,063)	(22,967,967)	(1,610,619,522)	(352,760,871)	(48,467,220)	(2,310,988,643)
Insurance claims recovered from reinsurers / salvage	269,661,210	16,098,215	477,042,544	10,080,138	31,668,118	804,550,225
Net Claims	(6,511,853)	(6,869,752)	(1,133,576,978)	(342,680,733)	(16,799,102)	(1,506,438,418)
Reversal of premium deficiency reserve	-	-	-	(8,995,206)	-	(8,995,206)
Commission expense	(72,861,287)	(13,546,680)	(352,438,686)	(24,698,081)	(14,569,483)	(478,114,217)
Management expenses	(35,438,049)	(13,106,607)	(1,176,294,729)	(169,598,340)	(28,319,307)	(1,422,757,032)
Net insurance claims and expenses	(114,811,189)	(33,523,039)	(2,662,310,393)	(545,972,360)	(59,687,892)	(3,416,304,873)
Underwriting result	46,721,088	7,594,204	(75,009,213)	(150,590,462)	16,399,490	(154,884,892)
Net Investment income						439,908,998
Other income						86,160,574
Other expenses						(258,388,555)
Results of operating activities						112,796,125
Financial charges						(24,713,426)
Surplus on merger						1,078,861,009
Profit before tax for the period						1,166,943,708
Corporate segment assets	868,945,372	62,354,370	966,446,879	186,727,211	161,259,529	2,245,733,361
Corporate unallocated assets						5,061,140,975
Total assets						7,306,874,336
Corporate segment liabilities	711,172,319	47,687,080	2,017,816,954	298,918,787	130,470,273	3,206,065,413
Corporate unallocated liabilities						1,459,416,282
Total liabilities						4,665,481,695

38 MOVEMENT IN INVESTMENTS	At Amortized cost	At Fair value through other comprehensive income	At Fair value through profit and loss	Total
As at January 01, 2023	1,001,950,127	576,723,587	161,361,787	1,740,035,501
Additions	517,108,470	9,409,024	-	526,497,494
Disposals (sale and redemption)	-	-	(52,581,570)	(52,581,570)
Fair value net gains (excluding net realized gains)	63,948,157	(53,409,157)	27,950,073	42,504,788
As at December 31, 2023	1,583,006,754	532,723,454	136,730,290	2,252,460,498
Additions	442,781,182	-	-	442,781,182
Disposals (sale and redemption)	(500,000,000)	(250,000,000)	-	(750,000,000)
Fair value net gains (excluding net realized gains)	-	57,288,501	72,003,720	129,292,221
Amortisation of premium / discount	7,215,804	-	-	7,215,804
As at December 31, 2024	1,533,003,740	340,011,955	208,734,010	2,081,749,705

39 MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK

The Company issue contracts that transfer insurance risk or financial risk or both. This section summarises the insurance risks and the way the Company manages them.

39.1 Insurance risk management

39.1.1 Insurance risk

The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of compensation to the insured. Generally most insurance contracts carry the insurance risk for a period of one year.

The Company's major insurance contracts are in respect of motor vehicles through issuance of general insurance contracts relating to motor insurance. For these contracts the most significant risks arise from theft, accidents and terrorist activities.

The Company's risk exposure is mitigated by employing a comprehensive framework to identify, assess, manage and monitor risk. This framework includes implementation of underwriting strategies which aim to ensure that the underwritten risks are well diversified in terms of type and amount of the risk. Adequate reinsurance is arranged to mitigate the effect of the potential loss to the Company from individual to large or catastrophic insured events. Further, the Company adopts strict claim review policies including active management and prompt pursuing of the claims and regular detailed review of claim handling procedures and frequent investigation of possible false claims to reduce the insurance risk.

39.1.2 Frequency and severity of claims

Risk associated with general insurance contracts includes the reasonable possibility of significant loss as well as the frequent occurrence of the insured events. This has been managed by having in place underwriting strategy, reinsurance arrangements and proactive claim handling procedures.

The reinsurance arrangements against major risk exposure include excess of loss, quota share, surplus arrangements and catastrophic coverage. The objective of having such arrangements is to mitigate adverse impacts of severe losses on Company's net retentions.

39.1.3 Uncertainty in the estimation of future claim payments

Claims on motor insurance contracts are payable on a claim occurrence basis. The Company is liable for all insured events that occur during the term of the insurance contracts respectively, including the event reported after the expiry of the insurance contract term.

An estimated amount of the claim is recorded immediately on the intimation to the Company. The estimation of the amount is based on management judgment or preliminary assessment by the independence surveyor appointed for the purpose. The initial estimates include expected settlement cost of the claims. Provision for IBNR is based on the management's best estimate which takes into account expected future patterns of reporting of claims and the claim actually reported subsequent to the balance sheet date. There are several variable factors which affect the amount and timing of recognized claim liabilities. The Company takes all reasonable measures to mitigate the factors affecting the amount and timing of claim settlements. However, uncertainty prevails with estimated claim liabilities and it is likely that final settlement of these liabilities may be different from initial recognized amount. Outstanding claims are reviewed on a periodic basis.

39.1.4 Key assumptions

The process used to determine the assumptions for calculating the outstanding claim reserve is intended to result in neutral estimates of the most likely or expected income. The nature of the business makes it very difficult to predict with certainty the likely outcome of any particular claim and the ultimate cost of notified claims. Each notified claim is assessed on a separate case to case basis with due regard to the claim circumstances, information available from surveyors and historical evidence of the size of similar claims. Core estimates are reviewed regularly and are updated as and when new information is available.

The principal assumption underlying the liability estimation of IBNR and Premium Deficiency Reserves is that the Company's future claim development will follow similar historical pattern for occurrence and reporting. The management uses qualitative judgment to assess the extent to which past occurrence and reporting pattern will not apply in future. The judgment includes external factors e.g. treatment of one-off occurrence claims, changes in market factors, economic conditions, etc. During the year, the Company has not changed its assumptions for the insurance contracts.

39.1.5 Sensitivity analysis

The risks associated with the insurance contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Company makes various assumptions and techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The Company considers that the liability for claims recognized in the balance sheet is adequate. However, actual experience may differ from the expected outcome.

The claim liabilities are sensitive to the incidence of insured events and severity / size of claims. As the Company enters into short term insurance contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below, showing the impact on profit before tax net of reinsurance. The impact of 10 % increase / decrease in incidence of insured events on profit before tax and shareholder's equity is as follows:

	Underwriting results / profit		Shareholder's equity	
	2024	2023	2024	2023
Average claim cost	---------- (Rupees) ----------		---------- (Rupees) ----------	
Fire and property damage	2,005,431	651,185	1,423,856	462,341
Marine, aviation and transport	2,319,573	686,975	1,646,897	487,752
Motor business	117,687,760	113,357,698	83,558,310	80,483,966
Health	41,042,265	34,268,073	29,140,008	24,330,332
Miscellaneous	2,576,269	1,679,910	1,829,151	1,192,736
	165,631,298	150,643,841	117,598,222	106,957,127

39.1.6 Concentration of risk

To optimise benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risk with reference to the geographical location, the most important of which is risk survey.

Risk surveys are carried out on a regular basis for the evaluation of physical hazards associated with the insured property.

The adequate event limit is a multiple of the treaty capacity or the primary recovery from excess of loss treaty, which is very much in line with the risk management philosophy of the Company.

Reinsurance ceded does not relieve the Company from its obligation towards policy holders and, as a result the Company remains liable for the portion of outstanding claims reinsured to the extent that reinsurer fails to meet the obligation under the reinsurance agreements.

The Company minimises its exposure to significant losses by obtaining reinsurance from a number of reinsurers, who are dispersed over several geographical regions.

39.1.7 The concentration of risk by type of contracts based on single risk with maximum exposure is summarised below:

	Gross sum insured		Reinsurance		Net	
	2024	2023	2024	2023	2024	2023
	(Rupees)					
Fire & property damage	11,398,500,000	32,898,821,480	11,387,250,000	32,737,622,986	11,250,000	161,198,494
Marine, aviation & transport	1,026,124,810	544,715,485	1,020,994,186	524,715,485	5,130,624	20,000,000
Motor business	97,456,616	75,000,000	37,456,616	58,004,250	60,000,000	16,995,750
Health	3,743,000,000	1,800,000	-	-	3,743,000,000	1,800,000
Miscellaneous	1,829,000,000	1,829,000,000	1,792,420,000	1,792,420,000	36,580,000	36,580,000

39.1.8 Claims development table

The following table shows the development of claims over a period of time on gross basis. For each class of business the uncertainty about the amount and timings of claims payment is usually resolved within a year.

Analysis on gross basis

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
	(Rupees)										
Estimate of ultimate claims cost:											
At end of accident year	872,154,380	1,119,834,954	1,189,630,891	1,341,453,975	1,210,488,108	1,634,557,771	1,938,583,064	2,254,927,227	2,455,735,015	2,933,002,667	-
One year later	897,562,104	1,149,396,121	1,230,902,945	1,357,839,571	1,287,541,912	1,484,700,070	1,869,147,970	2,038,126,726	2,589,860,440	-	-
Two years later	899,731,568	1,144,863,477	1,237,132,102	1,363,015,496	1,290,367,150	1,478,534,960	1,463,852,253	2,070,396,038	-	-	-
Three years later	899,980,112	1,145,603,367	1,236,822,201	1,357,214,722	1,298,896,551	1,460,758,770	1,483,934,832	-	-	-	-
Four years later	900,959,825	1,143,148,973	1,236,670,364	1,359,727,997	1,296,529,340	1,466,465,409	-	-	-	-	-
Five years later	901,085,560	1,143,506,520	1,242,789,941	1,363,069,902	1,304,412,625	-	-	-	-	-	-
Six years later	901,094,060	1,148,083,959	1,248,300,421	1,363,098,518	-	-	-	-	-	-	-
Seven years later	901,291,405	1,149,793,751	1,248,307,421	-	-	-	-	-	-	-	-
Eight years later	901,304,401	1,149,845,466	-	-	-	-	-	-	-	-	-
Nine years later	901,311,901	-	-	-	-	-	-	-	-	-	-
Estimate of cumulative claims	901,311,901	1,149,845,466	1,248,307,421	1,363,098,518	1,304,412,625	1,466,465,409	1,483,934,832	2,070,396,038	2,589,860,440	2,933,002,667	16,510,635,316
Cumulative payments to date	(901,311,901)	(1,149,845,466)	(1,248,307,421)	(1,363,088,518)	(1,300,409,825)	(1,460,866,840)	(1,464,942,573)	(2,046,362,499)	(2,497,620,542)	(2,026,041,655)	(15,458,797,239)
Liability for outstanding claims	-	-	-	10,000	4,002,800	5,598,569	18,992,259	24,033,539	92,239,898	906,961,012	1,051,838,077

40 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

40.1 Credit risk

Credit risk is the risk that arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counterparties in various industries and by continually assessing the credit worthiness of counterparties.

40.1.1 Management of credit risk

The Company's policy is to enter into financial contracts in accordance with the guidelines set by the Board of Directors. Credit risk is managed and controlled by the management of the Company in the following manner:

- Credit rating and / or credit worthiness of the counter party is taken into account along with the financial background so as to minimize the risk of default. Collaterals are obtained wherever appropriate / relevant.
- The risk of counterparty exposure due to failed agreements causing a loss to the Company is mitigated by a periodic review of the credit ratings, financial statements, credit worthiness, etc. on a regular basis and makes provision against those balances considered doubtful of recovery.
- Loans given to employees are deductible from the salary of the employees.
- Cash is held with reputable banks only.

To reduce the credit risk the management continuously reviews and monitors the credit exposure towards the policyholders and other insurers/reinsurers and makes provision against those balances considered doubtful of recovery.

40.1.2 Exposure to credit risk

In summary, compared to the amount included in statement of assets and liabilities, the maximum exposure to credit risk as at reporting date is as follows:

	2024		2023	
	Balance as per the financial statements	Maximum exposure	Balance as per the financial statements	Maximum exposure
	--------- (Rupees) ---------		--------- (Rupees) ---------	
Investment in government securities	248,329,807	248,329,807	241,114,000	241,114,000
Investment in debt securities	-	-	250,000,000	250,000,000
Term deposits	1,284,673,933	1,284,673,933	1,345,908,470	1,345,908,470
Loans and other receivables	543,801,232	543,801,232	537,600,391	537,600,391
Insurance / reinsurance receivables	904,024,076	904,024,076	733,493,220	733,493,220
Reinsurance recoveries against outstanding claims	486,894,604	486,894,604	493,073,733	493,073,733
Salvage recoveries accrued	283,310,869	283,310,869	251,259,808	251,259,808
Bank balances	2,472,114,002	2,472,114,002	1,995,490,144	1,995,490,144
	6,223,148,523	6,223,148,523	5,847,939,766	5,847,939,766

40.1.3 Past due / impaired assets

Age analysis of premium due but unpaid at the reporting date was:

	2024		2023	
	Gross	Impairment	Gross	Impairment
	--------- (Rupees) ---------		--------- (Rupees) ---------	
0-90 days	597,960,133	-	551,759,287	-
Over 90 days	404,565,533	(88,747,197)	270,860,571	(79,372,245)
Total	1,002,525,666	(88,747,197)	822,619,858	(79,372,245)

Age analysis of amount due from other insurers / reinsurers at the reporting date was:

	2024		2023	
	Gross	Impairment	Gross	Impairment
	--------- (Rupees) ---------		--------- (Rupees) ---------	
Upto 1 year	-	-	-	-
1-2 years	-	-	-	-
Over 2 years	9,754,393	(9,754,393)	9,754,393	(9,754,393)
Total	9,754,393	(9,754,393)	9,754,393	(9,754,393)

Age analysis of reinsurance recoveries against outstanding claims at the reporting date was:

	2024		2023	
	Gross	Impairment	Gross	Impairment
	--------- (Rupees) ---------		--------- (Rupees) ---------	
Upto 1 year	374,689,313	-	369,146,330	-
1-2 years	65,031,335	-	55,517,684	-
Over 2 years	47,173,957	-	68,409,719	-
Total	486,894,604	-	493,073,733	-

In respect of the aforementioned insurance and reinsurance assets, the Company takes into account its past history / track record of recoveries and financial position of the counterparties while creating provision for impairment. Further, reinsurance recoveries are made when corresponding liabilities are settled.

40.1.4 Credit Rating and Collateral

The credit quality of Company's bank balances can be assessed with reference to external credit rating as follows:

Long term Rating	Rating Agency	Amount (in Rupees) 2024	2023
AAA, AA, A+ & A-	JCR-VIS	98,841,758	481,419,347
AAA, AA+, AA, AA-, A+, A	PACRA	3,079,733,963	2,530,180,340
BBB-	JCR-VIS	577,242,412	579,798,928
		3,755,818,133	3,591,398,615

The Company enters into re-insurance / co-insurance arrangements with re-insurers / other insurers having sound credit ratings accorded by reputed credit rating agencies. The Company is required to comply with the requirements of circular no. 32 / 2009 dated October 27, 2009 issued by SECP which requires an insurance company to place at least 80% of their outward treaty cessions with reinsurers rated 'A' or above by Standard and Poors with the balance being placed with entities rated at least 'BBB' by reputable ratings agency. An analysis of all reinsurance assets relating to outward treaty cessions recognised by the rating of the entity from which it is due is as follows:

	Reinsurance recoveries against outstanding claims	Prepaid reinsurance premium ceded	2024	2023
	----------------------- (Rupees)		-----------------------	
A or above (including PRCL)	486,894,604	490,644,761	977,539,365	931,242,762

40.1.5 Concentration of credit risk

Concentration of credit risk arises when a number of counterparties have a similar type of business activities. As a result, any change in economic, political or other conditions would effect their ability to meet contractual obligations in similar manner. The Company manages concentration of credit risk through diversification of activities among individuals, groups and industry segments.

	2024		2023	
	(Rupees)	%	(Rupees)	%
Individuals	130,552,115	14%	36,401,016	5%
Corporate	832,509,033	86%	706,846,597	95%
	963,061,147	100%	743,247,613	100%

40.1.6 Settlement risk

The company's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed on sale. This risk is addressed more or less in accordance with the parameters set out in the credit risk management above.

40.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or may face difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

40.2.1 Management of liquidity risk

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to fulfil its obligation; monitoring balance sheet liquidity ratios against internal and external requirements and maintaining debt financing plans.

40.2.2 Maturity analysis for financial assets and liabilities

The table below analyses the Company's financial assets and liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to maturity date and represents the undiscounted cash flows. The amounts in the table are the gross nominal undiscounted cash flows (including interest payments).

	2024		
	Carrying amount	Upto one year	More than one year
40.3 Market risk	----------------	(Rupees)	----------------
Financial assets			
Investments			
Equity securities and mutual fund units	548,745,965	548,745,965	-
Government Securities	248,329,807	-	248,329,807
Debt securities	-	-	-
Term deposits	1,284,673,933	1,284,673,933	-
Loans and other receivables	543,801,232	543,801,232	-
Cash and bank balances	2,472,114,002	2,472,114,002	-
	5,097,664,938	4,849,335,136	248,329,807
Financial liabilities			
Other creditors and accruals	716,093,455	716,093,455	-
Lease liability against right-of-use asset	140,008,405	87,492,568	52,515,837
	856,101,860	803,586,023	52,515,837

	2023		
	Carrying amount	Upto one year	More than one year
	---------------- (Rupees) ----------------		
Financial assets			
Investments			
Equity securities and mutual fund units	419,453,744	419,453,744	-
Government Securities	241,114,000	-	241,114,000
Debt securities	250,000,000	250,000,000	-
Term deposits	1,345,908,470	1,345,908,470	-
Loans and other receivables	537,600,391	537,600,391	-
Cash and bank balances	1,996,505,095	1,996,505,095	-
	4,790,581,700	4,549,467,700	241,114,000
Financial liabilities			
Other creditors and accruals	839,963,115	839,963,115	-
Lease liability against right-of-use asset	130,218,766	61,472,034	68,746,732
	970,181,881	901,435,149	68,746,732

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will effect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Company is exposed to interest rate risk, currency risk and other price risk.

40.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate exposure arises from balances held in profit and loss sharing accounts with reputable banks and government securities. The Company limits interest rate risk by monitoring changes in interest rates. Other risk management procedures are the same as those mentioned in the credit risk management.

40.3.1.1 Sensitivity analysis

At the balance sheet date the interest rate profile of the Company's interest-bearing financial instrument are as follows:

	2024	2023	2024	2023
Financial assets	Effective interest rate (in %)		-------- (Rupees) --------	
Assets subject to fixed rate				
- Government securities	7.50%-10.50%	7.50% - 10.50%	248,329,807	241,114,000
- Term deposits	4.50-13.00%	4.00% - 20.00%	1,284,673,933	1,345,908,470
- Loan to employees	0% - 5.00%	0% - 5.00%	10,202,715	8,660,465
Assets subject to variable rate				
- Debt securities		23.14% - 24.99%	-	250,000,000
- Advance to related parties	19.50-25.20%	17.36% - 20.86%	292,746,351	292,746,351
- Bank balances	9%-13.00%	11.00% - 20.00%	1,902,398,147	1,464,486,088

Fair value sensitivity analysis for fixed rate instruments.

The Company does not account for any fixed rate financial assets at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit and loss account and equity of the Company.

Cash flow sensitivity analysis for variable rate instruments.

A hypothetical change of 100 basis points in interest rates at the reporting date would have decreased / (increased) profit for the year by the amounts shown below.

It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

40.3.1.2 Exposure to interest rate risk

	2024		2023	
	Profit and loss 100 bps		Profit and loss 100 bps	
	Increase	Decrease	Increase	Decrease
	--------- (Rupees) ---------		--------- (Rupees) ---------	
Cash flow sensitivity -				
Variable rate financial assets	21,951,445	(21,951,445)	20,072,324	(20,072,324)

A summary of the Company's interest rate gap position, categorised by the earlier of contractual re-pricing or maturity date, is as follows:

40.3.2 Price risk

	2024			
	less than 1 year	1 year to 5 years	More than 5 years	Total
	---------------------- (Rupees) ----------------------			
Assets				
Investment in government securities	-	248,329,807	-	248,329,807
Investment in debt securities	-	-	-	-
Term deposits	1,284,673,933	-	-	1,284,673,933
Loans and other receivables	543,801,232	-	-	543,801,232
Bank balances	1,902,398,147	-	-	1,902,398,147
Total assets	3,730,873,311	248,329,807	-	3,979,203,118
Liabilities				
Lease liability against right-of-use asset	87,492,568	52,515,837	-	140,008,405
Total interest sensitivity gap	3,643,380,743	195,813,970	-	3,839,194,713

	2023			
	less than 1 year	1 year to 5 years	More than 5 years	Total
	(Rupees)			
Assets				
Investment in government securities	-	241,114,000	-	241,114,000
Investment in debt securities	250,000,000	-	-	250,000,000
Term deposits	1,345,908,470	-	-	1,345,908,470
Loans and other receivables	537,600,391	-	-	537,600,391
Bank balances	1,464,486,088	-	-	1,464,486,088
Total assets	3,597,994,949	241,114,000	-	3,839,108,949
Liabilities				
Lease liability against right-of-use asset	16,086,586	114,132,180	-	130,218,766
Total interest sensitivity gap	3,581,908,363	126,981,820	-	3,708,890,183

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. Company is exposed to equity price risk since it has investments in quoted equity securities at the balance sheet date.

The Company's strategy is to hold its strategic equity investments for long period of time. Thus, Company's management is not concerned with short term price fluctuations with respect to its strategic investments provided that the underlying business, economic and management characteristics of the investee remain favourable. Company strives to maintain above average levels of shareholders' capital to provide a margin of safety against short term equity price volatility. Company manages price risk by monitoring exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies.

Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold. The Company has no significant concentration of price risk.

40.3.2.1 Sensitivity analysis

The table below summarizes Company's equity price risk as of December 31, 2024 and 2023 and shows the effects of a hypothetical 10% increase / decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse in Company's equity investment portfolio because of the nature of equity markets.

	Hypothetical price change	Estimated fair value after change in prices	Increase / (decrease) in shareholders' equity	Increase (decrease) in profit before tax
	(Rupees)			
2024	10% increase	603,620,562	38,960,964	54,874,597
	10% decrease	493,871,369	(38,960,963)	(54,874,596)
2023	10% increase	461,399,118	29,781,216	41,945,374
	10% decrease	377,508,370	(29,781,216)	(41,945,374)

40.3.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Company, at present is not materially exposed to currency risk as majority of the transactions are carried out in Pak Rupees.

40.4 Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

The minimum paid up capital requirements for non-life insurer is Rs. 500 million prescribed by SECP under Insurance Rules, 2017. The company is in compliance with the prescribed minimum paid up capital requirement at the year end. In addition, the Company is also required to maintain minimum solvency in accordance with the rules and regulations set by the SECP. The Company's status of compliance with solvency requirement is disclosed in note 39 to the financial statements.

40.5 Fair value of financial assets and liabilities

IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

	2024		
	Fair value measurement using		
	Level 1	Level 2	Level 3
	--------------- (Rupees) ---------------		
At fair value through other comprehensive income	295,602,931	-	44,409,024
At fair value through profit or loss	208,734,010	-	-
At amortized cost	-	248,329,807	-
	504,336,941	248,329,807	44,409,024

	2023		
	Fair value measurement using		
	Level 1	Level 2	Level 3
	--------------- (Rupees) ---------------		
At fair value through other comprehensive income	238,314,430	250,000,000	44,409,024
At fair value through profit or loss	136,730,290	-	-
At amortized cost	-	241,114,000	-
	375,044,720	491,114,000	44,409,024

40.5.1 Transfers during the year

During the year ended December 31, 2024:

- There were no transfers between Level 1 and Level 2 fair value measurements
- There were no transfers into or out of Level 3 fair value measurements

40.5.2 Valuation techniques

Fair value of investments classified as held to maturity is assessed using level 2 inputs usually closing market price as per rates prescribed by Financial Market Association of Pakistan by using PKRV rates at reporting date per certificates multiplied by the number of certificates held.

Fair value of Investments at fair value through profit or loss is determined using level 1 inputs i.e., quoted market prices of listed securities / NAVs of open end mutual funds.

41 STATEMENT OF SOLVENCY

This statement represents the consolidated solvency position of the Company including Conventional business, Participants' Takaful Fund and Operator's Fund. The solvency position of Participants' Takaful Fund is disclosed in the separate financial statements of WTO.

	2024	2023
	--------- (Rupees)	---------
Assets		
Property and equipment	313,172,218	289,562,608
Intangible assets	8,251,406	11,268,873
Investments		
Equity securities and mutual fund units	548,745,965	419,453,744
Government Securities	248,329,807	241,114,000
Debt securities	-	250,000,000
Term deposits	1,284,673,933	1,345,908,470
Loans and other receivables	543,801,232	537,600,391
Insurance / reinsurance receivables	904,024,076	733,493,220
Reinsurance recoveries against outstanding claims	486,894,604	493,073,733
Salvage recoveries accrued	283,310,869	251,259,812
Deferred commission expense	298,538,985	546,541,142
Deferred taxation	-	4,715,073
Prepayments	547,143,931	474,154,800
Cash and bank balances	2,472,114,002	1,996,505,095
Total Assets (A)	7,939,001,028	7,594,650,961
In-admissible assets		
Property and equipment	239,800,030	193,666,440
Intangible assets	8,251,406	11,268,869
Investments in Equity securities	257,002,986	222,166,264
Loans and other receivables	331,565,689	308,241,972
Insurance/ reinsurance receivable	203,026,011	204,745,870
Deferred taxation	-	4,715,073
Prepayments	12,982,791	17,360,000
Cash and bank balances	230,441,936	26,615,740
Total of In-admissible Assets (B)	1,283,070,849	988,780,228
Total of Admissible Assets (C=A-B)	6,655,930,179	6,605,870,733

	2024	2023
	--------- (Rupees) ---------	
Total Liabilities		
Underwriting Provisions		
Outstanding claims including IBNR	1,051,838,081	952,473,571
Unearned premium reserves	2,442,784,326	2,023,776,566
Unearned reinsurance commission	130,928,529	90,601,307
Premium deficiency reserve	11,035,585	8,995,206
Premium received in advance	12,289,866	5,323,210
Insurance / reinsurance payables	463,187,328	430,390,917
Other creditors and accruals	716,093,455	872,635,632
Lease liability against right-of-use asset	140,008,405	130,218,766
Deferred Taxation	37,247,077	-
Taxation less provision for payment	183,025,239	188,745,426
Total Liabilities (D)	5,188,437,891	4,703,160,601
Total Net Admissible Assets (E= C-D)	1,467,492,288	1,619,845,990
Minimum Solvency Requirement	(684,828,873)	(616,933,850)
Excess Solvency	782,663,415	1,002,912,140

42 CORRESPONDING FIGURES

Certain corresponding figures have been reclassified for better presentation, however, there are no material reclassifications to disclose.

43 NUMBER OF EMPLOYEES

The total average number of employees during the year ended as at December 31, 2024 and 2023 are as follows

	2024	2023
At year end	372	349
Average during the year	361	329

44 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on February 25, 2025 by the Board of Directors of the Company.

45 GENERAL

Figures have been rounded off to the nearest Rupee unless otherwise stated.

CHIEF FINANCIAL OFFICER	CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR

SHARIAH ADVISOR'S REPORT 2024

بِسۡمِ ٱللَّهِ ٱلرَّحۡمَٰنِ ٱلرَّحِيمِ

الحمد للّٰہرب العالمين والصلاة والسلام على رسوله الكريم:أما بعد

INTRODUCTORY WORDS:

As Shariah Advisor of Window Takaful Operations TPL Insurance Limited (WTO) I am thankful to Allah almighty who gave me an opportunity to provide my expertise in the light of Shariah to promote and supervise Takaful operations according to SECP's Takaful rules 2012. Alhamdu lillah, TPLI WTO has successfully completed another financial year ended 31st December 2024 and entered in 11th year of Takaful operation with significant and mentionable growth in Takaful operations which is clear by the company's financial report for 2024 and in other side with appropriate increase in Takaful fund(PTF) contributions with large number of participants.

I think this is my primary responsibility in the capacity of company's Shariah Advisor to ensure that the all financial contracts, policies, operational process and transactions entered into by the company with its participants and stakeholders are in compliance with the requirements of Shariah guidelines and in line with Takaful rules 2012.

On other side, it is the responsibility of the company's management as Takaful operator and in capacity of Wakeel of PTF to ensure that the advises and instructions given by the Shariah Advisor and the guidelines set by the regulatory authority are fully complied with Shariah rules such as policies, products and services being offered by the company are also approved by the Shariah Advisor.

Scope & Objectives of Shariah Review

The scope of the Shariah Review is to evaluate and monitor the overall functions of TPLI- WTO in accordance with the Shariah Principles and advise the company in the light of guidelines laid by SECP.

The core objective of the Shariah Review is to determine that appropriate procedures and control mechanism is effectively in place for all major functions such as Policy issuance, product development, Claims Settlements, Re-Takaful Arrangements, Financial transactions of the TPLI - WTO.

Shariah Advisor's view

I think it is appropriate to share my view on some basic points:

1. **Operations;**

   As per Shariah compliance report 2024, the Takaful operations in motor Takaful and other than motor (Commercial line Takaful products) overall are in line with Takaful rules.

2. **Training;**

   Various in house mandatory training sessions on Takaful operations during the year 2024 arranged by the company, and conducted under supervision of Shariah Compliance for WTO's employees and staff Specially Sales, Underwriting, Claims and Finance departments of company.

3. **Shariah Compliance:**

   I am personally thankful to the our Shariah compliance department on its consistent and effective efforts are very useful to monitor daily transactions, it is obvious that

Shariah compliance function is fundamental requirement in achieving the objectives of Takaful Operations to operate as per Shariah principles.

The Company has a reliable Shariah compliance mechanism to monitor the functions of Takaful operations on regular basis, hence an experienced and expert Islamic scholar acts as Shariah Compliance Officer. Shariah Compliance Officer ensures and supervise on regular basis that the functions of TPLI-WTO including policy issuance, re-Takaful arrangements, claim settlements and financial arrangements are undertaken as per the applicable regulatory guidelines and instructions issued by the Shariah Advisor.

4. Segregation

Segregation of all aspects of Window Takaful Operations is the essential part of valid Takaful contracts, Alhamdulillah, TPLI (WTO) has taken significant steps in this regard and all the Takaful Funds, Investments, Bank accounts, financial systems and other related issues are kept separate from its conventional insurance business, as per requirement of Shariah and Takaful Rules 2012.

5. Investments

The investments have been made from the Participant Takaful Fund (PTF) and Operator's Fund, into Shariah Compliant avenues only, including Islamic Banks and Shariah Compliant Equities, Further all bank accounts related to Window Takaful Operations have been opened in Islamic Banking Institutions (IBIs) or Islamic Branches/Windows of conventional banks with approval of Shariah advisor.

CONCLUSION:

In my opinion and as my best knowledge, the overall structure and operations of TPLI - WTO are in accordance with Shariah Principles and Takaful Rules issued by SECP.

As Shariah Advisor, I feel that it is my Shariah responsibility to mention here that we could make Takaful operation much better and there is room for further improvement by taking some more effective steps towards compliance of guidelines, enhancing customized Takaful products, and by introducing a comprehensive Takaful awareness program.

The primary responsibility for ensuring Shariah compliance lies with the management of TPLI-WTO. The services provided were reviewed and operations undertaken by TPLI - WTO during the year ended 31 December 2024 in my opinion, were found overall in conformity with the principles and guidelines of SECP.

At this stage, it may be helpful that we should refresh our motive and intention for spreading Takaful by its right way. So hopefully the management will continue its efforts to promote Takaful as well and solve other related issues on its priority.

Finally, I pray that almighty Allah Ta'ala guide us to the righteous path in this regard to exercise and promote Takaful with its true spirit.

Allah Ta'ala knows better.

Karachi: 21 February 2025

Mufti Muhammad Talha Iqbal
Shariah Advisor

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INDEPENDENT REASONABLE ASSURANCE REPORT

To the Board of Directors On The Statement of Management's Assessment of Compliance with The Takaful Rules, 2012

Scope

We have been engaged by **TPL Insurance Limited** (the Operator) to perform a 'reasonable assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the management's assessment of compliance of the Window Takaful Operations (Takaful Operations) of the Operator, as set out in the annexed Statement of Compliance (the Statement) prepared by the management for the year ended December 31, 2024 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion on this information.

Criteria applied by the management

In preparing the Subject Matter, the management applied the criteria in accordance with the Takaful Rules, 2012 (Criteria).

The Management's responsibilities

The management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

BDO's responsibilities

Our responsibility is to express an opinion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with the Operator on May 18, 2022. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Management 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

- We checked that all the products and policies have been approved by Shariah Advisor and observed that the Operator has developed and implemented all the policies and procedures in accordance with the Takaful Rules, 2012 and Shariah Rules and Principles as determined by Shariah Advisor.
- We checked that the assets and liabilities of Window Takaful Operations (Participants' Takaful Fund and Operator's fund) are segregated from its other assets and liabilities, at all times in accordance with the provisions of the Takaful Rules, 2012.
- We reviewed training certificates and attendance sheets to evaluate that the Operator has imparted necessary trainings and orientations to maintain the adequate level of awareness, capacity, and sensitization of the staff and management.
- We have designed and performed following verification procedures (including but not limited to) on various financial arrangements, based on judgmental and systematic samples with regard to the compliance with Takaful Rules, 2012 and Shariah Rules and Principles:
  - We obtained details of investments made and checked that all investments made in Shariah Compliant stocks as determined by Shariah Advisor;
  - We inquired regarding other investments like fixed deposits to confirm that all such contracts are executed with Islamic Financial Institutions;
  - We reviewed re-takaful and co-takaful parties along with arrangements / contracts entered into by Window Takaful Operations to assess compliance with Shariah Advisor guidelines and Takaful Rules, 2012; and
  - We re-calculated Operator's profit share and Wakalah fee income to confirm that approved percentage are applied on income from investments and contribution respectively.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the, risks of the Operator's material non-compliance with the Takaful Rules 2012, whether due to fraud or error. In making those risk assessments, we considered internal

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control relevant to the Operator's compliance with the Takaful Rules, 2012, in order to design assurance procedures that are appropriate in the circumstances but not for the purpose of expressing a conclusion as to the effectiveness of the Operator's internal control over the Takaful Operations' compliance with the Takaful Rules, 2012. A system of internal control, because of its nature, may not prevent or detect all instances of non- compliance with the Takaful Rules, 2012, and consequently cannot provide absolute assurance that the objective of compliance with the Takaful Rules, 2012 will be met. Further, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

In performing our audit procedures necessary guidance on Shariah matters was provided by the internal Shariah experts.

Opinion

In our opinion, the Statement of Compliance of the Takaful Operations of the Operator as of December 31, 2024 is presented, in all material respects, in accordance with Takaful Rules, 2012.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer

KARACHI
DATED: 16 March 2025

STATEMENT OF COMPLIANCE WITH THE TAKAFUL RULES, 2012 AND SHARIA RULES AND PRINCIPLES

The financial arrangements, contracts and transactions, entered into by TPL Insurance Limited-Window Takaful Operations (the Operator) for the year ended 31 December 2024 are in compliance with the Takaful Rules, 2012 and the Sharia Rules and Principles determined by the Shariah Advisor of the Operator, (Sharia Rules and Principles).

Further, we confirm that:

- The Operator has developed and implemented all the policies and procedures in accordance with the Takaful Rules, 2012 and rulings of the Shariah Advisor along with a comprehensive mechanism to ensure compliance with such rulings and Takaful Rules, 2012 in their overall operations. Further, the governance arrangements including the reporting of events and status to those charged with relevant responsibilities, such as the Audit Committee / Shariah Advisor and the Board of Directors have been implemented;

- The Operator has imparted trainings / orientations and ensured availability of all manuals / agreements approved by Shariah Advisor / Board of Directors to maintain the adequate level of awareness, capacity and sensitization of the staff, management;

- All the products and policies have been approved by Shariah Advisor and the financial arrangements including investments made, policies, contracts and transactions, entered into by Window Takaful Operations are in accordance with the polices approved by Shariah Advisor;

- The assets and liabilities of Operator are segregated from the TPL Insurance Limited's other assets and liabilities, at all times in accordance with the provisions of the Takaful Rules, 2012.

This has been duly confirmed by the Shariah Advisor of the Operator.

Muhammad Aminuddin
Chief Executive Officer

Date: 17th February, 2025

BDO

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INDEPENDENT AUDITOR'S REPORT

To the members of TPL Insurance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **TPL INSURANCE LIMITED – WINDOW TAKFUL OPERATIONS**, (the Company), which comprise the statement of financial position as at December 31, 2024, the statement of comprehensive income, the cash flows statement, the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, profit and loss account, statement of comprehensive income, the cash flows statement and the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2024 and of the profit and total comprehensive loss, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
1.	**Compliance with laws and regulations**	
	The Company is in highly regulated industry and is governed by stringent laws and regulations which mainly include Insurance Ordinance, 2000, General Takaful Accounting Regulations, 2019, Takaful Rules, 2012 and Companies Act, 2017, and various circulars issued by the SECP from time to time to regulate the business of the Company. The	Our audit procedures in respect of this area included the following: ● Obtained an understanding of the relevant legal and regulatory framework within which the Company operates and assessed the design and operation of its key controls over this framework;

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S.No.	Key audit matters	How the matter was addressed in our audit
	Company is required to comply with these rules and regulations. We have considered compliance with laws and regulation as a key audit matter since failure to comply with any of these applicable laws and regulations could have a material financial impact on the business of the Company.	• Discussed the applicable policies and procedures with senior management and reviewed minutes of the Board of Directors meetings, and internal audit reports for any recorded instances of potential non-compliance, and maintained a high level of vigilance when carrying out our other audit procedures for indications of non-compliance; and • Reviewed the Company's documentation and correspondence with the regulators.
2.	**Revenue Recognition - Contribution Earned**	
	Refer the financial statements relating to revenue recognition policy and net insurance contribution respectively. The Company earns revenue primarily from contribution income, which amounts to Rs. 1,272.602 million (2023: 1,055.289 million) representing 20.59% increase. This income stream comprises of five segments: (i) Fire and property damage, (ii) Marine, aviation and transport, (iii) Motor, (iv) Health and (v) Miscellaneous. We have identified revenue recognition from contribution income as a key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not be recognized in the appropriate period.	Our audit procedures in respect of this matter included the following: • Obtained an understanding of, evaluated the design and tested the controls over the process of policy-writing, processing and recording of contribution; • Assessed the appropriateness of the Company's accounting policy for recording of contribution and in line with the requirements of applicable law, accounting and reporting standards; • Traced the contribution recorded on sample basis from the underlying policies issued to insurance contract holders and applying substantive analytical procedures to corroborate with economic environment and usual policy-writing patterns; • Tested the policies on sample basis where policies were written close to year end and subsequent to year end, and evaluated that these were recorded in the appropriate accounting period; and • Recalculated the unearned portion of contribution income and ensured that appropriate amount has been recorded as provision for unearned contribution in liabilities.

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S.No.	Key audit matters	How the matter was addressed in our audit
3.	**Valuation of outstanding claims including claims incurred but not reported (IBNR)**	
	As disclosed in notes to these financial statements, outstanding claims including IBNR amounting to Rs. 503.474 million as at December 31, 2024. The outstanding claims including IBNR represented 23.43% of the Company's total liabilities. We focused on this area because the valuation of outstanding claims including IBNR are significant in magnitude and requires use of judgment and estimates. Outstanding claims including IBNR are estimates for settlement of claims in future which are impacted by a number of factors which includes the trends in severity of historical claims, frequency of historical claims and changes in government regulations. Determination of IBNR involves complex and subjective judgements about future events, both internal and external to the business, for which small changes in assumptions can materially impact the valuation of these liabilities.	Our audit procedures in respect of this area includes the following: We assessed and tested the operating effectiveness of selected key controls relating to the claims handling and reserving process, including controls over completeness and accuracy of the claim's estimates recorded; Substantive tests were performed on the amounts recorded for a sample of claims notified, focusing on those with significant impact on the financial statements, to assess whether the claims are appropriately estimated and recorded; We used an external actuarial specialist to assist us in evaluation of general principles, actuarial assumptions and methods adopted for actuarial valuations by the actuary of the Company for identification of IBNR; Assessed of competence, capability and objectivity of management's expert; Assessed the data provided by the Company to its actuary for completeness and accuracy and assured that the same has been provided to us; and Considered the adequacy of the Company's disclosures about the estimates used.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there

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is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 and the Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the profit and loss account, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Zulfikar Ali Causer.

KARACHI
DATED: 04 March 2025
UDIN: AR2024100676WSxEGD3M

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	Note	Operator's Fund 2024	Operator's Fund 2023	Participants' Takaful Fund 2024	Participants' Takaful Fund 2023
		(Rupees)		(Rupees)	
ASSETS					
Equipment	6	-	-	30,645,763	24,986,767
Investments					
Mutual funds	7	-	-	78,931,637	48,084,336
Term deposits	8	-	-	762,592,463	580,000,000
		-	-	841,524,100	628,084,336
Takaful / retakaful receivables	10	-	-	426,289,508	269,590,572
Retakaful recoveries against outstanding claims		-	-	157,275,423	92,520,854
Salvage recoveries accrued		-	-	190,217,697	134,701,528
Deferred wakala fee		-	-	550,496,231	423,639,672
Receivable from Participants' Takaful Fund	11	158,259,044	37,432,096	-	-
Accrued investment income		-	-	8,175,768	16,675,712
Deferred commission expense		173,512,076	137,737,519	-	-
Deferred taxation - net	12	-	-	-	3,402,079
Taxation		3,544,077	997,730	-	-
Prepayments	13	-	-	105,532,256	73,127,099
Bank balances	14	3,418,260	3,037,811	20,553,166	32,887,405
Total assets		338,733,457	179,205,156	2,330,709,912	1,699,616,024
EQUITY AND LIABILITIES					
RESERVES ATTRIBUTABLE TO:					
- OPERATOR'S FUND (OF)					
Statutory fund		50,000,000	50,000,000	-	-
Accumulated losses		(925,224,260)	(762,960,130)	-	-
		(875,224,260)	(712,960,130)	-	-
- WAQF / PARTICIPANTS' TAKAFUL FUND (PTF)					
Seed money		-	-	2,000,000	2,000,000
Accumulated surplus/deficit		-	-	5,734,290	(44,583,939)
Balance of WAQF / PTF		-	-	7,734,290	(42,583,939)
QARD-E-HASNA	9	(173,900,000)	(173,900,000)	173,900,000	173,900,000
LIABILITIES					
PTF underwriting provisions					
Outstanding claims (including IBNR)		-	-	503,473,738	357,999,976
Unearned contribution reserve		-	-	1,258,017,364	982,223,145
Unearned retakaful commission		-	-	25,803,134	16,726,058
Contribution deficiency reserve		-	-	11,035,585	5,360,906
Unearned wakala fee		550,496,231	423,639,672	-	-
Contribution received in advance		-	-	1,604,918	736,649
Takaful / retakaful payables	15	-	-	83,407,275	74,751,527
Other creditors and accruals	16	42,127,242	32,672,517	55,550,343	58,846,994
Payable to TPL Insurance Limited	17	795,234,244	609,753,097	5,423,403	2,983,070
Payable to Operator's Fund	11	-	-	158,259,044	37,432,096
Deferred taxation - net	12	-	-	4,607,008	-
Taxation - provision less payments		-	-	41,893,810	31,239,542
Total liabilities		1,387,857,717	1,066,065,286	2,149,075,622	1,568,299,963
Total fund and liabilities		338,733,457	179,205,156	2,330,709,912	1,699,616,024

The annexed notes from 1 to 37 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER	CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024	Restated 2023
		---------- (Rupees) ----------	
Participants' Takaful Fund			
Contribution earned net of wakala fee		1,272,602,019	1,055,288,557
Less: Contribution ceded to retakaful		(222,183,355)	(152,000,518)
Net takaful contribution	18	1,050,418,664	903,288,039
Net claims - reported / settled		(1,006,906,371)	(841,723,163)
- IBNR		(12,565,269)	(30,959,058)
	19	(1,019,471,640)	(872,682,221)
Contribution deficiency reserve		(5,674,679)	(5,360,906)
Other direct expenses	23	(51,864,717)	(69,965,035)
Deficit before investment income		(26,592,372)	(44,720,123)
Investment and other income	26	151,424,604	98,806,513
Less: Modarib's share of investment income	27	(45,427,381)	(29,641,954)
Finance costs		(7,355,674)	(444,029)
Surplus before tax and minimum tax differential		72,049,177	24,000,407
Minimum tax differential	28	(2,973,546)	(4,956,190)
Surplus before tax		69,075,631	19,044,217
Taxation	29	(18,757,402)	(6,960,118)
Surplus transferred to accumulated fund		50,318,229	12,084,099
Other comprehensive income:			
Total comprehensive income for the year		50,318,229	12,084,099
Operator's Fund			
Wakala fee	22	976,397,552	815,756,488
Net commission expense	21	(276,391,447)	(225,396,227)
Management expenses	24	(723,165,418)	(696,829,997)
		(23,159,313)	(106,469,736)
Investment income		2,166	3,885,954
Modarib's share of PTF investment income		45,427,381	29,641,954
		22,270,234	(72,941,828)
Other expenses	25	(184,534,364)	(138,429,016)
Loss before tax		(162,264,130)	(211,370,844)
Income tax expense		-	-
Loss after tax for the year		(162,264,130)	(211,370,844)
Other comprehensive income		-	-
Total comprehensive loss for the year		(162,264,130)	(211,370,844)

The annexed notes from 1 to 37 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER	CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR

STATEMENT OF CHANGES IN FUND

FOR THE YEAR ENDED DECEMBER 31, 2024

	Attributable to Operator's Fund		
	Statutory fund	Accumulated loss	Total
	---------------- (Rupees) ----------------		
Balance as at January 1, 2023	50,000,000	(551,589,286)	(501,589,286)
Loss for the year	-	(211,370,844)	(211,370,844)
Balance as at December 31, 2023	50,000,000	(762,960,130)	(712,960,130)
Loss for the year	-	(162,264,130)	(162,264,130)
Balance as at December 31, 2024	50,000,000	(925,224,260)	(875,224,260)

	Attributable to participants of the PTF		
	Ceded money	Accumulated Surplus / (Deficit)	Total
	---------------- (Rupees) ----------------		
Balance as at January 1, 2023	2,000,000	(56,668,038)	(54,668,038)
	-		
Surplus for the year	-	12,084,099	12,084,099
Balance as at December 31, 2023	2,000,000	(44,583,939)	(42,583,939)
Surplus for the year	-	50,318,229	50,318,229
Balance as at December 31, 2024	2,000,000	5,734,290	7,734,290

The annexed notes from 1 to 37 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER	CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2024

	Operator's Fund		Participants' Takaful Fund	
	2024	2023	2024	2023
	(Rupees)			
Operating activities				
(a) Takaful activities				
Contribution received	-	-	2,379,511,975	1,928,291,926
Retakaful contribution paid	-	-	(256,878,018)	(114,176,893)
Claims paid	-	-	(1,349,107,025)	(1,088,367,888)
Retakaful and other recoveries received	-	-	354,838,415	243,790,643
Commission paid	(357,295,252)	(265,146,238)	-	-
Commission received	54,806,501	27,556,246	-	-
Wakala fee paid by PTF	1,003,000,000	819,300,000	(1,003,000,000)	(819,300,000)
Mudarib fee paid by PTF	50,000,000	2,500,000	(50,000,000)	(2,500,000)
Net cash inflow from takaful activities	750,511,249	584,210,008	75,365,347	147,737,788
(b) Other operating activities				
Income tax paid	631,634	2,068,800	(11,076,680)	-
Direct expenses paid	-	-	(12,085,590)	(8,676,269)
Management and other expenses paid	(917,147,769)	(835,259,013)	-	-
Other operating receipts	166,383,172	246,205,662	27,306,168	20,196,205
Net cash outflow from other operating activities	(750,132,963)	(586,984,551)	4,143,898	11,519,936
Total cash generated from / (used in) all operating activities	378,286	(2,774,543)	79,509,245	159,257,724
Investment activities Profit / return received	2,166	3,885,954	129,077,247	64,861,287
Total cash generated from investing activities	2,166	3,885,954	129,077,247	64,861,287
Financing activities				
Lease obligation paid	-	-	(34,049,940)	(45,051,616)
Payment of financial charges under lease obligation	-	-	(4,278,328)	(1,347,226)
Total cash used in financing activities	-	-	(38,328,268)	(46,398,842)
Net cash generated from all activities	380,452	1,111,411	170,258,224	177,720,169
Cash and cash equivalents at beginning of the year	3,037,807	1,926,396	612,887,405	435,167,236
Cash and cash equivalents at end of the year	3,418,260	3,037,807	783,145,629	612,887,405
Reconciliation to profit and loss account				
Operating cash flows	378,286	(2,774,543)	79,509,245	159,257,724
Depreciation	-	-	(29,189,554)	(38,386,900)
Bad debt expense	-	-	(5,000,000)	(13,000,000)
Reversal of contribution deficiency reserve	-	-	(5,674,679)	(5,360,906)
Income tax paid	-	-	11,076,680	-
Provision for tax	-	-	(18,757,402)	(11,916,308)
Investment income	2,166	3,885,954	151,424,604	98,806,513
Increase in assets other than cash and cash equivalents	159,147,850	40,642,336	133,547,352	60,723,537
Increase in liabilities	(321,792,432)	(253,124,590)	(266,618,017)	(238,039,561)
(Deficit) / surplus after tax	(162,264,130)	(211,370,843)	50,318,229	12,084,099

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 37 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER	CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR

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 20th Floor, Sky Tower – East Wing Dolmen City, HC-3, Abdul Sattar Edhi Avenue, Block No. 4 Clifton Karachi, Pakistan.

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

2 BASIS OF PREPARATION

These financial statements have been prepared in line with the format issued by the SECP through General Takaful Accounting Regulations, 2019 and SECP circular no. 25 of 2015 dated July 9, 2015.

These 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.

2.1 Statement of compliance

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

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

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

Where the provisions of and directives issued under Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017, SECP Takaful Rules 2012 and General Takaful Accounting Regulations 2019 differ with that issued under IFRS, the provisions and directives issued under Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017, SECP Takaful Rules 2012 and General Takaful Accounting Regulations 2019 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except investments which are carried at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees which is also the Company's functional currency. All financial information presented in Pak Rupees has been rounded to nearest Rupees, unless otherwise stated.

3 New standards, interpretations and amendments to published approved accounting standards

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2024

The following stantdards, amendments and interpretations are effective for the year ended December 31, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	"Effective date (annual periods beginning on or after)"
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendmends to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendmends to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	"Effective date (annual periods beginning on or after)"
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts Certain annual improvements have also been made to a number of IFRSs and IASs.	January 01, 2026

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

4.1 Taxation

Current

Current tax is the expected tax payable on the taxable income for the year based on taxable profits, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Levy

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. The Company has adopted an approach to account for current tax calculated on taxable income using the notified tax rate as an income tax and for minimum tax on any amount over the current tax calculated on taxable income is accounted for as excess over the current tax and is recognised as a levy as per IFRIC 21/IAS37.

Deferred

Deferred tax is accounted for using the statement of financial position liability method, in respect of temporary differences arising at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The carrying amount of deferred tax asset is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recognised. Unrecognised deferred tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is utilized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date. Deferred tax is charged or credited to the statement of comprehensive income except in the case of items credited or charged to equity in which case it is included in equity.

4.2 Takaful contracts

The takaful contracts are based on the principles of Wakala. The takaful contracts so agreed usually inspire concept of tabarru (to donate for benefit of others) and mutual sharing of losses with the overall objective of eliminating the element of uncertainty.

A separate Participant's Takaful Fund (PTF) is created in which all contribution received under general takaful contribution net off any government levies and administrative surcharge are credited. The role of takaful operator is of the management of the PTF. At the initial stage of the setup of the PTF, the takaful operator makes an initial donation to the PTF. The terms of the takaful contracts are in accordance with the generally accepted principles and norms of insurance business suitably modified with guidance by the Shariah Advisor of the Takaful operator.

Once a contract has been classified as a takaful contract, it remains a takaful contract for the remainder of its lifetime, even if the Takaful risk reduces significantly during this period, unless all rights and obligations are extinguished or expired.

The Operator underwrites non-life takaful contracts that can be categorised into Fire and Property Damage, Marine, Aviation and Transport, Motor, Health and Miscellaneous contracts. Contracts may be concluded for a fixed term of one year, for less than one year and in some cases for more than one year. However, most of the contracts are for twelve months duration. Takaful contracts entered into by the Operator under which the contract holder is another Takaful Operator (inwards retakaful) of a facultative nature are included within the individual category of takaful contracts, other than those which fall under Treaty. The takaful risk involved in these contracts is similar to the contracts undertaken by the Operator as takaful operator.

Fire and Property

Fire and Property takaful contracts mainly compensate the customers for damage suffered to their property. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the covered properties in their business activities (business interruption cover).

Marine

Marine, Aviation and Transport class of business provides coverage against loss and damage to goods in transit by any means of conveyance, physical loss or damage to aircraft, ships and liabilities to third parties and passengers arising from their use.

Motor

Motor takaful covers physical loss or damage to the vehicle and liabilities to third parties as provided under the requirements of the Motor Vehicle Ordinance 1965.

Health

Accident and health insurance contracts mainly compensates hospitalization and out-patient medical coverage to the insured.

Miscellaneous

All other takaful contracts like cash in hand, cash in transit, personal accident, infidelity, public liabilities, health, crop, livestock, travel, bankers and other financial institutions packages, product liabilities, professional indemnity, workers compensation etc. are included under miscellaneous takaful cover.

4.3 Contribution

Contribution income net off administrative surcharge under a policy is recognised over the period of takaful from the date of inception of the policy to which it relates to its expiry as follows:

Administrative surcharge is recognised as income at the time policies are written in Operator's fund.

Contribution income net off administrative surcharge under a policy is recognised after taking into account the unearned portion of premium by applying 1/24th method as prescribed by the SECP (Insurance) Rules, 2002. The unearned portion of contribution is recognised as liability.

Contribution due but unpaid under takaful contracts are recognised when due, at the fair value of the consideration receivable less provision for doubtful debts, if any. If there is objective evidence that the receivable is impaired, the Operator reduces the carrying amount of the receivable accordingly and recognizes it as impairment loss.

4.4 Re-takaful contracts

Re-takaful expense is recognised evenly in the period of indemnity. The portion of retakaful contribution not recognised as an expense is shown as a prepayment which is calculated in the same manner as of unearned contribution.

Rebate from retakaful operators is recognised at the time of issuance of the underlying takaful policy by the Operator. This income is deferred and brought to account as revenue in accordance with the pattern of recognition of the retakaful contribution to which it relates. Receivable against claims from the retakaful operators are recognised as an asset at the same time as the claims which gives rise to the right of recovery are recognised as a liability and are measured at the amount expected to be recovered after considering an impairment in relation thereto.

Amount due from other takaful / re-takaful operators are carried at cost less provision for impairment, if any. Cost represents the fair value of consideration to be received in the future.

Amount due to takaful / re-takaful operators represent the balance due to re-takaful operators.

Re-takaful assets or liabilities are derecognised when the contractual rights are extinguished or expired.

4.5 Claims expense

Takaful claims include all claims incurred during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, and any adjustments to claims outstanding from previous years.

The PTF recognises liability in respect of all claims incurred upto the balance sheet date which is measured at the undiscounted value of the expected future payments. The claims are considered to be incurred at the time of the incident giving rise to the claim except as otherwise expressly indicated in a takaful contract.

The provision for claims incurred but not reported (IBNR) is made at the balance sheet date. In accordance with SECP circular no. 9 of 2016, the Operator takes actuarial advice for the determination of IBNR claims. Provision for IBNR claims is estimated using Chain Ladder (CL) methodology. The CL Method involves determination of development factors or link ratios for each period. These are then subsequently combined to determine Cumulative Development Factor (CDF) which represents the extent of future development of claims to reach their ultimate level.

4.6 Retakaful recoveries against outstanding claims

Claims recoveries against outstanding claims from the retakaful operators and salvage are recognised as an asset at the same time, claims which give rise to the right of recovery are recognised as a liability and are measured at the amount expected to be received.

4.7 Commission

Commission expense incurred in obtaining and recording policies is deferred and recognised in profit and loss account as an expense in accordance with the pattern of recognition of contribution revenue.

Commission income from retakaful is recognised at the time of issuance of the underlying takaful policy. These are deferred and recognised as liability and recognised in the profit and loss account as revenue in accordance with the pattern of recognition of the retakaful contributions.

4.8 Contribution deficiency reserve

The PTF is required as per SEC (Insurance) Rules, 2002 and IFRS-4, to maintain a provision in respect of contribution deficiency for the class of business where the unearned contribution reserve is not adequate to meet the expected future liability, after retakaful, from claims and other expenses, including retakaful expense, commissions and other underwriting expenses, expected to be incurred after the balance sheet date in respect of the unexpired policies in that class of business at the balance sheet date. The movement in the contribution deficiency reserve is recorded as an income/expense in the profit and loss account and the same shall be recognised as a liability.

For this purpose, loss ratios for each class are estimated based on historical claim development. Judgment is used in assessing the extent to which past trends may not apply in future or the effects of one-off claims. If these ratios are adverse, contribution deficiency is determined. Further actuarial valuation has been carried out to determine the amount of contribution deficiency reserve in respect of Health insurance as required by SRO 16 (I) / 2012 issued by Securities and Exchange Commission of Pakistan on January 9, 2012.

4.9 Wakala and Mudarib fees

The Takaful operator manages the general takaful operations for the Participants. During the year, wakala fee has been charged at 45% of the gross contribution on all classes of business except health business i-e 10% . Wakala fee under a policy is recognised, evenly over the period of takaful from the date of issuance of the policy.

The Takaful operator also manages the participants' investment as Mudarib and charges 30% of the investment/ deposit income earned by the Participants' Takaful Fund as Mudarib's share .

Administrative surcharge is included in Wakala Fee at the date of inception of policy to which it relates.

4.10 Revenue recognition

4.10.1 Contribution

The revenue recognition policy for contributions is given under note 4.3.

4.10.2 Commission from retakaful operators

The revenue recognition policy for commission from retakaful is given under note 4.7.

4.10.3 Dividend income

Dividend income is recognized when the right to receive the dividend is established.

4.10.4 Gain / loss on sale / redemption of investments

Gain / loss on sale / redemption of investments is taken to profit and loss account in the year of sale / redemption.

4.10.5 Income on investment classified as 'At amortized cost'

Income classified as 'At amortised cost' is recognised on a time proportionate basis taking account the effective yield on the investment.

4.10.6 Profit on bank accounts and deposits

Profit on bank accounts and deposits is recognised on accrual basis.

4.11 Management expenses

Underwriting expenses have been allocated to various classes of business on a basis deemed equitable by the management. Expenses not attributable to the underwriting business are charged as administrative expenses.

4.12 Takaful surplus

Takaful surplus attributable to the participants is calculated after charging all direct cost and setting aside various reserves. Allocation to participants, if applicable, is made after adjustment of claims paid to them during the year.

4.13 Qard-e-Hasna

Qard-e-hasna is provided by Operator's Fund to Participants Takaful Fund in case of deficit in PTF. Qard-e-Hasna is recognised at the amount provided to Participant Takaful Fund less impairment, if any.

4.14 Provisions

Provisions are recognised when the Operator / PTF has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current estimate.

4.15 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents consists of cash in hand, stamps in hand and deposits with banks (except for the deposit placed with statutory requirement) net off short term running finance, and short term maturity of three months or less from the date of reporting.

4.16 Prepayments

Prepayments are recorded as an assets. They are to be amortized as and when due over the period.

Summary of new accounting policies in respect of adoption of IFRS 9

4.17 Financial instruments

Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances, loans and advances to counter parties and due to counterparties, are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Bank balances and loans and advances to counter parties are recognised when funds are transferred to the counterparties. The Company recognises due to counterparties when funds reach the Company.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded as 'at fair value through profit or loss' in which transaction cost is charged to profit and loss.

Financial assets

The Company classifies its financial assets as subsequently measured 'at amortised cost' or measured 'at fair value through profit or loss' or 'at fair value through other comprehensive income' based on following:

- The entity's business model for managing of the financial asset;
- The contractual cash flow characteristics of the financial asset.

Financial assets classified 'at amortised cost'

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding. The Company includes in this category short-term non-financing receivables, accrued income and other receivables.

Financial assets measured 'at fair value through profit or loss'

A financial asset is measured 'at fair value through profit or loss' if:

(a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and profit (SPPI) on the principal amount outstanding; or

(b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or

(c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured 'at fair value through profit or loss'. The Company includes in this category short-term payables, including accrued and other liabilities.

Financial liabilities measured at fair value through profit and loss

Currently the Company does not have any financial liability measured at fair value.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Company has:

(a) Transferred substantially all of the risks and rewards of the asset; or

(b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Impairment of financial assets

The Company holds receivables with no financing component and which have maturities of less than 12 months 'at amortised cost' and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its receivables. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions."

The Company uses credit rating of counter parties / instruments to determine probability of defaults and related allowance for expected credit losses.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.18 Impairment

The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or group of assets. If such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss account. An impairment loss is reversed if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

Provisions for impairment are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Changes in the provisions are recognised as income or expense.

4.19 Right of use asset

At the inception of the contract, the Operator assesses whether a contract is, or contains, a lease. The Operator applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Operator recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of lease term. or useful life of the asset

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 Operator determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Operator cannot readily determine the profit rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities.

The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or group of assets. If such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss account. An impairment loss is reversed if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

Provisions for impairment are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Changes in the provisions are recognised as income or expense.

4.20 Staff retirement benefits

The Operator operates funded contributory provident fund (defined contribution plan) for all permanent employees. Equal contributions are made by the Operator and the employees at the rate 8.33% of basic salary, to the fund.

4.21 Foreign currency translations

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses on translation are recognized in the profit and loss account. All non-monetary items are translated into rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.22 Operating segments

An operating segment is a component of the Operator that engages in business activities from which it may earn revenues and incur expenses. The Operator presents segment reporting of operating results using the classes of business as specified under the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2017 as the primary reporting format.

The Operator has five primary business segments for reporting purposes namely, Fire and Property, Marine, Health,Motor and Miscellaneous. The nature and business activities of these segments are disclosed in note no. 3.1.

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them while the carrying amount of certain assets used jointly by two or more segments have been allocated to segments on a reasonable basis. Those assets and liabilities which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities.

4.23 Contingencies

Contingencies are disclosed when the Operator has possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Operator, or a present obligation that arises from past event but is not recognised because it is not probable that an outflow of recourse embodying economic benefit will be required to settle the obligation or, when amount of obligation cannot be measured with sufficient reliability.

Contingencies are reviewed at each balance sheet date and adjusted to reflect the current estimate.

4.24 CHANGE IN ACCOUNTING POLICY

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

During the year ended December 31, 2024, the Company changed its accounting policy and adopted approach 2. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have been restated.

	For the year ended December 31, 2023		
	As previously reported	**Restatement**	**As Restated**
Effect on statement of profit or loss			
Minimum tax differential	-	4,956,190	4,956,190
Profit before tax	24,000,407	(4,956,190)	19,044,217
Taxation	11,916,308	(4,956,190)	6,960,118

The change has been applied retrospectively resulting in reclassification in the statement of profit or loss.

The change do not have any impact on statement of financial position, statement of other comprehensive income, statement of changes in equity and statement of cash flows.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of 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 financial statements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates / judgments and associated assumptions are reviewed on an ongoing basis. Revision to the accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgment or complexity, or areas where assumption and estimates are significant to the financial statements, or judgments were exercised in application of accounting policies are as follows:

- Retakaful recoveries against outstanding claims (note 4.6)

- Provision against contribution due but unpaid - (note 4.3)

- Provision for outstanding claims including IBNR (note 4.5)

- Contribution deficiency reserve (note 4.8)

- Provision for current and deferred tax (note 4.1)

- Classification of investments and impairment (note 4.17)

- Provision for impairment (note 4.18)

- Contingencies (note 4.23)

	Note	2024	2023
6 EQUIPMENT - PTF		-------- (Rupees)	--------
Right of use assets	6.1	30,645,763	24,986,767

2024

		Cost				Accumulated Depreciation				Written Down Value	Depreciation Rate %
		As at January 1, 2024	Additions	Disposals (Note 6.2)	As at December 31, 2024	As at January 1, 2024	Charge for the Year	Disposals (Note 6.2)	As at December 31, 2024	As at December 31, 2024	
6.1	**Right of use assets**	(Rupees)									
	-PTF										
	Tracking devices	64,081,877	34,848,550	(12,998,933)	85,931,494	39,095,110	29,189,554	(12,998,933)	55,285,731	30,645,763	50
		64,081,877	34,848,550	(12,998,933)	85,931,494	39,095,110	29,189,554	(12,998,933)	55,285,731	30,645,763	

2023

	Cost				Accumulated Depreciation				Written Down Value	Depreciation Rate %
	As at January 1, 2023	Additions	Disposals (Note 6.2)	As at December 31, 2023	As at January 1, 2023	Charge for the Year	Disposals (Note 6.2)	As at December 31, 2023	As at December 31, 2023	
	(Rupees)									
-PTF										
Tracking devices	103,700,650	33,602,753	(73,221,526)	64,081,877	73,929,736	38,386,900	(73,221,526)	39,095,110	24,986,767	50
	103,700,650	33,602,753	(73,221,526)	64,081,877	73,929,736	38,386,900	(73,221,526)	39,095,110	24,986,767	

6.2 These represent right of use assets matured at the expiry of lease term.

7 MUTUAL FUNDS

PTF	2024 Cost	2024 Unrealized Gain	2024 Carrying Value	2023 Cost	2023 Unrealized Gain	2023 Carrying Value
	(Rupees)			(Rupees)		
-Classified as 'At fair value through profit or loss'						
AKD Islamic Income Fund	48,084,336	30,847,301	78,931,637	30,201,537	17,882,799	48,084,336
	48,084,336	30,847,301	78,931,637	30,201,537	17,882,799	48,084,336

	Note	2024	2023
8 TERM DEPOSITS - PTF		(Rupees)	
Classified as 'At amortized cost'			
Deposits maturing within 12 months		762,592,463	580,000,000
Deposits maturing after 12 months		-	-
	8.1	762,592,463	580,000,000

8.1 These carry profit rate of 9.50% to 12.00% per annum (2023: 17.31% to 19.50% per annum) and have maturities upto April 27, 2025.

	Note	2024	2023
9 QARD-E-HASNA		(Rupees)	
Qard-e-hasna	9.1	173,900,000	173,900,000

9.1 In accordance with the Takaful Rules, 2012, if at any point in time, assets in participant 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 Participant 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.

	Note	2024	2023
		-------- (Rupees) --------	
10 TAKAFUL / RETAKAFUL RECEIVABLES - PTF			
Due from takaful contract holders			
Considered good		374,644,593	208,881,606
Considered doubtful		37,626,766	32,626,766
Less: Provision for impairment of receivables from takaful contract holders		(37,626,766)	(32,626,766)
		-	-
		374,644,593	208,881,606
Due from takaful contract holders			
Considered good		51,644,915	60,708,966
Considered doubtful		-	-
Less: Provision for impairment of receivables from takaful contract holders		-	-
		51,644,915	60,708,966
		426,289,508	269,590,572
11 RECEIVABLE / PAYABLE BETWEEN PTF AND OF			
Wakala fee		109,456,983	9,202,873
Mudarib fee		22,910,763	27,483,382
Taxes and duties		25,891,298	745,841
		158,259,044	37,432,096
12 DEFERRED TAXATION - NET			
PTF			
Deferred debits arising in respect of			
Provision for doubtful debts		10,911,762	9,461,762
Deferred credits arising in respect of			
Unrealised gain on investments classified at fair value through profit or loss		(12,300,379)	(3,354,662)
Right of use assets		(3,218,391)	(2,705,021)
	12.1	(4,607,008)	3,402,079
12.1 Reconciliation of deferred tax			
Opening balance		3,402,079	3,229,741
(Reversal) / charge for the year		(8,009,087)	172,338
Closing balance		(4,607,008)	3,402,079
13 PREPAYMENTS - PTF			
Prepaid			
annual monitoring and other charges		6,748,717	7,074,050
retakaful contribution ceded		98,783,539	66,053,049
		105,532,256	73,127,099

14 BANK BALANCES

	Note	Operator's Fund 2024	Operator's Fund 2023	Participants' Takaful Fund 2024	Participants' Takaful Fund 2023
		-------- (Rupees) --------		-------- (Rupees) --------	
Profit and loss sharing (PLS) accounts	14.1	3,418,260	3,037,811	20,553,166	32,887,405

14.1 These accounts carry mark-up at raging between 9.00% to 12.00% (2023: 11.00% to 15.50%) per annum.

14.2 Cash and cash equivalents for the purpose of statement of cash flows

	Operator's Fund 2024	Operator's Fund 2023	Participants' Takaful Fund 2024	Participants' Takaful Fund 2023
	-------- (Rupees) --------		-------- (Rupees) --------	
Bank balances	3,418,260	3,037,811	20,553,166	32,887,405
Term deposit receipts	-	-	762,592,463	580,000,000
	3,418,260	3,037,811	783,145,629	612,887,405

15 TAKAFUL/ RETAKAFUL PAYABLE - PTF

	2024	2023
	-------- (Rupees) --------	
Amount due to other takaful / retakaful operator	83,407,275	74,751,527

16 OTHER CREDITORS AND ACCRUALS

	Note	Operator's Fund 2024	Operator's Fund 2023	Participants' Takaful Fund 2024	Participants' Takaful Fund 2023
		-------- (Rupees) --------		-------- (Rupees) --------	
Creditors		329,767	1,609,331	-	-
Federal insurance fee		-	-	2,583,181	1,734,086
Federal Excise Duty (FED) - net		17,299,520	11,252,038	9,759,064	8,800,913
Commission payable		14,504,408	13,904,232	-	-
Lease obligation against right-of-use assets		-	-	19,535,064	15,659,109
Withholding tax payable		7,230,442	4,052,464	6,956,565	9,043,433
Deposits from customers		-	-	4,506,063	11,399,047
Others	16.1 & 16.2	2,763,105	1,854,452	12,210,406	12,210,406
		42,127,242	32,672,517	55,550,343	58,846,994

16.1 This includes Rs. 1.34 million (2023: Rs. 1.34 million) and Rs. 11.54 million (2023: Rs. 11.54 million) in respect of time barred cheques under OF and PTF respectively.

16.2 This includes outstanding claims in respect of which cheques aggregating to Rs. 46.22 million (2023: 73.93 million) have been issued by the Operator for claim settlement but the same have not been encashed by the claimant.

16.3 The following is the ageing as required by SECP circular 11 of 2014 dated May 19, 2014:

	2024	2023
	-------- (Rupees) --------	
More than 6 months	18,639,664	12,885,137
1 to 6 months (included in provision for outstanding claims)	27,582,382	73,936,168
	46,222,046	86,821,305

Claims not encashed	AGE-WISE BREAKUP				
	1 to 6 months	7 to 12 months	13 to 24 months	25 to 36 months	TOTAL
2024	27,582,382	6,067,517	4,948,704	7,623,443	46,222,046
2023	73,936,168	2,649,912	3,841,206	6,394,019	86,821,305

17 PAYABLE TO TPL INSURANCE LIMITED

This represents payable in respect of funds provided by TPL Insurance limited to meet expenses and to provide Qard-e-Hasna to Participants' Takaful Fund.

18 NET TAKAFUL CONTRIBUTION - PTF

	2024	2023
	-------- (Rupees) --------	
Written gross contribution	2,524,793,789	1,917,931,836
Less: Wakala fee	(1,103,254,110)	(828,286,252)
Contribution net of wakala fee	1,421,539,679	1,089,645,584
Add: Unearned contribution reserve opening net of deferred wakala fee	558,583,472	524,226,445
Less: Unearned contribution reserve closing net of deferred wakala fee	(707,521,132)	(558,583,472)
Contribution Earned	1,272,602,019	1,055,288,557
Retakaful contribution ceded	254,913,845	161,565,190
Add: Prepaid retakaful contribution opening	66,053,049	56,488,377
Less: Prepaid retakaful contribution closing	(98,783,539)	(66,053,049)
Retakaful expense	222,183,355	152,000,518
Net takaful contribution	1,050,418,664	903,288,039

19 NET TAKAFUL CLAIMS EXPENSE - PTF

	2024	2023
	-------- (Rupees) --------	
Claims paid or payable	1,349,107,025	1,088,367,888
Add: Outstanding claims including IBNR closing	503,473,738	357,999,976
Less: Outstanding claims including IBNR closing	(357,999,976)	(278,571,201)
Claims expense	1,494,580,787	1,167,796,663
Less: Retakaful and other recoveries received	354,838,412	243,790,643
Add: Retakaful and other recoveries in respect of outstanding claims net of impairment - closing	347,493,120	227,222,385
Less: Retakaful and other recoveries in respect of outstanding claims net of impairment - opening	(227,222,385)	(175,898,586)
Retakaful and other recoveries revenue	475,109,147	295,114,442
Net takaful claims expense	1,019,471,640	872,682,221

20 CLAIM DEVELOPMENT TABLE

The following table shows the development of claims over a period of time on gross basis. For each class of business the uncertainty about the amount and timings of claims payment is usually resolved within a year.

Accident year	2017	2018	2019	2020	2021	2022	2023	2024	Total
	----------	----------	----------	----------	(Rupees)	----------	----------	----------	----------
Estimate of ultimate claims cost:									
At end of accident year	480,355,303	613,435,787	615,034,813	699,971,869	998,504,003	926,736,143	1,203,954,974	1,609,619,420	
One year later	487,410,451	618,233,766	650,180,499	686,466,349	948,486,417	1,050,799,244	1,289,931,587	-	
Two years later	488,089,816	622,872,513	651,899,027	687,507,733	1,001,042,440	1,062,792,590	-	-	
Three years later	488,148,611	618,034,536	655,187,703	688,385,992	1,001,568,914	-	-	-	
Four years later	488,168,486	618,299,461	665,244,563	689,194,552	-	-	-	-	
Five years later	488,731,536	620,356,681	672,794,563	- -		-	-	-	
Six years later	489,282,766	620,381,997	- -		-	-	-	-	
Seven years later	489,334,481	-	-	-	-	-	-	-	
Estimate of cumulative claims	489,334,481	620,381,997	672,794,563	689,194,552	1,001,568,914	1,062,792,590	1,289,931,587	1,609,619,420	7,435,618,103
Cumulative payments to date	(489,334,481)	(620,371,997)	(668,791,763)	(688,485,702)	(1,001,520,214)	(1,055,483,887)	(1,268,560,968)	(1,139,595,353)	(6,932,144,365)
Liability for outstanding claims	-	10,000	4,002,800	708,850	48,700	7,308,703	21,370,619	470,024,067	503,473,738

21 NET COMMISSION EXPENSE - OF

	2024	2023
	-------- (Rupees) --------	
Commissions paid or payable	357,895,430	256,974,799
Add: Deferred commission - opening	137,737,517	133,715,191
Less: Deferred commission - closing	(173,512,076)	(137,737,517)
Commission expense	322,120,871	252,952,473
Less: Commission from retakaful		
Commission received or receivable	54,806,500	32,008,309
Add: Unearned commission - opening	16,726,058	12,273,995
Less: Unearned commission - closing	(25,803,134)	(16,726,058)
Commission from retakaful	45,729,424	27,556,246
Net commission expense	276,391,447	225,396,227

22 WAKALA FEE

The Operator manages the general takaful operations of the participants and charges wakala fee for its services. wakala fee is charged at 45% for all classes of business except for health for which 10% wakala fee is charged.

23 OTHER DIRECT EXPENSES - PTF

	Note	2024	2023
		-------- (Rupees) --------	
Tracker monitoring fee		14,789,391	16,208,742
Depreciation - Tracking devices	5.1	29,189,554	38,386,900
Annual supervision fee SECP		2,885,772	2,369,393
Bad and doubtful debts		5,000,000	13,000,000
		51,864,717	69,965,035

24 MANAGEMENT EXPENSES - OF

	2024	2023
Employee benefit costs	406,769,733	336,526,054
Travelling and conveyance	10,238,058	7,168,917
Business partner engagement expenses	67,378,369	74,910,916
Advertisement and marketing	57,991,278	120,358,127
Printing and stationary	3,832,280	4,391,668
Rent, rates and taxes	7,504,399	8,526,116
Outsourcing expenses	51,073,799	32,474,498
Communication	7,530,801	6,179,419
Utilities	8,996,463	9,518,137
Vehicle running expenses	20,528,334	15,588,913
Repair and maintenance	15,630,111	20,554,399
Depreciation - Operating assets	29,891,346	27,743,236
Depreciation - Right of use assets	19,366,961	20,382,071
Amortization expense	2,475,030	2,402,844
Insurance	13,780,570	9,998,472
Others	177,886	106,210
	723,165,418	696,829,997

25 OTHER EXPENSES - OF

	Note	2024	2023
		-------- (Rupees) --------	
Employee benefit costs		90,761,349	46,929,237
Legal and professional charges		32,689,485	22,307,053
Auditors' remuneration		981,353	921,354
Registration, subscription and association		8,405,625	9,431,344
Donations	25.1	11,949,240	18,837,930
Communication		2,785,161	3,642,417
IT related cost		26,663,714	25,747,096
Utilities		2,329,034	1,482,918
Lease rentals		2,236,389	3,104,514
Others		5,733,014	6,025,153
		184,534,364	138,429,016

25.1 These include donations made by the Company to patient Aid Foundation amounting to RS. 10 million. None of the directors, sponsor shareholders, key management personnel and their spouses had any interest in the done, except for Mr Ali Jameel who is on Board of Governors of Patient Aid Foundation.

26 INVESTMENT AND OTHER INCOME - PTF

	Note	2024	2023
		-------- (Rupees) --------	
Dividend income		4,176,320	-
Return on savings account		32,090,490	25,805,342
Return on Term Deposits		88,486,813	55,118,372
		124,753,623	80,923,714
Net unrealized gains on investments			
Fair value through Profit or (Loss)			
Unrealized gain on mutual funds		26,670,981	17,882,799
		151,424,604	98,806,513

27 MODARIB'S SHARE OF INVESTMENT INCOME

The Operator manages the Participants' investments as a Modarib and charges 30% Modarib's share of investment income earned by PTF.

28 MINIMUM TAX DIFFERENTIAL

	Note	2024	2023
		-------- (Rupees) --------	
Minimum Tax Differential	28.1	2,973,546	4,956,190

28.1 This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

29 TAXATION - PTF

	2024	Restated 2023
	-------- (Rupees) --------	
For the year		
Current	10,748,315	7,132,456
Deferred	8,009,087	(172,339)
	18,757,402	6,960,118

29.1 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

	2024	Restated 2023
	-------- (Rupees) --------	
Income tax under IAS 12	10,748,315	7,132,456
Income tax levy under IFRIC 21/IAS 37	2,973,546	4,956,190
Current tax liability as per Income Tax Ordinance	13,721,860	12,088,646

29.2 Numerical reconciliation between the applicable tax rate and average effective tax rate is as follows:

	2024	Restated 2023
	-------- (Rupees) --------	
Applicable tax rate	29%	29%
Others	24%	21%
Average effective tax rate	53%	50%

29.3 The tax rate applicable on the Company for Tax Year 2024 is 29% (2023: 29%) subject to minimum tax @ 1.25% of turnover.

30 TRANSACTIONS WITH RELATED PARTIES - TPF

	2024	2023
	-------- (Rupees) --------	
TPL Insurance Limited - Conventional		
Opening balance - payable	2,983,070	1,437,683
Rental and other services charges	47,138,872	48,416,785
Payments made by PTF - net	(44,698,539)	(46,871,398)
Closing balance - payable	5,423,403	2,983,070
Operator's Fund		
Opening balance - payable (including Qard Hasana)	211,332,096	174,725,223
Wakala fee charged during the year	1,103,254,109	828,286,252
Modarib fee charged during the year	45,427,381	29,641,954
Taxes and other movement	25,145,457	144,528,110
Payments made during the year	(1,052,999,999)	(965,849,443)
Closing balance - payable	332,159,044	211,332,096

31 SEGMENT INFORMATION

31.1 Participants' Takaful Fund	For the year ended December 31, 2024					
	Fire and property damage	Marine	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Gross written contribution						
(inclusive of administrative surcharge)	148,687,301	70,156,973	2,074,464,164	187,768,231	43,717,120	2,524,793,789
Gross direct contribution	147,264,234	68,465,993	2,016,087,958	187,532,123	42,441,828	2,461,792,136
Facultative inward premium	637,377	-	2,849,461	-	-	3,486,838
Administrative surcharge	785,690	1,690,980	55,526,745	236,108	1,275,292	59,514,815
Gross wakala fees during the year	(67,341,415)	(32,500,677)	(964,048,584)	(18,989,320)	(20,374,115)	(1,103,254,110)
Takaful contribution earned net of wakala fee expense	63,614,063	33,887,601	990,682,945	168,888,573	15,528,835	1,272,602,019
Takaful contribution ceded to retakaful operators	(103,097,345)	(48,666,892)	(50,866,516)	-	(19,552,602)	(222,183,355)
Net takaful contribution	(39,483,282)	(14,779,290)	939,816,429	168,888,573	(4,023,766)	1,050,418,664
Net underwriting surplus / (deficit)	(39,483,282)	(14,779,290)	939,816,429	168,888,573	(4,023,766)	1,050,418,664
Takaful claims	(102,077,556)	(56,058,309)	(1,131,177,217)	(190,211,027)	(15,056,678)	(1,494,580,787)
Retakaful claims and other recoveries	95,320,374	50,969,393	322,052,931	2,389,415	4,377,034	475,109,147
Net claims	(6,757,182)	(5,088,916)	(809,124,286)	(187,821,612)	(10,679,644)	(1,019,471,640)
Contribution deficiency reserve	-	-	-	(5,674,679)	-	(5,674,679)
Other direct expenses	-	-	(51,864,717)	-	-	(51,864,717)
(Deficit) / surplus before investment income	(46,240,464)	(19,868,206)	78,827,426	(24,607,718)	(14,703,411)	(26,592,372)
Investment income						151,424,604
Less: Modarib's share of investment income						(45,427,381)
Finance costs						(7,355,674)
Surplus transferred to balance of PTF						72,049,176
Corporate segment assets	262,587,696	98,598,184	1,009,701,227	74,392,016	37,208,637	1,482,487,762
Corporate unallocated assets						848,222,150
Total assets						2,330,709,912
Corporate segment liabilities	184,512,412	65,648,530	1,395,550,771	132,250,039	39,903,133	1,817,864,885
Corporate unallocated liabilities						331,210,737
Total liabilities						2,149,075,622

31.2 Operator's Fund

	For the year ended December 31, 2024					
	Fire and property damage	Marine	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Wakala fee	52,768,566	29,189,419	861,701,122	18,941,940	13,796,506	976,397,552
Net commission expense	5,612,742	2,120,919	(272,545,499)	(14,451,838)	2,872,229	(276,391,447)
Management expenses	(4,753,481)	(5,155,951)	(644,583,850)	(65,175,446)	(3,496,691)	(723,165,418)
	53,627,827	26,154,387	(55,428,227)	(60,685,343)	13,172,044	(23,159,313)
Modarib's share of PTF investment income						45,427,381
Investment income						2,166
Other expenses						(184,534,364)
Loss before taxation						(162,264,130)
Corporate segment assets	12,191,483	1,605,654	147,293,112	7,515,343	4,906,484	173,512,076
Corporate unallocated assets						165,221,381
Total assets						338,733,457
Corporate segment liabilities	38,573,279	4,263,830	486,686,455	9,219,728	11,752,939	550,496,231
Corporate unallocated liabilities						837,361,486
Total liabilities						1,387,857,717

31 SEGMENT INFORMATION (CONTINUED)

31.3 Participants' Takaful Fund

	For the year ended December 31, 2023					
	Fire and property damage	Marine	Motor	Health	Miscellaneous	Aggregate
	(Rupees)					
Gross written contribution						
(inclusive of administrative surcharge)	102,877,737	17,103,240	1,605,693,725	175,673,871	16,583,263	1,917,931,836
Gross direct contribution	97,650,742	15,308,298	1,557,487,950	175,520,063	15,942,154	1,861,909,207
Facultative inward premium	4,545,618	1,341,345	1,683,034	-	-	7,569,997
Administrative surcharge	681,376	453,598	46,522,740	153,808	641,109	48,452,631
Gross wakala fees during the year	(46,669,739)	(7,945,937)	(748,149,682)	(17,705,815)	(7,815,078)	(828,286,251)
Takaful contribution earned net of wakala fee expense	57,428,055	8,806,686	848,133,484	137,089,535	3,830,797	1,055,288,557
Takaful contribution ceded to retakaful operators	(93,343,282)	(12,770,033)	(41,679,917)	-	(4,207,286)	(152,000,518)
Net takaful contribution	(35,915,227)	(3,963,347)	806,453,567	137,089,535	(376,489)	903,288,039
Takaful claims	(33,885,114)	(6,155,781)	(986,396,373)	(140,416,448)	(942,947)	(1,167,796,663)
Retakaful claims and other recoveries	30,340,294	4,982,636	258,676,008	618,829	496,676	295,114,443
Net claims	(3,544,820)	(1,173,145)	(727,720,365)	(139,797,619)	(446,271)	(872,682,220)
Contribution deficiency reserve	-	-	-	(5,360,906)	-	(5,360,906)
Other direct expenses	-	-	(70,409,060)	-	-	(70,409,060)
(Deficit) / surplus before investment income	(39,460,047)	(5,136,492)	8,324,142	(8,068,990)	(822,760)	(45,164,147)
Investment income						98,806,513
Less: Modarib's share of investment income						(29,641,954)
Surplus transferred to balance of PTF						24,000,412
Corporate segment assets	150,350,815	11,177,984	760,555,416	76,341,274	20,141,006	1,018,566,495
Corporate unallocated assets						681,049,531
Total assets						1,699,616,026
Corporate segment liabilities	107,892,135	9,224,383	1,126,646,900	121,826,138	17,335,827	1,382,925,383
Corporate unallocated liabilities						185,374,580
Total liabilities						1,568,299,963

	For the year ended December 31, 2023					
	Fire and property damage	Marine	Motor	Health	Miscellaneous	Aggregate
31.4 Operator's Fund	(Rupees)					
Wakala fee	47,588,923	7,621,407	741,781,393	15,370,430	3,394,335	815,756,488
Net commission expense	5,929,862	654,662	(222,834,371)	(9,909,515)	763,135	(225,396,227)
Management expenses	(4,330,979)	(1,357,152)	(636,209,497)	(54,574,231)	(1,119,630)	(697,591,489)
	49,187,805	6,918,916	(116,500,982)	(49,113,316)	3,037,840	(107,231,228)
Modarib's share of PTF investment income						29,641,954
Investment income						3,885,954
Other expenses						(138,579,283)
Loss before taxation						(212,282,603)
Corporate segment assets	8,381,171	349,670	119,935,832	6,766,619	2,304,225	137,737,517
Corporate unallocated assets						41,467,641
Total assets						179,205,158
Corporate segment liabilities	24,000,430	952,572	384,338,993	9,172,348	5,175,330	423,639,673
Corporate unallocated liabilities						643,337,373
Total liabilities						1,066,977,046

32 MOVEMENT IN INVESTMENTS

	At Amortized cost	At Fair value through other comprehensive income	At Fair value through profit and loss	Total
As at January 1, 2023	315,000,000	-	30,201,537	345,201,537
Additions	330,000,000	-	-	330,000,000
Disposals (sale and redemption)	(65,000,000)	-	-	(65,000,000)
Fair value net gains (excluding net realized gains)	-	-	17,882,799	17,882,799
As at December 31, 2023	580,000,000	-	48,084,336	628,084,336
Additions	332,592,463	-	-	332,592,463
Disposals (sale and redemption)	(150,000,000)	-	-	(150,000,000)
Fair value net gains (excluding net realized gains)	-	-	30,847,301	30,847,301
As at December 31, 2024	762,592,463	-	78,931,637	841,524,100

33 MANAGEMENT OF TAKAFUL AND FINANCIAL RISK

The Operator issue contracts that transfer takaful risk or financial risk or both. This section summarises the takaful risks and the way the Operator manages them.

33.1 Takaful risk management

33.1.1 Takaful risk

The risk under any takaful contract is the possibility that the insured event occurs and the uncertainty of the amount of compensation to the participant. Generally most takaful contracts carry the takaful risk for a period of one year.

The Operator's major takaful contracts are in respect of motor vehicles through issuance of general takaful contracts relating to motor takaful. For these contracts the most significant risks arise from theft, accidents and terrorist activities.

The Operator's risk exposure is mitigated by employing a comprehensive framework to identify, assess, manage and monitor risk. This framework includes implementation of underwriting strategies which aim to ensure that the underwritten risks are well diversified in terms of type and amount of the risk. Adequate retakaful is arranged to mitigate the effect of the potential loss to the PTF from individual to large or catastrophic insured events. Further, the Operator adopts strict claim review policies including active management and prompt pursuing of the claims and regular detailed review of claim handling procedures and frequent investigation of possible false claims to reduce the takaful risk.

33.1.2 Frequency and severity of claims

Risk associated with general takaful contracts includes the reasonable possibility of significant loss as well as the frequent occurrence of the covered events. This has been managed by having in place underwriting strategy, retakaful arrangements and proactive claim handling procedures.

The retakaful arrangements against major risk exposure include excess of loss, quota share, surplus arrangements and catastrophic coverage. The objective of having such arrangements is to mitigate adverse impacts of severe losses on PTF's net retentions.

33.1.3 Uncertainty in the estimation of future claim payments

Claims on motor takaful contracts are payable on a claim occurrence basis. The PTF is liable for all covered events that occur during the term of the takaful contracts respectively, including the event reported after the expiry of the takaful contract term.

An estimated amount of the claim is recorded immediately on the intimation to the Company. The estimation of the amount is based on management judgement or preliminary assessment by the independence surveyor appointed for the purpose. The initial estimates include expected settlement cost of the claims. Provision for IBNR claims is determined based on actuary advice and is estimated using Chain Ladder (CL) methodology. The Chain Ladder (CL) Method involves determination of development factors or link ratios for each period. These are then subsequently combined to determine Cumulative Development Factor (CDF) which represents the extent of future development of claims to reach their ultimate level.

There are several variable factors which affect the amount and timing of recognised claim liabilities. The Company takes all reasonable measures to mitigate the factors affecting the amount and timing of claim settlements. However, uncertainty prevails with estimated claim liabilities and it is likely that final settlement of these liabilities may be different from initial recognised amount. Outstanding claims are reviewed on a periodic basis.

33.1.4 Key assumptions

The process used to determine the assumptions for calculating the outstanding claim reserve is intended to result in neutral estimates of the most likely or expected income. The nature of the business makes it very difficult to predict with certainty the likely outcome of any particular claim and the ultimate cost of notified claims. Each notified claim is assessed on a separate case to case basis with due regard to the claim circumstances, information available from surveyors and historical evidence of the size of similar claims. Core estimates are reviewed regularly and are updated as and when new information is available.

The principal assumption underlying the liability estimation of IBNR and Contribution Deficiency Reserves is that the PTF's future claim development will follow similar historical pattern for occurrence and reporting. The management uses qualitative judgement to assess the extent to which past occurrence and reporting pattern will not apply in future. The judgement includes external factors e.g. treatment of one-off occurrence claims, changes in market factors, economic conditions, etc.

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Operator, in which case information about the claim event is available. IBNR provisions are initially estimated at a gross level and a separate calculation is carried out to estimate the size of the reinsurance recoveries. The estimation process takes into account the past claims reporting pattern and details of reinsurance programs.

The details of estimation of outstanding claims (including IBNR) are given under note 4.5.

33.1.5 Sensitivity analysis

The risks associated with the takaful contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Operator makes various assumptions and techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The Operator considers that the liability for claims recognised in the balance sheet is adequate. However, actual experience may differ from the expected outcome.

The claim liabilities are sensitive to the incidence of covered events and severity / size of claims. As the Operator enters into short term takaful contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below, showing the impact on profit before tax net of retakaful. The impact of 10 % increase / decrease in incidence of covered events on gross claim liabilities, underwriting results, net claim liabilities, profit before tax and shareholder's equity is as follows:

	PTF			
	Underwriting results / profit		Shareholder's equity	
	2024	2023	2024	2023
Average claim cost	---------- (Rupees) ----------		---------- (Rupees) ----------	
Fire and property damage	675,718	354,482	479,760	251,682
Marine	508,892	117,315	361,313	83,294
Motor business	80,912,429	72,772,037	57,447,825	51,668,146
Health	18,782,161	13,979,762	13,335,334	9,925,631
Miscellaneous	1,067,964	44,627	758,254	31,685
	101,947,164	87,268,223	72,382,486	61,960,438

33.1.6 Concentration of risk

To optimise benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risk with reference to the geographical location, the most important of which is risk survey.

Risk surveys are carried out on a regular basis for the evaluation of physical hazards associated with the insured property.

The adequate event limit is a multiple of the treaty capacity or the primary recovery from excess of loss treaty, which is very much in line with the risk management philosophy of the Operator.

Retakaful ceded does not relieve the Operator from its obligation towards participants and, as a result the Operator remains liable for the portion of outstanding claims retakaful to the extent that retakaful operator fails to meet the obligation under the retakaful agreements.

The Operator minimises its exposure to significant losses by obtaining retakaful from a number of retakaful, who are dispersed over several geographical regions.

The concentration of risk by type of contracts based on single risk with maximum exposure is summarised below:

	Gross sum insured		Reinsurance		Net	
	2024	2023	2024	2023	2024	2023
	(Rupees)					
Fire & property damage	8,708,439,851	6,430,156,356	8,673,439,851	6,400,156,356	35,000,000	30,000,000
Marine, aviation & transport	525,109,199	200,000,000	509,355,923	180,000,000	15,753,276	20,000,000
Motor business	92,500,070	100,000,000	32,500,070	75,000,000	60,000,000	25,000,000
Health	1,800,000	1,800,000	-	-	1,800,000	1,800,000
Miscellaneous	100,000,000	80,000,000	80,000,000	64,000,000	20,000,000	16,000,000
	9,427,849,120	6,811,956,356	9,295,295,844	6,719,156,356	132,553,276	92,800,000

34 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Operator has overall responsibility for the establishment and oversight of the Operator's risk management framework. The Operator has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Operator's risk management policies are established to identify and analyse the risks faced by the Operator, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Operator's activities.

34.1 Credit risk

Credit risk is the risk that arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Operator attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counterparties in various industries and by continually assessing the credit worthiness of counterparties.

34.1.1 Management of credit risk

The Operator's policy is to enter into financial contracts in accordance with the guidelines set by the Board of Directors. Credit risk is managed and controlled by the management of the Operator in the following manner:

- Credit rating and / or credit worthiness of the counter party is taken into account along with the financial background so as to minimize the risk of default. Collaterals are obtained wherever appropriate / relevant.

- The risk of counterparty exposure due to failed agreements causing a loss to the Operator is mitigated by a periodic review of the credit ratings, financial statements, credit worthiness, etc. on a regular basis and makes provision against those balances considered doubtful of recovery.

- Cash is held with reputable banks only.

To reduce the credit risk the management continuously reviews and monitors the credit exposure towards the policyholders and other insurers/reinsurers and makes provision against those balances considered doubtful of recovery.

34.1.2 Exposure to credit risk

In summary, compared to the amount included in statement of assets and liabilities, the maximum exposure to credit risk as at December 31, 2024 is as follows:

	OF		PTF	
	Balance as per the financial statement	Maximum exposure	Balance as per the financial statement	Maximum exposure
2024	---------------------- (Rupees)			----------------------
Term deposits	-	-	762,592,463	762,592,463
Takaful / retakaful receivable	-	-	426,289,508	426,289,508
Retakaful recoveries against outstanding claims	-	-	157,275,423	157,275,423
Salvage recoveries accrued	-	-	190,217,697	190,217,697
Bank balances	3,418,260	3,418,260	20,553,166	20,553,166
	3,418,260	3,418,260	1,556,928,257	1,556,928,257

	OF		PTF	
	Balance as per the financial statement	Maximum exposure	Balance as per the financial statement	Maximum exposure
2023	---------------------- (Rupees)			----------------------
Term deposits	-	-	580,000,000	580,000,000
Takaful / retakaful receivable	-	-	269,590,572	269,590,572
Retakaful recoveries against outstanding claims	-	-	92,520,854	92,520,854
Salvage recoveries accrued	-	-	134,701,528	134,701,528
Bank balances	3,037,811	3,037,811	32,887,405	32,887,405
	3,037,811	3,037,811	1,109,700,359	1,109,700,359

34.1.3 Past due / impaired assets

Age analysis of premium due but unpaid at the reporting date was:

	PTF 2024	PTF 2023
	-------- (Rupees) --------	
0-90 days	324,956,539	217,300,320
Over 90 days	160,990,619	52,290,253
Total	485,947,158	269,590,572

The above balance is considered good and is not impaired.

34.1.4 Credit Rating and Collateral

The credit quality of Operator's bank balances can be assessed with reference to external credit rating as follows:

Rating Long term	Rating Agency	OF 2024	OF 2023
		-------- (Rupees) --------	
AAA & A+	JCR-VIS	3,418,260	3,037,811
		3,418,260	3,037,811

Rating Long term	Rating Agency	PTF 2024	PTF 2023
		-------- (Rupees) --------	
AAA,AA,A+ & A-	JCR-VIS	213,156,387	255,438,320
AA+,AA & AA-	PACRA	377,529,706	177,518,610
BBB-	JCR-VIS	192,263,457	179,930,476
		782,949,550	612,790,339

The Operator enters into re-takaful / co-takaful arrangements with re-takaful / other takaful operators having sound credit ratings accorded by reputed credit rating agencies. The Operator is required to comply with the requirements of circular no. 32 / 2009 dated October 27, 2009 issued by SECP which requires an insurance company to place at least 80% of their outward treaty cessions with reinsurers rated 'A' or above by Standard and Poors with the balance being placed with entities rated at least 'BBB' by reputable ratings agency. An analysis of re-takaful assets relating to outward treaty cessions recognised by the rating of the entity from which it is relates is as follows:

	Rating	PTF 2024	PTF 2023
		-------- (Rupees) --------	
Prepaid re-takaful ceded	A or above (including PRCL)	98,783,539	66,053,049

34.1.5 Concentration of credit risk

Concentration of credit risk arises when a number of counterparties have a similar type of business activities. As a result, any change in economic, political or other conditions would effect their ability to meet contractual obligations in similar manner. The Operator manages concentration of credit risk through diversification of activities among individuals, groups and industry segments.

Sector-wise analysis of contribution due but unpaid at the reporting date was:

	PTF		PTF	
	2024		2023	
	(Rupees)	%	(Rupees)	%
Individuals	86,359,538	20%	19,989,361	2%
Corporate	339,929,970	80%	249,601,211	98%
	426,289,508	100%	269,590,572	100%

34.1.6 Settlement risk

The Operator's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed on sale.

This risk is addressed more or less in accordance with the parameters set out in the credit risk management above.

34.2 Liquidity risk

Liquidity risk is the risk that the Operator will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Operator could be required to pay its liabilities earlier than expected or may face difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

34.2.1 Management of liquidity risk

The Operator's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Operator's reputation. Due to nature of the business, the Operator maintains flexibility in funding by maintaining committed credit lines available. The Operator's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to fulfil its obligation; monitoring balance sheet liquidity ratios against internal and external requirements and maintaining debt financing plans.

34.2.2 Maturity analysis of assets and liabilities

The table below analyses the Operator's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to maturity date and represents the undiscounted cash flows. The amounts in the table are the gross nominal undiscounted cash flows (including profit payments).

	OF		
	2024		
	Carrying amount	Upto one year	More than one year
	---------------- (Rupees) ----------------		
ASSETS			
Receivable from Participants' Takaful Fund	158,259,044	158,259,044	-
Bank balances	3,418,260	3,418,260	-
Total assets	161,677,304	161,677,304	-
LIABILITIES			
Other creditors and accruals	42,127,242	42,127,242	-
Payable to TPL Insurance Limited	795,234,244	795,234,244	-
Total liabilities	837,361,486	837,361,486	-

	2023		
	Carrying amount	Upto one year	More than one year
	---------------- (Rupees) ----------------		
ASSETS			
Receivable from Participants' Takaful Fund	37,432,096	37,432,096	-
Bank balances	3,037,811	3,037,811	-
Total assets	40,469,907	40,469,907	-
LIABILITIES			
Other creditors and accruals	32,672,517	32,672,517	-
Payable to TPL Insurance Limited	609,753,097	609,753,097	-
Total liabilities	642,425,614	642,425,614	-

PTF

	2024		
	Carrying amount	Upto one year	More than one year
	---------------- (Rupees) ----------------		
ASSETS			
Investments			
Mutual funds	78,931,637	78,931,637	-
Term deposits	762,592,463	762,592,463	-
Accrued investment income	8,175,768	8,175,768	-
Prepayments	105,532,256	105,532,256	-
Bank balances	20,553,166	20,553,166	-
Total assets	975,785,290	975,785,290	-
LIABILITIES			
Other creditors and accruals	55,550,343	55,550,343	-
Payable to TPL Insurance Limited	5,423,403	5,423,403	-
Payable to Operator's Fund	158,259,044	158,259,044	-
Total liabilities	219,232,790	219,232,790	-

	2023		
	Carrying amount	Upto one year	More than one year
	---------------- (Rupees) ----------------		
ASSETS			
Investments			
Mutual Funds	48,084,336	48,084,336	-
Term deposits	580,000,000	580,000,000	-
Accrued investment income	16,675,712	16,675,712	-
Prepayments	73,127,099	73,127,099	-
Bank balances	32,887,405	32,887,405	-
Total assets	750,774,552	750,774,552	-
LIABILITIES			
Other creditors and accruals	58,846,994	58,846,994	-
Payable to TPL Insurance Limited	2,983,070	2,983,070	-
Payable to Operator's Fund	37,432,096	37,432,096	-
Total Liabilities	99,262,160	99,262,160	-

34.3 Market risk

Market risk is the risk that changes in market prices, such as profit rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will effect the Operator's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Operator is exposed to profit rate risk, currency risk and other price risk.

34.3.1 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market profit rates. profit rate exposure arises from balances held in profit and loss sharing accounts with reputable banks and government securities. The Operator limits profit rate risk by monitoring changes in profit rates. Other risk management procedures are the same as those mentioned in the credit risk management.

34.3.1.1 Sensitivity analysis

At the balance sheet date the profit rate profile of the Operator's profit-bearing financial instrument are as follows:

	OF			
	2024	2023	2024	2023
Financial assets	Effective interest rate (in %)		-------- (Rupees) --------	
Assets subject to variable rate				
- Bank balances	9.00% - 12.00%	9.00% - 18.50%	3,418,260	3,037,811

	PTF			
	2024	2023	2024	2023
Financial assets	Effective interest rate (in %)		-------- (Rupees) --------	
Assets subject to variable rate				
- Bank balances	9.50% - 15.00%	17.31% - 19.50%	762,592,463	580,000,000
Assets subject to variable rate				
- Bank balances	9.00% - 12.00%	9.00% - 18.50%	20,553,166	32,887,405

Fair value sensitivity analysis for fixed rate instruments

The Operator does not account for any fixed rate financial assets at fair value through profit and loss. Therefore, a change in profit rates at the reporting date would not affect profit and loss account and Fund of the Operator.

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 Operator determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Operator cannot readily determine the profit rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities.

The Operator is exposed to cash flow profit rate risk in respect of its balances with profit and loss sharing account with banks. A hypothetical change of 100 basis points in profit rates at the reporting date would have decreased / increased profit for the year by the amounts shown below.

It is assumed that the changes occur immediately and uniformly to each category of instrument containing profit rate risk. Variations in market profit rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	2024		2023	
	Profit and loss 100 bps		Profit and loss 100 bps	
	Increase	Decrease	Increase	Decrease
	--------- (Rupees) ---------		--------- (Rupees) ---------	
OF				
Cash flow sensitivity	34,183	(34,183)	30,378	(30,378)
PTF				
Cash flow sensitivity	7,831,456	(7,831,456)	6,128,874	(6,128,874)

34.3.1.2 Exposure to profit rate risk

A summary of the Operator's profit rate gap position, categorised by the earlier of contractual re-pricing or maturity date, is as follows:

OF

	2024				
	Mark-up / return (%)	less than 1 year	1 year to 5 years	More than 5 years	Total
		-------------------- (Rupees) --------------------			
Assets					
Bank deposits	9.00% - 12.00%	3,418,260	-	-	3,418,260
Total assets		3,418,260	-	-	3,418,260
Total profit sensitivity gap		3,418,260	-	-	3,418,260

OF

	2023				
	Mark-up / return (%)	less than 1 year	1 year to 5 years	More than 5 years	Total
		-------------------- (Rupees) --------------------			
Assets					
Bank deposits	9.00% - 18.50%	3,037,811	-	-	3,037,811
Total assets		3,037,811	-	-	3,037,811
Total profit sensitivity gap		3,037,811	-	-	3,037,811

PTF

	2024				
	Mark-up / return (%)	less than 1 year	1 year to 5 years	More than 5 years	Total
		-------------------- (Rupees) --------------------			
Assets					
Term deposits	9.50% - 15.00%	762,592,463	-	-	762,592,463
Bank deposits	9.00% - 12.00%	20,553,166	-	-	20,553,166
Total assets		783,145,629	-	-	783,145,629
Total profit sensitivity gap		783,145,629	-	-	783,145,629

PTF

	2023				
	Mark-up / return (%)	less than 1 year	1 year to 5 years	More than 5 years	Total
		-------------------- (Rupees) --------------------			
Assets					
Term deposits	17.31% - 19.50%	580,000,000	-	-	580,000,000
Bank deposits	9.00% - 18.50%	32,887,405	-	-	32,887,405
Total assets		612,887,405	-	-	612,887,405
Total profit sensitivity gap		612,887,405	-	-	612,887,405

34.3.2 Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from profit/mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. the Operator is not exposed to any price risk at the balance sheet date as it has no financial instrument that is linked to market price.

34.3.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Operator, at present is not materially exposed to currency risk as majority of the transactions are carried out in Pak Rupees.

34.4 Fund management

The Operator's objective when managing capital is to safe guard the Operator's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Operator manages its fund structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions.

		2024	2023
		-------- (Rupees) --------	
35	**STATEMENT OF SOLVENCY**		
	Equipment	30,645,763	24,986,767
	Investments		
	Mutual funds	78,931,637	48,084,336
	Term deposits	762,592,463	580,000,000
	Takaful / retakaful receivable	426,289,508	269,590,572
	Retakaful recoveries against outstanding claims	157,275,423	92,520,855
	Salvage recoveries accrued	190,217,697	134,701,528
	Loans and other receivables	8,175,768	16,675,712
	Deferred Wakala fee	550,496,231	423,639,673
	Deferred taxation	-	3,402,079
	Prepayments	105,532,256	73,127,099
	Cash and bank deposits	20,553,166	32,887,405
	Total Assets (A)	2,330,709,912	1,699,616,026
	Inadmissible Assets		
	Property and equipment	30,645,763	15,664,609
	Takaful / retakaful receivable	101,207,651	53,635,710
	Deferred taxation	-	3,402,079
	Total of In-admissible Assets (B)	131,853,414	72,702,398
	Total of Admissible Assets (C=A-B)	2,198,856,498	1,626,913,628
	Total Liabilities		
	Outstanding claims including IBNR	503,473,738	357,999,976
	Unearned premium reserves	1,258,017,364	982,223,145
	Unearned retakaful commission	25,803,134	16,726,058
	Premium deficiency reserve	11,035,585	5,360,906
	Premium received in advance	1,604,918	736,648
	Insurance / reinsurance payables	83,407,275	74,751,527
	Other creditors and accruals	55,550,343	58,846,994
	Qard-e-Hasna	173,900,000	173,900,000
	Payable to TPL Insurance Limited	5,423,403	2,983,070
	Payable to Operator's Fund	158,259,044	37,432,096
	Deferred taxation	4,607,008	-
	Taxation less provision for payment	41,893,810	31,239,542
	Total Liabilities including Qard-e-Hasna	2,322,975,622	1,742,199,963
	Net deficit as at December 31, 2024	(124,119,124)	(115,286,335)
	Deficit already financed by Qard-e-Hasna	173,900,000	173,900,000
		49,780,876	58,613,665

36 GENERAL

36.1 Figures have been rounded off to the nearest Rupee.

37 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorised for issue on February 25, 2025 by the Board of Directors of the Operator.

CHIEF FINANCIAL OFFICER	CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of TPL Insurance Limited (**"Company"**) will be held on April 30, 2025 at 11:45 a.m. at the PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To approve the minutes of the Annual General Meeting held on April 25, 2024.

   "RESOLVED THAT the minutes of the Annual General Meeting of TPL Insurance Limited held on April 25, 2024 at 11:30 am be and are hereby approved."

2. To receive, consider and adopt the Annual Audited Financial Statements of the Company together with the Directors', Auditors' and Chairman's Review Report thereon for the year ended December 31, 2024.

   "RESOLVED THAT the Annual Audited Financial Statements of TPL Insurance Limited, together with the Chairman's Review Report, Directors' and Auditors' Report thereon for the year ended 31 December 2024 be and are hereby approved."

3. To appoint Auditors for the year ending 31 December 2025, and fix their remuneration. M/s. BDO Ebrahim & Co., Chartered Accountants have retired. The Board of Directors, on the recommendation of the Audit Committee, proposes the appointment of M/s. Grant Thornton Anjum Rahman, Chartered Accountants, as the auditors of the Company for the year ending 31 December 2025.

   "RESOLVED THAT M/s. Grant Thornton Anjum Rahman, Chartered Accountants be and are hereby appointed as Auditors of TPL Insurance Limited on the basis of consent received from them, at a fee mutually agreed for the period ending 31 December, 2025."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize the Company for renewal of advance of Rs. 300 million to the associated company, TPL Trakker Limited.

   "RESOLVED THAT pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized for renewal of advance of Rs. 300 million to the associated company TPL Trakker Limited."

5. To consider and if thought fit, to pass with or without modification, ordinary resolution for revision of remuneration of non-executive directors, as determined by the Board of Directors of the Company, from PKR 100,000/- to PKR 150,000/- per board meeting.

   "RESOLVED THAT pursuant to Section 170 of the Companies Act, 2017 read along with Articles of Association of the Company, approval of the members be and is hereby accorded to the Board of Directors of the Company, for the revision of remuneration of non-executive directors of the Company from PKR 100,000/- to PKR 150,000/- per board meeting."

ANY OTHER BUSINESS

6. To transact any other business with the permission of the Chairman.

By Order of the Board

Shayan Mufti

Company Secretary **Karachi, April 09, 2025**

Notes:

1. **Registration to attend Annual General Meeting through Electronic Means:**

   a. In the light of relevant guidelines issued by the Securities and Exchange Commission of Pakistan (SECP) from time to time, including vide letter No. SMD/SE/2/(20)/2021/117 date December 15, 2021, members are encouraged to participate in the Annual General Meeting ("AGM") through electronic facility organized by the Company.

   b. To attend the AGM through electronic means, the Members are requested to register themselves by providing the following information through email at company.secretary@tplholdings.com at least forty-eight (48) hours before the AGM.

Name of Shareholder	CNIC/NTN No.	Folio No/ CDC A/c No	Cell Number	Email Address

   c. Members will be registered, after necessary verification as per the above requirement, and will be provided a video-link by the Company via email.

   d. The login facility will remain open from 11:30 a.m. till the end of AGM.

2. **Closure of Share Transfer Books:**

   The Share Transfer Book of the Company will remain closed from April 24, 2025 to April 30, 2025, (both days inclusive). Share Transfers received at THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500, Pakistan by the close of business hours (5:00 PM) on April 23, 2025, will be treated as being in time for the purpose of above entitlement to the transferees.

3. **Participation in the AGM:**

   All members, whose names appear in the register of members of the Company as on April 23, 2025, are entitled to attend (in person or by video link facility or through Proxy) the AGM and vote there at. A proxy duly appointed shall have such rights as respect to the speaking and voting at the AGM as are available to a member. Duly filled and signed Proxy Form must be received at the Registrar of the Company, THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500, Pakistan, not less than 48 hours before the AGM.

4. **For Attending the AGM:**
   In case of individual, the Account holder and/or Sub-account holder whose registration details are uploaded as per the CDC regulations, shall authenticate his/her identity by providing copy of his/her valid CNIC or passport along with other particulars (Name, Folio/CDS Account Number, Cell Phone Number) via email to aforementioned ID and in case of proxy must enclose copy of his/her CNIC or passport.

   In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be provided via email to aforementioned ID.

5. **Change of Address:**

   Members are requested to immediately notify the change, if any, in their registered address to the Share Registrar, THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500, Pakistan.

6. **Conversion of Physical Shares into the Book Entry Form:**

   The SECP through its letter No. CSD/ED/Misc/2016- 639-640 dated March 26, 2021 has advised listed companies to adhere to provisions of Section 72 of the Companies Act, 2017 by replacing physical shares issued by them into book entry form.

   The shareholders of the Company having physical folios / share certificates are requested to convert their shares from physical form into book-entry form as soon as possible. The shareholders may contact their Broker, CDC Participant or CDC Investor Account Service Provider for assistance in opening a CDS Account and subsequent conversion of the physical shares into book-entry form. It would facilitate the shareholders in many ways including safe custody of shares, avoidance of formalities required for the issuance of duplicate shares, etc. For further information and assistance, the shareholders may contact our Share Registrar, THK Associates (Private) Limited.

7. Video Conferencing Facility

The Company shall provide video conference facility to its members for attending the AGM at places other than the town in which the AGM is taking place, provided that if members, collectively holding 10% (ten percent) or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video conference at least 7 days prior to date of the AGM, the Company shall arrange video conference facility in that city, subject to availability of such facility in that city.

In this regard, please fill the enclosed form and submit the same to the registered address of the Company 7 days before holding of the AGM. The Company will, if such facility is available, intimate members regarding venue of video conference facility at least 5 days before the date of AGM along with complete information necessary to enable them to access such facility.

8. For Voting for Special Agenda Items:

a. Voting through Ballot Paper:

In accordance with regulation 8(2) of the Companies (Postal Ballot) Regulations, 2018, Members have the option to cast their votes using the enclosed ballot paper, a copy of which is also accessible on the Company's website. The duly filled in ballot paper should reach the chairman of the meeting through email at chairman@tplinsurance.com or through post to 20th Floor, Sky Tower-East Wing, Dolmen City, HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi, no later than one day prior to the AGM, during working hours.

b. Electronic Voting:

In accordance with Regulation 4(4) of the Companies (Postal Ballot) Regulations, 2018, Members also have the option to cast their votes through e-voting. To facilitate this, THK Associates (Private) Limited, the e-voting service provider, will send an email on April 23, 2025, to members containing the web address, login details, password, and other necessary information. The facility for e-voting shall open on April 23, 2025 and shall close at 1700 hours (Pakistan Standard Time) on April 29, 2025.

c. Appointment of Scrutinizer for Special Business Item No. 4

M/s. Junaidy Shoaib Asad, Chartered Accountants, having more than 10 years of experience, and represented by Partner Mr. Naveed Alam, Chartered Accountant, has been designated as Scrutinizer, as required under the Companies (Postal Ballot) Regulations, 2018, for the purpose of voting on special business item number 4, i.e. investment in associated companies under Section 199 of the Companies Act.

9. Intimation of No Gift Distribution

Members are hereby informed that no gifts will be distributed at the meeting.

10. Electronic Transmission of Annual Report 2024:

In pursuance of section 223(6) of the Companies Act, 2017 and S.R.O. 389 (I)/2023 dated March 21, 2023 of the Securities and Exchange Commission of Pakistan ("the SECP"), the Company has electronically transmitted the Annual Report 2024 through email to shareholders whose email addresses are available with the Company's Share Registrar, M/s. THK Associates (Private) Limited. However, in cases, where email addresses are not available with the Company's Share Registrar, printed copies of the notices of AGM along with the QR enabled code/weblink to download the Annual Report 2024 (containing the financial statements), have been dispatched.

Notwithstanding the above, the Company will provide hard copies of the Annual Report 2024, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request. Further, Members are requested to kindly provide their valid email address (along with a copy of valid CNIC) to the Company's Share Registrar, M/s. THK Associates (Private) Limited if the Member holds shares in physical form or, to the Member's respective Participant/Investor Account Services, if shares are held in book entry form.

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

Renewal of advance of amount up to Rs. 300 million to TPL Trakker Limited:

TPL Insurance Limited (the "Company") is desirous to renew advance made to TPL Trakker Limited which was initially approved by the members in April, 2019.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S.No.	Requirement	Information
i.	Name of the associated company or associated undertaking	TPL Trakker Limited
ii.	Basis of relationship	Associated Company
iii.	Earnings per share for the last three years of the Associated Company	Earnings per Share: 2025 (HY): Rs. 0.48 2024 0.72 2023 Rs. (0.23)
iv.	Break-up value per share, based on latest audited financial statements	Rs. 13.88 per share
v.	Financial position of the associated company	The extracts of the reviewed balance sheet and profit and loss account of the associated company as at and for the half year ended Dec 31, 2024 is as follows:

Balance Sheet	**Rupees**
Non-current assets	4,243,695,271
Other assets	1,918,064,952
Total Assets	6,161,760,223
Total Liabilities	3,564,918,838
Represented by:	
Paid up capital	1,872,630,930
Capital Reserve	202,650,046
Accumulated profits	226,541,738
Other components of equity	295,018,671
Equity	2,596,841,385
Profit and Loss - HY 2024	
Profit before interest and taxation	277,470,586
Financial charges	(200,443,310)
Profit before taxation	77,027,276
Taxation	12,536,250
Profit after taxation	86,563,526

<table>
<tr><th>S.No.</th><th>Requirement</th><th>Information</th></tr>
<tr><td>vi.</td><td>In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required:
a) a description of the project and its history since conceptualization;
b) starting date and expected date of completion;
c) time by which such project shall become commercially operational;
d) expected return on total capital employed in the project; and
e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;</td><td>N/A</td></tr>
<tr><td>vii.</td><td>Maximum amount of investment/advance to be made</td><td>PKR 300 million</td></tr>
<tr><td>viii.</td><td>Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;</td><td>To ensure continuity of supply of tracking units used in insured vehicles</td></tr>
<tr><td>ix.</td><td>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-
(I) justification for investment through borrowings;
(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and
(III) cost benefit analysis;</td><td>Available cash and bank balances.</td></tr>
<tr><td>x.</td><td>Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;</td><td>The advance is provided in accordance with the agreement made in the year 2017 between TPL Insurance Limited and TPL Trakker Limited to ensure continuity of supply of tracking units. The advance carries markup at the rate of KIBOR + 3.5% with a floor of 10% per annum.</td></tr>
<tr><td>xi.</td><td>Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/ undertaking or the transaction under consideration</td><td>The directors of the Company are solely interested to the extent of their directorships and shareholdings in the Company.

Following is the common director of TPL Insurance Limited and the Company:
<table><tr><th>Name of Director</th><th>Shareholding in TPLI</th><th>Shareholding in TPLT</th></tr><tr><td>Jameel Yusuf</td><td>837</td><td>1</td></tr></table></td></tr>
</table>

S.No.	Requirement	Information
xi.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	The advance was provided in the past and carried mark-up at KIBOR + 3.5% per annum. The Company did not recognize any impairment loss on this investment since inception. The investment ensures timely availability of tracking units to the Company enabling it to mitigate underwriting risks.
xiii.	Any other important details necessary for the members to understand the transaction;	N/A
xiv.	Category-wise amount of investment;	Advance against supply of tracking units upto Rs. 300 million
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	Current 1 year KIBOR is 12.43% per annum on 3rd January 2025
xvi	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	The advance carries markup at the rate of 1 year KIBOR + 3.5% with a floor of 10%
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	The advance is unsecured
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	Advance is not convertible
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	Advance is adjustable against the invoices for rental of tracking units and monitoring fee on a monthly basis.

Revision of remuneration of Non-Executive Directors from PKR 100,000/- to PKR 150,000/- per meeting.

The Board of Directors of the Company has approved and recommended to shareholders a revision in the Directors' remuneration for attending Board meetings. The recommended revision increases the remuneration from PKR 100,000 to PKR 150,000 per meeting (while the remuneration for committee meetings will remain unchanged at PKR 100,000 per meeting.) pursuant to Section 170 of the Companies Act, 2017.

Video Conferencing Facility Request Form for Annual General Meeting of TPL Insurance Limited

I/We ______________________ S/o / D/o / W/o ____________________ resident of (full address) ____ being a member(s) of TPL Insurance Limited ("the Company), holding ____________ ordinary shares, hereby opt for video conference facility at ____________ to attend the Annual General Meeting of the Company to be held on **Wednesday, 30 April, 2025** and/or adjournment thereof.

Folio No. / CDC Account No.

Signature on Revenue Stamp of Appropriate Value.

The signature should agree with the specimen registered with the Company.

POSTAL BALLOT PAPER

Postal Ballot Paper for a Special Business Item to be transacted at the Annual General Meeting ("AGM") of TPL Insurance Limited ("Company") to be held on Wednesday, April 30, 2025 at 11:45 A.M. at the PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi

This is in accordance with regulation 8(2) of the Companies (Postal Ballot) Regulations, 2018. Members have the option to cast their votes using the ballot paper, a copy of which is also accessible on the Company's website. The duly filled in ballot paper should reach the chairman of the meeting through email at chairman@tplinsurance.com or through post to 20 Floor, Sky Tower-East Wing, Dolmen City, HC-3, Block 4, Abdul Sattar Edhi Avenue, Clifton, Karachi, no later than one day prior to the Annual General Meeting (the "AGM"), during working hours.

Name of shareholder/joint shareholders	
Registered Address	
Number of shares held and folio number	
CNIC Number (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	

I/we hereby exercise my/our vote in respect of the following resolution through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below (delete as appropriate):

Sr. No.	Nature and Description of resolution	No. of ordinary shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	To consider and if thought fit, to pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize the Company for renewal of advance of Rs. 300 million to the associated company TPL Trakker Limited. **"RESOLVED THAT** pursuant to Section 199 of the Companies Act 2017, the Company be and is hereby authorized for renewal of advance of Rs. 300 million to the associated company TPL Trakker Limited."			
2.	To consider and if thought fit, to pass with or without modification, ordinary resolution for revision of remuneration of non-executive directors, as determined by the Board of Directors of the Company, from PKR 100,000/- to PKR 150,000/- per board meeting. **"RESOLVED THAT** pursuant to Section 170 of the Companies Act, 2017 read along with Articles of Association of the Company, approval of the			

Sr. No.	Nature and Description of resolution	No. of ordinary shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
	members be and is hereby accorded to the Board of Directors of the Company, for the revision of remuneration of non-executive directors of the Company from PKR 100,000/- to PKR 150,000/- per board meeting."			

Signature of shareholder(s)

Place:___________________

Date:___________________

NOTES:

1. Dully filled postal ballot should be sent to chairman at chairman@tplinsurance.com or through post to Mr. Jameel Yusuf Ahmed S.St, TPL Insurance Limited, 20 Floor, Sky Tower-East Wing, Dolmen City, HC-3, Block Abdul Sattar Edhi Avenue, Clifton, Karachi.
2. Copy of CNIC should be enclosed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or before April 29, 2025. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC.
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

FORM OF PROXY

Annual General Meeting of TPL Insurance Limited

I/We ______________________________ S/o / D/o / W/o ________________________

resident of (full address) ____

being a member(s) of **TPL Insurance Limited ("the Company"),** holding ______________

ordinary shares, hereby appoint ____

S/o / D/o / W/o ____ resident of

(full address) ____ or failing him / her

____________________________ S/o / D/o / W/o ____________________________

resident of (full address) ______________________________________ as my / our proxy

in my / our absence to attend and vote for me / us on my / our behalf at Annual General Meeting of the Company to be held on Wednesday, 30 April, 2025 and/or adjournment thereof.

As witness my / our hand (s) seal this on the ____________ day of ______________ 2025.

Signed by the said:

Folio No. / CDC Account No.

Signature on Revenue Stamp of Appropriate Value.

The signature should agree with the specimen registered with the Company

In presence of:

1. Signature: ______________________
   Name: ______________________
   Address: ______________________
   CNIC or Passport No: ______________________

2. Signature: ______________________
   Name: ______________________
   Address: ______________________
   CNIC or Passport No: ______________________

Important Instructions:

1. The Proxy form, duly completed and signed, must be received at the Registrar's Office of the Company not less than forty-eight (48) hours before the time of holding the meeting.

2. If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

3. In case of a proxy for an individual CDC shareholder, attested copies of CNIC or the passport, account and participant's ID number of the beneficial owner and along with the proxy is required to be furnished with the proxy form.

4. In case of a corporate entity, the Board of Directors' resolution / power of attorney with the specimen signature shall be submitted (unless it has been provided earlier) along with the proxy form of the Company.

پراکسی فارم

سالانہ اجلاس عام TPL انشورنس لمیٹڈ

میں/ہم ____________ ولد/دختر/زوجہ ____________

کا/کے (مکمل پتہ) ____________

بحیثیت رکن TPL انشورنس لمیٹڈ مالک، ____________ عام حصص، بذریعہ ہذا

____________ محترم/محترمہ ____________

پتہ (مکمل پتہ) ____________ یا اسکی غیر موجودگی

میں محترم/محترمہ ____________ پتہ (مکمل پتہ) ____________

____________ کمپنی میں عام شیئرز رکھتا ہے/رکھتی ہے/رکھتے ہے بطور میرا/ہمارے پراکسی مورخہ

30 اپریل 2025ء بروز بدھ کمپنی کے منعقد ہونے والے سالانہ اجلاس عام میں حق رائے وہی استعمال کرنے، تقریر اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا/ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں/کرتے ہیں۔

آج بروز ____________ بتاریخ ____________ 2025ء کو میرے/ہمارے دستخط سے گواہوں کی تصدیق سے جاری ہوا۔

گواہان

سی ڈی سی اکاؤنٹ نمبر

ریونیو مہر دستخط

(دستخط کا کمپنی کے پاس رجسٹرڈ شدہ دستخط کے نمونے کی طرح ہونا ضروری ہے۔)

۱۔ دستخط: ____________
نام: ____________
پتہ: ____________
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: ____________

۲۔ دستخط: ____________
نام: ____________
پتہ: ____________
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: ____________

اہم نوٹ

۱۔ پراکسی فارم، باقاعدہ مکمل اور دستخط شدہ، کمپنی کے رجسٹرار دفتر میں اجلاس منعقد ہونے سے کم از کم 48 (اڑتالیس) گھنٹے قبل لازماً وصول ہو جانے چاہیے۔

۲۔ اگر ایک رکن ایک سے زیادہ پراکسی مقرر کرتا ہے اور کمپنی کے ہاں ایک سے زیادہ پراکسی آلات جمع کراتا ہے تو پراکسی کے ایسے تمام آلات مسترد کر دیئے جائیں گے۔

۳۔ انفرادی سی ڈی سی شیئرز ہولڈرز کے پراکسی کی صورت میں بینیفیشل اونر معہ پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدق نقول، اکاؤنٹ اور پارٹیسپنٹ کا آئی ڈی نمبر پراکسی فارم (مختار نامہ) کے ہمراہ جمع کرانا ہونگی۔

۴۔ بصورت کارپوریٹ اینٹی، بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ معہ پراکسی ہولڈر کے نمونے دستخط پراکسی فارم (مختار نامہ) کے ہمراہ کمپنی میں جمع کرانا ہوگا (اگر پہلے مہیا نہیں کیا گیا)۔

بورڈ آف ڈائریکٹرز نے 2024 میں پانچ (05) اجلاس منعقد کیئے۔ ڈائریکٹرز کی حاضری نیچے دی گئی ہے:

نمبر شمار	نام ڈائریکٹر	تعداد حاضری
1	جناب جمیل یوسف احمد- (S.St)	5
2	جناب علی جمیل	5
3	مسٹر بینجمن برنک	4
4	رانا اسد امین	5
5	محترمہ عائلہ ماجد	5
6	محترمہ نائلہ قاسم	5
7	جناب عقیل ای مرچنٹ	5
8	جناب محمد امین الدین چیف ایگزیکٹو آفیسر	5

مستقبل کا نقطہ نظر

جیسے جیسے پاکستان معاشی استحکام اور مارکیٹ کی بحالی کی طرف گامزن ہے، TPL انشورنس توسیع، اختراع اور آپریشنل فضیلت پر توجہ مرکوز رکھے ہوئے ہے۔ کمپنی سیلز چینلز کو متنوع، بینکوں، ڈیلرشپ اور ڈیجیٹل پلیٹ فارمز کے ساتھ شراکت داری کو مضبوط بنا رہی ہے، اور غیر محفوظ منڈیوں میں انشورنس کی رسائی کو بڑھانے کے لیے مصنوعات کی رسائی کو وسعت دے رہی ہے۔

زراعت، پالتو جانوروں، گارنٹی، اور پریمیم کسٹمر انشورنس میں پورٹ فولیو کی توسیع TPL انشورنس کو مارکیٹ کی بڑھتی ہوئی ضروریات کو پورا کرنے میں مدد دے گی، جبکہ مائیکرو انشورنس سلوشنز مالی شمولیت کو آگے بڑھائیں گے۔ CRM سسٹمز، آٹومیشن، اور سروس ڈیلیوری کو ہموار کرنے اور کراس سیلنگ اور اپ سیلنگ کی حکمت عملیوں کے ذریعے گاہک کی مشغولیت کو بڑھانے کے لیے ملازمین کی مہارت میں سرمایہ کاری کے ساتھ آپریشنل کارکردگی ایک کلیدی توجہ بنی ہوئی ہے۔

جبکہ ٹیکنالوجی کی قیادت میں جدت طرازی بے پناہ مواقع پیش کرتی ہے، مارکیٹ کی محرکات، ریگولیٹری تبدیلیاں، اور آب وہوا سے متعلق خطرات صنعت کے منظر نامہ کو تشکیل دیتے ہیں۔ چست، ڈیٹا پر مبنی، اور گاہک پر مرکوز رہنے کے ذریعے، TPL انشورنس صنعت کی مشکلات کو نیویگیٹ کرنے، طویل مدتی ترقی کو برقرار رکھنے، اور آئندہ سالوں میں اپنی مارکیٹ کی قیادت کو مستحکم کرنے کے لیے اچھی پوزیشن میں ہے۔

اظہار تشکر

ہم کمپنی کے شیئر ہولڈرز کا کمپنی پر اعتماد کا شکریہ ادا کرتے ہیں۔ ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فیڈرل بورڈ آف ریونیو اور پاکستان اسٹاک ایکسچینج کی طرف سے فراہم کردہ قابل قدر حمایت اور رہنمائی کو بھی سراہتے ہیں۔ ہم اپنے کارپوریٹ مقاصد کے حصول میں ملازمین، اسٹریٹجک شراکت داروں، وینڈرز، سپلائرز اور صارفین کی مخلصانہ حمایت کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

محمد امین الدین
چیف ایگزیکٹو آفیسر

جمیل یوسف (ایس ایس ٹی)
چیئرمین

25 فروری 2025ء

لیے فریم ورک اور طریقہ کار کو بڑھانے کے لیے مسلسل کوشاں ہیں کہ ہراساں کیے جانے کی تمام رپورٹس کو خفیہ طریقے سے ہینڈل کیا جائے۔

نمونہ حصص داری

31 دسمبر 2024 کے مطابق کمپنی کی شیئر ہولڈنگ کے پیٹرن کا بیان مندرجہ ذیل ہے۔

شیئر ہولڈرز کیٹگری	ملکیتی حصص کی تعداد	فیصد شیئر ہولڈنگ
پیرنٹ کمپنی- TPL کارپ لمیٹڈ اور TPL ہولڈنگ	106,345,506	53.60%
غیر ملکی کمپنیاں	65,262,510	32.90%
ڈائریکٹرز اور سینئر مینجمنٹ آفیسر	2,855,274	1.44%
میوچل فنڈز	5,765,493	2.9%
عام پبلک (مقامی)	11,305,923	5.7%
عام پبلک (غیر ملکی)	787,126	0.4%
دیگرز	6,072,630	3.1%
کل	**198,394,462**	**100.00%**

کمپنی کے حصص میں تجارت

سال کے دوران بڑے شیئر ہولڈرز، ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری، ہیڈ آف انٹرنل آڈٹ، دیگر ملازمین اور ان کی شریک حیات اور نابالغ بچوں کی طرف سے کمپنی کے شیئرز میں کوئی تجارت نہیں ہوئی۔

بورڈ کے اجلاس

بورڈ آف ڈائریکٹرز 2 خاتون اور 5 مرد ڈائریکٹرز پر مشتمل ہے۔

کیٹگری	نام
آزاد ڈائریکٹر	جناب عقیل ای مرچنٹ
ایگزیکٹو ڈائریکٹر	جناب محمد امین الدین (چیف ایگزیکٹو آفیسر)
نان ایگزیکٹو ڈائریکٹر	جناب جمیل یوسف ایس ایس ٹی جناب محمد علی جمیل صاحب رانا اسد امین
نامزد ڈائریکٹر	مسٹر بینجمن برنک
خاتون آزاد ڈائریکٹر	محترمہ نائلہ قاسم
خاتون نامزد ڈائریکٹر	محترمہ عائلہ مجید

- کمپنی نے کارپوریٹ گورننس کے اصولوں کے مطابق کام کیا ہے اوران اصولوں سے کوئی مادی انحراف نہیں کیا ہے۔
- گزشتہ چھ سال کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا سالانہ رپورٹ ہذا میں منسلک ہے۔
- اس رپورٹ میں پچھلے سال کے آپریٹنگ نتائج سے نمایاں انحراف کی وضاحت کی گئی ہے۔
- ٹیکس، ڈیوٹی، لیویز اور واجب الادا چارجز کی مد میں قانونی ادائیگیاں کاروبار کے معمول کے مطابق ہیں۔
- بورڈ ڈائریکٹرز کے تربیتی پروگرام کے سلسلے میں مناسب طریقے سے تعمیل کر رہا ہے جیسا کہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی شق (i)(1)19 کے تحت حوالہ دیا گیا ہے۔
- 31 دسمبر 2024 تک پراویڈنٹ فنڈ کے غیر آڈٹ شدہ مالیاتی گوشواروں کی بنیاد پر پراویڈنٹ فنڈ کی سرمایہ کاری کی قیمت 115 ملین روپے (101.6:2023 ملین روپے) ہے۔

ڈائریکٹرز کا مشاہرہ

بورڈ آف ڈائریکٹرز نے کمپنیز ایکٹ، 2017 کے مطابق ڈائریکٹر کی اجرت کی رسمی پالیسی اور شفاف طریقہ کار تیار کیا ہے۔ ڈائریکٹرز کے مشاہرہ کی تفصیلات مالی گوشواروں کے نوٹس میں مذکورہ ہیں۔

بورڈ آف ڈائریکٹرز اور کمیٹی کی تشکیل کوڈ آف کارپوریٹ گورننس کی تعمیل کے بیان میں منکشف کی گئی ہے۔

انشورنس آرڈیننس 2000

انشورنس آرڈیننس 2000 اور اس کے تحت بنائے گئے قواعد کے تقاضہ کے مطابق، ڈائریکٹرز تصدیق کرتے ہیں کہ:

- ان کی رائے اور ان کے بہترین عقیدے کے مطابق، کمپنی کے سالانہ قانونی اکاؤنٹس انشورنس آرڈیننس 2000 اور ان کے تحت بنائے گئے انشورنس رولز کے ان کے تحت بنائے گئے انشورنس رولز کے مطابق تیار کیے گئے ہیں۔
- کمپنی نے سال میں ہمہ وقت اور گوشوارہ کی تاریخ تک آرڈیننس کی دفعات اور ادا شدہ سرمائے، سالوینسی اور ری بیمہ کے انتظامات سے متعلق یہاں بنائے گئے قواعد کی تعمیل کی ہے۔ یہ آرڈیننس کی دفعات اور یہاں بنائے گئے قواعد کی تعمیل کرتا رہتا ہے جیسا کہ اوپر ذکر کیا گیا ہے۔

ضابطہ اخلاق

کمپنی اس بات کو یقینی بناتی ہے کہ اس کی تمام سرگرمیاں صفر رواداری کے ساتھ کاروباری اخلاقیات کے ضابطہ اخلاق کی سختی سے پیروی کرتے ہوئے شفاف طریقے سے سرانجام دی جائیں۔

ماحولیاتی، سماجی اور گورننس

کمپنی کی ماحولیاتی، سماجی اور گورننس پالیسی ہے جو اس کی ذمہ داری کو واضح کرتی ہے اور پائیداری اور ذمہ دار گورننس کے لیے اسکی وابستگی کو ظاہر کرتی ہے۔ بورڈ کی رسک کمیٹی ان بنیادی اصولوں مؤثر نفاذ کو یقینی بنانے کے لیے فریم ورک کی تیاری کی ذمہ دار ہے۔

کمپنی کی ہراساں کرنے کے خلاف ایک جامع پالیسی ہے اور اس نے جنس سے قطع نظر تمام ملازمین کے لیے ایک محفوظ، باعزت اور جامع کام کے ماحول کو یقینی بنانے کے لیے اسے نافذ کیا ہے۔ بورڈ کی رسک کمیٹی اس کے نفاذ کی نگرانی اور پیدا ہونے والے کسی بھی متعلقہ مسئلے کو حل کرتی ہے۔ ہم اس بات کو یقینی بنانے کے

کارپوریٹ سماجی ذمہ داری

TPL میں، ہم صحت کی دیکھ بھال، تعلیم، صنفی مساوات، ماحولیاتی پائیداری، اور کمیونٹی کی بہبود پر توجہ مرکوز رکھنے والے اقدامات کے ذریعے معاشرے پر مثبت اثر ڈالنے کے لیے پُرعزم ہیں۔ ہم ایک ایسے مستقبل کو پروان چڑھانے میں یقین رکھتے ہیں جہاں افراد اور کمیونٹیز پروان چڑھیں، شمولیت، اخلاقی طریقوں اور پائیداری سے رہنمائی حاصل کریں۔

ہماری کوششوں میں ایسے پروگرام شامل ہیں جو خواتین کو صلاحیت سازی کے اقدامات اور رہنمائی کے مواقع کے ذریعے بااختیار بناتے ہیں، جو پیشہ ورانہ اور ذاتی طور پر ان کی مکمل صلاحیتوں کو اُجاگر کرنے میں ان کی مدد کرتے ہیں۔ ہم ان تنظیموں کی معاونت کرتے ہیں جو خواتین کو پیشہ ورانہ تربیت فراہم کرتی ہیں، جس سے وہ مالی خودمختاری حاصل کرسکیں۔ مزید برآں، ہم پسماندہ کمیونٹیز کے لیے بہتر مواقع کو یقینی بنانے کے لیے تعلیمی اداروں اور صحت کی دیکھ بھال کے پروگراموں کی حمایت کرتے ہیں۔

ہم ملازمین کی فلاح و بہبود پر بھی بہت زور دیتے ہیں، جامع صحت کی دیکھ بھال کی کوریج کو یقینی بنانا، مہارت کی ترقی کی ورکشاپس، اور ایسی سرگرمیاں جو کام اور زندگی کے توازن اور ذہنی تندرستی کو فروغ دیتی ہیں۔ ایک معاون ماحول بنا کر، ہم ملازمین کے مجموعی تجربے اور اطمینان کو بڑھانے کی کوشش کرتے ہیں۔

ماحولیاتی محاذ پر، TPL پائیدار ویسٹ مینجمنٹ، توانائی کے تحفظ کے اقدامات، اور گرین سپیسز کو فروغ دینے والے اقدامات کے ذریعے اپنے کاربن فٹ پرنٹ کو کم کرنے کے لیے کام جاری رکھے ہوئے ہے۔ یہ کوششیں ہمارے ماحولیاتی اور سماجی ایکشن پلان کے ساتھ منسلک ہیں، جو ذمہ دار کاروباری طریقوں کے لیے ہماری لگن کی عکاسی کرتی ہیں۔

2025 کو دیکھتے ہوئے، TPL کا مقصد بین الاقوامی بہترین طریقوں سے متاثر ہو کر اور اپنی مقامی شراکت کو مزید مضبوط بنا کر اپنے سماجی اثرات کو گہرا کرنا ہے۔ ان کوششوں کے ذریعے، ہم بامعنی تبدیلی کو آگے بڑھاتے ہیں اور سب کے لیے ایک پائیدار اور جامع مستقبل میں اپنا حصہ ڈالتے ہیں۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک کا بیان

بورڈ کوڈ آف کارپوریٹ گورننس کے مطابق سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی تجویز کردہ اپنی کارپوریٹ ذمہ داریوں سے پوری طرح آگاہ ہے اور اس بات کی بخوشی تصدیق کرتے ہیں:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکوئٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- کمپنیز ایکٹ 2017 کے تحت ضروریات کے مطابق کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ معیارات، بین الاقوامی مالیاتی رپورٹنگ کے معیارات اور دیگر ریگولیشنز (بشمول شریعہ اصولوں) کی پیروی کی گئی ہے اور کسی انحراف کی وضاحت اور انکشاف کیا گیا ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- کمپنی کے بنیادی اصول مضبوط ہیں اور کمپنی کے گوئنگ کنسرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔

بیلنس شیٹ

(روپے ملین میں)

2019	2020	2021	2022	2023	2024	
946.7	946.7	1,393.1	2,027	2,027	2,027	اداشدہ شیئر کیپٹل
(114.0)	(164.5)	(26.2)	(59.8)	459.8	481.1	مجموعی (نقصان)/ نفع
(29.7)	(7.3)	189.0	107.5	69.4	110.2	دیگر مجموعی آمدنی ذخائر
-	24.1	77.6	124.6	124.6	124.6	دیگر کیپٹل ذخائر۔
(48.9)	41.4	(67.5)	(54.7)	(42.6)	7.7	پارٹیسپنٹ تکافل فنڈ
754.1	**840.4**	**1,566**	**2,145.4**	**2,638.2**	**2,750.6**	**کل ایکویٹی**

2019	2020	2021	2022	2023	2024	
729.4	920.8	1,390.4	1,740.0	2,256	2,081.6	سرمایہ کاری
426.5	257.5	401.2	422.0	300.8	321.3	فکسڈ اثاثے
2.6	-	-	-	-	-	جاری سرمایہ کاری کا کام
702.4	913.4	1,046.4	1,569.4	1,996.5	2,472.1	کیش اور بینک ڈیپازٹس
1,105.2	1,409.5	1,987.1	2,241.0	2,755.4	3,064.0	دیگر اثاثے
2,966.1	**3,501.2**	**4,825.2**	**5,972.5**	**7,308.7**	**7,939.0**	**کل اثاثے**
1,505.1	1,970.8	2,393.3	2,795.6	3,075.8	3,636.4	انڈر رائٹنگ واجبات
706.9	690.0	929.9	1,031.5	1,594.7	1,552.0	دیگر واجبات
2,212.0	**2,660.8**	**3,259.2**	**3,827.1**	**4,670.5**	**5,188.4**	**کل واجبات**

آڈیٹرز

میسرز BDO ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس آئندہ سالانہ اجلاس عام میں ریٹائر ہو رہے ہیں۔ SECP کے تقاضہ کے مطابق ماتحت اداروں کے بیرونی آڈیٹرز کی پیرنٹ کمپنی کے آڈیٹرز کی تعیناتی کی شرط کے مطابق آڈٹ کمیٹی 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے میسرز گرانٹ تھورنٹن انجم رحمان چارٹرڈ اکاؤنٹنٹس کو کمپنی کے آڈیٹرز کے طور پر مقرر کرنے کی سفارش کرتی ہے۔

متعلقہ پارٹی لین دین

متعلقہ فریق کے لین دین کو بورڈ آف آڈٹ کمیٹی کے سامنے رکھا گیا تھا اور بورڈ کی طرف سے منظوری دی گئی، جو قابل رسائی بنیاد پر سرانجام دیا گیا تھا۔ یہ لین دین بین الاقوامی مالیاتی رپورٹس کے معیارات اور کمپنیز ایکٹ 2017 کے مطابق تھے۔

انسداد منی لانڈرنگ اور دہشت گردی کی مالی معاونت کا خاتمہ

کمپنی انسداد منی لانڈرنگ اور انسداد فنانسنگ آف ٹیررازم ریگولیشنز 2018 کی تعمیل کو یقینی بنانے کے لیے کام کر رہی ہے اور اس سلسلے میں کمپنی کے بورڈ آف ڈائریکٹرز نے AML/CFT پالیسی کی منظوری بھی دی ہے۔

سرمایہ کاری

31 دسمبر 2023 تک، کمپنی کی طرف سے کی گئی سرمایہ کاری (بشمول شراکت دار تکافل فنڈ کی طرف سے کی گئی سرمایہ کاری) 2,082 ملین روپے (2,256:2023 ملین روپے) ہے۔ یہ بنیادی طور پر 1,285 ملین روپے (1,346:2023 ملین روپے) کی رقم کے ٹرم ڈپازٹس میں سرمایہ کاری پر مشتمل ہے، سرکاری سیکیورٹیز میں سرمایہ کاری کی رقم 248 ملین روپے (2023: 241 ملین روپے)، کارپوریٹ ڈیٹ کے آلات میں سرمایہ کاری Nil روپے (250:2023 ملین روپے) اور اسٹاک اور میوچل فنڈز میں سرمایہ کاری کی رقم 549 ملین روپے (2023: 419 ملین روپے) ہے۔ ان سرمایہ کاریوں کی مجموعی مارکیٹ ویلیو 2,084 ملین روپے (2023: 2,243 ملین روپے) ہے۔

نقد اور بینک بیلنس

کمپنی کا نقد اور بینک بیلنس 2,472 ملین روپے (1,996:2023 ملین روپے) ہے۔ اس نقد اور بینک بیلنس میں شرکاء کا تکافل فنڈ شامل ہے جس کی مالیت 24 ملین روپے (36:2023 ملین روپے) ہے۔

منافع منقسمہ (ڈیویڈینڈ)

بورڈ آف ڈائریکٹرز نے کسی بھی تقسیم کی سفارش نہیں کی ہے (3:2023 روپے فی حصص کا نقد منافع بشرح 30 فیصد)۔

بیمہ کنندہ کی مالی طاقت (IFS) کی درجہ بندی

سال کے دوران، پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے مستحکم نقطہ نظر کے ساتھ کمپنی کی بیمہ کنندگان کی مالیاتی طاقت (IFS) کی درجہ بندی AA پر برقرار رکھی ہے۔

گزشتہ چھ سالوں کے لیے کلیدی مالیاتی اعداد و شمار

آمدنی کا بیان

(روپے ملین میں)

	2024	2023	2022	2021	2020	2019
مجموعی تحریری پریمیم	5,020	4,085	3,823.1	3,284.0	2,746.9	2,505.3
خالص پریمیم آمدنی	3,424	3,085	3,066.0	2,398.4	2,163.1	2,136.2
انڈر رائٹنگ اخراجات	(3,387)	(3,240)	(2,880.7)	(2,280.5)	(2,046.8)	(2,024.5)
انڈر رائٹنگ کے نتائج	**36.9**	**(154.8)***	**185.3**	**117.8**	**116.3**	**111.7**
سرمایہ کاری کی آمدنی اور دیگر آمدنی	467.7	531.5	146.7	110.8	204.1	152.1
دیگر اخراجات	(359.8)	(283.1)	(267.0)	(233.9)	(240.8)	(207.8)
انضمام پر سرپلس	-	1,079	-	-	-	-
سال کے لیے ٹیکس سے پہلے منافع/ (نقصان)	**144.6**	**1,172**	**65.1**	**(5.2)**	**79.6**	**56.0**
بعد از ٹیکس منافع/ (نقصان)	**71.6**	**1,127**	**18.3**	**(9.7)**	**39.8**	**30.5**
دیگر جامع آمدنی	40.6	(38.0)	(81.5)	196.4	22.4	(4.4)
کل جامع آمدنی	**112.2**	**1,089**	**63.2**	**186.6**	**62.2**	**26.1**

* یک بارگی مارکیٹنگ کے اخراجات شامل ہیں۔

کلیمز کا تجزیہ

سال 2024 میں کلیم کا تناسب ایک فیصد بڑھ کر 48 فیصد رہا۔ یہ بہتری موٹر پورٹ فولیو کی وجہ سے ہوئی ہے جہاں مؤثر کلیم مینجمنٹ کے نتیجے میں کلیم کا تناسب 45 فیصد سے لے کر 43 فیصد ہو گیا۔ ہیلتھ بزنس نے کلیمز کا تناسب 85 فیصد (2023:87 فیصد) درج کیا، جبکہ فائر اور میرین پورٹ فولیو نے بالترتیب 21 فیصد اور 45 فیصد (2023:9 فیصد اور 24 فیصد) کلیمز تناسب درج کرایا۔

کئے گئے سالانہ کلیمز	
سال	کمائے گئے پریمیم کا %
2018	43%
2019	44%
2020	45%
2021	46%
2022	48%
2023	49%
2024	**48%**

ری انشورنس

کمپنی کا ری انشورنس پارٹنرز کے ساتھ مضبوط تعلق برقرار ہے۔ کمپنی کے بلیو چپ AA ریٹڈ ری بیمہ کنندگان کے ساتھ معاہدے کے انتظامات ہیں۔ بڑھتے ہوئے پورٹ فولیوز کو مدنظر رکھتے ہوئے، کمپنی کاروبار کے تمام شعبوں میں معاہدے کی صلاحیتوں کو بڑھانے پر توجہ مرکوز کر رہی ہے۔ سال کے دوران، کمپنی نے تکافل موٹر کلاس کے لیے قدرتی آفات کا احاطہ 750 ملین روپے سے بڑھا کر 1 بلین روپے اور روایتی سیگمنٹ کے لیے 1.2 بلین روپے کر دیا۔ روایتی کلاس کی فائر قدرتی آفات کی صلاحیت کو بھی انجینئرنگ کلاس تک بڑھا دیا گیا۔ ہم نے تکافل کھاتوں میں اپنی پراپرٹی/انجینئرنگ اور سمندری صلاحیتوں میں بھی نمایاں اضافہ کیا۔ روایتی گنجائش 2.42 بلین روپے اور تکافل کے لئے 1.4 بلین روپے رہی۔

ونڈو تکافل آپریشنز

کمپنی کے ونڈو تکافل آپریشنز میں مسلسل اضافہ ہو رہا ہے اور اس نے 2,525 ملین روپے (2023: 1,918 ملین روپے) رقم کی تحریری شراکت کی، جو 32% کی سالانہ نمو ظاہر کر رہی ہے۔ آپریٹر فنڈ اور شریک تکافل فنڈ کے مجموعی اثاثوں کی رقم 2,669 ملین روپے (2023:1,879 ملین روپے) ہے۔ کمپنی موٹر تکافل مارکیٹ میں دوسری پوزیشن برقرار رکھے ہوئے ہے۔

سال کے دوران، پارٹیسپنٹ تکافل فنڈ نے 50 ملین روپے کا سرپلس (2023:12 ملین روپے) درج کرایا۔

مالی جائزہ

منافع اور نمو

کمپنی نے 145 ملین روپے (2023:1,172 ملین روپے) کا مجموعی قبل از ٹیکس منافع ریکارڈ کیا ہے۔ نتائج میں حصہ لینے والوں کے تکافل فنڈ سے قبل ٹیکس سرپلس شامل ہے جس کی رقم 72 ملین روپے (2023:24 ملین روپے کا سرپلس) ہے۔ شیئر ہولڈرز کے فنڈ سے منسوب منافع کی رقم 21 ملین روپے (2023: منافع 1,115 ملین روپے) تھی۔ ٹیکس سے پہلے اور بعد از ٹیکس بنیادی آمدنی فی شیئر بالترتیب 0.36 اور 0.11 روپے (2023: 5.91 روپے اور 5.61 روپے)۔

گزشتہ سال کے منافع میں نیو ہیمپشائر انشورنس کمپنی لمیٹڈ کی پاکستان برانچ کے حصول پر 1,079 ملین روپے کا سرپلس بھی شامل تھا۔

ڈائریکٹرز کا تجزیہ

TPL انشورنس لمیٹڈ (" کمپنی") کے بورڈ آف ڈائریکٹرز کی طرف سے میں 31 دسمبر 2024 کو ختم ہونے والے سال کے لئے کمپنی کی سالانہ رپورٹ پیش کرنے پر خوشی محسوس کر رہا ہوں۔

اقتصادی جائزہ

2024ء کے دوران پاکستان کی معیشت میں معتدل بہتری درج کی گئی جس کی عکاسی 2.38 فیصد جی ڈی پی نمو سے ہوتی ہے جبکہ گزشتہ سال یہ شرح 0.21 فیصد تھی۔ زراعت اقتصادی نمو کے ایک اہم محرک کے طور پر اُبھری، جس نے 6.25 فیصد کی نمو درج کی۔ صنعتی اور خدمات کے شعبوں میں بھی 1.21 فیصد نمو دیکھنے میں آئی۔ کرنٹ اکاؤنٹ خسارہ کنٹرول میں رہا جس کے نتیجے میں زرمبادلہ کے ذخائر میں بہتری آئی۔ مالیاتی شعبے نے استحکام کی جانب پیش رفت کی، جس کی استحکام کی کوششوں اور ابتدائی اصلاحات سے حوصلہ افزائی ہوئی۔ سال کے دوران ڈالر کے مقابلے میں روپیہ زیادہ تر مستحکم رہا۔ آٹو انڈسٹری نے 2024ء میں موٹر گاڑیوں کی فروخت 97,417 یونٹس درج کرائی جو گزشتہ سال کے 58,561 یونٹس کے مقابلے میں 66 فیصد زیادہ ہے۔

سال کے دوران اسٹاک مارکیٹ نے زبردست نمو درج کرائی ہے۔ سال کے دوران بنچ مارک انڈیکس 86 فیصد بڑھ کر 115,126 (62,451:2023) تک پہنچ گیا۔

کاروباری جائزہ

مجموعی تحریری پریمیم

SECP کی جانب سے کمپنی کو اجازت دی گئی ہے کہ وہ اپنے نتائج کو مربوط بنیادوں پر رپورٹ کرے یعنی روایتی اکاؤنٹس کو تکافل اکاؤنٹس کے ساتھ لائن بائی لائن کی بنیاد پر رپورٹ کیا جائے۔ یہ مجموعی طور پر کمپنی کی کارکردگی کی حقیقی عکاسی کرتی ہے جو سرمایہ کاروں کے نقطہ نظر سے بھی اخذ ہے۔

سال	مجموعی تحریری پریمیم (روپے ملین میں)	نمو %
2018	2,408.7	5%
2019	2,505.3	4%
2020	2,746.9	10%
2021	3,284.0	20%
2022	3,823.0	16%
2023	4,085.0	7%
2024	**5,020.0**	**23%**

سال کے دوران، 5 بلین روپے حد کو عبور کرتے ہوئے، کمپنی نے 5,020 ملین روپے کا کنسولیڈیٹڈ مجموعی تحریری پریمیم ("GWP") رپورٹ کیا جو 23% سالانہ کی شرح نمو درج کر رہا ہے۔ پریمیم میں کمپنی کے ونڈو تکافل آپریشنز کے ذریعے تحریری شراکت شامل ہے جو کہ 2,525 ملین روپے (1,918:2023 ملین روپے) بنتی ہے۔

کمپنی کا موٹر پورٹ فولیو 3,217 ملین روپے (2,738:2023 ملین) رہا، جو 17% سالانہ نمو کی عکاسی کرتا ہے۔ نان موٹر سیگمنٹ نے سال کے دوران اپنی نمو کا سفر جاری رکھا فائر پورٹ فولیو نے 849 ملین روپے (658:2023 ملین روپے) پر 29 فیصد نمو درج کی۔ میرین سیگمنٹ نے 168.1 ملین روپے پر 108 فیصد نمو درج کی ہے، جبکہ متفرق پورٹ فولیو نے 98% سالانہ کی نمو درج کی ہے۔

2024 میں، TPL انشورنس نے پورٹ فولیو میں تنوع، ڈیجیٹل تبدیلی، اور مارکیٹ کی توسیع کے ذریعے، مجموعی تحریری پریمیم (GWP) میں 5 بلین روپے کو عبور کر کے، ایک اہم سنگ میل حاصل کیا۔ موٹر انشورنس کے شعبے میں مشکلات کے باوجود، سائبر، پالتو جانور، اور گارنٹی انشورنس سمیت نئی پروڈکٹ کے متعارف کے ذریعے نمو مضبوط رہی، ساتھ ساتھ زراعت اور مویشی انشورنس پیشکشوں کو تقویت ملی۔

اعلیٰ درجہ کے CRM سسٹمز، آٹومیشن، اور AI سے چلنے والے تجزیات کے ذریعے آپریشنل کارکردگی کو بڑھایا گیا، سروس کی فراہمی اور کلیمز کی پروسیسنگ کو بہتر بنایا گیا۔ "جیو بیفکر" کی مارکیٹنگ مہم نے درجہ II کے شہروں میں بیمہ کی آگاہی کو بڑھایا، جس سے TPL انشورنس کے مالی شمولیت کے وژن کو تقویت ملی۔

جدت طرازی، کارکردگی اور پائیدار نمو کے عزم کے ساتھ، TPL انشورنس صارفین، شراکت داروں، اور اسٹیک ہولڈرز کے لیے قدر کو یقینی بناتے ہوئے، پاکستان کے insurtech ارتقا کی رہنمائی جاری رکھے ہوئے ہے۔

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